THE NEW INDIA ASSURANCE COMPANY LIMITED

Our Company was incorporated as 'The New India Assurance Company Limited' on July 23, 1919 at Mumbai, Maharashtra, India as a limited company under the Indian Companies Act, VII of 1913 with the Registrar of Companies, Maharashtra. Our Company obtained the certificate of commencement of business on October 14, 1919. Pursuant to the 1973 Scheme (defined hereinafter) which came into force on January 1, 1974, our Company was nationalized by the GoI. Our Company is registered with the Insurance Regulatory and Development Authority of India ("**IRDAI**") for carrying out the business of general insurance. For details, see "*History and Certain Corporate Matters*" on page 188.

Registered and Corporate Office: 87, M.G. Road, Fort, Mumbai 400 001, Maharashtra, India; **Tel**: +91 22 2270 8263; **Fax**: +91 22 2265 2811; **Website**: www.newindia.co.in;
Contact Person: Ms. Jayashree Nair, Company Secretary and Chief Compliance Officer; **E-mail**: investors@newindia.co.in; **Tel**: +91 22 2270 8100; **Fax**: +91 22 2270 8615;
Corporate Identity Number: U99999MH1919GOI000526

OUR PROMOTER: THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF FINANCE, GOVERNMENT OF INDIA

INITIAL PUBLIC OFFERING OF UP TO 120,000,000 EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF THE NEW INDIA ASSURANCE COMPANY LIMITED ("ISSUER" OR "COMPANY") FOR CASH AT A PRICE OF ₹ [●]* PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE"), AGGREGATING UP TO ₹ [●] MILLION CONSISTING OF A FRESH ISSUE OF UP TO 24,000,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 96,000,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION ("OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER") BY THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF FINANCE, GOVERNMENT OF INDIA (THE "SELLING SHAREHOLDER"). THE OFFER AND THE NET OFFER SHALL CONSTITUTE 14.56% AND [●]%, RESPECTIVELY OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

SUBJECT TO RECEIPT OF NECESSARY APPROVALS FROM THE GOVERNMENT OF INDIA ("GOI"), UP TO [●] EQUITY SHARES MAY BE RESERVED FOR ALLOCATION AND ALLOTMENT ON A PROPORTIONATE BASIS TO ELIGIBLE EMPLOYEES (DEFINED BELOW) THROUGH THE OFFER (THE "EMPLOYEE RESERVATION PORTION"). THE EMPLOYEE RESERVATION PORTION, IF ANY, SHALL NOT EXCEED 5% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, SUBJECT TO THE NET OFFER CONSTITUTING AT LEAST 10% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, OR INCREASE THE SIZE OF THE OFFER BY MORE THAN 20%. IF THE EMPLOYEE RESERVATION PORTION IS OFFERED, THE OFFER WILL COMPRISE THE NET OFFER (DEFINED BELOW) OF UP TO [●] EQUITY SHARES AND THE EMPLOYEE RESERVATION PORTION OF UP TO [●] EQUITY SHARES.

THE FACE VALUE OF EQUITY SHARES IS ₹ 5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, THE RETAIL DISCOUNT, THE EMPLOYEE DISCOUNT, AS APPLICABLE, AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BRLMS, AND ADVERTISED IN [●] EDITIONS OF [●], A ENGLIGH DAILY NEWSPAPER, [●] EDITIONS OF [●], A HINDI DAILY NEWSPAPER AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS"), AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") (TOGETHER, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

A discount of up to [●]% (equivalent to up to ₹ [●]) on the Offer Price may be offered to Retail Individual Investors ("Retail Discount**") and to Eligible Employees (defined below) Bidding in the Employee Reservation Portion (if any) ("**Employee Discount**"), subject to receipt of necessary approvals from the GoI.*

In case of any revision in the Price Band, the Bid/Offer Period will be extended for a minimum of three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Members and the Registered Brokers, and by intimation to Self Certified Syndicate Banks ("**SCSBs**"), Collecting Depository Participants ("**CDP**"), and Registrar and Share Transfer Agents ("**RTA**").

In terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), the Offer is being made for at least 10% of the post-Offer paid-up equity share capital of our Company. The Offer is through the Book Building Process, in reliance of Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available on a proportionate basis to Qualified Institutional Buyers ("**QIBs Portion**"). Such numbers of Offered Shares (defined below) representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid bids being received from them at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation, in accordance with the SEBI ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received from them at or above the Offer Price. Further, subject to receipt of necessary approvals from the GoI, up to [●] Equity Shares may be offered for allocation and Allotment on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, conditional upon valid Bids being received from them at or above the Offer Price.

All Bidders are required to mandatorily utilise the Applications Supported by Blocked Amount ("**ASBA**") process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). For details, see "*Offer Procedure*" on page 546.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares, there is no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 5 each. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Offer Price is [●] times of the face value. The Offer Price, as determined by our Company and the Selling Shareholder in consultation with the BRLMs, and as stated in the section "***Basis for Offer Price***" on page 114 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the section "*Risk Factors*" on page 20 carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "***Risk Factors***" on page 20.

ISSUER'S AND THE SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company and the Selling Shareholder, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company, the Selling Shareholder and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 641.

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE OFFER
					[●]
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC Plot No. 27 "G" Block Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000; **Fax:** +91 22 6713 2447 **E-mail:** nia.ipo@kotak.com **Investor grievance email:** kmccredressal@kotak.com **Website:** www.investmentbank.kotak.com **Contact Person:** Mr. Ganesh Rane **SEBI Registration No.:** INM000008704	**Axis Capital Limited*** Axis House, 1st Floor C-2 Wadia International Center P. B. Marg, Worli Mumbai 400 025 Maharashtra, India **Tel:** + 91 22 4325 2183 **Fax:** +91 22 4325 3000 **E-mail:** nia.ipo@axiscap.in **Investor Grievance E-mail:** complaints@axiscap.in **Website:** www.axiscapital.co.in **Contact Person:** Mr. Ankit Bhatia **SEBI Registration No.:** INM000012029	**IDFC Bank Limited** Naman Chambers C-32, G Block Bandra Kurla Complex Bandra (East) Mumbai – 400 051 Maharashtra, India **Tel**: +91 22 6622 2600 **Fax**: +91 22 6622 2501 **E-mail**: NIA.IPO@idfcbank.com **Investor Grievance E-mail**: mb.ig@idfcbank.com **Website**: www.idfcbank.com **Contact Person**: Mr. Mangesh Ghogle **SEBI Registration No**.: MB/INM000012250	**Nomura Financial Advisory and Securities (India) Private Limited** Ceejay House, Level 11 Plot F, Shivsagar Estate, Worli Mumbai 400 018 Maharashtra, India **Tel**: +91 22 4037 4037 **Fax**: +91 22 4037 4111 **E-mail:** newindiaipo@nomura.com **Investor grievance E-mail:** investorgrievances-in@nomura.com **Website:** www.nomuraholdings.com/company/group/asia/india/index.html **Contact Person:** Mr. Sumit Sukhramani / Ms. Aneesha Chandra **SEBI Registration No.:** INM000011419	**YES Securities (India) Limited** IFC, Tower 1 & 2 Unit no. 602 A, 6th Floor, Senapati Bapat Marg Elphinstone Road Mumbai 400 013 Maharashtra, India **Tel.**: +91 22 7100 9829 **Fax**: +91 22 2421 4508 **E-mail**: dlnia.ipo@yessecuritiesltd.in **Investor grievance E-mail**: igc@yessecuritiesltd.in **Website**: www.yesinvest.in **Contact Person**: Mr. Mukesh Garg **SEBI Registration No**.: MB/INM000012227	**[●]** **Tel: [●]** **Fax: [●]** **E-mail: [●]** **Investor grievance E-mail: [●]** **Website: [●]** **Contact Person: [●]** **SEBI Registration No.: [●]**

	BID/OFFER PROGRAMME
BID/OFFER OPENS ON	**[●]**
BID/OFFER CLOSES ON	**[●][(1)]**

** In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Axis Capital Limited will be involved only in marketing of the Offer.*

(1) Our Company and the Selling Shareholder, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs, one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise implies or requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to any statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, clarifications, modifications and replacements notified thereto as of the date of this Draft Red Herring Prospectus. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

General Terms

Term	Description
"Company", "our Company" or "Issuer"	The New India Assurance Company Limited, a company incorporated under the Indian Companies Act, 1913 and having its registered office at 87, M.G. Road, Fort, Mumbai 400 001, Maharashtra, India
we/us/our	Unless the context otherwise indicates or implies, our Company, its Associates, its Joint Venture, and its Subsidiaries, on a consolidated basis

Company and Selling Shareholder Related Terms

Term	Description
1973 Scheme	The New India Assurance Company Limited (Merger) Scheme dated December 31, 1973, notified by the GoI, pursuant to which Anand Insurance Company Limited, Bhabha Marine Insurance Company Limited, Commonwealth Assurance Company Limited, Howrah Insurance Company Limited, Indian Merchants Marine Insurance Company Limited, Jalanath Insurance Limited, Kalyan Marine Insurance Limited, Liberty Company Insurance Limited, Mother India Fire & General Insurance Company Limited, Motor Owners' Insurance Company Limited, Narahari Marine Insurance Company Limited, Naranji Bhanabhai and Company Limited, New Merchants' Insurance Company Limited, New Premier Insurance Company Limited, Northern India General Insurance Company Limited, Porbandar Insurance Company Limited, Prachi Insurance Company Limited, Shree Mahasagar Vima Company Limited, South India Insurance Company Limited and Vanguard Insurance Company Limited, merged with our Company
Appointed Actuary	The appointed actuary of our Company appointed by our Board, in terms of the Appointed Actuary Regulations
Articles/Articles of Association	The articles of association of our Company, as amended, from time to time
Associate(s)	The associate companies of our Company in terms of Section 2(6) of the Companies Act, namely, India International Insurance Pte Ltd., Singapore and Health Insurance TPA of India Limited
Audit Committee	The audit committee of our Company formed by our Board as described in the section "*Our Management*" on page 197
Board/Board of Directors	The board of directors of our Company including a duly constituted committee thereof
CMD	Chairman cum Managing Director
CSR Committee	The corporate social responsibility committee of our Company as described in the section "*Our Management*" on page 197
Company Secretary and Chief Compliance Officer	The company secretary and chief compliance officer of our Company named in the section "*General Information*" on page 93
Director(s)	Director(s) on the Board, as appointed from time to time
Equity Shares	Equity shares of our Company of face value of ₹ 5 each
Government Nominee Director(s)	Director(s) on the Board, nominated and appointed by the President of India, acting through the MoF
Group Companies	Companies as defined under Schedule VIII of the SEBI ICDR Regulations, being India International Insurance Pte Ltd., Singapore and Health Insurance TPA of India Limited
Independent Director	A non-executive, independent Director as defined under Section 2(47) of the Companies Act
Investment Committee	The investment committee of our Company as described in the section "*Our Management*" on

Term	Description
	page 197
IPO Committee	The committee constituted by our Board, for the Offer, as described in the section "*Our Management*" on page 197
Joint Auditors/Joint Statutory Auditors	R. Devendra Kumar & Associates, A. Bafna & Co., and NBS & CO.
Joint Venture	Health Insurance TPA of India Limited
JV Agreement	A joint venture cum shareholders' agreement between National Insurance Company Limited, The Oriental Insurance Company Limited, United India Insurance Company Limited, General Insurance Corporation of India and our Company dated April 15, 2013
JV Parties	The parties to the JV Agreement being, National Insurance Company Limited, The Oriental Insurance Company Limited, United India Insurance Company Limited, General Insurance Corporation of India, and our Company
KMP / Key Management Personnel	Key management personnel of our Company either in terms of the Companies Act or the SEBI ICDR Regulations, as disclosed in the section "*Our Management*" on page 197
Materiality Policy	Policy on Group Companies, material creditors and material legal proceedings adopted by the Board pursuant to its resolution dated August 4, 2017
Memorandum / Memorandum of Association/ MoA	The memorandum of association of our Company, as amended, from time to time
Nationalisation Act	The General Insurance Business (Nationalisation) Act, 1972 (as amended by The General Insurance Business (Nationalisation) Amendment Act, 2002)
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board as described in the section "*Our Management*" on page 197
Policyholder Protection Committee	The policyholder protection committee of our Board as described in the section "*Our Management*" on page 197
Promoter	The President of India, acting through the MoF
Registered Office/ Corporate Office	The registered and corporate office of our Company located at 87, M.G. Road, Fort, Mumbai 400 001, Maharashtra, India
Registrar of Companies / RoC	Registrar of Companies, Maharashtra, at Mumbai
Restated Consolidated Financial Statements	The restated consolidated financial information of our Company, our Subsidiaries, and our Associates, which comprises the restated consolidated balance sheet, the restated consolidated profit and loss information and the restated consolidated cash flow information as at and for financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, together with the annexures and notes thereto, which have been prepared from the audited consolidated financial statements in accordance with the Companies Act, the Indian GAAP and restated in accordance with the SEBI ICDR Regulations, IRDAI Financial Statements Regulations, and the IRDAI Capital Regulations
Restated Financial Statements	Collectively, the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements
Restated Standalone Financial Statements	The restated standalone financial information of our Company which comprises the restated standalone balance sheet, the restated standalone profit and loss information and the restated standalone cash flow information as at and for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, together with the annexures and notes thereto, which have been prepared from the audited standalone financial statements in accordance with the Companies Act, the Indian GAAP and restated in accordance with the SEBI ICDR Regulations, IRDAI Financial Statements Regulations, and the IRDAI Capital Regulations
Risk Management Committee	The risk management committee of our Board as described in the section "*Our Management*" on page 197
Selling Shareholder	The President of India, acting through the MoF
Shareholders	The holders of the Equity Shares from time to time
Specified Day	January 1, 1974
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board as described in the section "*Our Management*" on page 197
Subsidiary / Subsidiaries	Subsidiaries of our Company as identified under the provisions of the Companies Act and more particularly as set out in the section "*Our Subsidiaries*" on page 219

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Concerned Designated Intermediary to a Bidder, which is as proof of registration of the Bid cum Application Form from such Bidder
Allot / Allotment / Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholder pursuant to the Offer for Sale to successful Bidders, pursuant to this Offer
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount specified in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	All Bidders
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to make Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders, under the Offer and which is described in "*Offer Procedure – Allotment Procedure and Basis of Allotment*" on page 587
Bid(s)	An indication to make an offer during the Bid/Offer Period by a Bidder pursuant to submission of the ASBA Form, to purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "Bidding" shall be construed accordingly
Bid Amount	In relation to each Bid shall mean the highest value of the Bid indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, less the Retail Discount and the Employee Discount, as the case may be, upon submission of the Bid in the Offer
Bid/Offer Closing Date	The date after which the Designated Intermediaries will not accept any Bids, which shall also be notified in [●] editions of [●], an English national newspaper, in [●] editions of [●], a Hindi national newspaper, and in [●] editions of [●], a Marathi newspaper (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/ Offer Closing Date in consonance with the SEBI ICDR Regulations Our Company and the Selling Shareholder, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid/Offer Opening Date	The date on which the Designated Intermediaries, shall start accepting Bids, which shall also be notified in [●] editions of [●], an English national newspaper, in [●] editions of [●], a Hindi national newspaper, and in [●] editions of [●], a Marathi newspaper (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/ Offer Opening Date in consonance with the SEBI ICDR Regulations
Bid/Offer Period	The period from and including the Bid/Offer Opening Date to and including the Bid/Offer Closing Date, during which Bidders can submit their Bids, including any changes thereto, which comprises Working Days only
Bid cum Application Form	The ASBA Form
Bid Lot	[●] Equity Shares
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers,

Term	Description
	Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as prescribed in Part A, Schedule XI of the SEBI ICDR Regulations
BRLMs / Book Running Lead Managers / Managers	The book running lead managers, being Kotak Mahindra Capital Company Limited, Axis Capital Limited, IDFC Bank Limited, Nomura Financial Advisory and Securities (India) Private Limited and YES Securities (India) Limited
Broker Centre	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker and details of which are available on the websites of the Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm
Cap Price	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price will not be finalised and above which no Bids will be accepted
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collecting Depository Participant / CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
CRISIL Report	The report titled "*Analysis of General Insurance Industry – The New India Assurance Company Limited*" dated July 27, 2017, prepared and issued by CRISIL Limited
Cut off Price	The Offer Price, as finalised by our Company and the Selling Shareholder in consultation with the BRLMs, which could be any price within the Price Band Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs and Non-Institutional Investors are not entitled to Bid at the Cut off Price
Demographic Details	Details of the Bidders such as their respective addresses, occupation, PAN, name of the Bidder's father/ husband, investor status, MICR Code and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms and the details of which are available on the websites of the Stock Exchanges
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC
Designated Intermediaries	Collectively, the members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, the CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1470395458137.html, updated from time to time, or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This draft red herring prospectus dated August 8, 2017, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the Offer Price at which the Equity Shares will be Allotted and the size of the Offer
Eligible Employee	A permanent and full-time employee of our Company (excluding such employee not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of registration of the Red Herring Prospectus with the RoC, who are Indian nationals and are based, working and present in India and continue to be on the rolls of our Company as on the date of submission of their ASBA Form and Bidding in the Employee Reservation Portion (if any), and also as on the date of Allotment. Directors, Key Management Personnel and other employees of our Company involved in the Offer Price fixation process cannot participate in the Offer (as per Model Conduct, Discipline and Appeal Rules of CPSEs and Office memorandum of DPE dated June 16, 2009 and July 28, 2009) and will not constitute eligible employees for the purposes of

Term	Description
	this Offer An employee of our Company who is recruited against a regular vacancy but is on probation as on the date of submission of the ASBA Form will also be deemed a "permanent employee" of our Company
Eligible FPI(s)	FPI(s) from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Employee Discount	Discount of [●]% (equivalent of ₹ [●]) to the Offer Price which may be given to Eligible Employees bidding in the Employee Reservation Portion
Employee Reservation Portion	Portion of the Offer being [●] Equity Shares aggregating up to ₹ [●] million available for allocation to Eligible Employees, on a proportionate basis, not exceeding [●]% of our post-Offer paid-up Equity Share capital Subject to receipt of necessary approvals from the GoI, up to [●] Equity Shares may be reserved for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion. If necessary approvals from the GoI are not received prior to the filing of the Red Herring Prospectus with the RoC, there shall be no Employee Reservation Portion in the Offer and the Net Offer shall mean the Offer. The Employee Reservation Portion, if any, shall not exceed 5% of the post-Offer capital of our Company, subject to the Net Offer constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company, or increase the size of the Offer by more than 20%
Escrow Agent/ Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely [●]
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The issue of up to 24,000,000 Equity Shares aggregating up to ₹ [●] million by our Company offered for subscription pursuant to the Red Herring Prospectus
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in "*Offer Procedure*" on page 546
IDFC	IDFC Bank Limited
Kotak	Kotak Mahindra Capital Company Limited
Maximum RII Allottees	Maximum number of Retail Individual Investors who can be Allotted the minimum Bid Lot and is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
Mutual Fund Portion	5% of the QIB Portion available for allocation to Mutual Funds only, on a proportionate basis
Net Offer	The Offer less the Employee Reservation Portion, if any
Net Proceeds	Proceeds of the Offer that will be available to our Company, which shall be the gross proceeds of the Offer less the proceeds of the Offer for Sale and the expenses related to the Offer, if any For further information about use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 112
Nomura	Nomura Financial Advisory and Securities (India) Private Limited
Non-Institutional Investors/ NII(s)	All Bidders, including Category III FPIs registered with SEBI, that are not QIBs or Retail Individual Investors who have Bid for Equity Shares for an amount of more than ₹ 200,000, (but excluding NRIs other than Eligible NRIs and Eligible Employees Bidding in the Employee Reservation Portion (if any))
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer available for allocation to Non-Institutional Investors on a proportionate basis, subject to valid Bids being received at or

Term	Description
	above the Offer Price
Offer	Initial public offering of up to 120,000,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million consisting of a fresh issue of up to 24,000,000 Equity Shares aggregating up to ₹ [●] million and an Offer for Sale of up to 96,000,000 Equity Shares by the Selling Shareholder aggregating up to ₹ [●] million, consisting of the Offer for Sale, pursuant to the Red Herring Prospectus. If the Employee Reservation Portion is offered, the Offer will comprise of the Net Offer and the Employee Reservation Portion
Offer Agreement	The agreement entered into on August 8, 2017 amongst our Company, the Selling Shareholder and the BRLMs, pursuant to Regulation 5(5) of the SEBI ICDR Regulations, in relation to the Offer
Offer for Sale	The offer for sale of up to 96,000,000 Equity Shares aggregating up to ₹ [●] million, by the Selling Shareholder, pursuant to the terms of the Red Herring Prospectus
Offer Price	The final price (net of Retail Discount and Employee Discount, if applicable) within the Price Band at which Offered Shares will be Allotted to successful Bidders in terms of the Red Herring Prospectus and as decided by our Company and the Selling Shareholder, in consultation with the BRLMs on the Pricing Date and advertised in [●] editions of [●], an English national newspaper, in [●] editions of [●], a Hindi national newspaper, and in [●] editions of [●], a Marathi newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation at least five Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchanges for the purpose of uploading on their website
Offer Proceeds	The proceeds of the Offer based on the total number of Offered Shares Allotted under this Offer and the Offer Price
Offered Shares	Equity Shares offered through the Offer for Sale
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholder in consultation with the BRLMs and will be advertised in [●] editions of [●], an English national newspaper, in [●] editions of [●], a Hindi national newspaper, and in [●] editions of [●], a Marathi newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company and the Selling Shareholder, in consultation with the BRLMs, shall finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	A bank account opened in accordance with the provisions of the Companies Act, with the Public Offer Bank to receive money from the ASBA Accounts on the Designated Date
Public Offer Account Agreement	The agreement to be entered into amongst our Company, the Registrar to the Offer, the BRLMs, the Selling Shareholder, the Public Offer Bank, and the Refund Bank for transfer of funds from Public Offer Account and where applicable, refunds of the amounts collected, on the terms and conditions thereof
Public Offer Bank(s)	The bank(s) with whom the Public Offer Account for collection of Bid Amounts from ASBA Accounts will be opened, in this case being [●]
Qualified Institutional Buyers / QIBs / QIB Bidders	A qualified institutional buyer, as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
QIB Portion	The portion of the Net Offer being not more than 50% of the Net Offer which shall be allocated to QIBs
Red Herring Prospectus / RHP	The red herring prospectus that will be issued in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations, which will not have complete particulars, including the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto

Term	Description
	The red herring prospectus will be registered with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The account opened with the Refund Bank to which refunds, if any, of the whole or part of the Bid Amount, shall be transferred from the Public Offer Account and will be credited to the ASBA Accounts of the Bidders
Refund Bank	The banks which are clearing members registered with SEBI with whom the Refund Account will be opened and in this case being [●] and [●]
Registered Broker	Stock brokers registered with the stock exchanges having nationwide terminals other than the Syndicate, and eligible to procure Bids from ASBA Bidders in terms of circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar Agreement	The agreement dated [●] entered into between our Company, the Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar / Registrar to the Offer	[●]
Retail Discount	A discount of up to [●]% (equivalent of up to ₹ [●]) on the Offer Price, which may be offered to Retail Individual Investors, subject to receipt of necessary approvals from the GoI
Retail Portion	The portion of the Net Offer being not less than 35% of the Net Offer available for allocation to Retail Individual Investor(s) in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Retail Individual Investors/ RII(s)	Individual Bidders (including HUFs applying through their *karta* and Eligible NRIs) who have not submitted a Bid for Equity Shares for a Bid Amount of more than ₹ 200,000 in any of the Bidding options in the Net Offer
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Forms or any previous Revision Form(s) QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion (if any) can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI, which offer the facility of ASBA, a list of which is available on the website of the SEBI at (www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agreement	The agreement dated [●] entered into amongst our Company, the Selling Shareholder and the Escrow Agent for deposit of the Offered Shares in escrow
Specified Locations / Specified Cities	Bidding centres where the Syndicate shall accept ASBA Forms from ASBA Bidders, a list of which is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Stock Exchanges	The BSE and the NSE
Syndicate / members of the Syndicate	The BRLMs and the Syndicate Members
Sub Syndicate	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect Bid cum Application Forms
Syndicate Agreement	The agreement dated [●] entered into between the BRLMs, the Syndicate Members, our Company, the Selling Shareholder and Registrar to the Offer in relation to the collection of Bid cum Application Forms by Syndicate Members
Syndicate Members	Intermediaries, registered with SEBI who are permitted to carry out activities as an underwriter, being, [●] and [●]
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into amongst the Underwriters, our Company and the Selling Shareholder on or after the Pricing Date
Wilful Defaulter	A company or a person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and

Term	Description
	includes any company whose director or promoter is categorised as such
Working Day	All days other than second and fourth Saturdays of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, shall mean all days, except Saturday, Sunday and public holidays on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016
YES	YES Securities (India) Limited

Conventional or general terms and abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered with SEBI under the AIF Regulations
AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Anti Money Laundering Guidelines	Anti-Money Laundering/ Counter Financing Terrorism Guidelines for General Insurers
AS / Accounting Standards	Accounting standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment year
Appointed Actuary Regulations	Insurance Regulatory and Development Authority of India (Appointed Actuary) Regulations, 2017
Appointment Rules	Companies (Appointment and Qualification of Directors) Rules, 2014
Banking Regulation Act	The Banking Regulation Act, 1949
BSE	The BSE Limited
CAG	Comptroller and Auditor General of India
CAGR	Compounded Annual Growth Rate which is computed as CAGR = (ending value/starting value) $^{(1/\text{number of years})}$ -1
Calendar Year / year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category III Foreign Portfolio Investors / Category III FPIs	FPIs who are registered as "Category III foreign portfolio investors" under the FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CFO	Chief Financial Officer
Companies Act	Companies Act, 2013 and the rules thereunder, to the extent notified, and/or the Companies Act, 1956 and the rules thereunder, to the extent not repealed, as the context may require
Companies Act, 1956	Companies Act, 1956 and the rules and clarifications thereunder, to the extent not repealed
Companies Act, 2013	Companies Act, 2013 and the rules and clarifications thereunder, to the extent notified
CSR	Corporate social responsibility
Depositories Act	Depositories Act, 1996
Depository	NSDL and CDSL
DFS	Department of Financial Services, Ministry of Finance, GoI
DIN	Director Identification Number
DIPAM	Department of Investment and Public Asset Management, Ministry of Finance, Government of India
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, GoI
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's identity number
EGM	Extraordinary general meeting
EPS	Earnings per share (as calculated in accordance with AS-20)
FCNR	Foreign Currency Non-Resident
FDI	Foreign direct investment

Term	Description
FDI Policy	The DIPP, issued the consolidated FDI Policy by way of circular number D/o IPP F. No. 5(1)/2016-FC-1 dated June 7, 2016
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
Financial Year / Fiscal / FY / F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Foreign Investment Rules	Indian Insurance Companies (Foreign Investment) Rules, 2015
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GIR Number	General index registration number
GoI / Central Government	Government of India
HUF	Hindu undivided family
HITIL	Health Insurance TPA of India Limited
IAI	The Institute of Actuaries of India
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IND AS	Indian Accounting Standards
Insurance Act	Collectively, the Insurance Act, 1938 and the Insurance and Regulatory Development Authority of India Act, 1999
Insurance Act, 1938	Insurance Act, 1938
Insurance and Regulatory Development Authority of India Act, 1999	Insurance and Regulatory Development Authority of India Act, 1999, as amended by the Insurance Laws (Amendment Act), 2015
INR	Indian National Rupees
I.T. Act	The Income Tax Act, 1961
Indian GAAP	Accounting principles generally accepted in India
Indian Insurance Company	An Indian insurance company as defined under section 2(7A) of the Insurance Act
Investor	An “investor” as defined under regulation 2(f) of the Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015
Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
IPR	Intellectual Property Rights
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Act	The Insurance Regulatory and Development Authority of India Act, 1999
IRDAI Assets, Liabilities and Solvency Margin of Insurers Regulations	Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000
IRDAI Corporate Governance Guidelines	Guidelines for corporate governance issued by the IRDAI by way of circular no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016
IRDAI Corporate Agents Regulations	Insurance Regulatory and Development Authority (Registration of Corporate Agents) Regulations, 2015
IRDAI Financial Statements Regulations	IRDAI (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002
IRDAI Health Insurance Regulations	Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2013
IRDAI Insurance Advertisements and Disclosure Regulations	Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure Regulations), 2000

Term	Description
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
IRDAI Capital Regulations	Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015
IRDAI O & C Guidelines	Guidelines on "Indian Owned and Controlled" issued by the IRDAI by way of circular no. IRDA/F&A/GDL/GLD/180/10/2015 dated October 19, 2015
IRDAI Outsourcing Guidelines	"Guidelines on Outsourcing of Activities by Insurance Companies" issued by the IRDAI dated February 1, 2011
IRDAI Places of Business Regulations	Insurance Regulatory and Development Authority of India (Places of Business) Regulations, 2015
IRDAI Policyholders' Regulations	Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017
IRDAI Product Filing Guidelines	"Guidelines on Product Filing Procedures for General Insurance Products" issued by the IRDAI dated April 1, 2016
IRDAI Registration Regulations	Insurance Regulatory and Development Authority of India (Registration of Indian Insurance Companies) Regulations, 2000
IRDAI Registration of Corporate Agents Regulations	Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015
IRDAI Transfer Regulations	Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015
IST	Indian Standard Time
Listed Indian Insurance Companies Guidelines	Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016
Meetings of Board Rules	Companies (Meetings of Board and its Powers) Rules, 2014
MICR	Magnetic ink character recognition
Mn / mn	Million
MoF	Ministry of Finance, Government of India
Mutual Funds	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A.	Not applicable
NAV	Net asset value per share being Net Worth at the end of period / year excluding preference share capital and cumulative preference dividend divided by total number of equity shares outstanding at the end of the period/year
NEFT	National electronic fund transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NIACSLL	The New India Assurance Company (Sierra Leone) Limited
NIACTTL	The New India Assurance Company (Trinidad & Tobago) Limited
Non-Executive Director	A non-executive, non-independent Director as per the Companies Act and the Listing Regulations
Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian
NRE	Non-Resident External
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI / Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016, or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO	Non-Resident Ordinary
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the

Term	Description
	Offer
OIRSS Regulations	Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015
Ombudsman Rules	The Insurance Ombudsman Rules, 2017
p.a.	Per annum
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit After Tax
PBT	Profit Before Tax
PAP	Prestige Assurance Plc
PSUs	Public Sector Undertakings (government-owned corporations)
QFI	Qualified foreign investor, as defined under the FPI Regulations
R&D	Research and development
RBI	Reserve Bank of India
RONW	Return on net worth
Rs. / Rupees / ₹	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003
Securities Act	U.S. Securities Act of 1933
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
UIN	Unique Identification Number
US/USA	United States of America
USD or $ or US $	United States Dollar
US GAAP	Generally accepted accounting principles in the US
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with SEBI under the VCF Regulations
VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Whole-time Director(s)	Director on the Board who is a full time employee of our Company
y-o-y	Year on year

Unless the context otherwise requires, the words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "*Outstanding Litigation and Material Developments*", "*Main Provisions of our Articles of Association*", "*Statement of Tax Benefits*" and "*Financial Statements*" on pages 501, 600, 117 and 227, respectively, shall have the meanings given to such terms in these respective sections.

Technical/ Industry related terms/ abbreviations

Term	Description
Acquisition Cost	Costs that vary with, and are primarily related to, the acquisition of new and renewal of insurance contracts. These include, amongst others, commissions and policy issue expenses

Term	Description
Adjusted combined ratio	Adjusted combined ratio is calculated as combined ratio less the ratio of policyholder share of investment income to net written premium
Agent	An individual agent of an insurance company who receives or agrees to receive payment by way of commission or other remuneration in consideration of his soliciting or procuring insurance business related to the issuance, continuance, renewal or revival of insurance policies
All risk insurance policy	A type of insurance policy that covers a broad range of risks, including risks that are not explicitly excluded in the policy contract
AUM	Assets under management
Available solvency margin	Available solvency margin means the excess of value of assets of an insurance company over the value of its liabilities, with certain further prescribed adjustments by the IRDAI
Broker	A licensed person/firm who arranges insurance contracts with insurance companies and/ or reinsurance companies on behalf of his clients for remuneration
Claim adjustment expenses	Expenses incurred relating to settlement of claims
Claim settlement ratio	Claims settled during the year divided by sum of outstanding claims at the beginning of the year and claims reported during the course of the year
Claims repudiation ratio	Claims repudiated during the year divided by sum of outstanding claims at the beginning of the year and claims reported during the course of the year
Combined ratio	The combined ratio is the sum of the loss ratio, expense ratio and commission ratio
Commission ratio	The ratio of net commission to net written premium
Corporate agent	Any entity, as prescribed by the IRDAI, that holds a valid certificate of registration for solicitation and servicing any of life, general and health insurance business
CRM	Claims risk management
ERM	Enterprise risk management
Excess of loss reinsurance (also known as non-proportional reinsurance)	A type of reinsurance transaction pursuant to which the reinsurer, subject to a specified limit, indemnifies the ceding insurer against the amount of loss in excess of a specified retention amount
Expense ratio	Ratio of operating expenses related to insurance business to the net written premium
Facultative reinsurance	Reinsurance transacted and negotiated on an individual risk basis. The ceding insurer has the option to offer the individual risk to the reinsurer and the reinsurer retains the right to accept or reject the risk
Grievance disposal ratio	Number of grievances disposed during a particular year divided by the sum of number of complaints pending at the beginning of such year and the number of complaints received during the course of the year, represented as a percentage
Gross direct premium	Gross direct premium is the total premium received before taking into account reinsurance accepted and ceded
Gross Written Premium / GWP	Gross written premium is the sum of gross direct premium and the inward reinsurance business accepted
Incurred but not enough reported (IBNER)	IBNER is a reserve reflecting expected changes (increases and decreases) in estimates for reported claims only
Incurred but not reported / IBNR	IBNR is a reserve to provide for claims incurred before the valuation date but are still to be reported to the insurer by such date. IBNR provisions include any IBNER provisions
Incurred claim ratio / Loss ratio	Ratio of net incurred claims to net earned premium. The term is also known as loss ratio
Indian Motor Third Party Insurance Pool / IMTPIP	The IMTPIP was a multilateral arrangement for insurance set up by the IRDAI in respect of third-party claims against commercial vehicles, the losses or gains from which were shared by all Indian non-life insurance companies in proportion to their overall market share. The IMTPIP was effective from April 1, 2007 to March 31, 2012
Indian Motor Third-Party Declined Risk Pool / IMTPDRP	The IMTPDRP was an arrangement for insurance, set up by the IRDAI, in respect of standalone third-party insurance for commercial vehicles that insurers "declined" to keep on their books. The losses or gains from such pool were shared by Indian non-life insurance companies that failed to meet a certain quota of third-party insurance policies underwritten. The IMTPDRP was effective from April 1, 2012 to March 31, 2016
Insurance leverage	Ratio of policyholder liabilities to company's networth including fair value change account
Insurance risk	Inherent uncertainty as to the occurrence, amount and timing of insurance liabilities
Insurance underwriting	The process by which an insurance company examines risk and determines whether the insurer will accept the risk or not, classifies those accepted and determines the appropriate rate for

Term	Description
	coverage provided
Intermediary	Entities like insurance brokers, re-insurance brokers, insurance consultants, individual/corporate agents, third-party administrators, surveyors, loss assessors and any other entities as may be specified by the IRDAI for undertaking insurance related activities
Investment leverage	Investment leverage is the ratio of total investment assets (net of borrowings) to net worth
Kharif	Kharif refers to the season which lasts from April to October and the crops that are cultivated and harvested in such season
Loss adjustment expense / LAE	Loss adjustment expenses are payments for costs to be incurred in connection with the administration of claims including, for example: payments made to surveyors, investigators, *etc*.
Loss Reserves	Loss reserves are the reserves (or provision) for outstanding claims, IBNR and IBNER
Motor Accident Claims Tribunal	Motor third party claims referred to the motor accident claims tribunal. The tribunal deals with claims relating to loss of life and injury cases and property damage of third party resulting from motor accidents
Motor Third-Party Liabilities	Claims related to compensation of motor accident victims or their nearest kin for death/bodily injury
Net earned premiums / NEP	Net written premium adjusted by the change in unexpired risk reserve for a year
Net incurred claims	Claim incurred (net) are gross incurred claims less all claims recovered from reinsurers related to those gross incurred claims
Net Outstanding Claim Reserves	Reserve created for unpaid claims after adjusting for amount recoverable from reinsurers
Net worth	Net worth represents the shareholders' funds and is computed as sum of share capital, reserves and surplus, net of miscellaneous expenditure and debit balance in the profit and loss account
Net written premium / NWP	Gross written premium less premium on reinsurance ceded
Non-life insurance density	The ratio of overall gross direct premium in the non-life insurance industry to the population of a country
Non-life insurance penetration	Overall gross domestic premium in the non-life insurance industry as a percentage of gross domestic product of a country
Obligatory cession	The portion of risk that Indian non-life insurance companies are required by law to cede to Indian general insurance company as per relevant IRDAI reinsurance regulations
Operating expense ratio	Ratio of operating expenses to net written premium
Pradhan Mantri Fasal Bima Yojana / PMFBY	A Government of India programme under which the central and state governments subsidise the purchase of yield-based crop insurance for farmers. The PMFBY was launched in April 2016 and covers food crops, oilseeds and commercial and horticultural crops
Premium ceded	Premium on reinsurance ceded is the premium in relation to the risk that we cede to our reinsurers
Premium deficiency reserve	Reserve created when the expected claims and claim related expenses on unexpired risks exceeds the unearned premium reserve
Premium To Surplus Ratio	Ratio of net written premium to net worth
Proportional reinsurance	A type of reinsurance transaction pursuant to which the reinsurer and the ceding insurer share a defined percentage of the premiums and liabilities of certain underlying insurance. The reinsurer also typically pays the ceding reinsurer a commission
Rabi	Rabi refers to the season which typically lasts from mid-November to April/May and the crops that are cultivated and harvested in such season
Rashtriya Swasthya Bima Yojana / RSBY	A Government of India programme under which the central and state governments provide health insurance to low income households certain defined categories of unorganised workers
Reinsurance	Reinsurance is a transaction whereby one company, the reinsurer, agrees to indemnify another insurance company, the reinsured against all or part of the loss that the latter sustains under a policy or policies that it has issued, in return for a premium
Required Solvency Margin	The RSM is arrived at higher of: • RSM 1 (based on premiums) or • RSM 2 (based on incurred claims) RSM 1 is arrived at higher of 20% of gross premiums multiplied by a factor specified for each class of business or net premiums RSM 2 is arrived at higher of 30% of gross incurred claims multiplied by a factor specified for

Term	Description
	each class of business or net incurred claims
Reserve Risk	The risk that the reserves set up to meet the unpaid obligations are less than the payment needed
Restructured Weather Based Crop Insurance Scheme (RWBCIS)	Weather Based Crop Insurance Scheme is an index based insurance cover which aims to mitigate the hardship of the insured farmers against the likelihood of financial loss by providing protection against variation in specified weather indices such as rainfall, humidity, temperature, *etc*. or a combination of these factors
Retained risk	The amount of liability for which an insurance company will remain responsible after accounting for its reinsurance arrangements
Retention limit	The maximum amount of risk retained by an insurer, beyond which the insurer cedes the risk to reinsurers
Rider	The add-on benefits which are in addition to the benefits under a basic policy
Salvage	Value recoverable from sale of scrap/recovered material arising from claim
Solvency ratio (Solvency)	The ratio of available solvency margin to the required solvency margin
Surveyor	An independent professional appointed by an insurer which seeks to determine the extent of its liability with respect to a claim that is submitted
Technical reserves	Technical reserves comprise of reserves for unexpired risk and outstanding claims including IBNR and IBNER
Third Party Claim Hubs	Specialized offices set by our Company to handle the motor third party claims
Third-Party loss / TP loss	A loss suffered by a person(s) other than the insured or insurer who has incurred losses or is entitled to receive payment due to acts or omissions of the insured
Third-Party Motor Insurance	Liability insurance purchased by an insured (the first party) from an insurer (the second party) for protection against the claims of another (the third) party
Treaty	A reinsurance contract in which a reinsurance company agrees to accept all of a particular type of risk from the ceding insurance company. Reinsurers in a treaty contract are obliged to accept all risks outlined in the contract
Underwriting risk	Risk of premium being inadequate to cover claims and claim related expenses, commission and operating expenses
Unearned premium reserve	Amount representing that part of the premium written which is attributable to, and is to be allocated to the succeeding accounting periods
Unexpired risk reserve / URR	Sum of unearned premium reserve and premium deficiency reserve

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India. All references to the "U.S." are to the United States of America. All references to "Trinidad & Tobago" are to the Republic of Trinidad & Tobago. All references to "Sierra Leone" are to the Republic of Sierra Leone. All references to "Nigeria" are to the Federal Republic of Nigeria.

Financial Data

Unless the context requires otherwise, the financial data in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. Our Company's Financial Year commences on April 1, and ends on March 31 of the following year. Accordingly, all references to a particular fiscal year (referred to herein as "Fiscal", "Fiscal Year", "Financial Year", or "FY") are to the 12 month period ended March 31 of that particular year, unless otherwise specified.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Pursuant to the IRDAI circular dated June 28, 2017, our Company is required to prepare financial statements under Indian Accounting Standards ("**IND AS**") for accounting periods beginning on or after April 1, 2020. For details, see "*Risk Factors – We will be required under applicable regulations to prepare our financial statements under the Indian Accounting standards converged with IFRS ("**Ind-AS**") with effect from April 1, 2020. Accounting standards under Ind-AS vary from accounting standards under Indian GAAP and there can be no assurance that our financial statements prepared and presented in accordance with Ind-AS will not materially or adversely vary from our historical financial statements prepared and presented under Indian GAAP, which could adversely affect the trading price of the Equity Shares*" on page 49.

Any percentage amounts, as set forth in the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 20, 142 and 432, respectively, and elsewhere in this Draft Red Herring Prospectus, unless the context requires otherwise or indicated otherwise, have been calculated on the basis of our Restated Financial Statements.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Currency and units of presentation

All references to:

- "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India.
- "US Dollars" or "US$" or "USD" are to United States Dollars, the official currency of the United States of America.
- "SLL" is to Sierra Leonean Leone, the official currency of Sierra Leone.
- "TTD" is to Trinidadian Dollars, the official currency of Trinidad & Tobago.
- "NGN" is to Nigerian Naira, the official currency of Nigeria.

- “SGD” is to Singapore Dollar, the official currency of Singapore.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information in “million” units. One million represents 1,000,000.

Industry and Market Data

Unless stated otherwise, industry data used throughout this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that the industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by our Company, the Selling Shareholder, the Syndicate or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purpose of presentation. Data from these sources may also not be comparable.

Information has been included in this Draft Red Herring Prospectus based on report dated July 27, 2017 published by CRISIL, titled ‘*Analysis of General Insurance Industry, New India Assurance*’ commissioned by us, as well as publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources and includes the following disclaimer:

“CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers/ users/ transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard.

The New India Assurance Company Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL’s Rating Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not CRISIL’s Rating Division / CRIS. No part of this Report may be published / reproduced in any form without CRISIL’s prior written approval.”

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section “*Risk Factors*” on page 20. Accordingly, investment decisions should not be based on such information.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of US$ and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of the respective foreign currencies are provided below:

(in ₹)

Currency	As of March 31, 2017	As of March 31, 2016	As of March 31, 2015	As of March 31, 2014	As of March 31, 2013
1 USD*	64.84	66.33	62.59	60.10	54.39
1 SGD^	46.42	49.24	45.46	47.50	43.71
1 SLL#	0.01	0.02	0.01	0.01	0.01
1 TDD#	9.44	9.83	9.62	9.22	8.32
1 NGN#	0.21	0.33	0.31	0.36	0.34

*Source: *www.rbi.org.in; #www.oanda.com*

Note: In case March 31 of any of the respective years is a public holiday, the previous working day has been considered.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain forward-looking statements. All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "objective", "plan", "project", "shall", "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. However, these are not the exclusive means of identifying forward-looking statements. All forward-looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward looking statements reflect our current views with respect to future events as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Any significant variation between actual claim payments from the assumptions and estimates used in the pricing of, and setting reserves for, our various insurance products.

- Any termination or adverse change in our relationship or arrangements with our agents, brokers, bancassurance partners or other distribution intermediaries, or a decline in their productivity.

- Inability to sustain our historical growth rates or successfully implement our business strategies.

- Being subject to a comprehensive and evolving regulatory framework in a highly regulated industry that affects the flexibility of our operations and increases compliance costs.

- Our investment portfolio is subject to the volatility in the market value of financial instruments and liquidity risk, which could decrease its value.

For a further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 20, 142 and 432, respectively.

We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Selling Shareholder, the Directors, the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Selling Shareholder, in relation to the statements and undertakings specifically confirmed by it, respectively in this Draft Red Herring Prospectus, will ensure that investors are informed of material developments until such time as the grant of listing and trading permissions by the Stock Exchanges. Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, our Company and the Selling Shareholder may be required to undertake an annual updating of the disclosures made in the Red Herring Prospectus and make it publicly accessible in the manner specified by SEBI.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In order to obtain a complete understanding about us, prospective investors should read this section in conjunction with the sections "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 142 and 432, respectively, as well as the other financial and statistical information included in this Draft Red Herring Prospectus. If any single risk or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline and you may lose all or part of your investment. The financial and other related consequences of the risk factors, wherever quantifiable, have been disclosed in the risk factors. However, the financial impact of certain risk factors is not quantifiable. You should consult your own tax, financial and legal advisors about the particular consequences to you of an investment in this Offer. Potential investors should note that as an insurance company in India we are subject to a complex and extensive regulatory regime that may materially vary from those in other jurisdictions applicable to similar companies. In making an investment decision, prospective investors must rely on their own examination of our business and financial performance and the terms of the Offer, including the merits and the risks involved.

This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For details, see "Forward-Looking Statements" on page 18.

Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements for Fiscal 2013, Fiscal 2014, Fiscal 2015, Fiscal 2016 and Fiscal 2017 included in this Draft Red Herring Prospectus. For details, see "Financial Information" on page 227.

Unless the context otherwise requires, in this section, any reference to "we", "us", or "our", refers to The New India Assurance Company Limited on a consolidated basis and any reference to "the Company" or "our Company" refers to The New India Assurance Company Limited on a standalone basis.

INTERNAL RISK FACTORS

Risks Relating to our Business

1. Any significant variation between actual claim payments from the assumptions and estimates used in the pricing of, and setting reserves for, our various insurance products, may have a material adverse effect on our business, financial condition and results of operations.

We provide a range of insurance products including fire, motor, health, crop and other general insurance products. We price our various insurance products based on various assumptions relating to benefits and claim patterns. We determine liabilities that provide for future obligations relating to our various insurance products. The pricing of our products is based mainly on assumptions with respect to market value, risk profile of the policyholder, and expenses. We utilize multivariate pricing models, depending on the nature of the insurance product, and the risk profile of the customer or the project, to price our insurance products. Our earnings therefore are significantly dependent on the extent to which actual claim payments are consistent with the assumptions we have used in the pricing of our products and the determination of the appropriate amount of policy reserves. Due to the nature of the underlying risks and the high degree of uncertainty associated with the determination of liabilities relating to unpaid insurance policy claims, we are unable to determine in a precise manner the amount that would ultimately be paid to settle such liabilities. We maintain reserves to cover amounts we estimate will be required to settle insured losses as well as for the expenses incurred to settle our insurance policy claims. Our technical reserves for Fiscal

2015, 2016 and 2017 were ₹ 221,591.47 million, ₹ 242,923.55 million and ₹ 268,369.38 million, respectively. However, reserves do not, and will not in the future, represent any precise calculation of liability, but rather are estimates of the anticipated net future policy claims payments, and are consequently inherently uncertain. An estimation of the loss and loss expense reserves is an arduous and complex process that involves a number of variables and is subject to the subjective assumptions, estimates and judgment of our senior management and Appointed Actuary.

These assumptions and estimates are based on management's assessment of the information available to us, historical data, probable forecast of future events that could affect our policy holders or the insurance industry in general, as well as anticipated estimates on future claims' severity and frequency, our loss trends in claim frequency and severity experienced by us, our loss history and the industry's loss history, information regarding each claim for losses, and other subjective factors such as regulatory developments or judicial determination regarding damages, changes in political climate, and general macroeconomic trends such as inflation. Pricing our insurance products is therefore subject to a number of risks and uncertainties, many of which are outside our control, including the availability of sufficient data that we can rely on, any changes in applicable regulatory standards, our ability to obtain regulatory approvals, and other uncertainties that inherently characterize such estimates and assumptions. The pricing of our products involves the collection and analysis of a substantial amount of data, the development, testing and setting of appropriate pricing techniques, as well as ongoing monitoring to recognize changes in risk trends in a timely manner to accurately forecast severity and frequency of losses. We also use policyholder information and other third-party data in our modelling exercise, which could be inaccurate or incomplete. In addition, the modeling methodologies we use to determine the valuation of our expected benefits and claim payments could also be incorrect. As we increase the number and complexity of the insurance products we offer, the likelihood of an inaccuracy in our models may also increase. The assumptions, estimates and other subjective factors used in reserve calculations may be revised from time to time with additional experience or availability of additional data, with the development of more effective calculation methodologies, information on how loss trends and inflation claims impact future payments, as well as any amendment to the existing legal and regulatory regime and interpretations thereof.

Consequently, in the event that our actual claim payments experience are significantly worse than the assumptions used in the pricing of our insurance products or if we rely on inaccurate internal or third-party data or models, it could have a material adverse effect on our business, prospects, financial condition and results of operations.

2. Any termination or adverse change in our relationship or arrangements with our agents, brokers, bancassurance partners or other distribution intermediaries, or a decline in their productivity, may have a material adverse effect on our business, financial condition and results of operations.

We have developed an extensive multi-channel distribution network that focuses on various product and customer segments. We enter into exclusive distribution arrangements with licensed individuals and corporate agents, who primarily focus on retail insurance products. Insurance brokers, who are engaged by our customers, do not have any exclusive arrangements with us, and primarily focus on large and medium corporate insurance products. We have also entered into non-exclusive bancassurance arrangements, which primarily focus on our retail insurance products. Other distribution intermediaries include insurance marketing firms, as well as common service centres and web aggregators. In addition, we enter into arrangements with OEMs and dealers through our agent and broker network for our motor insurance business. These arrangements with our various distribution intermediaries are subject to the respective terms and conditions of such distribution arrangements, including variable terms of notice of termination. A significant percentage of our business is also generated through online channels, as well as through direct sales, which primarily include institutional sales generated through longstanding relationships with large corporate groups across various industries as well as government related business. For details, see "*Our Business – Distribution Network*" on page 156.

In Fiscal 2017, our Company's gross direct premium generated from our agent network (individual and corporate agents), brokers, direct sales and our bancassurance partners contributed 42.01%, 25.75%, 31.09% and 1.15%, respectively, of our gross direct premium in India in such period. There can be no assurance that we will be able to maintain our relationships with these agents, insurance brokers, bancassurance partners and other distribution intermediaries. As the insurance market becomes increasingly competitive, brokers, agents and other intermediaries may demand higher commission rates, which could increase our costs of sales, thereby reducing profitability. In addition, there can be no assurance that our agents and other distribution intermediaries will be able to maintain adequate productivity levels in the future or whether such productivity levels will be comparable to their historical productivity levels. There can also be no assurance that we will be able to maintain our relationship with the large corporate groups for institutional business which contribute a significant proportion of our direct sales.

We compete with other insurance companies and financial institutions to attract and retain our agents and other distribution intermediaries, and attract business from brokers. Our success in attracting and retaining such resources depends upon factors such as remuneration paid, range of our product offerings, pre and post-sale support provided, our reputation, our perceived stability, our financial strength, and the strength of the relationships we maintain with such intermediaries, agents and other professionals. If we are unable to attract and retain an effective team of agents, brokers and other distribution intermediaries in a cost-effective manner, or at all, it could have a material adverse effect on the sale of our products and consequently our business, financial conditions, results of operation and prospects. We may experience high attrition rates of agents and other intermediaries as a result of increased competition. An inability to continue to recruit, train and retain productive agents and other distribution intermediaries may have a material adverse effect on our business, prospects, financial condition and results of operations.

Under the IRDAI Corporate Agents Regulations, any of our existing corporate agents may act as a corporate agent of our competitors, subject to certain restrictions. Further, our corporate agents could sell a larger share of our competitors' products, which could have an adverse impact on our business, profitability, market share and results of operations. In addition, we may be unable to work with corporate agents who already represent three non-life insurers.

A recent trend has seen an increase in intermediaries entering the non-life insurance business in response to larger numbers of customers desiring specialised and experienced intermediaries to manage their insurance requirements. The growing presence of intermediaries, while helping to optimize customer coverage and pricing, also drives increases in commissions and could potentially result in larger numbers of future claims materializing because of overall increased insurance coverage being provided, all of which could have a material adverse impact on our profitability, results of operations and prospects.

3. We may not be able to sustain our historical growth rates or successfully implement our business strategies.

We have experienced significant growth in recent years as the general insurance market in India has developed. Our gross written premium increased at a CAGR of 15.18% from ₹ 132,001.81 million in Fiscal 2013 to ₹ 232,304.93 million in Fiscal 2017. Our ability to sustain our rate of growth depends upon our ability to manage key issues such as selecting and retaining key managerial personnel, meeting our capital requirements, maintaining effective risk management policies, continuing to offer products which are relevant to our target base of clients, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In particular, we may not be able to rapidly recruit and effectively train and retain a sufficient number of agents and employees to keep pace with the growth of our business operations. The Indian general insurance sector is highly competitive, and we may not be able to sustain our growth amidst intense competitive pressures as well as a result of macroeconomic and other factors beyond our control. Any decrease in our growth rates, whether in absolute terms or relative to industry standards, could adversely affect our market position and future prospects.

Our growth strategy includes expanding our customer base, increasing our product portfolio through innovative products targeted at specific industries and customer segments, and further leveraging technology to drive growth and profitability. There can be no assurance that we will be able to successfully implement or sustain our growth strategies. We also face a number of operational risks in executing our growth strategy. Our operations have grown significantly in recent years and our operational infrastructure has expanded to 2,452 offices across India as of June 30, 2017. We have increasingly commenced operations in new, smaller towns and cities within India particularly in rural and tier IV areas as part of our growth strategy. In addition, we have grown our business across 28 international jurisdictions, and intend to further grow our international operations. We cannot assure you that such expansion of our operations will yield favourable or expected results, as our overall profitability and success will be subject to various factors. Our future growth may place significant demands on our managerial, operational and capital resources. The rapid expansion of our business operations exposes us to various challenges, including, but not limited to: designing new products to address specific customer requirements; adding new distribution channels and intermediaries and ensuring high productivity levels; managing our rapidly growing investment assets; strengthening and expanding our risk management capabilities and information technology systems; developing adequate underwriting and claims settlement capabilities; recruiting, training and retaining management, technical personnel and sales staff as well as individual agents with sufficient experience and knowledge; compliance with additional regulatory obligations; and meeting increased capital base and managing operating expenses to satisfy applicable IRDAI regulations and manage business growth. An inability to effectively manage our expanded operations may materially and adversely affect our business, financial condition and results of operations.

4. Our Company, Directors, Subsidiaries and Group Companies are involved in certain legal and other proceedings.

Our Company, Directors, Subsidiaries and Group Companies are currently involved in a number of legal proceedings, in the course of our business activities. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts involved in these proceedings have been summarized to the extent ascertainable and quantifiable and include amounts claimed jointly and severally with other parties. The summaries of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, actions by regulatory and statutory authorities and other pending litigation proceedings determined to be material by our Board of Directors, in terms of the Materiality Policy and the SEBI ICDR Regulations, against our Company, Directors, Subsidiaries and Group Companies have been set out below:

***I.* Company**

Filed against our Company

(₹ million)

No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal Proceedings	3	-
2.	Civil Proceedings[1]	9	25,287.92[4]
3.	Taxation Proceedings[2]		
	Direct Tax	14	26,672.50
	Indirect Tax	6	77.23
4.	Regulatory/Statutory Authorities[3]	4	2,513.2

***II.* Subsidiaries**

Filed against the Subsidiaries

(₹ million)

No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal Proceedings	Nil	-
2.	Civil Proceedings[1]	Nil	-
3.	Taxation Proceedings	Nil	-

No.	Nature of litigation	Number of cases	Approximate amount involved
4.	Regulatory/Statutory Authorities	Nil	-

III. Directors

Litigation against Directors

(₹ million)

No.	Nature of litigation	Number of cases	Approximate amount involved
Mr. G. Srinivasan			
1.	Criminal Proceedings	1	-
2.	Civil Proceedings(1)	Nil	-
3.	Taxation Proceedings	Nil	-
4.	Regulatory/Statutory Authorities(3)	Nil	-
Mr. Hemant G. Rokade			
1.	Criminal Proceedings	1	-
2.	Civil Proceedings(1)	Nil	-
3.	Taxation Proceedings	Nil	-
4.	Regulatory/Statutory Authorities(3)	Nil	-

IV. Subsidiaries

Filed against the Group Companies

(₹ million)

No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Criminal Proceedings	Nil	-
2.	Civil Proceedings(1)	Nil	-
3.	Taxation Proceedings	Nil	-
4.	Regulatory/Statutory Authorities(3)	Nil	-

(1) Based on the policy adopted by the Board on August 4, 2017, our Board has considered as material, each legal proceeding where the aggregate amount involved is in excess of 5% of the profit after tax on a consolidated basis for Fiscal 2017 or 1% of our gross written premium on a consolidated basis for Fiscal 2017, whichever is lesser (in our case, 5% of the profit after tax on a consolidated basis for Fiscal 2017 being a lesser amount, i.e., ₹ 419.93 million) or such pending litigation proceedings which are material from the perspective of the business, operations, prospects or reputation of our Company or Subsidiaries, as the case may be.

(2) Taxation litigations involving our Company.

(3) Pursuant to the Materiality Policy, actions by regulatory / statutory authorities have been disclosed as follows: (a) outstanding actions by the Reserve Bank of India, Ministry of Corporate Affairs, Competition Commission of India and the Securities and Exchange Board of India involving our Company, Group Companies and Directors, and (b) actions by the Insurance Regulatory and Development Authority of India in the last five years involving our Company.

(4) Includes amounts calculated by converting claims expressed in foreign currency denominations, and the amount indicated, therefore, is an approximation.

We are exposed to the risk of complaints and/or litigation being filed by customers, which may result in adverse publicity or direct financial losses due to actual or purported breaches of promise or wrongful denial of claims. Improper product design could damage our brand and reputation and / or lead to significant financial losses resulting from dispute settlements. Such lawsuits are costly to defend against and can materially affect our financial condition, even if we are successful in defending them or effectively redress such complaints. Such lawsuits include proceedings as part of the claims process wherein, in the event of an unfavourable outcome, our ultimate liability may be significantly high, especially in respect of claims made under our motor third-party liability product, which subject us to unlimited liability. If we are unsuccessful in defending these suits or settling these complaints, we may have to pay significant damages or receive lesser premium after adjustment of any penalties imposed. Even if we are successful in defending such cases, our reputation could be materially harmed. We are also exposed to the risk of complaints and/or litigation being filed by customers, which may result in adverse publicity or direct financial losses due to actual or purported breaches of promise or wrongful denial of claims. We cannot provide any assurance that such complaints or suits will be decided in our favour. In addition, even if we are successful in defending such cases, we will be subject to legal and other costs relating to such litigation and complaints, and such costs could be substantial. Further, we can give no assurances that similar proceedings or complaints will not be initiated in the future. If any of the above scenarios were to occur, they could materially and adversely affect our business, results of operations, financial condition, prospects and our reputation. In addition, even if we take steps to maintain effective grievance redressal systems, in relation to our policyholders' complaints, the denial or repudiation of claims, and fraud by our employees and agents, we may not be able to effectively redress such complaints in a timely manner, which could adversely affect our results of operations, financial condition, prospects and reputation.

In determining our provisions for income taxes and our accounting for tax-related matters in general, we are required to exercise judgment. We regularly make estimates where the ultimate tax determination is uncertain. From time to time we may become subject to tax audits, tax litigation or similar proceedings, the result of which may be materially different from that reflected in our financial statements. The assessment of additional taxes, interest and penalties in connection with such proceedings could be materially adverse to our current and future results of operations and financial condition.

For details, see "*Outstanding Litigation and Material Developments*" on page 501. Any determination in such legal proceedings adverse to our interests may have a material adverse effect on our business and we may have to make provisions in our financial statements, which could increase our expenses and our liabilities, thereby adversely affecting our business, results of operations and financial condition. If the courts or tribunals rule against us or our Directors or our Promoter, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

5. We are subject to a comprehensive and evolving regulatory framework in a highly regulated industry that affects the flexibility of our operations and increases compliance costs.

We are subject to a comprehensive regulatory framework in India and in other countries where we operate. The laws and regulations or the regulatory or enforcement environment may change at any time, which may have an adverse effect on the products or services we offer or our business in general. We require various approvals, licenses, registrations and permissions for operating our business in India and the various other countries we operate. There can be no assurance that we have adequately maintained, or will in future be able to maintain such approvals and licenses. There can also be no assurance that we will be able to renew or reinstate any approval or license that is revoked by the regulatory authorities. In addition, the regulatory approvals and licenses we operate under stipulate certain conditions to be complied by us. If we fail to comply with such conditions, obtain any additional approvals or licenses introduced by the regulatory authorities or ensure renewal of such approvals or licenses, thereof, in a timely manner, or at all, our business may be adversely affected. For details, see "*Government and Other Approvals*" on page 510. Further, the laws and regulations governing the insurance industry have become increasingly complex governing a wide range of issues, including foreign investment, solvency requirements, investments, money laundering, privacy, outsourcing, financial reporting, as well as marketing and sales practices.

In particular, any adverse change in IRDAI policies, including with respect to investment or provisioning, may result in our inability to meet such increased or modified regulatory requirements or could require us to expand our business to cover relatively riskier or lower margin segments. Future changes in laws and regulations and failure or the apparent failure to address any regulatory changes or enforcement initiatives could have an adverse impact on our business and our financial performance, or harm our reputation, subject us to penalties and regulatory actions, or increase risk of litigation.

The Insurance Act and the regulations issued by the IRDAI provide various restrictions that impact our operating flexibility and affect or restrict investors' shareholding or rights. The Insurance Act also restricts the capital of an insurer in India to only consist of equity share capital, consisting of equity shares each having a single face value, and other forms of capital as specified under the IRDAI (Other Forms of Capital) Regulations, 2015 prescribing preference share capital, subordinated debt instruments and any other debt instrument as may be permitted by the IRDAI. Accordingly, our ability to issue capital of varied nature is limited.

In addition, our financial statements are required to be audited by the comptroller and auditor general of India ("**CAG**"). The scope of the audit includes verification of the pricing of our products and a review of major claims, among other items. While our statutory auditors are appointed by the CAG, the CAG's view may vary from that of our statutory auditors. As a consequence, we may receive material observations from the CAG with respect to our audited accounts, which may involve responding to and addressing such observations, and could even involve a restatement of accounts which may lead to a significant increase in compliance costs.

Ownership and control of Indian insurance companies is required to remain with resident Indian citizens of Indian companies owned and controlled by resident Indian citizens. Further, being a government company, our Directors and chief executive officer may only be appointed by the MoF. Any laws and regulations which restrict our operating flexibility could have a material adverse effect on our business and operations, and consequently our results of operations and financial condition, business.

6. Our investment portfolio is subject to the volatility in the market value of financial instruments and liquidity risk, which could decrease its value and have a material and adverse effect on our business, prospects, financial condition and results of operations.

A significant portion of our investment returns come from investments in the debt and equity markets in India. Any significant decline in share prices or dividends from shares could negatively affect our net investment income. As of March 31, 2015, 2016 and 2017, we had long-term investments of ₹ 436,151.76 million, ₹ 427,747.89 million and ₹ 494,902.59 million, respectively, and short-term investments of ₹ 17,495.06 million, ₹ 21,969.61 million and ₹ 24,404.17 million, respectively. These investments primarily include government securities, debentures and equity shares and are subject to market risks. If there is an increase in interest rates or a change in the prevailing market yields on our investments, or any catastrophic event, or an unfavourable change in the liquidity of an investment, or an unfavourable change in the financial prospects, or a downgrade in the credit rating of the issuer of an investment, it could adversely affect the value of our investments. In addition, our investments are also subject to reinvestment risk, which is the risk that interest rates will decline and funds reinvested will earn less investment income than previously earned. Any adverse change in the market value of the equity shares, government securities, debentures and other financial instruments in our investment portfolio and the resultant economic loss may have a material adverse effect on our business, prospects, financial condition and results of operations.

Our investment portfolio is also subject to liquidity risk. Some of our investments may not have sufficient liquidity as a result of a lack of market makers, market sentiment and volatility, and the availability and cost of credit, and some of our investments may be in unlisted entities. In these circumstances, our ability to sell our assets without significantly depressing market prices, or at all, may be limited. As a large institutional investor in India, we may also hold significant positions in many of the listed stocks that we directly invest in, and any decision to sell or any perception in the market that we intend to sell could adversely affect the liquidity and market price of such security and, in turn, our returns on investments in such security. In times of market volatility and reduced liquidity, we may find it difficult to execute such trades in order to meet large insurance claims. We also hold infrastructure and social sector investments, which may not have sufficient liquidity. If we are required to dispose of these or other potentially illiquid assets on short notice due to significant insurance claims to be paid, significant fall in value of our liquid assets, withdrawals of existing policies or any other reasons, we may be required to sell such assets at a value significantly lower than the value of such investment reflected in our financial statements, which could materially affect our financial condition and results of operations.

7. ***Catastrophic events, including natural disasters, may result in significant liabilities for claims by policyholders which could have a material adverse effect on our business, prospects, financial condition and results of operations.***

We have a wide range of insurance products including products that cover losses from unpredictable events such as hurricanes, storms, monsoons, earthquakes, fires, industrial explosions, floods, riots and other natural or man-made disasters, including acts of terrorism. The incidence and severity of these catastrophes within any particular period are inherently unpredictable. Although we monitor our overall exposure to catastrophes and other unpredictable events in each geographic region and determine our underwriting limits related to insurance coverage for losses from catastrophic events, we generally seek to reduce our exposure through the purchase of reinsurance, selective underwriting practices and by monitoring risk accumulation.

For example, the catastrophic floods in Chennai, Tamil Nadu in Fiscal 2016 resulted in a range of property related claims. There can be no assurance that we have been or will in the future be able to effectively cover large losses arising out of similar catastrophic events. Should we incur one or more large catastrophic losses, our ability to write future business may be adversely impacted if we are unable to replenish our capital. Claims relating to catastrophes may result in unusually high levels of losses and may require additional capital to maintain solvency margins and could have a material adverse effect on our business, prospects, financial condition and results of operations.

8. ***Any actual or alleged misconduct or fraudulent activity or non-compliance of applicable laws by our employees, agents and other distribution intermediaries may lead to customer claims as well as regulatory action against us, which could adversely affect our business, prospects, financial condition and results of operations.***

In addition to direct sales by our marketing and sales teams, our products are also distributed through agents, brokers, bancassurance partners and other distribution intermediaries supported by our sales teams. Our employees, agents and the other distribution intermediaries are involved in advising the customer in selection of a suitable insurance product, including applicable benefits, product features and premium payments. Under certain circumstances, the sales process followed by our employees, agents or other distribution intermediaries may be inadequate, unauthorized or may not be in compliance with applicable regulations or our internal policies or our employees, agents and other intermediaries may be involved in mis-selling activities. We may be subject to claims by customers in the event of any such misconduct by our employees and / or agents and other intermediaries. Any actual or alleged misconduct or fraudulent activity by our employees, agents and other distribution intermediaries may lead to customer claims as well as regulatory action against us, which could adversely affect our business, prospects, financial condition and results of operations. There can be no assurance that we will not be required to compensate customers in respect of such frauds. For example, in Fiscal 2016 the IRDAI imposed a penalty of ₹ 1.50 million for, among other matters, accepting business from corporate agents whose licenses had expired and who did not have a single licensed specified person for soliciting and procuring business for our Company, and an additional penalty of ₹ 0.50 million in relation to non-compliance with IRDAI Health Insurance Regulations.

While we have implemented various measures to prevent such misconduct or similar fraudulent practices, we may not be able to timely detect or prevent such fraud or misconduct. In addition, under certain circumstances, commission already paid to a distribution intermediary prior to a claim of improper sales brought by the relevant customer may not be recoverable.

In addition, third parties may misrepresent themselves as our agents to defraud customers. We have in the past received such complaints, and there can be no assurance that we will be able to prevent such fraudulent activities by third parties in the future. Such fraudulent activities may result in significant financial losses as well as loss of our reputation, particularly in circumstances where a multitude of similar fraudulent activities have taken place. In addition, there can be no assurance that the relevant regulatory authorities will not impose penalties on us for our inability to prevent improper sales by our employees, agents and other intermediaries, or even fraudulent activities by third parties, and generally for our inability to ensure compliance with applicable regulations. Any such improper sales or recurring instances thereof, may result in substantial claims and fines against us and could have a material adverse effect on our business reputation, prospects, financial condition and results of operations.

9. An inability to maintain our market share or effectively address the requirements of specific customer segments by maintaining a strategic portfolio of insurance products may materially and adversely affect our business operations and prospects, and consequently our financial condition and results of operations.

We develop and distribute a range of personal and commercial insurance products including fire, marine, motor, crop, health and other products. In Fiscal 2015, 2016 and 2017, despite increasing competition, we have consistently maintained market leadership in the general insurance industry in India. In Fiscal 2017, our gross direct premium from fire, marine, motor and health insurance represented a market share of 19.1%, 21.0%, 15.1% and 18.4% of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report)*. There can be no assurance that we will be able to maintain our market share, whether in absolute terms or relative to industry standards. In addition, our ability to develop and distribute appropriate insurance products for specific customer segments through our multiple distribution channels on a timely basis affects our business prospects and financial performance. Since our capital requirement, pricing assumptions, level of reserves, profitability and the patterns of profits vary from product to product, changes in the product mix for new business may affect our financial condition and results of operations. We have strategically focused on certain of our insurance products in order to maintain growth, improve profitability and increase the value of our new business. For example, an inability to continue to grow our product portfolio or manage to increase the proportion of our high margin businesses in our overall new business or an inability to maintain our overall growth levels while developing these lines of business may adversely affect our market position, profitability and the value of new business.

10. We had a deficit in our miscellaneous segment revenue account and negative net cash flows in the past and may continue to have deficit in our revenue account and negative cash flows in the future.

We had deficit of ₹ 7,826.52 million, ₹ 7,811.52 million, ₹ 779.53 million, ₹ 3,874.82 million and ₹ 2,743.66 million in Fiscal 2017, 2016, 2015, 2014 and 2013, respectively in miscellaneous segment revenue account. We have also experienced negative cashflows as set out below:

Receipts and Payments Accounts	Fiscal 2015	Fiscal 2016	Fiscal 2017
	(₹ million)		
Net cash generated from/(used in) operating	8,474.80	(16,052.50)	(1,235.58)
Net cash generated from/(used in) investing	(11,243.24)	5,524.44	17,929.13
Net cash generated from/(used in) financing	(2,084.25)	(3,655.65)	(3,054.96)

For details, see "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 227 and 432, respectively. We cannot assure you that we will have operating profits or that our net cash flow will be positive in the future.

11. Any regulatory action initiated against us or against our employees, agents and other distribution intermediaries may result in penalties and/or sanctions that could have an adverse effect on our business, financial condition and results of operations.

Our constitution and operation is subject to extensive application of laws and is under active supervision of the IRDAI and other regulatory and/or statutory authorities of India. We are also subject to periodic examination by the IRDAI and other statutory and government authorities of India. From time to time, we may be subjected to regulatory actions that might extend to caution, warning, penalty and/or cancellation of our license for doing business. We have received cautions, warnings and penalties from IRDAI due to non-compliance with various regulatory prescriptions.

The IRDAI may issue directions to us from time to time which may require certain expenses to be borne by our shareholders, under different circumstances including, for example, (i) where an insurance company has violated limits of expenses of management for one or more segments but is compliant on an overall basis, the excess over the limit in that segment; and (ii) remuneration to executive directors above ₹ 15.00 million per annum.

Any ongoing or future examinations or proceedings by any authority (regulatory, statutory or government) may result in the imposition of penalties and/or sanctions, or issuance of negative reports or opinions, against us, which may lead to a material adverse effect on our business, financial condition, results of operations and prospects. These examinations or proceedings may also result in negative publicity, which could significantly harm our corporate image, brand and reputation. We are also exposed to risks, including regulatory actions, arising due to improper business practices such as inadequate due diligence, including customer verification, non-adherence to anti-money laundering guidelines, and customer needs analysis, in the sales process. Any fraud, sales misrepresentation and other misconduct committed by our employees, agents or distribution partners could result in violations of laws and regulations by us and subject us to regulatory scrutiny. Even if such instances of misconduct may not result in any legal liabilities on our part, they could cause serious reputational or financial harm to us. In addition, our agents and intermediaries are also subject to regulatory oversight of the IRDAI, in addition to any other regulators within their industries. Any regulatory action against such distribution partners could reduce our ability to distribute our products through them, harm our reputation and have a material adverse effect on our business, financial condition, results of operations and prospects.

Additionally, if any new developments arise, including a change in Indian laws or regulations or judicial decisions adverse to us, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings adverse to our interests may have a material adverse effect on our business, financial condition, results of operations and cash flows. To the extent that we enter new geographies or new product markets, the complexity of our regulatory environment will increase, potentially increasing the cost of compliance and the risk of noncompliance.

An inability to comply with the complex regulatory framework applicable to us, our employees, agents and other intermediaries may result in regulatory action. We are exposed to various regulatory risks, relating to improper business practices such as inadequate due diligence, including customer verification, non-adherence to anti-money laundering guidelines, and customer needs analysis, in the sales process. Any fraud, sales misrepresentation, money laundering and other misconduct committed by our employees, agents and distribution partners could result in violations of laws and regulations by us and subject us to regulatory sanctions. We have in the past received various requests for information and clarification by the IRDAI with respect to our operations. An inability to satisfactorily address such queries in a timely manner or at all may result in us being subject to regulatory action by the IRDAI, including penalties and / or sanctions. In addition, our intermediaries are also subject to regulatory oversight of the IRDAI, in addition to other regulators specific to the respective intermediaries. Any regulatory action against such agents or intermediaries could reduce our ability to distribute our products through them.

In addition, in the event of any adverse development with respect to the existing regulatory framework, or any adverse judicial determination in any legal proceedings against us, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Any provisions made in our financial statements in relation to potential regulatory actions may however prove to be inadequate. Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty. Even if instances of misconduct do not result in any legal liabilities, they could adversely affect our brand and business reputation. An inability to comply with the complex regulatory framework applicable to us could therefore materially and adversely affect our business, results of operations and financial condition. For instance, the CCI through an order dated July 10, 2015, found that our Company, among others, had indulged in anti-competitive practices in relation to the tender floated by the Government of Kerala for selecting an insurance service provider for implementation of Rashtriya Swasthya Bima Yojna for the Fiscal 2011. The CCI had found our Company to be in contravention of section 3(1) read with section 3(3) of the Competition Act, 2002 for bid rigging and had imposed a penalty of 2% of the average turn over for Fiscal 2011, Fiscal 2012 and Fiscal 2013 amounting to ₹ 2,510.70 million. Our Company, among others, had appealed the said order in the Competition Appellate Tribunal. The tribunal by its order dated December 9, 2016 disallowed our appeal on merits, however, it decreased the penalty imposed to 1% of the average of the relevant turn over for Fiscal 2011, Fiscal 2012 and Fiscal 2013, *i.e.*, ₹ 2.00 million. The CCI has appealed the order of the tribunal and the matter is currently pending in the Supreme Court of India. Similarly, the IRDAI through a show cause notice dated November 28, 2011 alleged non-compliance with the IRDAI circular number IRDA/NL/Misc./159/07/2011 dated July 8, 2011 due to non-submission, by our Company, of the information pertaining to policies, premium, claims, agent and offices, within 21 days of the end of the quarter. Subsequently, the IRDAI through an order dated August 8, 2012 found our Company to be in violation of section 14(2)(h) of the IRDAI Act and imposed a penalty of ₹ 0.50 million on our Company, under section 102(a) of the IRDAI Act. For further details in relation to the regulatory action pending against our Company, see "*Outstanding Litigation and Material Developments*" on page 501.

12. An inability to effectively compete in the highly competitive insurance industry could have a material adverse effect on our business, results of operations and financial condition.

The general insurance market in which we operate is highly competitive. Competition in the insurance business is based on many factors. These factors include the perceived financial strength of the insurer, premium charged, policy terms and conditions, product features, services provided, distribution network and access to services and service personnel, brand and reputation, and financial ratings assigned by independent rating agencies. Our primary competitors are private and public sector general insurance companies and various types of asset management entities in the insurance and financial markets. In addition, we face potential competition from commercial banks, which are permitted to invest in, or form alliances with, insurance companies to offer insurance products and services that compete against those offered by us. Closer integration between the insurance and banking sectors may potentially better align their economic interests and increase incentives for banks to distribute insurance products and services of their insurance business affiliates and partners instead of ours. Such potential competitors may further increase the competitive pressures we expect to face, especially in our bancassurance distribution channel. Some of our competitors may also offer higher commissions or insurance at lower premium rates. In addition, we also face competition with respect to our operations outside India from larger and more established insurance companies. Increased competition could adversely affect our ability to attract and retain business, the expense of customer acquisition and retention to increase, lead to decrease in our margins and spreads and thereby reduce our profitability.

We also anticipate increased competition from foreign participants with the sectoral limits for foreign investment that was increased to 49.00% in the insurance sector in 2016 pursuant to the notification dated March 30, 2016 issued by the Reserve Bank of India. This increased competition is also expected to result in increasing pricing pressure which could result in decreased new business opportunities and lower renewal rates. An inability to effectively respond to these various competitive pressures could result in a decrease in market share and result in losses or decreased growth rates. A decline in our competitive position could have a material adverse effect on our business, results of operations and financial condition.

13. We cede a significant percentage of our reinsurance to GIC Re. Any adverse change in our relationship with GIC Re could result in a material adverse effect on our business and results of operations.

We are heavily reliant on our relationship with GIC Re for our reinsurance. In Fiscal 2017, 49.60% of our reinsurance ceded, was to GIC Re. For certain types of reinsurance, including crop/weather insurance, all non-life insurers in India rely largely on GIC Re. If there is any adverse change in our business relationship with GIC Re, we may be unable to find alternative reinsurance at acceptable rates, or at all. Additionally, under the IRDAI's regulations, GIC Re, which is the only Indian re-insurer with the minimum credit rating required to gain this preferential status, has a right of first offer for all reinsurance ceded by an Indian non-life insurer. Hence, we may not have control over the amount of reinsurance we cede to GIC Re. The high concentration of our reinsurance with GIC Re subjects us to a high degree of credit risk exposure on such reinsurance. If these risks materialize, it could result in a material adverse effect on our business and results of operations.

14. Our failure to successfully manage our geographically widespread operations could adversely affect our business and results of operations.

We have substantial international operations, and as of June 30, 2017, we operated in 28 international jurisdictions through a number of international branches, agency offices and Subsidiaries. In Fiscal 2015, 2016 and 2017, gross written premium from our Company's international operations was ₹ 28,406.00 million, ₹ 32,218.40 million and ₹ 31,640.00 million, respectively, and contributed 17.70%, 17.54% and 14.20%, respectively, of our Company's gross written premium in such periods. Some of our international operations are subject to risks that could adversely affect our business and results of operations, including risks associated with uncertain political and economic environments, government instability and legal systems, laws and regulations that are different from the legal systems, laws and regulations that we are familiar with in India. In addition, we could be subject to expropriation or deprivation of assets or contract rights, foreign currency restrictions, exchange rate fluctuations and unanticipated taxes or encounter potential incompatibility with foreign joint venture partners, and non-availability of suitable personnel. In order to manage our operations, we must overcome cultural and language barriers and assimilate different business practices. In addition, we are required to create compensation programs, employment policies and other administrative programs that comply with the laws of different jurisdictions. Our failure to successfully manage our geographically widespread operations could impair our ability to react quickly to changing business and market conditions and comply with industry standards and procedures.

Our ability to operate and compete may be adversely affected by foreign investment and other governmental regulations in the countries in which we transact business. We may face significant entry barriers in new jurisdictions where we intend to expand our operations. In particular, laws relating to the insurance industry in such jurisdictions may affect our operations. If these regulations apply to us, they may require us to obtain appropriate licenses or permits in order to conduct our operations or enter into a joint venture, agency or similar business arrangement with local individuals or businesses in order to conduct business in those countries. These regulations may encourage or mandate the hiring of local employees. In addition, we may become involved in proceedings with regulatory authorities that may require us to pay fines, comply with more rigorous standards or other requirements or incur capital and operating expenses for compliance with such laws and regulations.

15. An inability to meet solvency ratio or other regulatory requirements relating to our financial condition could lead to regulatory action, which could affect our ability to continue operations, acquire new business, or implement our growth strategies, thereby adversely affecting our business, financial condition and results of operations.

Indian laws and regulations require us to maintain a control level of solvency. The solvency ratio is the ratio of the excess of assets over liabilities to the required capital. An inability to maintain the relevant control level of solvency requirements may result in regulatory action from the IRDAI that could affect our ability to continue operations, acquire new business or implement our growth strategies. The regulatory framework relating to solvency requirements in India may vary from those applicable in other jurisdictions, and accordingly our solvency ratio may not be comparable to that of insurance companies in other jurisdictions. For further information on the regulatory framework applicable to us and other insurance companies in India, see "*Key Regulations and Policies*" on page 179. Under applicable IRDAI regulations, we are required to maintain a control level solvency ratio of 1.50. As of March 31, 2017 our solvency ratio was 2.22.

Our solvency ratio may be affected by various factors, including the amount of capital available, the mix of insurance products sold by us, the reserve requirements mandated by applicable regulations, the extent of reinsurance, the value of our assets and investments (including return on assets), our business growth as well as profitability. In the event we are unable to comply with statutory solvency ratio requirements due to inadequacy of share capital and profit to support business growth, statutory solvency requirements being increased, or the decline of our financial condition or due to any other factor, we will be required to raise additional capital to meet applicable solvency ratio requirements. In addition, the IRDAI may increase the control level of solvency or modify the existing regulatory framework in the future. Any such development, including any modification to the existing solvency framework that is currently applicable, may require us to raise additional capital to meet the modified regulatory requirement, thereby increasing our cost of capital. Our ability to raise additional capital from external sources in the future is subject to a variety of uncertainties, including but not limited to, our future financial condition, results of operations, cash flows, regulatory approvals, changes in regulations relating to capital raising activities by insurance companies, our credit rating, general market conditions for capital raising activities, and other economic and political conditions in India and globally. We may not be able to raise additional capital in a timely manner or on acceptable terms or at all. An inability to meet the solvency ratio requirements may therefore have a material adverse effect on our business, prospects, financial condition and results of operations.

16. We rely on select types of insurance segments for most of our gross direct premium and profitability. Any constraint in selling these products due to future regulatory changes restricting or limiting the sale or marketing of these products, changes in customer preference, or if we are unable to maintain the right portfolio mix of profitable products, could have a material adverse effect on our business, financial condition, results of operations and prospects.

In Fiscal 2017, the fire, motor and health insurance segments contributed 12.08%, 41.06% and 27.90% respectively, of our gross direct premium in such period. We cannot be certain that there will be no changes in regulations or customer preferences restricting or limiting the sale or marketing of these products in the future, or that in the event of such changes, we would be able to suitably redevelop our product strategy. If we are unable to anticipate market developments, develop and exploit opportunities and create new products, we might be significantly disadvantaged as compared to our competitors willing to offer more competitive products in case of such changes. Such changes or developments could have a material adverse effect on our business, financial condition, results of operations and prospects.

We significantly depend on a limited number of insurance products for our profitability which includes our motor, health, crop/weather, fire and engineering insurance products. Any change in our product mix, restriction or limitation to distribute our products could have a material adverse effect on our business, financial condition, results of operations and prospects.

17. Our Company is currently not in compliance with certain provisions of the SEBI Listing Regulations and/or Companies Act, as may be applicable in relation to composition of our Board, certain committees and terms of reference of the Audit Committee and the Nomination and Remuneration Committee.

Our Company is currently not in compliance, with the relevant provisions of the SEBI Listing Regulations and/or the Companies Act in relation to composition of our Board and terms of reference of the Audit Committee and the Nomination and Remuneration Committee.

As on date our Board currently comprises four directors, of which three are executive directors and one is a non-executive government nominee director. Mr. G. Srinivasan, our Chairman and Managing Director, is an executive director. Our Company is required to appoint at least four Independent Directors to ensure compliance with the requirements of the SEBI Listing Regulations. Accordingly, the composition of the Corporate Social Responsibility Committee, the Audit Committee and the Nomination and Remuneration Committee, as on date, are not in line with the relevant provisions of the Companies Act and/or the SEBI Listing Regulations, as may be applicable vis-à-vis the requirement of having Independent Directors. Further, Ms. T. L. Alamelu, the erstwhile woman director on the Board retired on May 31, 2017.

Accordingly, we are required to appoint a new woman director on our Board to ensure compliance with the applicable provisions of the Companies Act and the SEBI Listing Regulations.

Given that our Company is a public sector undertaking, operating in the insurance sector, matters pertaining to, among others, appointment of our Directors are determined by the President of India acting through the MoF, in terms of the directions of the Department of Financial Services, MoF as regards appointment of its directors and corporate governance and as per our Articles. Therefore, we do not have the ability to appoint Directors on our Board. As a result of this, we cannot provide any assurance that such non-compliance will be rectified in a timely manner, or that suitable and timely replacements will be appointed by the President of India acting through the MoF upon expiration of the terms of our Independent Directors, as and when such vacancies may arise. Further, in relation to the above non-compliances, our Company has filed an exemption letter on July 25, 2017 with SEBI under Regulation 113(1)(c) of the SEBI ICDR Regulations seeking relaxation of the relevant provisions of the SEBI ICDR Regulations. However, in the absence of such specific dispensation granted by SEBI to our Company, there can be no assurance that an adverse remark will not be issued against us and we may subject to penalties. For details, see "*Our Management – Corporate Governance*" on page 202.

Additionally, in accordance with the directions of the Department of Financial Services, MoF on corporate governance for public sector undertaking operating in the insurance sector and pursuant to our Articles, matters pertaining to, among others, appointment, remuneration and performance evaluation of our Directors are determined by the President of India. Further, our Statutory Auditors are appointed by the Comptroller and Auditor General of India. Accordingly, in so far as the aforementioned matters are concerned, the terms of reference of our Nomination and Remuneration Committee and Audit Committee only allow these committees to take on record the actions of the President of India or the Comptroller and Auditor General of India, as the case may be. In the absence of any specific dispensation granted by SEBI to the Government Companies with regard to the terms of reference of their Nomination and Remuneration Committee and Audit Committee, there can be no assurance that an adverse remark will not be issued against us and we may be subject to penalties. Further, in relation to the above non-compliances, our Company has filed an exemption letter on August 8, 2017 with SEBI under Regulation 113(1)(c) of the SEBI ICDR Regulations seeking relaxation of the relevant provisions of the SEBI ICDR Regulations.

18. Our loss reserves are based on estimates as to future claims liabilities and if they prove inadequate, it could lead to further reserve additions and materially adversely affect our results of operations.

We are required to establish a liability in our accounts for the unpaid portion of ultimate costs (including loss adjustment expenses) of claims that have been 'incurred but not reported' ("**IBNR**") and 'incurred but not enough reported' ("**IBNER**") as at the end of each reporting period. There are several possible methods for the determination of this ultimate cost. The method most appropriate in a particular case will depend on the nature of the business and the claims development pattern. The provisions for IBNR and IBNER are calculated separately for each year of occurrence and are aggregated to arrive at the total amount to be provided, by line of business. Our methodology is consistent with regulatory guidelines, which do not permit discounting of reserves or negative provisions for any particular year of occurrence.

The process of establishing the liability for unpaid losses and loss adjustment expenses is complex and imperfect, as it takes into consideration many variables that are subject to the outcome of future events. Reserves do not represent an exact calculation of liability. Reserves represent estimates, generally involving actuarial projections at a given time, of what we expect the ultimate settlement of claims will cost. Estimates are based on assessments of known facts and circumstances, assumptions related to the ultimate cost to settle such claims, estimates of future trends in claims severity and frequency, changing judicial pronouncements, and other factors. These variables are affected by both internal and external events, including changes in claims handling procedures, economic inflation, unpredictability of court decisions, risks inherent in major litigation and legislative changes. Many of these items may not be directly quantifiable particularly on a prospective basis. As a result, informed subjective estimates and judgments about our ultimate exposure to losses are an integral component of our loss reserving process. Significant reporting lags may exist between the occurrence of an insured event and the time it is actually reported. We adjust our reserve estimates regularly as experience develops and further claims are reported and settled.

Due to the inherent uncertainty in estimating reserves for losses and loss adjustment expenses, we cannot give any guarantee that the ultimate liability will not exceed amounts reserved. If our estimated reserves turn out to be inadequate, it could have a material and adverse effect on our financial condition and results of operations.

19. As a significant portion of our business is generated from relatively few regions, we are susceptible to economic and other trends and developments, including adverse weather conditions, in these areas.

The states of Maharashtra and Tamil Nadu accounted for 44.74% of our Company's domestic gross direct premium in Fiscal 2017. A decline in local economic conditions which affects the demand for insurance products, affects the ability of consumers to purchase insurable items or affects the ability of our agents or distribution partners in those regions to conduct their business, may have a greater effect on our financial condition, business and prospects than businesses that are more geographically diverse. Our substantial focus on metropolitan centres and larger cities for our products and services, and the tender process involved in the sourcing of our government business, may impair our ability to diversify our business geographically. Given our geographic concentrations, any catastrophic event in such locations may significantly increase our catastrophic reinsurance premiums. Any negative publicity regarding any of our products in these areas could have a material adverse effect on our ability to attract new customers. Other regional occurrences, such as local strikes, terrorist attacks, increases in energy prices, natural or man-made disasters or more stringent state and local laws and regulations, to the extent these affect the demand for insurance products, affect the ability for customers to purchase insurable items, or prevent our agents from consummating sales could also have a material adverse effect on our business, financial condition, results of operations and prospects.

20. Our risk management policies and procedures may not be adequate or effective in identifying or mitigating significant operational and other risks applicable to us, which could have an adverse effect on our business, prospects, financial condition and results of operations.

While we have developed and implemented various risk management policies and procedures, including an enterprise risk management framework which enables our management to effectively deal with various risks associated with our business and operations, there can be no assurance that our risk management policies and procedures will be either adequate or effective in identifying or mitigating significant operational and other risks applicable to us. Due to inherent limitations in the design and implementation of such risk management systems, including internal control environment, risk identification and evaluation and effectiveness of risk control, our risk management procedures may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all kinds of risks. Management of our operational, legal and regulatory risks requires us to, among other things, develop and implement policies and procedures to record properly and verify a large number of transactions and events, and these policies and procedures may not be fully effective. We manage our risk exposure based on observed historical market behavior or statistics, and such methodology may not accurately predict future risk exposure, which can be significantly greater than what our historical measures may indicate. Such information may not be accurate, complete or properly evaluated. Moreover, the information and experience data that we rely on may quickly become obsolete as a result of market and regulatory developments, and our historical data may not be able to adequately reflect risks that may emerge from time to time in the future. As the Indian insurance market continues to evolve, we are likely to offer a broader and more diversified range of insurance products and invest in a wider range of assets in the future. Our failure to timely adapt our risk management policies and procedures to our developing business could have a material adverse effect on our business, financial condition and results of operations.

21. An inability to control our operating and other expenses may have a material adverse effect on our business, results of operations and financial condition.

We price our products based on assumptions for expenses and probability of claim patterns we expect to incur. These assumptions for expenses include policy issuance cost, infrastructure related costs, employee costs, policy maintenance cost and other support costs. Expenses may be higher than expected due to specific events and changes in macroeconomic conditions including inflation, changes in regulations, competition dynamics, agent or other distribution intermediary pressures, and other factors beyond our control. In addition, a significant variation of actual inflation from our assumptions could also result in higher than expected expenses. If the actual incurred expenses exceed the assumed expense levels taken into account for the pricing of our products, it could have a material adverse effect on our results of operations and financial condition. There can also be no assurance that we will be able to control increased costs resulting from low productivity levels or increased competition. Any of these factors may result in us incurring higher than expected expenses and may have a material adverse effect on our business, results of operations and financial condition. In addition, since a portion of our expenses are fixed, in the event future sales are lower than expected, our expenses may not decrease in proportion, or at all, which could adversely affect our profitability and business prospects.

22. The actuarial valuations of liabilities for our policies with outstanding liabilities may be inaccurate.

The actuarial valuation of liabilities that are IBNR and IBNER for our policies with outstanding liabilities are performed by our appointed actuary and presented in our financial statements and elsewhere. Under Indian regulations, the appointed actuary of an insurance company certifies such valuation of liabilities for our policies with outstanding liabilities and confirms that in the opinion of such actuary, the assumptions taken into account for the purposes of such valuation are in accordance with the guidelines and applicable norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Our auditors rely upon our appointed actuary's certificate on such actuarial valuation. The process followed in India with respect to the actuarial valuation of liabilities for our policies with outstanding liabilities may vary from that followed by insurance companies and insurance regulatory authorities in other jurisdictions, and therefore may not be comparable. In the event that the underlying assumptions or actuarial modelling used in the determination of the actuarial valuation of our liabilities are inaccurate, or if the absence of an audit or similar process independently examining the actuarial liabilities results in an error in the calculation of such actuarial valuation, it could have an adverse effect on our financial condition and results of operations.

We continuously monitor the actual claims payout for all our products and adjust our reserves accordingly. If we conclude that our reserves are insufficient to cover actual or expected claims and expenses, we would be required to increase our reserves, which may lead to an increase in our pricing of certain products, and have a material adverse effect on our business, financial condition and results of operations.

23. Changes in market interest rates may have a material adverse effect on our business and results of operations.

The profitability of certain of our insurance products and our return on investment are particularly sensitive to interest rate fluctuations. As of March 31, 2015, 2016 and 2017, our non-equity exposure was 40.00%, 45.94% and 43.87% of our investments, respectively. These are primarily in debt securities and changes in prevailing interest rates (including changes in the difference between the levels of prevailing short-term and long-term rates) could reduce our investment returns and spread and thus materially and adversely affect our business and investment returns, which in turn could have a material adverse effect on our business, financial condition and results of operations. Our spread, which is the difference between the actual investment returns of our insurance products' reserves and the rate that needs to be earned to cover the benefits and expenses, is a key measure of our profitability.

Interest rates are highly sensitive to various factors, including governmental monetary and taxation policies, Indian and international economic and political considerations, balance of payments, regulatory requirements and other factors beyond our control. The RBI or the Government of India may implement further measures in response to changes in the macroeconomic environment, which may have a material adverse effect on our business, prospects, financial condition and results of operations.

While an increase in interest rates could result in an increase in investment returns on our newly added fixed income assets, it could also result in a decreased value of our existing fixed income assets calculated based on fair value. We may not be able to replace, in a timely manner, the existing fixed income assets in our investment portfolio with higher yield assets required to fund our policies that offer higher rates of return. We may consequently have to accept a lower spread which could adversely affect our profitability. During periods of declining interest rates, our average investment yield may be affected as our maturing investments and bonds that are redeemed or prepaid to take advantage of the lower interest rate environment may have to be replaced with new investments carrying lower yields, thus reducing our investment margins and investment income. There can be no assurance that our asset liability management process will effectively address our exposure to interest rate risks. An inability to, or a business decision not to, match the duration of our assets and liabilities will likely expose us to risks related to interest rate changes, which could materially and adversely affect our financial condition and results of operations.

24. An inability to reduce our risks and increase our underwriting capacity through adequate reinsurance arrangements may adversely affect our business, results of operations and financial condition.

Like other major insurance companies in the world, we transfer some of the risk we assume under the insurance policies we underwrite to reinsurance companies in exchange for a portion of the premiums we receive in connection with the underwriting of these policies. Although reinsurance makes the reinsurer liable to us for the risk transferred, it does not discharge our liability to our policyholders. Our ability to obtain reinsurance on a timely basis and at a reasonable cost is subject to a number of factors, including prevailing market conditions that are beyond our control. The availability and cost of reinsurance may affect the volume of our business as well as our profitability. In particular, we may be unable to maintain our current reinsurance coverage or to obtain other reinsurance coverage in adequate amounts or at favorable rates. If we are unable to renew our expiring coverage or to obtain new reinsurance coverage, either our net risk exposure would increase or, if we are unwilling to bear an increase in net risk exposures, our overall underwriting capacity and the amount of risk we are able to underwrite would decrease. To the extent we are not able to obtain reinsurance on a timely basis and at a reasonable cost, or at all, our business, financial condition and results of operations would be materially and adversely affected.

As a result, we are exposed to credit risk with respect to reinsurers in all lines of our insurance business. In particular, a default by one or more of our reinsurers under our existing reinsurance arrangements would increase our financial losses arising out of a risk we have insured, which would reduce our profitability and may adversely affect our liquidity position. Our ability to reinsure our risks is also subject to restrictions imposed by the IRDAI in respect of the reinsurers we choose to engage with; for instance, under Regulation 28(9) of the IRDAI (Registration and Operations of Branch offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015, Indian insurers are obliged to follow a prescribed order of priority in respect of reinsurers to whom risks may be ceded, with first preference being accorded to Indian re-insurers having a minimum credit rating as prescribed, followed by, inter alia, duly registered branch offices of foreign re-insurers. We are accordingly required to accord preference to prescribed Indian reinsurers in the first instance, and cannot assure you that the terms we engage with such Indian reinsurers on are as favorable as the terms we may have otherwise received from other reinsurers, including foreign reinsurers. In the event of a catastrophic loss that affects a significant number of Indian insurers, our reinsurers, may not be able to pay us on a timely basis, or at all. We have reinsurance arrangements with a number of international reinsurance companies across various product segments, all of which had credible credit ratings at the time they entered into reinsurance agreements with us. However, we cannot assure you that these reinsurance companies will be able to meet their obligations under the existing reinsurance arrangements on a timely basis, or at all, or that these reinsurance companies will be able to maintain their respective credit ratings during the term of their reinsurance arrangements with us. If our reinsurers fail to pay us or fail to pay us on a timely basis, our financial condition and results of operations could be materially and adversely affected.

25. We face certain risks in connection with our co-insurance policies.

For large corporate risks, the insurer and the insured may choose to diversify the insurance risk by appointing a lead insurer and other co-insurers (followers). The premium and claims are ceded by the lead insurer in favour of the followers in proportion to their share of participation in the risk. In case of claim, the lead insurer carries out the claim management process and the other co-insurers "follow" the lead of the lead insurer by contributing their share of the claim.

When we are the lead insurer, we have in the past faced, and will in the future face, situations where we have settled the entire amount of a claim and had a follower repudiate the claim or significantly delay payment of their share of the claim. In the case of such dispute, or in case the follower defaults on all its obligations after a claim has been paid out by us as the lead insurer, the outstanding receivables due from the co-insurer could materially and adversely affect our results of operation and financial condition.

As a follower, in some instances, in the past there have been substantial delays in the receipt of our share of premium. Additionally, we have faced situations where we were of the opinion that a claim settled by the leader should have been repudiated. In such cases, we may nevertheless have to pay our share of the claim and would be worse off than if we had handled the claim management process. All of this could materially and adversely affect our results of operation and financial condition.

26. Regulation of motor insurance, changes in demand for motor vehicles and any change in the regulatory framework of motor insurance in India could have a material adverse effect on our business, financial condition, results of operations and prospects.

In Fiscal 2015, 2016 and 2017, we derived 38.59%, 39.80% and 38.81% respectively, of our gross written premium from motor vehicle insurance products. This has largely been driven by the continued growth in consumer demand for motor vehicles in India. We cannot assure you that such growth in consumer demand for motor vehicles in India will continue in the future. As a result of adverse changes in consumer demand for motor vehicles in India and/or any unfavourable change in government policies which may affect such demand, the gross domestic premium derived from motor vehicle insurance products could be lower than our expectations. This could have a material adverse effect on our business, financial condition, results of operations and prospects.

Under the Motors Vehicles Act, 1988, as amended, there is a requirement for every person who uses (except passengers) or causes or allows any other person to use a motor vehicle in public, to purchase motor vehicle third-party liability insurance. If there is any change in this requirement, the demand for third-party motor insurance may decline, which could have an adverse effect on our business and financial condition as this product line contributed to 19.60% of our gross written premium in Fiscal 2017.

Further, the premiums for such insurance are set by the regulations laid down by IRDAI every year based upon new data with respect to actual claim payouts and there is no maximum liability cap set for such claims. If the premiums set by the IRDAI are too low when compared to actual claim payouts, or if we suffer a large claim that we have not adequately reserved for, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

Third-party liability claims in respect of motors vehicles are not subject to any period of limitations, so we may suffer claims significantly after the occurrence of the purported incident, making investigation of any such claim more difficult. Additionally, the Motor Vehicle Amendment Bill, has been passed by the Lok Sabha in April 2017 and is pending before the Rajya Sabha for due consideration. The Bill could have material adverse effect on our motor insurance business, and our results of operation.

In December 2006, IRDAI created the Indian Motor Third-Party Insurance Pool (IMTPIP) to make available motor third-party insurance, especially for commercial vehicles. All insurers registered in India to carry on non-life insurance business (including motor insurance business) or general reinsurance business were a part of this pool. The business (premiums and claims) was to be shared among all registered non-life insurers writing motor insurance business in relation to the gross direct premium in all classes of non-life insurance underwritten by them in that financial year. However, due to various operational inefficiencies, IRDAI decided after extensive consultation with various stakeholders to dissolve the IMTPIP and set up the Indian Motor Third-Party Declined Risk Pool (the "**IMTPDRP**"), effective from Fiscal 2013, for insuring standalone third-party risks (also called "act only insurance") for commercial vehicles.

Subsequently, the Insurance Laws (Amendment) Act of 2015 was notified on March 23, 2015, mandating insurers to complete a certain minimum motor third-party insurance business in the manner to be specified by IRDAI. In compliance with the said amendment in the Insurance Act, the IRDAI issued the IRDAI (Obligation of Insurers in respect of Motor Third-Party Insurance Business) Regulations, 2015 which specified that insurers underwrite minimum obligations in respect of motor third-party business. In light of the same, there was no requirement to continue the IMTPDRP. Hence, IRDAI dismantled the IMTPDRP effective April 1, 2016. However, IRDAI may again set up a third-party insurance pool and we may be forced to assume some of such risk, which could have a material adverse effect on our financial condition and results of operations.

27. There are certain risks related to our health insurance offering that could have a material adverse effect on our business, financial condition, results of operations and prospects.

In Fiscal 2015, 2016 and 2017, we derived 23.65%, 25.80% and 26.19%, respectively, of our gross written premium from health insurance products. We face certain risks in connection with our health insurance offering, including:

- losses due to imperfect pricing or inadequate underwriting;
- losses due to misrepresentations of pre-existing conditions by customers;
- losses due to fraud by customers and other third parties;
- portability of health insurance policies can lead to potential losses; and
- additional payments that we may have to make due to our inability to meet certain service level guarantees provided by us; or

In India, under the Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016, as amended, health insurance policies shall ordinarily be renewable except on grounds of fraud, moral hazard or misrepresentation or non-cooperation by the insured, provided the policy is not withdrawn. Additionally, the regulations provide for the manner in which the waiting period with respect to pre-existing diseases and time bound exclusions shall be taken into account.

Any inadequacy in pricing arising out of an abnormal number of chronic health issues requiring long-term care, could have a material adverse effect on our business, financial condition and results of operations.

28. A portion of our corporate premium comes from a limited number of large clients and the loss or downsizing of any of these clients could adversely affect our business, results of operation, financial condition and cash flows.

We have historically derived and continue to derive a certain portion of our corporate premium from a limited number of large clients. We expect that a certain portion of our corporate premium will continue to be derived from a limited number of clients in the future

The volume of insurance policies that we underwrite for specific customers is likely to vary from year to year. A major customer in one year may not account for the same level of our premiums in a subsequent year. Some of our top customers maintain panels of approved insurers that they work with. We have, in the past, and may in the future, be removed from such panels by such customers due to decisions not specifically relating to us. The loss or financial difficulties of any of our most significant customers, or significant decreases in the premium from such clients, would materially and adversely affect its business, results of operation, financial condition and cash flows.

29. Any terrorist attack or nuclear disaster in India could have a continuing negative impact on our business.

Following the September 11, 2001 terrorist attacks in the United States, a need was felt by the Indian insurance market for a terrorism risk pool. Consequently, the 'Indian Market Terrorism Risk Insurance Pool' was constituted as an initiative by all non-life insurance companies. GIC Re manages the terrorism risk pool. While we attempt to minimize stand-alone terrorism cover or terrorist coverage in the policies we underwrite, we are exposed to terrorism risk from our participation in the terrorism pool set up by the Indian non-life insurance industry.

GIC Re and 11 other non-life insurance companies, including us, formed the India Nuclear Insurance Pool, a reinsurance arrangement to provide coverage for nuclear risks. GIC Re is the administrator of the pool and each member of the pool has a certain amount of risk ceded to it.

We monitor our overall exposure to terror strikes, nuclear disasters and other man-made catastrophes in each geographic region where we have issued coverage. However, a series of terror strikes, nuclear disasters and/or man-made catastrophes in a single year may result in unusually high levels of losses with a material adverse effect on the financial position or results of operations.

30. Our business, financial condition, results of operations and prospects could be materially and adversely affected if our cross-selling activities are not successful.

We intend to expand our business with our existing customers and increase our revenues by expanding our cross-selling efforts. However, we cannot assure you that our cross-selling activities will be successful. In particular, if our cross-selling activities are deemed to have violated any laws or regulations in India, our cross-selling activities may be adversely affected, we may be subject to relevant legal liabilities and our reputation may be harmed, all of which may have a material adverse effect on our business and prospects. In addition, we may need to significantly upgrade our existing information technology systems in order to enable us to better understand and predict the behavioural patterns of our customers. We cannot assure you that our efforts in this regard will be successful.

31. An inability to maintain confidential information in a secure manner, or any security or privacy breaches could have a material adverse effect on our business, financial condition and results of operations.

In our customer engagements, we collect, process, store, use, transmit and have access to a large volume of confidential information. Our computer networks and those of our agents, other intermediaries and third party administrators and other entities with access to confidential information of our customers or potential customers or business partners (including that of underlying insured parties which may be individuals) may be vulnerable to unauthorised access, computer hackers, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employees, subcontractors or third-party administrators and other third party service providers. Despite the security controls implemented, computer attacks or disruptions may jeopardise the security of information stored in and transmitted through such computer systems. We may be required to expend significant resources to protect against the threat of such security breaches or to alleviate problems caused by such breaches. We may be unable to anticipate evolving technology or to implement adequate preventative measures, or counteract such malicious attacks or control the impact of such attacks in time or at all.

Any security breach, data theft, unauthorised access, unauthorised usage, virus or similar breach or disruption of our computer networks or those of our agents, other intermediaries, third party administrators or other entities related to our business with access to confidential information of our customers or potential customers, could result in loss or disclosure of confidential information, damage to our reputation, litigation, regulatory investigations or other liabilities. Actual or perceived concerns that these systems may be vulnerable to such attacks or disruptions may deter our customers from using our services and result in negative publicity. Data collection and storage are increasingly subject to legislation and regulations in various jurisdictions and governments have become increasingly active in the protection of privacy and security of personal information. Our attempts to comply with applicable legal requirements may not be successful, and may also lead to increased costs for compliance, which may materially and adversely affect our business, financial condition and results of operations. We could be adversely affected if additional legislation or amendments to existing regulations are introduced to require changes in our business practices or if such legislation or regulations are interpreted or implemented in ways that negatively affect our business, financial condition and results of operations.

32. Our business reputation may be adversely affected by any adverse publicity or market perception regarding our operations which may have a material adverse effect on our business, prospects, financial condition and results of operations.

Our business is significantly dependent on the strength of our brand and reputation, as well as market perception regarding our operations. While we have developed our brand and business reputation over the years, any negative incidents or adverse publicity could rapidly erode customer trust and confidence in us, particularly if such incidents receive widespread adverse mainstream and social media publicity, or attract regulatory investigations or litigation. The high level of media scrutiny and public attention that the insurance sector is subjected to, together with increasing consumer activism in India, has significantly increased the risk of negative publicity that may affect our reputation or the reputation of the insurance industry in general.

Litigation, employee misconduct, operational failures, regulatory investigations, press speculation and negative publicity, whether actual, unfounded or merely alleged, could damage our brand and our business reputation and confidence of customers. Our brand and reputation may also be adversely affected if the products or services recommended by us (or any of our employees, agents or other intermediaries) do not perform as expected by the customers (irrespective of whether such expectations are legitimate or reasonable), or if there is a change in customers' expectations from the relevant insurance product. Negative publicity could be based, for instance, on allegations that we have failed to comply with regulatory requirements or result from failure in business continuity or the performance of our information technology systems, loss of customer data or confidential information, unsatisfactory service levels or insufficient transparency in product terms and administration of claims.

Any damage to our brand or our business reputation may result in withdrawal of business by our existing customers or our intermediaries as well as loss of new business from potential customers and arrangements with new agents and other intermediaries. Furthermore, negative publicity may result in an increase in regulatory scrutiny of industry practices as well as an increase in claims litigation, which may further increase our costs of doing business and affect our profitability. Negative publicity may also influence market perception of our business and affect our ability to maintain our credit ratings. Accordingly, any adverse impact on our brand and business reputation may have a material adverse effect on our business, prospects, financial condition and results of operations.

33. Any termination of, or any adverse change to, our ability to attract or retain our senior management or key managerial personnel could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our ability to meet continued success and future business challenges and the successful execution of our business plans depends on the continued service of our senior management and on our ability to attract, recruit and retain experienced, talented and skilled professionals. We currently do not have any non-compete agreements with our directors, senior management or other key personnel. As a result of the increase in the number of insurance institutions and other financial institutions and the expansion of their business operations, the market demand and competition for talented management personnel has been intensifying. In the event of the loss of services of our directors, senior management or other key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. In particular, we rely on a limited number of actuarial personnel. Actuaries work in a specialized profession and there are a limited number of persons qualified to practice as an actuary in India. Any failure on our part to attract, retain or find suitable replacements for any of our actuarial personnel could have a material adverse effect on our business, and may impact our ability to conduct our business in an effective manner or at all.

34. There are certain risks related to our crop/weather insurance offering that could have a material adverse effect on our business, financial condition, results of operations and prospects.

In Fiscal 2015, 2016 and 2017, we derived 0.39%, 0.27% and 5.38%, respectively, of our gross written premium from crop/weather insurance products. We offer crop/weather insurance primarily under the PMFBY and the RWBCIS programs. We face certain risks in connection with our crop/weather insurance offering, which could have a material adverse effect on our business, financial condition, results of operations and prospects. These include:

- *Reduction in government support.* The crop/weather insurance market has grown in the recent past on account of significant subsidies from the central and state governments pursuant to the introduction of PMFBY. If the government reduces its support for the program, the market for crop/weather insurance will likely shrink accordingly.
- *Reputation risk.* The PMFBY, as a widespread government program, is highly publicised, intensely scrutinized and receives significant media attention. Any dispute, accusation or litigation against us, even if we are legally in the right, could lead to significant negative publicity and hurt our reputation and brand. The GoI has recently heightened its scrutiny of its programs on a retrospective basis and any failure to respond or satisfy regulatory questions or requests for information or other demands could lead to negative publicity or even penal actions.
- *Tender-based award.* The PMFBY insurance contracts are typically awarded on a tender basis by the states. As such, we are unable to control the number and geographical spreads of the business that we receive due to the nature of the tender process. This subjects us to concentration risk and increased risk of losses in case of adverse weather conditions/catastrophes.
- *Selection and pricing risk.* We actively started writing crop insurance business directly since Fiscal 2017. Since it is a relatively new market at a substantial level, we have a limited data set to substantiate our assumptions based on which we bid for a tender, which increases selection and pricing risk. If we misprice the risk or are unable to select better risks to underwrite, we may suffer significantly higher claims.
- *Reinsurance risk.* We obtain a major portion of our crop/weather reinsurance from GIC Re. In addition to the traditional risks with reinsurance, we face an increased amount of credit risk due to the concentration of our reinsurance with one entity. Further, certain PMFBY tenders are for tenures longer than one year. In such cases, we run the risk of having to agree to insure the crops without having reinsurance guaranteed for future years.
- *Non-payment/delay in payment.* A major portion of the premium received pursuant to PMFBY policies are borne by the central and state governments. While the PMFBY guidelines provide for the early settlement of such premium upon receipt of invoices by the government, there could be delays in payment of such premiums. In addition, there is a risk of non-payment of such receivables in the case of a dispute between us and the government.
- *Penalties for not adhering to contractual terms.* We may be subject to civil and criminal actions, penalties, regulatory sanctions, termination of contracts, forfeiture of profits, suspension of payments, and removal from the approved panel of insurers in case of an assertion from the government that we did not adhere to the terms of the contract.
- *Potential for higher claims and disputes.* Claims are determined by yield data in crop cutting experiments (CCE). We are unable to monitor every CCE to confirm underwritten risks and if the CCE are not conducted as prescribed by the government, or if CCE data is inaccurately captured or incomplete, it can lead to higher claims and disputes. Additionally, in accordance with the PMFBY

programme, the claim assessment is carried out by government officials and we are only allowed to act as co-observers.

- *Compliance issues.* Since most of the purchasers of insurance under the PMFBY are borrowers of regional or rural banks, we have to necessarily rely on such banks for know your customer requirements. The internal controls and standards of such banks are not uniform and we may end up providing insurance to parties we would not otherwise work with.
- *Fraud risk.* We may face fraud in the form of incorrect enrolment of a beneficiary who does not qualify for the government subsidy, fraud by collusion of intermediaries, and laxity of diligence by banks when they issue loans which are linked to such crop/weather insurance.
- *Political risks.* PMFBY and RWBCIS are social welfare programmes involving a sizeable number of farmers. The involvement and activism of local civic representatives, especially in the claims process, cannot be ruled out and could impact the level of claims payments.
- *Tax risks.* The PMFBY and RWBCIS programmes are exempted from erstwhile service tax and the GST. Since such programmes are exempted from taxation, we are required to disallow certain indirect tax credits in relation to our crop/weather insurance business. Any growth in our crop/weather insurance segment in the future is likely to reduce the tax credits available to us which would impact the profitability.

35. A significant portion of our business comes from working with the government which subjects us to risks which could result in litigation, penalties and sanctions including early termination, suspension and removal from the approved panel of insurers.

Our Company derives a significant proportion of gross written premium from central and state government contracts/programs, in relation to crop/weather, mass health and mass personal accident insurance. These contracts/programs present a number of risks, including:

- delayed or non-payment of obligations by the central and state governments, due to funding issues or otherwise, which in certain cases have resulted in significant delays in payment;
- changes to government policies or regulations;
- risks inherent to government tenders such as lower pricing, long tender process and uncapped damages;
- investigations by various law enforcement agencies upon allegations of misconduct or irregularities;
- the ability of competitors to protest tender awards;
- civil and criminal actions and penalties, including regulatory sanctions, due to non-adherence to the terms of the contract;
- termination of contracts, forfeiture of profits, suspension of payments, fines and removal from the approved panel of insurers due to non-adherence to terms of the contract;
- complaints and other legal proceedings filed by beneficiaries of such government programs;
- increased damage to reputation and possible active involvement of civic representatives, including on account of repudiation of claims, due to publicity of such contracts/programs by media;
- any penal action effected in one product/jurisdiction may affect or have consequences on other products/jurisdictions; and
- restrictions on bidding for future tenders.

An adverse decision against us in any of these proceedings may result in additional litigation which may have a material adverse effect on us.

As of March 31, 2017, the outstanding premium receivable for a period greater than one year from the central or state governments was ₹ 590.58 million. If the premium is not received from these state governments, we may be required to make provisions on account of non-receipt of such receivables in our books.

In the course of our business, we are party to contracts with the central / state governments and participate in various government undertakings such as government-sponsored mass insurance programs. In all such insurance programs, the government may initiate investigations/enquiries against any insurer as a consequence of complaints and/or allegations of any irregularity or performance of such insurer, and as a result, the government may prohibit the insurer from participating in such government contracts partially or fully.

For details, see "*Outstanding Litigation and Material Developments*" on page 501. As long as we are involved in insuring assets and other works of the government or participating in government-sponsored insurance programs, we are exposed to such prohibitory, debarment or restraining orders either for limited period or permanently. Any of the above could materially adversely affect our business, financial condition, results of operations and cash flow.

36. Any breakdown or inadequacies in our information technology systems may materially and adversely affect our operations and consequently our business, prospects, financial condition and results of operations.

Our operations are significantly dependent on our information technology systems to record and process our operational information and financial data and to provide uninterrupted and reliable service support. The proper functioning of our financial controls, accounting, customer database, customer service and other data processing systems, including those relating to underwriting and claims processing functions, actuarial and risk management, together with the communications systems linking our headquarters, branches, sales and service outlets and our principal information technology centers, are critical to our business operations and our ability to compete effectively. We may be subject to severe partial or complete failures in our information technology systems arising from, among others, hardware failure, software program errors, computer virus attacks, internet failure, conversion errors due to system upgrading or system relocation, failure to successfully implement ongoing information technology initiatives, as well as information technology failures resulting from lack of adequate public infrastructure, human errors, natural disasters, war, terrorist attacks, blackouts and other unanticipated problems partly or entirely beyond our control.

While we have established data centers, maintain disaster recovery systems, and have invested significantly on information technology upgrades, there can be no assurance that there will not be any delays, system failures or other accidents in the future, including those associated with system upgrades or introduction of new information technology systems. In addition, any upgraded or new information technology systems may not achieve projected processing capacities or reliability standards, or may not be adequate to meet the anticipated growth in our business and operations.

We may be unable to prevent or address in a timely manner, any disruption to the operation of our information technology system or timely upgrade our IT systems, which could have a material adverse effect on our business. Any such failure could result in our inability to perform, or result in prolonged delays in the performance of, critical business and operational functions, the loss of key business information and customer data, or a failure to comply with regulatory requirements. Any such failure could also affect our risk management and customer service functions, resulting in a material adverse effect on our business, prospects, financial condition and results of operations.

37. A significant proportion of our reserves are for motor third-party liability, which tend to involve longer periods of time for the reporting and settlement of claims. This may increase the inherent risk and uncertainty associated with our loss reserve estimates.

One of the significant factors involved in estimating future claims liability is the effect of inflation on claims. The anticipated effect of inflation is implicitly considered when estimating liabilities for unpaid losses and loss adjustment expenses. Estimates of the ultimate value of all unpaid losses are based in part on the development of average paid losses, which reflects inflation. Inflation is also reflected in the case estimates established on reported open claims, which, when combined with paid losses, form another basis for the derivation of estimates of reserves for all unpaid losses. We also consider specific factors that may impact losses, such as changing trends in medical costs, minimum wages and other economic indicators, and changes in legislation and social attitudes that may affect the decision to file a claim or the magnitude of court awards. There is no precise method for subsequently evaluating the adequacy of the consideration given to inflation, since claim settlements are affected by many factors. As a result of all the above, our loss reserves may not be adequate to meet our future claim liabilities, which could require us to make provisions for additional reserves and materially adversely affect our financial condition and results of operations.

38. An inability to avoid or effectively manage operational risks applicable to the insurance industry may adversely affect our business, prospects, financial condition and results of operations.

As an insurance company, our operations are exposed to various operational risks, and there can be no assurance that we will not incur losses as a result of, or that our reputation will not be adversely affected by such operational risks in the future. Key operational risks in the insurance sector include human and systems errors within a complex and high volume transaction framework, technology failures resulting in accounting errors or disruption of operations, inadequate technology infrastructure or inappropriate systems architecture, failure to adequately monitor and control our various distributors, failure to implement sufficient information security controls, an interruption in services by our service providers; and damage to physical assets, including IT assets.

Some of our offices, our employees, agents and other distribution intermediaries are involved in various business decisions including setting underwriting guidelines, product design, pricing, investment decisions, and pursuit of business opportunities, among others. For instance, pursuant to an IRDAI order dated March 11, 2016, our Company was penalized ₹ 0.50 million on the charge of allowing our regional offices to offer discretionary / commercial discounts over and above the approved structure without prescribing upper limits. In addition, our employees, agents and other distribution intermediaries may make decisions beyond their scope of authority that could expose us to excessive risks or result in operational errors or loss of reputation, all of which could have a material adverse effect on our business, prospects, financial condition and results of operations.

39. Our statutory auditors have highlighted certain qualifications and matters of emphasis to their audit report relating to our historical audited standalone and consolidated financial statements which may affect our future financial results.

Under Indian Auditing Standards, statutory auditors may issue a qualified opinion under certain circumstances, including when a company's financial records have not been maintained in accordance with Indian GAAP but no misrepresentations are identified. Our statutory auditors have highlighted certain qualifications to their audit opinion relating to our historical standalone and consolidated financial statements. Our statutory auditors have provided the basis for their qualified opinion, primarily relating to non-availability of balance confirmations, inadequacy of our internal control systems and reconciliation of certain Subsidiaries. For details, see "*Management's Discussion on Financial Condition and Results of Operations – Auditor Observations*" on page 478.

There can be no assurance that our statutory auditors will not include such qualifications, matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such qualification will not affect our financial results in future fiscal periods. Investors should consider these qualifications, matters of emphasis and related remarks in evaluating our financial condition, results of operations and cash flows. Any such qualification in the auditors' report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

40. We are subject to various credit risks in the course of our operations which may expose us to significant losses.

In the course of our business operations, we enter into transactions with a large number of counterparties, including brokers, agents, bancassurance partners, other distribution intermediaries, as well as co-insurers, reinsurers and reinsurance brokers with respect to any reinsurance arrangements. In connection with our investments, the counterparties we transact with include issuers of securities we hold, counterparties of any derivative transactions that we may enter into, banks that hold our deposits, debtors and investees of private equity funds. If any of these counterparties do not perform their obligations due to bankruptcy, lack of liquidity, business failure, economic downturn, fraud, or due to any other reason beyond our control, we could suffer significant losses. We are also subject to the risk that our rights against these counterparties may not be enforceable in all circumstances, or at all and such losses could have a material adverse effect on our business, prospects, financial condition and results of operations.

41. If our third party administrators or other service providers fail to comply with applicable regulatory requirements or their contractual obligations, it may adversely affect our business, prospects, financial condition and results of operations.

We outsource some of our operations, including data entry, policy printing and software development, to independent third party administrators and other service providers in compliance with applicable regulations. However, there can be no assurance that such independent contractors, including third party administrators and other service providers will comply with all applicable regulatory requirements or meet their contractual obligations to us in a timely manner, or at all. Third-party service providers may breach agreements they have with us because of factors beyond our control. They may also terminate or refuse to renew their agreements because of their own financial difficulties or business priorities, potentially at a time that is costly or otherwise inconvenient for us. Our operations could be delayed or our commercial activities could be adversely affected due to any such event despite having continuity plans in place as required by applicable regulations. We are also susceptible to the risk of customer data theft by such third party administrators and service providers. In addition, if our third-party service providers fail to operate in compliance with applicable regulations, we could suffer reputational harm, which would likely cause a material adverse effect on our business, results of operations and financial condition.

42. Our insurance coverage on our own assets could prove inadequate to cover our loss. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

We maintain what we believe to be appropriate insurance coverage, commensurate with industry standards in India and with reputed insurers, including, for instance, a risk held covered for a standard fire and perils policy, comprehensive group liability insurance policy, a directors and officers' insurance policy, a pan-India asset insurance policy and a cyber security insurance policy. We avail insurance cover within a range consistent with industry practice to cover certain risks associated with our business. We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. In addition, even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

43. Shifts in consumer attitudes towards insurance could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Our business and profitability are affected by our customers' attitudes towards insurance, which is a key factor affecting the performance of the non-life insurance industry in India. Customer attitudes towards insurance depends on various factors, including general economic conditions in India, reputation of the Indian non-life insurance industry in general, the risk appetite of our customers, and perceptions of the quality of customer service. If there is an adverse shift in consumer attitudes towards non-life insurance, our financial condition and results of operations may be materially and adversely affected.

In particular, in the recent past, certain government-promoted institutions, and certain large corporations have begun foregoing the purchase of non-life insurance in favour of retaining the risk on their books. If this trend continues, or accelerates, it could reduce our gross direct premium and our financial condition and results of operations may be materially and adversely affected.

44. We are also subject to a number of additional risks associated with our business outside India.

In Fiscal 2015, 2016 and 2017, gross written premium from our Company's international operations was ₹ 28,406.00 million, ₹ 32,218.40 million and ₹ 31,640.00 million, respectively, and contributed 17.70%, 17.54% and 14.20%, respectively, of our Company's gross written premium in such periods.

This business subjects us to various risks, including currency risk, risks associated with political instability, catastrophic risk affecting our business underwritten abroad, changing market conditions around the globe, economic downturn which could result in financial market disruption, and risk of compliance with local laws, any of which could cause a material and adverse effect on our business, results of operations and prospects. For instance, we closed business operations of our Subsidiary, The New India Assurance Company (Sierra Leone) Limited, owing to civil disturbances prevailing in the country. In addition, we could be subject to expropriation or deprivation of assets or contract rights, foreign currency restrictions, exchange rate fluctuations and unanticipated taxes or encounter potential incompatibility with foreign joint venture partners, and non-availability of suitable personnel. Our business is therefore, dependent on developing and maintaining a continuing relationship with our current or potential strategic joint venture partners in international jurisdictions.

In order to manage our operations, we must overcome cultural and language barriers and assimilate different business practices. Our failure to successfully manage our geographically widespread operations could impair our ability to react quickly to changing business and market conditions and comply with industry standards and procedures.

45. Any concentration in our investment portfolio could have a material adverse effect on our business, financial condition and results of operations.

As of March 31, 2017, 43.87% of our non-equity investments were primarily in fixed income products (including mutual funds) such as government bonds, bonds issued by financial institutions, corporate bonds, and other instruments, *etc*. We are obligated by regulation to invest a portion of our total investment assets in certain asset classes and we are also restricted from making certain investments. As a result of such restrictions, or otherwise, our investment portfolio may at any point in time have significant concentration in certain asset classes. In the event that an asset class in which we have a significant asset allocation experiences adverse developments, such developments could have a material adverse effect on our financial condition and results of operations.

46. Certain emphasis of matter and observations have been added by the secretarial auditors of our Company in its secretarial audit report, for the Fiscals 2016 and 2017. We cannot assure you that the secretarial audit reports of our Company, will not contain qualifications, adverse remarks or emphasis of matters for any future fiscal periods.

Certain observations have been made in the secretarial audit report of our Company for Fiscals 2015, 2016 and 2017, which include the following:

- Our Company has not complied with the Section 149(6) of the Companies Act with regard to appointment our Independent Directors;

- Our Company has not complied with Section 177 of the Companies Act with regard to the constitution and terms of reference of the Audit Committee;

- Our Company has not complied with Clause 7.9 of the IRDAI Corporate Governance Guidelines with regard to the gap between two meetings of Policyholders Protection Committee as prescribed in the aforementioned;

- Our Company has not complied with Clause 7.4 of the IRDAI Corporate Governance Guidelines with regard to the Policyholders Protection Committee being headed by a Non-Executive Director;

  Our Company is in the process of strengthening its processes and systems for compliance with Secretarial Standards issued by ICSI;

- Our Company is not in compliance with Section 12(3)(c) of the Companies Act with regard to the Corporate Identification Number printed on its business letters, billheads, letter papers and in all its notices and other official publication;

- Our Company is not in compliance with Section 178 of the Companies Act with regard to constitution of the Nomination and Remuneration Committee;

- Our Company has not updated the registers maintained by it in accordance with the provisions of the Companies Act;

- Our Company has not intimated the IRDA for opening branch office within one year from the date of approval letter from IRDA within 15 days of opening of such branch offices;

- Our Company has not submitted the proposal for opening places of Business in Form PB 1 as per the IRDAI Place of Business Regulation;

- Our Company has not provided document pertaining to Re-insurance with Indian reinsurers as per Section 101A of the Insurance Act, 1938 for verification, hence our Secretarial Auditors may not be able to comment on the compliance of the same;

- Our Company has not published the list of corporate agents on its website as required as per circular number 59/IRDA/AGENCY/MAR2007 dated March 22, 2007;

- Our Company has not submitted details of sponsored candidates in terms of circular number 42/IRDA/AGENCY/OCT2007 dated October 15, 2007;

- Our Company has not provided adequate information and documents pertaining to compliance of Insurance Act and rules made thereunder, hence our Secretarial Auditors have not been able to comment on all compliance of the Insurance Act by our Company and branches.

We cannot assure you that the audit and secretarial reports of our Company, for any future fiscals periods, will not contain qualifications, adverse remarks or emphasis of matters, or that any such qualifications, adverse remarks or emphasis or matters will not affect our results of operations in such future fiscal periods or result in any regulatory action against our Company or penalties imposed on our Company.

47. Our Chairman and Managing Director ("CMD"), Mr. G. Srinivasan has interests in other insurance companies.

Our CMD, Mr. G. Srinivasan, is a director on the boards of certain entities which are engaged in the insurance business, including, General Insurance Corporation of India and Agriculture Insurance Company of India Limited. While our CMD holds such positions pursuant to appointment orders issued by the MoF, decisions taken by our CMD, including regarding our operations, financial structure or commercial transactions may include conflict of interest and may not be in the best interests of our shareholders' or other stakeholders. These decisions may also enable a competitor to take advantage of a corporate opportunity at our expense. Such decisions could have a material adverse effect on our business, financial condition, results of operations and prospects.

48. Changing climate conditions and weather patterns may adversely affect our financial condition and results of our operations.

Many scientists indicate that the world's overall climate is getting warmer and at times unpredictable. Climate change, to the extent it produces rising temperatures and changes in weather patterns, could impact the frequency and/or severity of adverse or extreme weather events, the affordability, availability and adequacy of our catastrophe reinsurance coverage, and consequently our results of our operations. If there is a change in weather patterns, an increase in catastrophic weather events or if there is an increase in the unpredictability of weather conditions, we may be subjected to increased claim costs which could adversely impact our results of operations and financial condition. While adverse or extreme weather events could have an impact on our various business segments, like motor, fire and engineering or health insurance, the most direct impact would be on our crop insurance business, which accounted for 5.38% of our gross written premium in Fiscal 2017. This could adversely impact our volume of business and, consequently, our results of operations and cash flows. There is no guarantee that any such increase in claims will be adequately covered by reinsurance, or at all.

49. Changes in our assumptions regarding the discount rate, expected rate of return, and expected compensation for our post-retirement benefit plans may result in increased expenses and reduce our profitability.

The valuation of post-retirement benefits of our Company's employees in India is undertaken in accordance with the provisions of AS-15 prescribed by ICAI and on the basis the report of a practising actuary. Certain assumptions and other factors are taken into account while valuing the provisions such as return on plan assets, salary escalation rate and discount rate. If the assumptions are inaccurate or subject to significant change, it could result in increased provisioning and expenses, which in turn may reduce our profitability.

50. The increasing impact of innovation, technological change and use of data in the non-life insurance industry in India and the markets in which we operate, could harm our ability to maintain or increase our business volumes and our profitability.

The non-life insurance industry in India is undergoing rapid and significant technological and other changes. Our competitors and we are focused on using technology, big data and innovation to simplify and improve the customer experience, increase efficiencies, redesign products, improve customer targeting, alter business models and effect other potentially disruptive changes in the Indian non-life insurance industry. We use technology in almost every aspect of our business, including sales, underwriting, risk management, surveying, fraud detection, customer service, claims adjustment and settlement. If we do not anticipate, innovate, keep pace with and adapt to technological and other changes impacting the Indian non-life insurance industry, it could harm our ability to compete in the market, decrease the value of our products to customers, and materially and adversely affect our business prospects.

51. The insurance sector is subject to seasonal fluctuations in operating results and cash flows.

The insurance sector is subject to seasonal fluctuations in operating results and cash flow. Most Indian corporates purchase non-life insurance in the beginning of the fiscal year, and consequently, we see an increase in premiums received from our corporate customers in April of every year. In addition, certain insurance purchases by individuals are concentrated around the third and fourth quarters of the fiscal year due to the increase in sales of motor vehicles in the festive season and due to certain tax benefits related to their purchase, respectively. Likewise, the sale of health insurance products increases in the last quarter of each fiscal year to take advantage of income tax benefits available to customers. Finally, crop/weather insurance purchases are concentrated around the two sowing seasons—Kharif and Rabi.

Our investment income is also subject to fluctuations as we time the sales of our investments on the basis of market opportunities.

As a result of these factors, we may be subject to seasonal fluctuations and volatility in growth in premiums, results of operations, cash flows and earnings between financial periods of reporting. Consequently, our results for an interim period should not be used as an indication of our annual results, and our results for any period should not be relied upon as an indicator of our future performance.

52. Fluctuations in the value of the Indian Rupee against other foreign currencies may have a material adverse effect on our financial condition and results of operations.

Changes in currency exchange rates influence our results of operations. A significant portion of our revenues, particularly relating to our international operations, is denominated in currencies other than Indian rupees, most significantly the British Pound and the U.S. Dollar. In addition, a significant proportion of our reinsurance arrangements are also denominated in U.S. Dollars. Similarly, operating expenses in connection with our international operations are denominated in currencies other than Indian rupees, typically the local currencies in the countries where we operate. Although our widespread operations and diverse markets provide a degree of natural hedge to our foreign currency exposure, significant fluctuations in currency exchange rates between the Indian Rupee and these currencies and inter-se such currencies may adversely affect our results of operations. We also expect our future expansion plans to other international jurisdictions to include expenditure in foreign currencies. Furthermore, the financial reporting currency of our Company is Indian rupees, while the financial reporting currency of our international branches and Subsidiaries is in local currencies of countries that they operate in. Our foreign currency exchange risks therefore arise from the mismatch between our financial reporting currencies, currency of a substantial part of our revenue and the currency of a substantial part of our expenses, as well as timing differences between receipts and payments which could result in an increase of any such mismatch.

53. Our financial results are subject to a significant number of tax regimes and changes in the legislation governing the rules implementing them or the regulator enforcing them in any one of these countries could negatively and adversely affect our results of operations.

We have substantial international operations, and as of June 30, 2017, we operated in 28 international jurisdictions through a number of international branches, agent offices and Subsidiaries. Consequently, we are subject to the jurisdiction of a significant number of tax authorities and regimes. The revenues recorded and income earned in these various jurisdictions are taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. The final determination of our tax liabilities involves the interpretation of local tax laws, tax treaties and related authorities in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax law and currency/repatriation controls, including on a retroactive basis, could impact the determination of our tax liabilities for any given tax year.

54. We may require additional capital in the future, which may not be available or may only be available on unfavorable terms.

Unless we are able to access the necessary amounts of additional capital, any incremental capital requirement may adversely impact our ability to grow our business and may even require us to curtail or withdraw from some of our current business operations. There can also be no assurance that we will be able to raise adequate additional capital in the future on terms favorable to us, or at all, and this may hamper our growth plans, apart from those that can be funded by internal accruals.

55. We will be required under applicable regulations to prepare our financial statements under the Indian Accounting standards converged with IFRS ("Ind-AS") with effect from April 1, 2020. Accounting standards under Ind-AS vary from accounting standards under Indian GAAP and there can be no assurance that our financial statements prepared and presented in accordance with Ind-AS will not materially or adversely vary from our historical financial statements prepared and presented under Indian GAAP, which could adversely affect the trading price of the Equity Shares.

We currently prepare financial statements in accordance with accounting principles generally accepted in India (Indian GAAP), in compliance with the accounting standards notified under section 133 of the Companies Act, 2013 further amended by Companies (Accounting Standards) Amendment Rules, 2016, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India.

The Ministry of Corporate Affairs (the "**MCA**"), in its press release dated January 18, 2016, issued a roadmap for implementation of Ind-AS converged with IFRS for scheduled commercial banks, insurance companies and non-banking financial companies. Subsequently, MCA issued the Companies (Accounting Standards) Amendment Rules, 2016 dated March 30, 2016 ("**Amendment Rules**") applicable for accounting periods commencing on or after March 30, 2016. The Amendment Rules require insurance companies to apply Ind-AS for the preparation and presentation of financial statements as notified by the IRDAI. Subsequently, pursuant to the IRDAI circular dated June 28, 2017, implementation of Ind-AS in the insurance sector has been deferred and will be applicable with effect from April 1, 2020.

The manner of application of certain Ind-AS accounting standards, particular with respect to insurance companies, is somewhat uncertain, and further guidance on such application is expected to be provided by the IRDAI. In the absence of requisite guidance from the IRDAI on the interpretation and application of Ind-AS accounting standards and policies to insurance companies with effect from April 1, 2020, we are unable to determine with any degree of certainty the impact that the adoption of Ind-AS will have on the preparation and presentation of our financial statements. In the absence of established practice in India regarding the implementation and application of Ind-AS to insurance companies, we may encounter technical difficulties in implementing and enhancing our management information systems in the context of our transition to Ind-AS. In addition, there is increasing competition for the small number of Ind-AS-experienced accounting personnel available as more Indian companies begin to prepare Ind-AS financial statements.

In this Draft Red Herring Prospectus, we have not made any attempt to quantify or identify the impact of the differences between Ind AS and Indian GAAP as applied to our historical financial statements and there can be no assurance that the adoption of Ind AS will not materially affect the preparation and presentation of our financial statements in the future.

56. An inability to verify and ensure the accuracy and completeness of information provided by or on behalf of our customers and counterparties may subject us to fraud, misrepresentation and other similar risks, which could adversely affect our business, prospects, financial condition and results of operations.

In various stages of our operations, including deciding whether to issue policies to customers, pay out claims or enter into other transactions with counterparties, we necessarily have to rely on information furnished to us by or on behalf of our customers and counterparties, including but not limited to, personal details, their medical histories in case of health insurance, business operations in case of property and casualty insurance and the purpose of the vehicle in case of motor insurance, their income statements and other financial information. Our business and operations may be adversely affected by our inability to verify or ensure accuracy of such information or by relying on any incorrect, misleading or incomplete information sourced from customers, claimants and counterparties. Such information might include non-disclosure of pre-existing medical conditions, inaccurate, incomplete or forged income and financial statements, ownership documents, or know your customer information. There can be no assurance that we will be able to timely detect or prevent such misrepresentation or misconduct by customers and counterparties, which could harm our business reputation and, lead to regulatory action, resulting in a material adverse effect on our business, financial condition and results of operations. Our business and reputation could suffer if any such party uses or attempts to use our operations for money-laundering or other illegal activities or if we are unable to timely detect or report such incidents to the relevant regulatory authorities.

57. We or our counterparties may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits or restricts U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries or territories and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions.

We have undertaken certain reinsurance related transactions with entities doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply, such as Iran and Russia. Although we believe that we have compliance systems in place that are sufficient to block prohibited transactions, and we have not been notified that any penalties or other measures will be imposed on us, there can be no assurance that we will be able to fully monitor all of our transactions for any potential violation.

We can provide no assurances that our future business will be free of risk under sanctions implemented by these jurisdictions or that we will conform our business to the expectations and requirements of the United States authorities or the authorities of any other government that do not have jurisdiction over our business but nevertheless assert the right to impose sanctions on an extraterritorial basis. Further, investors in the Equity Shares could incur reputational or other risks as a result of our or our counterparties' dealings in or with countries or with persons that are the subject of U.S. sanctions. In addition, because many sanctions programs are evolving, new requirements or restrictions could come into effect which might increase regulatory scrutiny of our business or result in one or more of our business activities being deemed to have violated sanctions, or being sanctionable.

58. We are yet to receive or renew certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations.

We require certain approvals, licenses, registrations and permissions for operating our business, within and outside India, some of which have expired and for which we are in the process of making an application for obtaining the approval or its renewal. Further, certain of our offices in India may not have adequate registrations under applicable laws, such as the relevant shops and establishment and professional tax legislations, the absence of which may adversely impact our operations from such branches. Additionally, as of June 30, 2017 we operated our international business through international branches, agency offices, representative offices across 28 countries including by way of our Subsidiaries. Except for our representative office in Myanmar which was set up in the year 2015 none of our other foreign offices and/or Subsidiaries are registered with the IRDAI as they were set up prior to the '*Guidelines for opening of foreign insurance company (including branch office) outside India by an Indian Insurance Company registered with the IRDAI*', issued by the IRDAI on May 15, 2013, as amended. We can provide no assurance that the IRDAI will not impose any penalty or initiate any proceedings against our Company, in this regard. Further, the approval for our Myanmar office expired on January 27, 2017 and we have applied for its renewal on June 9, 2017. The renewal application is pending before the IRDAI. We can not assure you that such renewal will be granted by the IRDAI. For details, see "*Government and Other Approvals*" on page 510. Further, the approvals that we have obtained stipulate certain conditions requiring our compliance. If we fail to obtain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected.

59. The general insurance industry has historically experienced cyclical fluctuations in business and is subject to seasonal fluctuations and we expect to experience periods of excess underwriting capacity and unfavorable premium rates, which may affect our business, financial condition and results of operations.

The general industry has historically experienced cyclical fluctuations characterized by periods of intense price competition due to excess underwriting capacity and periods when shortages of underwriting capacity contribute to a favorable pricing environment. An increase in pricing levels is often offset by a subsequent increase of insurance capacity, either from capital provided by new entrants or from the commitment of additional capital by existing insurers. Increased capacity could lead to a significant reduction in premium rates, less favorable policy terms and fewer applications for our policies. In addition, changes in the frequency and severity of losses suffered by policyholders and insurers may affect the cycles of the general insurance business significantly. For details, see "*Industry Overview*" on page 119.

The sector is also subject to seasonal fluctuations in operating results and cash flow, depending on the performance of our customers and the various industries that are served by our principal insurance product segments. As a result of these factors, we may be subject to seasonal fluctuations in operating results and cash flows during any interim financial period, and consequently, such results cannot be used as an indication of our annual results, and cannot be relied upon as an indicator of our future performance.

60. A downgrading of our credit rating may materially and adversely affect our business and competitive position.

As of January 9, 2017, our Company has been rated A-(Excellent) by AM Best Company, and as of June 29, 2017, our Company has been rated 'AAA/Stable' by CRISIL. There can be no assurance that we will be able to improve or maintain such credit ratings. In the event any of these credit ratings is downgraded in the future, it would adversely affect our business and competitive position. A downgrade in credit rating may result from various factors which are outside our control, including macro-economic factors or regulatory developments that may affect the insurance industry as a whole or our own future financial performance, or even negative publicity relating to us that adversely affects our operations and brand. Any such downgrade would make it difficult for us to market our products, affect our ability to raise debt at competitive rates and retain our agents, intermediaries and policyholders which would likely have a material and adverse effect on our business, financial condition and results of operations.

61. Any increase in or realization of our contingent liabilities could have a material adverse effect on our business, financial condition, results of operations and prospects.

As of March 31, 2015, 2016 and 2017, our aggregate contingent liabilities, were ₹ 28,679.97 million, ₹26,986.05 million and ₹ 27,971.75 million, respectively. The table below sets forth certain information on our contingent liabilities as of March 31, 2017:

Particulars	**As of March 31, 2017**
	(₹ million)
Contingent Liabilities	
Partly paid-up investments	468.87
Underwriting commitments outstanding (in respect of shares and securities)	-
Claims, other than those under policies, not acknowledged as debts by our Company	83.53
Guarantees given by or on behalf of our Company	17.09
Statutory demands or statutory liabilities in dispute, not provided for	26,773.42
Reinsurance obligations to the extent not provided for in accounts	-
Others (matters under litigation) to the extent ascertainable	474.79
Tax and other liabilities Venture Fund	154.04
Total	27,971.75
Commitments	
Commitment made and outstanding for Loans Investments and Fixed Assets	1321.20
Total	1321.20

For details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 432. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal or in the future. In the event that any of our contingent liabilities were to be recognized on our financial statements, they could have a material adverse effect on our business, financial condition and results of operations.

62. The preparation and presentation of our financial statements and calculation of related performance indicators differ significantly from those of non-insurance companies, could materially vary from those prepared and presented by insurance companies in other jurisdictions, and may be difficult to understand or interpret.

Our Restated Consolidated Financial Statements and Restated Standalone Financial Statements have been prepared in accordance with Indian GAAP, the Companies Act, the Insurance Act, the IRDA Act, including regulations framed and circulars issued thereunder and have been restated in accordance with the SEBI Regulations and the IRDAI Capital Regulations. The Restated Consolidated Financial Statements, Restated Standalone Financial Statements, and the financial statements which will be prepared for the future accounting periods will differ significantly from those of non-insurance companies and may be difficult to understand. For example, while financial statements of companies other than insurance companies generally consists of a balance sheet, profit and loss statement and cash flows statement, our financial statements consist of a balance sheet, revenue account (*i.e.*, 'premium earned'), the profit and loss account and the receipts and payments account. As a result of the technical nature of our financial statements as compared to those of non-insurance companies, an investor may find them difficult to understand or interpret, and it may cause an investor to make an investment decision without fully understanding the manner in which our financial statements are prepared and presented.

We have in this Draft Red Herring Prospectus included a number of performance indicators related to our business. The manner in which our performance indicators are calculated and presented may be significantly different from those of non-insurance companies and may involve certain estimates and assumptions in their calculation. Certain of these performance indicators may not be derivable from our financial statements and have not been subjected to an audit or review by our statutory auditors. In addition, different insurance companies may calculate such performance indicators differently and the assumptions and estimates used in the calculation of such performance indicators may vary between insurance companies. There can be no assurance that such estimates and assumptions that form the basis of our performance indicators are accurate or valid, or that such information accurately represents the past financial performance of our Company. There can be no assurance that there will not be any change in such underlying assumptions or estimates used in the calculation of such performance indicators in the future. Accordingly, investors are cautioned against placing undue reliance on the performance indicators we have included in this Draft Red Herring Prospectus in making an investment decision, and must evaluate such information in the context of the detailed Restated Consolidated Financial Statements and Restated Standalone Financial Statements included in this Draft Red Herring Prospectus.

63. Any adverse development in the various industries in which we distribute our products may adversely affect our business prospects in specific products segments, and consequently our financial condition and results of operations.

Any adverse development in the various industries in which we distribute our products may adversely affect our business prospects in specific products segments, and consequently our financial condition and results of operations. For example, in Fiscal 2015, 2016 and 2017, motor insurance contributed 40.43%, 41.81%, and 41.06%, respectively, of our gross direct premium in such periods. A decline in consumer demand in the automobile industry in India, whether resulting from regulatory developments, increased taxation, or changes in environmental policies, inflation and other factors, will adversely affect the performance of our motor insurance business. Similarly, the volatility and general decline in oil prices, and the consequent slowdown in the oil and gas and energy industries in recent years, have had an adverse impact on our fire insurance and marine insurance business.

64. The rate of growth of the Indian insurance market may not be as high or as sustainable as we anticipate.

We expect the insurance market in India to expand and the insurance penetration rate to rise with the continued growth of the Indian economy and household wealth, the reform of the social welfare system, demographic changes and the liberalization of the Indian insurance industry allowing increased equity participation by foreign investors. Our judgments regarding the anticipated drivers of such growth and their impact on the Indian insurance industry are prospective. There cannot be any assurance that such prospective judgments will be consistent with actual developments in the Indian insurance industry and in particular in the general insurance industry. Our judgements regarding the anticipated drivers of such growth and their impact on the Indian insurance industry might also be mistaken and actual developments might not reflect such expectations. In addition, the Indian insurance industry may not be free from systemic risks, including risks related to macroeconomic conditions. Consequently, there can be no assurance regarding the anticipated growth rates in the Indian insurance industry.

65. Any adverse development relating to any asset class in which we may have significant exposure in our investment portfolio may result in a material adverse effect on our business, financial condition and results of operations.

Our investment portfolio includes a variety of asset classes, including, but not limited to equity and debt securities. Our investment portfolio may at any point in time have significant concentration in certain asset classes. For instance, as of March 31, 2017, Central and State government securities represented 25.19%, equity shares represented 56.13%, and debentures represented 6.62% of our total investments as of such date. In the event that any particular asset class in which we have a significant asset allocation experiences adverse developments, such developments could have a material adverse effect on our business, financial condition and results of operations.

66. A majority of our business operations are conducted on leased premises, and an inability to renew or extend the terms of such leases as required may affect our business operations.

A majority of our business operations, including most of our branches and offices are conducted on premises leased or under similar arrangements from independent lessors certain of which have expired in the ordinary course of business. Further, we may enter into additional leases and similar arrangements for our branches and offices in the future. Any adverse development affecting the title or ownership rights of our lessors over such premises, or the breach of any contractual term of such lease or similar arrangements, or an inability to renew or extend such arrangements on commercially viable terms, or at all, may adversely affect our business operations, and consequently our financial condition and results of operations.

67. Any change to the existing regulation or non-compliance with respect to rural and social sector obligations may adversely affect the result of our operations.

Under the IRDAI (Obligations of Insurers to Rural and Social Sectors), Regulations, 2015, we have an obligation to underwrite business in rural and social sectors as follows:

- at least 7% of the total gross direct premium for each financial year must be from the rural sector; and
- the total number of “human lives” underwritten in each financial year in the social sector, measured as a percentage of total business procured in the preceding financial year, must be at least 5%.

Rural sector means the places or areas classified as “rural” based on the latest available population census by the Government of India. Social sector includes the unorganised sector, informal sector, economically vulnerable or backward classes and other categories of persons, both in rural and urban areas.

We have been meeting current requirements to underwrite in the rural and social sectors largely due to our participation in government-sponsored insurance programmes. In the event we are unable to underwrite such government-sponsored insurance programmes for any reason whatsoever, we may have to satisfy our rural and social sector obligations by underwriting risks which we would not otherwise underwrite, including at relatively low premium rates, in geographies where we have concentration risk and through products we would otherwise like to avoid selling. Any of these could have an adverse effect on our results of operations.

68. Our Promoter and certain of our Directors and Key Management Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.

Our Promoter, being the President of India, acting through the MoF, and certain of our Directors and Key Management Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Our Promoter and certain Directors and Key Management Personnel (in their capacity as nominees of our Promoter) may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. We cannot assure you that our Promoter, Directors and our Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For details, see "*Capital Structure*", "*Our Promoter and Promoter Group*" and "*Our Management*" on pages 101, 218 and 197, respectively.

69. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.

Any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act and the Insurance Act. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements, capital expenditure requirements and solvency ratio requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Shareholders in future consistent with our past practices, or at all. For information pertaining to dividend declared by us in the past, see "*Dividend Policy*" on page 226.

Under Indian law, dividends may be paid out of profits earned during the year or out of accumulated profits earned by a company in previous years and transferred by it to its reserves (subject to certain conditions). Any accumulated profits that are not distributed in a given year are retained and may be available for distribution in subsequent years.

Payment of dividends by us is not regulated by relevant insurance laws and regulations prescribed for non-life insurance companies. However, the IRDAI may restrict an insurance company that has a solvency ratio lower than the control level of 1.50 from paying dividends. Any future changes in the regulations or a drop in the solvency margin maintained by us below the regulatory threshold may restrict our ability to pay dividends.

Further, following the completion of the Offer, the Government of India will continue to own a substantial portion of our share capital and subsequently will have the ability to influence our dividend policy.

70. Some of our records relating to forms filed with the Registrar of Companies, authorization letters of central government and Controller of Capital Issues, Government of India and minute books for certain board and shareholders' meeting are not available. We cannot assure you that these form filings and minute books will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

Our Company does not have access to certain, (i) filings pertaining to certain historical legal and secretarial information; (ii) authorization letters of central government and Controller of Capital Issues, Government of India, as applicable, for changes in our authorized share capital and issued, subscribed and paid up capital; and (iii) minutes of board and shareholders' meetings, in relation to certain disclosures in this Draft Red Herring Prospectus. These include, (i) requisite filings required to be made with regulatory authorities for the years prior to the year 2010, (ii) minutes of the board meetings for the; (a) issuance and allotment of 60,000,000 bonus equity shares in the year 2000; (b) the issuance and allotment of 50,000,000 bonus equity shares in the year 2004; and (c) the issuance and allotment of 50,000,000 bonus equity shares in the year 2005 and (iv) minutes of the shareholders' meeting for the issuance of 50,000,000 bonus equity shares in the year 2004.

Accordingly, for the filings with the RoC and authorization letters of central government and Controller of Capital Issues, Government of India, as applicable, for changes in our authorized share capital and issued, subscribed and paid up capital, we have relied on other documents, including audited balance sheets comprised in the relevant annual reports, the statutory register of members of our Company and Board resolutions. While we believe that the forms were duly filed on a timely basis and that the authorisation letters were duly received, we have not been able to obtain copies of these documents from the RoC and/or any respective authorities, or otherwise.

Further, while we believe that our Company had maintained the required minutes of the Board and Shareholders' meetings for the aforementioned years, we have not been able to retrieve copies of such minutes. We cannot assure you that these minutes of the Board and Shareholders' meetings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

71. We have entered into certain related party transactions, and we may continue to do so in the future.

We have entered and may continue to enter into certain transactions with related parties, including with our Subsidiaries, Associates, and key management personnel. These include, claims paid, loan installments and interest received, management fees earned, premiums and commissions on reinsurance. We have also paid salary and allowances to our key management personnel. For more information on our related party transactions, see "*Related Party Transactions*" on page 225.

Certain related party transactions also require the approval of our Shareholders (where the related parties are required to abstain from voting on such resolutions). There can be no assurance that such transactions will be approved. There can also be no assurance that we will be able to maintain existing terms, or in case of any future transactions with related parties, that such transactions will be on terms favourable to us. While we believe that all of our related party transactions have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is also likely that we will enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflict of interests. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, results of operations and prospects.

72. This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL.

This Draft Red Herring Prospectus in this section and the sections "*Summary of Industry*", "*Summary of Business*", "*Industry Overview*", "*Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 68, 75, 119, 142 and 432, respectively, includes information that is derived from an industry report titled "*Analysis of General Insurance Industry – The New India Assurance Company Limited*" prepared by CRISIL, pursuant to an engagement with us. We commissioned this report for the purpose of confirming our understanding of the insurance industry in India. Neither we, nor any of the Book Running Lead Managers, our Directors, nor any other person connected with the Offer has verified the information in the commissioned report. Although the commissioned report is based on information obtained from sources that is considered reliable, it does not guarantee the accuracy, adequacy or completeness of such information and disclaims responsibility for any errors or omissions in the information or for the results obtained from the use of such information. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. Methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that the assumptions made by CRISIL are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in the Equity Shares. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

73. Certain of our Subsidiaries and Group Companies have incurred losses in the past, based on their audited financial statements available.

Certain of our Subsidiaries and Group Companies including Prestige Assurance Plc and Health Insurance TPA of India Limited have incurred losses in the past, based on their available audited financial statements. We cannot assure you that our Subsidiaries or Group Companies will not incur losses in the future. This may lead to reputational loss or decline in our overall profitability. For details, see "*Our Subsidiaries*" and "*Group Companies*" on pages 219 and 221, respectively.

74. Our Company's management will have flexibility in utilising the Net Proceeds and there we cannot assurance you that the deployment of the Net Proceeds in the manner intended will result in an increase in the value of your investment

Our Company intends to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 112. As our Company's management has broad discretion to use the Net Proceeds from the Offer, you will be relying on the judgment of our Company's management regarding the application of the Net Proceeds. Our Company, in accordance with the policies formulated by the Board from time to time, will have flexibility to deploy the Net Proceeds. The use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of your investment.

75. Failure to protect our intellectual property rights may adversely affect our business.

Our trademark and logo are not registered. We have made trademark registration applications for our name and logo with the Trademark Registry. Our business is significantly dependent on the strength of our brand. If we are unable to register our trademark and logo, or otherwise fail to protect our brand, it may adversely affect our business prospects. There can be no assurance that we will be able to register our trademark or effectively protect our trademark and logo, if registered from infringement or recover damages for any such infringement through legal proceedings. For details, see "*Government and Other Approvals*" on page 510.

76. Our Company will continue to be controlled by the Government of India following this Offer.

Upon the completion of this Offer, the Government of India will hold approximately 85.44% of our post-Offer paid up equity share capital. Consequently, the Government of India, acting through the Ministry of Finance, will continue to control us and will have the power to elect and remove our directors and determine the outcome of most proposals for corporate action requiring approval of our Board or shareholders, capital expenditure and dividend policy. Under the Companies Act, we will continue to be a public sector undertaking which is owned and controlled by the Government of India. The President of India, acting through the Ministry of Finance could, by exercising its powers of control, delay or defer or initiate a change of control of our Company or a change in our capital structure, delay or defer a merger, consolidation, or discourage a merger with another public sector undertaking. For details on the Articles of Association, see "*Main Provisions of the Articles of Association*" on page 600. Additionally, the 1973 Scheme which came into effect on January 1, 1974 specified that consent of the GoI would be required to undertake any reduction of share capital or issuance of fresh capital by our Company after the scheme became effective. For details see, "*History and Certain Corporate Matters*" on page 188. This may affect the decision making process in certain business and strategic decisions taken by our Company going forward.

EXTERNAL RISK FACTORS

Risks Relating to India

77. Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on our business, results of operations and financial condition.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business. Similar developments in the future could negatively impact confidence in the financial sector and could have a material adverse effect on our business, results of operations and financial condition.

In addition, we use certain financial institutions as partners in our business. Any one of them could be negatively affected by financial difficulty as a result of occurrences over which we have no control. If one or more of our financial institutional partners suffers economic difficulty, this could have a material adverse effect on our business, results of operations and financial condition.

78. Adverse macroeconomic conditions and financial markets in India and globally may have a material adverse effect on our business, results of operations and financial condition.

In the event of adverse macroeconomic conditions in India or globally, which may be characterized by higher unemployment, lower household income, lower corporate earnings, lower business investment and lower consumer spending, the demand for insurance products could be adversely affected. Our policyholders may opt to defer or discontinue paying insurance premiums or avail continuing insurance cover. We may also experience an increase in incidence of claims and lapses of policies. Changes in the economic conditions can affect our financial results through their effect on market conditions and investment income and through changes in consumer demand for insurance products and services. In addition, premium and claim trends in insurance and reinsurance markets are cyclical in nature and unpredictable events such as the occurrence of natural disasters, inflationary pressures, competition, regulatory developments or judicial decisions may affect the size of future claims and adversely impact our profitability.

Several global economic developments are expected to have an impact on the Indian economy and consequently may affect our financial performance, including (i) in the short term, the change in the outlook for global interest rates as a result of the US elections and the implied change in expectations of US fiscal and monetary policy will impact on India's capital flows and exchange rates; (ii) the medium-term political outlook for globalization, a strong dollar, and stagnant or declining trade at the global level will affect India's export and growth prospects; and (iii) developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is unable to successfully re-balance its economy, there could be negative spillover effects on India and the rest of the world *(Source: Economic Survey 2016-2017 – Ministry of Finance)*. In addition, UK's withdrawal from the European Union and the prospect of its exit from the European Union may also create business and financial uncertainty, and there can be no assurance as to the effect that the outcome of the referendum and such exit from the European Union may have on the general economic, financial and political conditions in the UK, Europe or globally, nor the impact such conditions may have on factors that affect our business, results of operation and financial condition.

Global economic conditions therefore continue to significantly impact macroeconomic conditions in India and consequently our performance. Any adverse macroeconomic development in India, whether as a result of domestic or global developments, would adversely affect our customers and thereby have a material adverse effect on our business, results of operations and financial condition.

79. The limited amounts and types of long-term fixed income products in the Indian capital markets and the legal and regulatory requirements on the types of investment and amount of investment assets that

insurance companies are permitted to make could severely limit our ability to closely match the duration of our assets and liabilities.

We are restricted under Indian insurance laws and related regulations, including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, read with Investments – Master Circular issued by the IRDAI in May 2017, in relation to the type of investments and amount of investment assets in which we may invest, as well as the limited amounts and types of long-term investment assets in the Indian capital markets capable of matching the duration of our liabilities, may result in a shorter duration of assets than liabilities with respect to certain of our investment accounts. Our exposure to interest rate risk may also worsen as we expand our business. We cannot assure you that the investment restrictions imposed on insurance companies in India will not be strengthened and the sizes and types of long-term fixed income products available in the Indian securities market may increase in the future. Our failure to closely match the duration of our assets to that of the corresponding liabilities will continue to expose us to risks related to interest rate changes, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

80. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

The annual rate of inflation, was at 3.85% (provisional) for the month of April, 2017 (over April, 2016) as compared to 5.29% (provisional) for the previous month and (1.09)% during the corresponding month of 2016. (Source: Index Numbers of Wholesale Price in India, Review for the month of April 2017, published by Government of India, Ministry of Commerce and Industry) Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our payers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

81. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business, and results of operations.

Any change in tax laws, including for indirect taxes, may result in us no longer being able to enjoy the existing exemptions or benefits, available to us, which could adversely impact our profitability. If there is an upward revision to the currently applicable special corporate tax rates of 20.00% along with applicable surcharges and cess under Section 115JB (Minimum Alternate Tax) of the Income Tax Act applicable to us, or if the normal corporate tax rates of 30.00% along with applicable surcharge and cess become applicable to us, our tax burden will increase. Other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for income of an IRDAI approved pension fund and exemption for interest received from any public sector company in respect of tax free bonds, if withdrawn by the statute in future, may no longer be available to us. Changes in tax legislation or in the interpretation of current tax legislation may therefore, when applied to such products, have a material adverse effect on our financial condition and could also materially reduce the sales of certain of our products.

Similarly, in relation to the applicable law on indirect taxation, the Government of India has implemented the comprehensive national Goods and Services Tax (the "**GST**") regime that combines taxes and levies by the central and state governments into one unified rate of tax. Enactment and consequent implementation of this regime is expected to, among other things, increase the prices of general insurance services, increase the operational burden, affect the availability of CENVAT credit to us and affect our overall tax efficiency, which could have an adverse impact on our business, financial condition and results of operations. While the Government of India and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the legal regime on the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following the implementation of the GST. Since the implementation of this rationalized tax structure is still at a nascent stage, this may create uncertainty, and any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Such implementation also remains subject to any disputes between the various state governments, which could create further uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India including us and may result in significant additional taxes becoming applicable to us. If, as a result of a particular tax risk materialising, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

As regards GAAR, the provisions of Chapter X-A (sections 95 to 102) of the Income Tax Act, 1961, are applicable from assessment year 2019 (Fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on the insurance industry cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

In addition, if international tax reforms such as the Base Erosion and Profit Sharing measures of the Organisation for Economic Co-operation and Development are adopted by India, we may be subject to enhanced disclosure and compliance requirements and a resultant increase in our costs related to such compliance. We cannot predict whether any tax laws or regulations impacting insurance products will be enacted, the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition and results of operations.

82. Our ability to invest in foreign subsidiaries or joint ventures is constrained by applicable restrictions under Indian foreign investment laws as well as laws of the relevant international jurisdiction, which could adversely affect our business prospects and international growth strategy.

Under Indian foreign investment laws, an Indian company is permitted to invest in overseas joint ventures or subsidiaries, up to 400% of the Indian company's net worth as at the date of its last audited balance sheet (subject to certain exceptions). This limitation also applies to any other form of financial commitment by the Indian company, including in terms of any loan, guarantee or counter guarantee issued by such Indian company. However, any financial commitment exceeding US$ 1 billion (or its equivalent) in a financial year would require prior approval of the Reserve Bank of India, even when the total financial commitment of the Indian company is within the eligible limit as mentioned above. Further, there may be limitations stipulated in the host country for foreign investment. Further, as per the extant RBI regulations, an Indian company is also permitted to make investment in an entity outside India engaged in financial services activities on fulfillment of requirement of certain conditions, such as: (i) it has earned net profit during the preceding three financial years from the financial services activities; (ii) it is registered with the regulatory authority in India for conducting the financial services activities; (iii) has obtained approval from the concerned regulatory authorities both in India and abroad, for venturing into such financial sector activity; (iv) has fulfilled the prudential norms relating to capital adequacy as prescribed by the concerned regulatory authority in India. Any additional investment by an existing joint venture/wholly-owned subsidiary or its step down company in the financial services sector shall be made only after complying with these requirements. Investment or financial commitment not complying with the stipulated requirements is permitted with prior approval of the RBI. In addition, there are certain routine procedural and disclosure requirements in relation to any such overseas direct investment. These limitations on overseas direct investment could constrain our ability to acquire or increase our stake in overseas entities as well as to provide other forms of financial assistance or support to such entities, which may adversely affect our business and financial condition.

83. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

The majority of our business, assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy include:

- global slowdown of the financial market and economies contributing to weakness in the Indian financial and economic environment;
- adverse movement of interest rate/inflation
- any exchange rate fluctuations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions;
- increased volatility of commodity prices;
- financial difficulties faced by certain financial institutions / intermediaries such as clearing agencies, banks, securities firms and exchanges;
- increase in India's trade deficit;
- downgrading of rating of India, the Indian banking sector rating agencies; and
- other significant regulatory or economic developments in or affecting India or its insurance sector.

An adverse impact on the Indian economy due to any of the above-mentioned factors, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

84. Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against us, our directors or officers.

All of our Directors and executive officers and key managerial personnel are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India, or to enforce judgments obtained against such parties in courts outside of India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

85. Differences exist between Indian GAAP and other accounting principles, which may be material to investors' assessments of our financial condition.

Our financial statements, including the financial statements included in this DRHP, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of other accounting principles, such as U.S. GAAP or IFRS, on the financial data included in this DRHP, nor do we provide a reconciliation of its financial statements to those prepared pursuant to U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in several respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this DRHP will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should, accordingly, consult their own professional advisors before relying on the financial disclosures presented in this DRHP.

86. Any anticipated measures undertaken by the Government of India or any regulatory authority may adversely affect our business, financial condition and results of operations.

Any anticipated measures undertaken by the Government of India or any regulatory authority such as the recent demonetization measures may adversely affect our business, financial condition and results of operations.

87. There are restrictions on transfers of Equity Shares under the Insurance Act and the relevant IRDAI regulations.

Under the Insurance Act and the IRDAI Transfer of Equity Shares Regulations, no registration of transfer or issuance of Equity Shares which would result in change in our shareholding can be made, where (a) after the transfer, the total paid up holding of the transferee is likely to exceed 5% of our paid-up equity share capital, or (b) the nominal value of Equity Shares intended to be transferred by any individual, firm, group, constituents of a group, or body corporate under the same management, jointly or severally exceeds 1% of our paid-up equity share capital, unless the previous approval of IRDAI has been obtained for the transfer. There can be no assurance that IRDAI will grant such approval. Additionally, these transfer restrictions could negatively affect the price of the Equity Shares and could limit the ability of the investors to trade the Equity Shares in the market. These limitations could also have a negative impact on our ability to raise further capital which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Additionally, the IRDAI, on August 5, 2016, has issued the IRDAI (Listed Indian Insurance Companies) Guidelines, 2016 which are applicable to all insurers who equity shares are listed on stock exchanges the allotment process pursuant to the public issue. Under these guidelines, on a post-listing basis: (i) every person (acting by himself or with persons acting in concert) is permitted to acquire up to a maximum of 4.99% of an insurance company without requiring prior IRDAI approval, subject to such person satisfying criteria prescribed for qualifying as a "fit and proper" person; (ii) every person (acting by himself or with persons acting in concert) intending to acquire shares such that his shareholding, post-acquisition, is 5% or more of the paid up capital of the insurance company, is required to obtain the IRDAI's approval before effecting such transfer; and (iii) every "major shareholder" (designated as such under the guidelines) intending to acquire 10% or more of the insurance company's paid up share capital is required to obtain the IRDAI's approval before effecting such transfer. The guidelines are proposed to be applicable to insurers who are in the process of getting their shares listed on the stock exchanges in relation to the transfer or proposed transfer of shares. The draft guidelines, among other things, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer, which shall be considered as a deemed approval of the IRDAI. However, if the person proposing to acquire equity shares is likely to result in (i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or the total voting rights of the insurer, or (ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10%, each such acquisition would require prior approval of the IRDAI. In accordance with these guidelines, the investors intending to acquire Equity Shares amounting to 1% or more, up to 5%, of the paid up equity share capital of our Company in the Offer would be required to comply with the self-certification criteria set out in this Draft Red Herring Prospectus. Additionally, investors intending to acquire in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of the paid up Equity Share capital of our Company or 5% or more of the total voting rights of our Company would require prior approval of the IRDAI. Further, in the event, the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of the paid up Equity Share capital of our Company or the total voting rights of our Company, each such acquisition would require prior approval of the IRDAI.

Risks Relating to the Equity Shares

88. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by us and the Selling Shareholder in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 114 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

89. The entire proceeds of the Offer will not be available to us.

Given that the Offer comprises the Fresh Issue and an Offer for Sale of up to 96,000,000 Equity Shares by the President of India acting through the MoF, our Company will not benefit from the proceeds of the Offer for Sale.

90. We have in the last 12 months issued Equity Shares at a price that could be lower than the Offer Price.

We have in the last twelve months prior to filing this Draft Red Herring Prospectus, issued Equity Shares at a price that could be lower than the Offer Price. For details, see "*Capital Structure*" on page 101.

91. The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

92. Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter may adversely affect the trading price of the Equity Shares.

After the completion of the Offer, our Promoter, acting through the MoF, will own, approximately 85.44% of our outstanding Equity Shares. Any future issuances of Equity Shares by us, including in a primary offering, may lead to the dilution of your shareholdings. Any future equity issuances by us or sales of our Equity Shares by our Promoter may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. There can be no assurance that we will not issue Equity Shares or that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

93. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;

- research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- changes in the price of oil or gas;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition. Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

94. Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Recently, the currencies of a few Asian countries including India suffered depreciation against the US Dollar owing to amongst other, the announcement by the US government that it may consider reducing its quantitative easing measures. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, prospects, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Since September 2008, liquidity and credit concerns and volatility in the global credit and financial markets increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major US and European financial institutions. These and other related events, such as the European sovereign debt crisis and a slowdown in economic growth in China, have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators have implemented a number of policy measures designed to add stability to the financial markets.

However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, prospects, future financial performance and the trading price of the Equity Shares.

95. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction tax ("STT") has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which the equity shares are sold. As such, any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

Provisions under the U.S. Internal Revenue Code of 1986, as amended (the "Code") and U.S. Treasury regulations promulgated thereunder commonly known as "FATCA" generally impose a 30.00% withholding tax on certain "foreign passthru payments" made by a non-U.S. financial institution (including an intermediary) that has entered into an agreement with the U.S. Internal Revenue Service (the "IRS") to perform certain diligence and reporting obligations (each such non-U.S. financial institution, a "Participating Foreign Financial Institution"). If payments on the Equity Shares are made by a Participating Foreign Financial Institution (including an intermediary), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not a Participating Foreign Financial Institution and is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payor, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether or to what extent payments on the Equity Shares would be considered foreign passthru payments. Withholding on foreign passthru payments would not be required with respect to payments made before January 1, 2019.

The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. Our Company has a 'non-financial entity' status under the provisions of Income Tax Act (Explanation (A) to Rule 114 F(6)) pursuant to the intergovernmental agreement between the United States and India. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require our Company or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as foreign passthru payments. Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

96. Rights of shareholders of insurance companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, regulations of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction. For details, see "*Key Regulations and Policies*" on page 179.

97. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

In addition, the Insurance Act has introduced a revision in the cap on aggregate holdings of equity shares by foreign investors, including portfolio investors, from the erstwhile 26% to 49% of paid-up equity share capital, provided the insurer is an Indian owned and controlled entity. The FDI Policy also permits total foreign investment up to 49% of the paid up equity capital of Indian insurance companies, under the automatic route. For further information on the cap on foreign investment and calculation of foreign investment in insurers, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 599. If our Company reaches the cap, our ability to attract further foreign investors would be curtailed, which may have a material adverse impact on the market price of the Equity Shares.

98. If our Company is classified as a passive foreign investment company ("PFIC") for U.S. Federal income tax purposes, U.S. investors may incur adverse tax consequences.

Under U.S. Federal income tax laws, U.S. investors are subject to special tax rules if they invest in passive foreign investment companies, or PFICs. While our Company does not believe that it is, or will become in the foreseeable future, a PFIC since the applicable PFIC rules are complex and, to a certain extent, unclear, there is a risk that our Company is or may become a PFIC in the future. If it is or does qualify as being a PFIC, U.S. investors generally will not be subject to the regular U.S. federal income tax rules applicable to dividends and capital gains, but will be subject to complex PFIC rules that could result in additional taxation upon certain distributions by our Company and/ or disposition of Equity Shares.

99. Investors will be subject to market risks until the Equity Shares credited to the investor's dematerialized account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

100. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by the company. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

Prominent Notes:

1. Offer of up to 120,000,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] Equity Share), aggregating up to ₹ [●] million consisting of a Fresh Issue of up to 24,000,000 Equity Shares aggregating up to ₹ [●] million and an Offer for Sale of up to 96,000,000 Equity

Shares aggregating up to ₹ [●] million by the Selling Shareholder. The Offer shall constitute 14.56% of the fully diluted post-Offer paid-up equity share capital of our Company. The Offer includes an Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ [●] million, for subscription by Eligible Employees. The Net Offer shall constitute at least 10 % of the fully diluted post-Offer paid-up Equity Share capital of our Company.

2. As of March 31, 2017, our Company's net worth was ₹120,864.87 million as per our Company's Restated Standalone Financial Statements and ₹125,964.48 million as per our Company's Restated Consolidated Financial Statements.

3. As of March 31, 2017, the book value per Equity Share was ₹604.32 as per our Company's Restated Standalone Financial Statements and was ₹629.82 as per our Company's Restated Consolidated Financial Statements. The Shareholders authorized the split of face value of the equity shares of our Company of ₹10 each into two equity shares of ₹ 5, and also authorized a 1:1 issue of bonus equity shares, through a Shareholders' resolution passed on August 2, 2017, which has led to an increase in number of outstanding equity shares from 200,000,000 to 800,000,000. The book value per Equity Share, adjusted for the impact of this corporate action, was ₹151.08 as per our Company's Restated Standalone Financial Statements and was ₹157.46 as per our Company's Restated Consolidated Financial Statements.

4. The average cost of acquisition per Equity Share by our Promoter is Nil. For details, see "*Capital Structure - History of Equity Share Capital held by our Promoter*" on page 104.

5. For details of related party transactions by our Company during the last year, together with the nature and cumulative value of such transactions, see "*Related Party Transactions*" on page 225.

6. For information regarding the business or other interests of our Group Companies in our Company see "*Our Group Companies*" and "*Related Party Transactions*" on pages 221 and 225, respectively.

7. For details of transactions between us and our Group Companies during the last financial year, including the nature and cumulative value of the transaction, see "*Related Party Transactions*" on page 225.

8. There has been no financing arrangement whereby our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

9. There has been no change in the name of our Company in the last three years.

10. Bidders may contact any of the BRLMs who have submitted the due diligence certificate to SEBI, for any complaint, information or clarifications in relation to the Offer. For further details on investor grievance, including contact details of BRLMs, see "*General Information*" on page 93.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

Investors should note that this is only a summary of the industry in which our Company operates and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Red Herring Prospectus, including the information in "Industry Overview" and "Financial Statements" on pages 119 and 227, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see "Risk Factors" on page 20.

Indian Economy

The Indian economy with a gross domestic product ("GDP") at current prices in the year fiscal year 2017 is estimated at ₹ 151.84 trillion, showing a growth rate of 11.0% over the estimates of GDP for fiscal 2016 of ₹ 136.82 trillion (*Source: Central Statistical Office of India's Ministry of Statistics and Programme Implementation, available at http://mospi.nic.in/sites/default/files/press_release/PRESS_NOTE_PE_2016-17.pdf as of May 31, 2017*). It is one of the fastest growing major economies in the world with private final consumption contributing to over half of the overall GDP growth of 7.9% in 2015 – 2016 (*Source: RBI Annual Report 2015 – 2016*).

Global General Insurance Industry

The global general insurance industry was sized at around USD 2.1 trillion in terms of premium (nominal terms) as of 2016. Asia is the third largest market for general insurance, accounting for 23% of gross direct premium whereas India has a share of only 0.83% in the world and 3.5% in Asia's general insurance market as of 2016.

Global general insurance industry premiums (in nominal US dollar terms) grew at a steady 3.9% CAGR from 2010 to 2014. In 2015, premiums declined by 3.8% year-on-year, primarily reflecting the impact of widespread currency depreciation against the US dollar. However, the year 2016 observed an improvement in the premium growth and general insurance premium increased by 3.1%.

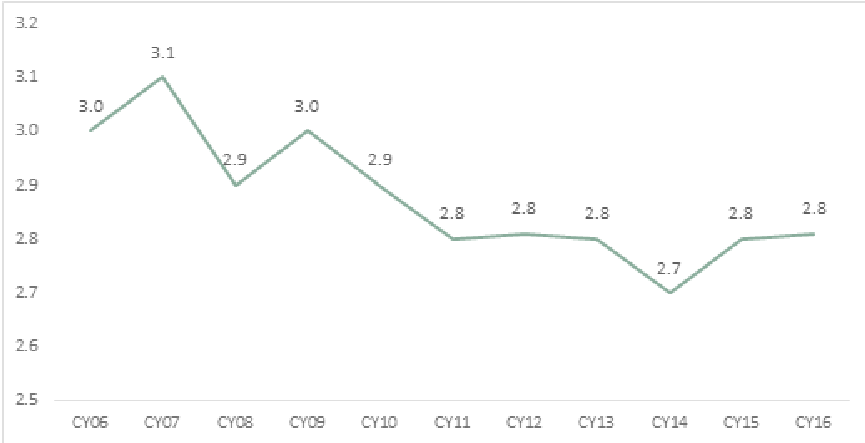
Indian General Insurance Industry

With total gross premium of ₹ 1.3 trillion in fiscal 2017, India is amongst the top 15 general insurance markets in the world and one of the fastest growing markets.

India's general insurance penetration* stood at 0.8% in 2016, compared with 0.6% in 2007. In comparison, the global general insurance industry's penetration stood at 2.81% as of 2016. Among the comparable Asian counterparts also, India's general insurance penetration pales; the corresponding numbers for China, Thailand, Singapore and Malaysia were at 1.8%, 1.7%, 1.7%, and 1.6% respectively as of 2016. This suggests the enormous untapped potential of the Indian general insurance market.

**Penetration is defined as gross insurance premiums as a percentage of GDP.*

Trend in global general insurance penetration (%)

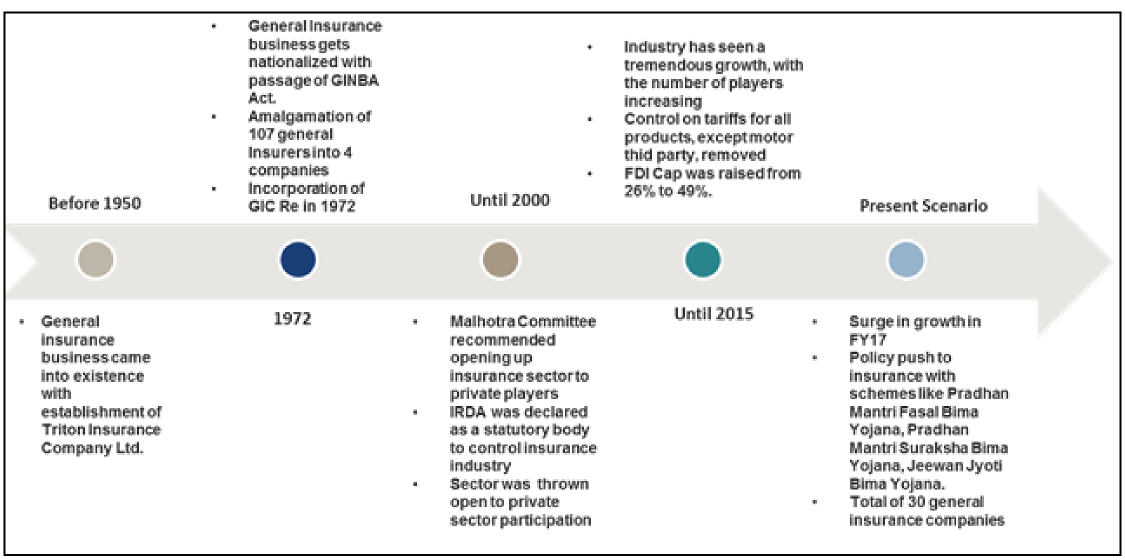


(Source: IRDAI, Swiss Re- No 3/2017, CRISIL Report)

Gross premiums of general insurance companies grew at a 17% CAGR in last five years ending fiscal 2017. The growth in the industry can be attributed to increasing penetration due to continuing growth in segments such as motor insurance, introduction of government schemes in specific segments such as crop insurance, financial inclusion drive (Jan Dhan Yojana etc.) that has increased the awareness about the need of insurance in general segments and continued growth in the economy. With economic growth gradually picking up and structural drivers in place (rise in healthcare costs, growth in retail auto sector, agricultural reforms and schemes), the growth trajectory of the general insurance sector is expected to remain strong in the next five years.

Historical Evolution of General Insurance in India

The general insurance business in India had come into an existence as a legacy of British occupation with the establishment of Triton Insurance Company Ltd., in the year 1850 in Calcutta. The industry was nationalized with effect from January 1, 1973 after the passage of the General Insurance Business Nationalization Act (GIBNA), 1972. A total of 107 insurers were amalgamated into four wholly owned subsidiaries under General Insurance Corporation (GIC), namely National Insurance Company Limited, New India Assurance Company Limited, Oriental Insurance Company Limited and United India Insurance Company Limited. Subsequently, in December 2000, all four were restructured as independent general insurance companies under Ministry of Finance and GIC Re become the sole re-insurer in India.



(Source: CRISIL Report)

Industry Outlook

Gross premiums of general insurance companies grew at a 17% CAGR in last five years ending fiscal 2017. The double digit growth in the industry can be attributed to increasing penetration due to continuing growth in motor insurance, introduction of government schemes in specific segments such as crop insurance, financial inclusion drive (Jan Dhan Yojana etc.) that has increased the awareness about the need of insurance in general segments and continued growth in the economy.

Premiums surged by 32% in fiscal 2017, driven by a four-fold increase in crop insurance premiums as a result of the Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme. Even after excluding crop insurance, premium growth remained healthy at 18%.

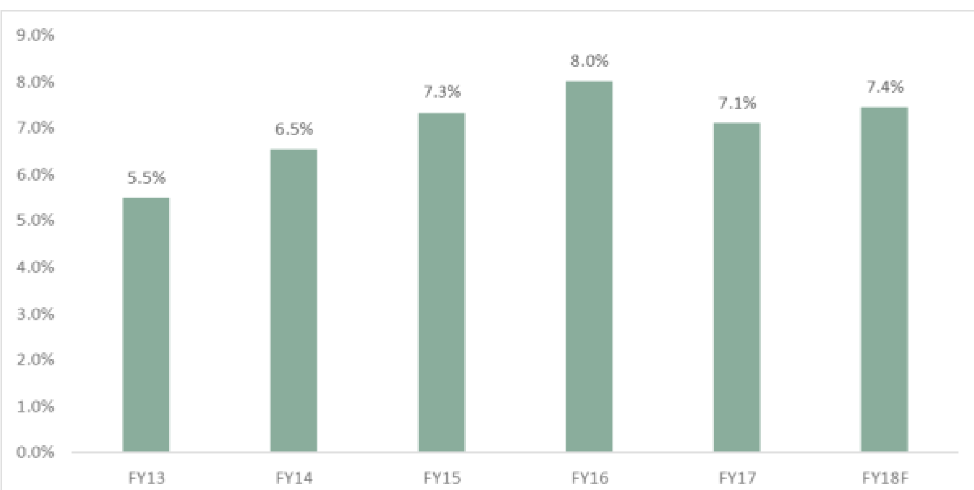
Factors Contributing to Growth of General Insurance Industry in India

Macroeconomic Factors

GDP Growth

Over the medium term, India's GDP growth is expected to move to a higher trajectory due to reforms initiated by the government aimed at improving the 'quality of growth' (GST implementation, power sector reforms, enactment of Bankruptcy Code are examples in this regard) and focus on proper implementation. Normal monsoons, softer interest rates, benign inflation, and pent up demand (demand postponed due to the demonetisation) will support consumption growth in the current fiscal. GST, the most significant indirect tax reform in decades, will be a game changer. The structure may not be optimal, but even with its imperfections, it is expected to usher in significant efficiencies and benefits in the logistics chain across sectors and lift India's growth trajectory over the medium run. Although somewhat disruptive in the short run, demonetisation is likely to move India towards a 'less-cash' economy. GST together with the move towards a 'less cash' economy will also give speed to the formalisation of the economy. Pick-up in economic growth, rising incomes, increasing insurance awareness and a rise in working age population is likely to spur demand for insurance products.

India's GDP growth (%)



Note: F - Forecast
(Source: CSO, CRISIL Research estimates, CRISIL Report)

Other Growth Factors

Growth drivers for select segments of non-life insurance

Segment	Growth drivers
Motor insurance	• Increase in automobile sales fueled by benign fuel prices and interest rates, improvement in road infrastructure, and focus on financiers' on pushing retail credit • Government move to increase penalties on road traffic offences (outlined in the Motor Vehicle (Amendment) Bill, 2016) will reduce the number of uninsured vehicles on road and hence will increase the insurance renewals. • Gradual increase in third party premiums
Health insurance	• Increased healthcare costs and high proportion of out of pocket private spending on healthcare propelling the need for insurance • Increase in pricing of group health insurance schemes
Crop insurance	• Favourable structure of the PMFBY scheme • Increase awareness amongst farmers
Fire insurance	• Improvement in industrial GDP • Gradual revival in capex cycle • Increasing awareness amongst corporates

(Source: CRISIL Report)

Low Penetration

The low penetration levels indicate the ample opportunity for growth. To tap this opportunity, it is imperative for the industry to keep innovating and designing products that meet customer needs. In addition, there is a need to improve customer awareness as well. To illustrate, as of fiscal 2016, only 34% of Indians have a health insurance policy. Home insurance is practically non-existent. While retail home loans worth around ₹ 14.3 trillion were outstanding as of March 2017, retail property insurance premiums are not even a fraction of this amount.

Rise in new vehicle sales

CRISIL Research expects the growing middle class population and increasing consumerism, focus of financiers' on pushing retail credit, benign fuel prices and interest rates, and continuous improvement in road infrastructure to have a favourable impact on domestic automobile sales in the next few years. Sales are likely to be impacted slightly when BS VI norms kick in with effect from April 2020, but the growth trajectory over a five-year period is nevertheless expected to be strong. As a result, the stock of vehicles on India's roads are expected to increase further. This, along with an increase in insurance penetration, will drive growth in motor insurance premiums. In addition, the stiff penalties mooted on road traffic offences under the Motor Vehicle (Amendment) Bill, 2016 could improve the profitability of insurers in this segment over a period of time, if road traffic offences and claims ratios come down as a result.

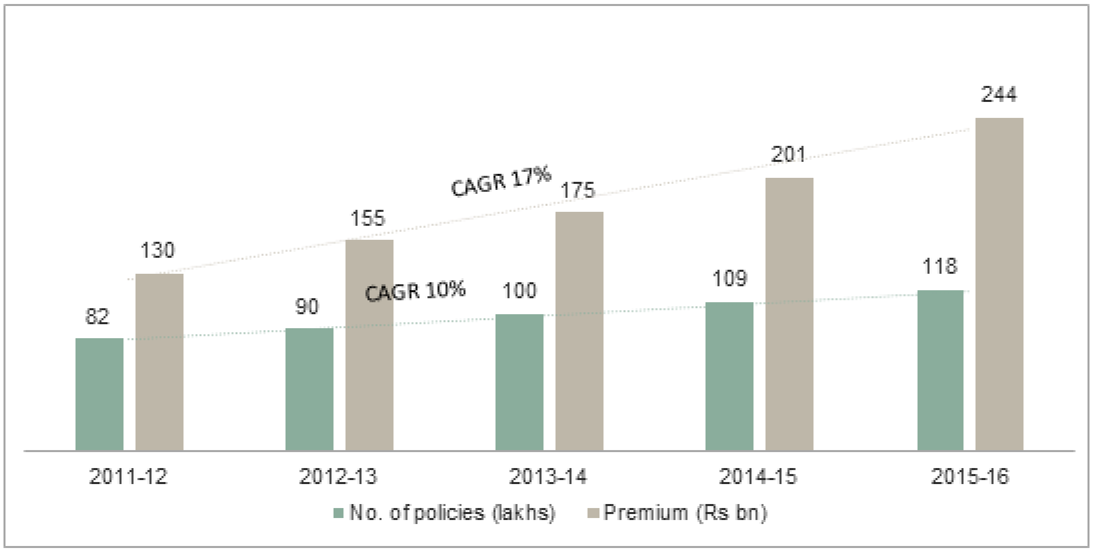
Demand for crop insurance

In the last few years, there has been a lot of variation in climatic conditions, which has increased the risk Indian farmers are exposed to. To illustrate, even in a supposedly normal monsoon year (2016), 32% of the districts in India saw deficient or scanty rainfall. Furthermore, there has been an increase in the frequency of unseasonal weather patterns (such as hailstorms during rabi season). For example, around 18% of the area under rabi crop in different parts of the country was damaged due to unseasonal rains and hailstorms in the first week of March 2015.

Increasing cost of healthcare

Health insurance represents a significant opportunity for general insurance companies given the low penetration, rising cost of healthcare, and increasing demand for quality healthcare. India's public healthcare expenditure as a percentage of GDP increased from 1% in 2004 to 1.4% in 2014. Despite rising expenditure spends by the government, the quantum of spends continues to be inadequate in the wake of rising healthcare costs. As a result, private expenditure accounts for as much as 70% of the total spending on healthcare in India. Of this 70%, 89% is incurred out of pocket i.e. consumers paying for healthcare from their own funds.

Increasing coverage of insurance in India



(Source: IRDAI, CRISIL Report)

Increasing need to cover natural catastrophes

Natural catastrophes have impacted India many times in the past few years, case in point being the severe floods that ravaged Chennai towards the end of 2015. With only a small portion of economic losses insured, the need for higher insurance is apparent.

Supportive regulations

Regulatory developments in the recent past are expected to lead to an increase in insurance penetration in the country, albeit gradually. Major developments likely to have a positive impact are as follows:

- Increase in foreign investment limit to 49% from 26%;
- Allowing insurers to raise hybrid capital such as subordinated debt and/or preference shares; in aggregate; seven general insurance companies raised ₹ 22 billion capital through this route in fiscal 2017;
- Permitting large foreign reinsurers with strong financial profile to set up branches in India; and
- Permitting Lloyd's (a global specialist insurance and reinsurance market) to enter into India

Increase in online retail sales

The online channel currently accounts for only 2-3% of general insurance products sales. However, given the increasing usage of the Internet in India, low cost and ubiquitous availability of mobile broadband, this is all set to change. For insurers, selling policies online is cheaper; moreover, it enables them to sell low ticket premium insurance and have more access to customer data and behaviour and improves the probability of policies getting renewed.

General Insurance Industry Parameters

Investments

Investment in central government securities accounted for 32% share of total investments for the industry in fiscal 2017. Investment in infrastructure is considerably high at 16.8% compared to investment in housing and loans to state government for housing and firefighting equipment.

Profitability analysis

Profitability of general insurance companies is dependent on underwriting performance and investment returns. The Indian general insurance industry is facing high underwriting losses. In fiscal 2016, the industry reported cumulative underwriting losses of around ₹ 147 billion. The adverse trend in underwriting continued in fiscal 2017 as well, with the industry posting underwriting losses of ₹ 110 billion in the first nine months of the year. Despite the underwriting losses, the industry has been profitable at the net level, supported by healthy investment income both in the form of income from interest, dividend, and rents and profit from sale of investments. During April-December 2016, the industry's investment income was around ₹ 143 billion. Net profits, which improved between 2012 to 2014 after the dismantling of motor third party pool, has once again started deteriorating as a result of underwriting losses. The net profit for the industry came down by around 35% in fiscal 2016 to ₹ 30 billion. Net profits were at ₹ 23.5 billion in the nine months ending December 2016.

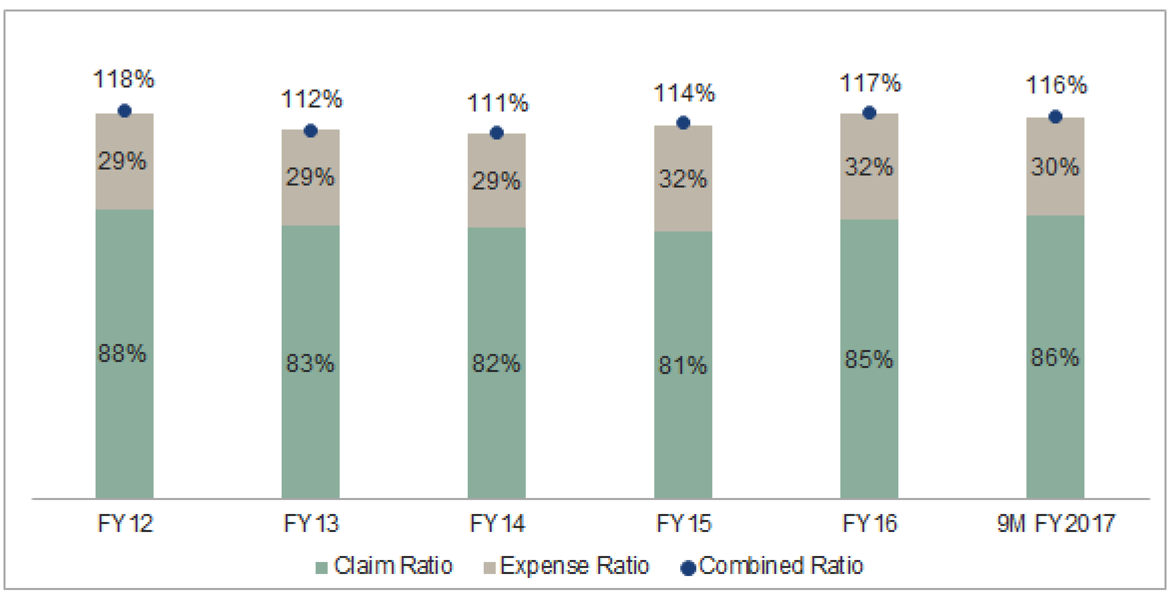
Polices and Claims Settlement

The number of policies issued by general insurance players remained relatively stable year-on-year, as of fiscal 2016, whereas the number of claims increased 21% in the same period. During the last five years ending fiscal 2016, the number of policies and claims have increased at 6% and 11% CAGR, respectively.

Combined Ratios

The incurred claim ratio for the industry increased from 81.7% in fiscal 2015 to 85.1% in fiscal 2016. The claims ratio is estimated to have increased by a further two percentage points during the course of fiscal 2017.

Combined Ratio of general insurers



(Source: IRDAI, Company disclosures, CRISIL Report)

Channel Mix

The general insurance industry continues to be dominated by individual agents who accounted for 31% of gross premiums in fiscal 2017. While the share was higher between fiscal 2013 to fiscal 2016, a drop was observed in fiscal 2017 on account of increase in share of brokers. Increasing use of brokers for insuring commercial risks has led to a steady growth in share of brokers; this channel accounted for 1/4th of premiums collected in fiscal 2017. The share of business through direct channel has reduced to 31% in fiscal 2017 from 41% in fiscal 2012.

Employee productivity

Average premium per employee increased at ~11% CAGR between fiscal 2011 and fiscal 2016. Average number of employees per office has declined from 14 employees to 11 employees over the same period, indicating improvement in productivity of employees. However, policies issued per branch/office has come down as insurers have increased their presence in smaller towns and cities where relative business per branch would be lower compared to the big cities.

SUMMARY OF BUSINESS

Overview

We are the largest general insurance company in India in terms of net worth, domestic gross direct premium, profit after tax and number of branches as of and for the fiscal year ended March 31, 2017 *(Source: CRISIL Report)*. Our Company has been in operation for almost a century. In Fiscal 2017, we had the largest market share of gross direct premium among general insurers in India *(Source: CRISIL Report).* As of March 31, 2017, we had issued 27.10 million policies across all our product segments, the highest among all general insurance companies in India *(Source: CRISIL Report).* As of June 30, 2017, our operations were spread across 29 States and seven Union Territories in India and across 28 other countries globally through a number of international branches, agency offices and Subsidiaries including a desk at Lloyd's, London.

Our insurance products can be broadly categorized into the following product verticals: fire insurance; marine insurance, motor insurance, crop insurance, health insurance and other insurance products.

In Fiscal 2013, 2014, 2015, 2016 and 2017, despite increasing competition from private players, we have maintained market leadership in the general insurance industry in India and we were leaders in all segments except crop insurance *(Source: CRISIL Report)*. In Fiscal 2017, our gross direct premium from fire, engineering, aviation, liability, marine, motor and health insurance represented a market share of 19.1%, 21.9%, 29.6%, 18.2%, 21.0%, 15.1% and 18.4%, respectively, of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report).*

We have developed an expansive multi-channel distribution network that includes individual and corporate agents, brokers, bancassurance partners and other intermediaries, as well as direct sales and sales through online channels. As of June 30, 2017, our distribution network in India included 68,389 individual agents and 16 corporate agents, bancassurance arrangements with 25 banks in India, and a large number of OEM and automotive dealer arrangements through our agent and broker network. We have developed a pan-India branch network. As of June 30, 2017, we had 2,452 offices in India across 29 States and seven Union Territories. We also partner with the GoI and State governments for implementation of various government schemes including health insurance and policies for underprivileged customer segments. As of June 30, 2017, we had international operations across 28 countries, through a number of international branches, agency offices, subsidiaries and associated companies.

In Fiscal 2015, 2016 and 2017, our gross written premium was ₹ 169,865.98 million, ₹ 192,272.64 million and ₹ 232,304.93 million, respectively. Our gross written premium increased at a CAGR of 15.18% from ₹ 132,001.81 million in Fiscal 2013 to ₹ 232,304.93 million in Fiscal 2017. In Fiscal 2016 and 2017, we paid dividends (including dividend distribution tax) of ₹ 3,599.82 million and ₹ 3,019.85 million, respectively, while for Fiscal 2017 we have declared dividend payments (including dividend distribution tax) of ₹ 3,731.19 million. We have funded our operations for more than 40 years without any external capital infusion. Our net worth (excluding fair value change account) increased from ₹ 96,050.34 million as of March 31, 2013 to ₹ 125,964.48 million as of March 31, 2017, while our total net worth (including fair value change account) increased from ₹ 254,698.13 million as of March 31, 2013 to ₹ 362,980.85 million as of March 31, 2017. We command a robust financial position, with a solvency ratio as of March 31, 2017 of 2.22, compared to the IRDAI prescribed control level requirement of 1.50. We have been rated A-(Excellent) by AM Best Company since 2007 and have been rated AAA/Stable by CRISIL since 2014.

Competitive Strengths

We believe we benefit from the following competitive strengths:

Market leadership and established brand

Our Company has been in operation for almost a century since incorporation in 1919. As of and for the fiscal year ended March 31, 2017, we were the largest general insurance company in India in terms of net worth, domestic gross direct premium, profit after tax and number of branches *(Source: CRISIL Report)*. In Fiscal 2017, we also had the largest market share of 15.0% of gross direct premium among general insurers in India *(Source: CRISIL Report)*. Despite significant competition from private sector players, we have maintained our pole position in the Indian general insurance market. We have increased our market share in terms of gross direct premium from 14.7% in Fiscal 2012 to 15.0% in Fiscal 2017 *(Source: CRISIL Report)*. In Fiscal 2017, our gross direct premium from fire, engineering, aviation, liability, marine, motor and health insurance represented a market share of 19.1%, 21.9%, 29.6%, 18.2%, 21.0%, 15.1% and 18.4%, respectively, of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report)*. In Fiscal 2013, 2014, 2015, 2016 and 2017, despite increasing competition from private players, we have maintained market leadership in the general insurance industry in India, particularly in fire insurance, marine insurance, motor insurance and health insurance *(Source: CRISIL Report)*. In Fiscal 2017, we had issued 27.10 million policies across all our product segments, the highest among all general insurers in India *(Source: CRISIL Report)*.

The table below sets forth our Company's market share (in terms of overall gross premium) and market position in these product segments as well as the general insurance industry in India in the relevant periods *(Source: CRISIL Report)*:

Market/ Product Segment	**Fiscal 2015**		**Fiscal 2016**		**Fiscal 2017**	
	Market Share	**Market Position**	**Market Share**	**Market Position**	**Market Share**	**Market Position**
	(%)		**(%)**		**(%)**	
General Insurance	15.6%	1	15.7%	1	15.0%	1
Product Segment						
Fire insurance	20.4%	1	19.4%	1	19.1%	1
Marine insurance	22.0%	1	20.7%	1	21.1%	1
Motor insurance	14.4%	1	14.6%	1	15.1%	1
Health Insurance	18.2%	1	18.5%	1	18.4%	1

We have supported various GoI and State government social welfare initiatives, including the Pradhan Mantri Fasal Bima Yojana, the Unified Farmer's Package Insurance, the Pradhan Mantri Suraksha Bima Yojana, the Rashtriya Swashtya Bima Yojana, as well as various State government health insurance schemes. As of March 31, 2017, we had provided insurance cover to over 15 million customers under the Pradhan Mantri Suraksha Bima Yojana. In addition, as of March 31, 2017, we provided insurance support under the Pradhan Mantri Jan Dhan Yojna, and had provided insurance cover to over 412 million individuals having Rupay cards.

We believe that our significant operating history, longstanding market leadership and reputation have led to wide recognition of our brand and generated significant brand equity. We have through our long operating history developed strong relationships with major corporate groups in India. We commenced international operations in 1920, and we were the first general insurer to establish operations in the Gujarat International Finance Tec-City in Gandhinagar, Gujarat. We have received various awards in relation to our business and operations, including the Dun & Bradstreet BFSI award for India's leading insurance company (non-life public sector) in 2017, Fintelekt Insurance Awards 2017 - Personal Lines Growth Leadership (public sector general insurance), Fintelekt Insurance Awards 2017 - Claims Service Leader (general insurance – large category), Fintelekt Insurance Awards 2017 – e-Business Leader (general insurance – large category), Fintelekt Insurance Awards 2017 – Social Inclusion (Public Sector general insurance), Indian Insurance Summit – Insurance Company of the Year from Quest Conferences in 2017, the Golden Peacock Business Excellence Award in 2017, ABP News - Best General Insurance Company Award, 2016, and Indian Insurance Awards – General Insurance Company of the Year 2016 from Fintelekt. We have continued to strengthen our brand equity through sustained branding and marketing initiatives, including through digital marketing and social media campaigns. We also received the Indian Insurance Award for e-Business leadership from Fintelekt in 2016. In addition, our CSR initiatives have also contributed to the development of our corporate brand.

Longstanding global footprint and successful international operations

We commenced international operations in 1920. We are also the only Indian general insurer with a sizeable international presence *(Source: CRISIL Report)*. We have presence in UK with a desk at Lloyd's, London. We commenced our international operations with our London branch in 1920, and have maintained operations in Japan and Australia for over 50 years. In addition to our significant operations in the United Kingdom, our global operations are spread across Asia Pacific, Middle East, Africa and the Caribbean. As of June 30, 2017, we operated in 28 international jurisdictions through a number of international branches, agency offices, subsidiaries and associated companies. For further information on our international operations, see "- *International Operations*" on page 160.

In Fiscal 2015, 2016 and 2017, gross written premium from our Company's international operations was ₹ 28,406.00 million, ₹ 32,218.40 million and ₹ 31,640.00 million, respectively, and contributed 17.70%, 17.54% and 14.20%, respectively, of our Company's gross written premium in such periods. In Fiscal 2015, 2016 and 2017, our international business recorded an underwriting profit of ₹ 1,700.40 million, ₹ 217.10 million and ₹ 310.00 million, respectively.

Our international operations and global footprint further strengthens our business reputation and brand, and contributes a significant portion of premium generated. We leverage our global footprint to effectively support Indian customers in international markets, and provide insurance solutions for large Indian corporate groups with global operations. Our global presence also enables us to incorporate global best practices in our operations, provide our employees with valuable international exposure and knowledge about the global general insurance industry and products, and the changing customer and risk trends experienced globally. Our global operations also enable us to diversify our risk geographically.

Sustainable business model driven by customer satisfaction

We believe our high levels of service quality, focus on customer satisfaction, sophisticated underwriting, product development and claims management capability have enabled us to develop a sustainable business model. As one of the first general insurers in India with nationwide operations, we have developed substantial expertise in risk selection and efficient claims management capabilities. Our customer-focused product portfolio, ability to provide insurance solutions for complex risks and projects, and expansive geographic coverage and distribution network in India and internationally has enabled us to develop strong customer relationships. Our market leadership position, in terms of gross direct premium collected, across the fire, engineering, marine, motor and health insurance verticals reflect our diverse customer base, which includes individual and retail customers, small and medium sized enterprises, as well as large corporate groups requiring customised insurance solutions for complex projects. Our claim settlement ratio (excluding suit claims) was 95.80%, 97.56% and 96.51% in Fiscal 2015, 2016 and 2017, respectively. Our claim settlement ratio (including suit claims) in Fiscal 2017 was 90.4% which is the highest among the top 10 multi-product insurers in India *(Source: CRISIL Report)*. In Fiscal 2017, our claims repudiation ratio was 1.2% which is the second lowest among top 10 multi-product insurers in India *(Source: CRISIL Report)*. Our grievance disposal ratio in Fiscal 2017 was 99.15%. Our grievance redressal system is integrated with the Integrated Grievance Management System of the IRDAI.

Diversified product offering and product innovation capability

Our strong underwriting capabilities, and our relationship with reputed reinsurers, enable us to provide a comprehensive range of insurance products that cater to different industries and customer segments, including products for industrial and commercial enterprises, and clients in the civil engineering, aviation, energy and other industries. We also offer personal products targeted at individuals and families. As of June 30, 2017, we offered more than 230 products across our various business segments. Our diversified portfolio reduces risk of dependency on any particular class of insurance products or any specific customer segment, which enables us to obtain cost-effective reinsurance arrangements. In Fiscal 2017, fire, motor, health, marine, crop and other insurance segments contributed 15.34%, 38.81%, 26.19%, 3.07%, 5.38% and 11.20%, respectively, of our gross written premium in such period.

We have over the years developed strong product design, marketing and sales capabilities, and modify our product offering based on regular market research on the evolving needs of our wide range of customers and corporate clients. Our products are designed for a diverse customer base with features and premium requirements customised for specific customer segments. We received the Golden Peacock Excellence in Innovative Product - Service Award in 2016.

We have through our long operating history offered a range of new products across our principal product segments. We offer several industry specific products such as bankers' indemnity, jewellers' block, business interruption and customized package policies. We offer various add-on features in our motor comprehensive (own damage) products that provide insurance cover for various contingencies. In addition, we introduced additional products in the health retail segment including family floater, top-up, and premier mediclaim. We have also introduced innovative home-owners policy to cover individual households.

We have provided insurance cover for various large projects across industries, including petrochemical facilities, infrastructure projects and power plants. In addition, we offer a number of high-value products such as satellite insurance, and for nuclear energy facilities. We have also issued nuclear operators liability policies. We are the market leader in aviation insurance in India *(Source: CRISIL Report)* and provide customised solutions for most aviation companies in India. Despite significant competition from private sector players, we have maintained our pole position in the Indian general insurance market. In Fiscal 2017, our gross direct premium from fire, marine, motor and health insurance represented a market share of 19.1%, 21.0%, 15.1% and 18.4%, respectively, of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report)*.

Multi-channel distribution network

We have developed an expansive multi-channel distribution network that includes individual and corporate agents, brokers, bancassurance partners and other intermediaries, as well as direct sales and sales through online channels. In Fiscal 2017, gross direct premium generated from our agent network (individual and corporate agents), brokers, and our bancassurance partners contributed 42.01%, 25.75%, and 1.15%, respectively, of our gross direct premium in India in such period, while direct sales contributed 31.09% of our gross direct premium in India in such period.

As of June 30, 2017, our distribution network included 68,389 individual agents and 16 corporate agents. We have over the years developed strong relationships with our agents and brokers by leveraging our established brand, financially strong operations and large product portfolio, and by providing significant sales and management training, and continuing infrastructure support. We have cultivated strong relationships with institutional customers leading to significant repeat business in direct sales. We have also established seven large corporate and broker offices to support our large corporate clients, and brokers. We distribute motor policies through online portal at various dealer locations. In addition, we partner with the GoI and State governments for implementation of various government schemes including health insurance and policies for underprivileged customer segments. Our diversified distribution and sales network reduces dependence on any single distribution channel, and enables us to access a wide range of customer segments across various industries, geographic regions, income groups and consumer demographics. We have developed a pan-India office network, and as of June 30, 2017, we had 2,452 offices in India across 29 States and seven Union Territories.

We also distribute policies online, including through dedicated portals for customers, corporates, agents, development officers, as well as through common service centers and web aggregators. We have implemented various web based solutions to integrate the operations of our distribution intermediaries with our IT platform which has enabled us to centrally manage and support our distribution infrastructure and reduce operating costs.

Robust financial position

As of and for the fiscal year ended March 31, 2017, we were the largest general insurance company in India in terms of net worth, domestic gross direct premium, profit after tax and number of branches *(Source: CRISIL Report)*. In Fiscal 2017, we had the largest market share of gross direct premium among general insurers in India *(Source: CRISIL Report)*. We command a robust financial position and are equipped to capitalize on growth opportunities in the Indian general insurance market. We have funded our operations for more than 40 years without any external capital infusion. Our strong financial position and capitalization enable us to underwrite high value corporate and mega risk policies, in addition to a high overall underwriting capacity.

Our net worth (excluding fair value change account) increased at a CAGR of 7.01% from ₹ 96,050.34 million as of March 31, 2013 to ₹ 125,964.48 million as of March 31, 2017, while our net worth (including fair value change account) increased at a CAGR of 9.26% from ₹ 254,698.13 million as of March 31, 2013 to ₹ 362,980.85 million as of March 31, 2017.

We follow a balanced investment strategy in compliance with applicable IRDAI regulations, focused on preserving capital and providing stable returns. As of March 31, 2017, we had an investment portfolio including cash and bank balances of ₹ 600,564.05 million. Our investment portfolio including cash and bank balances increased at a CAGR of 11.32% between Fiscal 2013 and Fiscal 2017. In Fiscal 2017, our investment portfolio generated yield on average investments (including cash and bank balances) of 8.08%. The book value of our investment portfolio increased at a CAGR of 11.84% from ₹ 232,385.56 million as of March 31, 2013 to ₹ 363,547.67 million as of March 31, 2017.

Our solvency ratio as of March 31, 2017 was 2.22 compared to the IRDAI specified control level of 1.5. Applicable IRDAI regulations do not permit credit of fair value change reserve in calculation of solvency ratio. If we were to take into account the credit of fair value change reserve, our solvency ratio as of March 31, 2017 would be 6.89. In Fiscal 2016 and 2017, we paid dividends (including dividend distribution tax) of ₹ 3,599.82 million and ₹ 3,019.85 million, respectively, while for Fiscal 2017 we have declared dividend payments (including dividend distribution tax) of ₹ 3,731.19 million. Our gross written premium increased at a CAGR of 15.18% from ₹ 132,001.81 million in Fiscal 2013 to ₹ 232,304.93 million in Fiscal 2017. Gross direct premium per employee increased from ₹ 6.27 million in Fiscal 2013 to ₹ 12.26 million in Fiscal 2017. Our operating expense ratio was 20.40% in Fiscal 2017, the lowest among the top 10 multi-product insurers in India *(Source: CRISIL Report)*. We have been rated A- (Excellent) by AM Best Company since 2007 and have been rated AAA/Stable by CRISIL since 2014.

Robust IT infrastructure

We believe that our centralized web-based solutions and IT infrastructure provides comprehensive solutions for our core business functions such as policy servicing and administration, claims management and other related functions including document management, workflow management, human resource management and customer relationship management. It enables multi-channel access to core insurance business needs and information on products, policies, customers and claims. It also facilitates use by our employees of core insurance functions including underwriting systems, sales data, marketing resources and data analysis tools. Insurance agents can access information about customers and commissions.

Business processes across our entire branch network have been rationalized creating standardized procedures for accounting, reconciliation, reporting, documentation and user communication. Using the "New India Assurance Online" web-based platform, customers can purchase new policies or renew existing policies. Our platform allows customers to conduct business online and obtain information about their policies or submit claims. Our IT infrastructure provides customers with text messages and email alerts, and the ability to renew policies through mobile applications. Our dedicated portals and mobile applications allow various stakeholders including customers, surveyors, agents and brokers to undertake various business transactions on 24X7 basis. We collect a significant portion of premium payments through our digital platform, which has increased rapidly in recent years, and represented 12.73% of our total premium payments collected in Fiscal 2017. Our digital platforms allow for automated surveyor appointments, surveyors to provide reports and other requisite documents electronically, and enable bulk upload facilities to ensure faster claims settlements, particularly with respect to our health insurance business. We are also integrated with various web aggregators for the sale of our products. Our robust IT infrastructure also enables us to implement an efficient claims settlement process. We have introduced standardized claims processes, and are able to process claims at any of our offices irrespective of the policy issuance location.

With the use of advanced analytics, we are able to competitively price our policies based on customer and industry data. Our data analytics capabilities allow us to introduce new products within a shorter time period and respond to customer requirements.

Experienced senior management team

Our institutional commitment to developing a merit based work culture has enabled us to attract and retain a qualified and experienced management team with an extensive track record in all operational, regulatory and management aspects of the insurance and financial services industries. Our key management personnel have an aggregate experience of more than 400 years of industry experience. We believe our management team's in-depth understanding of the general insurance industry has enabled us to implement business strategies and ensure compliance with regulatory and operational standards to grow our business and expand operations internationally. Our Chairman and Managing Director, Mr. G. Srinivasan, has over 37 years of experience in the general insurance industry in India and internationally and has been in the role of chairman for a decade in the industry. He has led our Company effectively through various industry cycles. The in-depth understanding of the insurance industry available with our senior management team has enabled us to effectively adapt to evolving regulatory regimes and significant market developments in the Indian insurance industry. We believe our successful track record reflects our senior management's strategic vision and proactive approach in adapting to the changing market environment and ability to maintain our position as the leading general insurance company in India.

Business Strategies

The following are our primary business strategies:

Capitalise on significant market potential and increase our market share

The Indian insurance industry has in recent years experienced several positive changes including liberalization of the insurance market, a supportive regulatory framework, and GoI initiatives to allow increased foreign direct investment in the insurance industry. In Fiscal 2017, total direct premium collected in the Indian general insurance industry was ₹ 1.27 trillion *(Source: CRISIL Report)*.

India's general insurance penetration was 0.8% in 2016, compared with 0.6% in 2007. In comparison, the global general insurance industry's penetration was 2.81% in 2016. Among the comparable Asian counterparts also, India's general insurance penetration was lower than that for China, Thailand, Singapore and Malaysia at 1.8%, 1.7%, 1.7%, and 1.6%, respectively, in 2016. This represents the significant untapped potential of the Indian general insurance market. General insurance density in India, at US$ 13.2 in 2016, was much lower than the global average of around US$ 285. It is also much lower than other developed and emerging market economies, including other Asian countries such as China Thailand, Singapore and Malaysia. Given the low penetration level in the non-life insurance business, premium growth for the industry has been high for India as compared to some of the major economies of the world and some of the emerging Asian economies. During the five-year period ended 2016, India's non-life insurance industry insurance premium grew 15% CAGR (in local currency terms), next only to China where premium growth was slightly higher at 19% CAGR *(Source: CRISIL Report).* With rising income levels in India and inflation under control, discretionary consumer spending and the household savings rate (household savings as a percentage of GDP) is likely to increase gradually, resulting in a positive outlook on the general insurance business, given the linkage of the general insurance business with consumption demand. As of March 31, 2017, there were 24 general insurers and six standalone health insurers in India *(Source: CRISIL Report)*. We believe the current under-penetration in the Indian general insurance industry presents significant growth potential. Given our established brand and business reputation, large and diversified product portfolio targeted at various industries and customer segments, and our expansive multi-channel distribution network, we believe we are well positioned to capitalize on the significant growth potential in the Indian general insurance industry.

In order to capitalize on such growth potential, we intend to implement cost-effective expansion of our operations with an increased focus on growing our retail products business and increase our retail market share. The IRDAI, the GoI and various State governments have in recent years undertaken various measures to increase awareness of insurance products. As a result of the increased awareness of health and other personal insurance products, we anticipate significant growth in retail fire and health insurance product segments.

Improve underwriting profitability

Our pricing, underwriting and risk management strategy emphasizes profitable growth and optimization of our risk adjusted returns in each of our product segments. We use models in conjunction with rigorous analytical review to make pricing and underwriting decisions and to manage risk exposures across geographies, product segments and customer segments. We intend to further refine our underwriting process and internal control measures to minimise errors and enable us to obtain better commercial arrangements from our reinsurers.

We follow stringent review and selection of insurance risks and continuously modify pricing and terms of our products to ensure profitability. For example, we have implemented price revisions in retail health and group health schemes. Our exposure in the relatively higher risk crop insurance products is supported by adequate reinsurance arrangements for such products to reduce our effective exposure. We continue to focus on further streamlining our risk and loss inspection processes, including through stringent inspection of claim documentation and credibility of their sources, active monitoring and increased audits of claims to minimise claim fraud. We focus on risk-based pricing mechanism, and develop differentiated and accurate underwriting models to promote profitable underwriting. We replace loss-making schemes and channels with profitable alternatives, and continue to focus on increasing profitability.

We have employed medical doctors for product design and efficient management of health claims, and have co-promoted a third party administrator company to ensure better customer service and efficient management of health insurance claims. We have also recruited automobile engineers to enable effective claims management strategies for motor own damage claims, and intend to increase our team of in-house surveyors to asses motor own damage claims for improving efficiency in that portfolio. We also intend to increase focus on risk selection in fire portfolio, and engage experienced risk engineers to carry out risk inspection for better underwriting of fire risk.

Leverage technology to drive growth, profitability and customer satisfaction

We continue to focus on developing and strengthening our IT capabilities to support growth and improve the quality of our services in an increasingly digital world. We leverage our integrated IT platform to cover all stages of our operations in a comprehensive manner, from sourcing of leads to claims management, even in rural and semi-urban areas. We intend to use our IT infrastructure to build data driven models to improve our underwriting functions, risk management, monitoring and reduction of fraud. Our digitisation efforts are aimed at creating a structured, cost-efficient and largely automated sales process with decreased dependence on physical infrastructure while increasing market penetration. Currently, we use our technology platform for select products which require minimal customisation and involve relatively low risk. We continue to refine our IT infrastructure based on feedback from customers, employees and distribution intermediaries. We are in the process of upgrading our IT infrastructure and technology platform focused on improving customer satisfaction and increasing efficiency of our employees, agents and other distribution intermediaries. We are also updating technology infrastructure to enable faster and efficient claims processing.

We continue to focus on leveraging our IT platform to capitalize on cross sales opportunities to our existing customer base, and to further integrate our business processing, internal controls, customer service and other functions. We intend to introduce additional standard term products for direct distribution through our online channels. We also intend to introduce mobile applications for new product launches and enable functional ease for our agents and customers. We continue to target lower operating expenses through efficient use of our IT platform.

Customer satisfaction is an important element of our business, and while we had a high grievance disposal ratio of 99.15% in Fiscal 2017, we intend to focus on reducing number of grievances by undertaking a formal root cause analysis. A formal process has been set up to monitor the turnaround time of claims and various measures to reduce the turnaround time for claim settlement in the case of non-suit claims have been implemented. In Fiscal 2017, our claim settlement ratio (including suit claims) was 90.4% which is the highest among top 10 multi-product insurers *(Source: CRISIL Report).*

We intend to implement mass and targeted marketing campaigns through social and other digital media to garner real-time customer feedback. In order to improve customer engagement on our digital platform, we intend to simplify customer interfaces and processes and make them user-friendly and easily accessible, and adopt chat bot technology to increase customer engagement.

We have over our long operating history developed a significant customer database, and intend to leverage this information by implementing data analytics systems to cross-sell our various product verticals and enable more targeted marketing and distribution initiatives. We also intend to adopt telematics to capture driving behaviour of our motor product customers to determine innovative methods of providing motor insurance. We remain committed to protection of customer information and will continue to undertake various measures to augment our security architecture and prevent cyber-attacks.

Continue to focus on product innovation

We continue to undertake market assessment studies to strategically evaluate additional product offerings. We intend to introduce new products in response to the changing needs of our customers. We provide relatively sophisticated products such as nuclear operator liability insurance, nuclear supplier liability insurance, cyber insurance and terrorism insurance. We have also developed the capability to offer complex insurance products. We strive to customise our product features based on factors such as customer feedback, size of the potential market and terms of similar products in the market in order to competitively target our products. Pricing and terms are areas that we continue to actively focus on while designing products that meet customer needs.

We have in the recent past introduced new products such as personal accident cover for 412 million individuals with Rupay Cards, nuclear operator liability insurance, cellular network policies to operators, bonded warehouse insurance for warehouse owners, and customized insurance solutions for various large risk projects across India. We believe our continued focus on product innovation will enable us to appropriately respond to market demands and maintain our market leadership in the rapidly growing and changing general insurance market in India.

We intend to focus on developing innovative products for various commercial and personal insurance requirements, including in particular, increasing our focus on the fast-growing retail health sector as well as innovative products for miscellaneous segments such as insurance protection for cyber liability, title insurance for immoveable property. We also intend to increasingly focus on the fast growing market for insurance products designed for the unorganised commercial sector.

We also intend to offer certain reinsurer driven policies leveraging their knowledge of international markets, capacity and capabilities in areas where we do not currently have requisite experience.

Expand our international operations

We intend to further expand our operations in additional international markets. We continue to selectively target new regions internationally where we can apply our existing market knowledge, underwriting expertise and risk management capabilities to further expand our business. We have recently established a representative office in Myanmar and plan to establish another international office in a Myanmar Special Economic Zone. We have also received a license to operate a regional office in the DIFC in Dubai and are in the process of securing approvals for commencing operations in Qatar. These additional offices will further strengthen our strategic presence in the Middle East and South East Asia.

We also intend to more effectively capitalise on potential growth opportunities in our existing international markets by leveraging our longstanding and established brand in these international markets.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Statements. These Restated Financial Statements have been prepared in accordance with Indian GAAP, applicable provisions of the Companies Act, the provisions of the Insurance Act, and the regulations framed thereunder, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India, and restated in accordance with the SEBI ICDR Regulations, and are presented in "*Financial Statements*" on page 227.

The summary financial information presented below should be read in conjunction with our Restated Financial Statements, the notes thereto as included in "*Financial Statements*" on page 227 and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 432.

ANNEXURE-I : RESTATED STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Particulars	Annexure	As at March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A. Sources of Funds						
1. Share Capital	XXI	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
2. Reserves and Surplus	XXII	121,078.27	118,003.87	110,295.19	100,276.47	90,901.86
3. Fair Value Change Account		236,904.70	190,713.14	228,003.78	178,302.30	158,624.44
4. Borrowings	XXIII	-	-	-	-	-
Total A		**359,982.98**	**310,717.00**	**340,298.97**	**280,578.76**	**251,526.29**
B. Application of Funds						
1. Investments	XXIV	514,302.04	445,457.17	449,581.39	353,497.52	312,741.68
2. Loans	XXV	3,089.40	3,288.49	3,676.87	4,011.55	3,857.04
3. Fixed Assets	XXVI	3,641.12	2,584.84	1,992.33	1,778.26	1,523.92
4. Deferred Tax Assets		2,245.81	2,202.40	1,686.67	1,651.64	1,405.40
5. Current Assets						
a. Cash and Bank Balances	XXVII	80,191.76	70,827.44	82,502.30	89,650.04	74,079.93
b Advances and Other Assets	XXVIII	89,610.48	107,334.52	81,960.43	85,040.84	64,973.14
Sub Total(a+b)		**169,802.23**	**178,161.96**	**164,462.73**	**174,690.88**	**139,053.08**
c. Current Liabilities	XXIX	237,335.21	237,871.18	197,651.24	182,753.60	148,812.53
d. Provisions	XXX	97,975.82	87,464.44	83,449.79	72,640.61	58,928.53
Sub Total(c+d)		**335,311.03**	**325,335.62**	**281,101.03**	**255,394.21**	**207,741.06**
Net Current Assets (a+b-c-d)		**(165,508.79)**	**(147,173.66)**	**(116,638.30)**	**(80,703.33)**	**(68,687.98)**
6. Miscellaneous Expenditure (to the extent not written off or adjusted)	XXXI	2,213.40	4,357.76	-	343.12	686.24
Total B		**359,982.98**	**310,717.00**	**340,298.97**	**280,578.76**	**251,526.29**

ANNEXURE-II : RESTATED STANDALONE SUMMARY STATEMENT OF REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	175,542.23	151,036.15	132,348.01	108,690.71	94,782.66
2.Profit on Sale or Redemption of Investments (Policy Holders)		12,307.00	8,893.18	9,236.40	6,923.45	6,106.20
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		16,864.72	15,928.43	14,735.54	12,840.87	11,314.07
Total (A)		**204,713.95**	**175,857.76**	**156,319.95**	**128,455.03**	**112,202.94**
1.Claims Incurred (Net)	XVIII	162,421.90	131,559.26	111,880.83	93,809.07	81,052.59
2.Commission	XIX	13,231.38	14,037.46	12,838.65	11,726.12	8,966.39
3.Operating Expenses Related to Insurance Business	XX	37,769.14	35,097.28	30,570.24	26,365.83	22,853.24
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		5.62	5.10	8.45	4.43	8.88
Amortisation, Write off, Provisions - Investments		52.45	19.00	49.93	137.50	(6.78)
Total (B)		**213,480.49**	**180,718.09**	**155,348.10**	**132,042.95**	**112,874.33**
Operating Profit/ (Loss) C=(A-B)		**(8,766.54)**	**(4,860.33)**	**971.85**	**(3,587.92)**	**(671.40)**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		8,766.54	4,860.33	(971.85)	3,587.92	671.40
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

ANNEXURE-III: RESTATED STANDALONE SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Operating Profit / (Loss)						
a. Fire Insurance	II -A	(1,692.60)	1,363.11	856.53	(1,621.26)	970.11
b. Marine Insurance	II -B	541.05	1,375.59	569.81	1,752.13	1,387.51
c. Miscellaneous Insurance	II -C	(7,615.00)	(7,599.02)	(454.49)	(3,718.80)	(3,029.02)
2. Income from Investments						
a. Interest Dividend and Rent (Gross) - Share Holders		9,251.82	9,465.95	8,802.68	8,032.47	6,828.10
b. Profit on Sale of Investment - Share Holders		6,751.50	5,285.04	5,517.62	4,330.89	3,685.12
Less: Loss on Sale of Investment - Share Holders		-	-	-	-	-
3. Other Income - Misc Receipts, Credit Balances Written Back		859.59	423.23	269.63	278.21	206.04
Interest on Refund of Income Tax		1,325.92	303.20	1,486.42	-	-
Total (A)=1+2+3		**9,422.28**	**10,617.09**	**17,048.20**	**9,053.64**	**10,047.86**
4. Provisions (Other Than Taxation)						
Traded Shares - Shareholders		25.90	26.80	23.03	27.53	26.95
b. For Doubtful Debts - Investments(Shareholders)		(9.28)	(18.47)	12.92	10.78	(55.02)
c. For Doubtful Debts - Operations		91.39	239.36	-	-	-
d. For Dimunition In Value Of Investments (Shareholders)		12.15	2.96	(6.12)	47.70	23.99
5. Other Expenses (Other Than Those Related To Insurance Business)						
a. Others - Interest On Income/Service Tax		8.58	0.79	33.81	(275.95)	(340.58)
b. (Profit)/Loss On Sale Of Assets		27.78	(7.50)	12.72	(0.35)	(4.07)
c. Penalty		2.00	2.00	-	-	0.50
Total (B)=(4+5)		**158.52**	**245.94**	**76.36**	**(190.29)**	**(348.23)**
Profit Before Tax (A-B)		**9,263.76**	**10,371.15**	**16,971.85**	**9,243.93**	**10,396.09**
Provision For Taxation - Current Tax		1,108.94	1,540.59	3,227.00	1,503.92	1,631.50
Deferred Tax		(43.41)	(515.41)	(17.38)	(246.23)	(82.11)
Wealth Tax		-	-	19.64	13.58	15.53
MAT Credit entitlement		-	-			
Profit After Tax		**8,198.23**	**9,345.97**	**13,742.59**	**7,972.67**	**8,831.17**
Transfer from General Reserves / Equalization / Contingency Reserves		129.46	248.33	323.67	25.83	290.76
Appropriations						
a. Proposed Final Dividend		-	-	-	-	-
b. Dividend Distribution Tax.		-	-	-	-	-
c. Transfer to General Reserves		(8,327.68)	(9,345.97)	(13,742.59)	(7,972.67)	(8,418.82)
d. Transfer to Equalization / Contingency Reserves for Foreign Branches		-	(248.33)	(323.67)	(25.83)	(703.11)
Profit / (Loss) Carried Forward to The Balance Sheet		**-**	**-**	**-**	**-**	**-**
Basic and diluted earnings per share (₹) of face value of ₹ 10 each {Refer Annexure-VII}		40.99	46.73	68.71	39.86	44.16

ANNEXURE-IV: RESTATED STANDALONE SUMMARY STATEMENT OF RECEIPTS AND PAYMENTS ACCOUNT

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
A. Cash Flows from the operating activities:					
1. Premium received from policyholders, including advance receipts	241,479.10	201,752.99	173,623.01	152,583.23	133,042.70
2. Other receipts	265.32	154.52	90.94	176.42	88.57
3. Payments to the re-insurers, net of commissions and claims	(15,693.95)	(6,306.59)	(2,745.08)	(10,640.10)	(6,697.42)
4. Payments to co-insurers, net of claims recovery	(1,907.98)	(3,231.59)	(2,388.02)	(3,681.68)	3,608.63
5. Payments of claims	(152,535.97)	(135,024.14)	(110,673.89)	(88,477.01)	(86,630.88)
6. Payments of commission and brokerage	(14,914.21)	(14,970.60)	(13,355.54)	(12,050.51)	(10,176.23)
7. Payments of other operating expenses	(39,560.25)	(37,988.59)	(25,606.68)	(24,148.46)	(23,215.64)
8. Preliminary and pre-operative expenses	-	-	-	-	-
9. Deposits, advances and staff loans	(34.41)	210.15	2,112.14	1,521.13	1,514.02
10. Income taxes paid (Net)	2,782.51	(2,327.58)	1,391.10	37.13	1,826.94
11. Service tax paid	(23,077.87)	(17,607.94)	(13,553.61)	(12,255.31)	(10,389.51)
12. Other payments	1,648.33	(244.35)	(226.37)	1,333.88	127.45
13. Cash flows before extraordinary items	(1,549.37)	(15,583.73)	8,668.00	4,398.72	3,098.63
14. Cash flow from extraordinary operations	-	-	-	-	-
Net cash flow from operating activities	**(1,549.37)**	**(15,583.73)**	**8,668.00**	**4,398.72**	**3,098.63**
B. Cash flows from investing activities:					
1. Purchase of fixed assets	(1,915.03)	(952.34)	(599.78)	(622.22)	(377.30)
2. Proceeds from sale of fixed assets	384.06	193.94	115.14	57.08	50.71
3. Purchases of investments	(34,331.24)	(50,866.36)	(64,960.18)	(35,125.86)	(39,252.53)
4. Loans disbursed	(376.33)	-	-	-	(403.60)
5. Sales of investments	29,400.24	32,148.97	33,531.06	24,376.05	22,504.18
6. Repayments received	-	87.13	97.73	1,640.20	-
7. Rents/Interests/ Dividends received	25,431.40	24,871.33	20,969.47	17,602.59	16,553.41
8. Investments in money market instruments and in liquid mutual funds	-	-	-	-	-
9. Expenses related to investments	(297.50)	102.64	(152.11)	(277.24)	(230.09)
Net cash flow from investing activities	**18,295.60**	**5,585.31**	**(10,998.66)**	**7,650.61**	**(1,155.23)**
C. Cash flows from financing activities:					
1. Proceeds from issuance of share capital	-	-	-	-	-
2. Proceeds from borrowing	-	-	-	-	-
3. Repayments of borrowing	-	-	-	-	-
4. Interest/dividends paid	(3,019.85)	(3,600.00)	(2,573.89)	(1,988.92)	(464.89)
Net cash flow from financing activities	**(3,019.85)**	**(3,600.00)**	**(2,573.89)**	**(1,988.92)**	**(464.89)**
D. Effect of foreign exchange rates on cash and cash equivalents, net	**(4,362.07)**	**1,923.57**	**(2,243.19)**	**5,509.69**	**1,179.68**
E. Net increase in cash and cash equivalents:	**9,364.31**	**(11,674.85)**	**(7,147.74)**	**15,570.11**	**2,658.19**
1. Cash and cash equivalents at the beginning of the year	70,827.44	82,502.30	89,650.04	74,079.93	71,421.74
2. Cash and cash equivalents at the end of the year	80,191.76	70,827.44	82,502.30	89,650.04	74,079.93

ANNEXURE-I: RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Particulars	Annexure	As at March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A. Sources of Funds						
1. Share Capital	XXI	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
2. Reserves and Surplus	XXII	126,177.88	122,945.43	114,692.76	105,173.40	94,736.58
3. Fair Value Change Account		237,016.37	190,933.61	228,388.05	178,390.92	158,647.79
4. Borrowings	XXIII	-	-	-	-	-
5. Minority Interest		474.00	459.30	329.34	287.73	516.58
Total A		**365,668.25**	**316,338.34**	**345,410.14**	**285,852.05**	**255,900.95**
B. Application of Funds						
1. Investments	XXIV	519,306.76	449,717.50	453,646.81	357,111.65	315,656.63
2. Loans	XXV	3,080.33	3,267.29	3,568.42	3,857.04	3,877.69
3. Fixed Assets	XXVI	4,294.54	3,653.12	3,024.56	2,436.60	2,116.20
4. Deferred Tax Assets		2,197.49	2,171.53	1,661.42	1,650.60	1,362.36
5. Current Assets						
a. Cash and Bank Balances	XXVII	81,257.28	72,162.25	84,456.75	91,514.59	75,376.72
b Advances and Other Assets	XXVIII	90,357.20	108,736.01	83,247.62	86,872.72	67,361.81
Sub Total(a+b)		**171,614.49**	**180,898.26**	**167,704.38**	**178,387.31**	**142,738.53**
c. Current Liabilities	XXIX	238,346.76	239,486.42	200,042.46	184,621.67	150,528.18
d. Provisions	XXX	98,692.00	88,240.71	84,152.98	73,312.61	60,008.51
Sub Total(c+d)		**337,038.77**	**327,727.13**	**284,195.44**	**257,934.28**	**210,536.69**
Net Current Assets (a+b-c-d)		**(165,424.28)**	**(146,828.87)**	**(116,491.07)**	**(79,546.96)**	**(67,798.17)**
6. Miscellaneous Expenditure (to the extent not written off or adjusted)	XXXI	2,213.40	4,357.76	-	343.12	686.24
Total B		**365,668.25**	**316,338.34**	**345,410.14**	**285,852.05**	**255,900.95**

ANNEXURE-II : RESTATED CONSOLIDATED SUMMARY STATEMENT OF REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1.Premium Earned (Net)	XVII	176,747.78	152,150.22	133,538.02	109,941.34	95,991.81
2.Profit on Sale or Redemption of Investments (Policy Holders)		12,098.50	8,792.78	9,002.38	6,807.30	6,151.85
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		16,689.95	15,784.27	14,570.43	12,680.54	11,428.19
Total (A)		**205,536.23**	**176,727.27**	**157,110.83**	**129,429.18**	**113,571.84**
1.Claims Incurred (Net)	XVIII	162,998.18	132,343.47	112,619.95	94,624.63	81,891.81
2.Commission	XIX	13,320.41	14,129.29	12,878.74	11,801.99	8,961.12
3.Operating Expenses Related to Insurance Business	XX	38,171.78	35,551.97	31,038.46	26,740.38	23,036.12
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		5.62	5.10	8.45	4.43	8.88
Amortisation, Write off, Provisions - Investments		53.98	31.68	61.28	134.67	(5.05)
Total (B)		**214,549.96**	**182,061.52**	**156,606.89**	**133,306.10**	**113,892.88**
Operating Profit/ (Loss) C=(A-B)		**(9,013.74)**	**(5,334.25)**	**503.94**	**(3,876.92)**	**(321.04)**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		9,013.74	5,334.25	(503.94)	3,876.92	321.04
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

ANNEXURE-III: RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Operating Profit / (Loss)						
a. Fire Insurance	II -A	(1,672.19)	1,215.18	716.64	(1,692.79)	978.64
b. Marine Insurance	II -B	484.97	1,262.09	566.83	1,690.68	1,443.99
c. Miscellaneous Insurance	II -C	(7,826.52)	(7,811.52)	(779.53)	(3,874.82)	(2,743.66)
2. Income from Investments						
a. Interest Dividend and Rent (Gross) - Share Holders		9,601.37	9,808.03	9,196.88	8,366.38	6,896.97
b. Profit on Sale of Investment - Share Holders		6,960.00	5,463.66	5,682.31	4,491.32	3,712.67
Less: Loss on Sale of Investment - Share Holders		-	-	-	-	-
3. Other Income - Misc Receipts, Credit Balances Written Back		858.13	474.96	263.53	272.46	201.05
Interest on Refund of Income Tax		1,325.92	303.20	1,486.42	-	-
Total (A)=1+2+3		**9,731.69**	**10,715.59**	**17,133.09**	**9,253.24**	**10,489.65**
4. Provisions (Other Than Taxation)						
a. Others - Amortisation Provision For Thinly Traded Shares - Shareholders		28.09	35.64	31.65	28.43	27.98
b. For Doubtful Debts - Investments(Shareholders)		(9.56)	(18.99)	13.36	11.14	(55.02)
c. For Doubtful Debts - Operations		91.39	240.17	-	-	-
d. For Dimunition In Value Of Investments (Shareholders)		12.53	3.04	(6.34)	49.28	23.99
5. Other Expenses (Other Than Those Related To Insurance Business)						
a. Others - Interest On Income/Service Tax		11.47	6.92	33.81	(275.95)	(340.58)
b. (Profit)/Loss On Sale Of Assets		27.83	(7.56)	11.85	(0.30)	(5.33)
c. Penalty		2.00	2.00	-	1.85	0.95
Total (B)=(4+5)		**163.73**	**261.22**	**84.34**	**(185.56)**	**(348.01)**
Profit Before Tax (A-B)		**9,567.96**	**10,454.37**	**17,048.75**	**9,438.79**	**10,837.66**
Provision For Taxation - Current Tax		1,215.33	1,666.24	3,311.70	1,622.17	1,746.41
Deferred Tax		(45.97)	(515.41)	(55.83)	(246.23)	(63.54)
Wealth Tax		-	-	19.64	13.58	15.53
Profit After Tax		**8,398.60**	**9,303.54**	**13,773.23**	**8,049.28**	**9,139.25**
Profit attributable to Minority Interest		(44.18)	18.65	39.00	(4.60)	(118.43)
Add : Share of Profit/(Loss) in Associate Enterprises		224.19	290.59	346.51	254.76	145.48
Transfer from General Reserves / Equalization / Contingency Reserves		129.46	248.33	323.67	25.83	290.76
Appropriations						
a. Proposed Final Dividend		-	-	-	-	-
b. Dividend Distribution Tax.		-	-	-	-	-
c. Transfer to General Reserves		(8,708.07)	(9,612.78)	(14,158.74)	(8,299.43)	(8,753.95)
d. Transfer to Equalization / Contingency Reserves for Foreign Branches		-	(248.33)	(323.67)	(25.83)	(703.11)
Profit / (Loss) Carried Forward to The Balance Sheet		**-**	**-**	**-**	**-**	**-**
Basic and diluted earnings per share (₹) {Refer Annexure-VII}		42.89	48.06	70.79	41.50	45.83

ANNEXURE-IV: RESTATED CONSOLIDATED SUMMARY STATEMENT OF RECEIPTS AND PAYMENTS ACCOUNT

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A. Cash Flows from the operating activities:					
1. Premium received from policyholders, including advance receipts	243,593.76	203,822.86	175,820.59	155,405.40	135,344.81
2. Other receipts	397.16	222.17	110.95	289.98	392.09
3. Payments to the re-insurers, net of commissions and claims	(15,900.24)	(5,959.10)	(2,648.29)	(10,170.32)	(6,405.67)
4. Payments to co-insurers, net of claims recovery	(1,907.98)	(3,231.59)	(2,388.02)	(3,681.68)	3,608.63
5. Payments of claims	(153,615.45)	(136,580.96)	(111,721.23)	(89,851.56)	(88,044.57)
6. Payments of commission and brokerage	(15,205.59)	(15,195.39)	(13,459.59)	(12,002.88)	(10,024.91)
7. Payments of other operating expenses	(39,826.16)	(39,083.50)	(26,777.40)	(26,159.66)	(24,821.13)
8. Preliminary and pre-operative expenses	(1.64)	(4.02)	-	-	-
9. Deposits, advances and staff loans	(34.41)	210.15	2,112.14	1,521.13	1,514.02
10. Income taxes paid (Net)	2,704.81	(2,400.83)	1,205.63	(32.81)	1,699.73
11. Service tax paid	(23,077.87)	(17,607.94)	(13,553.61)	(12,255.31)	(10,389.51)
12. Other payments	1,638.03	(244.35)	(226.37)	1,333.88	127.45
13. Cash flows before extraordinary items	**(1,235.58)**	**(16,052.50)**	**8,474.80**	**4,396.17**	**3,000.94**
14. Cash flow from extraordinary operations	-	-	-	-	-
Net cash flow from operating activities	**(1,235.58)**	**(16,052.50)**	**8,474.80**	**4,396.17**	**3,000.94**
B. Cash flows from investing activities:					
1. Purchase of fixed assets	(1,922.67)	(974.84)	(641.24)	(707.63)	(667.00)
2. Proceeds from sale of fixed assets	384.22	195.46	116.01	57.39	52.16
3. Purchases of investments	(35,425.71)	(51,615.61)	(65,988.77)	(35,774.94)	(39,789.61)
4. Loans disbursed	(376.33)	(0.78)	-	-	(403.60)
5. Sales of investments	29,981.95	32,724.25	34,221.01	24,960.53	23,050.10
6. Repayments received	-	-	65.55	1,821.55	-
7. Rents/Interests/ Dividends received	25,585.17	25,071.96	21,136.31	17,772.77	16,726.67
8. Investments in money market instruments and in liquid mutual funds	-	-	-	-	-
9. Expenses related to investments	(297.50)	124.02	(152.11)	(277.24)	(230.09)
Net cash flow from investing activities	**17,929.13**	**5,524.44**	**(11,243.24)**	**7,852.43**	**(1,261.37)**
C. Cash flows from financing activities:		-			
1. Proceeds from issuance of share capital	-	-	547.22	-	(5.10)
2. Proceeds from borrowing	-	-	-	-	-
3. Repayments of borrowing	-	-	-	-	-
4. Interest/dividends paid	(3,054.96)	(3,655.65)	(2,631.47)	(2,012.01)	(493.66)
Net cash flow from financing activities	**(3,054.96)**	**(3,655.65)**	**(2,084.25)**	**(2,012.01)**	**(498.76)**
D. Effect of foreign exchange rates on cash and cash equivalents, net	**(4,524.97)**	**1,889.21**	**(2,205.15)**	**5,901.28**	**1,816.68**
E. Net increase in cash and cash equivalents:	**9,113.62**	**(12,294.50)**	**(7,057.84)**	**16,137.87**	**3,057.49**
1. Cash and cash equivalents at the beginning of the year	72,162.25	84,456.75	91,514.59	75,376.72	72,319.24
2. Cash and cash equivalents at the end of the year	81,257.28	72,162.25	84,456.75	91,514.59	75,376.72

THE OFFER

Offer of Equity Shares	Up to 120,000,000 Equity Shares aggregating up to ₹ [●] million
Of which	
Fresh Issue(1)	Up to 24,000,000 Equity Shares aggregating up to ₹ [●] million
Offer for Sale by Selling Shareholder(1)	Up to 96,000,000 Equity Shares aggregating up to ₹ [●] million
Of which	
Employee Reservation Portion (2)(3)	Up to [●] Equity Shares aggregating up to ₹ [●] million
Accordingly,	
The Net Offer	
Of which:	
A. QIB Portion (3)	Not more than [●] Equity Shares
Of which	
(i) Mutual Fund Portion	[●] Equity Shares
(ii) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Portion (3)	Not less than [●] Equity Shares
C. Retail Portion (2)(3)	Not less than [●] Equity Shares
Equity Shares pre and post Offer	
Equity Shares outstanding prior to the Offer	800,000,000 Equity Shares
Equity Shares outstanding after the Offer	824,000,000 Equity Shares
Use of proceeds from the Offer	For details, see "*Objects of the Offer*" on page 112 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale

(1) *The Offer has been authorised by our Board of Directors pursuant to resolutions dated July 10, 2017 and August 4, 2017 and by the Shareholders pursuant to a special resolution dated August 2, 2017. The Offer for Sale has been authorised by the Selling Shareholder as follows:*

Selling Shareholder	***Number of Offered Shares***	***Date of consent/ resolution***
The President of India, acting through the MoF	*96,000,000*	*August 4, 2017*

The Selling Shareholder confirms that the Offered Shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI as required by Regulation 26(6) of the SEBI ICDR Regulations and are eligible for being offered for sale in the Offer.

(2) *Retail Discount of ₹ [●] and Employee Discount of ₹ [●] to the Offer Price may be offered to the Retail Individual Bidders and the Eligible Employees bidding in the Employee Reservation Portion, respectively subject to receipt of necessary approvals from the GoI. The Retail Discount, if any, will be determined by our Company and the Selling Shareholder in consultation with the BRLMs, and will be advertised in [●] editions of [●], an English national newspaper, in [●] editions of [●], a Hindi national newspaper, and in [●] editions of [●], a Marathi newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion bidding at a price within the Price Band can make payment at the Bid Amount (which will be less Retail Discount), at the time of making a Bid. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion bidding at the Cut-Off Price have to ensure payment at the Cap Price, less Retail Discount at the time of making a Bid. Retail Individual Bidders must ensure that the Bid Amount (which will be less Retail Discount) does not exceed ₹200,000. The maximum Bid Amount under the Employee Reservation*

Portion by an Eligible Employee shall not exceed ₹500,000 on a net basis. However, Allotment to an Eligible Employee in the Employee Reservation Portion may exceed ₹200,000 (which will be less Employee Discount) only in the event of an under-subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (which will be less Employee Discount). Further, Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion must mention the Bid Amount while filling the "SCSB/Payment Details" block in the Bid cum Application Form.

(3) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. The Net Offer shall constitute at least [●] % of the fully diluted post-Offer paid up equity share capital of our Company.*

Allocation to Bidders in all categories, except the Retail Portion, shall be made on a proportionate basis. For details, see "Offer Procedure – Allotment Procedure and Basis of Allotment" on page 587.

GENERAL INFORMATION

Our Company was incorporated as 'The New India Assurance Company Limited' on July 23, 1919 at Mumbai, Maharashtra, India as a limited company under the Indian Companies Act, VII of 1913 with the Registrar of Companies. Our Company obtained the certificate of commencement of business on October 14, 1919. Pursuant to the 1973 Scheme which came into force on January 1, 1974, our Company was nationalized by the GoI. Our Company is registered with IRDAI for carrying out the business of general insurance. For details, see "*History and Certain Corporate Matters*" on page 188.

Registered and Corporate Office

The New India Assurance Company Limited
87, M.G. Road
Fort
Mumbai – 400 001
Maharashtra, India
Tel: +91 22 2270 8263
Fax: +91 22 2265 2811
Website: www.newindia.co.in
Corporate Identity Number: U99999MH1919GOI000526
Registration Number: 000526

Address of the RoC

Our Company is registered with the Registrar of Companies, Maharashtra, situated at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

Board of Directors

The following table sets out the details regarding our Board as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Mr. G. Srinivasan	Chairman cum Managing Director	01876234	Flat No.9, Mayfair House, Little Gibbs Road, Malabar Hills, Mumbai - 400 006, Maharashtra, India
Mr. Mohammad Mustafa	Non-Executive and Government Nominee Director	06887517	D-1/444, Bharti Nagar, Lodi Road, New Delhi – 110 003, Delhi, India
Mr. Hemant G. Rokade	Whole-time Director	06417520	A/16, Mayfair Gardens, Little Gibbs Road, Malabar Hills, Mumbai – 400 006, Maharashtra, India
Mr. Anil Kumar	Whole-time Director	07859811	C/42, Mayfair Gardens, Little Gibbs Road, Malabar Hills, Mumbai – 400 006, Maharashtra, India

For details and profile of our Directors, see "*Our Management*" on page 197.

Selling Shareholder

The Selling Shareholder is our Promoter, the President of India, acting through the MoF.

Company Secretary and Chief Compliance Officer

Ms. Jayashree Nair
87, M.G. Road
Fort
Mumbai 400 001
Maharashtra, India
Tel: +91 22 2270 8100
Fax: + 91 22 2270 8615
E-mail: investors@newindia.co.in

Chief Financial Officer

Ms. S.N. Rajeswari
87, M.G. Road
Fort
Mumbai 400 001
Maharashtra, India
Tel: +91 22 2270 8100
Fax: +91 22 2270 8593
E-mail: cfo@newindia.co.in

Offer related grievances

Investors can contact our Company Secretary and Chief Compliance Officer, the BRLMs and the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of Allotment Advice, non-credit of Allotment in the respective beneficiary account.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to the relevant Designated Intermediary, giving full details such as name and address of the First/Sole Bidder, Bid cum Application Form number, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number, Bidders' DP ID, Client ID, PAN, relevant Designated Intermediary where the Bid cum Application Form was submitted. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges, with a copy to the Registrar. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries, in addition to the documents/information mentioned hereinabove.

Book Running Lead Managers

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC
Plot No. 27 "G" Block
Bandra Kurla Complex Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
Fax: +91 22 6713 2447
E-mail: nia.ipo@kotak.com
Investor grievance email: kmccredressal@kotak.com
Website: www.investmentbank.kotak.com
Contact Person: Mr. Ganesh Rane

Axis Capital Limited*
Axis House, 1st Floor
C-2 Wadia International Center
P. B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: + 91 22 4325 2183
Fax: +91 22 4325 3000
E-mail: nia.ipo@axiscap.in
Investor Grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Mr. Ankit Bhatia
SEBI Registration No.: INM000012029

IDFC Bank Limited
Naman Chambers
C-32, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051
Maharashtra, India
Tel: +91 22 6622 2600
Fax: +91 22 6622 2501
E-mail: NIA.IPO@idfcbank.com
Investor Grievance E-mail: mb.ig@idfcbank.com
Website: www.idfcbank.com
Contact Person: Mr. Mangesh Ghogle

SEBI Registration No.: INM000008704	*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Axis Capital Limited will be involved only in marketing of the Offer*	**SEBI Registration No**.: MB/INM000012250
Nomura Financial Advisory and Securities (India) Private Limited Ceejay House, Level 11 Plot F, Shivsagar Estate, Worli Mumbai 400 018 Maharashtra, India **Tel**: +91 22 4037 4037 **Fax:** +91 22 4037 4111 **E-mail:** newindiaipo@nomura.com **Investor grievance E-mail:** investorgrievances-in@nomura.com **Website:** www.nomuraholdings.com/company/group/asia/india/index.html **Contact Person:** Mr. Sumit Sukhramani / Ms. Aneesha Chandra **SEBI Registration No.:** INM000011419	**YES Securities (India) Limited** IFC, Tower 1 & 2 Unit no. 602 A 6th Floor, Senapati Bapat Marg Elphinstone Road Mumbai 400 013 Maharashtra, India **Tel**.: +91 22 7100 9829 **Fax**: +91 22 2421 4508 **E-mail**: dlnia.ipo@yessecuritiesltd.in **Investor grievance E-mail**: igc@yessecuritiesltd.in **Website**: www.yesinvest.in **Contact Person**: Mr. Mukesh Garg **SEBI Registration No**.: MB/INM000012227	

Syndicate Members

[●]

Legal Counsel to our Company as to Indian law

AZB & Partners
AZB House
Plot No. A8, Sector-4
Noida 201 301
India
Tel: +91 120 417 9999
Fax: +91 120 417 9900

Legal Counsel to the BRLMs as to Indian law

Luthra & Luthra Law Offices
20th Floor, Tower 2, Unit A2
Indiabulls Finance Center
Elphinstone Road
Senapati Bapat Marg
Lower Parel
Mumbai 400 013
Maharashtra, India

Tel: +91 22 4354 7000
Fax: +91 22 6630 3700

International Legal Counsel to the Offer

Squire Patton Boggs Singapore LLP
10 Collyer Quay
#03-01/03 Ocean Financial Centre
Singapore 049 315
Tel: +65 6922 8668
Fax: +65 6922 8650

Registrar to the Offer

[●]
Tel: [●]
Fax: [●]
Email: [●]
Investor grievance ID: [●]
Website: [●]
Contact Person: [●]
SEBI Registration Number: [●]

The Registrar to the Offer will be appointed prior to the filing of the Red Herring Prospectus.

Refund Bank

[●]

Public Offer Bank(s)

[●]

Joint Statutory Auditors to our Company

R. Devendra Kumar & Associates
Chartered Accountants
205, Blue Rose Industrial Estate Western Express Highway, Borivali East, Mumbai – 400 066
Maharashtra
Tel: +91 22 2854 3754 / 55
Fax: +91 22 28543755
E-mail: neerajgolas@yahoo.com
ICAI Firm Registration Number: 114207W
Peer Review Number: 008948

A. Bafna & Co.
Chartered Accountants
A-603, 6th Floor, A Wing
Dynasty Business Park
Near J B Nagar Chakala Metro Station
Andheri (E), Mumbai – 400 059
Tel: +91 22 4970 8949
Fax: +91 22 4970 8949
E-mail: vivekguptafca@gmail.com
ICAI Firm Registration Number: 003660C
Peer Review Number: 007961

NBS & CO.
Chartered Accountants
14/2, Western India House
Sir P.M. Road, Fort
Mumbai – 400 001
Maharashtra
Tel: +91 22 2287 0588/ 0939
Fax: +91 22 2288 4910
E-mail: admin@nbsandco.in
ICAI Firm Registration Number: 110100W
Peer Review Number: 008061

Bankers to our Company

Axis Bank
8th Floor Axis House

HDFC Bank Ltd.
Peninsula Business Park

Corporation Bank
Veena Chambers

C-2 Wadia International Centre
P.B. Marg Worli
Mumbai 400 025
Maharashtra, India
Contact Person: Ms. Rupa Jalui
Tel: +91 22 2425 5875
Fax: +91 22 2425 5800
E-mail: rupa.jalui@axisbank.com
Website: www.axisbank.com
CIN: L65110GJ1993PLC020769

B-Wing, 4th Floor
S.B. Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Contact Person: Ms. Mahalakshmi Pradeep
Tel: +91 22 3395 8188
Fax: +91 22 3078 8579
E-mail: mahalakshmi.pradeep@hdfcbank.com
Website: www.hdfcbank.com
CIN: L65920MH1994PLC080618

21 Dalal Street Fort
Mumbai 400 023
Maharashtra, India
Contact Person: Mr. Prafulla Samal
Tel: +91 22 2267 1715
Fax: +91 22 2267 2101
E-mail: prafulla@corpbank.co.in, cb0024@corpbank.co.in
Website: www.corpbank.com
CIN: U67190MH1999GOI122710

Self Certified Syndicate Banks

The list of banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI ICDR Regulations, is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time, or at such other website as may be prescribed by SEBI from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders, please refer to the above mentioned link.

Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form is provided on the website of SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries and updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Registered Brokers

In accordance with SEBI circular number CIR/CFD/14/2012, dated October 9, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms with Registered Brokers at Broker Centres, the RTAs at the Designated RTA Locations or CDPs at Designated CDP Locations.

The list of Registered Brokers is available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. For details, see "*Offer Procedure*" on page 546.

Designated RTA Locations

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3, respectively, as updated from time to time.

Designated CDP Locations

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Inter-se allocation of Responsibilities of the BRLMs for the Offer

The responsibilities and co-ordination by the BRLMs for various activities in the Offer are as follows:

Sr. No.	Activities	Responsibility	Co-ordinator
1.	Capital structuring with relative components and formalities	BRLMs	Kotak
2.	Due diligence of our Company including its operations/management/ business/plans/legal, *etc*. Drafting and design of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus and memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI including finalisation of the Prospectus and RoC filing.	BRLMs	Kotak
3.	Drafting and approval of all statutory advertisements	BRLMs	Nomura
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned above, including corporate advertising, brochures, *etc*.	BRLMs	Axis
5.	Appointment of Registrar to the Offer and other intermediaries including printers, advertising agency	BRLMs	YES
6.	Marketing and road show presentation	BRLMs	Nomura
7.	FAQs for Roadshows	BRLMs	YES
8.	Retail marketing of the Issue, which will cover, *inter alia*: • Finalising media, marketing and public relations strategy; • Finalising centre for holding conferences for brokers, *etc*.; • Follow-up on distribution of publicity and Issue material including forms, the Prospectus and deciding on the quantum of Issue material; and • Finalising collection centres	BRLMs	Axis
9.	Non-institutional marketing of the Issue, which will cover, *inter alia*: • Finalising media, marketing and public relations strategy; and • Finalising centre for holding conferences for brokers, *etc*.	BRLMs	Axis
10.	Domestic Institutional marketing of the Issue, which will cover, *inter alia*: • Finalising the list and division of investors for one to one meetings, institutional allocation	BRLMs	Kotak
11.	International Institutional marketing of the Issue, which will cover, *inter alia*: • Finalising the list and division of investors for one to one meetings, institutional allocation	BRLMs	Nomura
12.	Pricing and managing the book	BRLMs	Nomura
13.	Co-ordination with the Stock Exchanges for book-building process including software, bidding terminals, *etc*.	BRLMs	YES
14.	Post-Bidding activities including management of Public Offer Account, co-ordinating, underwriting, co-ordination of non-institutional allocation, announcement of allocation and dispatch of refunds to Bidders, *etc*. The post-Issue activities will involve essential follow up steps, including the finalisation of trading, dealing of instruments, and demat of delivery of shares with the various agencies connected with the work such as the Registrar to the Offer, the bank handling refund business and SCSBs. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and discharge this responsibility through suitable agreements with our Company.	BRLMs	IDFC

Monitoring Agency

Since our Company is a public financial institution and also an insurance company, our Company is not required to appoint a monitoring agency for the Offer in terms of Regulation 16 of the SEBI ICDR Regulations.

Experts

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received individual written consent from its Joint Statutory Auditors, namely, R. Devendra Kumar & Associates, A. Bafna & Co., and NBS & CO., Chartered Accountants, to include their respective name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as "expert" as defined under section 2(38) and section 26 of the Companies Act, 2013 in respect of the reports of the Joint Statutory Auditors on the Restated Standalone Financial Statements and on the Restated Consolidated Financial Statements, both dated August 4, 2017, respectively and the Statement of Tax Benefits dated August 6, 2017, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Credit Rating

As this is an offer of equity shares, credit rating is not required.

IPO grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Project Appraisal

None of the objects of the Fresh Issue for which the Offer proceeds will be utilised have been appraised by any agency.

Trustees

As this is an offer of equity shares, the appointment of trustees is not required.

Book Building Process

Book building, in the context of the Offer refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company and the Selling Shareholder, in consultation with the BRLMs, and which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/ Offer Opening Date. The Offer Price shall be determined by our Company and the Selling Shareholder, in consultation with the BRLMs, after the Bid/Offer Closing Date.

All Bidders shall mandatorily participate in the Offer only through the ASBA process.

In accordance with the SEBI ICDR Regulations, Bids by QIBs in the QIB Portion and Non-Institutional Investors in the Non-Institutional Portion are not permitted to be withdrawn or lowered *vis-a-vis* the size of the Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion (if any) can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, allocation to QIBs in the QIB Category will be on a proportionate basis. For details, see "*Offer Structure*" and "*Offer Procedure*" on pages 540 and 546, respectively.

Our Company and the Selling Shareholder will comply with the SEBI ICDR Regulations and any other ancillary directions issued by the SEBI for the Offer. Our Company and the Selling Shareholder have appointed the BRLMs to manage the Offer and procure subscriptions to the Offer.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure – Part B – Basis of Allocation - Illustration of the Book Building and Price Discovery Process*" on page 586.

Underwriting Agreement

After the determination of the Offer Price and allocation of the Equity Shares, but prior to filing of the Prospectus with the RoC, our Company, the Selling Shareholder intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

Details of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (In ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount is indicative and will be finalised after finalization of the 'Basis of Allotment' and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

The underwriting arrangements mentioned above shall not apply to the applications by the ASBA Bidders in the Offer, except for ASBA Bids procured by any member of the Syndicate, or to Bids submitted to the Registered Brokers.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus is set forth below:

(In ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price
A)	**AUTHORISED SHARE CAPITAL**[1]		
	1,200,000,000 Equity Shares (of face value ₹ 5 each)	6,000,000,000	
B)	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE OFFER**		
	800,000,000 Equity Shares	4,000,000,000	
C)	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**[2]		
	Up to 120,000,000 Equity Shares	600,000,000	[●]
	Of which:		
	Fresh Issue of up to 24,000,000 Equity Shares (of face value ₹ 5 each) aggregating to ₹ [●] million	120,000,000	[●]
	Offer for Sale of up to 96,000,000 Equity Shares[3]	480,000,000	[●]
	Which includes:		
	Employee reservation portion of up to [●] Equity Shares[4]	[●]	[●]
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		Nil
	After the Offer		[●]

(1) *For details in relation to the alterations to the authorised share capital of our Company pursuant to and subsequent to the 1973 Scheme, see "History and Certain Corporate Matters – Changes in our Memorandum of Association" on page 192.*

(2) *Our Board has by way of its resolutions dated July 10, 2017 and August 4, 2017 and our Shareholders by way of a special resolution in the AGM dated August 2, 2017, respectively have approved the Offer.*

(3) *For details of authorizations received for the Offer for Sale, see "The Offer" on page 91. The Selling Shareholder confirms that the Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the SEBI ICDR Regulations.*

(4) *Subject to receipt of necessary approvals from the GoI, up to [●] Equity Shares may be reserved for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion. The Employee Reservation Portion, if any, shall not exceed 5% of the post-Offer capital of our Company, subject to the Net Offer constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company, subject to the Net Offer constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company, or increase the size of the Offer by more than 20%. Further, Eligible Employees bidding in the Employee Reservation Portion must ensure that the Bid Amount does not exceed ₹ 500,000 on a net basis. However, Allotment to an Eligible Employee in the Employee Reservation Portion may exceed ₹ 200,000 only in the event of an under-subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000.*

Notes to Capital Structure

All information given below under this section, unless specified otherwise, is subsequent to January 1, 1974, when the 1973 Scheme came into effect.

1. Share capital history

(a) ***History of equity share capital of our Company***

The following table sets forth the history of the equity share capital of our Company with effect from January 1, 1974, when the 1973 Scheme came into effect:

<table>
<tr><th>Date of allotment</th><th>Number of equity shares allotted/bought back</th><th>Face value per equity share (₹)</th><th>Offer price per equity share (₹)</th><th>Nature of consideration</th><th>Nature of transaction</th><th>Cumulative number of equity shares</th><th>Cumulative paid-up equity share capital (₹)</th></tr>
<tr><td colspan="8">The 1973 Scheme came into force on January 1, 1974. Pursuant to the 1973 Scheme, the then-existing shares of our Company and of the merged companies, in force immediately before January 1, 1974 (“Specified Day”), on and from the Specified Day, stood cancelled and the authorised share capital of our Company became ₹ 200,000,000 divided into 30,000,000 equity shares of face value of ₹ 5 each and 500,000 preference shares of face value of ₹ 100 each. Out of the said authorised capital, our Company issued 7,701,268 equity shares of face value of ₹ 5 each, which were deemed to be fully paid-up, to persons whose name was included in the register of members of our Company and the merged companies immediately before Specified Day. The shares were issued and allotted in proportion to the total amount paid up on shares held by such persons immediately before the Specified Day in our Company and the merged companies.</td></tr>
<tr><td>March 5, 1976</td><td>7,701,268</td><td>5</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(1)</td><td>15,402,536</td><td>77,012,680</td></tr>
<tr><td>May 23, 1979</td><td>6,597,464</td><td>5</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(2)</td><td>22,000,000</td><td>110,000,000</td></tr>
<tr><td>December 11, 1982</td><td>15,000,000</td><td>5</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(3)</td><td>37,000,000</td><td>185,000,000</td></tr>
<tr><td>October 7, 1986</td><td>14,800,000</td><td>5</td><td>N.A.</td><td>N.A.</td><td>Bonus issue4)</td><td>51,800,000</td><td>259,000,000</td></tr>
<tr><td>November 30, 1990</td><td>28,200,000</td><td>5</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(5)</td><td>80,000,000</td><td>400,000,000</td></tr>
<tr><td colspan="8">On August 16, 2000, the face value of the equity shares of our Company was consolidated and reclassified, into ₹ 10 each and consequently, the authorised equity share capital was consolidated into 300,000,000 equity shares of ₹ 10 each and 500,000 preference shares of ₹ 100 each.</td></tr>
<tr><td>2000</td><td>60,000,000</td><td>10</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(6)</td><td>100,000,000</td><td>1,000,000,000</td></tr>
<tr><td>2004</td><td>50,000,000</td><td>10</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(7)</td><td>150,000,000</td><td>1,500,000,000</td></tr>
<tr><td>2005</td><td>50,000,000</td><td>10</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(8)</td><td>200,000,000</td><td>2,000,000,000</td></tr>
<tr><td colspan="8">On August 2, 2017, the face value of the equity shares of our Company of ₹ 10 each was split into 2 equity shares of ₹ 5 each and consequently the issued, subscribed and paid-up equity share capital of our Company was split from ₹ 2,000,000,000 divided into 200,000,000 equity shares of ₹ 10 each into ₹ 2,000,000,000 divided into 400,000,000 Equity Shares of ₹ 5 each.</td></tr>
<tr><td>August 4, 2017</td><td>400,000,000</td><td>5</td><td>N.A.</td><td>N.A.</td><td>Bonus issue(9)</td><td>800,000,000</td><td>4,000,000,000</td></tr>
</table>

(1) 7,701,268 *bonus equity shares were issued in the ratio of 1:1 (1 equity share for every 1 equity share held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the securities premium account/free reserves, authorised by the Shareholders through a Shareholders' resolution passed on November 17, 1975.*

(2) *6,597,464 bonus equity shares were issued in the ratio of 1:2.33 (1 equity share for every 2.33 equity shares held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the securities premium account and general reserve account, authorised by the Shareholders through a Shareholders' resolution passed on January 22, 1979.*

(3) *15,000,000 bonus equity shares were issued in the ratio of 2.045:3 (2.045 equity shares for every 3 equity shares held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the general reserve account, authorised by the Shareholders through a Shareholders' resolution passed on November 18, 1982.*

(4) *14,800,000 bonus equity shares were issued in the ratio of 4:10 (4 equity shares for every 10 equity shares held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the securities premium account/free reserves, authorised by the Shareholders through a Shareholders' resolution passed on June 17, 1986.*

(5) *28,200,000 bonus equity shares were issued in the ratio of 2.72:5 (2.72 equity shares for every 5 equity shares held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the general reserve account, authorised by the Shareholders through a Shareholders' resolution passed on August 18, 1990.*

(6) *60,000,000 bonus equity shares were issued in the ratio of 3:2 (3 equity shares for every 2 equity shares held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the general reserve account, authorised by the Shareholders through a Shareholders' resolution passed on August 16, 2000. Please note that our Company*

is unable to trace any records of the board resolution for allotment of the bonus issuance in the year 2000. Accordingly, our Company has relied on audited balance sheets comprised in the relevant annual reports and certain other corporate records, in this regard.

(7) 50,000,000 bonus equity shares were issued in the ratio of 1:2 (1 equity share for every 2 equity shares held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the general reserve account. Please note that our Company is unable to trace any records of the Shareholders' resolution authorizing bonus issuance or the board resolution for allotment of the bonus issuance in the year 2004. Accordingly, our Company has relied on audited balance sheets comprised in the relevant annual reports and certain other corporate records, in this regard.

(8) 50,000,000 bonus equity shares were issued in the ratio of 1:3 (1 equity share for every 3 equity Shares held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the general reserve account, authorised by the Shareholders through a Shareholders' resolution passed on October 29, 2005. Please note that our Company is unable to trace any records of the board resolution for allotment of the bonus issuance in the year 2005. Accordingly, our Company has relied on audited balance sheets comprised in the relevant annual reports and certain other corporate records, in this regard.

(9) 400,000,000 bonus equity shares were issued in the ratio of 1:1 (1 equity share for every 1 equity share held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the free reserves, authorised by the Shareholders through a Shareholders' resolution passed on August 2, 2017.

We have been unable to trace the complete set of corporate resolution, filings made by our Company and authorization letters of central government and Controller of Capital Issues, Government of India, as applicable, for changes in our authorized share capital and issued, subscribed and paid up capital. Accordingly, we have placed reliance on minutes of the Board and Shareholders' meetings, to the extent available, and audited balance sheets comprised in our annual reports. See "Risk Factor – Some of our records relating to forms filed with the Registrar of Companies, authorization letters of central government and Controller of Capital Issues, Government of India and minute books for certain board and shareholders' meeting are not available. We cannot assure you that these form filings and minute books will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect." on page 55.

Pursuant to the 1973 Scheme, our Company's authorised capital consisted of 30,000,000 equity shares of face value of ₹ 5 each and 500,000 preference shares of face value of ₹100 each, aggregating to ₹ 200,000,000. Thereafter, pursuant to a resolution passed by our shareholders in the AGM held on September 29, 2000, the said preference shares of ₹ 100, being unissued, were cancelled.

(b) The table below sets forth the details of the Equity Shares issued by our Company during the one year period preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the Offer Price.

S. No.	Date of allotment	Number of Equity Shares	Face value per Equity Share (₹)	Offer Price per Equity Share (₹)	Nature of consideration	Reasons for allotment	Allottees
1.	August 4, 2017	400,000,000	5	N.A.	N.A.	Bonus issue(1)	The President of India, acting through the MoF.

(1) 400,000,000 bonus equity shares were issued in the ratio of 1:1 (1 equity share for every 1 equity share held by the Shareholders) to the existing Shareholders as on the respective record date, by capitalization of the free reserves, authorised by the Shareholders through a Shareholders' resolution passed on August 2, 2017.

2. Issue of Shares for consideration other than cash or through bonus issuances

Except as set out below, we have not issued shares for consideration other than cash. No benefits have accrued to our Company on account of allotment of shares for consideration other than cash:

Date of allotment/transaction	Number of equity Shares	Face value (₹)	Reasons for allotment
January 1, 1974	7,701,268	5	Pursuant to the 1973 Scheme
March 5, 1976	7,701,268	5	Bonus issue
May 23, 1979	6,597,464	5	Bonus issue
December 11, 1982	15,000,000	5	Bonus issue
October 7, 1986	14,800,000	5	Bonus issue

Date of allotment/transaction	Number of equity Shares	Face value (₹)	Reasons for allotment
November 30, 1990	28,200,000	5	Bonus issue
2000*	60,000,000	10	Bonus issue
2004*	50,000,000	10	Bonus issue
2005*	50,000,000	10	Bonus issue
August 4, 2017	400,000,000	5	Bonus issue

* *Please note that our Company is unable to trace any records of the board resolutions and shareholders resolutions, as applicable, for allotment of the bonus issuance in the years 2000, 2004 and 2005. Accordingly, our Company has relied on audited balance sheets comprised in the relevant annual reports and certain other corporate records, in this regard. See "Risk Factor – Some of our records relating to forms filed with the Registrar of Companies, authorization letters of central government and Controller of Capital Issues, Government of India and minute books for certain board and shareholders' meeting are not available. We cannot assure you that these form filings and minute books will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect." on page 55.*

3. History of Equity Share Capital held by our Promoter

(a) *Build-up of Promoter's shareholding in our Company*

Pursuant to the General Insurance Business (Nationalization) Act, 1972, the GoI acquired the entire share capital of our Company and immediately thereafter the entire share capital of our Company was transferred to General Insurance Corporation of India.

Set forth below is the build-up of the equity shareholding of our Promoter subsequent to the transfer of entire share capital of our Company from the GoI to General Insurance Corporation of India:

Name of the Promoter	Date of allotment/ transfer	Nature of Transaction	Number of Equity Shares*	Nature of consideration	Face value (₹)	Offer Price/Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post-Offer capital* (%)
The President of India acting through the MoF	March 21, 2003	Transfer by General Insurance Corporation of India	100,000,000	Other than cash	10	Nil#	25	24.27***
	2004**	Bonus issue	50,000,000	N.A.	10	N.A.	12.5	12.14***
	2005**	Bonus issue	50,000,000	N.A.	10	N.A.	12.5	12.14***
	On August 2, 2017, the face value of the equity shares of our Company of ₹ 10 each was split into 2 equity shares of ₹ 5 each and consequently the issued, subscribed and paid-up equity share capital of our Company was split from ₹ 2,000,000,000 divided into 200,000,000 equity shares of ₹ 10 each into ₹ 2,000,000,000 divided into 400,000,000 Equity Shares of ₹ 5 each.							
	August 4, 2017	Bonus issue	400,000,000	N.A.	5	N.A.	50	48.54

* *Assuming full subscription in the Offer.*

** *Please note that our Company is unable to trace any records of the board resolutions and shareholders resolutions, as applicable, for allotment of the bonus issuance in the years 2004 and 2005. Accordingly, our Company has relied on audited balance sheets comprised in the relevant annual reports and certain other corporate records, in this regard. See "Risk Factor – Some of our records relating to forms filed with the Registrar of Companies, authorization letters of central government and Controller of Capital Issues, Government of India and minute books for certain board and shareholders' meeting are not available. We cannot assure you that these form filings and minute books will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect." on page 55.*

*** *As adjusted for the split in face value from ₹ 10 to ₹ 5.*

 # In terms of communication dated April 22, 2003, from the GoI, it is stated that the GoI while enacting the General Insurance Business (Nationalisation) Amendment Act, 2002, took a conscious decision that no consideration should be given to General Insurance Corporation of India on account of transfer of its share capital in subsidiary companies to the GoI.

All the equity shares held by our Promoter were fully paid-up on the respective dates of acquisition of such equity shares. As on the date of this Draft Red Herring Prospectus, none of the equity shares held by our Promoter have been pledged.

(b) *Details of Promoter's contribution and lock-in*:

(i) Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer equity share capital of our Company held by our Promoter shall be considered as minimum promoter's contribution and locked-in for a period of three years from the date of Allotment ("**Promoter's Contribution**").

(ii) The President of India, acting through the MoF has consented to include such number of Equity Shares held by it, constituting not less than 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution, and has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of this Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations

(iii) Details of the Promoter's Contribution are as provided below:

Name	Date of transaction	Nature of transaction	No. of Equity Shares	Face value (₹)	Offer/ acquisition price per Equity Share (₹)	Number of Equity Shares locked-in	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

(iv) The Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter's Contribution in terms of Regulation 33 of SEBI ICDR Regulations.

(v) In this connection, we confirm the following:

- The Equity Shares offered for Promoter's contribution (a) have not been acquired in the last three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) have not been acquired in the last three years pursuant to bonus issuance out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;

- The Promoter's contribution does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

- Our Company has not been formed by the conversion of a partnership firm into a company; and

- The Equity Shares forming part of the Promoter's contribution are not subject to any pledge or any other form of encumbrance.

(c) *Other lock-in requirements:*

(i) The President of India, acting through the MoF and has, pursuant to letter dated August 8, 2017, granted approval for the lock-in of the entire post-Offer shareholding held by the President of India (less the Promoter's Contribution and the Offered Shares, assuming full subscription in the Offer), for a period of one year from the date of Allotment in the Offer or for such other time as may be required under the SEBI ICDR Regulations.

(ii) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoter and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company held by our promoter (except the offered shares), shall be locked-in for a period of one year from the date of Allotment.

(iii) The Equity Shares which will be transferred by the Selling Shareholder in the Offer for Sale shall not be subject to lock-in.

(iv) Pursuant to Regulation 39 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans, subject to applicable laws (including laws prescribed by IRDAI).

(v) The Equity Shares held by our Promoter which are locked-in may be transferred to and among the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

4. Our shareholding pattern

The following table sets forth the details of the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form** (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class: Equity	Class : N/A	Total								
(A)	Promoter & Promoter Group	11*	800,000,000	-	-	800,000,000	100	800,000,000	-	800,000,000	100	-	-	-	-	-	-	-
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	11*	800,000,000	-	-	800,000,000	100	800,000,000	-	800,000,000	100	-	-	-	-	-	-	-

** The President of India acting through the MoF, our Promoter, holds 100% of the Equity Shares out of which 799,999,840 Equity Shares are held by our Promoter and Mr. G. Srinivasan, Mr. Hemant G. Rokade, Mr. Siddharth Pradhan, Mr. Rakesh Kumar, Mr. Anil Kumar, Mr. Mohd. Zafir Alam, Mr. C. Narambunathan, Ms. S.N. Rajeswari, Ms. Tajinder Mukherjee, and Mr. Renjit Gangadharan hold 16 Equity Shares each as nominees of our Promoter.*

***As on the date of this Draft Red Herring Prospectus, our Company has not entered into agreements with depositories for dematerialisation of Equity Shares issued by our Company, as required under Regulation 4(2)(e) of the SEBI ICDR Regulations. In this regard, our Company has submitted a letter to SEBI, requesting exemption under Regulation 113(1)(c) of the SEBI ICDR Regulations.*

5. **The list of top 10 Shareholders and the number of Equity Shares held by them.**

(a) The top 10 Shareholders as on the date of filing of this Draft Red Herring Prospectus are as follows:

S. No.	Name of shareholder	Number of Equity Shares	Percentage (%)
1.	The President of India acting through the MoF	799,999,840	99.99
2.	Mr. G. Srinivasan*	16	Negligible
3.	Mr. Hemant G. Rokade*	16	Negligible
4.	Mr. Siddharth Pradhan*	16	Negligible
5.	Mr. Rakesh Kumar*	16	Negligible
6.	Mr. Anil Kumar*	16	Negligible
7.	Mr. Mohd. Zafir Alam*	16	Negligible
8.	Mr. C. Narambunathan*	16	Negligible
9.	Ms. S.N. Rajeswari*	16	Negligible
10.	Ms. Tajinder Mukherjee*	16	Negligible
11.	Mr. Renjit Gangadharan*	16	Negligible

**Nominees of the President of India.*

(b) The top 10 Shareholders and the number of equity shares held by them, as on, 10 days prior to filing of this Draft Red Herring Prospectus:

S. No.	Name of shareholder	Number of equity shares**	Percentage (%)
1.	The President of India acting through the MoF	199,999,960	99.99
2.	Mr. G. Srinivasan*	4	Negligible
3.	Mr. Hemant G. Rokade*	4	Negligible
4.	Mr. Siddharth Pradhan*	4	Negligible
5.	Mr. Rakesh Kumar*	4	Negligible
6.	Mr. Anil Kumar*	4	Negligible
7.	Mr. Mohd. Zafir Alam*	4	Negligible
8.	Mr. C. Narambunathan*	4	Negligible
9.	Ms. S.N. Rajeswari*	4	Negligible
10.	Ms. Tajinder Mukherjee*	4	Negligible
11.	Mr. Renjit Gangadharan*	4	Negligible

**Nominees of the President of India.*
*** Please note that the face value of the equity shares 10 days prior to the date of filing of this Draft Red Herring Prospectus was ₹10*

(c) The top 10 Shareholders two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

S. No.	Name of shareholder	Number of equity shares**	Percentage (%)
1.	The President of India acting through the MoF	199,999,960	99.99
2.	Mr. G. Srinivasan*	4	Negligible
3.	Mr. KLR Babu*	4	Negligible
4.	Mr. Anil Kumar*	4	Negligible
5.	Mr. P. Nayak*	4	Negligible
6.	Mr. V. Hari Srinivas*	4	Negligible
7.	Mr. Sanath Kumar*	4	Negligible
8.	Mr. Mohd. Zafir Alam*	4	Negligible
9.	Mr. Rafi Ahmed*	4	Negligible
10.	Mr. Rakesh Kumar*	4	Negligible
11.	Mr. Segar Sampath Kumar*	4	Negligible

**Nominees of the President of India.*
*** Please note that the face value of the equity shares two years prior to the date of filing of this Draft Red Herring Prospectus was ₹10*

6. **Details of Equity Shares held by our Directors and Key Management Personnel in our Company.**

(i) Set out below are details of the Equity Shares held by our Whole-time Directors in our Company:

Sl. No.	Name	No. of Equity Shares	Percentage (%)
1.	Mr. G. Srinivasan*	16	Negligible
2.	Mr. Hemant G. Rokade*	16	Negligible
3.	Mr. Anil Kumar*	16	Negligible

**Nominees of the President of India.*

(ii) In addition to the Equity Shares held by our Whole-time Directors, as stated above, set out below are details of the Equity Shares held by other Key Management Persons in our Company:

Sl. No.	Name	No. of Equity Shares	Percentage (%)
1.	Mr. Mohd. Zafir Alam*	16	Negligible
2.	Mr. C. Narambunathan*	16	Negligible
3.	Mr. Siddharth Pradhan*	16	Negligible
4.	Ms. S. N. Rajeswari*	16	Negligible
5.	Ms. Tajinder Mukherjee*	16	Negligible
6.	Mr. Renjit Gangadharan*	16	Negligible

**Nominees of the President of India.*

7. Neither the BRLMs and nor their associates (as defined under the Companies Act) hold any Equity Shares as on the date of filing of this Draft Red Herring Prospectus. The BRLMs and their affiliates (as defined under the Companies Act) may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may receive customary compensation.

8. Except as stated in "*Note 1(a) – History of equity share capital of our Company*" on page 101, all equity shares issued pursuant to and subsequent to the 1973 Scheme were fully paid up as on their respective dates of allotment.

9. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 since the 1973 Scheme.

10. Our Company has not made any public or rights issue of any kind or class of securities since the 1973 Scheme.

11. Except for Retail Discount and Employee Discount, no payment, direct or indirect in the nature of discount, commission and allowance or otherwise shall be made either by us or our Promoter / Selling Shareholder to the persons who receive Allotment.

12. None of our Promoter or our Directors and their immediate relatives have purchased or sold any securities of our Company or its Subsidiaries during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.

13. As on the date of this Draft Red Herring Prospectus, our Company has 11 Shareholders, namely the President of India acting through the MoF and 10 nominees of the President of India. For details, see "*Capital Structure*" on page 101.

14. Neither our Company nor our Directors have entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person. Further, the BRLMs have not made any buy-back and/or standby arrangements for purchase of Equity Shares from any person.

15. Our Company has not issued any Equity Shares out of revaluation of reserves pursuant to or subsequent to the 1973 Scheme.

16. All Equity Shares issued pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus.

17. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.

18. Our Group Companies and our Promoter will not submit bids or otherwise participate in the Offer, except to the extent of offering the Offered Shares in the Offer for Sale by our Promoter.

19. During the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoter, our Directors or their relatives may have financed the purchase of securities of our Company by any other person.

20. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

21. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to the issuance of any Equity Shares under this Offer.

22. This Offer is being made under Rule 19(2)(b)(iii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, wherein at least 10% of the post-Offer paid-up Equity Share capital of our Company will be offered to the public. The Offer is being made under Regulation 26(1) of the SEBI ICDR Regulations and through a Book Building Process wherein 50% of the Offer shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs, to participate in this Offer. For details, see "*Offer Procedure*" on page 546.

23. Subject to receipt of necessary approvals from the GoI, up to [●] Equity Shares may be offered for allocation and Allotment on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, conditional upon valid Bids being received from them at or above the Offer Price. Eligible Employees Bidding in the Employee Reservation Portion (if any) can Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion (post the initial Allocation of up to ₹ 200,000 per Eligible Employee), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to an Eligible Employee not exceeding ₹ 500,000 (which shall be less the Employee Discount, if applicable). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation to Eligible Employees with Bid Amounts over ₹ 200,000 up to a maximum of ₹ 500,000), shall be added to the Net Offer. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of the Selling Shareholder and our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. All Bidders shall participate in the Offer mandatorily through the ASBA process, providing the details of their respective bank accounts, which will be blocked by SCSBs.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

25. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

26. Our Company shall ensure that transactions in the Equity Shares by the Promoter, if any, during the period between the date of registering the Red Herring Prospectus with the RoC and the Bid/ Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of the transactions.

27. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Directors, the Promoter and the Group Companies shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

28. There are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

29. The Selling Shareholder confirms that the Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus, in accordance with Regulation 26(6) of the SEBI ICDR Regulations.

SECTION IV: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder.

The Offer for Sale

The proceeds of the Offer for Sale shall be received by the Selling Shareholder. Our Company will not receive any proceeds from the Offer for Sale.

Objects of the Fresh Issue and requirement of funds

The details of the proceeds of the Fresh Issue are summarized below:

(₹ in million)

Particulars	Amount
Gross proceeds of the Fresh Issue	[●]
(Less) Offer related expenses in relation to the Fresh Issue*#	[●]
Net Proceeds	[●]

**To be finalised upon determination of the Offer Price.*
#The fees and expenses relating to the Offer shall be shared in the proportion mutually agreed between our Company and the Selling Shareholder, except certain expenses to be borne by intermediaries as per the terms of their appointment.

Our Company proposes to utilize the Net Proceeds towards meeting our future capital requirements which are expected to arise from the growth and expansion of our business, improving our solvency margin and consequently our solvency ratio.

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable our Company to undertake its existing activities and the activities for which funds are being raised through the Fresh Issue.

Proposed schedule of implementation and deployment of the Net Proceeds

The Net Proceeds are currently expected to be deployed in Fiscal 2018.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The fees and expenses relating to the Offer shall be shared in the proportion mutually agreed between our Company and the Selling Shareholder, except certain expenses to be borne by intermediaries as per the terms of their appointment.

The break-up for the Offer expenses is as follows:

(₹ in million)

Activity	Total estimated Amount*	Percentage of Offer Expenses*	Percentage of Offer Size*
Lead management fees, underwriting commission, brokerage and selling commission (including commissions to SCSBs for ASBA Applications and commissions to Non-Syndicate Registered Brokers)	[●]	[●]	[●]
Processing fees to the SCSBs for processing Application Forms procured by the Syndicate at Syndicate ASBA Centres or Non-Syndicate Registered Brokers and submitted to the SCSBs	[●]	[●]	[●]
Registrar fee and other related fees (postage of refunds, *etc*.)	[●]	[●]	[●]
Advertising and marketing expenses, printing, stationery and distribution expenses	[●]	[●]	[●]

Activity	Total estimated Amount*	Percentage of Offer Expenses*	Percentage of Offer Size*
Other expenses (SEBI Filing fees, legal and auditor fees, stock exchanges' processing and listing fees, book-building fees, depository's charges, *etc.*)	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

**Will be incorporated at the time of filing of the Prospectus.*

****Disclosure of commission and processing fees will be incorporated at the time of filing the Red Herring Prospectus.*

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges. Upon receipt of listing and trading approvals from the Stock Exchanges, the Net Proceeds would have been applied towards the stated objects and would be utilized by our Company for normal business purposes.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Since our Company is an insurance company, our Company is not required to appoint a monitoring agency for the Offer in terms of Regulation 16 of the SEBI ICDR Regulations.

Variation in Objects

In accordance with section 13(8) and section 27 of the Companies Act, 2013, the SEBI ICDR Regulations and applicable rules, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. Further, our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and provisions of Chapter VI-A of the SEBI ICDR Regulations.

Other Confirmations

No part of the proceeds of the Fresh Issue will be paid by us as a consideration to our Promoter, our Group Companies, our Directors or our Key Management Personnel, except in the normal course of business and in compliance with the applicable law.

There are no existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoter, Directors, Key Management Personnel or our associates.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholder, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "*Our Business", "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 142, 20, 227 and 432, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

1. Market leadership and established brand;
2. Longstanding global footprint and successful international operations;
3. Sustainable business model driven by customer satisfaction;
4. Diversified product offering and product innovation capability;
5. Multi-channel distribution network;
6. Robust financial position;
7. Robust IT infrastructure; and
8. Experienced senior management team.

For details, see "*Our Business – Competitive Strengths*" on page 143.

Quantitative factors

The information presented below relating to our Company is based on the Restated Financial Statements.

Pursuant to our meeting of the Board held on July 10, 2017 and the special resolution passed by our Shareholders in the AGM dated August 2, 2017, the Board approved the increase in authorised share capital, sub-division of shares and issue of bonus equity shares resulting in an increase in authorised number of shares from existing 300 million to 1,200 million, increase in issued number of shares from 200 million to 800 million and decrease in face value of shares from ₹ 10 to ₹ 5. While the share capital has increased by ₹ 2,000 million, the reserves and surplus has decreased by ₹ 2,000 million, hence resulting in no change in net worth. The adjusted accounting ratios as a result of this corporate action are stated below.

For details, see "*Financial Statements*" on page 227.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. **Basic and diluted earnings per share ("EPS")**

On a standalone basis:

Financial Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2017	10.25	10.25	3
March 31, 2016	11.68	11.68	2
March 31, 2015	17.18	17.18	1
Weighted Average	11.88	11.88	

On a consolidated basis:

Financial Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2017	10.72	10.72	3
March 31, 2016	12.02	12.02	2
March 31, 2015	17.70	17.70	1
Weighted Average	12.32	12.32	

Basic earnings per share (₹) = Restated Profit after tax attributable to equity shareholders for the year / Weighted average Number of equity shares

Diluted earnings per share (₹) = Restated Profit after tax attributable to equity shareholders for the year / Weighted average diluted Number of equity shares

Notes:

1. *Basic and diluted earnings per Equity Share are computed in accordance with IRDA Circular No. IRDA/F&I/CIR/F&A/12/01/2010 dated January 28, 2010. The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.*

II. **Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:**

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for the year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on basic EPS for the year ended March 31, 2017 on a consolidated basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on diluted EPS for the year ended March 31, 2017 on a consolidated basis	[●]	[●]

III. **Average Return on Net Worth ("RoNW")**

As per Restated Standalone Financial Statements:

Financial Year ended	RoNW (%)	Weight
March 31, 2017	6.93	3
March 31, 2016	8.20	2
March 31, 2015	12.83	1
Weighted Average	8.34	

As per Restated Consolidated Financial Statements:

Financial Year ended	RoNW (%)	Weight
March 31, 2017	6.81	3
March 31, 2016	7.84	2
March 31, 2015	12.32	1
Weighted Average	8.07	

Return on net worth (%) = Restated Profit after tax attributable to equity shareholders for the year / Average of Restated Net worth at the beginning and end of year

IV. **Minimum return on total net worth after the Offer, required for maintaining pre-Offer EPS as at March 31, 2017:**

To maintain pre-Offer basic EPS:

1. Based on Restated Standalone Financial Statements:

   (i) At the Floor Price - [●]%

   (ii) At the Cap Price - [●]%

2. Based on Restated Consolidated Financial Statements:

    (i) At the Floor Price - [●]%

    (ii) At the Cap Price - [●]%

To maintain pre-Offer diluted EPS:

1. Based on Restated Standalone Financial Statements:

    (i) At the Floor Price - [●]%

    (ii) At the Cap Price - [●]%

2. Based on Restated Consolidated Financial Statements:

    (i) At the Floor Price - [●]%

    (ii) At the Cap Price - [●]%

V. **Net asset value per Equity Share (face value of ₹ 5 each)**

NAV per Equity Share	Restated Standalone Financial Statements	Restated Consolidated Financial Statements
As on March 31, 2017	151.08	157.46
At Floor Price	[●]	[●]
At Cap Price	[●]	[●]
At Offer Price	[●]	[●]

Net asset value per Equity Share = Restated Net Worth at the end of the year / Total number of equity shares outstanding at the end of the year

VI. **Comparison with listed industry peers**

We believe that none of the listed companies in India are engaged in business similar to ours.

VII. **The Offer price is [●] times of the face value of the Equity Shares.**

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholder in consultation with the BRLMs, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", *Management Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 20, 142, 432 and 227, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Date: August 6, 2017

To,

The Board of Directors
The New India Assurance Company Limited
87, M.G. Road, Fort
Mumbai- 400 001

Sub: Proposed initial public offering of equity shares of face value ₹5 each (the "Equity Shares") of The New India Assurance Company Limited (the "Company" and such an offering, the "Offer")

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor advising the investor to invest money based on this statement. We do not express any opinion or provide any assurance as to whether:

i) The Company or its shareholders will continue to obtain these benefits in future; or
ii) The conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Sincerely,

For R. Devendra Kumar & Associates
Chartered Accountants
ICAI Firm Regn. No.: 114207W

Neeraj Golas
Partner
Membership No: 074392
Place: Mumbai
Date: August 6, 2017

For A. Bafna & Co.
Chartered Accountants
ICAI Firm Regn. No.: 003660C

Vivek Gupta
Partner
Membership No: 400543
Place: Mumbai
Date: August 6, 2017

For NBS & CO.
Chartered Accountants
ICAI Firm Regn. No.: 110100W

Pradeep J. Shetty
Partner
Membership No: 046940
Place: Mumbai
Date: August 6, 2017

Encl: as above.

ANNEXURE A TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The information outlined below sets out the possible special tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the direct tax laws for the time being in force in India(i.e. applicable for the Financial Year 2017-18 relevant to the assessment year 2018-19). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE INCOME TAX ACT, 1961 ("THE ACT")

A. BENEFITS TO THE COMPANY UNDER THE ACT

1. **Special tax benefits available to the Company**

Taxability of insurance companies

Taxability of an insurance company is governed by the provisions of Section 44 read with Rule 5 of the First Schedule of the Act. As per Section 44 of the Act, the normal computational provisions i.e. "Interest on securities", "Income from House property", "Capital gains" or "Income from other sources", or Sections 28 to 43B of "Profits or Gains from Business and Profession" are not applicable to the Company.

2. **Special tax benefits available to Shareholders :**

Apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits for shareholder.

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

*Unless noted otherwise, the information in this section is obtained or extracted from "Analysis of General Insurance Industry – The New India Assurance Company Limited" dated July 27, 2017 (the "**CRISIL Report**") prepared and issued by CRISIL Limited on our request. Neither we nor any other person connected with the Offer have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

Indian Economy

The Indian economy with a gross domestic product ("GDP") at current prices in the year fiscal year 2017 is estimated at ₹ 151.84 trillion, showing a growth rate of 11.0% over the estimates of GDP for fiscal 2016 of ₹ 136.82 trillion (*Source: Central Statistical Office of India's Ministry of Statistics and Programme Implementation, available at http://mospi.nic.in/sites/default/files/press_release/PRESS_NOTE_PE_2016-17.pdf as of May 31, 2017*). It is one of the fastest growing major economies in the world with private final consumption contributing to over half of the overall GDP growth of 7.9% in 2015 – 2016 (*Source: RBI Annual Report 2015 – 2016*).

Global General Insurance Industry

The global general insurance industry was sized at around USD 2.1 trillion in terms of premium (nominal terms) as of 2016. Asia is the third largest market for general insurance, accounting for 23% of gross direct premium whereas India has a share of only 0.83% in the world and 3.5% in Asia's general insurance market as of 2016.

Global general insurance industry premiums (in nominal US dollar terms) grew at a steady 3.9% CAGR from 2010 to 2014. In 2015, premiums declined by 3.8% year-on-year, primarily reflecting the impact of widespread currency depreciation against the US dollar. However, the year 2016 observed an improvement in the premium growth and general insurance premium increased by 3.1%.

During this period, Asia, especially emerging markets of China and India, has been the bedrock of growth. The Asian general insurance industry posted a year-on-year increase of 8.9% (based on local currency, adjusted for inflation) in premiums in 2016, which was just a tad lower than the 9.0% growth in 2015. China, the second largest general insurance market in the world, saw a 22% year-on-year growth in local currency nominal terms, driven by motor, guarantee and credit and agricultural insurance businesses. India's general insurance business also grew 18.5% year-on-year in local currency nominal terms in 2016.

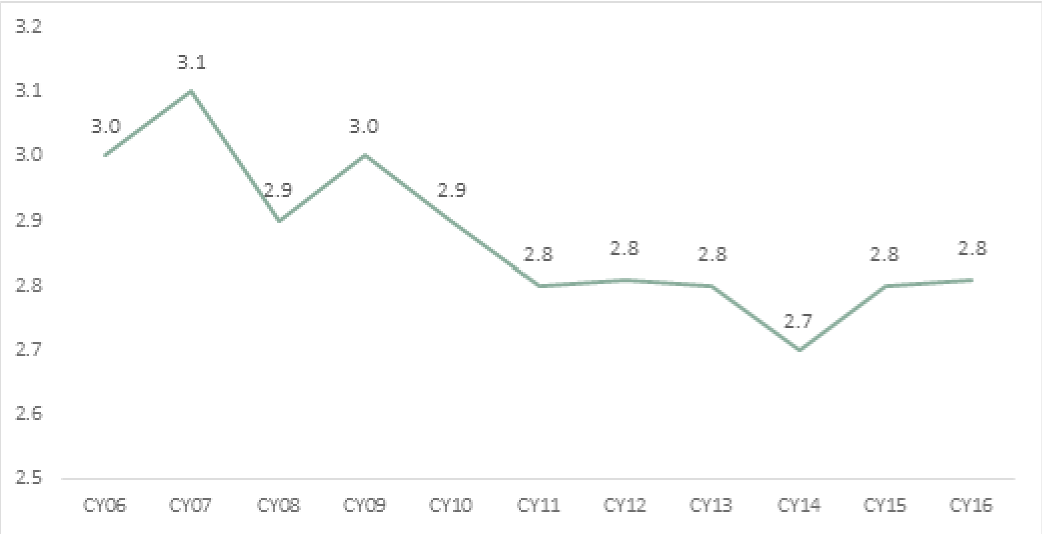
Indian General Insurance Industry

With total gross premium of ₹ 1.3 trillion in fiscal 2017, India is amongst the top 15 general insurance markets in the world and one of the fastest growing markets.

India's general insurance penetration* stood at 0.8% in 2016, compared with 0.6% in 2007. In comparison, the global general insurance industry's penetration stood at 2.81% as of 2016. Among the comparable Asian counterparts also, India's general insurance penetration pales; the corresponding numbers for China, Thailand, Singapore and Malaysia were at 1.8%, 1.7%, 1.7%, and 1.6% respectively as of 2016. This suggests the enormous untapped potential of the Indian general insurance market.

**Penetration is defined as gross insurance premiums as a percentage of GDP.*

Trend in global general insurance penetration (%)

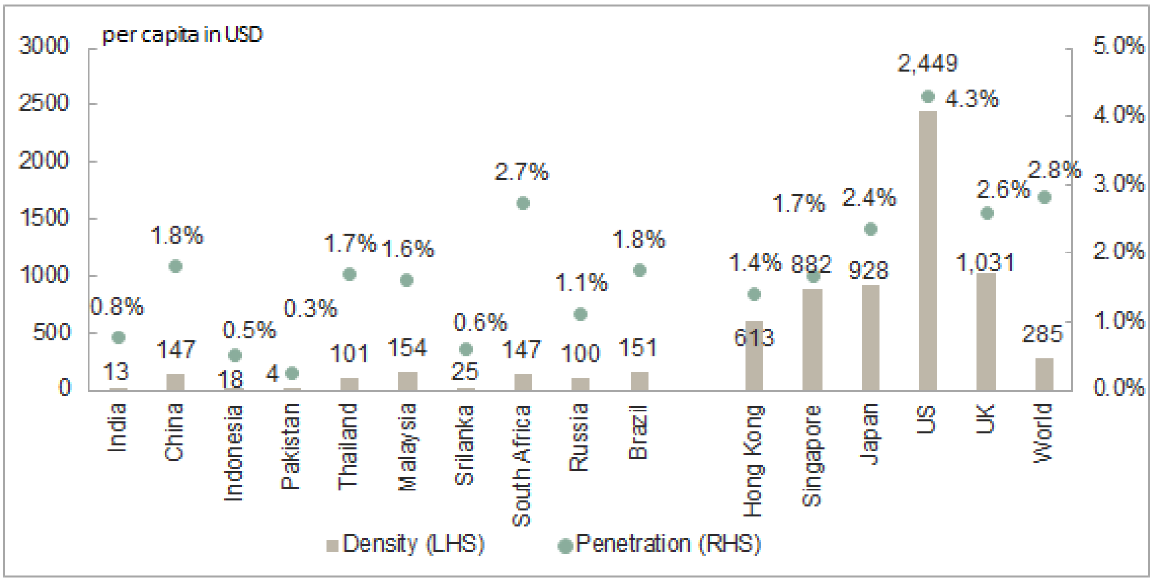


(Source: IRDAI, Swiss Re- No 3/2017, CRISIL Report)

Gross premiums of general insurance companies grew at a 17% CAGR in last five years ending fiscal 2017. The growth in the industry can be attributed to increasing penetration due to continuing growth in segments such as motor insurance, introduction of government schemes in specific segments such as crop insurance, financial inclusion drive (Jan Dhan Yojana, *etc*.) that has increased the awareness about the need of insurance in general segments and continued growth in the economy. With economic growth gradually picking up and structural drivers in place (rise in healthcare costs, growth in retail auto sector, agricultural reforms and schemes), the growth trajectory of the general insurance sector is expected to remain strong in the next five years.

Given the low penetration level in the non-life insurance business, premium growth for the industry has been high for India as compared to some of the major economies of the world and some of the emerging Asian economies. During the five-year period ending 2016, India's non-life insurance industry insurance premium grew 15% CAGR (in local currency terms), next only to China where premium growth was slightly higher at 19% CAGR.

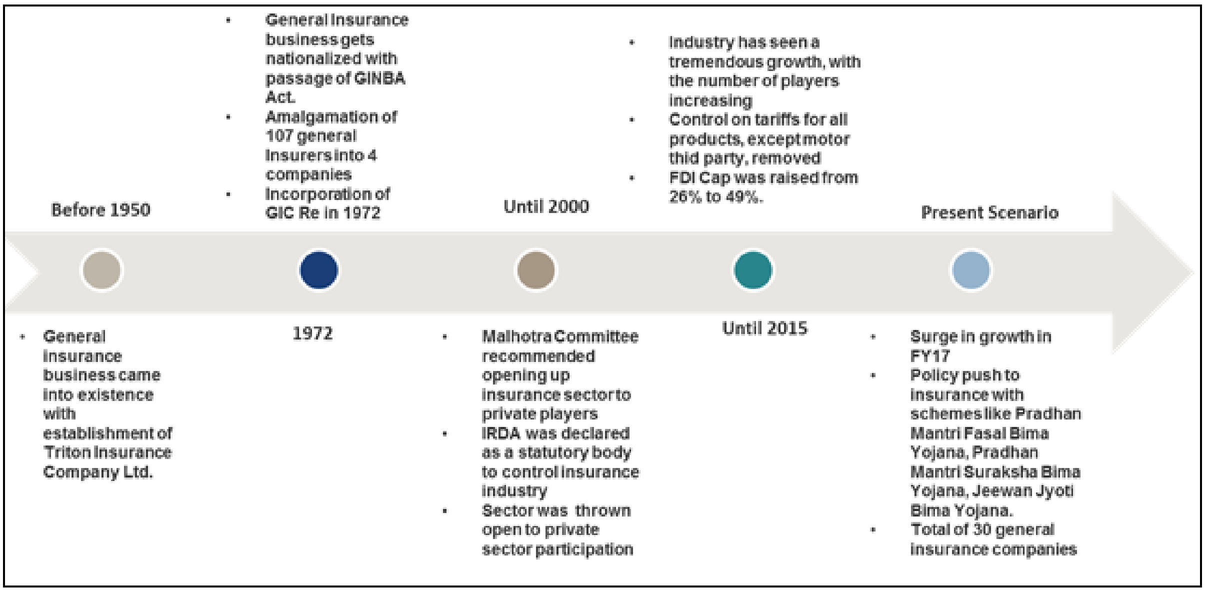
General insurance penetration and density in various countries (as of 2016)



(Source: Swiss Re, sigma No 3/2017, CRISIL Report)

Historical Evolution of General Insurance in India

The general insurance business in India had come into an existence as a legacy of British occupation with the establishment of Triton Insurance Company Ltd., in the year 1850 in Calcutta. The industry was nationalized with effect from January 1, 1973 after the passage of the General Insurance Business Nationalization Act (GIBNA), 1972. A total of 107 insurers were amalgamated into four wholly owned subsidiaries under General Insurance Corporation (GIC), namely National Insurance Company Limited, New India Assurance Company Limited, Oriental Insurance Company Limited and United India Insurance Company Limited. Subsequently, in December 2000, all four were restructured as independent general insurance companies under Ministry of Finance and GIC Re become the sole re-insurer in India.



(Source: CRISIL Report)

The industry is regulated by the Insurance Regulatory and Development Authority of India (IRDAI) which was constituted as an autonomous body to regulate and develop the insurance industry in 1999 and received the statutory status in April 2000. The key objective of the IRDA is to regulate and promote competition through opening up of the insurance market and to protect the interest of policyholders. The IRDAI has the power to frame regulations under section 114A of the Insurance Act, 1938. With the passage of the Insurance Laws (Amendment) Act 2015, the IRDA's powers have strengthened, allowing it to amend various regulations that were once part of the Insurance Act, 1938.

As of fiscal 2017, there were 30 general insurance companies in India. The players in the market can be classified as follows:

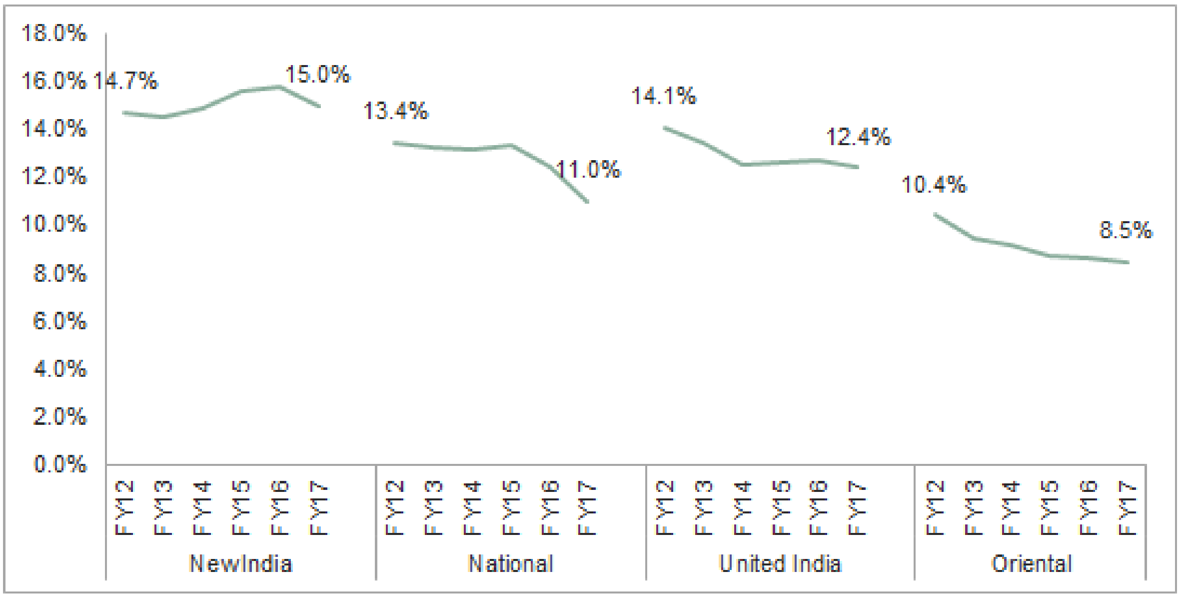
Multi-Product Insurers

- Four public sector general insurance companies offering multiple products – National Insurance Company, The New India Assurance Company Limited, Oriental Insurance Company and United India Insurance;
- 18 private sector companies offering multiple products – Leading players include ICICI Lombard, Bajaj Allianz, HDFC Ergo, IFFCO Tokio, Tata AIG, Reliance General, Cholamandalam MS and SBI General.

Single Product Insurers

- Two specialised single product line general insurance companies – Agriculture Insurance Company (AIC), and Export Credit Guarantee Corporation (ECGC)
- Six specialised health insurance companies – Apollo Munich, Cigna TTK, Max Bupa, Religare Health, Star Health, and Aditya Birla

Trend in player-wise market share of multi-product public insurers



(Source: IRDAI, CRISIL Report)

Industry Outlook

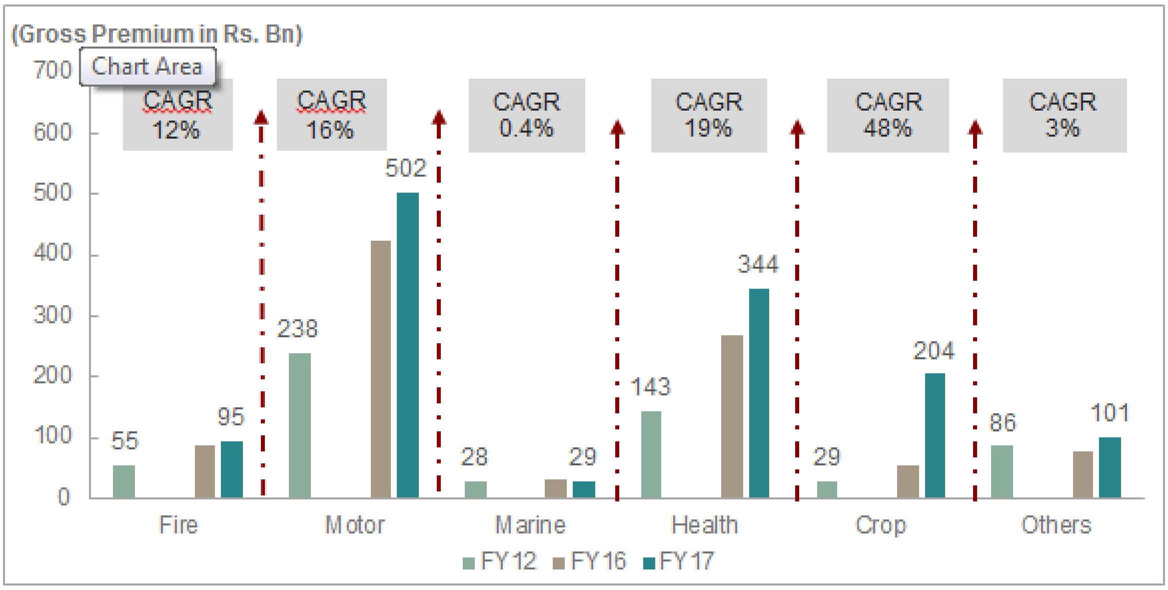
Gross premiums of general insurance companies grew at a 17% CAGR in last five years ending fiscal 2017. The double digit growth in the industry can be attributed to increasing penetration due to continuing growth in motor insurance, introduction of government schemes in specific segments such as crop insurance, financial inclusion drive (Jan Dhan Yojana, *etc*.) that has increased the awareness about the need of insurance in general segments and continued growth in the economy.

Premiums surged by 32% in fiscal 2017, driven by a four-fold increase in crop insurance premiums as a result of the Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme. Even after excluding crop insurance, premium growth remained healthy at 18%.

With economic growth gradually picking up and structural drivers in place (rise in healthcare costs, growth in retail auto sector, agricultural reforms and schemes), we expect the growth trajectory of the general insurance sector to remain strong in the next five years.

An analysis of various general insurance product lines indicates significant potential for growth across the board as penetration in India is much lower than global benchmarks. For example, on purchasing a two-wheeler, buying an insurance policy is mandatory till the time vehicle is on the road, but many two-wheeler owners do not renew their policy after the first year. Consequently, insurance penetration rates on two-wheelers on road is estimated to be only 25%, much lower than the global benchmark of over 90%. In the case of cars more than 3 years old as well, penetration rates are estimated at around 60% vis-à-vis the global benchmark of 90%. Furthermore, as of fiscal 2016, only 34% of Indians have a health insurance policy, either provided by the private sector or government schemes. The scenario is similar when one looks at the corporate-focused lines such as engineering, fire, and marine insurance, with penetration estimated to be less than 1% of industrial GDP.

CAGR in various general insurance segments (Fiscal 2012 to Fiscal 2017)



(Source: IRDAI, CRISIL Report)

CRISIL Research forecasts the gross direct premium for general insurers to grow at a 15-20% CAGR over the next five years, compared with a CAGR of 17% between fiscal 2012 and fiscal 2017. Consequently, the total premium (within India) is expected to grow by more than 2.5 times from the current level of ₹ 1.27 trillion (as of fiscal 2017) to touch the ₹ 3 trillion mark by the end of fiscal 2022.

Further, strong double-digit premium growth is expected across all asset classes in the next five years, but crop and health insurance segments would see the fastest growth. Growth will be driven both by an increase in number of policies sold as well as rise in pricing. To illustrate, premium rates in the loss making group health segment has started to increase. In the motor third party segment as well, the regulator has been consistently increasing premium rates as premiums are inadequate in relation to claims and operational cost in this segment.

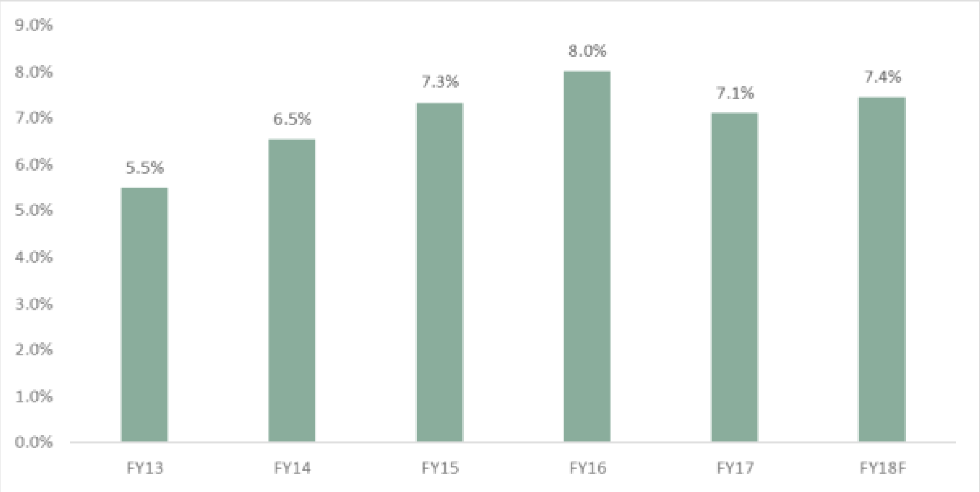
Factors Contributing to Growth of General Insurance Industry in India

Macroeconomic Factors

GDP Growth

Over the medium term, India's GDP growth is expected to move to a higher trajectory due to reforms initiated by the government aimed at improving the 'quality of growth' (GST implementation, power sector reforms, enactment of Bankruptcy Code are examples in this regard) and focus on proper implementation. Normal monsoons, softer interest rates, benign inflation, and pent up demand (demand postponed due to the demonetisation) will support consumption growth in the current fiscal. GST, the most significant indirect tax reform in decades, will be a game changer. The structure may not be optimal, but even with its imperfections, it is expected to usher in significant efficiencies and benefits in the logistics chain across sectors and lift India's growth trajectory over the medium run. Although somewhat disruptive in the short run, demonetisation is likely to move India towards a 'less-cash' economy. GST together with the move towards a 'less cash' economy will also give speed to the formalisation of the economy. Pick-up in economic growth, rising incomes, increasing insurance awareness and a rise in working age population is likely to spur demand for insurance products.

India's GDP growth (%)



Note: F - Forecast
(Source: CSO, CRISIL Research estimates, CRISIL Report)

Rising Incomes and Low Inflation

India has been able to keep its inflation under check despite two successive years of deficient monsoon in 2014 and 2015. Previously, in fiscal 10, when the country witnessed 23% deficient monsoon, the CPI inflation had climbed to 12.4%. However, in fiscal 15, the CPI inflation averaged 6% and dropped to 5% in fiscal 2016 and fiscal 2017. We expect CPI inflation to remain stable at around these levels in fiscal 2018 as well. Over the long term too, the Reserve Bank of India (RBI) is committed to keep inflation low and range bound.

With rising income and inflation under control, discretionary consumer spending and the household savings rate (household savings as a percentage of GDP) is likely to increase gradually. This would have a positive spin off on the general insurance business, given the linkage of the business with consumption demand.

Other Growth Factors

Growth drivers for select segments of non-life insurance

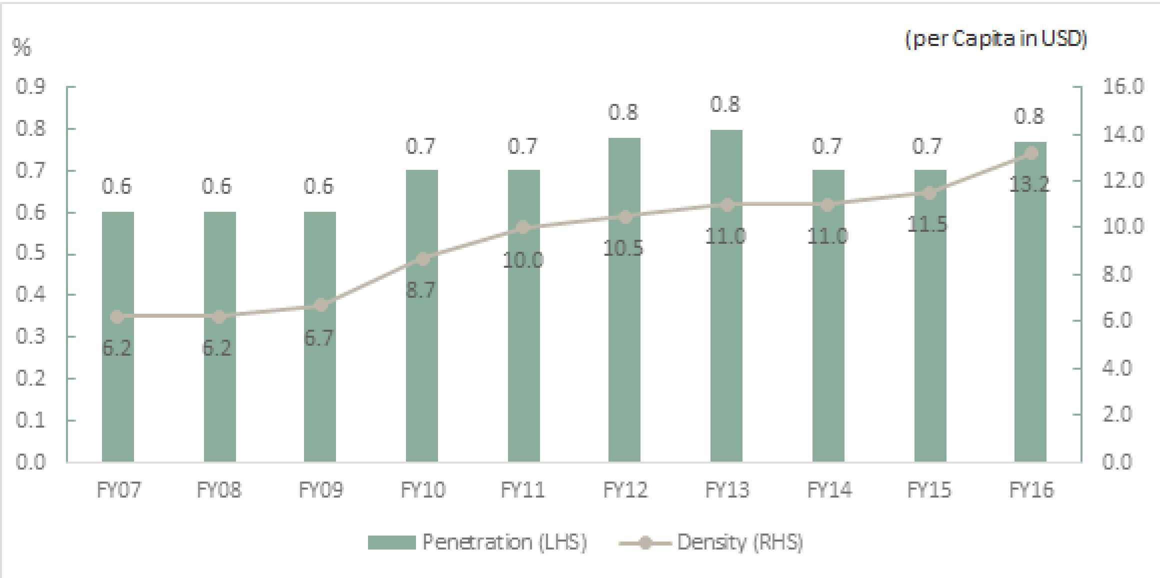
Segment	Growth drivers
Motor insurance	• Increase in automobile sales fueled by benign fuel prices and interest rates, improvement in road infrastructure, and focus on financiers' on pushing retail credit • Government move to increase penalties on road traffic offences (outlined in the Motor Vehicle (Amendment) Bill, 2016) will reduce the number of uninsured vehicles on road and hence will increase the insurance renewals. • Gradual increase in third party premiums
Health insurance	• Increased healthcare costs and high proportion of out of pocket private spending on healthcare propelling the need for insurance • Increase in pricing of group health insurance schemes
Crop insurance	• Favourable structure of the PMFBY scheme • Increase awareness amongst farmers
Fire insurance	• Improvement in industrial GDP • Gradual revival in capex cycle • Increasing awareness amongst corporates

(Source: CRISIL Report)

Low Penetration

The low penetration levels indicate the ample opportunity for growth. To tap this opportunity, it is imperative for the industry to keep innovating and designing products that meet customer needs. In addition, there is a need to improve customer awareness as well. To illustrate, as of fiscal 2016, only 34% of Indians have a health insurance policy. Home insurance is practically non-existent. While retail home loans worth around ₹ 14.3 trillion were outstanding as of March 2017, retail property insurance premiums are not even a fraction of this amount.

Penetration and density for Indian general insurance industry

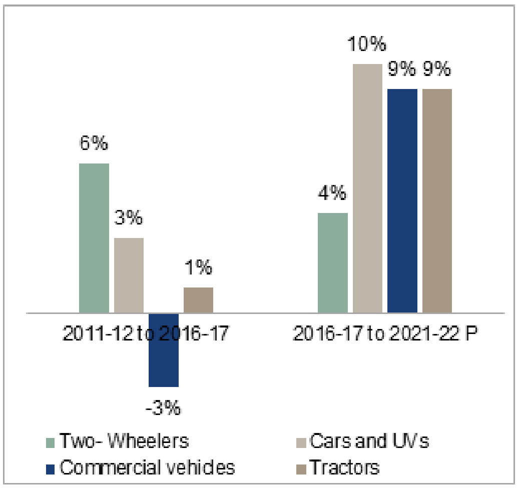


(Source: IRDAI, Swiss Re- Sigma No 3/2017, CRISIL Report)

Rise in new vehicle sales

CRISIL Research expects the growing middle class population and increasing consumerism, focus of financiers' on pushing retail credit, benign fuel prices and interest rates, and continuous improvement in road infrastructure to have a favourable impact on domestic automobile sales in the next few years. Sales are likely to be impacted slightly when BS VI norms kick in with effect from April 2020, but the growth trajectory over a five-year period is nevertheless expected to be strong. As a result, the stock of vehicles on India's roads are expected to increase further. This, along with an increase in insurance penetration, will drive growth in motor insurance premiums. In addition, the stiff penalties mooted on road traffic offences under the Motor Vehicle (Amendment) Bill, 2016 could improve the profitability of insurers in this segment over a period of time, if road traffic offences and claims ratios come down as a result.

Projected growth in domestic automobile sales (5-year CAGR)



(Source: SIAM, CRISIL Report)

Demand for crop insurance

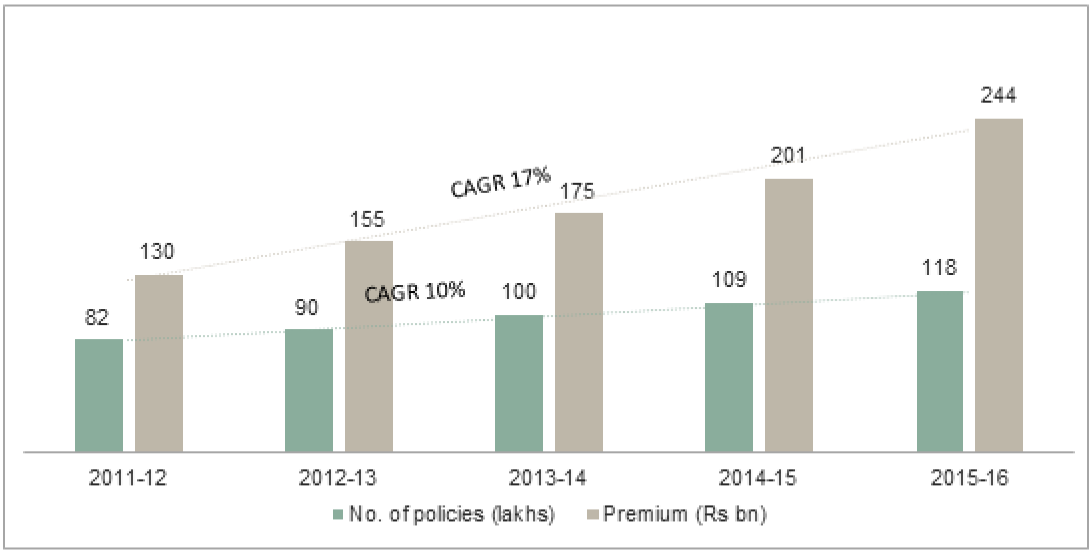
In the last few years, there has been a lot of variation in climatic conditions, which has increased the risk Indian farmers are exposed to. To illustrate, even in a supposedly normal monsoon year (2016), 32% of the districts in India saw deficient or scanty rainfall. Furthermore, there has been an increase in the frequency of unseasonal weather patterns (such as hailstorms during rabi season). For example, around 18% of the area under rabi crop in different parts of the country was damaged due to unseasonal rains and hailstorms in the first week of March 2015.

Increasing cost of healthcare

Health insurance represents a significant opportunity for general insurance companies given the low penetration, rising cost of healthcare, and increasing demand for quality healthcare. India's public healthcare expenditure as a percentage of GDP increased from 1% in 2004 to 1.4% in 2014. Despite rising expenditure spends by the government, the quantum of spends continues to be inadequate in the wake of rising healthcare costs. As a result, private expenditure accounts for as much as 70% of the total spending on healthcare in India. Of this 70%, 89% is incurred out of pocket, *i.e.*, consumers paying for healthcare from their own funds.

In the future as well, healthcare costs would continue to rise at a fast clip, given the increasing incidence of lifestyle-related diseases and inflation in medical costs. As per WHO Global burden of disease study, lifestyle-related ailments are expected to account for nearly 72% of all deaths in India by 2030 from 64% in 2015. Certain illnesses like cardiovascular diseases, oncology, diabetes exhibit a tendency to increase with the rise in income levels and increase in longevity. As per IRDAI data, only 359 million people (or 34% of the total population) have health insurance coverage as of fiscal 2016. Only around 20% of this health insurance coverage is provided by commercial insurance providers (life and non-life included), with the remaining covered under Central or state government-sponsored schemes such as Central Government Health Scheme (CGHS) and Employee State Insurance Scheme (ESIS).

Increasing coverage of insurance in India



(Source: IRDAI, CRISIL Report)

Increasing need to cover natural catastrophes

Natural catastrophes have impacted India many times in the past few years, case in point being the severe floods that ravaged Chennai towards the end of 2015. With only a small portion of economic losses insured, the need for higher insurance is apparent.

Economic losses and uninsured losses due to some catastrophe events in India

Date	Event	Place of event	Economic Losses (USD bn)	Insured Losses (USD bn)	Un-Insured Losses as % of Total Losses
28th Nov, 2015	Floods	Tamil Nadu and Andhra Pradesh	2.23	0.76	66%
12th Oct, 2014	Cyclone hudhud	Orissa and Andhra Pradesh	7.1	0.64	91%
(3rd-10th) Sept, 2014	Severe Monsoon Floods	Jammu and Kashmir	5.97	0.24	96%
3rd Sept, 2014	Severe Monsoon Floods	Assam, Bihar, Meghalaya, Uttar Pradesh and West Bengal	6.06	0.24	96%
14th June, 2013	Floods	Uttarakhand	1.13	0.52	54%
29th Sept, 2009	Floods	Andhra Pradesh and Karnataka	5.29	0.06	99%
(9th July-1st Aug), 2005	Severe Monsoon Floods	Mumbai, Gujarat, Madhya Pradesh	3.33	0.84	75%
26th Jan, 2001	Gujarat Earthquake	Gujarat	6.1	0.14	98%
29th Oct, 1999	Tropical Cyclone	Orissa	3.6	0.14	96%
9th June, 1998	Tropical Cyclone	Gujarat	0.69	0.32	54%
30th Sept, 1993	Earthquake	Maharashtra	0.47	0	100%

(Source: Swiss Re-sigma world insurance database, CRISIL Report)

Supportive regulations

Regulatory developments in the recent past are expected to lead to an increase in insurance penetration in the country, albeit gradually. Major developments likely to have a positive impact are as follows:

- Increase in foreign investment limit to 49% from 26%;
- Allowing insurers to raise hybrid capital such as subordinated debt and/or preference shares; in aggregate; seven general insurance companies raised ₹ 22 billion capital through this route in fiscal 2017;
- Permitting large foreign reinsurers with strong financial profile to set up branches in India; and
- Permitting Lloyd’s (a global specialist insurance and reinsurance market) to enter into India

Also, effective April 2017, the IRDAI increased the commission rate for comprehensive auto insurance policies from 10% to 15%. The regulator also introduced commissions in third-party motor insurance policies at 2.5% of the annual premium. The rise in the commission rate is aimed at improving the renewal rate.

In addition, the stiff penalties mooted on road traffic offences under the Motor Vehicle (Amendment) Bill, 2016 could improve the profitability of insurers in this segment over a period of time, if road traffic offences and claims ratios come down as a result.

The health insurance regulations announced by IRDAI in July 2016 provide that life insurers may only offer long term individual health insurance products, *i.e.*, for term of five years or more. Premium for such products should remain unchanged for at least a period of every block of three years. Life insurers are not allowed to offer indemnity based products, either individual or group. All existing indemnity-based products offered by life insurers will have to be withdrawn as specified under these regulations. However, policies already issued will continue until the end of policy term. However, general insurers and standalone health insurers may offer individual health products with a minimum tenure of one year and a maximum tenure of three years, provided that the premium remains unchanged for the tenure.

Increase in online retail sales

The online channel currently accounts for only 2-3% of general insurance products sales. However, given the increasing usage of the Internet in India, low cost and ubiquitous availability of mobile broadband, this is all set to change. For insurers, selling policies online is cheaper; moreover, it enables them to sell low ticket premium insurance and have more access to customer data and behaviour and improves the probability of policies getting renewed.

General Insurance Products

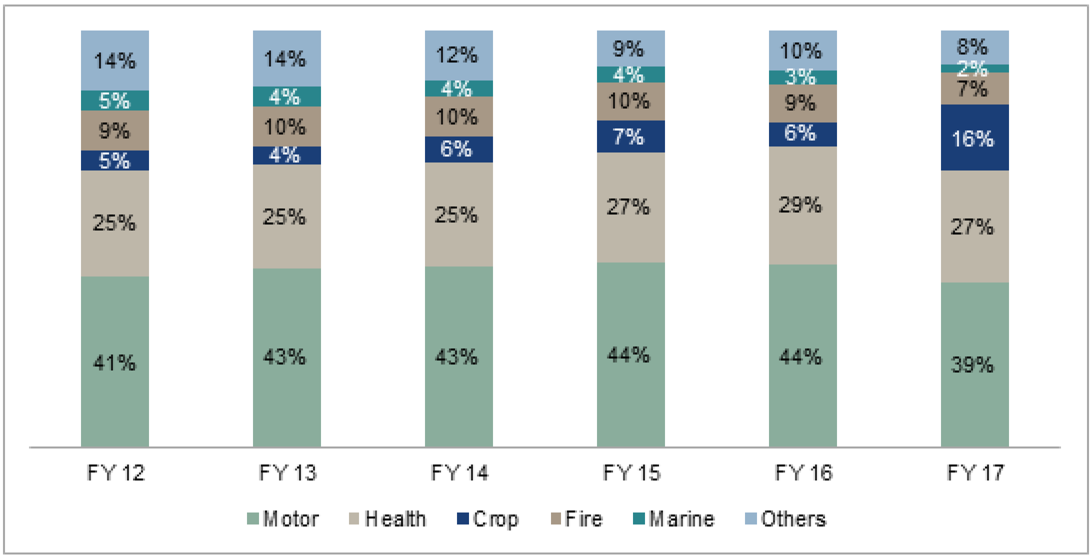
Non-life companies have been continuously innovating with new product offerings and services in response to market needs. In fiscal 2017, 165 new products were introduced panning across all insurers, compared with 101 new products in fiscal 2016. The major product introduced was the PMFBY, while other new products related to auto, health and fire segments were introduced.

Despite stiff competition from private sector players, New India Assurance has maintained its pole position in the Indian general insurance market. In each of the last five years ending fiscal 2017, New India Assurance maintained its market share in the 14.5-15.7% band. Our Company is the market leader in all segments, except crop insurance. In the last five years ending Fiscal 2017, New India Assurance’s gross direct premium grew at a CAGR of 17.4%, higher than the average industry growth of 16.3% during such period.

The product mix has changed in the past few years, due to changes in the macroeconomic situation, regulations, and high emphasis on crop insurance, owing to the Pradhan Mantri Fasal Bima Yojana, in the previous fiscal. For example, HDFC Ergo had 35% of its premiums in fiscal 2017 coming from crop insurance alone. For ICICI Lombard, IFFCO Tokio, and Bajaj Allianz as well, crop insurance accounted for 19-23% of gross premiums in fiscal 2017. Consequently, the share of motor segment in gross premiums has reduced significantly for these players.

Crop insurance accounted for 16% of gross premium collected by the industry in fiscal 2017, up from 6% in the preceding fiscal. Motor and health insurance, however, continue to remain the largest segments in the industry, accounting for 39% and 27% of premium collections respectively.

Product mix for industry (gross direct premium)



(Source: IRDAI, GIC, CRISIL Report)

Agriculture Insurance Company of India has a strong presence in crop insurance, with a market share of around 34% in this segment in fiscal 2017. New India Assurance, the largest general insurance company, had just 5.5% of its premiums coming from crop insurance during the previous fiscal. Motor and health insurance, put together, accounted for 73% of the premiums of our Company.

Segment mix for industry players (fiscal 2017)

	New India	United India	National	Oriental	ICICI Lombard	Bajaj Allianz	HDFC ERGO	IFFCO Tokio	TATA AIG	Reliance General
Fire	9.6%	8.6%	6.5%	9.0%	6.9%	7.0%	8.8%	5.0%	12.5%	7.6%
Health	33.0%	34.5%	35.3%	34.7%	20.0%	16.3%	21.2%	10.2%	10.8%	9.6%
Marine	3.2%	2.4%	1.7%	3.4%	3.2%	1.8%	2.1%	2.3%	6.3%	1.3%
Motor	39.8%	38.2%	45.4%	34.7%	42.3%	46.7%	16.1%	53.4%	48.5%	49.9%
Crop	5.5%	7.0%	4.2%	8.6%	20.1%	19.0%	34.6%	22.6%	10.7%	27.7%
Others	8.9%	9.3%	6.8%	9.5%	7.5%	9.2%	17.2%	6.5%	11.2%	3.9%

(Source: IRDAI, CRISIL Report)

Health Insurance

Health insurance represents a significant opportunity for general insurance companies given the low penetration, rising cost of healthcare, and increasing demand for quality healthcare. India's public healthcare expenditure as a percentage of GDP increased from 1% in 2004 to 1.4% in 2014. Despite rising expenditure spends by the government, the quantum of spends continues to be inadequate in the wake of rising healthcare costs. As a result, private expenditure accounts for as much as 70% of the total spending on healthcare in India. Of this 70%, 89% is incurred out of pocket, *i.e.*, consumers paying for healthcare from their own funds.

In the future as well, healthcare costs would continue to rise at a fast clip, given the increasing incidence of lifestyle-related diseases and inflation in medical costs. As per WHO Global burden of disease study, lifestyle-related ailments are expected to account for nearly 72% of all deaths in India by 2030 from 64% in 2015. Certain illnesses like cardiovascular diseases, oncology, and diabetes exhibit a tendency to increase with the rise in income levels and increase in longevity.

As per IRDAI data, only 359 million people (or 34% of the total population) have health insurance coverage as of fiscal 2016. Only around 20% of this health insurance coverage is provided by commercial insurance providers (life and non-life included), with the remaining covered under Central or state government-sponsored schemes such as CGHS and ESIS.

Health expenditure, public (% of total health expenditure)

(Source: WHO, CRISIL Report)

Crop Insurance

In the last few years, there has been a lot of variation in climatic conditions, which has increased the risk Indian farmers are exposed to. For instance, even during a relatively normal monsoon year (2016), 32% of the districts in India saw deficient or scanty rainfall. Furthermore, there has been an increase in the frequency of unseasonal weather patterns (such as hailstorms during rabi season). For example, around 18% of the area under rabi crop in different parts of the country was damaged due to unseasonal rains and hailstorms in the first week of March 2015.

The following table sets forth the deviation in rainfall for the periods indicated:

Year	Excess	Normal	Deficient	Scanty
2011	24%	53%	21%	2%
2012	9%	45%	40%	6%
2013	31%	44%	22%	3%
2014	11%	43%	37%	9%
2015	12%	40%	44%	4%
2016	17%	51%	30%	2%

(Source: IMD, CRISIL Report)

The four-fold jump in crop insurance premium collections to ₹ 200 billion in fiscal 2017 due to the PMFBY scheme clearly points out to the latent demand amongst farmers in India to protect themselves from probable loss in incomes due to vagaries of the weather.

Crop insurance schemes have always been present in India. In 1999, the government launched the National Agricultural Insurance Scheme (NAIS) and another scheme called Modified National Agricultural Insurance Scheme (MNAIS) was launched in 2010. The phenomenal uptake of PMFBY, which subsumed both these schemes, is primarily due to differences in the process from the point of view of insurance companies and benefits available to the farmer. The government is using a tendering process wherein insurance companies have to submit their premium quotes based on their actuarial assumptions to determine pricing. Each state is divided into various clusters and insurers are allocated clusters based on the tendering process. This is in contrast to earlier schemes where pricing was fixed.

From a farmer perspective, they have to pay an uniform premium of 2% for Kharif crops, 1.5% for Rabi crops, and 5% for commercial and horticulture crops; the difference between the actuarial premium and the premium paid by farmers is being borne equally by Central and state governments. The sum assured is not capped, which in earlier schemes resulted in low claims being paid to farmers. Moreover, localised risks and post-harvest losses are also taken into account. In the case of crop loss, immediate relief payment of 25% has to be made to farmers. The scheme is mandatory for farmers who have availed loans from banks. Besides PMFBY, there is also a weather-based crop insurance scheme (WBCIS) available for farmers in selected areas. WBCIS is a weather index based crop insurance scheme, wherein yield losses are estimated based on deviations in weather conditions from long term patterns. The premiums charged on this scheme are higher than PMFBY.

While the PMFBY provides cover to farmers in case of crop loss, farmers also have the option of opting for the Unified Package Insurance Scheme (UPIS) that provides them with added benefits of life, health, agriculture pump set, tractor, fire and student safety insurance. UPIS was implemented on a pilot basis in 45 districts during the Kharif 2016 season. In order to get the applicable benefits under PMFBY, the farmer has to choose at least 2 of the added benefits mentioned.

Even after such rapid growth, crop insurance covers only 25-30% of India's farmers. The government intends to increase coverage to 50% of farmers by the end of fiscal 2019. The rise in weather-related risks, the favourable contours of the PMFBY scheme, and increased awareness amongst farmers, we believe, will drive growth in crop insurance.

Other Products

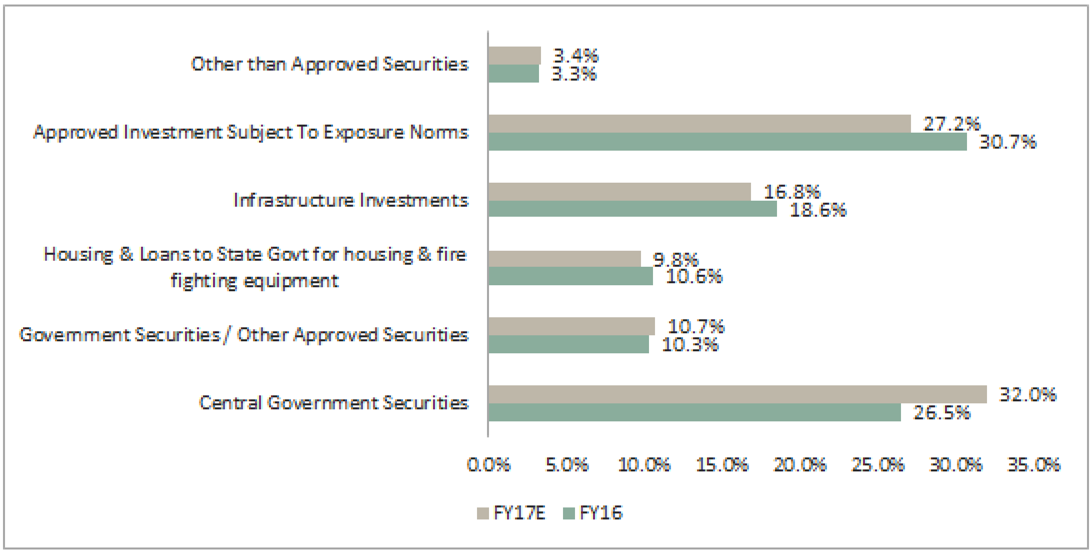
Non-life companies have been continuously innovating with new product offerings and services in response to market needs. In fiscal 2017, 165 new products were introduced panning across all insurers, compared with 101 new products in fiscal 2016. The major product introduced was the PMFBY, while other new products related to auto, health and fire segments were introduced.

General Insurance Industry Parameters

Investments

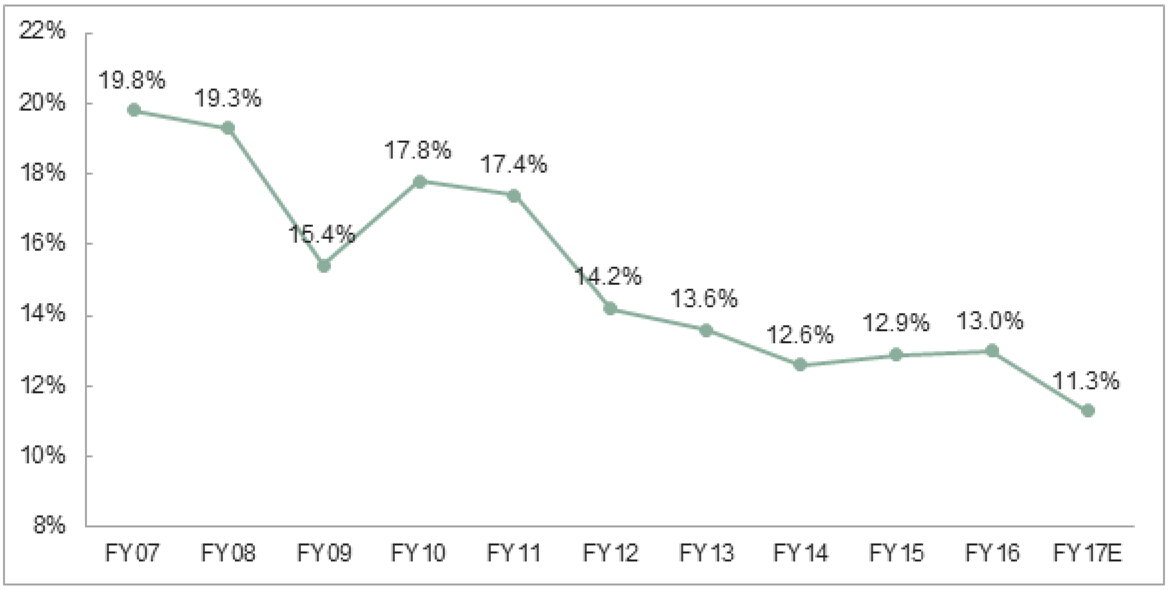
Investment in central government securities accounted for 32% share of total investments for the industry in fiscal 2017. Investment in infrastructure is considerably high at 16.8% compared to investment in housing and loans to state government for housing and firefighting equipment.

Investment pattern for the industry



Note: fiscal 2017 data (calculated as per book value data) is estimated based on year-end data for 19 players (11 multi - product private, 4 multi-product public players, 4 standalone health); 9M fiscal 2017 data is used for National and United India Insurance.
(Source: Company data, CRISIL Report)

Yield on Investment Increased gradually till fiscal 2016, estimated to have declined in fiscal 2017



Note: fiscal 2017 data is estimated based on Year end data for 18 players (including 10 private, 4 public and 4 standalone health insurers which estimated to have more than 80% share in gross direct premium as of fiscal 2017); 9M fiscal 17 data is used for 2 public players
(Source: GIC Year book (2016), Company disclosures, CRISIL Report)

Investment Income

Insurers (in ₹ billion)	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017
New India Assurance	23.3	27.9	32.2	38.3	39.6	42.7
United India Insurance*	17.7	18.5	19.7	21.4	26.0	17.0
National Insurance*	17.1	21.0	22.6	26.5	37.6	17.4
Oriental Insurance	16.1	18.6	19.5	21	18.3	14.8
ICICI-Lombard	5.2	6.0	8.2	9.7	11.9	13.0
Bajaj Allianz	3.5	4.6	5.9	7.0	8.5	10.1
IFFCO-Tokio	1.9	2.5	3.2	3.7	4.4	7.0
HDFC ERGO	1.4	2.1	2.0	2.4	3.2	5.2
Tata-AIG	1.5	2.1	2.5	2.9	3.3	3.9
Reliance General	2.0	2.7	3.4	4.9	5.2	6.0

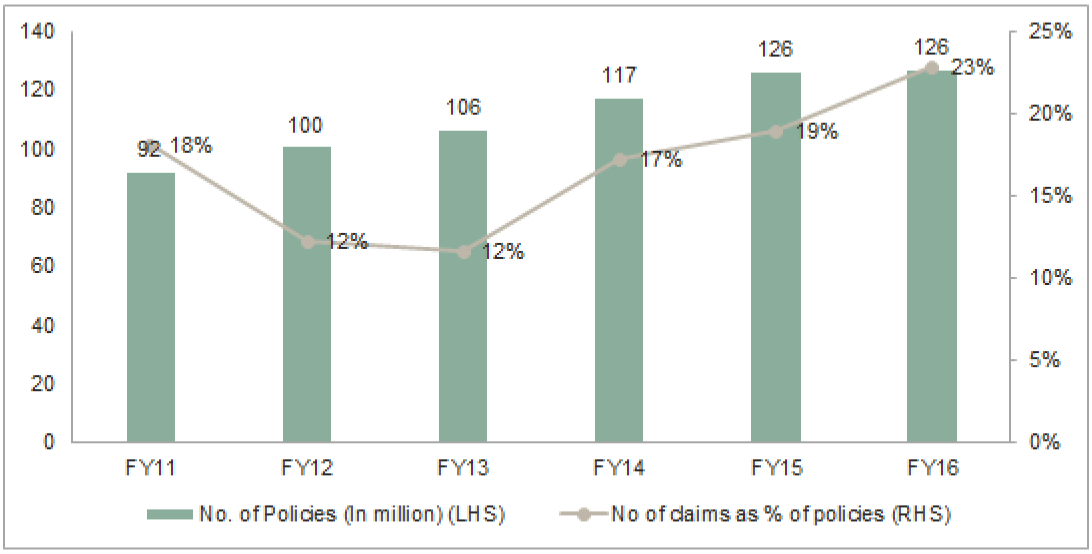
*(Source: IRDAI, Company public disclosure, Note: *Data up to Q3 2016-17, CRISIL Report)*

Profitability analysis

Profitability of general insurance companies is dependent on underwriting performance and investment returns. The Indian general insurance industry is facing high underwriting losses. In fiscal 2016, the industry reported cumulative underwriting losses of around ₹ 147 billion. The adverse trend in underwriting continued in fiscal 2017 as well, with the industry posting underwriting losses of ₹ 110 billion in the first nine months of the year. Despite the underwriting losses, the industry has been profitable at the net level, supported by healthy investment income both in the form of income from interest, dividend, and rents and profit from sale of investments. During April-December 2016, the industry's investment income was around ₹ 143 billion. Net profits, which improved between 2012 to 2014 after the dismantling of motor third party pool, has once again started deteriorating as a result of underwriting losses. The net profit for the industry came down by around 35% in fiscal 2016 to ₹ 30 billion as compared to Fiscal 2015. Net profits were at ₹ 23.5 billion in the nine months ending December 2016.

Polices and Claims Settlement

The number of policies issued by general insurance players remained relatively stable year-on-year, as of fiscal 2016, whereas the number of claims increased 21% in the same period. During the last five years ending fiscal 2016, the number of policies and claims have increased at 6% and 11% CAGR, respectively.



Source: GIC year book, CRISIL Report

Among all players, New India Assurance had issued maximum number of policies as of fiscal 2017. On claim settlement, New India Assurance leads the pack among the top 10 multi-product general insurers, with a claim settlement ratio of 90.4% in fiscal 2017. IFFCO Tokio, Oriental Insurance and Bajaj Allianz had a claim settlement ratio in the range of 85-90%.

Policies and claims settlement ratio

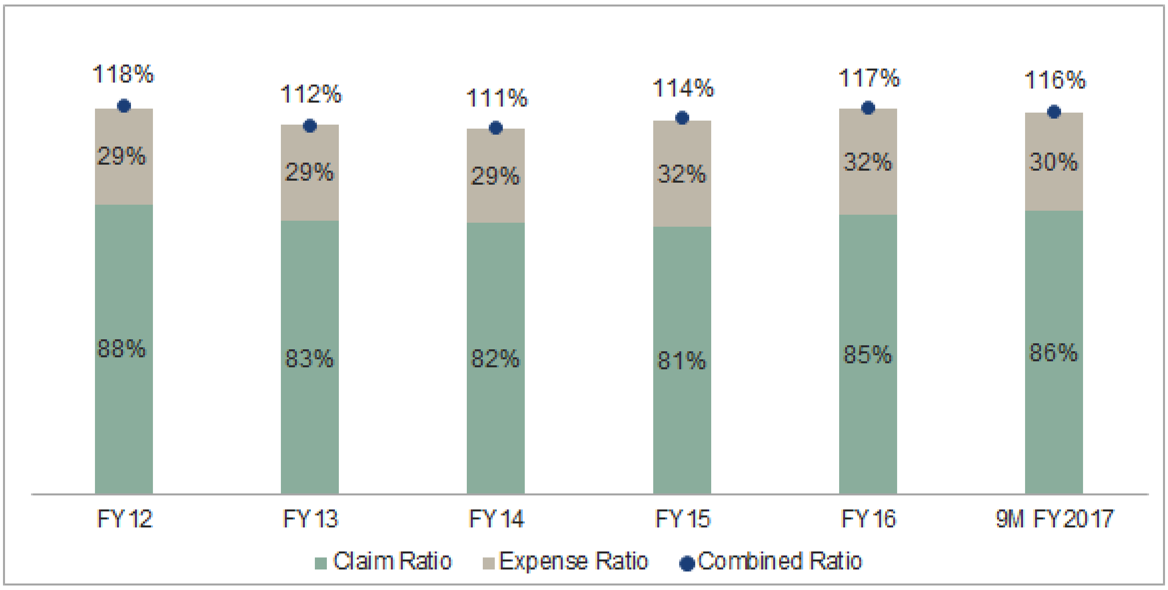
Player	No. of policies (In million) in FY17	No. of policies (In million) in FY16	Claims settlement ratio* in FY17
New India	27.1	25.1	90.4%
United India	NA	17.5	NA
National	NA	13.5	NA
Oriental	11.4	18.0	86.2%
ICICI Lombard	17.7	15.8	77.4%
Bajaj Allianz	9.9	8.3	87.4%
HDFC ERGO	5.0	4.8	71.8%
IFFCO Tokio	7.1	6.7	86.5%
TATA AIG	4.5	3.3	78.3%
Reliance General	4.0	3.9	69.9%

**Claims settlement ratio is defined as claims settled during the year divided by sum of outstanding claims at the beginning of the year and claims reported during the course of the year*
(Source: Company reports, CRISIL Report)

Combined Ratios

The incurred claim ratio for the industry increased from 81.7% in fiscal 2015 to 85.1% in fiscal 2016. The claims ratio is estimated to have increased by a further two percentage points during the course of fiscal 2017.

Combined Ratio of general insurers

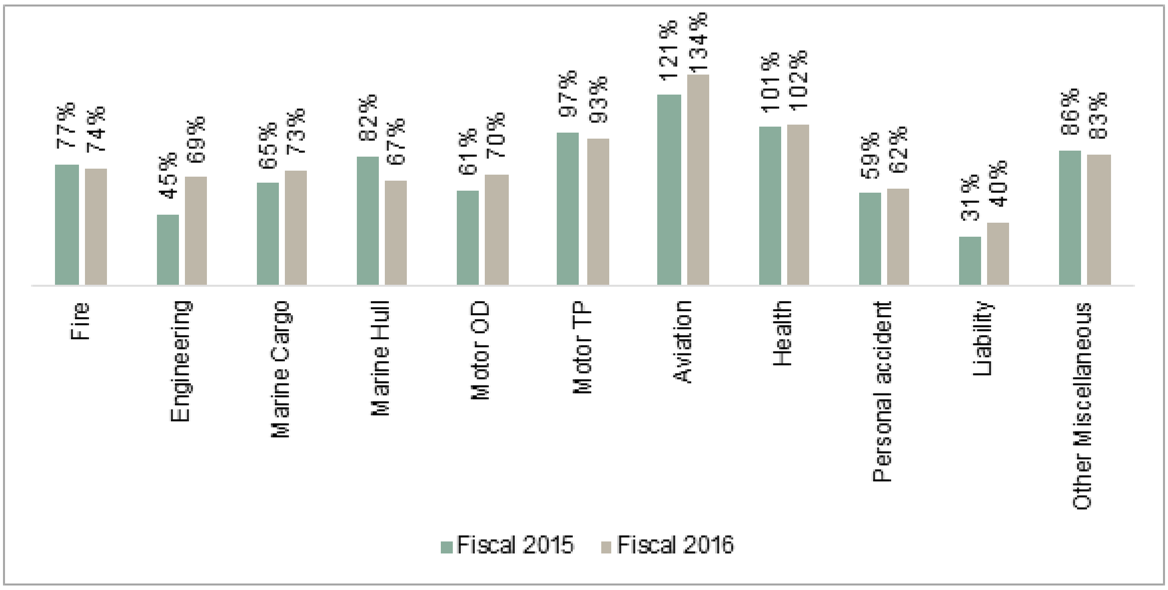


(Source: IRDAI, Company disclosures, CRISIL Report)

On the operating expense side, expenses ratio was 32% for the industry in fiscal 2016. It is estimated to have come down to 30% during April-December 2016. Taking into consideration both claims as well as other operating expenses, the general insurance industry in India had a 116% combined ratio as of 9 months of fiscal 2017, primarily because of the high 87% claims ratio.

The claims ratio of India's general insurance industry is high, primarily because of two big segments – motor third party and health insurance, which together comprise 45% of total industry premiums. The claims ratio in motor third party and health was very high at 93% and 102% respectively in fiscal 2016, with the claims ratio in motor third party being much higher for multi-product private players whereas health claims ratio was higher for multi-product public players.

Segment-wise net incurred claim ratio-industry



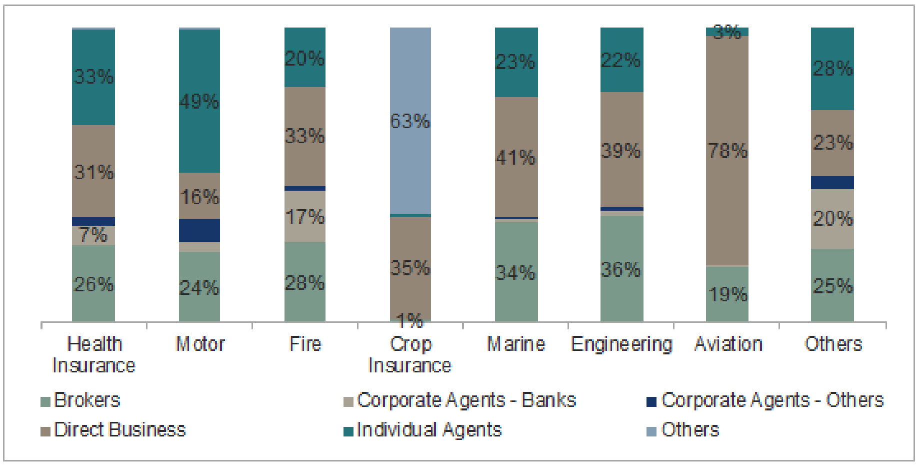
(Source: GIC Year book (2016), CRISIL Report)

Channel Mix

The general insurance industry continues to be dominated by individual agents who accounted for 31% of gross premiums in fiscal 2017. While the share was higher between fiscal 2013 to fiscal 2016, a drop was observed in fiscal 2017 on account of increase in share of brokers. Increasing use of brokers for insuring commercial risks has led to a steady growth in share of brokers; this channel accounted for 1/4th of premiums collected in fiscal 2017. The share of business through direct channel has reduced to 31% in fiscal 2017 from 41% in fiscal 2012.

Distribution mix also varies across different segments of non-life insurance, depending on the nature of end-customer. Share of individual agents is higher for motor and health segments, which have a relatively higher retail orientation. In fact, in the health insurance space, the revenue mix by distribution channels is more or less equally split across agents, direct business, brokers, and banks, reflecting the nature of this segment where sales takes place in equal measure to corporates (group health) as well as individuals (individual and family health). Corporate-oriented segments such as marine, aviation, and fire segments have higher proportion of direct selling taking place.

Distribution mix in major segments (fiscal 2016)



(Source: IRDAI, CRISIL Report)

As of March 2017, New India Assurance had the highest number of branches which grew at a CAGR of 15.3% in the past five fiscals, followed by United India, whereas, ICICI Lombard had the highest number of branches among private players.

Number of branches and corporate agents of top five private insurers and public insurers

Insurers	No of Corporate Agents	No of Bancassurance partners	No of Branches					
	Fiscal 2017	Fiscal 2017	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017
New India	16	24	1204	1,594	2,097	2,221	2,329	2,456
United India*	45	26	1476	1593	1832	1992	2082	2105
National*	19	11	1340	1,477	1,972	1,992	1,995	1,991
Oriental	16	8	1213	1526	1885	1915	1924	1935
ICICI-Lombard	44	22	311	275	273	253	257	249
Bajaj Allianz	58	32	195	191	186	210	214	219
IFFCO-Tokio	20	9	66	74	73	79	82	88
HDFC ERGO	11	3	80	81	108	108	108	108
Tata-AIG	21	5	53	67	78	98	103	156
Reliance General	27	8	151	127	127	127	126	129

*(Source: Company reports, Note: *Data up to Q3 2016-17, CRISIL Report)*

Net Worth

New India Assurance had a net worth of ₹ 120 billion as of March 2017, the highest in the general insurance industry. If one includes the unbooked appreciation in equity investments (reflected in its fair-value change account), the adjusted net worth was higher at over ₹ 350 billion.

Insurers (in ₹ billion)	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017
New India Assurance	77.3	85.2	96.9	106.5	109.4	119.5
United India Insurance*	45.5	49.5	53.6	55.9	57.3	53.1
National Insurance*	19.8	25.2	31.5	38.9	39.9	41.7
Oriental Insurance	21.8	25.9	29.2	31.8	33.4	16.5
ICICI-Lombard	14.6	17.7	23.8	28.2	31.8	37.3
Bajaj Allianz	9.6	12.6	16.6	22.3	27.9	35.2
IFFCO-Tokio	5.3	6.7	8.9	10.9	12.6	16.9
HDFC ERGO	5.3	7.2	8.8	10.0	10.7	18.1
Tata-AIG	4.6	6.2	7.3	8.3	10.6	11.8
Reliance General	15.9	17.5	17.5	18.4	11.2	12.5

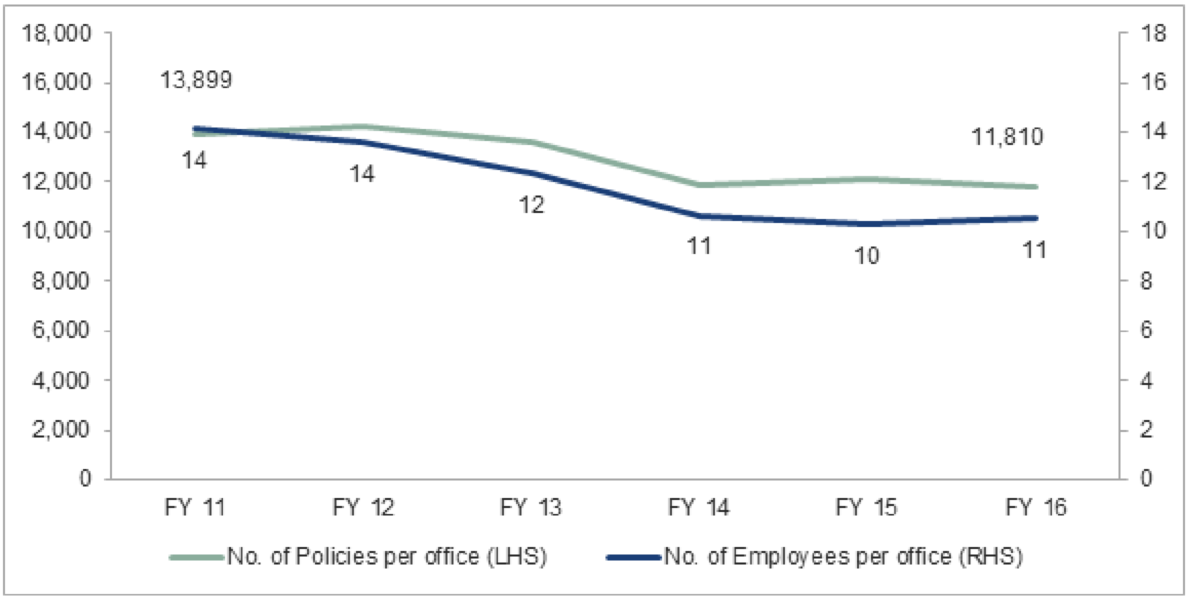
Note: Net worth is sum of share capital and reserves and surplus

*(Source: IRDAI, Company public disclosure, Note: *Data up to Q3 2016-17, CRISIL Report)*

Employee productivity

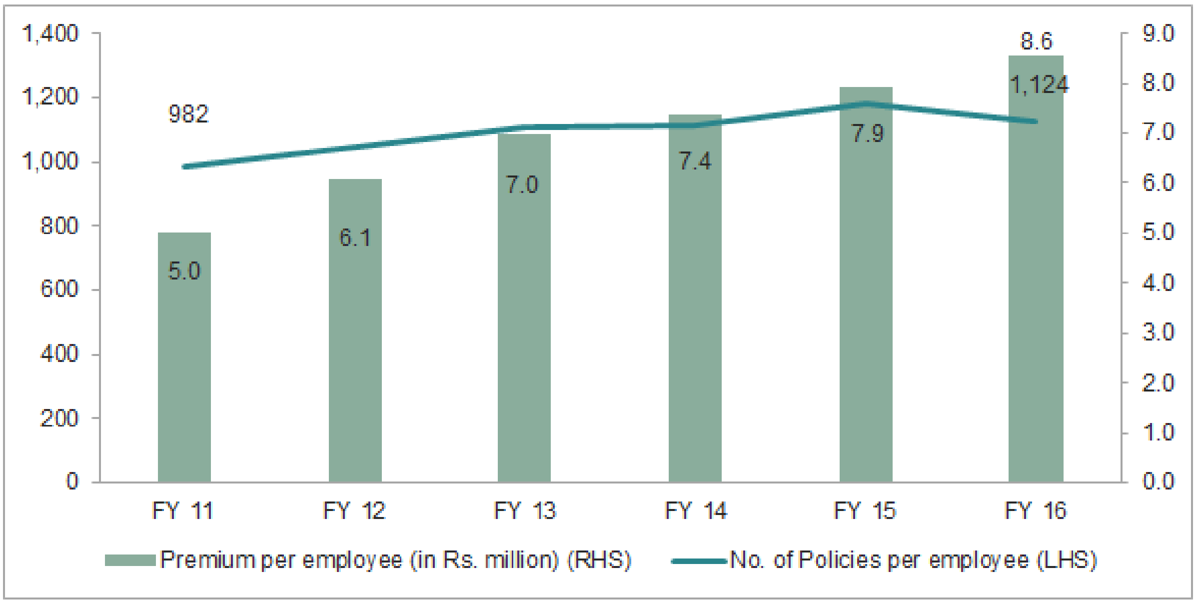
Average premium per employee increased at ~11% CAGR between fiscal 2011 and fiscal 2016. Average number of employees per office has declined from 14 employees to 11 employees over the same period, indicating improvement in productivity of employees. However, policies issued per branch/office has come down as insurers have increased their presence in smaller towns and cities where relative business per branch would be lower compared to the big cities.

Per office/branch productivity



(Source: GIC year book, CRISIL Report)

Per employee productivity



(Source: GIC year book, CRISIL Report)

Competitive environment

The general insurance market consists of 30 players, but the top 10 players dominate in terms of market presence despite the entry of new players. In each of the last 5 years ending fiscal 2017, the top 10 players together had a market share of between 78-80% with the remaining share divided across the rest of the players. However, there has been movement in the market share within the top 10 pack. Within the multi-product public insurers space, only New India Assurance has been able to more or less maintain its market share. Agriculture Insurance Company of India gained market share due to the surge in premiums in the crop insurance segment.

Player-wise market share

(*₹ in Crores*)

Top 10 multi-product players	Gross direct premium fiscal 2017	Market share in fiscal 2012	Market share in fiscal 2017
New India	19,098	14.7%	15.0%
United India	15,801	14.1%	12.4%
National	14,000	13.4%	11.0%
Oriental	10,798	10.4%	8.5%
ICICI Lombard	10,725	8.9%	8.4%
Bajaj Allianz	7,633	5.7%	6.0%
HDFC ERGO	5,840	3.2%	4.6%
IFFCO Tokio	5,563	3.4%	4.4%
TATA AIG	4,168	2.8%	3.3%
Reliance	3,935	2.9%	3.1%

(Source: IRDA, Company disclosures, CRISIL Report)

(*₹ in Crores*)

Rest of all	Gross direct premium fiscal 2017	Market share in fiscal 2012	Market share in fiscal 2017
AIC	7,064	4.4%	5.5%
Chola MS	3,133	2.3%	2.5%
Star Health Insurance	2,961	1.9%	2.3%
SBI General	2,604	0.4%	2.0%
Royal Sundaram	2,204	2.5%	1.7%
Shriram General	2,040	2.2%	1.6%
Future Generali	1,815	1.6%	1.4%
Apollo Munich	1,301	0.8%	1.0%
Bharti AXA	1,296	1.5%	1.0%
Universal Sompo	1,287	0.7%	1.0%
ECGC	1,267	1.7%	1.0%

Rest of all	Gross direct premium fiscal 2017	Market share in fiscal 2012	Market share in fiscal 2017
Religare Health	726	0.0%	0.6%
MAX BUPA	593	0.2%	0.5%
Liberty Videocon	579	0.0%	0.5%
Magma HDI	419	0.0%	0.3%
L&T General	348	0.2%	0.3%
Cigna TTK	221	0.0%	0.2%
Kotak General	82	0.0%	0.1%
Raheja QBE	58	0.0%	0.0%
Aditya Birla	54	0.0%	0.0%

(Source: IRDA, Company disclosures, CRISIL Report)

Market share in overall gross premiums for last 6 years

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017
New India Assurance	14.7%	14.5%	14.9%	15.6%	15.7%	15.0%
United India Insurance	14.1%	13.4%	12.5%	12.6%	12.7%	12.4%
National Insurance	13.4%	13.3%	13.2%	13.3%	12.4%	11.0%
Oriental Insurance	10.4%	9.5%	9.2%	8.7%	8.6%	8.5%
ICICI Lombard	8.9%	8.9%	8.8%	7.9%	8.4%	8.4%
Bajaj Allianz	5.7%	5.8%	5.8%	6.2%	6.1%	6.0%
AIC	4.4%	4.8%	4.4%	3.2%	3.7%	5.5%
HDFC ERGO	3.2%	3.5%	3.7%	3.8%	3.5%	4.6%
IFFCO Tokio	3.4%	3.7%	3.8%	3.9%	3.8%	4.4%
TATA AIG	2.8%	3.1%	3.0%	3.2%	3.1%	3.3%
Reliance	2.9%	2.9%	3.1%	3.2%	2.9%	3.1%
CHOLA MS	2.3%	2.3%	2.4%	2.2%	2.5%	2.5%
Star Health Insurance	1.9%	1.2%	1.4%	1.7%	2.1%	2.3%
SBI General	0.4%	1.1%	1.5%	1.9%	2.1%	2.0%
Royal Sundaram	2.5%	2.3%	1.9%	1.9%	1.8%	1.7%
Shriram General	2.2%	2.2%	1.9%	1.8%	1.8%	1.6%
Future Generali	1.6%	1.6%	1.6%	1.7%	1.6%	1.4%
APOLLO MUNICH	0.8%	0.9%	0.9%	0.9%	1.1%	1.0%
Bharti AXA	1.5%	1.8%	1.8%	1.7%	1.3%	1.0%
Universal Sompo	0.7%	0.8%	0.7%	0.8%	0.9%	1.0%
ECGC	1.7%	1.7%	1.7%	1.6%	1.4%	1.0%
RELIGARE HEALTH		0.1%	0.2%	0.3%	0.5%	0.6%
MAX BUPA	0.2%	0.3%	0.4%	0.4%	0.5%	0.5%
Liberty Videocon		0.0%	0.2%	0.3%	0.4%	0.5%
Magma HDI		0.1%	0.5%	0.6%	0.4%	0.3%
L&T General	0.2%	0.3%	0.3%	0.4%	0.5%	0.3%
CIGNA TTK			0.0%	0.0%	0.1%	0.2%
Kotak General					0.0%	0.1%
Raheja QBE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Aditya Birla						0.0%

(Source: IRDAI, CRISIL Report)

Players across segments

In motor segment, 47% of the market share is controlled by four public players, with New India Assurance alone having 15% market share in fiscal 2017. Among other segments, New India Insurance is the market leader in Engineering, Aviation and Liability segments with 21.9%, 29.6% and 18.2% market share respectively as of fiscal 2017. In the crop insurance segment, Agriculture Insurance Company of India is the market leader with 34.3% share as of fiscal 2017. Market share of National Insurance has declined from 15% in fiscal 2012 to 13% in fiscal 2017 but it remains the second largest player. Among private players, ICICI Lombard continues to be the largest player with 9% share in gross motor premiums in fiscal 2017. In health insurance segment, New India continues its predominant position; its market share increased from 17% in fiscal 2012 to 18% in fiscal 2017. Star Health Insurance has improved its market position in the health insurance space, with its market share increasing from 8% to 9% between fiscal 2012 and fiscal 2017. New India Assurance also leads fire insurance and marine segments with 19% and 21% market share respectively in fiscal 2017. Market share in terms of overall gross premium of United India Insurance has declined from 14.1% in fiscal 2012 to 12.4% in fiscal 2017 and remains the second largest player.

Top 5 players across major general insurance segments in fiscal 2012 and fiscal 2017

Segment	Year	Player 1	Player 2	Player 3	Player 4	Player 5	Others
Motor	Fiscal 2017	New India (15.1%)	National (12.7%)	United India (12.0%)	ICICI Lombard (9.0%)	Oriental (7.4%)	Others (43.8%)
	Fiscal 2012	National (15.0%)	New India (12.5%)	United India (12.2%)	Oriental (8.9%)	ICICI Lombard (8.8%)	Others (42.6%)
Health (incl. PA and Travel)	Fiscal 2017	New India (18.4%)	United India (15.9%)	National (14.4%)	Oriental (10.9%)	Star Health (8.6%)	Others (31.8%)
	Fiscal 2012	New India (17.4%)	United India (16.6%)	National (15.4%)	Oriental (11.0%)	ICICI Lombard (10.7%)	Others (28.9%)
Fire	Fiscal 2017	New India (19.1%)	United India (14.2%)	Oriental (10.2%)	National (9.5%)	ICICI Lombard (7.8%)	Others (39.2%)
	Fiscal 2012	New India (21.2%)	United India (17.9%)	Oriental (14.2%)	National (12.6%)	ICICI Lombard (5.7%)	Others (28.4%)
Marine	Fiscal 2017	New India (21.0%)	United India (13.0%)	Oriental (12.8%)	ICICI Lombard (11.8%)	Tata AIG (9.0%)	Others (32.4%)
	Fiscal 2012	New India (21.1%)	United India (19.7%)	Oriental (16.8%)	National (12.2%)	ICICI Lombard (6.9%)	Others (23.3%)

Note: Figures in bracket indicate market share of the company in that product segment

(Source: IRDAI, CRISIL Report)

Share of players in different segments (2016 - 2017)

	Fire	Health	Marine Cargo	Marine Hull	Motor Third Party	Motor Own Damage	Crop	Others
New India Assurance	19.0%	18.0%	16.0%	34.0%	17.0%	13.0%	5.1%	17.1%
United India Insurance	14.0%	16.0%	11.0%	18.0%	15.0%	8.0%	5.4%	14.6%
National Insurance	9.0%	14.0%	8.0%	10.0%	14.0%	11.0%	2.9%	9.7%
Oriental Insurance	10.0%	11.0%	10.0%	21.0%	9.0%	6.0%	4.5%	10.4%
ICICI Lombard	7.8%	6.0%	13.0%	9.0%	7.0%	12.0%	10.4%	8.0%
Bajaj Allianz	5.6%	4.0%	6.0%	2.0%	6.0%	9.0%	7.0%	7.1%
HDFC Ergo	5.0%	4.0%	4.0%	4.0%	2.0%	4.0%	9.8%	3.4%
IFFCO Tokio	3.0%	2.0%	6.0%	1.0%	5.0%	6.0%	6.1%	3.6%
TATA AIG	5.0%	1.0%	12.0%	0.0%	3.0%	5.0%	2.2%	4.7%
Reliance General	3.1%	2.1%	2.1%	0.7%	3.8%	4.0%	5.3%	1.5%
Cumulative market share of top 10 multi-product insurers	81.5%	78.1%	88.1%	99.7%	81.8%	78.0%	58.7%	80.1%

(Source: IRDAI, CRISIL Report)

Key ratios for top five private and public players (2016 - 2017)

Insurers	Solvency Margin	Investment (₹ Billion)	Investment Income (in (₹ Billion)	Net worth (in (₹ Billion)	Fair value change account ((₹ Billion)	Net profit (in (₹ Billion)	Return on equity
New India Assurance	219.5%	514.3	42.6	119.5	236.9	10.0	8.6%

Insurers	Solvency Margin	Investment (₹ Billion)	Investment Income (in (₹ Billion)	Net worth (in (₹ Billion)	Fair value change account ((₹ Billion)	Net profit (in (₹ Billion)	Return on equity
United India Insurance*	154.6%	257.7	16.9	53.1	48.3	(4.1)	NA
National Insurance*	131.4%	223.0	17.3	41.7	58.5	1.8	NA
Oriental Insurance	111.4%	213.8	14.7	16.5	103.2	(1.0)	-67.9%
ICICI Lombard	210.3%	150.7	13.0	37.2	6.7	7.0	20.3%
Bajaj Allianz	261.2%	102.7	10.1	35.1	0.17	7.2	23.1%
IFFCO Tokio	160.0%	65.6	7.0	16.8	-0.001	4.2	29.0%
HDFC Ergo	170.7%	68.2	5.2	18.1	0.50	2.7	19.2%
Tata AIG	178.6%	48.5	3.9	11.8	0.57	1.1	10.5%
Reliance General	168.0%	67.2	6.0	12.5	0.09	1.3	11.0%

*Note: *Data up to Q3 2016-17*

(Source: Company reports, CRISIL Report)

Segment Wise Market Share of Insurers

Fire	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017
New India Assurance	21.2%	20.0%	19.2%	20.4%	19.4%	19.1%
United India Insurance	17.9%	16.8%	16.2%	15.5%	15.0%	14.2%
National Insurance	12.6%	12.7%	11.9%	11.4%	10.3%	9.5%
Oriental Insurance	14.2%	13.8%	13.4%	11.9%	11.3%	10.2%
ICICI-Lombard	5.7%	5.7%	6.6%	6.8%	7.2%	7.8%
Bajaj Allianz	5.3%	5.3%	5.3%	5.3%	5.5%	5.6%
IFFCO-Tokio	3.2%	2.6%	2.9%	2.9%	3.0%	2.9%
HDFC ERGO	4.9%	4.5%	4.4%	4.7%	4.8%	5.4%
Tata-AIG	3.5%	4.1%	4.2%	4.3%	4.4%	5.5%
Reliance General	2.1%	2.5%	2.4%	2.3%	3.0%	3.1%
Marine	**Fiscal 2012**	**Fiscal 2013**	**Fiscal 2014**	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**
New India Assurance	21.1%	22.1%	22.5%	22.0%	20.7%	21.1%
United India Insurance	19.7%	19.9%	18.6%	17.4%	14.7%	13.0%
National Insurance	12.2%	11.6%	10.5%	9.9%	8.7%	8.3%
Oriental Insurance	16.8%	15.6%	14.5%	13.2%	14.1%	12.8%
ICICI-Lombard	6.9%	7.6%	8.0%	8.2%	10.0%	11.8%
Bajaj Allianz	3.1%	3.2%	3.9%	4.1%	4.7%	4.6%
IFFCO-Tokio	4.5%	3.4%	3.7%	3.8%	3.9%	4.4%
HDFC ERGO	2.1%	2.5%	2.8%	3.5%	3.5%	4.2%
Tata-AIG	6.6%	7.0%	7.2%	8.2%	8.9%	9.1%
Reliance General	1.4%	0.9%	1.3%	1.5%	1.7%	1.7%
Motor	**Fiscal 2012**	**Fiscal 2013**	**Fiscal 2014**	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**
New India Assurance	12.5%	12.8%	13.6%	14.4%	14.6%	15.1%
United India Insurance	12.2%	11.4%	11.0%	11.2%	11.2%	12.0%
National Insurance	15.0%	14.5%	14.3%	13.9%	13.4%	12.7%
Oriental Insurance	8.9%	8.1%	7.8%	7.7%	7.4%	7.4%
ICICI-Lombard	8.8%	9.1%	9.5%	9.1%	9.8%	9.0%
Bajaj Allianz	8.0%	8.1%	8.0%	7.8%	7.7%	7.1%
IFFCO-Tokio	4.6%	5.3%	5.2%	5.7%	5.7%	5.9%
HDFC ERGO	2.8%	2.7%	3.0%	2.8%	2.8%	3.2%
Tata-AIG	3.1%	3.5%	3.2%	3.3%	3.3%	4.0%
Reliance General	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%
Health	**Fiscal 2012**	**Fiscal 2013**	**Fiscal 2014**	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**
New India Assurance	17.4%	17.5%	17.7%	18.2%	18.5%	18.4%
United India Insurance	16.6%	16.8%	14.6%	15.1%	16.0%	15.9%
National Insurance	15.4%	16.3%	16.2%	17.2%	15.6%	14.4%
Oriental Insurance	11.0%	10.4%	10.4%	9.7%	10.0%	10.9%
ICICI-Lombard	10.7%	10.1%	8.6%	6.8%	6.1%	6.3%
Bajaj Allianz	3.2%	3.8%	4.1%	3.5%	3.4%	3.6%
IFFCO-Tokio	1.4%	1.3%	1.6%	1.7%	1.8%	1.7%
HDFC ERGO	3.1%	3.3%	4.7%	4.2%	4.0%	3.6%

Tata-AIG	1.0%	1.2%	1.9%	1.7%	1.5%	1.3%
Reliance General	1.7%	1.9%	2.5%	2.3%	2.1%	1.1%
Others	**Fiscal 2012**	**Fiscal 2013**	**Fiscal 2014**	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**
New India Assurance	11.5%	10.5%	9.8%	10.3%	10.7%	9.0%
United India Insurance	12.0%	10.7%	10.0%	9.8%	9.3%	8.4%
National Insurance	8.7%	7.9%	7.3%	7.0%	5.8%	5.1%
Oriental Insurance	9.5%	8.0%	7.4%	7.3%	6.9%	6.4%
ICICI-Lombard	8.8%	8.7%	9.0%	6.8%	9.0%	9.6%
Bajaj Allianz	4.4%	3.9%	3.7%	7.1%	6.7%	7.0%
IFFCO-Tokio	3.0%	3.5%	3.9%	3.3%	2.8%	5.3%
HDFC ERGO	3.5%	5.3%	4.3%	5.2%	3.9%	7.7%
Tata-AIG	3.0%	3.0%	2.8%	3.8%	3.3%	3.0%
Reliance General	1.6%	1.6%	1.7%	2.3%	1.7%	4.1%

(Source: IRDAI, CRISIL Report)

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 18 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors Affecting our Results of Operations" on pages 20 and 432, respectively, for a discussion of certain factors that may affect our business, financial condition and results of operations.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the 12 months ended March 31 of that year.

Unless otherwise indicated, the financial information included herein are based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For details, see "Financial Information" on page 227.

Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to The New India Assurance Company Limited on a consolidated basis and references to "the Company" or "our Company" refers to The New India Assurance Company Limited on a standalone basis.

Overview

We are the largest general insurance company in India in terms of net worth, domestic gross direct premium, profit after tax and number of branches as of and for the fiscal year ended March 31, 2017 *(Source: CRISIL Report)*. Our Company has been in operation for almost a century. In Fiscal 2017, we had the largest market share of gross direct premium among general insurers in India *(Source: CRISIL Report).* As of March 31, 2017, we had issued 27.10 million policies across all our product segments, the highest among all general insurance companies in India *(Source: CRISIL Report).* As of June 30, 2017, our operations were spread across 29 States and seven Union Territories in India and across 28 other countries globally through a number of international branches, agency offices and Subsidiaries including a desk at Lloyd's, London.

Our insurance products can be broadly categorized into the following product verticals: fire insurance; marine insurance, motor insurance, crop insurance, health insurance and other insurance products.

In Fiscal 2013, 2014, 2015, 2016 and 2017, despite increasing competition from private players, we have maintained market leadership in the general insurance industry in India and we were leaders in all segments except crop insurance *(Source: CRISIL Report)*. In Fiscal 2017, our gross direct premium from fire, engineering, aviation, liability, marine, motor and health insurance represented a market share of 19.1%, 21.9%, 29.6%, 18.2%, 21.0%, 15.1% and 18.4%, respectively, of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report).*

We have developed an expansive multi-channel distribution network that includes individual and corporate agents, brokers, bancassurance partners and other intermediaries, as well as direct sales and sales through online channels. As of June 30, 2017, our distribution network in India included 68,389 individual agents and 16 corporate agents, bancassurance arrangements with 25 banks in India, and a large number of OEM and automotive dealer arrangements through our agent and broker network. We have developed a pan-India branch network. As of June 30, 2017, we had 2,452 offices in India across 29 States and seven Union Territories. We also partner with the GoI and State governments for implementation of various government schemes including health insurance and policies for underprivileged customer segments. As of June 30, 2017, we had international operations across 28 countries, through a number of international branches, agency offices, subsidiaries and associated companies.

In Fiscal 2015, 2016 and 2017, our gross written premium was ₹ 169,865.98 million, ₹ 192,272.64 million and ₹ 232,304.93 million, respectively. Our gross written premium increased at a CAGR of 15.18% from ₹ 132,001.81 million in Fiscal 2013 to ₹ 232,304.93 million in Fiscal 2017. In Fiscal 2016 and 2017, we paid dividends (including dividend distribution tax) of ₹ 3,599.82 million and ₹ 3,019.85 million, respectively, while for Fiscal 2017 we have declared dividend payments (including dividend distribution tax) of ₹ 3,731.19 million. We have funded our operations for more than 40 years without any external capital infusion. Our net worth (excluding fair value change account) increased from ₹ 96,050.34 million as of March 31, 2013 to ₹ 125,964.48 million as of March 31, 2017, while our total net worth (including fair value change account) increased from ₹ 254,698.13 million as of March 31, 2013 to ₹ 362,980.85 million as of March 31, 2017. We command a robust financial position, with a solvency ratio as of March 31, 2017 of 2.22, compared to the IRDAI prescribed control level requirement of 1.50. We have been rated A-(Excellent) by AM Best Company since 2007 and have been rated AAA/Stable by CRISIL since 2014.

Competitive Strengths

We believe we benefit from the following competitive strengths:

Market leadership and established brand

Our Company has been in operation for almost a century since incorporation in 1919. As of and for the fiscal year ended March 31, 2017, we were the largest general insurance company in India in terms of net worth, domestic gross direct premium, profit after tax and number of branches *(Source: CRISIL Report)*. In Fiscal 2017, we also had the largest market share of 15.0% of gross direct premium among general insurers in India *(Source: CRISIL Report)*. Despite significant competition from private sector players, we have maintained our pole position in the Indian general insurance market. We have increased our market share in terms of gross direct premium from 14.7% in Fiscal 2012 to 15.0% in Fiscal 2017 *(Source: CRISIL Report)*. In Fiscal 2017, our gross direct premium from fire, engineering, aviation, liability, marine, motor and health insurance represented a market share of 19.1%, 21.9%, 29.6%, 18.2%, 21.0%, 15.1% and 18.4%, respectively, of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report)*. In Fiscal 2013, 2014, 2015, 2016 and 2017, despite increasing competition from private players, we have maintained market leadership in the general insurance industry in India, particularly in fire insurance, marine insurance, motor insurance and health insurance *(Source: CRISIL Report)*. In Fiscal 2017, we had issued 27.10 million policies across all our product segments, the highest among all general insurers in India *(Source: CRISIL Report)*.

The table below sets forth our Company's market share (in terms of overall gross premium) and market position in these product segments as well as the general insurance industry in India in the relevant periods *(Source: CRISIL Report)*:

Market/ Product Segment	Fiscal 2015		Fiscal 2016		Fiscal 2017	
	Market Share (%)	Market Position	Market Share (%)	Market Position	Market Share (%)	Market Position
General Insurance	15.6%	1	15.7%	1	15.0%	1
Product Segment						
Fire insurance	20.4%	1	19.4%	1	19.1%	1
Marine insurance	22.0%	1	20.7%	1	21.1%	1
Motor insurance	14.4%	1	14.6%	1	15.1%	1
Health Insurance	18.2%	1	18.5%	1	18.4%	1

We have supported various GoI and State government social welfare initiatives, including the Pradhan Mantri Fasal Bima Yojana, the Unified Farmer's Package Insurance, the Pradhan Mantri Suraksha Bima Yojana, the Rashtriya Swashtya Bima Yojana, as well as various State government health insurance schemes. As of March 31, 2017, we had provided insurance cover to over 15 million customers under the Pradhan Mantri Suraksha Bima Yojana. In addition, as of March 31, 2017, we provided insurance support under the Pradhan Mantri Jan Dhan Yojna, and had provided insurance cover to over 412 million individuals having Rupay cards.

We believe that our significant operating history, longstanding market leadership and reputation have led to wide recognition of our brand and generated significant brand equity. We have through our long operating history developed strong relationships with major corporate groups in India. We commenced international operations in 1920, and we were the first general insurer to establish operations in the Gujarat International Finance Tec-City in Gandhinagar, Gujarat. We have received various awards in relation to our business and operations, including the Dun & Bradstreet BFSI award for India's leading insurance company (non-life public sector) in 2017, Fintelekt Insurance Awards 2017 - Personal Lines Growth Leadership (public sector general insurance), Fintelekt Insurance Awards 2017 - Claims Service Leader (general insurance – large category), Fintelekt Insurance Awards 2017 – e-Business Leader (general insurance – large category), Fintelekt Insurance Awards 2017 – Social Inclusion (Public Sector general insurance), Indian Insurance Summit – Insurance Company of the Year from Quest Conferences in 2017, the Golden Peacock Business Excellence Award in 2017, ABP News - Best General Insurance Company Award, 2016, and Indian Insurance Awards – General Insurance Company of the Year 2016 from Fintelekt. We have continued to strengthen our brand equity through sustained branding and marketing initiatives, including through digital marketing and social media campaigns. We also received the Indian Insurance Award for e-Business leadership from Fintelekt in 2016. In addition, our CSR initiatives have also contributed to the development of our corporate brand.

Longstanding global footprint and successful international operations

We commenced international operations in 1920. We are also the only Indian general insurer with a sizeable international presence *(Source: CRISIL Report)*. We have presence in UK with a desk at Lloyd's, London. We commenced our international operations with our London branch in 1920, and have maintained operations in Japan and Australia for over 50 years. In addition to our significant operations in the United Kingdom, our global operations are spread across Asia Pacific, Middle East, Africa and the Caribbean. As of June 30, 2017, we operated in 28 international jurisdictions through a number of international branches, agency offices, subsidiaries and associated companies. For further information on our international operations, see "*International Operations*" on page 160.

In Fiscal 2015, 2016 and 2017, gross written premium from our Company's international operations was ₹ 28,406.00 million, ₹ 32,218.40 million and ₹ 31,640.00 million, respectively, and contributed 17.70%, 17.54% and 14.20%, respectively, of our Company's gross written premium in such periods. In Fiscal 2015, 2016 and 2017, our international business recorded an underwriting profit of ₹ 1,700.40 million, ₹ 217.10 million and ₹ 310.00 million, respectively.

Our international operations and global footprint further strengthens our business reputation and brand, and contributes a significant portion of premium generated. We leverage our global footprint to effectively support Indian customers in international markets, and provide insurance solutions for large Indian corporate groups with global operations. Our global presence also enables us to incorporate global best practices in our operations, provide our employees with valuable international exposure and knowledge about the global general insurance industry and products, and the changing customer and risk trends experienced globally. Our global operations also enable us to diversify our risk geographically.

Sustainable business model driven by customer satisfaction

We believe our high levels of service quality, focus on customer satisfaction, sophisticated underwriting, product development and claims management capability have enabled us to develop a sustainable business model. As one of the first general insurers in India with nationwide operations, we have developed substantial expertise in risk selection and efficient claims management capabilities. Our customer-focused product portfolio, ability to provide insurance solutions for complex risks and projects, and expansive geographic coverage and distribution network in India and internationally has enabled us to develop strong customer relationships. Our market leadership position, in terms of gross direct premium collected, across the fire, engineering, marine, motor and health insurance verticals reflect our diverse customer base, which includes individual and retail customers, small and medium sized enterprises, as well as large corporate groups requiring customised insurance solutions for complex projects. Our claim settlement ratio (excluding suit claims) was 95.80%, 97.56% and 96.51% in Fiscal 2015, 2016 and 2017, respectively. Our claim settlement ratio in Fiscal 2017 was 90.4% (including suit claims) which is the highest among the top 10 multi-product insurers in India *(Source: CRISIL Report)*. In Fiscal 2017, our claims repudiation ratio was 1.2% which is the second lowest among top 10 multi-product insurers in India *(Source: CRISIL Report)*. Our grievance disposal ratio in Fiscal 2017 was 99.15%. Our grievance redressal system is integrated with the Integrated Grievance Management System of the IRDAI.

Diversified product offering and product innovation capability

Our strong underwriting capabilities, and our relationship with reputed reinsurers, enable us to provide a comprehensive range of insurance products that cater to different industries and customer segments, including products for industrial and commercial enterprises, and clients in the civil engineering, aviation, energy and other industries. We also offer personal products targeted at individuals and families. As of June 30, 2017, we offered more than 230 products across our various business segments. Our diversified portfolio reduces risk of dependency on any particular class of insurance products or any specific customer segment, which enables us to obtain cost-effective reinsurance arrangements. In Fiscal 2017, fire, motor, health, marine, crop and other insurance segments contributed 15.34%, 38.81%, 26.19%, 3.07%, 5.38% and 11.20%, respectively, of our gross written premium in such period.

We have over the years developed strong product design, marketing and sales capabilities, and modify our product offering based on regular market research on the evolving needs of our wide range of customers and corporate clients. Our products are designed for a diverse customer base with features and premium requirements customised for specific customer segments. We received the Golden Peacock Excellence in Innovative Product - Service Award in 2016.

We have through our long operating history offered a range of new products across our principal product segments. We offer several industry specific products such as bankers' indemnity, jewellers' block, business interruption and customized package policies. We offer various add-on features in our motor comprehensive (own damage) products that provide insurance cover for various contingencies. In addition, we introduced additional products in the health retail segment including family floater, top-up, and premier mediclaim. We have also introduced innovative home-owners policy to cover individual households.

We have provided insurance cover for various large projects across industries, including petrochemical facilities, infrastructure projects and power plants. In addition, we offer a number of high-value products such as satellite insurance, and for nuclear energy facilities. We have also issued nuclear operators liability policies. We are the market leader in aviation insurance in India *(Source: CRISIL Report)* and provide customised solutions for most aviation companies in India. Despite significant competition from private sector players, we have maintained our pole position in the Indian general insurance market. In Fiscal 2017, our gross direct premium from fire, marine, motor and health insurance represented a market share of 19.1%, 21.0%, 15.1% and 18.4%, respectively, of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report)*.

Multi-channel distribution network

We have developed an expansive multi-channel distribution network that includes individual and corporate agents, brokers, bancassurance partners and other intermediaries, as well as direct sales and sales through online channels. In Fiscal 2017, gross direct premium generated from our agent network (individual and corporate agents), brokers, and our bancassurance partners contributed 42.01%, 25.75%, and 1.15%, respectively, of our gross direct premium in India in such period, while direct sales contributed 31.09% of our gross direct premium in India in such period.

As of June 30, 2017, our distribution network included 68,389 individual agents and 16 corporate agents. We have over the years developed strong relationships with our agents and brokers by leveraging our established brand, financially strong operations and large product portfolio, and by providing significant sales and management training, and continuing infrastructure support. We have cultivated strong relationships with institutional customers leading to significant repeat business in direct sales. We have also established seven large corporate and broker offices to support our large corporate clients, and brokers. We distribute motor policies through online portal at various dealer locations. In addition, we partner with the GoI and State governments for implementation of various government schemes including health insurance and policies for underprivileged customer segments. Our diversified distribution and sales network reduces dependence on any single distribution channel, and enables us to access a wide range of customer segments across various industries, geographic regions, income groups and consumer demographics. We have developed a pan-India office network, and as of June 30, 2017, we had 2,452 offices in India across 29 States and seven Union Territories.

We also distribute policies online, including through dedicated portals for customers, corporates, agents, development officers, as well as through common service centers and web aggregators. We have implemented various web based solutions to integrate the operations of our distribution intermediaries with our IT platform which has enabled us to centrally manage and support our distribution infrastructure and reduce operating costs.

Robust financial position

As of and for the fiscal year ended March 31, 2017, we were the largest general insurance company in India in terms of net worth, domestic gross direct premium, profit after tax and number of branches *(Source: CRISIL Report)*. In Fiscal 2017, we had the largest market share of gross direct premium among general insurers in India *(Source: CRISIL Report)*. We command a robust financial position and are equipped to capitalize on growth opportunities in the Indian general insurance market. We have funded our operations for more than 40 years without any external capital infusion. Our strong financial position and capitalization enable us to underwrite high value corporate and mega risk policies, in addition to a high overall underwriting capacity.

Our net worth (excluding fair value change account) increased at a CAGR of 7.01% from ₹ 96,050.34 million as of March 31, 2013 to ₹ 125,964.48 million as of March 31, 2017, while our net worth (including fair value change account) increased at a CAGR of 9.26% from ₹ 254,698.13 million as of March 31, 2013 to ₹ 362,980.85 million as of March 31, 2017.

We follow a balanced investment strategy in compliance with applicable IRDAI regulations, focused on preserving capital and providing stable returns. As of March 31, 2017, we had an investment portfolio including cash and bank balances of ₹ 600,564.05 million. Our investment portfolio including cash and bank balances increased at a CAGR of 11.32% between Fiscal 2013 and Fiscal 2017. In Fiscal 2017, our investment portfolio generated yield on average investments (including cash and bank balances) of 8.08%. The book value of our investment portfolio increased at a CAGR of 11.84% from ₹ 232,385.56 million as of March 31, 2013 to ₹ 363,547.67 million as of March 31, 2017.

Our solvency ratio as of March 31, 2017 was 2.22 compared to the IRDAI specified control level of 1.5. Applicable IRDAI regulations do not permit credit of fair value change reserve in calculation of solvency ratio. If we were to take into account the credit of fair value change reserve, our solvency ratio as of March 31, 2017 would be 6.89. In Fiscal 2016 and 2017, we paid dividends (including dividend distribution tax) of ₹ 3,599.82 million and ₹ 3,019.85 million, respectively, while for Fiscal 2017 we have declared dividend payments (including dividend distribution tax) of ₹ 3,731.19 million. Our gross written premium increased at a CAGR of 15.18% from ₹ 132,001.81 million in Fiscal 2013 to ₹ 232,304.93 million in Fiscal 2017. Gross direct premium per employee increased from ₹ 6.27 million in Fiscal 2013 to ₹ 12.26 million in Fiscal 2017. Our operating expense ratio was 20.40% in Fiscal 2017, the lowest among the top 10 multi-product insurers in India *(Source: CRISIL Report)*. We have been rated A-(Excellent) by AM Best Company since 2007 and have been rated AAA/Stable by CRISIL since 2014.

Robust IT infrastructure

We believe that our centralized web-based solutions and IT infrastructure provides comprehensive solutions for our core business functions such as policy servicing and administration, claims management and other related functions including document management, workflow management, human resource management and customer relationship management. It enables multi-channel access to core insurance business needs and information on products, policies, customers and claims. It also facilitates use by our employees of core insurance functions including underwriting systems, sales data, marketing resources and data analysis tools. Insurance agents can access information about customers and commissions.

Business processes across our entire branch network have been rationalized creating standardized procedures for accounting, reconciliation, reporting, documentation and user communication. Using the "New India Assurance Online" web-based platform, customers can purchase new policies or renew existing policies. Our platform allows customers to conduct business online and obtain information about their policies or submit claims. Our IT infrastructure provides customers with text messages and email alerts, and the ability to renew policies through mobile applications. Our dedicated portals and mobile applications allow various stakeholders including customers, surveyors, agents and brokers to undertake various business transactions on 24X7 basis. We collect a significant portion of premium payments through our digital platform, which has increased rapidly in recent years, and represented 12.73% of our total premium payments collected in Fiscal 2017. Our digital platforms allow for automated surveyor appointments, surveyors to provide reports and other requisite documents electronically, and enable bulk upload facilities to ensure faster claims settlements, particularly with respect to our health insurance business. We are also integrated with various web aggregators for the sale of our products. Our robust IT infrastructure also enables us to implement an efficient claims settlement process. We have introduced standardized claims processes, and are able to process claims at any of our offices irrespective of the policy issuance location.

With the use of advanced analytics, we are able to competitively price our policies based on customer and industry data. Our data analytics capabilities allow us to introduce new products within a shorter time period and respond to customer requirements.

Experienced senior management team

Our institutional commitment to developing a merit based work culture has enabled us to attract and retain a qualified and experienced management team with an extensive track record in all operational, regulatory and management aspects of the insurance and financial services industries. Our key management personnel have an aggregate experience of more than 400 years of industry experience. We believe our management team's in-depth understanding of the general insurance industry has enabled us to implement business strategies and ensure compliance with regulatory and operational standards to grow our business and expand operations internationally. Our Chairman and Managing Director, Mr. G. Srinivasan, has over 37 years of experience in the general insurance industry in India and internationally and has been in the role of chairman for a decade in the industry. He has led our Company effectively through various industry cycles. The in-depth understanding of the insurance industry available with our senior management team has enabled us to effectively adapt to evolving regulatory regimes and significant market developments in the Indian insurance industry. We believe our successful track record reflects our senior management's strategic vision and proactive approach in adapting to the changing market environment and ability to maintain our position as the leading general insurance company in India.

Business Strategies

The following are our primary business strategies:

Capitalise on significant market potential and increase our market share

The Indian insurance industry has in recent years experienced several positive changes including liberalization of the insurance market, a supportive regulatory framework, and GoI initiatives to allow increased foreign direct investment in the insurance industry. In Fiscal 2017, total direct premium collected in the Indian general insurance industry was ₹ 1.27 trillion *(Source: CRISIL Report)*.

India's general insurance penetration was 0.8% in 2016, compared with 0.6% in 2007. In comparison, the global general insurance industry's penetration was 2.81% in 2016. Among the comparable Asian counterparts also, India's general insurance penetration was lower than that for China, Thailand, Singapore and Malaysia at 1.8%, 1.7%, 1.7%, and 1.6%, respectively, in 2016. This represents the significant untapped potential of the Indian general insurance market. General insurance density in India, at US$ 13.2 in 2016, was much lower than the global average of around US$ 285. It is also much lower than other developed and emerging market economies, including other Asian countries such as China Thailand, Singapore and Malaysia. Given the low penetration level in the non-life insurance business, premium growth for the industry has been high for India as compared to some of the major economies of the world and some of the emerging Asian economies. During the five-year period ended 2016, India's non-life insurance industry insurance premium grew 15% CAGR (in local currency terms), next only to China where premium growth was slightly higher at 19% CAGR *(Source: CRISIL Report).* With rising income levels in India and inflation under control, discretionary consumer spending and the household savings rate (household savings as a percentage of GDP) is likely to increase gradually, resulting in a positive outlook on the general insurance business, given the linkage of the general insurance business with consumption demand. As of March 31, 2017, there were 24 general insurers and six standalone health insurers in India *(Source: CRISIL Report)*. We believe the current under-penetration in the Indian general insurance industry presents significant growth potential. Given our established brand and business reputation, large and diversified product portfolio targeted at various industries and customer segments, and our expansive multi-channel distribution network, we believe we are well positioned to capitalize on the significant growth potential in the Indian general insurance industry.

In order to capitalize on such growth potential, we intend to implement cost-effective expansion of our operations with an increased focus on growing our retail products business and increase our retail market share. The IRDAI, the GoI and various State governments have in recent years undertaken various measures to increase awareness of insurance products. As a result of the increased awareness of health and other personal insurance products, we anticipate significant growth in retail fire and health insurance product segments.

Improve underwriting profitability

Our pricing, underwriting and risk management strategy emphasizes profitable growth and optimization of our risk adjusted returns in each of our product segments. We use models in conjunction with rigorous analytical review to make pricing and underwriting decisions and to manage risk exposures across geographies, product segments and customer segments. We intend to further refine our underwriting process and internal control measures to minimise errors and enable us to obtain better commercial arrangements from our reinsurers.

We follow stringent review and selection of insurance risks and continuously modify pricing and terms of our products to ensure profitability. For example, we have implemented price revisions in retail health and group health schemes. Our exposure in the relatively higher risk crop insurance products is supported by adequate reinsurance arrangements for such products to reduce our effective exposure. We continue to focus on further streamlining our risk and loss inspection processes, including through stringent inspection of claim documentation and credibility of their sources, active monitoring and increased audits of claims to minimise claim fraud. We focus on risk-based pricing mechanism, and develop differentiated and accurate underwriting models to promote profitable underwriting. We replace loss-making schemes and channels with profitable alternatives, and continue to focus on increasing profitability.

We have employed medical doctors for product design and efficient management of health claims, and have co-promoted a third party administrator company to ensure better customer service and efficient management of health insurance claims. We have also recruited automobile engineers to enable effective claims management strategies for motor own damage claims, and intend to increase our team of in-house surveyors to asses motor own damage claims for improving efficiency in that portfolio. We also intend to increase focus on risk selection in fire portfolio, and engage experienced risk engineers to carry out risk inspection for better underwriting of fire risk.

Leverage technology to drive growth, profitability and customer satisfaction

We continue to focus on developing and strengthening our IT capabilities to support growth and improve the quality of our services in an increasingly digital world. We leverage our integrated IT platform to cover all stages of our operations in a comprehensive manner, from sourcing of leads to claims management, even in rural and semi-urban areas. We intend to use our IT infrastructure to build data driven models to improve our underwriting functions, risk management, monitoring and reduction of fraud. Our digitisation efforts are aimed at creating a structured, cost-efficient and largely automated sales process with decreased dependence on physical infrastructure while increasing market penetration. Currently, we use our technology platform for select products which require minimal customisation and involve relatively low risk. We continue to refine our IT infrastructure based on feedback from customers, employees and distribution intermediaries. We are in the process of upgrading our IT infrastructure and technology platform focused on improving customer satisfaction and increasing efficiency of our employees, agents and other distribution intermediaries. We are also updating technology infrastructure to enable faster and efficient claims processing.

We continue to focus on leveraging our IT platform to capitalize on cross sales opportunities to our existing customer base, and to further integrate our business processing, internal controls, customer service and other functions. We intend to introduce additional standard term products for direct distribution through our online channels. We also intend to introduce mobile applications for new product launches and enable functional ease for our agents and customers. We continue to target lower operating expenses through efficient use of our IT platform.

Customer satisfaction is an important element of our business, and while we had a high grievance disposal ratio of 99.15% in Fiscal 2017, we intend to focus on reducing number of grievances by undertaking a formal root cause analysis. A formal process has been set up to monitor the turnaround time of claims and various measures to reduce the turnaround time for claim settlement in the case of non-suit claims have been implemented. In Fiscal 2017, our claim settlement ratio (including suit claims) was 90.4% which is the highest among top 10 multi-product insurers *(Source: CRISIL Report)*.

We intend to implement mass and targeted marketing campaigns through social and other digital media to garner real-time customer feedback. In order to improve customer engagement on our digital platform, we intend to simplify customer interfaces and processes and make them user-friendly and easily accessible, and adopt chat bot technology to increase customer engagement.

We have over our long operating history developed a significant customer database, and intend to leverage this information by implementing data analytics systems to cross-sell our various product verticals and enable more targeted marketing and distribution initiatives. We also intend to adopt telematics to capture driving behaviour of our motor product customers to determine innovative methods of providing motor insurance. We remain committed to protection of customer information and will continue to undertake various measures to augment our security architecture and prevent cyber-attacks.

Continue to focus on product innovation

We continue to undertake market assessment studies to strategically evaluate additional product offerings. We intend to introduce new products in response to the changing needs of our customers. We provide relatively sophisticated products such as nuclear operator liability insurance, nuclear supplier liability insurance, cyber insurance and terrorism insurance. We have also developed the capability to offer complex insurance products. We strive to customise our product features based on factors such as customer feedback, size of the potential market and terms of similar products in the market in order to competitively target our products. Pricing and terms are areas that we continue to actively focus on while designing products that meet customer needs.

We have in the recent past introduced new products such as personal accident cover for 412 million individuals with Rupay Cards, nuclear operator liability insurance, cellular network policies to operators, bonded warehouse insurance for warehouse owners, and customized insurance solutions for various large risk projects across India. We believe our continued focus on product innovation will enable us to appropriately respond to market demands and maintain our market leadership in the rapidly growing and changing general insurance market in India.

We intend to focus on developing innovative products for various commercial and personal insurance requirements, including in particular, increasing our focus on the fast-growing retail health sector as well as innovative products for miscellaneous segments such as insurance protection for cyber liability, title insurance for immoveable property. We also intend to increasingly focus on the fast growing market for insurance products designed for the unorganised commercial sector.

We also intend to offer certain reinsurer driven policies leveraging their knowledge of international markets, capacity and capabilities in areas where we do not currently have requisite experience.

Expand our international operations

We intend to further expand our operations in additional international markets. We continue to selectively target new regions internationally where we can apply our existing market knowledge, underwriting expertise and risk management capabilities to further expand our business. We have recently established a representative office in Myanmar and plan to establish another international office in a Myanmar Special Economic Zone. We have also received a license to operate a regional office in the DIFC in Dubai and are in the process of securing approvals for commencing operations in Qatar. These additional offices will further strengthen our strategic presence in the Middle East and South East Asia.

We also intend to more effectively capitalise on potential growth opportunities in our existing international markets by leveraging our longstanding and established brand in these international markets.

Products

Our product portfolio can be divided into the following broad products:

- **Fire Insurance**. Our fire insurance portfolio includes fire and special perils insurance, business interruption insurance, and large risk package insurance policies;

- **Marine Insurance**. Our marine insurance business includes marine cargo insurance, hull and machinery insurance and offshore oil and energy insurance products;

- **Motor Insurance**. Our motor insurance portfolio includes liability only (third party) policies and comprehensive motor (third party and own damage) policies;

- **Crop Insurance**. Our crop insurance products include Pradhan Mantri Fasal Bima Yojana farmers package insurance, weather based crop insurance, unified package insurance schemes and horticulture / plantation insurance;

- **Health Insurance**. Our health insurance products include individual health products such as mediclaim, floater and premier mediclaim products; corporate (group) health insurance products; and personal accident products and schemes implemented for the GoI such as the Rashtriya Swasthiya Bima Yojana, PMSBY and PMJDY.

- **Other Insurance**. We include a broad range of general insurance products under this category, including the following: liability insurance; engineering insurance; aviation insurance; nuclear insurance; fidelity guarantee and burglary insurance; householder insurance; insurance specific commercial insurance such as banker's indemnity and shopkeepers insurance; money insurance; travel insurance; and social insurance products.

Within these broad general insurance product categories, our products include a number of variants in terms of coverage terms and riders, and certain products categorized under our "other products" category also include products that are a combination of two or more product categories, including customized products. As of June 30, 2017, we offered more than 230 products across our principal product categories.

The table below sets forth certain information relating to gross written premium in our principal product segments in the periods indicated and the number of products in the relevant product segment as of March 31, 2017:

Product Segment	Fiscal					
	2015		2016		2017	
	Gross Written Premium	Percentage of Total	Gross Written Premium	Percentage of Total	Gross Written Premium	Percentage of Total
	(₹million)	(%)	(₹million)	(%)	(₹million)	(%)
Fire Insurance	33,023.85	19.44%	34,637.12	18.01%	35,625.61	15.34%
Marine Insurance	87,72.46	5.16%	7,429.11	3.86%	7,141.25	3.07%
Motor Insurance	65,556.96	38.59%	76,525.25	39.80%	90,160.50	38.81%
Crop Insurance	666.62	0.39%	523.4	0.27%	12504.1	5.38%
Health Insurance	40,177.17	23.65%	49,613.32	25.80%	60,849.79	26.19%
Other Insurance	21,668.91	12.76%	23544.45	12.25%	26,023.69	11.20%
Total	**169,865.98**	**100.00%**	**192,272.64**	**100.00%**	**2,32,304.93**	**100.00%**

Fire Insurance

In Fiscal 2015, 2016 and 2017, our gross written premium from fire and special perils insurance was ₹ 33,023.85 million, ₹ 34,637.12 million and ₹ 35,625.61 million, respectively, representing 19.44%, 18.01% and 15.34%, respectively, of the total gross written premium from fire and special perils insurance in India in such periods. In each of Fiscal 2015, 2016 and 2017, we had the largest market share among the top 10 multi-product insurers in India in the fire insurance segment *(Source: CRISIL Report)*. Our key clients in this segment include Bharat Petroleum Corporation Limited and The Tata Power Company Limited.

- ***Fire and Special Perils Insurance***

  Fire insurance products are designed to protect an individual or organisation against financial loss in the event of certain insurable perils including, but not limited to, fire, lightning, storms, floods, riots, strikes and as well as any malicious damage. Our fire and special perils insurance products typically cover all moveable and immoveable property on land, but exclude the cost of land. We also offer specifically designed products for manufacturing stocks, as well as for building, plant and machinery, depending on the nature of the property and the policyholder's requirements. In addition, we offer long term policies for residential properties. Our standard fire insurance products may be extended to cover certain additional perils and expenses at an additional premium.

- ***Business Interruption Insurance***

  Our business interruption or consequential loss products are designed to cover loss of gross profit due to interruption of business arising out of damage due to an insured peril.

- ***Large Risk Package Insurance Policies***

  Large risk package insurance policies are designed to provide comprehensive insurance coverage for high-value risks, *i.e.*, policies with sum insured greater than ₹ 25,000 million at a single location. We customize insurance coverage for these risks based on the requirements of the customers, including complex risks for petrochemical plants and refineries, textile plants, power plants, as well as aluminium and cement manufacturers.

Marine Insurance

Marine insurance products are an important part of our overall business. Our marine insurance segment includes marine cargo insurance, hull and machinery insurance and offshore oil and energy insurance products.

In Fiscal 2015, 2016 and 2017, our gross written premium from marine insurance was ₹ 8,772.46 million, ₹ 7,429.11 million and ₹ 7,141.25 million, respectively, representing 5.16%, 3.86% and 3.07% respectively, of the total gross written premium from marine insurance in India in such periods. In each of Fiscal 2015, 2016 and 2017, we had the largest market share among the top 10 multi-product insurers in India in the marine insurance segment *(Source: CRISIL Report).*

- ***Marine Cargo Insurance***

  Marine cargo insurance products provide protection for goods, freight and related interests against loss or damage to goods during rail, road, sea and / or air transportation, both domestic and international. The contract of sale typically specifies the party responsible (either seller or purchaser) for purchase of the applicable marine cargo insurance. The most common contracts in these circumstances are free on board or FOB, cost and freight or C&F and cost, insurance and freight or CIF.

  We provide a range of marine insurance products with variable terms:

  - Annual turnover policies, Specific voyage policies;
  - Open policies or floating policies;
  - Annual policies, which provide protection for goods belonging to the insured party and or held in trust by the insured party while in transit from specified depots /processing units to other destinations; and
  - Open cover policies, targeted at regular import/ export customers.

- ***Hull and Machinery Insurance***

  We provide a range of hull and machinery insurance products, which is an ocean marine insurance with variable terms, designed for ship-owners, charterers, shipbuilders, bankers and financiers of ships or vessels who have an insurable interest, protecting the insured vessel or fleet against physical damage caused by perils of sea. These products include:

  - Insurance protection for loss or damage to the property insured resulting from perils of seas, rivers, lakes or other navigable waters, typically obtained by owners of single or fleet of vessels, charterers and ship construction companies and bulk carriers; and

- Comprehensive port package insurance products, which are typically purchased by port authorities, port or terminal operators and private jetty owners; these products typically provide protection for a wide range of risks including third party liability, business interruption, terrorism, wreck removal and other similar risks.

- ***Offshore Oil and Energy Insurance***

  Oil and energy risk insurance products, which are designed for the oil and energy industries and covers offshore and onshore constructions, exploratory drilling equipment, underwater pipelines and other related constructions.

Motor Insurance

Motor insurance in India is broadly divided into two categories: own damage and third-party. Own damage motor insurance protects a vehicle owner from damage or theft to his/her own motor vehicle, and is optional. On the other hand, third-party motor insurance, which protects all third parties from damages suffered due to an accident involving a motor vehicle, must be purchased by every motor vehicle owner in India pursuant to the Motor Vehicles Act, 1988, as amended.

Every motor vehicle owner in India is required to purchase third-party motor insurance pursuant to the Motor Vehicles Act, 1988, as amended, which protects all third parties from damages suffered due to an accident involving a motor vehicle. Third-party risks were addressed by shared risk pool with every non-life insurer in India having been mandated to assume a portion of such risk until Fiscal 2012, when the shared risk pool was dismantled and a declined risk pool was set up. This declined risk pool was also dismantled in Fiscal 2016. Each non-life insurer in India is mandated to meet a quota for third-party motor insurance policies written, and the IRDAI sets this quota every year based on a predetermined formula.

Third-party motor insurance differs from the other segments of our business in various ways – each third-party motor insurance policy subjects us to an uncapped liability, there is no time limit for any claims to be made, we are mandated to provide a policy to every customer that requests one, and the premium rates are set by the regulator, rather than being based on our underwriting and pricing methodology.

Our motor insurance portfolio includes:

- ***Liability Only Policy (Third Party)***

  Our motor insurance liability only policies covers third party liability for physical injury liability and/or death and property damage as well as personal accident cover for the owner-driver; and

- ***Comprehensive Motor Policy (Third Party and Own Damage)***

  Our comprehensive motor policies cover third party liability for physical injury liability and/or death and property, damage as well as personal accident cover for the owner-driver, as well as cost of any repairs/total loss for the vehicle insured. We provide various add-on covers to comprehensive motor policies.

Crop Insurance

Crop insurance products include Pradhan Mantri Fasal Bima Yojana, farmers package insurance, weather based crop insurance and horticulture / plantation insurance.

We are empaneled with the Ministry of Agriculture, Government of India for implementation of Pradhan Mantri Fasal Bima Yojana, Restructured Weather Based Crop Insurance Scheme and Unified Package Insurance Scheme in various states.

- ***Pradhan Mantri Fasal Bima Yojana ("PMFBY")***

Under the PMFBY program, central and state governments subsidise yield-based crop insurance for farmers. The PMFBY is aimed at providing wider risk coverage with lower premium to farmers and comprehensive insurance cover against failure of crops helping in stabilizing income of farmers and encouraging them to adopt innovative practices. The PMFBY covers all food and oilseed crops and annual commercial /horticultural crops and is compulsory for farmers obtaining crop loan / credit for notified crops in the areas declared by State governments. Farmers are charged a uniform premium based on the type of crop and risk-based pricing, and the remaining amount is paid by the central and state governments in equal proportion. Claims are paid based on the yield for a group of farms, as measured by a government-authorised surveyor.

The maximum premium payable by the farmer is 2.00% for all Kharif food and oilseed crops, 1.50% for Rabi food and oilseed crops and 5.00% for annual commercial /horticultural crops. The PMFBY provides compensation against yield losses to standing crops (pre-sowing to post-harvesting) due to non-preventable risks such as natural fire and lightning, storm, hailstorm, cyclone, flood, inundation, drought, dry spells, pests / diseases, *etc*.; prevented sowing; localized calamities due to occurrence of hailstorm, landslide and inundation; and post-harvest losses up to 14 days to crops in field due to cyclone, cyclonic rains and unseasonal rains.

- ***Restructured Weather Based Crop Insurance Scheme ("RWBCIS")***

  Under the RWBCIS programme, central and state governments subsidise weather-based crop insurance for farmers, resulting from adverse weather conditions relating to rainfall, temperature, wind and humidity. The weather-based crop insurance product for the RWBCIS provides an index-based cover which protects against variation in specified weather indices such as rainfall, humidity, temperature or a combination of these factors. The RWBCIS provides for crop insurance coverage to farmers raising crops in Kharif and Rabi seasons.

- ***Unified Package Insurance Scheme***

  The Unified Package Insurance scheme is a comprehensive package that includes the PMFBY (which is mandatory), a personal accident cover part of the PMSBY, the Pradhan Mantri Jivan Jyoti Yojana – a life insurance cover provided by LIC, buildings and contents insurance against fire and allied perils, insurance for breakdown of pumps and tractors and security for children's education.

- ***Horticultural / Plantation Insurance***

  Horticultural and plantation policies are issued to cover crops including date palm, pomegranate, banana, grapes, citrus and orange. Plantation crops include rubber, eucalyptus, poplar, tea wood, sugarcane, cocoa and tea. Coverage includes fire and allied perils, storms, cyclones, floods, riots and strikes and acts of terrorism.

Health Insurance

Mediclaim

Our mediclaim policies are designed to cover hospitalization expenses for illnesses and accidents to our policyholders and their families. In addition to our general portfolio of mediclaim policies, we offer certain specialized products targeted at senior citizens, families with only girl children, and overseas mediclaim policies. The cover on mediclaim policies is available on individual and floater basis. We also have top-up policies to provide larger health insurance coverage to our customers. We have also provided group mediclaim schemes for corporates covering the employees and their dependants. We also recently launched the New India Premier Mediclaim Policy targeting high net worth individuals.

Other Insurance

- ***Liability Insurance***

Liability insurance is generally offered to protect an individual or business against legal liabilities arising in connection with their business operations such as malpractice, injury or negligence. Our liability insurance products include:

Public Liability Insurance. Public liability insurance is designed to cover the damages that the policyholder becomes legally liable to pay as damages to third parties as a result of accidental death, bodily injury, loss or damage to property belonging to a third party. We also offer a specific variation of public liability insurance for golfers, which covers third party liability, theft and damage to property incurred during golfing.

Product Liability Insurance. Product liability insurance is designed to cover all amounts, including any amount incurred in any defence proceedings, which the policyholder becomes legally liable to pay as damages as a consequence of accidental death or physical injury or disease caused to any third party or accidental damage to any property belonging to a third party arising out of any defect in the product manufactured by the policyholder after such product has left the premises of the policyholder. Product recall cover is also granted in some circumstances. We also offer insurance cover for owners of passenger elevators in buildings to cover third party liabilities, including personal injuries or property damage resulting from the operation of such elevators and related equipment, devices and appliances.

Professional Liability Insurance. Our professional indemnity insurance policies are designed for professional service providers to protect them from any liability resulting from any error and omission in rendering professional services. We also offer a directors and officers' liability policy for directors and senior management in an organisation to protect them against any liability resulting from an action undertaken in their professional capacity.

Employers' Liability Insurance. Employers' liability insurance is designed to cover the statutory liability of an employer for the death, injury or occupational diseases sustained by an employee arising out of and in the course of employment.

Carriers' Liability Insurance. Carriers' liability insurance is designed to cover any liability the policyholder may become legally liable to pay as compensation for physical loss or destruction of or damage to goods or merchandise while in transit.

Public Liability Insurance Act Policy. Our Public Liability Insurance Act policy is designed for handlers of hazardous materials, and covers any statutory liability for the policyholder resulting from accidents relating to handling of hazardous substances.

- ***Personal Accident Insurance***

Our personal accident insurance policies are designed to provide compensation for death or disablement due to accidents. These policies also cover medical expenses due to accidents. These policies can be issued to individuals as well as groups. We offer a range of personal accident policies with variable terms including products specifically targeted at specific customer segments. We also offer accident protection to Indian citizens resident or employed in other countries through our Pravasi Bharati Bima Yojana Policy.

- ***Engineering Insurance***

Engineering insurance refers to the insurance that provides coverage for risks faced by an ongoing construction project, installation project, and machines and equipment used in such project. Our engineering insurance products are classified into project insurance policies and operational insurance policies.

A project insurance policy provides comprehensive cover during the construction phase of engineering installations such as industrial units, factories and civil structures. We provide two primary products in the engineering construction insurance segment, contractor's all risk policy, which are designed for civil engineering projects and the marine cum erection policy, which is designed to cater to plant and machinery erection, commissioning and testing. We also provide contractor's plant and machinery insurance to contractors executing projects and the policy provides an all risk cover to various construction plant and machinery deployed in the site.

Operational insurance policies provide cover for the equipment following successful commissioning, while in operation, at rest, under maintenance or cleaning, being overhauled or shifted within the premises. Primary products in the engineering operational segment include machinery insurance policy, which is designed to cover accidental break down losses in electrical and mechanical machinery, and the electronic equipment policy, which is an all risk policy specifically designed to cover electronic equipment such as computers and bio-medical equipment.

- ***Aviation Insurance***

We provide professional aviation insurance advice and solutions for scheduled airlines and small aircraft operators. We offer a range of policies in this category including: hull all risk insurance policies that offers protection from physical loss or damage sustained by the insured aircraft including total loss or disappearance; spares all risk insurance policy that covers loss or damage to spares parts, tools, equipment and supplies while on ground or in transit by land, sea, air; hull/spares war risk insurance which covers the aircraft as well as spares against loss or damage caused by war, invasion, hostilities, riots and other similar events; hull deductible insurance which covers proportion of loss due to the application of a deductible under an all risk policy; aviation personal accident for crew members which provides insurance against injury, disablement or death resulting from an accident; and loss of license insurance which covers any loss resulting from loss of an aviation license. Clients under this product segment include Air India Limited and InterGlobe Aviation Limited.

- ***Fidelity Guarantee Insurance***

We provide fidelity guarantee insurance designed to indemnify the employer against a direct pecuniary loss resulting from any fraudulent or dishonest act of an employee.

- ***Burglary Insurance***

Burglary insurance's products are designed to cover business premises against theft. We offer three kinds of burglary policies: (i) full value insurance, where the full value of the property is insured; (ii) first loss insurance, which is generally applicable in the event of improbability of total loss, and the policy holder may opt for certain percentage of the total stocks to be insured; and (iii) stock declaration policies, which cater to circumstances where stocks frequently fluctuate during the period insured.

- ***Householder's Insurance***

Our householder's insurance policies are designed to meet the various insurance requirements of a householder. Householder's policies provide comprehensive coverage for fire and related perils, burglary, specific cover for jewellery and other valuables, cover for household appliances, as well as protection against personal accident and public liability. We also offer certain abridged variations of our comprehensive householder policies that provide insurance cover for only certain of these risks. We have also customized cover on first loss basis.

- ***Industry-Specific Commercial Insurance***

We have developed and introduced several commercial insurance products targeted at specific industries. We provide banker's indemnity policy which is a comprehensive policy specifically designed to address the risks related to the banking and financial services sectors, that cover all branches across India of the relevant financial institution. We provide a comprehensive policy specifically designed for jewellers and establishments dealing in diamonds and precious stones. We also provide specialised insurance products including shopkeepers' policies, multi-peril policies for liquid petroleum gas dealers to cover risks to person and property at commercial establishments.

- ***Money Insurance***

Our money insurance policies provide protection against (i) loss of money in transit between the policyholder's premises and bank or post office, or other specified places occasioned by robbery, theft or any other fortuitous cause; and (ii) money in safe or premises.

- ***Travel Insurance***

  Our travel insurance products, termed Suhana Safar policies, provide insurance protection for domestic travel, particularly for families. Our travel insurance products provide protection against risk of personal accident, and for loss or damage to accompanying travel baggage, of the family, comprising the policyholder, spouse and dependent children using any mode of transport.

- ***Social Insurance***

  Social insurance policies are designed towards social welfare and greater availability of insurance benefits for underprivileged customer segments. Our social insurance schemes include health insurance schemes, women focused insurance schemes, personal accident products, student safety insurance and rural insurance.

Distribution Network

We have developed an extensive multi-channel distribution network including a large network of branches across India and in 28 other countries. We have entered into exclusive arrangements with a large number of agents, various bancassurance partnerships, and distribution arrangements with other intermediaries. We believe that our diversified distribution channels enable us to reduce our risk of dependence on any single distribution channel which could be significantly affected as a result of unanticipated regulatory developments, customer trends and other factors. Our multi-channel distribution network also allows us to access various customer segments thereby reducing concentration risk on any particular customer segment.

The table below provides the relative proportion of gross direct premium in India contributed by our various distribution channels in the periods indicated:

Distribution Channel	**Fiscal**					
	2015		**2016**		**2017**	
	Gross Direct Premium	**Percentage of Gross Direct Premium**	**Gross Direct Premium**	**Percentage of Gross Direct Premium**	**Gross Direct Premium**	**Percentage of Gross Direct Premium**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**	**(₹ million)**	**(%)**
Agents (Individual, Corporate and Others)	65,859.88	49.86%	70,684.67	46.66%	80,297.91	42.01%
Brokers	33,484.31	25.35%	40,476.09	26.72%	49,218.665	25.75%
Direct sales	31,651.05	23.96%	39,189.97	25.87%	59,436.923	31.09%
Bancassurance	1,098.66	0.83%	1,144.17	0.76%	2,193.416	1.15%
Total	**132,093.90**	**100.00%**	**151,494.90**	**100.00%**	**191,146.90**	**100.00%**

- ***Agent Network***

  The substantial majority of our retail business in India is generated through our agent network. We engage individual and corporate agents to market and distribute our insurance products. Our agent network primarily focuses on retail insurance products and has historically been our most significant distribution channel in terms of gross direct premium collected. In Fiscal 2015, 2016 and 2017, our agent network (including corporate agents and others) contributed 49.86%, 46.66% and 42.01%, respectively, of our gross direct premium in such periods. Gross direct premium generated through our agent network increased at a CAGR of 11.00% between Fiscal 2013 and Fiscal 2017. As of March 31, 2015, 2016 and 2017, we had distribution arrangements with 86,761, 57,165 and 66,612, agents, respectively. As of June 30, 2017, we had distribution arrangements with 68,389 individual agents and 16 corporate agents. In Fiscal 2017, our agent network comprising of individual and corporate agents, generated 42.01% of our gross direct premium. The individual agents are appointed by us after they pass an examination approved by IRDAI. The corporate agency agreements are typically for three years extendable by mutual consent.

Our individual and corporate agents are supported by our sales management team. We provide extensive product training as well as sales and operational support to our agents aimed at increasing productivity of our agents. Our agents are regularly assessed to ensure compliance with applicable regulatory and operational standards.

Our agent network is also supported by our large branch infrastructure. The agents are directly associated with our micro-offices and branch offices, and their respective marketing and sales teams. Each of our offices has an agent manager to provide support for agents in training, procuring business and sales and service support.

- ***Brokers***

A significant proportion of our business is generated through third party insurance brokerage firms or individual brokers. In Fiscal 2015, 2016 and 2017, brokers contributed 25.35%, 26.72% and 25.75%, respectively, of our gross direct premium in such periods. Gross direct premium generated through brokers increased at a CAGR of 32.10% between Fiscal 2013 and Fiscal 2017.

These insurance brokerage firms or brokers are engaged by the client. These licensed brokers primarily focus on large and medium sized corporate insurance products, and typically do not engage in distribution of retail insurance products. The brokers obtain the relevant information from the clients, including risk information and insurance requirements, and engage with us to offer our insurance products, or if required, customized insurance solutions, to the client.

Brokers are paid brokerage fees depending on the nature and value of the insurance product sold. We have established large corporate broker offices in Mumbai, Pune, Kolkata, Delhi, Chennai and Hyderabad to effectively support large corporate clients that require comprehensive insurance solutions. We have also introduced a web-based broker portal which has enabled us to efficiently manage and track business generated through brokers. For business generated through such brokers, we compete with other general insurance providers and specific insurance products in the market. We have implemented various measures to strengthen our relationship with brokers that provide us business opportunities, including competitive brokerage fees and commissions, and appropriate rewards and recognition schemes. We organise regular workshops and training sessions and broker meets to strengthen our relationship with insurance brokers. We believe that our large portfolio of general insurance products, industry specific product customization capabilities, established brand and reputation and longstanding relationship with the insurance broker community enables us to compete effectively for the business generated through brokers.

We also engage with reinsurance brokers specialised in arranging reinsurance support and assist us in procuring attractive reinsurance terms.

- ***Direct Sales***

Direct sales contribute a significant proportion of our business, and in Fiscal 2015, 2016 and 2017, contributed 23.96%, 25.87% and 31.09%, respectively, of our gross direct premium in such periods. Our direct sales primarily includes business generated from retail walk-in customers at our branches and other offices, institutional sales generated through longstanding relationships with large corporate groups across various industries and government related schemes, such as in connection with Pradhan Mantri Fasal Bima Yojana, and the RuPay Card Scheme where RuPay card holders in India are provided with insurance cover and state health insurance schemes.

We have developed an effective sales team to cater to retail walk-in customers and actively engage with large corporate groups to promote our institutional products, primarily fire and marine insurance products. We undertake significant marketing activity to further develop our brand and support our direct sales efforts, including through traditional outdoor media, digital advertising and e-mail communication. We also conduct significant electronic media advertisement campaigns across India to strengthen customer awareness about our brand and products.

- ***Bancassurance***

  We have entered into distribution arrangements with various bancassurance partners, which has become an important distribution channel in recent years. As of June 30, 2017, we had entered into bancassurance arrangements with 25 banks, including four public sector banks. We have recently entered into bancassurance arrangements with two large public sector banks, Bank of India and Canara Bank.

  In Fiscal 2015, 2016 and 2017, our banacassurance channel contributed 0.83%, 0.76% and 1.15%, respectively, of our gross direct premium in such periods. Gross direct premium from our bancassurance channels increased at a CAGR of 2.96% between Fiscal 2013 and Fiscal 2017.

  Bancassurance arrangements are non-exclusive arrangements that do not require us to maintain a minimum level of business with our bancassurance partners as per IRDAI regulations. Our bancassurance arrangements are non-exclusive and our bancassurance partners may enter into similar distribution arrangements with other insurance companies with competing insurance products. We continue to engage closely with our bancassurance partner employees and provide training on our product features, customer requirements and sales techniques in order to increase familiarity and loyalty to our insurance products. We offer customized products under bancassurance arrangements covering property, health and accident.

Distribution Infrastructure in India

We have over the years developed a pan-India distribution network and branch infrastructure to support our direct sales, our agents and other distribution intermediaries. As of June 30, 2017, we had 2,452 offices in India across 29 States and seven Union Territories, including seven large corporate and brokers offices, 31 regional offices, 459 divisional offices, 586 branch offices, 27 direct agent branches and 1,339 micro-offices, and an auto-hub focused on our motor insurance business. Our corporate and regional offices are primarily administrative offices that supervise operations across our divisional offices and branch offices. As we expand our branch network, we initially establish operations in a particular region or market through cost-efficient micro-offices, typically with a single employee or a small number of employees, to understand the insurance needs of the local customer segments, including insurance products targeted at small and medium enterprises as well as individual products. The micro-offices report directly to our divisional offices. These micro-offices support our local agent network, and are upgraded into larger branch offices when sufficient business is generated from the relevant location or if the relevant micro-office presents significant business potential.

We have also established large corporate and broker offices in Mumbai, Pune, Kolkata, Delhi, Chennai and Hyderabad, to provide efficient support to large corporate customers and insurance brokerage firms. We have also set up specialized offices such as our auto hub, which primarily caters to our motor insurance business. We were the first general insurer to establish operations in the Gujarat International Finance Tec-City in Gandhinagar, Gujarat.

The table below provides certain information relating to the number of operating offices in the respective States in India as of the dates indicated:

Zone		As of March 31,		
	Location	**2015**	**2016**	**2017**
North	Uttarakhand	32	36	36
	Himachal Pradesh	24	25	27
	Jammu & Kashmir	19	22	23
	Haryana	56	58	65
	Punjab	97	103	104
	Chattisgarh	32	41	42
	Delhi	53	55	63
	Chandigarh	11	11	11
West	Goa	10	11	11
	Gujarat	146	152	177
	Maharashtra	297	322	341

Zone	Location	As of March 31,		
		2015	2016	2017
	Rajasthan	87	93	101
	Madhya Pradesh	124	125	126
	Dadra & Nagar Haveli	1	1	1
	Daman & Diu	1	1	1
South	Tamil Nadu	269	278	282
	Karnataka	99	99	107
	Kerala	130	134	137
	Andhra Pradesh and Telangana	160	175	192
	Lakshadweep	1	1	1
	Puducherry	8	8	8
	Andaman & Nicobar Islands	4	4	5
East	Bihar	42	42	46
	Assam	45	48	51
	Arunachal Pradesh	3	3	3
	Mizoram	3	3	4
	Meghalaya	6	7	7
	Nagaland	4	5	6
	Sikkim	1	1	2
	Tripura	4	4	7
	Manipur	3	3	3
	Orissa	70	75	79
	Jharkhand	41	43	45
	Uttar Pradesh	241	242	245
	West Bengal	98	99	98
Total		**2,222**	**2,330**	**2,457**

The following table sets forth the geographical distribution (on the basis of the source of origination) of our gross direct premium in the periods indicated:

State	For the period ended					
	March 31, 2015	Percentage	March 31, 2016	Percentage	March 31, 2017	Percentage
Andhra Pradesh	5,890.56	4.46%	5,122.47	3.38%	5,025.20	2.63%
Arunachal Pradesh	248.87	0.19%	759.32	0.50%	198.11	0.10%
Assam	1,424.74	1.08%	1,347.73	0.89%	1,410.96	0.74%
Bihar	646.48	0.49%	1,390.89	0.92%	999.19	0.52%
Chhattisgarh	2,425.13	1.84%	2,799.81	1.85%	2,866.66	1.50%
Goa	424.50	0.32%	455.33	0.30%	437.36	0.23%
Gujarat	11,774.29	8.91%	10,816.55	7.14%	18,967.27	9.92%
Haryana	4,307.25	3.26%	4,681.26	3.09%	4,761.57	2.49%
Himachal Pradesh	1,559.20	1.18%	1,159.68	0.77%	1,239.44	0.65%
Jammu & Kashmir	782.03	0.59%	1,340.23	0.88%	1,328.98	0.70%
Jharkhand	897.17	0.68%	760.91	0.50%	887.89	0.46%
Karnataka	7,609.92	5.76%	10,031.38	6.62%	9,178.92	4.80%
Kerala	6,546.82	4.96%	6,585.98	4.35%	8,864.04	4.64%
Madhya Pradesh	3,826.36	2.90%	3,510.17	2.32%	6,340.43	3.32%
Maharashtra	42,091.09	31.86%	44,520.05	29.39%	61,084.97	31.96%
Manipur	49.59	0.04%	190.99	0.13%	42.00	0.02%
Meghalaya	164.40	0.12%	965.39	0.64%	121.65	0.06%
Mizoram	101.67	0.08%	1,581.25	1.04%	76.86	0.04%
Nagaland	96.95	0.07%	95.60	0.06%	126.23	0.07%
Orissa	1,936.39	1.47%	2,685.20	1.77%	2,114.58	1.11%
Punjab	3,903.35	2.95%	6,304.38	4.16%	3,522.04	1.84%
Rajasthan	4,666.61	3.53%	5,852.92	3.86%	9,296.37	4.86%
Sikkim	80.45	0.06%	154.79	0.10%	96.53	0.05%
Tamil Nadu	13,277.88	10.05%	13,799.67	9.11%	24,449.99	12.79%
Telangana	1,016.54	0.77%	2,642.88	1.74%	2,972.38	1.56%
Tripura	159.56	0.12%	526.38	0.35%	176.38	0.09%
Uttar Pradesh	7,323.53	5.54%	7,094.78	4.68%	8,486.78	4.44%

State	For the period ended					
	March 31, 2015	Percentage	March 31, 2016	Percentage	March 31, 2017	Percentage
Uttrakhand	936.38	0.71%	1,512.97	1.00%	1,822.63	0.95%
West Bengal	3,188.19	2.41%	4,598.52	3.04%	3,855.20	2.02%
Andaman & Nicobar Is.	64.82	0.05%	70.78	0.05%	90.85	0.05%
Chandigarh	335.50	0.25%	1,540.65	1.02%	418.66	0.22%
Dadra & Nagra Haveli	125.66	0.10%	453.33	0.30%	119.32	0.06%
Daman & Diu	58.88	0.04%	103.99	0.07%	59.23	0.03%
Delhi	3,956.32	3.00%	5,349.44	3.53%	9,484.83	4.96%
Lakshadweep	13.56	0.01%	200.64	0.13%	9.36	0.00%
Puducherry	183.33	0.14%	487.79	0.32%	214.08	0.11%
Total	**1,32,093.95**	**100.00%**	**1,51,494.07**	**100.00%**	**1,91,146.92**	**100.00%**

International Operations

As of June 30, 2017, in addition to India, we had operations in 28 countries through a large number of branches, representative offices, agents, and Subsidiaries including a desk at Lloyd's, London.

We commenced international operations soon after our incorporation, in 1919, and we established our London branch office in 1920. We subsequently grew our international business to Manila, Port Louis and Japan. As of June 30, 2017, we operated in 28 international jurisdictions through a number of international branches and agent offices including in the United Kingdom, Japan, Hong Kong, Philippines, Thailand, Australia, New Zealand, Mauritius, Fiji, Dubai, Abu Dhabi, Bahrain, Kuwait, Oman, Aruba and Curacao.

We conduct reinsurance business through our desk at Lloyds in London. Our London office also operates local direct insurance operations through our branch at Ipswich.

We have established subsidiaries in Nigeria (Prestige Assurance Plc.), Trinidad & Tobago (The New India Assurance Company (Trinidad & Tobago) Limited), and Sierra Leone (The New India Assurance Company (Sierra Leone) Limited) (which is being run-off). The New India Assurance Company (Sierra Leone) Limited has closed down business operations with effect from January 1, 2003 owing to civil disturbances prevailing there. Our Subsidiary, The New India Assurance Company (Trinidad & Tobago) Limited also carries on operations in certain other international jurisdictions such as St. Lucia, Dominica, St Maarten, Guyana and Anguilla.

We have also made investments in certain companies to expand our operations in these regions, including Saudi Arabia (WAFA Insurance), Singapore (India International Pte Ltd) and Kenya (Kenindia Assurance Co. Ltd., Nairobi).These companies are in insurance business.

We have recently established a representative office in Myanmar and plan to establish another international office in a Myanmar Special Economic Zone. We have also received a license to operate a regional office in the DIFC in Dubai and are in the process of securing approvals for commencing operations in Qatar.

Most of our international business is generated through insurance brokers and agents. We pay brokerage fees or commissions and other incentives, in compliance with applicable regulatory requirements in the relevant jurisdiction, to such brokers. Some of our international operations, such as in the Middle East, in particular in the UAE, Kuwait, Bahrain and Muscat, our business has grown through individual and corporate agents, and these agents are supervised by our sales and agent support teams.

In order to further raise our international profile, we also undertake significant branding and marketing initiatives through sponsorship of international insurance summits and advertisement campaigns in international insurance related publications.

Gross written premium from our Company's international operations increased at a CAGR of 6.42% from ₹ 24,666.38 million in Fiscal 2013 to ₹ 31,640.00 million in Fiscal 2017.

The table below sets forth our gross written premium from various international jurisdictions in Fiscal 2017 presented as a percentage of our total gross written premium from international jurisdictions in such period:

Country	Gross Written Premium	Percentage of Gross Written Premium from International Operations
	(₹ million)	(%)
United Arab Emirates	3,868.80	12.23%
Bahrain	1,302.50	4.12%
Kuwait	574.80	1.82%
Muscat	4,524.10	14.30%
Saudi Arabia	0.00	0.00%
Aruba	843.50	2.67%
Curacao	337.10	1.07%
Mauritius	666.80	2.11%
Hong Kong	710.90	2.25%
Philippines	477.70	1.51%
Thailand	218.10	0.69%
Australia	543.30	1.72%
Fiji	1,091.70	3.45%
Auckland	382.40	1.21%
Japan	2,805.60	8.87%
United Kingdom	13,292.70	42.01%
Total	**31,640.00**	**100.00%**

Pricing

Our pricing strategy is based on various factors such as claim frequency, claim severity, market conditions, lifetime value of a customer and past experience. While we rely primarily on experience based pricing for high frequency low severity segments such as our motor insurance and health insurance products, for larger risks we rely on exposure based methods. We also take into consideration reinsurance considerations where applicable in the context of pricing of our products. For new retail products and revision of pricing of existing retail products, the prior approval of IRDAI is required to be obtained. All new products have to be filed with the IRDAI. For motor third party products, pricing is determined by the IRDAI. Regular pricing reviews are conducted by our product management committee and pricing corrections that are deemed necessary are effected following requisite approval from the IRDAI. We have also implemented advanced pricing techniques such as generalised linear modelling in the pricing of certain high volume retail lines.

Underwriting

Our underwriting operations are led by a team of skilled and experienced personnel based at our corporate office, regional offices and operating offices. We have developed a comprehensive policy, as well as processes and guidelines for underwriting of risks across all our business verticals. Based on the amount of risk to be assumed under a particular insurance policy and the authorization level of the relevant underwriting staff, underwriting decisions are made by corresponding underwriters at our corporate office, regional offices and operating offices.

We have designed various underwriting and claims adjustment guidelines for our distinct product verticals. We believe that we have developed strong risk control capabilities in our underwriting operations, benefiting from the design, implementation and management of a tiered authorization system, the professional skills of our underwriting staff and the centralized management of many aspects of our business operations. The precision of our underwriting models enable us to price our products to the exposure and permit our agents and intermediaries to provide customized solutions covering a broad range of risks targeting specific industry or customer segments. We have also developed standard-form policies that enable us to streamline our underwriting process, improve our underwriting efficiency and reduce our operational risk. We conduct periodic audits of the underwriting process and retrospective revaluation of underwriting decision samples to implement measures to reduce error percentage and control the risk to our policy portfolio.

We apply more stringent underwriting requirements for product verticals in which we anticipate higher claims. Our group underwriting process, primarily for health and accident insurance, is based on the size, occupation and medical history of a particular group. In order to ensure appropriate underwriting, we may rely on reports from risk engineers, agents and/or our sales teams, risk checks for suspicious cases and reinsurance referrals. We periodically review, and where necessary, revise the parameters for policies that can be issued without additional checks based on factors such as evolving market practice, claims experience and reinsurance feedback. In addition, we rely on information obtained from our local management teams that have in depth understanding of the competitive landscape and clients in the regions they manage. We use modelling techniques to assess our level of exposure to loss in catastrophe prone areas. We also conduct site visits for special risk objects, when appropriate, prior to making the underwriting decision.

We have developed a team of underwriting personnel with high professional knowledge and skills. We conduct periodic training for our underwriting personnel to improve their professional skills. Many of our underwriting or claims settlement personnel have professional and technical backgrounds in the areas we operate. The performance of our underwriting personnel is regularly reviewed. The authority levels for underwriting personnel are periodically adjusted based on experience and performance.

Reinsurance

Reinsurance involves transferring, or ceding, a portion of our risk to another insurer, the reinsurer. The reinsurer assumes the exposure in return for a portion of the premium.

We manage our risk through a prudent mix of proportional and non-proportional reinsurance covers. We have a reinsurance program which is approved by our Board and the IRDAI. In formulating our reinsurance cover, we are selective in our choice of reinsurers and consider numerous factors, including the financial stability of the reinsurer, its history of responding to claims, reinsurer's rating, administrative and operational efficiency, access to expertise and global best practices, pricing and other terms, and its overall reputation. The retention levels for various portfolios are decided based on our financial strength, risk profile, risk appetite and performance of the portfolio.

In the non-life insurance business, natural catastrophes such as floods, earthquakes, and cyclones are considered to be key risks. We determine the nature and extent of risk to be ceded based on our risk profile, prior experience and expected quality of the portfolio being reinsured, product type and pricing, solvency requirements, regulation and catastrophe cover considerations. Our reinsurance purchase for catastrophic loses is based on well-established models. We review our reinsurance arrangements periodically to factor in the changing operating environment as well as our developing experience. The amount of reinsurance we purchase may vary over time.

While the reinsurance regulations in India prescribe a minimum financial strength rating of BBB (S&P or equivalent international rating) for reinsurers, we primarily work with reinsurers having a rating of A- or above. The details of premium on reinsurance ceded for Fiscal 2017 is set forth below:

(*₹ million*, *Standalone Domestic*)

Sr. No.	Particulars	Premium ceded to Reinsurers													
		Proportional Treaties						Non-proportional Treaties				Facultative			
		Obligatory (In India)		Others (in India)		Others (outside India)		Excess of Loss (In India)		Excess of loss (Outside India)		In India		Outside India	
		No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)
1	No. Of Reinsurers with rating of AAA and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	No. Of Reinsurers with AA but less than AAA	-	-	-	-	2	649.54	-	-	4	417.61	-	-	38	561.80
3	No. Of Reinsurers with A & less than AA	-	-	-	-	2	35.99	-	-	33	1,002.52	-	-	183	2,902.13
4	No. Of Reinsurers with BBB but less than A	-	-	-	-	14	1,554.71	-	-	15	434.06	-	-	101	2,487.16
5	No. Of Reinsurers with less than BBB	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Particulars	Premium ceded to Reinsurers													
		Proportional Treaties						Non-proportional Treaties				Facultative			
		Obligatory (In India)		Others (in India)		Others (outside India)		Excess of Loss (In India)		Excess of loss (Outside India)		In India		Outside India	
		No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)
6	Domestic capacity	1	9,041.20	5	10,457.00	-	-	1	1,084.64	-	-	2	7,046.57	-	-
	Total	**1**	**9,041.20**	**5**	**10,457.00**	**18**	**2,240.24**	**1**	**1,084.64**	**52**	**1,854.20**	**2**	**7,046.57**	**322**	**5,951.09**

Under IRDAI regulations, we are required to offer domestic reinsurers, right of first offer on all reinsurance that we cede. There is also a requirement to make an obligatory cession to Indian reinsurers as per the IRDAI regulations. Due to such regulations, and other unique attributes of the Indian insurance market, GIC Re is our largest reinsurance partner, and as of March 31, 2017, reinsurance with GIC Re constituted 49.60% of our total reinsurance ceded. Further we reinsure with reputed international reinsurer like National Indemnity Company, a subsidiary of Berkshire Hathaway Inc., Hannover Rück SE, Munich Re, Sirius International Insurance Corporation, Swiss Reinsurance Company Limited, XL Insurance Company SE, *etc*.

We write inward reinsurance through our international offices including through our desk at Lloyd's, London. We also write inward reinsurance at our Head office in Mumbai and through our office in Gujarat International Finance Tec-City (GIFT). The total inward reinsurance premium in the Fiscal 2017 amounts to ₹14,233.59 million.

Reserves

We establish and maintain reserves to cover our estimated ultimate losses under all insurance policies that we underwrite and our loss adjustment expenses relating to the investigation and settlement of policy claims. Our reserves represent our estimation of liability. Our technical reserves comprise unexpired risk reserve and claims outstanding.

The unexpired risk reserve represents the sum of the unearned premium reserve and the premium deficiency reserve. The unearned premium reserve is calculated in accordance with applicable IRDAI guidelines, as follows: (i) in the case of marine hull insurance, 100.00% of the net written premium during the preceding twelve months; and (ii) in the case of all our other products: (a) with respect to our business in India, on the basis of 1/365th of the unexpired period of the respective insurance policies and (b) with respect to our international business, 50.00% of the net premium in respect of all business other than those relating to the marine hull business. Any provision for premium deficiency reserve is based on estimates provided by the Appointed Actuary.

Claims outstanding as of the end of a fiscal year are provided for based on survey reports, information provided by the relevant clients and other sources, past experience and applicable laws and includes: (i) with respect to direct business, claim intimations received up to the year-end and (ii) in respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalization of accounts or on estimation basis.

Provision for unpaid claims include provision for incurred but not reported ("**IBNR**") and provision for claims incurred but not enough reported ("**IBNER**") claims. These provisions are determined by our Appointed Actuary, in accordance with accepted actuarial practice, and in compliance with the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and other relevant regulations and guidelines issued by the IRDAI and Institute of Actuaries of India.

All outstanding claims for direct business are provided for net of estimated salvage, if any. In respect of motor third party claims where court summons have been served on us without adequate information relating to the relevant policy to establish our liability, provision is made as follows: (i) 100.00% of the estimated liability, where such claims are outstanding for more than one year; and (ii) one third of the estimated liability, for all claims for which court summons have been served on us during the relevant fiscal year. Interest on motor accident claims tribunal claims is included based on the prevailing trends in the motor third party outstanding provision.

Our reserves represent our management's estimate of the ultimate cost of unpaid claims and claim adjustment expenses for claims that have been reported and those claims incurred but not reported. In arriving at this estimate, management utilizes actuarial calculations in conjunction with their knowledge and judgment about operational and environmental conditions. These estimates are based on predictions of future developments and estimates of future trends in claims severity and frequency and other variable factors.

We regularly review the appropriateness of our loss reserves for each of our product segments. The following table provides certain information on our net outstanding claim reserves relating to our principal product segments as of the dates indicated:

Product Segment	**As of March 31,**		
	2015	**2016**	**2017**
	(₹ million)	**(₹ million)**	**(₹ million)**
Fire Insurance	25,368.12	26,013.90	28,079.32
Marine Insurance	5,209.86	5,228.02	4,998.72
Motor Insurance	100,988.69	109,613.06	120,439.89
Crop Insurance	199.57	465.03	3,845.90
Health Insurance	5,473.95	7,764.89	8,459.61
Other Insurance	14,607.36	15,726.84	14,668.75
Total	**151,847.55**	**164,811.74**	**180,492.19**

For details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors affecting our Results of Operations*" on page 433.

We determine our reserves based on actuarial assumptions, methods and models, historical loss experience, adjustments for future trends and actuarial judgment. For details, see "*Risk Factors – The actuarial valuations of liabilities for our policies with outstanding liabilities may be inaccurate*" on page 34.

Our Appointed Actuary is responsible for the assessment of our IBNR and IBNER reserves. Our approach is consistent with regulatory guidelines, which do not permit discounting of reserves or negative provisions for any particular year of occurrence derived in accordance with relevant IRDAI regulations and guidance notes and Actuarial Practice Standards issued by the Institute of Actuaries of India.

Claims Management

Claims management is an integral part of our business and includes risk improvement and loss control measures. We continue to focus on providing efficient and equitable settlement of claims, and in the event of a claim rejection, we provide appropriate explanation. In cases of major claims, decisions are taken by our claims settlement committee consisting members of senior management. All claim related transactions are appropriately processed and documented. We believe that our prudent investigative measures including cross-checking of insurance terms, claims documentation and qualification of a claimant and the use of insurance fraud risk warning indicators developed based on past experience result in prevention and detection of fraud and misconduct.

We utilize services of competent surveyors and loss assessors for quick and fair settlement of claims. We have set up 33 non-suit claims hubs to focus on efficient claim management. We have also engaged automobile engineers, risk engineers and medical doctors who are actively involved in our claims management processes.

In order to equip our claims personnel with the requisite technical knowledge, and enable them to address customer queries and claims in a satisfactory manner, regular training programs are organized. At these workshops, extensive technical issues relating to claims handling are discussed, and requisite clarification is disseminated across all our claims settlement teams to ensure standardized claims settlement models leading to greater efficiencies. We have developed comprehensive claims manuals that are periodically updated which provide guidance to claims handling personnel. We have co-promoted a TPA company called Health Insurance TPA of India Limited to provide third party administration services to improve customer service and enhance claims management.

Non-suit Claims. We regularly monitor settlement of our non-suit claims according to the age of such claims. Our claims settlement personnel focus on older claims on a priority basis, and work directly with the relevant claims hub or divisional office or regional office to ensure efficient claims processing. Regular review meetings are conducted between the relevant regional claims settlement officers and the technical department of the central claims settlement team. The regional claims settlement teams also engage directly with the claimants. The table below sets forth certain information relating to our non-suit claims as of the dates indicated:

Non-suit Claims	**As of March 31,**		
	2015	**2016**	**2017**
No of claims outstanding in the beginning of the year	76,583	96,438	96,003
Number of claims intimated during the year	2,249,157	2,239,412	3,842,129
Number of claims settled during the year	2,229,302	2,239,847	3,800,701
Number of claims outstanding at the end of the year	96,438	96,003	137,431
Number of claims outstanding for more than one year	2,285	2,021	1,548
Non-suit claims disposal ratio	95.80%	97.56%	96.51%

Suit Claims. Most of our suit claims relate to the motor third party insurance products of business. We have redefined our third party claims strategy to increase claim settlement efficiencies, in particular by strengthening our IT applications used in tracking and monitoring motor third party claims. We focus on high value claims from an initial stage, redefining limits for such claims and establishing a standardized procedure for effective management of such high value claims. We have also introduced specialist motor third party hubs within the claim management function of the respective operating offices to focus exclusively on such suit claims. We have recruited a number of qualified lawyers in recent years to strengthen our claims settlement process, and have set up teams to evaluate pending claims proceedings in courts and tribunals in the context of decisions of relevant judicial and quasi-judicial authorities.

As of June 30, 2017, we had developed a network of 47 dedicated Third Party Claim Hubs including two centralized claim hubs for metropolitan cities, in New Delhi and Mumbai, to ensure effective and efficient claim settlement. We encourage conciliatory settlements. We participate in Lok Adalats in a significant manner to settle claims through conciliatory processes.

The table below sets forth aging analysis information relating to outstanding claims across our principal product segments as of March 31, 2017:

Product Segment	**Less than 90 days**		**90 days to 6 months**		**6 months to 1 year**		**1 year to 2 years**	
	No. of claims	**Percentage of Total (%)**	**No. of claims**	**Percentage of Total (%)**	**No. of claims**	**Percentage of Total (%)**	**No. of claims**	**Percentage of Total (%)**
Fire Insurance	598	0.49%	845	4.51%	702	2.35%	349	1.21%
Marine Insurance	1,086	0.88%	471	2.51%	535	1.79%	158	0.55%
Motor Insurance	54,292	44.07%	14,367	76.70%	23,644	79.28%	27,074	93.50%
Crop Insurance	-		-		-		-	
Health Insurance	62,166	50.46%	731	3.90%	2,349	7.88%	421	1.45%
Others	5,059	4.11%	2,318	12.37%	2,595	8.70%	945	3.26%
Total	**1,23,201**	**100.00%**	**18,732**	**100.00%**	**29,825**	**100.00%**	**28,957**	**99.97%**

Product Segment	**2 years to 3 years**		**3 years to 5 years**		**5 years and above**		**Total**	
	No. of claims	**Percentage of Total (%)**	**No. of claims**	**Percentage of Total (%)**	**No. of claims**	**Percentag e of Total (%)**	**No. of claims**	**Percentage of Total (%)**
Fire Insurance	154	0.83%	190	0.81%	529	0.86%	3,367	1.11%
Marine Insurance	131	0.71%	125	0.53%	302	0.49%	2,808	0.92%
Motor Insurance	17,425	94.30%	21,830	92.82%	57,877	93.88%	2,16,519	71.14%
Crop Insurance	N.A.		N.A.		N.A.		N.A.	
Health Insurance	214	1.16%	271	1.15%	269	0.44%	66,421	21.82%
Others	554	3.00%	1,102	4.69%	2,670	4.33%	15,243	5.01%
Total	**18,478**	**100.00%**	**23,518**	**100.00%**	**61,647**	**100.00%**	**3,04,358**	**100.00%**

N.A.: Not Available

The following table sets forth the losses we suffered on catastrophic risks since April 1, 2013:

Catastrophic Event	Date	Place	Total Economic Losses	Total Loss Incurred by Indian Non-life Insurers	Total Loss Incurred by Us	Our Share of Total Loss Incurred by Indian Non-life Insurers
			(₹ billion)			
Floods	November –December 2015	Tamil Nadu and Andhra Pradesh	144.95	49.40	3.96	8.02%
Cyclone Hudhud	October 2014	Odisha and Andhra Pradesh	461.50	41.60	3.72	8.94%
Severe Monsoon Floods	September 2014	Jammu and Kashmir	388.05	15.60	2.92*	9.36%
	September 2014	Assam, Bihar, Meghalaya, Uttar Pradesh and West Bengal	393.30	15.60		
			781.35	31.20		
Cyclone Phailin	October 2013	Odisha	292.50	6.50	0.20	3.08%
Floods	June 2013	Uttarakhand	73.45	33.80	2.32	6.86%
Grand Total			**1,754.35**	**162.50**	**13.12**	**8.07%**

Source: CRISIL Report; Company data for total economic losses and total loss incurred by Indian non-life insurers have been computed from U.S. Dollars using an exchange rate of US$1 = ₹ 65.00.

**Includes loss incurred by us in floods of Jammu and Kashmir, Assam, Bihar, Meghalaya, Uttar Pradesh and West Bengal collectively.*

We continue to focus on effective control of claims settlement operations by improving our management information systems, ensuring segregation of key positions within our operations and increasing the frequency of on-site investigation at the scene of accident, as well as through regular audits by random sampling. We strive to improve our claims settlement process both quantitatively and qualitatively and achieve shorter turnaround time to ensure customer satisfaction. Our grievance disposal ratio was 99.15% while our claims settlement ratio (including suit claims) in Fiscal 2017 was 90.4%, the highest among the top 10 multi-product insurers in India *(Source: CRISIL Report).*

Our robust IT infrastructure also ensures an efficient claims settlement process, implementing standardized basic claims processes, and enabling claims processing at any of our offices irrespective of the policy issuance location. We leverage our IT infrastructure to ensure automated surveyor appointment in our dealer tie-ups for motor insurance business, for appointed surveyors to provide reports and other requisite documents to ensure faster claim processing. For our non-dealer tie-up claims, we have introduced automated SMS or email notification to the insured and/or surveyor from claim registration until settlement. Bulk upload facilities also enable us to ensure faster claims settlements particularly with respect to our health insurance business. Our customer portals and customer mobile applications enable customers to directly lodge their claims and upload requisite documents. Similarly, our agent portal and mobile applications enable agents to act on behalf of their customer in lodging claims and submitting requisite documentation. We have also introduced dedicated centralised claims hubs to ensure efficient claims settlement, simplify and standardize claim settlement processes and improve customer service, reduce documentation, effectively monitor surveyor performance on quality and timely submission of survey reports, and consequently reduce operating costs.

Carving out claims settlement functions from front offices also enabled our front offices to focus more on business development. Claims settlement is the most important customer centric activity as actual delivery against an intangible policy is the only proof of delivery of a promised service. We have therefore strategically focused significant resources, including personnel, towards claims settlement. Since the claims hubs are only responsible for claims processing, settlement time and productivity can be easily tracked to ensure employee accountability. Key performance areas for claims personnel teams are established clearly. In a claims hub all claims processing within a region is completed in a single location, thereby ensuring that variance in claims received in any particular office is absorbed by such hub.

Customer Service

Customer service is an integral part of insurance business. We endeavour to provide smooth and efficient service to customers. We have undertaken several customer relationship management measures to ensure easy customer on-boarding, reduced turnaround time, efficient service delivery and robust claims management and grievance redressal processes. We have set up customer service cells at our corporate office and all regional offices. Regional offices, Divisional offices and Branch offices have customer service counters to effectively address issues faced by customers. We have also established a call centre facility that forms an integral part of our CRM activity. A toll free number is available for customer inquiries of various products and tracking status of motor claims and grievances, both in Hindi and English. Customer relationship management is a key and vital element of our business strategy for continuous and progressive growth in the general insurance industry.

We leverage technology to provide a seamless service experience to our customers through on-boarding, claims and grievance redressal. Information on our various products is also provided our website. Customer requests for further follow up are promptly addressed by our respective operating offices. Our customer relationship management module is integrated with the Integrated Grievance Management System of the IRDAI. All the registered grievances are simultaneously reflected on both our customer relationship management website and the Integrated Grievance Management System of the IRDAI. This lends credibility and legitimacy to our grievance redressal system.

The table below sets forth certain information relating to key operational metrics with respect to our customer service and grievance redressal:

	Fiscal 2015	Fiscal 2016	Fiscal 2017
Customer grievance redressal turnaround time	15 Days	15 Days	15 Days
Grievance disposal ratio	96.96	96.46	99.15

Investment

Non-life insurers in India typically receive premiums upfront and claims are incurred and settled later including, in some cases like third-party motor insurance claims, over years. The time lag between the receipt of such premiums and the actual payment of claims creates investable assets, which is normally referred to as "float" in industry parlance. Float is an important financial characteristic that is unique to the non-life insurance industry and the size of our float is critical to our financial condition and results of operations. Our total investments are built up through float generated from policyholders' funds and shareholders' funds. The investment income generated by the investment assets constitutes a significant part of our business operations.

We define investment leverage as the ratio of our total investments assets to our net worth. We believe that investment leverage is a good metric to assess our ability to generate investment income.

The following table sets forth our total investment assets and investment leverage as of the dates indicated:

	As of March 31,		
	2015	2016	2017
	(₹ million, except for investment leverage)		
Total investment assets (including cash and cash equivalents)	538,103.57	521,879.75	600,564.05
Net worth (including fair value change account)	345,080.80	311,521.28	362,980.85
Borrowings	Nil	Nil	Nil
Investment leverage(1)	4.61	4.33	4.77

(1) Investment leverage is computed net of borrowings

Our investment leverage (net of borrowings) increased from 4.61 in Fiscal 2015 to 4.77 in Fiscal 2017. In the same period, we grew our total investment assets from ₹ 538,103.57 million in Fiscal 2015 to ₹ 600,564.05 million in Fiscal 2017, which represented a CAGR of 5.64%.

Investment Objective

Our investment objectives are to preserve capital and generate a stable level of investment income. We maintain a diversified investment portfolio to generate investment returns to support our liabilities to our policyholders. We focus on stable management of our investment portfolio by investing primarily in government securities, debt securities, and equities. Our Board and Investment Committee, constituted in accordance with IRDA (Investment) Regulations 2016, determine our investment guidelines in compliance with applicable regulatory restrictions on asset type, quality and concentration. We consider the level of risk, expected rate of returns, nature and term of corresponding liabilities and maturity profile to be important factors in the determination of our strategic asset allocation. We also monitor credit risk, and, when necessary, establish appropriate limits to maintain a balance between safety and returns.

Our investment assets (including cash and cash equivalents) increased from ₹ 391,033.36 million as of March 31, 2013 to ₹ 600,564.05 million at March 31, 2017. Our total investment assets include government securities, equities, debentures and bonds, infrastructure and other approved investments. As of March 31, 2017, 25.19% of our total investment assets, were held in government securities, 6.66% in debentures and bonds, 55.35% in equities and the remaining in other investments.

The following table sets forth certain information relating to our investment portfolio as of the dates indicated:

	As of March 31,		
	2015	**2016**	**2017**
	(₹ million)		
Long term investments			
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	96,978.90	110,320.02	122,787.89
2. Other Approved Securities	43.82	-	-
3. Other Investments	-	-	-
(a) Shares	-	-	-
aa Equity	265,314.24	236,151.99	270,455.33
bb Preference	8.23	3.28	1.95
(b) Mutual funds/ ETF	637.75	517.94	994.76
(c) Derivative Instruments	-	-	-
(d) Debentures/Bonds	21,115.92	22,470.08	25,537.82
(e) Other securities - Foreign shares	3,649.19	3,880.79	4,031.35
(f) Subsidiaries	-	-	-
(g) Investment Properties (Real Estate)	-	-	-
4. Investment in Infrastructure, Housing and Social Sector	44,062.23	49,002.23	50,356.43
5. Other than Approved Investments:			
Debenture/Bonds	962.63	2,136.73	3,311.96
Infrastructure/Housing Bonds	-	-	216.66
Equity Shares	3,216.54	3,084.34	16,994.72
Preference Shares	7.55	10.30	11.63
Venture Funds	154.78	170.19	202.09
Sub Total	**436,151.76**	**427,747.89**	**494,902.59**
Short Term Investments			
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	5,209.65	10,777.86	8,028.57
2. Other Approved Securities	-	-	-
3. Other Investments	-	-	-
(a) Shares	-	-	-
aa Equity	-	-	-
bb Preference	-	-	-

	As of March 31,		
	2015	2016	2017
	(₹ million)		
(b) Mutual funds/ ETF	-	-	-
(c) Derivative Instruments	-	-	-
(d) Debentures/Bonds	3,422.55	2,057.28	5,507.60
(e) Other Securities	-	-	-
(f) Subsidiaries	-	-	-
(g) Investment Properties (Real Estate)	-	-	-
4. Investment in infrastructure and Social Sector	8,470.24	8,902.37	10,665.40
5. Other than Approved Investments:			
Debenture/Bonds	392.62	232.11	202.59
Sub Total	**17,495.06**	**21,969.61**	**24,404.17**
Grand Total	**453,646.82**	**449,717.50**	**519,306.76**

Note: Unlisted securities are considered at cost

Fixed Income

Our fixed income portfolio consists of central and state government securities, treasury bills issued by the Reserve Bank of India, corporate debentures and bonds, reverse repo and mutual funds. Fixed income securities are not marked to market in the profit and loss account statement and for the purposes of determining solvency levels, allowing us to take a medium to long term view in connection with our investments. We aim to maintain a fixed income portfolio of high asset quality. We have not had any defaults or delayed payments in our fixed income portfolio.

The following table sets forth our domestic investments:

	Market Value		Book Value	
	As of March 31, 2017	As a % of Total	As of March 31, 2017	As a % of Total
	(₹ million)	(%)	(₹ million)	(%)
Breakdown by Credit Rating				
AAA	742,267.15	76.45%	715,207.12	76.22%
AA or better	202,985.22	20.91%	198,231.09	21.13%
Rated below AA but above A	24,043.20	2.48%	23,244.73	2.48%
Rated below A but above B	1,662.13	0.17%	1,666.67	0.18%
Any other	-	-	-	-
Total	**970,957.69**	**100.00%**	**938,349.60**	**100.00%**
Breakdown By Residual Maturity (only credit rated securities)				
Up to 1 year	173,240.59	17.84%	171,520.16	18.28%
More than 1 year and up to 3 years	277,661.01	28.60%	271,038.70	28.88%
More than 3years and up to 7 years	392,488.00	40.42%	373,604.83	39.82%
More than 7 years and up to 10 years	119,547.66	12.31%	114,598.41	12.21%
above 10 years	8,020.43	0.83%	7,587.50	0.81%
Total	**970,957.69**	**100.00%**	**938,349.60**	**100.00%**
Breakdown by type of Issuer				
a. Central Government	768,169.61	33.10%	721,402.99	32.61%
b. State Government	581,577.09	25.06%	552,302.82	24.97%
c. Other Approved securities	-	-	-	-
d. Corporate Securities	970,957.69	41.84%	938,349.60	42.42%
Total	**2,320,704.39**	**100.00%**	**2,212,055.42**	**100.00%**

Note:

1. In case of a debt instrument is rated by more than one agency, then the lowest rating will be taken for the purpose of classification.

2. Market value of the securities will be in accordance with the valuation method specified by the IRDAI under applicable accounting / investment regulations.

The following tables sets forth our investment rating profile and maturity profile, respectively.

Maturity	As of March 31,					
	2015		2016		2017	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
	(₹ million except percentage)					
AAA rated	62,482.42	81.48%	67,599.79	81.33	71,520.71	76.22%
AA or better	13,346.03	17.40%	12,959.33	15.59	19,823.11	21.13%
Rated below AA but above A	854.04	1.11%	2,229.66	2.68	2,324.47	2.48%
Rated below A but above B	-	-	333.33	0.40	166.67	0.18%
Any other	-	-	-	-	-	-
Total	**76,682.49**	**100.00%**	**83,122.12**	**100.00**	**93,834.96**	**100.00%**

Maturity	As of March 31,					
	2015		2016		2017	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
(₹ million except percentage)						
Up to 1 year	11,259.73	14.68%	11,711.35	14.09	17,152.02	18.28%
More than 1 year and up to 3years	27,775.83	36.22%	26,409.62	31.77	27,103.87	28.88%
More than 3years and up to 7years	23,261.90	30.34%	32,734.54	39.38	37,360.48	39.82%
More than 7 years and up to 10 years	13,828.78	18.03%	11,484.10	13.82	11,459.84	12.21%
Above 10 years	556.25	0.73%	782.50	0.94	758.75	0.81%
Total	**76,682.49**	**100.00%**	**83,122.12**	**100**	**93,834.96**	**100.00%**

Our fixed income asset allocation broadly takes into account among others, the following objectives: ensure adequate allocation to money market instruments and instruments maturing under 365 days so that any unexpected obligations may be met without exposing our investments to market risk; generate returns higher than prevailing inflation rates; avoid liquidation of long-duration instruments to meet claim obligations; minimize reinvestment risks; maximize post-tax returns; ensure reasonable credit spreads commensurate with credit risks; and match assets to liabilities.

Equities

We invest in equities with the objective of long-term returns. We have a diversified portfolio of equity investments that comprise of blue-chip companies.

Investment Performance

In Fiscal 2015, 2016 and 2017, the yield from our investments was ₹7.79%, ₹7.52% and ₹8.08%, respectively. Our long term oriented total return approach has produced consistent investment performance across interest rate and equity market cycles.

We believe that our total return approach allows us build a stronger financial position over time and enhances our ability to allocate investments to long-term assets, including equities and real estate. The unrealised gains in our listed equity and fixed income portfolio is reflected in our fair value change account and it amounted to ₹ 228,388.05 million, ₹ 190,933.61 million and ₹ 237,016.37million as of March 31, 2015, 2016 and 2017 respectively.

For details on our investment portfolio, see "*Financial Information*" on page 227.

We have also made certain strategic investments in the context of supplementing or strengthening our insurance business operations including our distribution network. For example, we acquired a 23.75% shareholding in Health Insurance TPA of India Limited, which provides third party administration services for our health products. We also hold 8.53% shareholding in GIC Housing Finance Limited. We also hold 8.75% shareholding in Agricultural Insurance Company Limited. This company is also involved in providing crop insurance, and some of our crop insurance products may overlap the products offered by such entity. Our investment in such entity provides us a focused insight into crop insurance variables and issues faced by the agricultural industry as the Agricultural Insurance Company Limited is a specialized entity focused only on crop insurance.

Risk Management

Risk management is critical to our operations and our stable long-term profitability. We have devoted substantial resources to enhancing our risk management over the years, and seek to further strengthen our risk management capabilities by establishing a comprehensive, integrated risk management framework that is designed to identify, assess and control risks in our operations, to support our business decisions and help ensure our prudent management.

We have established a risk management committee ("RMC') in accordance with the requirements of the IRDAI guidelines relating to corporate governance for insurance companies. The RMC is responsible for the developing, reviewing and monitoring of our enterprise risk management ("ERM") framework which enables our operations management to effectively deal with various risks associated with our business and operations. The ERM framework provides a comprehensive governance structure with defined roles and responsibilities, and establishes defined methodologies for the identification, assessment, monitoring/mitigation and reporting of risk to ensure that significant risks are managed appropriately. The ERM framework also enables us to effectively address our risk appetite in the context of our growth strategy and allows us to establish a consistent risk management approach and culture across our operational framework. Our ERM framework is also adapted to our international operations, also addressing the applicable international regulatory framework, in consultation with our Chief Risk Officer ("CRO"). Our ERM framework policies are reviewed annually.

Our business and operations involve various risks, which can be broadly categorized as follows:

Strategic Risk

Strategic risks are risks the implementation of our business strategy. The strategic risks are varied but include, among others, reputation risk, regulatory risk, solvency risk, competition risk, and downgrade risk. Ineffective or inadequate management processes for the formulation and/or implementation of business strategy in relation to the business environment and the capabilities of the organization.

We monitor key strategic risks while monitoring key day-to-day business risks. We regularly monitor new regulations and regulatory actions, our reputation risk, our competitive landscape, our solvency position and our claims paying ability.

Financial Risks

- *Market Risk*

Market risk is the risk that arises from adverse changes in the value of, or income from, assets and changes in interest rates or foreign currency exchange rates, or property prices and equity prices. While a majority of our investment assets are invested in fixed income assets, we also have exposure to foreign currency exchange rates, property prices, equity prices and certain other rates.

To reduce any adverse impact of market movements on our investment portfolio, we aim to diversify our total investment assets. A significant portion of our assets are held in fixed income assets where we only recognise realised losses and their value does not fluctuate with market rates.

To minimise exposure of our investments to market risk and to counter any unexpected and sudden obligations, we allocate a certain portion of our total investment assets to money market instruments and instruments maturing under 365 days. We believe that a liquidation of a substantial portion of our investment portfolio will not result in any significant losses. Liquidity risk is further mitigated through "cash call" options that we have with our reinsurers allowing us to draw in the event of large claims.

- *Credit Risk*

Credit risk is the risk of loss if another party fails to fulfill its obligations, or fails to perform them in a timely fashion, including for example, the risk of default by a bond issuer, market counterparty and reinsurance counterparty. Credit risk arises predominantly with respect to investments in debt instruments, insurance contract receivables, recoverable from reinsurers and receivables from counterparties. For details on our reinsurance exposure, see "*Reinsurance*" on page 162.

In line with prudential norms stipulated by the IRDAI, we invest a high proportion of our fixed income portfolio in sovereign or highly rated securities to ensure that that the probability of default is low.

- *Insurance Risk*

Insurance risk represents the inherent uncertainty as to the occurrence, amount and timing of insurance liabilities. Insurance risk can occur as a result of adverse experience in claims, renewals, expenses, taxation treatment and other assumptions than estimated within pricing and valuation calculations. This includes underwriting risk, which includes risks stemming from the underwriting process or the failure thereof. These risks include, among others, the risk of mispricing, under-reserving, suffering a catastrophe and concentration. The premium and reserve risks are significant components of the underwriting risk.

Our underwriting policy set out our approach towards product offering and selection, evaluation of risks, pricing approach and delegation of underwriting authority. This allows us to manage our exposure to potential pricing risks we face. To address concentration of risk, we follow a risk-based pricing approach across various product lines and have in place a risk retention framework. We use actuarial models to manage our reserve risk and factor in historical loss development patterns to create claim reserves. The adequacy of our reserves is evaluated on a quarterly basis.

To diversify our exposure across product lines and geographies, we undertake modelling to simulate disaster scenarios. We also purchase catastrophic reinsurance from reputed reinsurers.

- *Liquidity Risk*

Liquidity risk is the risk that a business although solvent on a balance sheet basis either does not have the financial resources to meet its obligations as they fall due or can secure them only at excessive cost. We also face some liquidity risk since some of our investments are in illiquid assets.

Non-Financial Risks

- *Operational Risk*

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people or systems, or from external events. This includes risk of short, medium or long-term business disruption as a result of internal process, people or systems issues or unexpected events. Operational risks include, among others systems risk, fraud risk, legal risk, compliance risk, process risk and outsourcing risk.

To counter such risks, we have in place an operational risk policy, an anti-fraud policy, a whistle-blower policy and an information security policy, each of which has been approved by the Board. Our policies are reviewed periodically and we monitor incidents to effectively analyse and address such risks. Incidents are reported to the operational risk committee on a quarterly basis.

- *Reputational Risk*

Reputational risk is the risk of loss of customers, key employees, managers, or ability to compete, due to perceptions that appropriate products and services are not provided to customers, internal and external stakeholders.

- *Regulatory Risk*

Regulatory risk is the risk that arises from any failure to enact appropriate policies, procedures or controls to ensure it conforms to laws, regulations, contractual agreements and other legally binding agreements and requirements.

Risk Governance Framework

Our risk governance framework incorporates three lines of defence: (i) the first line of defence or primary responsibility for managing the risks and ensuring there are adequate controls in place for mitigating the risks relates to all our business units; (ii) the second line of defence, which includes the control functions (risk management and compliance) with responsibility for oversight of the first line of defence. The second line facilitates and monitors implementation of effective risk management practices and assists the risk owners in assessing and reporting risk related information. The risk management department is functionally independent from the business functions and it is demonstrated by a credible reporting arrangement. Where necessary, safeguards have been put in place to maintain independence of risk management function; and (iii) the third line of defence, which includes the internal audit function whose primary responsibility is to provide reasonable assurance to executive management and the Board about the adequacy and effectiveness of the governance, risk management and internal control framework and procedures within the organisation. Each risk management line has respective roles and responsibilities, but coordinates efforts and share information regarding risk management, control and governance issues.

Risk governance includes mechanisms that ensure accountability and authority for the management of risks, implementation and continuous improvement of our risk management framework; and provides risk management assurance. The ERM policy outlines the overall governance and ERM framework, ERM reporting structure and roles and responsibilities of the RMC, the ERM team, the Head of Department (Risk and Mitigation Plan Owners) and the ERM single point of contacts identified across our various departments. The ERMC Charter sets out the scope of responsibilities and the mandate for the RMC.

The following elements represent the most significant aspects of our risk management and risk governance framework:

- *Risk Capacity and Risk Appetite.* An organization's risk capacity is the maximum amount of risk that it can assume. Our risk appetite is the degree of uncertainty (or risk) that we are willing to accept in the context of our business targets and strategies. Risk appetite is set at a level within the overall risk capacity. Our risk appetite framework is clearly defined as part of our overall ERM framework, and includes risk appetite statements that outline the overall risk strategy.

- *Risk Identification, Assessment, Monitoring and Management.* Effective risk management processes involve effective risk identification, risk assessment and risk monitoring and management. These following represent important elements of the foregoing processes:

- *Risk Registers*. We maintain detailed risk registers across all key departments to record key risks, underlying controls and the effectiveness of such controls. It also includes identification of control gaps if any, and the corresponding mitigation actions, ownership and timelines.

- *Risk Assessment*. Risk and control self-assessment is performed by the respective departments to identify risks, controls and mitigation plan for defined processes based on the annual plan.

- *Mitigation*. Any control gaps/ areas of enhancement that emerge out of risk assessment are tracked and monitored to closure by the ERM team working with the risk management officers (RMOs) for each department.

- *Incident Reporting*. Incident reporting is a fundamental tool of risk management, targeted at collection of information about operational losses (including potential ones) which will help to facilitate identification of risk trends, risk escalation and wider organisational learning from ERM perspective.

- *Key Risk Indicators*: Key risk indicators enable management to monitor risks that are approaching less than acceptable limits - before the risks are beyond risk tolerance. Key risk indicators are defined and monitored for the most critical risks that could potentially impact overall strategy.

Effective risk management practice includes adequate, relevant and periodic communication of the outcome of the risk management activities to the RMC. Consolidated risk management information, including risk appetite and key risk indicator dashboards are made available to the ERMC, and risk exposure is monitored against stated risk limits by the ERM team.

The ERM team undertakes various initiatives to enhance the overall awareness and appreciation for risk management and related roles and responsibilities across the organisation. This includes regular communication, regular training to increase awareness, identification of personnel responsible for risk management and mitigation across various departments, and educating personnel on key risk performance indicators.

Enterprise Risk Management Structure

The Board has delegated the responsibility relating to risk management activities to the RMC. The CRO independently reports to the RMC, and is supported by the ERM team in performing the ERM activities across our organization. Responsibilities of the RMC include, among others, establishment of an effective ERM framework to address all categories of risks including strategic risk, insurance risk, market risk, credit risk, liquidity risk, legal risk, operational risk (including compliance risk) and reputation risk, reviewing the adequacy and appropriateness of the reinsurance program in addressing our risk exposure, reviewing adequacy and appropriateness of asset liability management procedures in addressing the underlying risk, and reviewing and approving the applicable risk appetite thresholds. The RMC is also responsible for implementing annual ERM activity plan, monitoring the performance of the ERM team, reviewing our risk-reward performance to align with overall policy objectives, considering best practices in risk management, monitoring our solvency position, business continuity and fraud monitoring framework on a regular basis, and reviewing compliance with the guidelines on insurance fraud monitoring issued by the IRDAI.

The CRO acts as the custodian of the ERM framework and provides guidance on the implementation of the ERM framework. The CRO also provides training to Head of Departments (Risk & Mitigation Plan Owners) and ERM single points of contacts in each department for ERM matters. The CRO leads the ERM team in implementation and review of ERM activities in line with the ERM policy and procedures. Heads of Department are primarily responsible for managing the risks and implementing adequate controls within their departments, ongoing identification and evaluation of risk, and implementing risk measures on a day-to-day basis for monitoring and managing risk. The ERM single point of contacts identified in each department are responsible for coordinating with the ERM team and operationalizing ERM related activities for their respective departments.

Internal audit plays a key role in strengthening the corporate governance and complying with management objectives to improve and strengthen internal controls. Internal audit functions include examination, evaluation and reporting to the management on the adequacy of internal controls and optimum use of resources. Our internal audit department ensures that all operating offices are audited regularly. We conduct audits of our regional offices, claims hubs, broker specialized offices, large corporate broker offices and intermediary specialized offices at regular intervals. Periodical audit primarily monitors legitimacy of financial transactions, underwriting quality efficacy of systems and internal control, and adequacy of provisioning. The internal audit department has been instrumental in detecting and reporting of systemic and procedural lapses for rectification. Through internal audit, we also emphasise strengthening audit compliance mechanisms and initiating fresh interventions to ensure elimination of recurring system and procedural lapses.

Ratings

Many of our customers, brokers, agents and bancassurance partners consider the financial strength ratings assigned by AM Best Company and other rating agencies while assessing the overall quality of the insurance companies they associate with. Our Company has been rated A-(Excellent) by AM Best Company since 2007. An A-(Excellent) financial strength rating is the fourth highest of 16 rating categories used by AM Best Company. We have been rated AAA/Stable by CRISIL since 2014. In evaluating an insurance company's financial strength, the rating agencies review the company's profitability, leverage and liquidity, as well as its business operations, the adequacy of its reinsurance, the quality and estimated market value of its assets, the adequacy of its reserves, the adequacy of its surplus, its capital structure, the experience and competence of its management and its market presence.

Competition

We face competition in each of our business lines as well as in our international operations. Competition in the general insurance industry is based on many factors, including the strength of our direct sales force, product design features, customer service, size, relationships with brokers and agents (including ease of doing business, service provided and commission rates paid), financial strength ratings assigned by independent rating agencies, claims services, reputation, perceived financial strength and the experience of the insurance company in the specific product segment. Although we are a market leader in general insurance sector, we compete with a number of other companies in each of our product segments. We face competition from over 20 general insurers and five standalone health insurers and an agriculture insurer in India *(Source: CRISIL Report)*. We may also be subject to additional competition in the future from new market entrants.

As of March 31, 2017 we were the largest general insurance company in India in terms of net worth. In Fiscal 2017, we also had the largest market share of gross direct premium among general insurers in India *(Source: CRISIL Report)*. In Fiscal 2015, 2016 and 2017, despite increasing competition, we have consistently maintained market leadership in the general insurance industry in India, particularly in fire insurance, marine insurance, motor insurance and health insurance. In Fiscal 2017, our gross direct premium from fire, marine, motor and health insurance represented a market share of 19.1%, 21.0%, 15.1% and 18.4% of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report)*.

Employees

As of June 30, 2017, we have 17,702 employees. Our agents or brokers are not considered as our employees. Our aggregate employee base has reduced by 6.97% from 18,935 employees as of March 31, 2013 to 17,615 employees as of March 31, 2017.

Employees are provided adequate training and encouraged to augment their skills. Performance based incentives are provided to the employees based on their achievements. Many of the employees have acquired various specialized insurance qualifications.

A succession plan is put in place wherein the senior employees of our Company provide mentorship to the newly recruited employees, to acquire insurance specific skill sets in areas like underwriting, claim management and pricing. We are also recruiting specialists such as automobile engineers, medical doctors, who play an active role in efficient claims management and product design.

Compliance

We have formulated various internal compliance policies and procedures, including a code of conduct, code of business conduct and ethics, policy against sexual harassment at workplace, professional workplace conduct, anti-money laundering, anti-bribery and anti-corruption policy, whistle-blower policy and code of conduct for personal investments. Our compliance framework is overseen by our Board through the Audit Committee.

Information Technology

We believe that the development and use of information technology is critical to the efficient operations of our business and is a key contributor to our success. Our unified IT platform facilitates the sharing of information between different operating functions as well as our distribution network. We constantly improve our information technology system and we believe this makes us more responsive to the evolving conditions in the insurance market, and less dependent upon third party information technology consultants, developers and vendors. Our robust IT infrastructure enables us to integrate our various operations, including collection of premium from any source, issuance of policy from all our operating offices, including for our retail and institutional businesses, and enable us to work closely with our agents, brokers and other intermediaries. We have made significant investments in our information technology. Our IT infrastructure includes: utilization of IT systems for sale of products; providing information on our various product verticals provided on our website; ensuring integration of core insurance solutions across various verticals; introduction of mobile applications to support business in collecting premium and supporting claims management; web based solutions for OEMs, dealers, agents, and brokers; and ensuring safety of data centers and effective disaster recovery systems. In addition, our customer service personnel in the call center and our operating offices are able to access updated customer information and coordinate remotely to serve our customers. We are able to issue policies from any device ranging from personal computers at our offices to hand-held devices of our customers and agents. Out IT infrastructure also enables us to securely integrate our web services with our various OEM based businesses. Our integrated robust IT infrastructure enables us to cover not only new business procurement but also address accounting and claims settlement operations efficiently thereby improving customer satisfaction and ease of business.

We collect a substantial portion of premium through our digital platform, which has increased rapidly in recent years. We have entered into arrangements with insurance product web aggregators that drive business to our digital platform. In Fiscal 2015, 2016 and 2017, we collected 8.03%, 10.00% and 12.73%, respectively, of our Company's gross direct premium through our digital platform. Our digital applications initiatives have enabled our large agent network to use our website to directly issue personal line policies on a 24X7 basis. Our robust IT platform also enables us to pay health claims directly to various hospitals and customers connected to our health insurance network in accordance with IRDAI guidelines.

In Fiscal 2016, through the implementation of Pradhan Mantri Suraksha Bima Yojana accident insurance scheme, our IT platform was integrated with various bank platforms. We have also integrated our IT platform with the Ministry of the State of Rajasthan for the settlement of claims under Bhama Shah Swasthya Bima Yojana operated by Government of Rajasthan.

We have launched various mobile applications to support business that enables us to collect premium, support claims management and enable our surveyors to efficiently provide their services to our claims assessment systems. We have also initiated innovative mobile applications for new product launches, beginning with motor third party policies for two wheelers, and intend to introduce similar applications for product launches in the future. We believe mobile applications present significant opportunities to access new and engage closely with existing customers and generate additional business resulting from increased operating efficiencies and ease of business for customers.

We have in recent years significantly strengthened our IT Infrastructure, including providing secondary WAN links to all our offices, and implementing sophisticated engineered storage and computing solutions to augment our information management systems. These measures are targeted at enabling scalability of our business operations commensurate to the significant growth potential in the general insurance sector in India. Systems and data security is critical to our operations and we have implemented a stringent information security policy adopted by the Board, which enables us to further strengthen information security at the operating offices level. We also intend to integrate the Aadhaar infrastructure as second factor authentication for our employees to access various applications. We have also established a sophisticated web portal for e-procurement tendering process customized to include applicable CVC guidelines, which is used for all our procurement requirements.

We have recently commenced various IT initiatives including the creation of a state-of-the-art IT infrastructure landscape and migration of the entire application stack to this new set-up. The new set-up is expected to significantly improve efficiency and increase speed of transactional processes. In order to improve the time to market a new product from a business perspective, a new IT ecosystem is being commissioned to carry out, load testing and training simultaneously. We also continue to strengthen our security systems for the entire IT Infrastructure and various applications from cyber-attacks by introducing modular security architecture that we can augment from time to time.

We intend to increasingly implement business analytics systems and tools to leverage the significant customer information available in our system, to cross sell our various product verticals.

We continue to focus on improving our social media presence to support our branding and marketing initiatives and engage directly with younger generation customers. We intend to introduce AI technologies and applications to provide 24X7 customer service access to our customers. We also intend to adopt telematics to track driving characteristics of our motor insurance customers to develop innovative products.

Awards

Our Company and senior management have received various prestigious industry awards. The following table sets forth certain of our recent awards:

Year	Company Awards	Awarding Entity
2017	Golden Peacock Business Excellence Award	Golden Peacock
2017	India Insurance Summit - Insurance Company of the Year	Quest Conferences
2017	Dun & Bradstreet BFSI Awards - India's Leading Insurance Company - Non-Life Public Sector	Dun & Bradstreet
2017	Fintelekt Insurance Awards 2017 - Personal Lines Growth Leadership (Public Sector General Insurance)	Fintelekt
2017	Fintelekt Insurance Awards 2017 - Claims Service Leader (General Insurance - Large Category)	Fintelekt
2017	Fintelekt Insurance Awards 2017 - e-Business Leader (General Insurance - Large Category)	Fintelekt
2017	Fintelekt Insurance Awards 2017 - Social Inclusion (Public Sector General Insurance)	Fintelekt
2016	Indian Insurance Awards -General Insurance Company of the Year	Fintelekt
2016	Golden Peacock Excellence In Corporate Governance Award	Golden Peacock
2016	Golden Peacock Excellence Innovative Product - Service Award	Golden Peacock
2016	Indian Insurance Awards E-Business Leader - General Insurance	Fintelekt
2016	Indian Insurance Awards - Under Served Market Penetration - General Insurance (Large Category)	Fintelekt
2016	ABP News - Best General Insurance Company	ABP
2016	Dun & Bradstreet PSU Awards - Non Life Insurance	Dun & Bradstreet
2015	Indian Insurance Awards - General Insurance Company of the Year	Fintelekt
2015	Samudra Manthan Awards - Insurance Company of the Year	Digital Empowerment Foundation
2015	Outlook Money Awards - Best Health Insurer	Outlook Money
2015	Indian Insurance Awards - Commercial Lines Growth Leadership General Insurance - Large Companies Category	Fintelekt
2015	Indian Insurance Awards - Claims Service Leader - Large Companies Category	Fintelekt
2015	Dun & Bradstreet PSU Awards - Insurance (General)	Dun & Bradstreet
2014	Indian Insurance Awards - Underserved Market Penetration- General Insurance	Fintelekt
2014	Indian Insurance Awards -Personal Lines Growth Leader (General Insurance) Public Sector	Fintelekt
2014	India's SME Forum Best Insurer	India SME Forum
2014	Dalal Street Investment Journal Award for Best General Insurance Company of The Year	Dalal Street Investment Journal
2014	Golden Peacock Excellence in Corporate Governance Award	Golden Peacock
2014	Indian Insurance Awards -Technology Maturity - General Insurance	Fintelekt
Year	**Awards Won by our Chairman and Manging Director**	**Awarding Entity**
2017	India Insurance Summit - Lifetime Achievement Award - Mr. G. Srinivasan	Quest Conferences
2017	Excellence in Financial Services	Skoch
2016	Asia Insurance Review - Personality of the Year Award	Asia Insurance Review
2016	Legend CMD of the Year	News Inc National Award
2015	Lokmat BFSI Awards for Outstanding Contribution to the Industry	Lokmat
2014	Skoch Financial Inclusion and Deepening Award	Skoch

Legal Proceedings

We are subject to insurance claims and legal proceedings in the ordinary course of our business. Our pending litigations mostly comprise of claims against us and proceedings pending with tax authorities. We have reviewed all our pending litigations and proceedings and have made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in our financial statements. We do not expect the outcome of these proceedings to have a material impact on our financial position.

We have no outstanding tax demands. In the past five Fiscals, we have been subject to a few instances of warning or cautions or actions by the IRDAI in connection with certain practices or transactions by us, our employees or our agents. For details, see "*Outstanding Litigation and Material Development*" on page 501.

Insurance

We believe that we maintain all material insurance policies that are customary for companies operating in insurance business. These include fire and allied perils, burglary and risks to our property, a commercial general liability insurance to cover third party liability in our premises, a fidelity guarantee policy which covers the dishonest acts of all our employees, a money insurance policy in respect of cash-in-safe and in-transit. In addition, our Directors and officers are insured under a directors' and officers' liability insurance policy. Our operating systems and technological products are covered against first party and third party cyber-attacks through a cyber and crime insurance policy.

We also maintain group savings linked life insurance, group term life insurance, employees deposit linked life insurance, and group mediclaim policy which covers employees and family members. We also have a group personal accident insurance policy which provides cover to employees against accidental death or permanent disablement and also ex-gratia relief scheme for any illness or hospitalization expenses which are not normally covered under these policies.

Intellectual Property

We currently do not own any intellectual property. We have made trademark registration applications for our name and logo with the Trademark Registry. For details, see "*Government and Other Approvals*" on page 510.

Corporate Social Responsibility ("CSR")

Complying with the provisions of the Companies Act 2013, the CSR Committee was set up in September 2014 to oversee our CSR initiatives.

Our CSR activities focus on capacity building, empowerment of communities' inclusive social economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions and improvement of conditions for marginalized and under-privileged sections of the society.

In Fiscal 2017, ₹ 269.70 million was earmarked for various CSR activities, and we spent ₹ 189.50 million towards such activities.

Property

Our Company's registered office is located at 87, M.G. Road, Fort, Mumbai – 400 001, Maharashtra, India. As of June 30, 2017, we had 2,452 offices across India, and 28 international branches. We own our registered office premises as well as a large number of our offices. However, certain of our offices across India and our various international branches are located at premises leased or licensed to us.

We also own a large number of residential and commercial properties in various metropolitan cities in India including Mumbai, Chennai, Delhi and Kolkata. As of March 31, 2017, we owned 1,093 properties in India, including 288 properties in Mumbai, 71 properties in Delhi, 35 properties in Chennai and 67 properties in Kolkata. The properties are valued at cost of acquisition less depreciation in our financials statements.

KEY REGULATIONS AND POLICIES

Given below is an indicative summary of certain relevant laws, regulations and policies as prescribed by the Central Government and the state government in India which are relevant to our Company's business in India. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been presented in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

1. *The Insurance Act, 1938, as amended ("Insurance Act") and the Insurance and Regulatory Development Authority of India Act, 1999, as amended ("IRDAI Act")*

The Insurance Act along with the various regulations, guidelines, notifications and circulars issued by IRDAI, govern, amongst other matters, registration of the insurers, opening of new places of business, accounts and balance sheet, audit of financial statements, actuarial report and abstract, insurance intermediaries and agents, investment of funds, valuation of assets and liabilities, solvency margins, restriction on dividends, limits on expenses of management. The IRDAI Act has established the IRDAI to regulate, promote and ensure orderly growth of the insurance sector in India and to protect the interests of policyholders.

Insurers are required to be registered with the IRDAI under the Insurance Act in order to carry out any class of insurance business. The Insurance Act stipulates among other things certain requirements in relation to the capital structure for insurers including in relation to minimum paid-up equity capital and equal voting rights. Insurers are required to maintain records of policies, including the details of policyholder, nominations of claims, including the details of discharge or rejection of claim and a register of insurance agents. Under the Insurance Act, an "Indian Insurance Company" is required to be "Indian owned and controlled". Additionally, in terms of the Indian Insurance Companies (Foreign Investment) Rules, 2015, the term 'Indian control' of an "Indian Insurance Company" has been defined to mean control of such Indian Insurance Company by resident Indian citizens or Indian companies, which are owned and controlled by resident Indian citizens. The term 'control' has been defined in the Insurance Act to include the right to appoint a majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements. The term 'Indian Ownership' of an Indian Insurance Company has been defined in the Indian Insurance Companies (Foreign Investment) Rules, 2015 as more than 50% of the equity share capital in a company which is beneficially owned by resident Indian citizens or Indian companies which are owned and controlled by resident Indian citizens.

As regards, investments of assets, the Insurance Act mandates insurers to invest assets in a prescribed manner in government securities and other approved investments. Further, the government securities and certain other approved securities in which assets are to be invested are required to be held by the insurers free of any encumbrance, charge, hypothecation or lien. Certain restrictions on investments of assets and controlled fund have also been prescribed, including investment in shares or debentures of a private limited company. In this regard, IRDAI has issued the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 and a clarificatory circular. For details, see "*Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDAI Investment Regulations")*" on page 184.

Any appointment, re-appointment or termination of appointment or amendment of the terms of remuneration, of a managing or whole-time director, executive directors, manager or chief executive officer of an insurance company requires the prior approval of the IRDAI.

The IRDAI has issued the "Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016", which are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. Accordingly, as regards such insurance companies the transfer of equity shares shall be in the manner prescribed under the aforementioned guidelines. For details, see "*Key Regulations and Policies - The*

Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016 ("Listed Indian Insurance Companies Guidelines")" and "*Key Regulations and Policies - Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015 ("IRDAI Transfer Regulations")* on page 181.

2. The Insurance Laws (Amendment) Act, 2015 (the "Amendment Act")

The Amendment Act has introduced several changes in the scheme of the Insurance Act, amongst other things, in relation to ownership and control, capital, enhancement of enforcement and regulatory powers of the IRDAI and the responsibilities of agents and intermediaries.

The Amendment Act has permitted insurers to raise capital through instruments other than equity. In this regard, IRDAI has issued regulations which permit insurers to raise capital by way of preference shares and subordinate debt instruments after obtaining prior approval from the IRDAI. The Amendment Act empowers insurance companies to appoint insurance agents subject to fulfillment of the criteria stipulated by IRDAI. The Amendment Act has further given powers to IRDAI to regulate the commission payable to the agents and intermediaries through regulations.

Further, the IRDAI has issued regulations and guidelines on registration and licensing of insurance companies, investments, solvency margin requirements to be maintained by the insurer, insurance agents and intermediaries, corporate governance requirements, transfer of shares, opening, closure and relocation of branches, expenses of management, advertising, accounting procedure and reporting formats, granting of loans and advances, limit on expenses, maintenance of records.

The Amendment Act has vested the policyholder with a power to assign an insurance policy, wholly or in part, provided that such assignment is *bonafide*, not contrary to public interest and not for the purpose of trading of the insurance policy.

The Amendment Act has removed various clauses in the Insurance Act including the sections relating to acceptance of deposits by insurance companies, appointment of chief agent and principal agent, divesting excess shareholding above 26% by promoters, *etc*. The Amendment Act has specified enhanced penalties for insurers for contravention of any of the provisions of the Insurance Act. The penalties range from 0.1 million for each day during which contravention continues, 10 million to 250 million for different kinds of violations. A person who carries on the business of insurance without obtaining a certificate of registration may additionally be punishable with imprisonment extending to 10 years.

3. The General Insurance Business (Nationalisation) Act, 1972 (as amended by The General Insurance Business (Nationalisation) Amendment Act, 2002) ("Nationalisation Act")

The insurance companies specified under section 10A of the Nationalisation Act (including our Company) can apply for approval of IRDAI for raising capital only on satisfactory compliance with the provisions of section 10B of the Nationalisation Act. According to the provisions of section 10B of the Nationalisation Act, the specified insurance companies can raise capital for increasing their business in rural and social sectors, for meeting their solvency margin and such other purposes as may be prescribed by the Central Government. Section 10B of the Nationalisation Act further states that the shareholding of the Central Government shall not fall below 51% at any given time.

4. The Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015 ("IRDAI Capital Regulations")

The IRDAI Capital Regulations came into effect from December 15, 2015 and supersedes the IRDAI (Issuance of Capital by General Insurance Companies) Regulations, 2013. The IRDAI Capital Regulations have been notified to allow Indian insurance companies not involved in life insurance business to have access to public markets to raise funds through a public issue in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Indian insurance companies that have been granted certificate of registration to transact the business of general insurance or health insurance or reinsurance will have to seek prior approval of the IRDAI before approaching SEBI for public issue of shares and for any subsequent issue by either divestment of equity by one or more promoters or the investor (s) through a public offer for sale or issue of capital, or both. These regulations are applicable to unlisted insurance companies.

5. ***The Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016 ("Listed Indian Insurance Companies Guidelines")***

Listed Insurance Company Guidelines are in addition to and not in derogation of the IRDAI Capital Regulations. The guidelines are applicable to all insurers whose equity shares are listed on the stock exchanges and to the allotment process pursuant to the public issue. Under these guidelines, on a post-listing basis:

- Every person is permitted to acquire less than 5% of the paid up capital of an insurance company without requiring prior IRDAI approval, subject to such person satisfying criteria prescribed for qualifying as a "fit and proper" person;

- Every person intending to acquire shares which will or is likely to take the aggregate shareholding of such person, his relatives, associate enterprises, and persons acting in concert with such person to 5% or more of the paid up capital or voting rights of the insurance company, is required to obtain the IRDAI's approval before effecting such transfer;

- Every person who has already obtained prior approval of the IRDAI for having a major shareholding (defined as such under the guidelines) in an insurance company shall (i) not require prior approval of the IRDAI, if such a person along with person acting in concert reach up to 10% of the shares or voting rights of such insurance company; and (ii) require prior approval if such person along with person acting in concert exceed 10% of the paid up capital or voting rights of such insurance company; and

- Every "major shareholder" (designated as such under the guidelines) intending to acquire 10% or more of the insurance company's paid up share capital is required to obtain the IRDAI's approval before effecting such transfer.

6. ***Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015 ("IRDAI Transfer Regulations")***

Section 6A of the Insurance Act stipulates that an insurance company shall not register any transfer of its shares where: (i) after the transfer, the total paid-up holding of the transferee in the shares of the company is likely to exceed five percent of its paid-up capital; or (ii) where, the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of a group, or body corporate under the same management, jointly or severally exceeds one per cent of the paid-up equity capital of the insurer, unless the previous approval of the IRDAI has been obtained for the transfer.

In order to further regulate issuance or transfer of shares and ownership of insurance companies in India, the IRDAI has introduced the IRDAI Transfer Regulations, wherein the term 'transfer of shares' includes transfer of shares from existing shareholder to another person and includes transmission and fresh issuances of the equity shares which lead to change in the shareholding pattern of an insurance company. As per the provisions of the IRDAI Transfer Regulations, transfer or issuance of equity shares which result in either, (i) a single person (or group) acquiring 5% or more of the share capital of the insurance company; or (ii) 1% or more of the insurance company's shares being transferred, would require prior approval from IRDAI. No registration of transfer of shares or issue of equity share capital of an insurance company which would result in change in the shareholding shall be made, subject to certain conditions, unless previous approval of IRDAI has been obtained for the said transfer. For foreign investors the IRDAI may prescribe certain additional conditions. These regulations are applicable to unlisted insurance companies. Further, as part of its approval, the IRDAI can impose lock-ins on promoters and impose conditions in connection with funding of the insurance company to ensure that the company remains compliant with solvency requirements.

7. ***Guidelines for Corporate Governance for Insurers in India, 2016 ("IRDAI Corporate Governance Guidelines")***

The IRDAI periodically issues guidelines pertaining to insurers, including general insurers. On May 18, 2016, the IRDAI has issued revised corporate governance guidelines which are applicable from Fiscal 2017 replacing the Corporate Governance guidelines issued on August 5, 2009 and which encompass the corporate governance requirements stipulated under the Companies Act. These guidelines stipulate the governance structure in insurance companies, including board of directors, key management personnel, constitution of various committees such as investment committee, policyholder protection committee, role of appointed actuaries, appointment of auditors, relationship with stakeholders, whistle blower policy and certain disclosure requirements in relation to financial statements, including quantitative and qualitative information on financial and operating ratios, actual solvency margin *vis-a-vis* required margin, description of risk management architecture, payments made to group entities from the policyholders funds and pecuniary relationships with the non-executive directors.

8. ***Indian Insurance Companies (Foreign Investment) Rules, 2015 ("Foreign Investment Rules") and Guidelines on Indian Owned and Controlled ("IRDAI O&C Guidelines")***

The Central Government has established the Foreign Investment Rules for purposes of governing foreign investment in Indian insurance companies and for determining the quantum of such foreign investments. As per these rules, 'total foreign investment' in an Indian insurance company is to be calculated in accordance with the IRDAI (Registration of Indian Insurance Companies) Regulations, 2000. Rule 3 of the Foreign Investment Rules restricts the quantum of any foreign direct investment in an Indian Insurance Company to not more than 49% of the paid up equity capital of such company. Additionally, Rule 4 provides that the ownership and control of an Indian insurance company shall remain in the hands of resident Indian entities at all times.

The IRDAI has also prescribed Guidelines dated October 19, 2015 in connection with the requirements for Indian insurance companies to be 'Indian owned and controlled'. The key provisions with respect to "control" (including as interpreted by the IRDAI) are as follows:

- A majority of the directors (excluding Independent Directors) on the board of an Indian Insurance Company are required to be nominated by the Indian promoter / Indian investor;

- Key management person(s) excluding the chief executive officer may be nominated by the foreign investor provided that such appointment is subsequently approved by the board of directors, wherein a majority of the directors (excluding Independent Directors) are Indian promoter / Indian investor nominees;

- The Chairman of the board of the Indian Insurance Company is required to be nominated by the Indian promoter / Indian investor, in the event such chairman has a casting vote; and

- Control over significant policies should be exercised by the board of directors.

9. ***Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000, as amended ("IRDAI Registration Regulations")***

The IRDAI Registration Regulations make it mandatory for any applicant desiring to carry on or partake insurance business in India to obtain a prior approval of the IRDAI and to obtain a certificate of commencement of business. The IRDAI Registration Regulations also set out the overall process for seeking such registration – including fees for registration, grounds for rejection, action upon rejection and effect of rejection of application. The IRDAI Registration Regulations also provide guidance with respect to renewals, cancellation and suspension of certificate of registration. Some of the important features of the IRDAI Registration Regulations are:

- these regulations prescribe the manner in which foreign investment in an Indian insurance company is to be computed, and such computation is different from the mechanism / methodology that is applicable under the FDI Policy of the Government of India; and

- the IRDAI Registration Regulations also provide for eligibility criteria in connection with applications for setting up new insurance companies, and in this regard, it is specified that where a "foreign investor" or "Indian Promoter" has exited an "existed venture" in the preceding two financial years, then an applicant through whom such "foreign investor" or "Indian Promoter" seeks to setup a new insurance venture would be ineligible.

10. The Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017 ("IRDAI Policyholders' Regulations")

On June 30, 2017 the IRDAI notified the IRDAI Policyholders' Regulations which superseded the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002. The IRDAI Policyholders' Regulations prescribes specifications with respect to various aspects including insurance product solicitation, grievance redressal, and claim settlement, which are required to be complied by all insurers in order to protect the interests of policyholders. It mandates insurers to have in place a policy approved by its board of directors, which is required to provide the steps that an insurer proposes to take for matters such as insurance awareness, expeditious resolution of complaint, and preventing mis-selling and unfair business practices at point of sale and service. The IRDAI Policyholders' Regulations prescribe the form and content requirements that are required to be fulfilled by insurers in relation to their policy documents, proposal forms and prospectuses. The insurers are mandated to disclose in their policy documents all material information such as the terms and conditions of a policy, details of premium payable, free look period, requirements to be fulfilled for lodging a claim, coverage of the policy, exclusions, grounds for cancellation, and details of grievance redressal mechanism available to policyholders. Further these regulations set out the procedure that is required to be followed by insurers for expeditiously settling any claims made by a policyholder.

11. Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 ("OIRSS Regulations")

The OIRSS Regulations supersede the Insurance Regulatory and Development Authority (Obligations of Insurers to Rural or Social Sectors) Regulations, 2002. Every insurer who begins to carry on business after the commencement of IRDAI Act, 1999, shall ensure that it undertakes certain obligations with respect to doing business in the rural sector, as defined in the regulations. Such insurers shall also cover a minimum number of lives as part of their social sector obligations.

12. Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000, as amended and Master Circular on Insurance Advertisements, 2015

These regulations prescribes certain compliances and controls in relation to insurance advertisements issued by insurers, intermediaries or insurance agents, which are required to establish and maintain a system of control over the content, form and method of dissemination of all advertisements relating to its insurance policies. Such advertisements are required to be filed with the IRDAI within seven days after its release. Insurers are required to ensure that advertisements are not unfair or misleading while at the same time, it should clearly identify the product of insurance, describe benefits as detailed in the provisions of the policy and indicate the risks involved in the policy. Additionally, IRDAI has issued a master circular dated August 13, 2015 in this regard prescribing the do's and don'ts which are to be adhered to by insurers and insurance intermediaries while publishing advertisements. Further, every insurer, intermediary or insurance agent is required to maintain an advertising register and specimens of all advertisements for a minimum period of three years.

13. Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016 ("Health Insurance Regulations")

The Health Insurance Regulations are applicable to all registered life insurers, general insurers and health insurers, conducting health insurance business. Health insurance products are permitted to be offered by entities with a valid registration to carry on life insurance, general insurance or health insurance business.

Insurers are required to ensure that the premium for a health insurance policy is based on age and other applicable risk factors. Insurers are required to have in place a board-approved health insurance underwriting policy, which shall be periodically reviewed. Other provisions of the Health Insurance Regulations include filing, pricing, designing, administration of health insurance policies, special provisions for senior citizens and health service agreements. The Authority may issue further circulars/ guidelines/ instructions on matters like filing, withdrawal, pricing, *etc*.

In addition, on July 29, 2016, the IRDAI has issued "Guidelines on Standardisation in Health Insurance" pursuant to the Health Insurance Regulations, which contains standard definitions of terminology to be used in health insurance policies, standard nomenclature and procedures for critical illnesses, *etc*. to enable the prospective policyholders and insured to understand these policies without ambiguity.

Further, on July 29, 2016, the IRDAI has also issued "Guidelines on Product Filing in Health Insurance Business" pursuant to the Health Insurance Regulations, which require the insurers to file their underwriting policy for health insurance business, approved by the board of directors, with the IRDAI. The Guidelines require that every "proposal form" used for health insurance products includes the standard declarations specified and is filed and approved under these guidelines. In addition to the disclosure requirements, a prospectus for health insurance policies shall mandatorily contain the stipulated information on terms and conditions, coverage, premium including other disclosures as provided in the guidelines and such a prospectus shall be filed with IRDAI. Additionally, these guidelines stipulate the filing procedure applicable to new individual health insurance products, add-ons, riders or any modifications thereto and additional guidelines for group health insurance products.

14. Guidelines on Outsourcing of Activities by Insurance Companies ("IRDAI Outsourcing Guidelines")

The IRDAI Outsourcing Guidelines are applicable to outsourcing arrangements entered into by an Insurer with an outsourcing service provider located in India or outside India.

The guidelines require the board of the insurer to approve and put in place an outsourcing policy and set out the items to be covered therein. The board of the insurer is also required to constitute an outsourcing committee which is, *inter alia*, responsible for effective implementation of outsourcing policy, validating the insurer's need to perform the activities proposed for outsourcing, and annual performance evaluation of each of the outsourcing service providers and reporting exceptions to the board of directors.

The IRDAI Outsourcing Guidelines require an insurer to ensure that its outsourcing arrangements neither diminish its ability to fulfill its obligations to policyholders nor impede effective supervision by the IRDAI. Accordingly, insurers are not permitted to engage in outsourcing that would result in the insurers' internal control, business conduct or reputation being compromised or weakened. Core activities of an insurance company, including underwriting, product design and all actuarial function and enterprise wide risk management, investment and related functions, fund accounting including NAV calculations, policyholder grievances redressal, approving advertisements, compliance with AML, KYC, *etc*. and all integral components of these activities are to be treated as core activities and cannot be outsourced by an insurance company. Insurance companies are however, permitted to outsource certain non-core functions which support the core function, which is more particularly set out in the Outsourcing Guidelines.

15. Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations")

The IRDAI (Investment) Regulations, 2016 have been issued by IRDAI on August 1, 2016, in supersession of the IRDAI (Investment) Regulations, 2000. These regulations prescribe the manner in which insurers are required to invest their funds, and specify categories of approved investments and exposure norms vis-à-vis limits on how much an insurer can invest in a particular category of investment. Insurers are required to submit investment returns in prescribed formats to the IRDAI. The IRDAI Investment Regulations also require constitution of an investment committee by the insurer, and read with the IRDAI Corporate Governance Guidelines, lay down the framework for such committees.

16. *Insurance Regulatory and Development Authority of India (Places of Business) Regulations, 2015 ("IRDAI Place of Business Regulations")*

The IRDAI Place of Business Regulations lay down norms for every insurer who seeks to open a place of business within or outside India. Each such insurer is required to obtain the prior approval of the IRDAI, prior to opening a new place of business within or outside India. These regulations also prescribe the nature of activities that can be undertaken by places of business within and outside India and lay down the norms for opening, closure or relocation of branches or offices in India, foreign branch office, *etc*., and in addition, prescribe certain reporting requirements to IRDAI.

17. *Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002*

These regulations prescribe accounting principles and other disclosures, which form part of the financial statements and are required to be adhered to while preparing the financial statements by an "insurer", as defined under the Insurance Act. Further, these regulations prescribe the accounting principles for preparation of financial statements including contents of management report by an insurer carrying on general insurance business. As per these regulations, the financial statements should also be prepared in conformity with the accounting standards issued by the ICAI, to the extent applicable, except for accounting standard 3 for cash flow statements, which shall be prepared only under the direct method of accounting. In terms of the regulations, accounting standard 13 for investments will not be applicable for preparation of financial statements by an insurer carrying on the business of general insurance. Further, according to these regulations, accounting standard 17 for segment reporting will be applicable to all insurers irrespective of the requirements regarding listing and turnover specified in such accounting standard. Preparation of financial statements and auditor's report are required to be prepared in accordance with the formats as prescribed under these regulations, which includes balance sheet, contingent liabilities, premium earned, claims incurred, commission, share capital, reserves and surplus, borrowings, pattern of shareholding, fixed assets and current liabilities.

18. *Anti-Money Laundering/ Counter Financing Terrorism Guidelines for General Insurers ("Anti Money Laundering Guidelines")*

On February 7, 2013, the IRDAI issued revised guidelines pertaining to anti-money laundering and counter- financing of terrorism in relation to the general insurance sector. The Anti Money Laundering Guidelines provide for the insurers to verify and document the identity, address and recent photograph (in case of an individual customer) as a part of compliance with KYC norms. The insurers need to have an AML/CFT program which should, at minimum, include: (i) internal policies, procedures and control; (ii) appointment of principal compliance officer; (iii) recruitment and training of employees/agents; and (iv) internal control/audit. The guidelines also provide for the insurers to carry out risk assessment of various products before deciding on the extent of due diligence measures to be applied in each case. The insurers are also required to monitor and report suspicious transactions to Financial Intelligence Unit-India.

19. *Insurance Regulatory and Development Authority of India (Appointed Actuary) Regulations, 2017 ("Appointed Actuary Regulations")*

Under the Insurance Act, 1938, every insurance company is required to employ an IRDAI approved actuary. The Appointed Actuary Regulations came into force on April 27, 2017. This regulation supersedes the Insurance Regulatory and Development Authority (Appointed Actuary) Regulations, 2000 under which all insurers are required to prepare certain statements which shall be annexed to the abstract prepared. The Appointed Actuary Regulations provide a basic framework for, *inter alia*, eligibility criteria, appointment, cessation, powers, duties, obligations and responsibilities, of an appointed actuary. An insurer or reinsurer in India cannot carry on business without an appointed actuary for a period exceeding one year.

20. *Guidelines on Product Filing Procedures for General Insurance Products ("IRDAI Product Filing Guidelines")*

IRDAI Product Filing Guidelines came into force on April 1, 2016. The guidelines apply to all general insurance products except health, personal accident and travel insurance products. As per the IRDAI Product Filing Guidelines, all general insurance products are to be classified as "retail products" or "commercial products". All the retail products (including their modifications) and the commercial products with a policy sum insured up to 50 million (for package policies fire section sum insured) or as prescribed by the IRDAI from time to time shall be filed with the IRDAI. The IRDAI Product Filing Guidelines set out detailed guiding principles for product design and rating which, *inter alia*, include:

- The product should be a genuine insurance product covering an insurable risk with a real risk transfer;

- All products should go through "appropriate due diligence" to ensure compliance with the regulations;

- Products should be fair and non- discriminatory to all stakeholders and should take care of the policyholder's reasonable expectations. Insurance product design should ensure transparency and clarity in wordings, terms, coverage, exclusions and conditions in order to devise a fair and balanced risk transfer mechanism through insurance;

- Products must be need-based so that unnecessary and superfluous coverage are not added and the necessary ones are not excluded;

- All product literature is meant to be in simple language and technical terminology should be sufficiently clarified such that it can be understood by laymen; and

- If insurers intend to introduce products used in foreign jurisdiction, then those products must be examined and modified in terms of local regulatory requirements.

21. Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015

In addition to equity shares, insurance companies are permitted to issue preference shares and debentures in compliance with the provisions of these regulations. These regulations prescribe parameters regarding seniority of claims, maturity periods, reporting requirements to be undertaken by insurers and procedures for issue of 'other forms of capital', and subject any issuances of such preference shares or debentures to the IRDAI's prior approval.

22. Insurance Regulatory and Development Authority of India (General Insurance- Reinsurance) Regulations, 2016 read together with the Insurance Regulatory and Development Authority of India (Obligatory Cessions to Indian Re-insurers) Notification, 2016

IRDAI may require a re-insurer to justify its retention policy and may give such directions as may be considered necessary in order to ensure that the Indian re-insurer is not merely fronting for a foreign insurer. Every insurer shall cede such percentage of the sum assured on each policy for different classes of insurance written in India to Indian re-insurers as may be specified by IRDAI.

23. Insurance Regulatory and Development Authority (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulation, 2016

The IRDAI had issued these regulations to prescribe broad parameters in relation to the valuation of assets, determination of liabilities and solvency margins of insurance companies. In terms of the regulations, every insurer is required to prepare a statement of admissible assets, statement of the amount of liabilities and a statement of solvency margin in accordance with the forms prescribed under the regulations.

24. Certain regulations prescribed by the IRDAI for agents and intermediaries

In order to regulate agents and intermediaries, the IRDAI has notified certain regulations in relation to individual agents, corporate agents, brokers, web aggregators, insurance marketing firms, *etc*.

Individual agents are appointed by insurers as per the Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations 2016. Under these regulations, an agent is permitted to act as an agent for one life, general, health and mono-line insurer each.

Corporate agents are granted a certificate of registration by IRDAI in accordance with the Insurance Regulatory and Development Authority (Registration of Corporate Agents) Regulations, 2015 ("**IRDAI Corporate Agents Regulations**"). A corporate agent means any applicant (as defined in the IRDAI Corporate Agents Regulations) which holds a valid certificate of registration issued by the IRDAI under the IRDAI Corporate Agents Regulations for solicitation and servicing of insurance business for any of the specified category of life, general and health. These regulations have implemented optional open architecture permitting corporate agents to distribute products of more than one insurance company subject to a maximum of three insurance companies in any insurance vertical, *i.e.*, up to a maximum of three insurance companies each in life insurance, general insurance and health insurance and corporate agents are required to have a board policy on the manner of soliciting and servicing insurance products. They have to adhere to a code of conduct on soliciting and servicing of insurance policies as prescribed by these regulations. Further, these regulations also prescribes provisions that set out requirements for furnishing of information, clarification and personal representation for the purposes of registration including details in relation to the minimum capital requirements, validity, renewal and conditions of registration.

There are such similar regulations for other insurance intermediaries. The Insurance Regulatory and Development Authority (Linked Insurance Products) Regulations 2013 and the Insurance Regulatory and Development Authority (Non-Linked Insurance Products) Regulations 2013 also prescribe product-wise restrictions on the commission payable to insurance agents and insurance intermediaries. Recently, the IRDAI has also released the Insurance Regulatory and Development Authority (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations 2016, which propose a revised payment structure for insurance agents and insurance intermediaries and clarifies that commission and remuneration paid to insurance agents and insurance intermediaries will continue to be regulated and subject to the limits specified by the IRDAI.

25. The Insurance Ombudsman Rules, 2017

The Insurance Ombudsman Rules, 2017 ("**Ombudsman Rules**") were issued by the Ministry of Finance, Department of Financial Service (Insurance Division) vide notification dated April 25, 2017. The objective of Ombudsman Rules is to resolve all complaints of all personal lines of insurance, group insurance policies, policies issued to sole proprietorships and micro enterprises in a cost effective and impartial manner. The Ombudsman Rules are applicable to all the insurers and their agents and intermediaries and prescribe for constitution and composition of Executive Council of Insurers which shall issue guidelines relating to administration, secretariat, infrastructure and other aspects of the functioning of insurance ombudsman system. These rules also lay down the procedure for selection, term of office, remuneration and territorial jurisdiction of ombudsman and rules also prescribe the duties and functions of insurance ombudsman and the manner in which the complaint is to be made, the procedure for redressal of grievance, nature of complaints to be entertained and the manner of passing award in case the complaint is not settled by way of mediation.

26. Other Regulations

In addition to the above, our Company is required to comply with the provisions of the Companies Act, FEMA, labour laws, various tax related legislations, various other IRDAI related regulations notifications and guidelines, and other applicable statutes and policies along with the rules formulated thereunder for its day-to-day operation.

HISTORY AND CERTAIN CORPORATE MATTERS

History of our Company

Our Company was incorporated as 'The New India Assurance Company Limited' on July 23, 1919 at Mumbai, Maharashtra, India as a limited company under the Indian Companies Act, VII of 1913 with the Registrar of Companies. Our Company obtained the certificate of commencement of business on October 14, 1919. Pursuant to the 1973 Scheme, which came into force on January 1, 1974, our Company was nationalized by the GoI. Our Company is registered with IRDAI for carrying out the business of general insurance.

Changes in the registered office of our Company

The details of change in the registered office of our Company are as follows:

S. No.	Date	Details of Change	Reasons for Change
1.	July 1, 1920*	Our registered office was originally at No. 2 and No. 2A Navsari Buildings, Hornby Road, Fort, Bombay and was shifted to 5C Wallace Street, Fort, Bombay.	Administrative convenience
2.	1923*	The Central Bank Building, Esplanade Road, Fort, Bombay.	Administrative convenience
3.	1946*	87, M.G. Road, Fort, Bombay.	Administrative convenience

** We have been unable to trace the resolutions of our general meetings, and / or requisite forms filed with the RoC to record these changes in the registered address of our Company. For further details, see "Risk Factors – Some of our records relating to forms filed with the Registrar of Companies, authorization letters of central government and Controller of Capital Issues, Government of India and minute books for certain board and shareholders' meeting are not available. We cannot assure you that these form filings and minute books will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect." on page 55.*

Main objects

The main objects of our Company as per the Memorandum of Association are:

- *To carry on all kinds of insurance business, and all kinds of guarantee and indemnity business, and in particular to carry on the business of life assurance in all its branches, and in particular to grant of effect assurances of all kinds for payment of money by way of single payment, or by several payments, way of by way of immediate or deferred annuities or otherwise, upon the happening of all or any of the following events, namely, the death, or marriage, or birth, or survivorship, or failure of or issue of the attainment of a given age by any person or persons, or the expiration of any fixed ascertainable period, or the occurrence of any contingency or event which would or might be taken to affect the interest, whether in possession, vested, contingent, expectant, prospective, or otherwise, of any person or persons in any property, or the loss or recovery of contractual or testamentary capacity in any person or persons. To carry on the business of marine and aerial insurance in all its branches, and in particular to make or effect insurance on ships, vessels, boats, craft and aeroplanes of all kinds and on goods, merchandise, live or dead stock, luggage, effects, specie, bullion or other property, respondentia and bottomry interests, commissions, profits and freights. To carry on all kinds of transit insurance business. To carry on the business of accident insurance in all its branches. To carry on the business of fire insurance against injury or damage to or loss of property directly or indirectly caused by or resulting from fire, storms, lightning, explosions, accident or otherwise. To establish different classes or clubs of insuring members upon the footing that the members of each class or club shall insure one another on the mutual principle and to manage and regulate such classes or clubs. To transact insurances to protect employers and principals against liability on account on injury, loss or damage, either sustained or caused by workmen, servants, employees or agents in their employment or acting on their behalf. To transact insurances to protect and indemnify principals or employers against loss or damage by the fraud, breach of trust or misconduct of their servants, agents or others acting on their behalf, and to guarantee and provide security for the fidelity and good conduct of persons filling or about to fill offices or appointments and situations of trust or confidence and also to protect and relieve private sureties against loss arising to them from their liability as cautioners or guarantors for others. To transact insurance against claims upon the assured for injuries to the person and property of third parties caused by the assured or his property or by others for whom he is responsible. To* *transact insurance against loss of property by burglary or theft by housebreaking or larceny. To insure or give any guarantee in relation to any stock, shares, debentures, debenture stock, bonds, obligations or securities issued by or having any guarantee of any company or institution or of any authority supreme, municipal, local or otherwise, or of any person or persons whomsoever, whether corporate or unincorporated. To insure or give any guarantee against calls and demands for contribution in respect of any liability incident to the ownership of any shares or stock in any company or undertaking.*

- *To insure or guarantee the holders of, or persons interested in, or proposing or intending to become holders of any shares, stock or securities issued at a premium, against loss arising from redemption at par, depreciation or otherwise. To insure or guarantee the safety of securities and property of all kinds placed on deposit with the Company or elsewhere, or entrusted to the Company for transmission, or otherwise howsoever. To insure or guarantee the due payment and performance of bills of exchange, promissory notes, debts, contracts and obligations of all kinds, on the del credere system or otherwise. To insure and grant, issue and effect policies and assurances in respect of horses, cattle, sheep, pigs, and other live stock against death, whether arising in the course of nature or caused by or the result of or arising from or out of disease or accident, and against injury or depreciation in value by accident, or by fire, flood, inundation, lightning, or tempest. To insure and grant, issue and effect insurances upon and in respect of crops, whether growing or severed, against loss, destruction, or injury by fire, flood, or inundation, or in any other manner.*

- *To acquire or extinguish or otherwise deal with any insurance made with the Company.*

- *To grant, purchase, or sell endowments and annuities either for lives or for years, or on survivorships, and either immediate, differed, determinable, contingent, or reversionary, and to purchase, invest in, and sell, life, reversionary, and other estates, interests, and securities, whether in real or personal property and generally to undertake and transact all matters and business which may be in any way connected with or depend on contingencies.*

- *To re-insure or counter-insure any of the risks undertaken by the Company.*

- *To effect as agents for other assurances of every kind and against every and any contingency.*

- *To create or set aside out of the capital or revenue of the Company, a special fund, or special funds and to give to any class or its policy-holders, annuitants, or creditors, any preferential right over any fund or funds so created, and for such or any other purposes of the Company to place any portion of the Company's property in the names or under the control of trustees and to give any class of insurers a right to participate in the profits of the Company or any branch of its business.*

- *To apply out of the revenue or otherwise out of the funds of the Company in each year until the first valuation of the Company's risks any sum not exceeding the gross amount realized, irrespective of expenses, during the year from interest on invested capital or other sources of income or profit, in or towards the payment of a dividend not exceeding six per cent per annum upon the capital called up and paid, and to spread any preliminary expenses, including such interest over any subsequent years.*

- *To contract with leaseholders, borrowers, lenders, annuitants, and others for the establishment, accumulation, provision and payment of sinking funds, redemption funds, depreciation funds, renewal funds, endowment funds, and any other special funds and that either in consideration of a lump sum, or of an annual premium or otherwise, and generally on such terms and conditions as may be arranged.*

- *To purchase and deal in the lend on life, reversionary, and other interests in property of all kinds, whether absolute or contingent, or expectant, and whether determinable or not; and to acquire, lend money on, redeem, cancel, or extinguish by purchase, surrender or otherwise, any policy, security, grant or contract issued, made, or taken over or entered into by the Company.*

- *To carry on the business of a loan company in all its branches.*

- *To act as agents for the issue of any bills, bonds, debenture stock, whether or not offered to the public for subscription, and to guarantee the subscription of any such securities or shares, and to act as* *trustee, executer, or administrator with or without remuneration, and to undertake trusts of all kinds and the conduct of any business connected with trusts of any description or the estates of deceased persons, and to receive for safe custody.*

- *To pay, satisfy or compromise any claims made against the Company which it may seem expedient to pay, satisfy or compromise, notwithstanding that the same may not be valid in law.*

- *To carry on and transact every kind of guarantee business and every kind of indemnity business and every kind of counter-guarantee and counter indemnity business.*

- *To encourage the discovery of, and investigate and make known the nature and merits of inventions, expedients and appliances which may seem capable of being used for reducing or minimizing all or any of the risks against which the Company is hereby authorized to insure.*

- *To carry on business as bankers, capitalists, financiers, concessionaries and merchants and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations.*

- *To carry on all kinds of promotion business and in particular to firm, constitute, float, lend money to assist and control any companies, associations or undertakings whatsoever.*

- *To purchase or otherwise acquire, sell, dispose of, and deal in real and personal property of all kinds, and in particular lands, buildings, hereditaments, business concerns and undertakings, mortgages, charges, annuities, patents, licenses, shares, stocks, debentures, debenture stock, securities, concessions, options, produce, policies, book debts, and claims, and any interest in real or personal property and any claims against such property or against any persons or company and to carry on any business concern or undertaking so acquired.*

- *To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.*

- *To acquire and undertake the whole or any part of the business, property, and liabilities of any person or company carrying on any business which the Company is authorized to carry on, or possessed of property suitable for the purposes of this Company.*

- *To enter into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise, with any person or company carrying on or engaged in, or about to carry on or to engage in, any business or transaction which this Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend money to, guarantee the contracts of or otherwise assist, any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.*

- *To take, or otherwise acquire, and hold share in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.*

- *To enter into any arrangement with any governments or authorities, supreme, municipal, local, or otherwise that may seem conducive to the Company's objects or any of them, and to obtain from any such government or authority, any rights, privileges, and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.*

- *To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons, and to grant pensions and allowances, make payments towards insurance, and to make donations to such persons and in such cases as may seem expedient* *and to subscribe for any purposes whether charitable or benevolent or for any public, general or useful object.*

- *To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.*

- *Generally to purchase, take on lease or in exchange hire, or otherwise acquire, any real or personal property, and any rights or privileges which the Company may think necessary or convenient for the purposes of its business.*

- *To construct, maintain, and alter any buildings, or works, necessary or convenient for the purposes of the Company.*

- *To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.*

- *To lend money to such persons and on such terms as may seem expedient and in particular to customers and others having dealing with the Company.*

- *To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital, and to purchase, redeem or pay off any such securities.*

- *To remunerate any person or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital, or any debentures, debenture stock or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.*

- *To draw, meet, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, warrants, debentures and other negotiable or transferable instruments.*

- *To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of this Company.*

- *To procure the Company to be registered or recognized in any foreign country or place.*

- *To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of or turn to account, or otherwise deal with, all or any part of the property and rights of the Company.*

- *To develop and turn to account any land acquired by the Company or in which it is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up, and improving buildings, and conveniences, and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others.*

- *To amalgamate with any other company having objects altogether or in part similar to those of this Company.*

- *To distribute any of the property of the Company in specie among the members. To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.*

- *To do all such other things as are incidental or conducive to the attainment of the above objects.*

The main objects as contained in the Memorandum of Association enable our Company to carry on our existing business as well as to carry on the activities for which funds are being raised in the Offer.

Changes in our Memorandum of Association

Pursuant to the 1973 Scheme, the authorised paid up equity share capital of our Company was ₹ 200,000,000 divided into 30,000,000 equity shares of ₹ 5 each and 500,000 preference shares of ₹ 100 each. The following changes have been made to our Memorandum of Association subsequent to the 1973 Scheme:

Date of Change/ Shareholders' Resolution	Particulars
November 18, 1982*	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 200,000,000 divided into 30,000,000 equity shares of ₹ 5 each and 500,000 preference shares of ₹ 100 each to ₹ 550,000,000 divided into 100,000,000 equity shares of ₹ 5 each and 500,000 preference shares of ₹ 100 each.
August 16, 2000*	Clause V of the Memorandum of Association was amended to reflect reclassification and consolidation of the authorised share capital of our Company from ₹ 550,000,000 divided into 100,000,000 equity shares of ₹ 5 each and 500,000 preference shares of ₹ 100 each to ₹ 550,000,000 divided into 50,000,000 equity shares of ₹ 10 each and 500,000 preference shares of ₹ 100 each, whereby two equity shares of ₹ 5 each were consolidated into one equity share of ₹ 10 each.
	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 550,000,000 divided into 50,000,000 equity shares of ₹ 10 each and 500,000 preference shares of ₹ 100 each to ₹ 3,050,000,000 divided into 300,000,000 equity shares of ₹ 10 each and 500,000 preference shares of ₹ 100.
September 29, 2000*	Clause V of the Memorandum of Association was amended to reflect alteration in the authorised share capital of our Company from ₹ 3,050,000,000 divided into 300,000,000 equity shares of ₹ 10 each and 500,000 preference shares of ₹ 100 to ₹ 3,000,000,000 divided into 300,000,000 equity shares of ₹ 10 by way of cancellation of unissued 500,000 preference shares of ₹100 each forming part of the authorised share capital.
August 2, 2017	Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹ 3,000,000,000 divided into 300,000,000 equity shares of ₹ 10 each to ₹ 6,000,000,000 divided into 1,200,000,000 equity shares of ₹ 5 each.

** We have been unable to trace the requisite forms filed with the RoC to record these changes in the MoA in relation to the authorised share capital of our Company. For further details, see "Risk Factors – Some of our records relating to forms filed with the Registrar of Companies, authorization letters of central government and Controller of Capital Issues, Government of India and minute books for certain board and shareholders' meeting are not available. We cannot assure you that these form filings and minute books will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect." on page 55.*

Major events and milestones

The table sets forth some of the major events in our history:

Year	Particulars
1919	Our Company was incorporated as a limited company with an authorised share capital of ₹ 200,000,000.
1920	Our Company commenced operations in London.
1956	Our Company transferred its life insurance business to the Life Insurance Corporation of India, which was formed under the Life Insurance Corporation Act, 1956, pursuant to which life insurance business in India was nationalised.
1973	The General Insurance Corporation of India was formed under the General Insurance Business (Nationalisation) Act, 1972, which provided for nationalisation of general insurance business in India. Our Company became a subsidiary of the General Insurance Corporation of India after the GoI transferred its entire shareholding in general insurance companies to the General Insurance Corporation of India.
1974	The New India Assurance Company Limited (Merger) Scheme, 1973, which was framed by the Department of Revenue and Insurance, Ministry of Finance, GoI under the General Insurance Business (Nationalisation) Act, 1972, became effective.
2003	Pursuant to the General Insurance Business (Nationalisation) Amendment Act, 2002, the General Insurance Corporation of India transferred its entire shareholding in our Company to the GoI.

Year	Particulars
2012	Our Company crossed premium of ₹ 100,000 million during 2011-12.
2016	• Our Company received the approval for opening an office at Gujrat International Finance Tec-City, Gandhinagar.
2017	• Our Company crossed premium of ₹ 200,000 million during 2016-17

Strikes and lock-outs

Our Company has not experienced any lock-outs or instances of labour unrest in the past. However, our Company has experienced partial strikes.

Time/Cost Overrun in setting up projects

There have been no instances of time and cost overruns pertaining to our business operations since the 1973 Scheme.

Changes in the activities of our Company

There has been no change in the activities of our Company during the last five years preceding the date of this Draft Red Herring Prospectus which may have had a material effect on the profit or loss of our Company, including discontinuance of its lines of business, loss of agencies or markets and similar factors.

Defaults or rescheduling of borrowings from financial institutions/banks, conversion of loans into equity by our Company

There are no defaults or rescheduling of borrowings with financial institutions, banks or conversion of loans into equity in relation to our Company since the 1973 Scheme.

Capital raising activities through debt or equity

Except as set out in the section "*Capital Structure*" on page 101, our Company has not raised any capital in the form of Equity Shares subsequent to the 1973 Scheme. As on the date of this Draft Red Herring Prospectus, our Company has not availed any financial indebtedness.

Awards and Accreditations

The table below sets forth the awards and accreditations received in our history:

Year	Accreditation
2014	• Our Company won the "Golden Peacock Award" for "Excellence in corporate governance" • Our Company won the "The Indian Insurance Award" for "Personal Lines Growth Leader", "Underserved Market Penetration" and "Technology Maturity" • Our Company won the "India's SME Forum" award for "Best Insurer" • Our Company won the "Dalal Street Investment Journal PSU Award" for "The Best General Insurance Company of the Year"
2015	• Our Company won the "Samudra Manthan Award" for "Insurance Company of the Year" • Our Company won the "Outlook Money Award" for "Best Health Insurer" • Our Company won the "The Indian Insurance Award" for "General Insurance Company of the Year", "Commercial Lines Growth Leadership - General Insurance" and "Claims Service Leader- General Insurance" • Our Company won the "Dun & Bradstreet PSU Award" for "Insurance (General)"
2016	• Our Company won the "Dun & Bradstreet PSU Award" for "Non-Life Insurance" • Our Company won the "Golden Peacock Award" for "Innovative Product/ Service" • Our Company won the "Golden Peacock Award" for "Excellence in Corporate Governance" • Our Company won the "The Indian Insurance Award" for "General Insurance Company of the Year", "e-Business Leader in General Insurance" and "Under Served Market Penetration – General Insurance"

Year	Accreditation
	• Our Company won the "ABP News Award" for "Best General Insurance Company"
2017	• Our Company won the "Golden Peacock Award" for "Business Excellence" • Our Company won the "Insurance India Summit Award" for "Insurance Company of the Year" • Our Company won the "Dun & Bradstreet BFSI Award" for "India's Leading Insurance Company - Non-Life (Public Sector)" • Our Company won the "Fintelekt Insurance Awards" for "Personal Lines Growth Leadership (Public Sector) General Insurance", "e-Business Leader (General Insurance)", "Social Inclusion (Public Sector) General Insurance", and "Claims Service Leader (General Insurance)"

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, if any

Except as disclosed below, our Company has neither acquired any entity, business or undertaking nor undertaken any merger, amalgamation or revaluation of assets.

The New India Assurance Company Limited (Merger) Scheme dated December 31, 1973, amongst Anand Insurance Company Limited, Bhabha Marine Insurance Company Limited, Commonwealth Assurance Company Limited, Howrah Insurance Company Limited, Indian Merchants Marine Insurance Company Limited, Jalanath Insurance Limited, Kalyan Marine Insurance Limited, Liberty Company Insurance Limited, Mother India Fire & General Insurance Company Limited, Motor Owners' Insurance Company Limited, Narahari Marine Insurance Company Limited, Naranji Bhanabhai and Company Limited, New Merchants' Insurance Company Limited, New Premier Insurance Company Limited, Northern India General Insurance Company Limited, Porbandar Insurance Company Limited, Prachi Insurance Company Limited, Shree Mahasagar Vima Company Limited, South India Insurance Company Limited, Vanguard Insurance Company Limited (collectively, "Transferor Companies"), and our Company (the "1973 Scheme")

The 1973 Scheme which came into effect on January 1, 1974, was framed and notified by the Department of Revenue and Insurance, Ministry of Finance, GoI under the General Insurance Business (Nationalisation) Act, 1972. The 1973 Scheme was framed with the purpose of improvement in efficiency in general insurance business by merger of certain insurance companies with our Company. Pursuant to the 1973 Scheme, the Transferor Companies were dissolved without winding-up. The Transferor Companies were amalgamated into our Company and i*nter-alia*, the (i) undertakings including assets, rights and powers and all property, cash balances, capital and reserve funds, investments, books of accounts, registers, records, borrowings, and liabilities and obligations of whatever kind; (ii) every whole time officer or other employee who was in employment of such company on or before January 1, 1974; and (iii) superannuation, welfare funds or any other fund (other than a provident fund) for the benefit of employees of the Transferor Companies were transferred to our Company. According to the 1973 Scheme, all the shares of the Transferor Companies and our Company were cancelled. Subsequently, the Memorandum of Association and Articles of Association of our Company were altered to reflect alteration of authorised share capital to ₹ 200,000,000 divided into 30,000,000 equity shares of ₹ 5 each and 500,000 preference shares of ₹ 100 each and out of such authorised share capital, 7,701,268 fully paid-up equity shares of our Company were allotted to the shareholders of our Company and shareholders of any of the Transferor Companies, in proportion to the amount paid upon the shares held by such shareholders. In terms of the 1973 Scheme, provisions of the Companies Act, 1956 relating to the retirement of directors by rotation would not apply in respect of the directors of our Company. The 1973 Scheme also specified that consent of the GoI would be required to undertake any reduction of share capital or issuance of fresh capital by our Company after the scheme became effective.

Divestment by our Company

Our Company has not divested its shareholding in any of its subsidiaries.

Business and management

For details of our Company's business, products, technology, marketing, description of its activities, products, market segment, the growth of our Company, standing of our Company with reference to the prominent competitors with reference to its products, major customers and geographical segment, see "*Our Business*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 142, 119 and 432, respectively.

For details on managerial competence, see "*Our Management*" on page 197.

Our Shareholders

Our Company has 11 Shareholders as of the date of this Draft Red Herring Prospectus. For details, regarding our Shareholders, see "*Capital Structure*" on page 101.

Strategic or Financial Partners

Our Company does not have any strategic or financial partners.

Holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Other details regarding our Company

As on the date of this Draft Red Herring Prospectus, apart from the disclosures in the section "*Outstanding Litigation and Material Developments*" on page 501, there are no injunctions/restraining orders that have been passed against our Company.

Our Subsidiaries

As of the date of this Draft Red Herring Prospectus, we have three Subsidiaries. For details, see "*Our Subsidiaries*" on page 219.

Interest in our Company

Our Subsidiaries do not have any interest in our Company's business other than as stated in "*Our Business*" and "*Related Party Transactions*" on pages 142 and 225, respectively.

Our Joint Venture

Our Company had entered into a joint venture cum shareholders' agreement ("**JV Agreement**") with National Insurance Company Limited, The Oriental Insurance Company Limited, United India Insurance Company Limited and General Insurance Corporation of India (together with our Company, the "**JV Parties**") dated April 15, 2013 to incorporate a joint venture company, *i.e.*, Health Insurance TPA of India Limited ("**HITIL**") with the purpose of bringing in efficiency in health insurance claims management. HITIL is engaged in the business of being third party administrators in the field of health services.

The JV Agreement conferred on our Company certain rights such as appointment of nominee director and right of first refusal, among others.

Our Company has acquired 16,624,999 fully paid-up equity shares of ₹ 10 each directly and one equity share through its nominee, amounting to 23.75% of the equity share capital of the HITIL.

HITIL is an Associate of our Company in terms of Section 2(6) of the Companies Act and has been classified as such by our Joint Auditors in the Restated Standalone Financial Statements under the relevant accounting standards. Further, HITIL is also a Group Company.

Summary of Key Agreements and Shareholders' Agreements

Our Company has not entered into any shareholder or investment agreement.

Other material agreements

Our Company is not a party to any material agreement other than in the ordinary course of business in the two years preceding the date of this Draft Red Herring Prospectus.

Details of guarantees given to third parties by our Promoter

Our Promoter has not given any guarantees on behalf of our Company to third parties.

OUR MANAGEMENT

Board of Directors

As per the Articles of Association, our Company is required to have at least four and not more than 11 (eleven) Directors. Our Company, as on the date of this Draft Red Herring Prospectus, has four Directors. As our Chairman cum Managing Director is an executive director, our Company is in the process of identifying and appointing Independent Directors and a woman director in order to reconstitute our Board with at least 50% independent directors including one woman director in order to comply with the SEBI Listing Regulations, IRDAI Guidelines and Companies Act. For details, see "*Risk Factors - Our Company is currently not in compliance with certain provisions of the SEBI Listing Regulations and/or Companies Act, as may be applicable in relation to composition of our Board, certain committees and terms of reference of the Audit Committee and the Nomination and Remuneration Committee*" and "*Our Management – Corporate Governance*" on pages 32 and 202, respectively.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age (in years)	Other Directorships
Mr. G. Srinivasan *Address*: Flat No. 9, Mayfair House, Little Gibbs Road, Malabar Hills, Mumbai – 400 006, Maharashtra, India *Designation*: Chairman cum Managing Director *Occupation*: Service *Nationality*: Indian *Tenure*: October 18, 2012 to July 31, 2018 or until further orders are issued by the GoI, whichever is earlier *DIN*: 01876234	59	<u>Indian companies</u> • GIC Housing Finance Limited; • General Insurance Corporation of India; • Agriculture Insurance Company of India Limited; and • Health Insurance TPA of India Limited <u>Foreign companies</u> • Prestige Assurance Plc (Nigeria); • The New India Assurance Company Limited (Trinidad & Tobago); and • India International Insurance Pte. (Singapore)
Mr. Mohammad Mustafa *Address*: D-1/44, Bharti Nagar, Lodi Road, New Delhi – 110 003, Delhi, India *Designation*: Non-Executive and Government Nominee Director *Occupation*: Administrative services *Nationality*: Indian *Tenure*: From September 9, 2015 until further orders are issued by the GoI *DIN*: 06887517	48	• Bank of Baroda
Mr. Hemant G. Rokade *Address*: A/16, Mayfair Gardens, Little Gibbs Road, Malabar Hills, Mumbai 400 006, Maharashtra, India	56	NIL

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age (in years)	Other Directorships
Designation: Whole-time Director *Occupation*: Service *Nationality*: Indian *Tenure*: January 27, 2016 to January 27, 2019 or till retirement on December 31, 2020 or until further orders are issued by the GoI, whichever is earlier *DIN*: 06417520		
Mr. Anil Kumar *Address*: C/42, Mayfair Gardens, Little Gibbs Road, Malabar Hills, Mumbai – 400 006, Maharashtra, India *Designation*: Whole-time Director *Occupation*: Service *Nationality*: Indian *Tenure*: June 20, 2017 to November 30, 2017 or until further orders are issued by the GoI, whichever is earlier. *DIN*: 07859811	59	NIL

None of our Directors are related to each other.

Brief profile of our Directors

Mr. G. Srinivasan

Mr. G. Srinivasan, aged 59 years, is our Chairman cum Managing Director. He holds a bachelor's degree in commerce from the University of Madras. He is an associate of The Institute of Cost Accountants of India and a fellow of the Federation of Insurance Institutes. He has over 37 years of experience in the insurance industry. He is the recipient of the "India Insurance Summit - Lifetime Achievement Award – 2017" awarded by "Quest Conferences", "R H Patil Award for Excellence in Financial Services – 2017" awarded by "Skoch Consultancy Services", "News Ink National Awards – Legend CMD of the Year – 2016" awarded by "News Ink", "Asia Insurance Industry Awards - Personality of the Year Award – 2016" awarded by "Asia Insurance Review", "Lokmat BFSI Awards for Outstanding Contribution to Insurance Sector – 2015" awarded by "Lokmat", and "Financial Inclusion and Deepening Award for Excellence in Non-Life Insurance – 2014" awarded by "Skoch". He is the chairman of the General Insurance Council and chairman of General Insurance Public sector Association. He is also a member of the Insurance Advisory Committee of the IRDAI and the chairman, Assocham's National Council for Insurance. He is also Chairman of Health Insurance Committee of FICCI. He has also been the chairman cum managing director of United India Insurance Company Limited and been a member of the Council of Insurance Institute of India. He has been associated with our Company from 1979 till 2007. He was appointed as our Chairman-cum-Managing Director on October 18, 2012.

Mr. Mohammad Mustafa

Mr. Mohammad Mustafa, aged 48 years, is a Non-Executive and Government Nominee Director. He holds a bachelor's degree in philosophy and a master's degree in philosophy. He has over 22 years of experience in administration. He is in the Indian Administrative Services, and is also a Joint Secretary in the Department of

Financial Services, MoF. He has previously been a director at Andhra Bank, Union Bank of India and the National Housing Bank. He has been associated with our Company as a Director since September 9, 2015.

Mr. Hemant G. Rokade

Mr. Hemant G. Rokade, aged 56 years, is a Whole-time Director. He holds a bachelor's degree in commerce from University of Bombay and a master's degree in Commerce from University of Bombay. He has over 34 years of experience in the insurance industry. He has previously been a director at Prestige Assurance Company in Nigeria and worked as a general manager in Oriental Insurance Company and as managing director and chief executive officer at IDBI Trusteeship Services Limited. He has been associated with our Company since January 27, 2016. He was appointed as a Director on January 27, 2016.

Mr. Anil Kumar

Mr. Anil Kumar, aged 59 years, is a Whole-time Director. He holds a bachelor's degree in Science from Patna University. He holds a diploma in computer programming from the Indian Institute of Business Management, Patna. He has over 30 years of experience in the insurance industry. He was previously associated with Oriental Insurance Company Limited. He has been associated with our Company since August 9, 2010. He was appointed as a Director on June 20, 2017.

Terms of appointment of the Whole-time Directors

Mr. G. Srinivasan

Mr. G. Srinivasan was appointed the Chairman cum Managing Director pursuant to a notification of the MoF dated October 11, 2012 with immediate effect till October 15, 2015 or until further orders are issued by the GoI, whichever is earlier. The tenure of Mr. G. Srinisvasan was further extended with immediate effect from October 16, 2015 for a period of six months or until further orders, whichever is earlier, pursuant to a notification of the MoF dated November 27, 2015. Further, pursuant to a notification of the MoF dated August 10, 2016, the tenure of Mr. G. Srinivasan was extended from April 16, 2016 till July 31, 2018. Mr. G. Srinivasan is currently entitled to a basic salary of ₹ 0.22 million per month with effect from January 1, 2016. He is also entitled to certain perquisites including conveyance and accommodation.

Mr. Hemant G. Rokade

Mr. Hemant G. Rokade was appointed as a Whole-time Director pursuant to a notification of the MoF dated January 27, 2016 with immediate effect till January 27, 2019 or till retirement on December 31, 2020 or until further orders are issued by the GoI, whichever is earlier. Mr. Hemant G. Rokade is entitled to a basic salary of ₹ 0.12 million per month with effect from January 1, 2017. He is also entitled to certain perquisites including conveyance and accommodation.

Mr. Anil Kumar

Mr. Anil Kumar was appointed as a Whole-time Director pursuant to a notification of the MoF dated June 20, 2017 with immediate effect till November 30, 2017 or until further orders are issued by the GoI, whichever is earlier. Mr. Anil Kumar is entitled to a basic salary of ₹ 0.11 million per month with effect from May 1, 2017. He is also entitled to certain perquisites including conveyance and accommodation.

There is no contingent or deferred payment for the Financial Year 2017 with respect to our Chairman cum Managing Director and Whole-time Directors.

Additionally, all our Whole-time Directors are entitled to reimbursement of travelling and out of pocket expenses incurred by them in the normal course of our business.

Payment or benefit to Directors of our Company

The remuneration paid to our Directors in the Financial Year 2017 is as follows:

1. Remuneration to Whole-time Directors:

The aggregate value of the remuneration (including the value of perquisites) paid to the Whole-time Directors in the Financial Year 2017 is as follows:

S. No.	Name of the Director	Remuneration paid in the Financial Year 2017 (In ₹ million)
1.	Mr. G. Srinivasan	2.84
2.	Mr. Hemant G. Rokade	2.50
3.	Mr. Anil Kumar*	2.17

* *Please note that the remuneration received by Mr. Anil Kumar in the Financial Year 2017 was prior to his appointment as a Director*.

2. Remuneration to Non-Executive Director(s):

Our Government Nominee Director is not entitled to any remuneration or fees from our Company. Further, our Government Nominee Director is entitled to reimbursement of travelling and out of pocket expenses incurred by him only in connection with attending meetings of our Company's Board or Committees.

3. Remuneration paid or payable from Subsidiaries:

No remuneration has been paid to our Directors by our Subsidiaries.

Bonus or profit sharing plan for the Directors

Except for our Chairman cum Managing Director who is entitled to performance incentive from the GoI under a scheme upon satisfaction of certain parameters, and our Whole-time Directors (excluding the Chairman cum Managing Director) who are entitled to our Company's scheme of performance linked incentive, upon satisfaction of certain conditions/ parameters, our Company does not have a bonus or profit sharing plan for our Directors.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Except as stated below, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or a member of the senior management:

(i) Pursuant to our Articles of Association, the central government shall appoint the Chairman cum Managing Director and other Directors on such terms and remuneration (whether by way of salary or otherwise) as it may think fit.

(ii) Mr. Mohammad Mustafa, Non-Executive and Government Nominee Director of our Company holds directorship as a nominee of our Promoter.

Shareholding of Directors in our Company

The shareholding of our Directors as on the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of Director	Number of Equity Shares held	Percentage Shareholding
1.	Mr. G. Srinivasan*	16	Negligible
2.	Mr. Hemant G. Rokade*	16	Negligible
3.	Mr. Anil Kumar*	16	Negligible
4.	Mr. Mohammad Mustafa*	-	-

* As nominees of our Promoter

Our directors are not required to hold any qualification shares under the terms of the Articles of Association.

Service contracts with Directors

Our Company has not entered into any service contracts, pursuant to which our Directors are entitled to benefits upon termination of employment.

Shareholding of Directors in our Subsidiaries

None of our Directors hold any equity shares in our Subsidiaries as on the date of this Draft Red Herring Prospectus.

Appointment of relatives of Directors to any office or place of profit

None of the relatives of our Directors currently hold any office or place of profit in our Company.

Directorships of Directors in listed companies

None of our Directors is or has been on the board of any listed company whose shares have been/were suspended from being traded on Stock Exchanges, during the five years prior to the date of this Draft Red Herring Prospectus.

None of our Directors is or was a director of a company that has been suspended from any stock exchange due to non-compliance with listing requirements.

None of our Directors has been or is a director on the board of any listed companies which have been/were delisted from any stock exchange.

See "*Other Regulatory and Statutory Disclosures*" on page 513 for additional confirmations in relation to our Directors.

Interest of Directors

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them.

Our Government Nominee Director may be deemed to be interested to the extent of the shareholding of our Promoter in our Company. Our Directors may be deemed to be interested to the extent of the Equity Shares held by them in their capacity as nominees of our Promoter.

Certain Directors may also be deemed to be interested in Equity Shares that may, pursuant to this Offer, be subscribed by or Allotted to their relatives, or to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees, and promoter.

Our Directors have no interest in the promotion of our Company except in their capacity as nominees of our Promoter.

Further, our Directors have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Draft Red Herring Prospectus.

Except as stated in the section "*Related Party Transactions*" on page 225, our Directors do not have any other interest in our business.

Except as disclosed below, no loans have been availed by our Directors from our Company:

Name	Type of Loan	Amount Sanctioned (In ₹ million)	Interest rate (In %)	Outstanding as on March 31, 2017 (In ₹ million)
Mr. Anil Kumar	Festival loan	0.03	NIL	0.02

Except as disclosed in the section "*Related Party Transactions*" on page 225, none of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company.

Changes in the Board in the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as set forth below:

Name	Date of Appointment	Date of Cessation	Reason
Mr. A. R. Sekar	March 5, 2007	March 31, 2014	Superannuation
Mr. S. Ganpathi Subramanian	August 24, 2011	August 23, 2014	Tenure ceased
Mr. Prakash Bakliwal	August 24, 2011	August 23, 2014	Tenure ceased
Mr. Arvind Kumar	May 11, 2012	June 5, 2014	Nomination changed by appointing authority
Mr. K. Sanath Kumar	September 6, 2012	August 1, 2015	Transfer
Mr. Salamat Ullah	December 19, 2012	December 18, 2015	Tenure ceased
Ms. V. R. Iyer	January 22, 2013	May 31, 2015	Superannuation
Mr. Rajesh Kumar Khullar	June 5, 2014	February 25, 2015	Nomination changed by appointing authority
Mr. KLR Babu	August 21, 2014	July 31, 2015	Superannuation
Ms. Anna Roy	July 2, 2015	September 9, 2015	Nomination changed by appointing authority
Mr. Mohammad Mustafa	September 9, 2015	-	-
Mr. Arun Tiwari	September 21, 2015	June 30, 2017	Superannuation
Mr. P. Nayak	January 27, 2016	May 31, 2016	Superannuation
Mr. Hemant G. Rokade	January 27, 2016	-	-
Mr. G. Srinivasan	August 10, 2016	-	-
Ms T. L. Alamelu	September 7, 2016	May 31, 2017	Transfer
Mr. Anil Kumar	June 20, 2017	-	-

Borrowing Powers of our Board

In accordance with the Articles of Association and section 180(1)(C) of the Companies Act, 2013, the Board may, from time to time, at its discretion by a resolution passed at a meeting of the Board, generally raise or borrow any sum or sums of money for the purposes of our Company.

Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up share capital of our Company and its free reserves not being reserves set apart for any specific purpose), the consent of the members by way of special resolution shall be required.

Corporate Governance

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares with the Stock Exchanges. Further, as a public sector undertaking our Company is also governed by the directions of the Department of Financial Services, Ministry of Finance, Government of India ("**DFS**") in relation to corporate governance.

Our Chairman cum Managing Director is an executive Director. Our Company currently has four Directors, of which three are Whole-time Directors, and one is a Non-Executive and Government Nominee Director.

In terms of Regulation 17(1)(b) of the SEBI Listing Regulations, at least half of the board of directors of a listed company shall comprise of Independent Directors if the company does not have a regular non-executive director as its chairperson. As of the date of this Draft Red Herring Prospectus, our Board is chaired by an executive Director, and comprises four Directors, of whom none are Independent Directors. Further, in terms of Regulation 17(1)(a) of the SEBI Listing Regulations the board of directors of a listed company shall comprise of at least one woman director. Also, in terms of Section 149(1) of the Companies Act read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 ("**Appointment Rules**"), every listed company or other public companies, as applicable, having paid-up share capital and/or turn-over as specified under Rule 3 (ii) of the Appointment Rules, shall appoint a woman director on its board. As of the date of this Draft Red Herring Prospectus, there is no woman director on our Board. Accordingly, our Board is currently not in compliance with Regulation 17 of the SEBI Listing Regulations. Additionally, the composition of our Corporate Social Responsibility Committee, Audit Committee and Nomination and Remuneration Committee are not in compliance with the relevant provisions of the Companies Act and/or the SEBI Listing Regulations, as may be applicable, in relation to its composition. In this regard, our Company has filed exemption letters dated July 25, 2017 and August 8, 2017 with SEBI under Regulation 113(1)(c) of the SEBI ICDR Regulations for relaxation of the requirement under Paragraph (2)(VIII)(E)(7)(a) of Part A of Schedule VIII of the SEBI ICDR Regulations. The composition of our Board will be compliant with the SEBI Listing Regulations prior to the filing of the Red Herring Prospectus.

In terms of, (i) Section 135 of the Companies Act, (ii) Sections 177(1) and 177(2) of the Companies Act, Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("**Meetings of Board Rules**") and Regulation 18 of the SEBI Listing Regulations, and (iii) Section 178(1) of the Companies Act, Rule 6 of the Meetings of Board Rules and Regulation 19 of the SEBI Listing Regulations, certain companies as prescribed therein, shall constitute a Corporate Social Responsibility Committee, an Audit Committee and a Nomination and Remuneration Committee, respectively. Also, pursuant to the directions of the DFS and our Articles, matters pertaining to, among others, appointment and terms (including remuneration) of our Directors are determined by the President of India/ Government of India. Further, our Statutory Auditor is appointed by the CAG. Accordingly, in so far as the aforestated matters are concerned, the Nomination and Remuneration Committee and the Audit Committee can only note or take on record, these matters. Accordingly, in relation to the above non-compliances, our Company has filed an exemption letter on August 8, 2017 with SEBI under Regulation 113(1)(c) of the SEBI ICDR Regulations seeking relaxation of the relevant provisions of the SEBI ICDR Regulations

For details see, "*Risk Factors – Our Company is currently not in compliance with certain provisions of the SEBI Listing Regulations and/or Companies Act, as may be applicable in relation to composition of our Board, certain committees and terms of reference of the Audit Committee and the Nomination and Remuneration Committee.*" on page 32.

Other than as described above, our Company is in compliance with corporate governance norms prescribed under SEBI Listing Regulations, IRDAI Corporate Governance Guidelines, and Companies Act.

Committees of the Board

In terms of the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, our Company has constituted the following Committees of the Board:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) Risk Management Committee; and
(e) CSR Committee.

In terms of the provision of the IRDAI Corporate Governance Guidelines, our Company has constituted the following Committees of the Board:

(a) Investment Committee; and
(b) Policyholders Protection Committee.

The details of the committees are as follows:

A. Audit Committee

The members of the Audit Committee are:

S. No.	Name of the Director	Designation
1.	Mr. Hemant G. Rokade	Director and General Manager (Chairman)
2.	Mr. Mohammad Mustafa	Government Nominee Director
3.	Mr. Anil Kumar	Director and General Manager

The Audit Committee was re-constituted by a meeting of the Board of Directors held on July 10, 2017. The scope and function of the Audit Committee is in accordance with the Companies Act, the Listing Regulations and the IRDAI Corporate Governance Guidelines.

The terms of reference of the Audit Committee are as follows:

(a) Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

(b) Taking on record the appointment of auditors of our Company by the Comptroller and Auditor General of India;

(c) Recommendation for remuneration and terms of appointment of auditors of our Company;

(d) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

  (ii) Changes, if any, in accounting policies and practices and reasons for the same;

  (iii) Major accounting entries involving estimates based on the exercise of judgment by management;

  (iv) Significant adjustments made in the financial statements arising out of audit findings;

  (v) Compliance with listing and other legal requirements relating to financial statements;

  (vi) Disclosure of any related party transactions; and

  (vii) Modified opinion(s)/ qualifications in the draft audit report.

(f) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, *etc*.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue (if applicable), and making appropriate recommendations to the Board to take up steps in this matter;

(h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(i) Approval of any subsequent modification of transactions of our Company with related parties;

(j) Scrutiny of inter-corporate loans and investments;

(k) Valuation of undertakings or assets of our Company, wherever it is necessary;

(l) Evaluation of internal financial controls and risk management systems;

(m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(o) Discussion with internal auditors of any significant findings and follow up there on;

(p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(r) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(s) Reviewing the functioning of the whistle blower mechanism and the chief risk officer of our Company;

(t) Approval of appointment of CFO (*i.e.*, the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, *etc*. of the candidate;

(u) Oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimisation of employees and directors, who use vigil mechanism to report genuine concerns; and

(v) Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of Directors of our Company or specified/provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.

B. Nomination and Remuneration Committee

The members of the nomination and remuneration committee are:

S. No.	Name of the Director	Designation
1.	Mr. Mohammad Mustafa	Government Nominee Director (Chairman)
2.	Mr. Hemant G. Rokade	Director and General Manager
3.	Mr. Anil Kumar	Director and General Manager

The Nomination and Remuneration Committee was re-constituted by a meeting of the Board of Directors held on July 10, 2017. The scope and function of the Nomination and Remuneration Committee is in accordance with the Companies Act, and the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee are as follows:

(a) Recommend to the Board a policy relating to the remuneration of the key managerial personnel and other employees;

(b) Ensure that the, (a) policy relating to the remuneration of the key managerial personnel and other employees is clear regarding the relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and (b) remuneration to key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals;

(c) Taking on record the appointment and removal of directors, including Independent Directors, by the President of India, acting through respective ministries;

(d) Taking on record the various policies, if any, promulgated by the Central Government including policy on diversity of board of the directors and criteria for evaluation of performance of the directors; and

(e) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including (a) the SEBI Insider Trading Regulations, or (b) the SEBI PFUTP Regulations, or (c) performing such other activities as may be delegated by our Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

C. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

S. No.	Name of the Director	Designation
1.	Mr. Mohammad Mustafa	Government Nominee Director (Chairman)
2.	Mr. G. Srinivasan	Chairman cum Managing Director
3.	Mr. Hemant G. Rokade	Director and General Manager
4.	Mr. Anil Kumar	Director and General Manager

The Stakeholder's Relationship Committee was constituted by a meeting of the Board of Directors held on August 4, 2017. The scope and function of the Stakeholders' Relationship Committee is in accordance with the Companies Act, and the Listing Regulations.

The terms of references of the stakeholders' relationship committee are as follows:

(a) Considering and resolving grievances of shareholders', debenture holders and other security holders, of our Company;

(b) Redressal of grievances of the security holders of our Company, including complaints in respect of allotment or transfer of equity shares, non-receipt of annual report, non-receipt of declared dividends, balance sheets, of our Company, *etc.*;

(c) Allotment or transfer of equity shares, approval of transfer or transmission of equity shares, debentures or any other securities, of our Company;

(d) Issue of duplicate certificates and new certificates on split/consolidation/renewal, *etc.*; and

(e) Carrying out any other function contained in the SEBI Listing Regulations as and when amended from time to time."

D. Risk Management Committee

The members of the Risk Management Committee are:

S. No.	Name of the Director	Designation
1.	Mr. G. Srinivasan	Chairman cum Managing Director (Chairman)
2.	Mr. Hemant G. Rokade	Director and General Manager
3.	Mr. Anil Kumar	Director and General Manager

The Risk Management Committee was re-constituted by a meeting of the Board of Directors held on July 10, 2017. The scope and function of the Risk Management Committee is in accordance with the Companies Act, 2013, the Listing Regulations and the IRDAI Corporate Governance Guidelines.

The terms of references of the Risk Management Committee are as follows:

(a) To review and assess the risk management system and policy of our Company from time to time and recommend for amendment or modification thereof;

(b) To frame and devise risk management plan and policy of our Company;

(c) To review and recommend potential risk involved in any new business plans and processes;

(d) Establish effective Risk Management framework and recommend to the Board the Risk Management policy and processes for the organization.

(e) Set the risk tolerance limits and assess the cost and benefits associated with risk exposure;

(f) Review our Company's risk- -reward performance to align with overall policy objectives;

(g) Discuss and consider best practices in risk management in the market and advise the respective functions;

(h) Assist the Board in effective operation of the risk management system by performing specialized analyses and quality reviews;

(i) Maintain an aggregated view on the risk profile of our Company for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, *etc*;

(j) Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters;

(k) Report to the Board, details on the risk exposures and the actions taken to manage the exposures; review, monitor and challenge where necessary, risks undertaken by our Company;

(l) Review the solvency position of our Company on a regular basis;

(m) Monitor and review regular updates on business continuity;

(n) Formulation of a Fraud monitoring policy and framework for approval by the Board;

(o) Monitor implementation of Anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds;

(p) Review compliance with the guidelines on Insurance Fraud Monitoring Framework dated January 21, 2013, issued by the authority; and

(q) Any other similar or other functions as may be laid down by Board from time to time.

E. CSR Committee

The members of the CSR Committee are:

S. No.	Name of the Director	Designation
1.	Mr. G. Srinivasan	Chairman cum Managing Director (Chairman)
2.	Mr. Hemant G. Rokade	Director and General Manager
3.	Mr. Anil Kumar	Director and General Manager

The CSR Committee was re-constituted by a meeting of the Board of Directors held on July 10, 2017. The scope and function of the CSR Committee is in accordance with the Companies Act, and the IRDAI Corporate Governance Guidelines.

The terms of references of the CSR Committee are as follows:

(a) To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by our Company in accordance with Schedule VII of the Companies Act, 2013;

(b) To review and recommend the amount of expenditure to be incurred on the aforementioned activities to be undertaken by our Company;

(c) To monitor the CSR policy of our Company from time to time; and

(d) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time or as may be required under the IRDAI Corporate Governance Guidelines, as amended, placed before the Board.

F. Investment Committee

The members of the Investment Committee are:

S. No.	Name of the Director	Designation
1.	Mr. G. Srinivasan	Chairman cum Managing Director (Chairman)
2.	Mr. Hemant G. Rokade	Director and General Manager
3.	Mr. Anil Kumar	Director and General Manager
4.	Ms. S. N. Rajeswari	General Manager and Chief Financial Officer
5.	Mr. Sharad S. Ramnarayanan	Appointed Actuary
6.	Mr. S. Shankar	Chief Manager and Chief Risk Officer
7.	Mr. S. Harinath	Chief Manager and Chief Investment Officer

The Investment Committee was re-constituted by a meeting of the Board of Directors held on July 10, 2017. The scope and function of the Investment Committee is in accordance with the IRDAI Corporate Governance Guidelines.

The terms of references of the Investment Committee are as follows:

(a) Overseeing the implementation of the investment policy approved by our Board from time to time;

(b) Reviewing the investment policy;

(c) Periodical updating to our Board with regard to investment activities of our Company;

(d) Reviewing the investment strategies adopted from time to time and giving suitable directions as needed in the best interest of our Company;

(e) Reviewing the broker policy and making suitable amendments from time to time;

(f) Reviewing counter party/intermediary exposure norms;

(g) Supervising the asset allocation strategy to ensure financial liquidity, security and diversification through liquidity contingency plan and asset liability management policy; and

(h) Overseeing the assessment, measurement and accounting for other than temporary impairment in investments in accordance with the policy adopted by our Company.

G. Policyholders Protection Committee

The members of the Committee are:

Sr. No.	Name of the Director	Designation
1.	Mr. G. Srinivasan	Chairman cum Managing Director (Chairman)

Sr. No.	Name of the Director	Designation
2.	Mr. Hemant G. Rokade	Director and General Manager
3.	Mr. Anil Kumar	Director and General Manager

The Policyholders Protection Committee was re-constituted by a meeting of the Board of Directors held on July 10, 2017. The scope and function of the Policyholders Protection Committee is in accordance with the IRDAI Corporate Governance Guidelines.

The terms of references of the Policyholders Protection Committee are as follows:

(a) Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries;

(b) Ensuring compliance with the statutory requirements as laid down in the regulatory framework;

(c) Reviewing the mechanism at periodic intervals;

(d) Ensuring adequacy of "material information" to the policyholders to comply with the requirements laid down by the IRDAI both at the point of sale and periodic intervals;

(e) Reviewing the status of complaints at periodic intervals;

(f) Providing the details of grievance at periodic intervals in such formats as may be prescribed by the IRDAI;

(g) Providing details of insurance ombudsman to the policyholders;

(h) Monitoring of payments of dues to the policyholders and disclosure of unclaimed amount thereof;

(i) Review of regulatory reports to be submitted to various authorities;

(j) To review the standard operating procedures for treating the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof;

(k) To review the framework for awards given by Insurance Ombudsman/ Consumer Forums. Analyse the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any;

(l) To review all the awards given by Insurance Ombudsman/ Consumer Forums remaining unimplemented for more than three months with reasons therefore and report the same to our Board for initiating remedial action, where necessary;

(m) To review claim report including status of outstanding claims with ageing of outstanding claims;

(n) To review repudiated claims with analysis of reasons;

(o) Recommend a policy on customer education for approval of our Board, and ensure proper implementation of such policy;

(p) Put in place systems to ensure that policyholders have access to redressal mechanisms and shall establish policies and procedures for the creation of a dedicated unit to deal with customer complaints and resolve disputes expeditiously;

(q) Status of settlement of other customer benefit payouts like surrenders, loan, partial withdrawal requests, *etc*.; and

(r) Review of unclaimed amounts of policyholders, as required under the circulars and guidelines issued by the IRDAI.

H. IPO Committee

The members of the IPO Committee are:

S. No.	Name of the Director	Designation
1.	Mr. G. Srinivasan	Chairman cum Managing Director
2.	Mr. Hemant G. Rokade	Director and General Manager
3.	A nominee of the administrative ministry	-
4.	A nominee of DIPAM	-

The IPO Committee was constituted by a meeting of the Board of Directors held on March 25, 2017.

The terms of references of the IPO Committee are as follows:

(a) Approving all actions required to dematerialize the Equity Shares, including seeking the admission of the Equity Shares into the Central Depository Services (India) Limited (the "**CDSL**") and the National Securities Depository Limited (the "**NSDL**");

(b) Finalizing and arranging for the submission of the DRHP, the RHP, the Prospectus and the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;

(c) Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of our Company and other employees of our Company;

(d) Issuing advertisements in relation to the Offer as it may deem fit and proper in accordance with Applicable Laws;

(e) Approving suitable policies, including on insider trading, whistle blower/vigil mechanism, and other corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws in connection with the Offer;

(f) Deciding in consultation with the book running lead managers ("BRLMs"), the size and all other terms and conditions of the Offer and/or the number of Equity Shares to be offered and transferred in the Offer, Reservation, if any, Green Shoe Option, if any and any rounding off in the event of any oversubscription to the nearest multiple of minimum allotment lot, including the offer and allotment or transfer of Equity Shares of the stabilizing agent pursuant to the green shoe option, if any, as permitted under Applicable Laws;

(g) Taking all actions as may be necessary or authorized in connection with the Offer;

(h) Appointing either through itself or through any sub-committee thereof and instructing BRLMs, lead managers, syndicate members, placement agents, the registrar to the Offer, bankers of our Company, underwriters, guarantors, escrow agents/ share escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, credit rating agencies, monitoring agencies (if applicable), advertising agencies and all such persons or agencies as may be involved in or concerned with the Offer and whose appointment is required in relation to the Offer, including any successors or replacements thereof;

(i) Opening and operating bank accounts of our Company in terms of Section 40(3) of the Companies Act, 2013, as amended, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws, and to authorize one or more officers of our Company to execute all documents/deeds as may be necessary in this regard;

(j) Entering into agreements with, and remunerating all the BRLMs, lead managers, syndicate members, placement agents, the registrar to the Offer, bankers of our Company, underwriters, guarantors, escrow agents/ share escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, credit rating agencies, monitoring agencies (if applicable), advertising agencies, and all other agencies or persons as may be involved in or concerned with the Offer, including any successors or replacements thereof, by way of commission, brokerage, fees or the like;

(k) Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing applications to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreements with the Stock Exchanges;

(l) Seeking, if required, the consent of our Company's lenders, any other third party, as may be required, parties with whom our Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer;

(m) Submitting undertaking/certificates or providing clarifications to the SEBI and the Stock Exchanges;

(n) Determining in consultation with the BRLMs, the price at which the Equity Shares are offered and transferred to investors in the Offer in accordance with Applicable Laws and determining the discount, if any, proposed to be offered to eligible categories of investors including any discount to be offered to retail individual bidders or eligible employees participating in the IPO;

(o) Determining, in consultation with the BRLMs, the price band and minimum lot size for the purpose of bidding, any revision to the price band and the final Offer price after bid closure;

(p) Determining the bid opening and closing dates;

(q) Finalizing the basis of allocation and transfer of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor in consultation with the BRLMs, the Stock Exchanges and/or any other entity;

(r) Approving/taking on record the transfer of the Equity Shares;

(s) Opening such accounts with entities as are required under Applicable Laws;

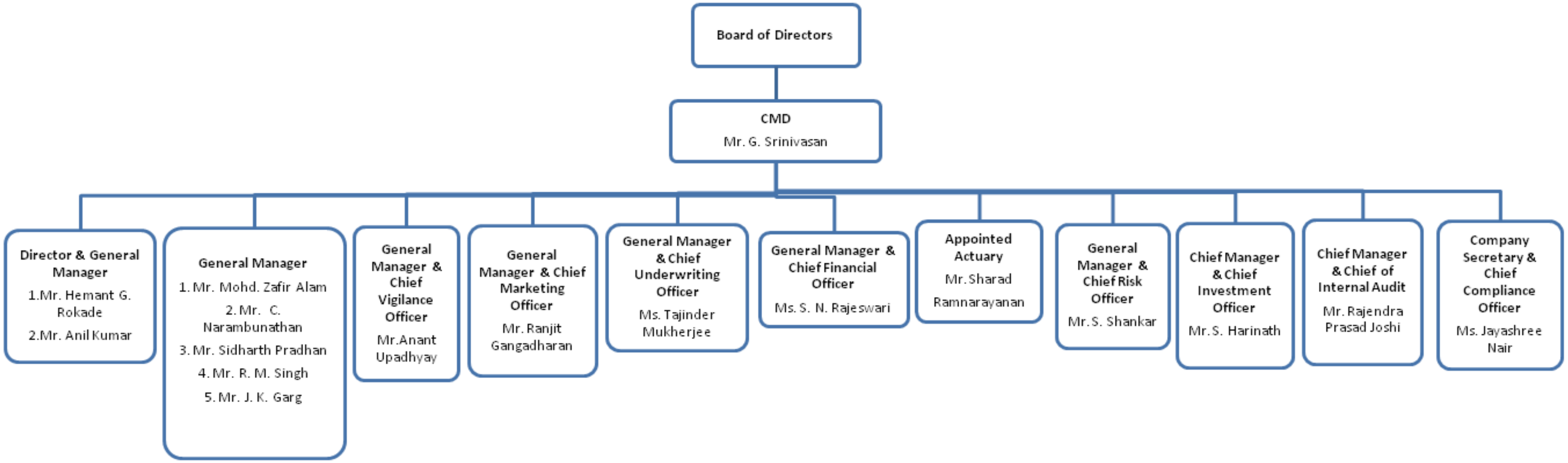
(t) To issue receipts/allotment letters/confirmations of allotment notes either in physical or electronic mode representing the underlying equity shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of our Company to sign all or any of the aforesaid documents;

(u) To, in consultation with the BRLMs, withdraw the Offer or any document filed in relation to the Offer including DRHP and RHP at any stage, or any decision not to proceed with the Offer, in accordance with Applicable Laws;

(y) To settle any question, difficulty or doubt that may arise in connection with the Offer including the issue and allotment of the Equity Shares as aforesaid and to further delegate the powers conferred hereunder subject to such restrictions and limitations as it may deem fit and in the interest of our Company and to the extent allowed under Applicable Laws and to do all such acts and deeds in connection therewith and incidental thereto, as the IPO Committee may in its absolute discretion deem fit; and

(z) Negotiating, finalizing, settling, executing and delivering any and all other documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Offer; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

Management organisation structure



Key Management Personnel

The details of the Key Management Personnel other than our Whole-time Directors, as on the date of this Draft Red Herring Prospectus, are set out below.

Ms. S. N. Rajeswari, aged 55 years, is the General Manager and Chief Financial Officer of our Company. She holds a bachelor's degree in commerce from the Madurai Kamaraj University and a master's degree in business administration from the Bharathiar University. She is also an Associate of the Institute of Chartered Accountants of India and a Fellow of the Insurance Institute of India. She has over 33 years of experience in the insurance industry. She has been associated with our Company since October 29, 2012. Prior to joining our Company she has been associated with United India Insurance Company Limited. The remuneration paid to Ms. S.N. Rajeswari for Financial Year 2017 was ₹ 2.08 million.

Ms. Jayashree Nair, aged 46 years, is our Company Secretary and Chief Compliance Officer of our Company. She holds a bachelor's degree in commerce from University of Bombay, a master's degree in commerce from the University of Bombay and a master's degree in business administration from the Sikkim Manipal University. She is also an Associate of the Institute of Company Secretaries of India and a Fellow of the Insurance Institute of India. She has over 29 years of experience handling legal and secretarial compliances. She has been associated with our Company since April 8, 1988. The remuneration paid to Ms. Jayashree Nair for Financial Year 2017 was ₹1.46 million.

Mr. Sharad S. Ramnarayanan, aged 37 years, is the Appointed Actuary of our Company. He holds a bachelor's degree in chemical engineering from University of Mumbai and a post graduate diploma in management from the Management Development Institute. He is also a certified Financial Risk Manager from the Global Association of Risk Professionals and a Fellow of the Institute of Actuaries of India. He has over 14 years of experience in the financial services and insurance industry. He has been associated with our Company since May 16, 2013. Prior to joining our Company he has been associated with Tactica Capital Management Private Limited, Asian School of Business, Pari Washington Company, and Birla Sun Life Asset Management Company Limited. The remuneration paid to Mr. Sharad S. Ramnarayanan for Financial Year 2017 was ₹ 4.84 million.

Mr. S. Shankar, aged 58 years, is the General Manager and Chief Risk Officer of our Company. He holds a bachelor's degree in commerce from the University of Madras. He is also an Associate of the Insurance Institute of India. He has over 32 years of experience in the insurance industry. He has been associated with our Company since May 6, 1985. The remuneration paid to Mr. S. Shankar for Financial Year 2017 was ₹ 2.07 million.

Mr. S. Harinath, aged 56 years, is the Chief Manager and Chief Investment Officer of our Company. He holds a bachelor's degree in science from the University of Madras. He is also an Associate of the Institute of Chartered Accountants of India. He has over 30 years of experience in the insurance industry. He has been associated with our Company since April 20, 1987. The remuneration paid to Mr. S. Harinath for Financial Year 2017 was ₹ 1.77 million.

Mr. Rajendra Prasad Joshi, aged 55 years, is the Chief Manager, Chief of Internal Audit and Compliance Officer for AML Guidelines of our Company. He holds a bachelor's degree in commerce from the Gorakhpur University and a master's degree in commerce from the Kashi Hindu University. He is also an Associate of the Insurance Institute of India. He has over 30 years of experience in the insurance industry. He has been associated with our Company since April 20, 1987. The remuneration paid to Mr. Rajendra Prasad Joshi for Financial Year 2017 was ₹ 1.74 million.

Mr. Mohd. Zafir Alam, aged 59 years, is a General Manager of our Company. He has qualified in the bachelor's programme in arts from Patna University and holds a diploma in business management from Marathwada University. He is also an Associate of the Insurance Institute of India. He has over 35 years of experience in the insurance industry. He has been associated with our Company since May 30, 2014. Prior to joining our Company he has been associated with United India Insurance Company Limited. The remuneration paid to Mr. Mohd. Zafir Alam for Financial Year 2017 was ₹ 2.13 million.

Mr. C. Narambunathan, aged 58 years, is a General Manager of our Company. He holds a bachelor's degree in commerce and a master's degree in commerce from the Madurai Kamaraj University. He is also an Associate of the Institute of Company Secretaries of India and a Fellow of the Federation of Insurance Institutes. He has over 36 years of experience in the insurance industry. He has been associated with our Company since August 30, 2010. Prior to joining our Company he has been associated with United India Insurance Company Limited. The remuneration paid to Mr. C. Narambunathan for Financial Year 2017 was ₹ 2.45 million.

Ms. Tajinder Mukherjee, aged 56 years, is a General Manager and Chief Underwriting Officer of our Company. She holds a bachelor's degree in commerce from the University of Delhi. She is also a Fellow of the Insurance Institute of India. She has over 33 years of experience in the insurance industry. She has been associated with our Company since October 29, 2012. Prior to joining our Company she has been associated with United India Insurance Company Limited. The remuneration paid to Ms. Tajinder Mukherjee for Financial Year 2017 was ₹ 2.36 million.

Mr. Siddarth Pradhan, aged 58 years, is a General Manager of our Company. He holds a bachelor's degree in arts and a master's degree in arts from the Utkal University. He is also a Fellow of the Insurance Institute of India. He has over 33 years of experience in the insurance industry. He has been associated with our Company since August 1, 1984. The remuneration paid to Mr. Siddarth Pradhan for Financial Year 2017 was ₹ 1.19 million.

Mr. Renjit Gangadharan, aged 57 years, is a General Manager and Chief Marketing Officer of our Company. He holds a bachelor's degree in arts from the University of Kerala and a master's degree in business administration from the University of Cochin. He is also an Associate of the Insurance Institute of India. He has over 35 years of experience in the insurance industry. He has been associated with our Company since June 1, 1982. The remuneration paid to Mr. Renjit Gangadharan for Financial Year 2017 was ₹ 2.04 million.

Mr. Ravindra Mohan Singh, aged 57 years, is a General Manager of our Company. He holds a bachelor's degree in arts and a master's degree in business administration from the University of Allahabad. He is also a Fellow of the Insurance Institute of India. He has over 34 years of experience in the insurance industry. He has been associated with our Company since June 1, 1983. The remuneration paid to Mr. Ravindra Mohan Singh for Financial Year 2017 was ₹ 1.99 million.

Mr. J. K. Garg, aged 56 years, is a General Manager of our Company. He holds a bachelor's degree in science and a master's degree in chemistry from the University of Allahabad. He is also an Associate of the Insurance Institute of India. He has over 33 years of experience in the insurance industry. He has been associated with our Company since August 1, 1984. The remuneration paid to Mr. J.K. Garg for Financial Year 2017 was ₹ 1.83 million.

None of our Key Management Personnel are related to each other.

Except for Mr. Sharad S. Ramnarayanan, all our Key Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel

Except as set out in the section "*Our Management - Shareholding of Directors in our Company*" and as set forth below, none of our Key Management Personnel have shareholding in our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name	No. of Equity Shares	Percentage (%)
1.	Mr. Mohd. Zafir Alam*	16	Negligible
2.	Mr. C. Narambunathan*	16	Negligible
3.	Mr. Siddharth Pradhan*	16	Negligible
4.	Ms. S. N. Rajeswari*	16	Negligible
5.	Ms. Tajinder Mukherjee*	16	Negligible
6.	Mr. Renjit Gangadharan*	16	Negligible

* *As nominees of our Promoter*

Bonus or profit sharing plan of the Key Management Personnel

Except as disclosed in the section "*Our Management - Payment or benefit to officers of our Company*", and our employees who are entitled to our Company's scheme of performance linked incentive, upon satisfaction of certain conditions/ parameters, our Company does not have any bonus or profit sharing plan for the Key Management Personnel.

Service Contracts with Key Management Personnel

Our Company has not entered into any service contracts, pursuant to which, our Key Management Personnel are entitled to benefits upon termination of employment.

Employee stock option plans

Our Company does not have any employee stock option plan or stock purchase schemes.

Interests of Key Management Personnel

None of our Key Management Personnel have any interest in our Company except to the extent of remuneration from our Company, benefits, and reimbursement of expenses incurred by them in the ordinary course of business; and certain loans availed by them from our Company, as disclosed below.

S. No.	Name	Type of Loan	Amount Sanctioned (In ₹ million)	Interest rate (In %)	Outstanding as on March 31, 2017 (In ₹ million)
1.	Ms. S. N. Rajeswari	Festival Loan	0.03	NIL	0.01
2.	Ms. Jayashree Nair	Festival Loan	0.03	NIL	0.01
		Motor Loan	0.07	5	0.05
		Housing Loan	0.30	5	0.18
3.	Mr. S. Shankar	Flood Advance	0.04	NIL	0.02
4.	Mr. S. Harinath	Festival Loan	0.03	NIL	0.02
5.	Mr. Rajendra Prasad Joshi	Festival Loan	0.03	NIL	0.02
6.	Mr. Mohd. Zafir Alam	Festival Loan	0.02	NIL	0.002
7.	Mr. C. Narambunathan	Festival Loan	0.03	NIL	0.01
8.	Mr. Siddarth Pradhan	Housing Loan	0.22	5	0.11
9.	Mr. J.K. Garg	Housing Loan	0.66	5	0.36
10.		Festival Loan	0.03	NIL	0.006

Changes in the Key Management Personnel

Except as disclosed in the section "*Our Management - Changes in the Board in the last three years*" on page 202, the changes in our key management personnel in the last three years prior to the date of this Draft Red Herring Prospectus are as follows:

S. No.	Name	Date of appointment	Date of cessation	Reason
1.	Ms. Jayashree Nair	October 25, 2012	-	-
2.	Mr. Renjit Gangadharan	October 29, 2012	March 31, 2016	Change in designation
3.	Mr. Segar Sampath Kumar	October 29, 2012	September 29, 2016	Transfer
4.	Mr. Sharad S. Ramnarayanan	May 16, 2013	-	-
5.	Mr. V. Hari Srinivas	May 31, 2013	May 31, 2016	Superannuation
6.	Mr. Anil Kumar	May 30, 2014	June 23, 2017	Promoted as Director
7.	Mr. C. Narambunathan	May 30, 2014	-	-
8.	Mr. Mohd. Zafir Alam	May 30, 2014	-	-
9.	Mr. S. R. Shreeram	May 31, 2014	August 10, 2015	Change in designation
10.	Mr. S. Shankar	June 16, 2014	-	-

S. No.	Name	Date of appointment	Date of cessation	Reason
11.	Mr. Rajendra Prasad Joshi	August 10, 2015	-	-
12.	Ms. S.N. Rajeswari	August 10, 2015	-	-
13.	Ms. Tajinder Mukherjee	August 10, 2015	-	-
14.	Mr. S. Harinath	August 10, 2015	-	-
15.	Mr. Rakesh Kumar	April 1, 2016	May 14, 2017	Transfer
16.	Mr. Siddarth Pradhan	August 27, 2016	-	-
17.	Mr. Ravindra Mohan Singh	November 30, 2016	-	-
18.	Mr. Renjit Gangadharan	May 14, 2017	-	-
19.	Mr. J.K. Garg	June 29, 2017	-	-

Payment or benefit to officers of our Company

Except for loans availed from our Company, no non-salary related amounts or benefits has been paid or given to the officers of our Company within two years from the date of this Draft Red Herring Prospectus, or is intended to be paid or given, to any of our Company's officers, including the Directors and the Key Management Personnel.

Further, except for statutory benefits upon termination/ superannuation of their employment in our Company or retirement and benefits under any applicable scheme, no officer of our Company, including our Directors and our Key Management Personnel, are entitled to any other benefits upon termination/ superannuation of employment or retirement.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter is the President of India, acting through the MoF. Our Promoter currently holds, directly and indirectly (through its nominees), 100% of the pre-Offer paid-up Equity Share capital of our Company. Post the Offer, our Promoter shall hold around 85.44% of the post-Offer paid-up Equity Share capital of our Company. As our Promoter is the President of India, acting through the MoF, disclosures on the Promoter Group (defined in Regulation 2(zb) of the SEBI ICDR Regulations), as specified in the Schedule VIII of the SEBI ICDR Regulations have not been provided.

OUR SUBSIDIARIES

Our Company has three Subsidiaries, as on the date of this Draft Red Herring Prospectus:

- The New India Assurance Company (Trinidad & Tobago) Limited;
- The New India Assurance Company (Sierra Leone) Limited; and
- Prestige Assurance Plc.

Corporate Information

1. The New India Assurance Company (Trinidad & Tobago) Limited ("**NIACTTL**")

NIACTTL was incorporated on February 19, 1976 under the laws of Republic of Trinidad & Tobago having its registered office at New India Assurance Building, 6A, Victoria Avenue, Port of Spain, Trinidad & Tobago. NIACTTL is currently engaged in general insurance business.

Capital Structure

The capital structure of NIACTTL is as follows:

	Number of equity shares of TDD 1 each
Authorised capital	22,000,000
Issued, subscribed and paid up capital	17,418,946

Shareholding Pattern

Our Company holds 14,612,444 equity shares aggregating to 83.89% of the total equity share capital of NIACTTL.

2. The New India Assurance Company (Sierra Leone) Limited ("**NIACSLL**")

NIACSLL was incorporated on May 14, 1973 under the laws of Sierra Leone having its registered office at C/o. Regent House, 12 Wilberforce Street, Freetown, Sierra Leone. NIACSLL is not currently operational.

Capital Structure

The capital structure of NIACSLL is as follows:

	Number of equity shares of SLL 2 each
Authorised capital	250,000
Issued, subscribed and paid up capital	250,000

Shareholding Pattern

Our Company holds 250,000 equity shares aggregating to 100.00% of the total equity share capital of NIACSLL.

3. Prestige Assurance Plc ("**PAP**")

PAP was incorporated on January 6, 1970 under the name Prestige Assurance Company (Nigeria) Plc, under the laws of Nigeria having its registered office at 19 Ligali Ayodrinde Street, Victoria Island, Lagos, Nigeria. PAP is currently engaged in general insurance business.

Capital Structure

The capital structure of PAP is as follows:

	Number of equity shares of 50 Kobo each
Authorised capital	6,000,000,000
Issued, subscribed and paid up capital	5,370,434,281

Shareholding Pattern

Our Company holds 3,732,491,383 equity shares aggregating to 69.50% of the total equity share capital of PAP.

Interest in our Company

As at the date of this Draft Red Herring Prospectus, none of our Subsidiaries hold Equity Shares in our Company.

Significant Sales or Purchases

Except as disclosed in the section "*Related Party Transactions*" on page 225, there are no sales or purchases between any of our Subsidiaries and our Company where such sales or purchases exceed in the aggregate 10% of the total sales or purchases of our Company.

Public issue and rights issue

Except as stated below, none of our Subsidiaries (i) is listed or has been refused listing on any stock exchange in India, or (ii) has made any public or rights issue in the last three years, or (iii) has become a sick company as specified under SICA or under any equivalent law in any jurisdiction outside India where it is incorporated or (iv) is under winding up proceedings:

Prestige Assurance Plc, one of our Subsidiaries, is listed on the Nigerian Stock Exchange since December 3, 1990. Prestige Assurance Plc completed a rights issuance in the year 2014 of 3,009,978,524 ordinary shares of 50 Kobo each in the ratio of six shares to be issued for every five oridinary shares held. The objects of the said rights issuance were, (i) repayment of the balance of the loan provided by our Company, (ii) investment in distribution channels for improved marketing of the company's products, for example, creation of special markets for NAICOM's compulsory insurance policies and MDRI (Market Deveopment and Restructuring Initiative) programme, (iii) deployment of electronic platforms, facilities and other information technology infrastructure to all its branches nationwide for quick and reliable service delivery, (iv) enhancement of working capital to improve liquidity and increase risk retention capabilities, and (vi) enhancement of the company's gilt edged portfolio. The objects mentioned in the offer document for the said rights issue were met.

Common Pursuits

Certain of our Subsidiaries conduct business similar to those conducted by our Company. Our Company will adopt necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Accumulated profits or losses

Except as stated in "*Risk Factors*" and "*Financial Statements*" on pages 20 and 227, respectively, there are no accumulated profits or losses of the Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Statements.

GROUP COMPANIES

As per the SEBI ICDR Regulations for the purpose of identification of Group Companies, our Company has considered companies covered under the applicable accounting standard, *i.e.*, AS-18 as per the Restated Consolidated Financial Statements and other companies considered material by our Board. Pursuant to a resolution of our Board dated August 4, 2017, for the purpose of disclosure in connection with the Offer, a company shall be considered material and disclosed as a Group Company as per the Materiality Policy if a material adverse change in such company can lead to a material adverse effect on our Company, our revenues and profitability.

The following are our Group Companies:

1. Health Insurance TPA of India Limited; and
2. India International Insurance Pte Ltd.

Details of our Group Companies

1. Health Insurance TPA of India Limited

Corporate Information

HITIL was incorporated as a public limited company on August 14, 2013 under the Companies Act, 1956, having its registered office situated at NBCC Centre, Office No. 301, Maa Anand Mai Marg, Okhla Phase I, New Delhi 110 020, India. Its corporate identity number is U85100DL2013PLC256581. HITIL is engaged in the business of being third party administrators in the field of health services.

Interest of our Promoters

Our Company has acquired 16,624,999 fully paid-up equity shares of ₹ 10 each directly and one equity share through its nominee, amounting to 23.75% of the equity share capital of the HITIL. The entire shareholding of HITIL is held by five government companies, namely, National Insurance Company Limited (along with its nominee), The Oriental Insurance Company Limited (along with its nominee), United India Insurance Company Limited (along with its nominee), General Insurance Corporation of India and our Company (along with its nominee).

Financial Information

The brief audited financial results of HITIL for the last three Financial Years are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2017	2016	2015
Equity capital	700	700	200
Reserves and surplus (excluding revaluation)*	-	-	-
Sales/turnover	87	35	7
Profit/(Loss) after tax	(37)	(18)	(52)
Earnings per share (basic)	(0.53)	(0.33)	(2.99)
Earnings per share (diluted)	(0.53)	(0.33)	(2.99)
Net asset value per share	7.04	8.26	4.85

* *Excludes debit balance in the profit and loss account.*

There are no significant notes of the auditors in relation to the aforementioned financial statements. For details in relation to HITIL, see "*History and Certain Corporate Matters*" on page 188.

Further, please note that Mr. G. Srinivasan, our Chairman and Managing Director, is also a director on the board of directors of HITIL, and holds 16 Equity Shares.

2. **India International Insurance Pte Ltd. ("IIIPL")**

Corporate Information

IIIPL was incorporated on December 3, 1987 under the laws of Singapore, having its registered office situated at 64 Cecil Street, #04-02 IOB Building, Singapore 049711. Its company registration no. is 198703792K. IIIPL is currently involved in the business of general insurance and reinsurance of all classes of the general insurance and the performance of investment functions incidental thereto as authorised by Monertary Authority of Singapore.

Interest of our Promoters

Our Company has acquired 10,000,000 fully paid-up equity shares of SGD 1 each directly, amounting to 20% of the equity share capital of IIIPL. The entire shareholding of IIIPL is held by five government companies, namely, National Insurance Company Limited, The Oriental Insurance Company Limited, United India Insurance Company Limited, General Insurance Corporation of India (along with its nominee) and our Company.

Financial Information

The brief audited financial results of IIIPL for the last three Financial Years are as follows:

(in SGD, except per share data)

Particulars	**For the Financial Year***		
	2016	**2015**	**2014**
Equity capital	50,000,000	50,000,000	50,000,000
Reserves (excluding revaluation reserves) and surplus	374,562,284	355,606,608	327,757,550
Total income (profit before tax)	28,175,996	37,050,889	43,897,948
Profit/(Loss) after tax	23,955,676	31,599,058	37,278,855
Earnings per share** (basic)	0.48	0.63	0.75
Earnings per share** (diluted)	0.48	0.63	0.75
Net asset value per share	8.76	8.43	8.00

* *In Singapore, the financial year follows the calendar year.*
** *IIPL had 50,000,000 issued shares for each of the financial years reported above.*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Further, please note that IIPL was earlier registered with the SEBI as an FII. Brief details in this regard are given below:

Regsitration No.	INSGFD048598
If registration has expired, reasons for non-renewal	Expired in February 2017. The reason was to replace the license to be registered as an FII with the license to be registered as an FPI
Details of any enquiry / investigation conducted by SEBI at any time	No
Penalty imposed by SEBI (Penalty includes deficiency / warning letter, adjudication proceedings, suspension / cancellation / prohibitory orders)	No
Outstanding fees payable to SEBI by the entity, if any	No

Group Companies with negative net worth

None of our Group Companies have negative net worth.

Loss making Group Companies

Except for Health Insurance TPA of India Limited, none of our Group Companies have been loss making in the last three Financial Years. For details see, "*Group Companies – Details of our Group Companies*" on page 221.

Group Companies under winding up

None of our Group Companies are under winding up and no winding up proceedings have been initiated against them.

Group Companies which are sick industrial companies

None of our Group Companies fall under the definition of sick industrial companies under Sick Industrial Companies (Special Provisions) Act, 1995.

Nature and Extent of Interest of Group Companies

(i) ***In the promotion of our Company***

Except as mentioned below, none of our Group Companies have any interest in the promotion or any business interest or other interests in our Company. Please note that HITIL had transacted a business approximately worth ₹ 8.42 million in Fiscal 2017, being third party administrator fees earned from our Company.

(ii) ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Draft Red Herring Prospectus***

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus.

(iii) ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery involving our Company.

Common Pursuits among the Group Companies with our Company

IIIPL has common pursuits with our Company in the form of facultative reinsurance inward business in which they participate.

Except as mentioned above, there are no common pursuits among any of our Group Companies and our Company.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

For more information, see "*Related Party Transactions*" on page 225.

Sale/Purchase between Group Companies/Associate

Except as disclosed in the section titled "*Related Party Transactions*" on page 225, there are no sales or purchase between our Group Companies/ Associate and our Company where such sales or purchases exceed in value, in the aggregate, 10% of the total sales or purchases of our Company.

Defunct Group Companies

None of our Group Companies are defunct and/or for which any application has been made to the Registrar of Companies for striking off during the five years preceding the date of filing of this Draft Red Herring Prospectus.

Other confirmations

None of our Group Companies are listed or have failed to list on any stock exchange, have made any public or rights issue of securities in the preceding three years.

None of our Group Companies have been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Group Companies have been identified as Wilful Defaulters as defined under the SEBI ICDR Regulations.

None of the Group Companies have committed any violations of securities laws in the past and no proceeding pertaining to such penalties are pending against them.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the Fiscal 2017, 2016, 2015, 2014 and 2013, as per the requirements under accounting standard 18 "related party disclosures", see "*Financial Statements – Related party disclosures as per Accounting Standard 18*" on page 354.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of our Articles of Association and applicable law, including the Companies Act. Pursuant to the office memorandum dated January 5, 2016 issued by the MoF, and the Ministry of Economic Affairs, our Company is required to pay an annual dividend of 30% of profit after tax or 30% of the GoI's equity, whichever is higher.

The dividends paid by our Company on the Equity Shares in each of the Fiscal Years 2017, 2016, 2015, 2014 and 2013 as per our Restated Standalone Financial Statements are given below:

Particulars	Fiscal 2017(1)	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Number of equity shares at period ended	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Face value per Equity Share (in ₹)	10.00	10.00	10.00	10.00	10.00
Dividend paid (in ₹ million)	2,500.00	3,000.00	2,200.00	1,700.00	400.00
Rate of Dividend (%)	125.00	150.00	110.00	85.00	20.00
Dividend distribution tax (in ₹ million)	519.85	599.82	373.89	288.92	64.89
Dividend Tax (%)	20.36	20.36	16.99	16.99	16.22

(1) *For the year ended March 31, 2017, the Board of Directors at their meeting have proposed a dividend of 155% of the paid up capital of our Company and the same was approved in the AGM dated August 2, 2017. The rate of dividend is based on the share capital prior to the bonus and split of shares (as approved by the shareholders in the AGM dated August 2, 2017).*

SECTION VI: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

AUDITORS EXAMINATION REPORT ON RESTATED STANDALONE SUMMARY FINANCIAL INFORMATION AS REQUIRED UNDER SECTION 26 OF COMPANIES ACT, 2013, READ WITH RULE 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

The Board of Directors

The New India Assurance Company Limited
87, MG Road
Mumbai 400 001
India.

Dear Sirs;

1. We have examined as appropriate (Refer paragraph 2 below) the attached Restated Standalone Summary Financial Information of The New India Assurance Company Limited (the "**Company**") which comprises the Restated Standalone Summary Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Restated Standalone Summary Statement of Revenue Accounts (Fire, marine, miscellaneous accounts), the Restated Standalone Summary Statement of Profit and Loss Account, the Restated Standalone Summary Statement of Receipts and Payments Account and the summary of significant accounting policies and Notes to Accounts and the other financial information (as described more in detail in paragraph 13 below, referred as "**Other Restated Standalone Summary Financial Information**"), (collectively, the "**Restated Standalone Summary Financial Information"**), for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 as approved by the Board of Directors of the Company in the meeting held on August 4, 2017 and prepared by the management of the Company in terms of the requirements of:

a) Section 26 (1) (b) of the Companies Act, 2013 (the "**Act**") read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "**Rules**");

b) Part (B) of Item (IX) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "**SEBI Regulations"** or "**ICDR Regulations**");

c) Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations 2015, (the "**IRDAI Capital Issuance Regulations**");

d) the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, (the "**IRDAI Regulations**"); and

e) the Guidance Note on Reports in Company's Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**ICAI**") ("**Guidance Note**"), to the extent applicable, in connection with the proposed Initial Public Offering of equity shares of the Company.

2. The preparation of the Restated Standalone Summary Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 17 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Summary Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, Rules, ICDR Regulations, IRDAI Capital Issuance Regulations, IRDAI Regulations and the Guidance Note.

   Our responsibility is to examine the Restated Standalone Summary Financial Information and confirm whether such Restated Standalone Summary Financial Information comply with the requirements of the Act, the Rules, SEBI Regulations, IRDAI Capital Issuance Regulations, IRDA Regulations and the Guidance Note.

3. We have examined such Restated Standalone Summary Financial Information taking into consideration:

   i. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 30, 2017 in connection with the proposed Initial Public Offering of equity shares of the Company;

   ii. The Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India (ICAI); and

   iii. The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Summary Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. The Restated Standalone Summary Financial Information for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 have been extracted by the Company's Management from the Company's standalone audited financial statements of the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

5. The standalone financial statements were audited jointly by us for the financial years ended March 31, 2017 and by other auditors M/s JCR & Co. Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants for the financial year ended March 31, 2016 and ended March 31, 2015; M/s S.R Goyal & Co. Chartered Accountants, M/s JCR & Co chartered Accountants and M/s J. Singh & Associates for the financial year ended March 31, 2014; M/s Ford, Rhodes, Parks & Co Chartered Accountants, M/s S. R. Goyal & Co. Chartered Accountants and M/s JCR & Co. Chartered Accountants for the financial year ended March 31, 2013.

6. The standalone financial statements in so far as it relates to the domestic regional offices, divisional offices, foreign branches and representative offices of the Company, incorporate the returns relating to the following audited and unaudited offices during the respective years as under:

   i) During the financial year ended March 31, 2017:

      a) Forty three Regional offices (including 9 LCOs) and Four hundred and fifty seven Divisional offices audited by the other firms of Auditors appointed by the Comptroller and Auditor General of India under section 139 of the Companies Act, 2013; and
      b) Nine Foreign Branches and Seven Foreign Agency offices audited by local auditors appointed by the Company and unaudited returns of three Run-off offices and one representative office.

ii) During the financial year ended March 31, 2016:

a) Thirty Seven Regional offices (including 6 LCOs) and Four hundred and forty eight Divisional offices audited by the other firms of Auditors appointed by the Comptroller and Auditor General of India under section 139 of the Companies Act, 2013; and
b) Nine Foreign Branches and Seven Foreign Agency offices and one run-off office audited by local auditors appointed by the Company and unaudited returns of three Run-off offices (out of which one is closed) and one representative office.

iii) During the financial year ended March 31, 2015:

a) Thirty Six Regional offices (including 5 LCOs) and Four hundred and thirty seven Divisional offices audited by the other firms of Auditors appointed by the Comptroller and Auditor General of India under section 139 of the Companies Act, 2013; and
b) Nine Foreign Branches and Eight Foreign Agency offices audited by local auditors appointed by the Company and unaudited returns of eight Run-off offices and one representative office.

iv) During the financial year ended March 31, 2014:

a) Thirty two Regional offices (including 4 LCOs) and Four hundred and twelve Divisional offices audited by the other firms of Auditors appointed by the Central Government; and
b) Nine Foreign Branches, seven Foreign Agency offices and one Run-off office audited by local auditors appointed by the Company and unaudited returns of eight Run-off offices.

v) During the financial year ended March 31, 2013:

a) Twenty Eight Regional offices and Four hundred and five Divisional offices audited by the other firms of Auditors appointed by the Central Government; and
b) Nine Foreign Branches and seven Foreign Agency offices audited by local auditors appointed by the Company and unaudited returns of eight Run-off offices.

7. For the purpose of the Restated Standalone Summary Financial Information, we have placed reliance on the standalone financial statements audited by the other auditors as stated in para (5) and (6) hereinabove, and the Restated Standalone Summary Financial Information included for these years are solely based on the reports on such accounts submitted by them.

8. In accordance with the requirements of Section 26 (1) (b) of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Regulations, the IRDAI Capital Issuance Regulations, IRDAI Regulations and the Guidance Note, as amended from time to time, read with Note No. 21 in Annexure V – Part B regarding changes in accounting policy related to depreciation, we further report that:

i. The Restated Standalone Summary Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, examined by us, as set out in Annexure I to this report read with the summary of significant accounting policies in Annexure V - Part A are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Standalone Summary Financial Information enclosed as Annexure VI to this report. Reliance has been placed on the Financial Statements audited by other auditors namely: for the financial years ended March 31, 2016, and March 31, 2015 jointly by M/s JCR & Co., Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants; for the financial year ended March 31, 2014, M/s S.R. Goyal & Co. Chartered Accountants, M/s JCR & Co. Chartered Accountants and M/s J. Singh & Associates; and for the financial year ended March 31, 2013, M/s Ford, Rhodes, Parks & Co. Chartered Accountants, M/s S. R. Goyal & Co. Chartered Accountants and M/s JCR & Co. Chartered Accountants. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

ii. The Restated Standalone Summary Statement of Revenue Accounts and Restated Standalone Summary Statement of Profit and Loss Account for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, as set out in Annexure II, Annexure IIA, Annexure IIB, Annexure IIC and Annexure III to this report read with the summary of significant accounting policies in Annexure V – Part A are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Standalone Summary Financial Information enclosed as Annexure VI to this report. Reliance has been placed on the Financial Statements audited by other auditors namely: for the financial years ended March 31, 2016, and March 31, 2015 jointly by M/s JCR & Co., Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants; for the financial year ended March 31, 2014, M/s S.R. Goyal & Co. Chartered Accountants, M/s JCR & Co. Chartered Accountants and M/s J. Singh & Associates; and for the financial year ended March 31, 2013, M/s Ford, Rhodes, Parks & Co. Chartered Accountants, M/s S. R. Goyal & Co. Chartered Accountants and M/s JCR & Co. Chartered Accountants. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

iii. The Restated Standalone Summary Statement of Receipts and Payments Account for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, as set out in Annexure IV to this report read with the summary of significant accounting policies in Annexure V – Part A are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Standalone Summary Financial Information enclosed as Annexure VI to this report. Reliance has been placed on the Financial Statements audited by other auditors namely: for the financial years ended March 31, 2016, and March 31, 2015 jointly by M/s JCR & Co., Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants; for the financial year ended March 31, 2014, M/s S.R. Goyal & Co. Chartered Accountants, M/s JCR & Co. Chartered Accountants and M/s J. Singh & Associates; and for the financial year ended March 31, 2013, M/s Ford, Rhodes, Parks & Co. Chartered Accountants, M/s S. R. Goyal & Co. Chartered Accountants and M/s JCR & Co. Chartered Accountants. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

9. The Joint Auditors' Report to the Standalone Financial Statements for the years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 contains following qualifications, impact of which has not been ascertained and not incorporated in the Restated Summary Financial Information:

   i. In case of financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, pending reconciliation of balances with persons or bodies carrying on Insurance Business including reinsurers and few bank accounts and other balances as stated in Note No. 15 Annexure V – Part B.
   ii. In case of financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, regarding returns of foreign branches and the audit reports in some cases not having been drawn in the forms and contents as required under Indian Laws. This has however no financial impact in those stated years (Refer Note No. 22 Annexure V – Part B).

10. We draw attention to the fact that the Joint Auditors' report on the Standalone Financial Statements of the Company for the financial years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014

and March 31, 2013, without qualifying the opinion, contained an emphasis of matter paragraph drawing attention to the disclosures made by the company in relation to the following matter in the report for the respective financial years:

i. In case of foreign business, regarding recognition of Reserve for Unexpired risk by 1/365 method and the implementation of systems and procedures to compute the same in accordance with 1/365 method is pending and systems in case of domestic business are being strengthened. (Refer Note No. 2 Annexure V – Part B).
ii. Deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision in respective financial years pursuant to the deferment permitted by IRDAI. (Refer Note No. 10, Annexure V – Part B); Deferment of gratuity liability of the company to the extent of Rs. 343.12 millions in the financial year ended March 31, 2014 and Rs. 686.24 millions in the financial year ended March 31, 2013, pursuant to the circular dated April 18, 2011 of IRDA to Public Sector insurance companies. (Refer Note No. 11, Annexure V – Part B)
iii. Pending non-compliance/contravention of Insurance Regulatory & Development Authority (Investment) Regulations, 2000 in respective financial years as stated in Note No. 7, Annexure V – Part B.
iv. In case of financial years ended March 31, 2015, March 31, 2014 and March 31, 2013, regarding pending disclosure of age-wise analysis of unclaimed amount of the policyholders as stated in Note No. 8 Annexure V – Part B.
v. The Company's internal control systems specially in the area of data input and validation in softwares, including internal audit, require strengthening.

11. We draw attention to the fact that the Joint Auditors report on the Internal Financial Controls under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013, of the standalone financial statements of the Company for the financial year ended March 31, 2017 and March 31, 2016 has contained following qualifications, impact of which has not been ascertained and not incorporated in the Restated Standalone Summary Financial Information:

i. Confirmation and reconciliation of various balances relating to co insurers, reinsurers, few bank accounts, inter office accounts and other control accounts are pending and are at various stages;
ii. Controls on ageing of insurance receivables and internal control systems in area of data input and validation in various soft-wares and recording of intimated claims at the offices of the company and internal audit required strengthening; and
iii. In case of financial year March 31, 2016, inconsistencies involved in the migration of data as well as non-availability of original cost in case of assets at Foreign Branches and process of documenting the laid down policies, procedures and controls in the form of process flow details and risk control matrix and test these matrices including the policies and procedures.

12. Based on the above and based on the reliance placed on the Standalone Financial Statements audited jointly by M/s JCR & Co., Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants for the financial years ended March 31, 2016 and March 31, 2015; M/s S.R. Goyal & Co., Chartered Accountants, M/s JCR & Co., Chartered Accountants and M/s J. Singh & Associates for the financial year ended March 31, 2014; and M/s Ford, Rhodes, Parks & Co., Chartered Accountants, M/s S. R. Goyal & Co., Chartered Accountants and M/s JCR & Co., Chartered Accountants for the financial year ended March 31, 2013, we are of the opinion that the Restated Standalone Summary Financial Information read with Note No. 21 in Annexure V – Part B regarding changes in accounting policy related to depreciation:

i. has been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods based on the significant accounting policies adopted by the Company as at March 31, 2017;

ii. has been made after incorporating adjustments for material prior period amounts in the respective financial years to which they relate to; and
iii. do not contain any extra-ordinary items that need to be disclosed separately other than those presented in the Restated Standalone Summary Financial Information and do not contain any qualifications requiring adjustments.

13. We have also examined the following Other Restated Standalone Summary Financial Information, proposed to be included in the Draft Red Herring Prospectus, as set out in the Annexures prepared by the management of the Company and approved by the Board of Directors on August 4, 2017, relating to the Company for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013:

    i. Notes on Adjustments for Restated Standalone Financial Information, included in Annexure VI
    ii. Restated Standalone Statement of Accounting Ratios, included in Annexure VII
    iii. Restated Standalone Statement on Segment Reporting, included in Annexure VIII
    iv. Restated Standalone Disclosures Forming Part of Financial Statements, included in Annexure IX
    v. Restated Standalone Statement Of Capitalisation, included in Annexure X
    vi. Restated Standalone Statement Of Other Income, included in Annexure XI
    vii. Restated Standalone Statement Of Dividend, included in Annexure XII
    viii. Restated Standalone Statement Of Additional Disclosures, included in Annexure XIII
    ix. Restated Standalone Statement Of Investment In Equity And Bonds, included in Annexure XIIIA
    x. Restated Standalone Statement Of Claims Outstanding (Gross Indian Excluding Provision For IBNR And IBNER), included in Annexure XIIIB
    xi. Restated Standalone Statement Of Tax Shelter, included in Annexure XIV
    xii. Restated Standalone Statement Of Aggregate Book Value & Market Value Of Quoted Investments, included in Annexure XV
    xiii. Restated Standalone Statement Of Debtors, included in Annexure XVI
    xiv. Restated Standalone Statement of Premium Earned (Net), included in Annexure XVII
    xv. Restated Standalone Statement of Claims Incurred (Net), included in Annexure XVIII
    xvi. Restated Standalone Statement of Commission, included in Annexure XIX
    xvii. Restated Standalone Statement of Operating Expenses related to Insurance business, included in Annexure XX
    xviii. Restated Standalone Statement of Share Capital, included in Annexure XXI
    xix. Restated Standalone Statement of Pattern of Shareholding, included in Annexure XXIA
    xx. Restated Standalone Statement of Reserves and Surplus, included in Annexure XXII
    xxi. Restated Standalone Statement of Borrowings, included in Annexure XXIII
    xxii. Restated Standalone Statement of Investments, included in Annexure XXIV
    xxiii. Restated Standalone Statement of Loans, included in Annexure XXV
    xxiv. Restated Standalone Statement of Fixed Assets, included in Annexure XXVI
    xxv. Restated Standalone Statement of Cash and Bank Balances, included in Annexure XXVII
    xxvi. Restated Standalone Statement of Advances and Other Assets, included in Annexure XXVIII
    xxvii. Restated Standalone Statement of Current Liabilities, included in Annexure XXIX
    xxviii. Restated Standalone Statement of Provisions, included in Annexure XXX
    xxix. Restated Standalone Statement of Miscellaneous Expenditure, included in Annexure XXXI

14. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other firms of Chartered Accountants, nor should this report be construed as an opinion on any of the standalone financial statements referred to herein.

15. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

16. In our opinion, the above Restated Standalone Summary Financial Information contained in Annexure I to Annexure XXXI accompanying this report read along with the Summary of Significant Accounting Policies and Notes to Accounts in Annexure V and Notes on Adjustments for Restated Standalone Summary Financial Information enclosed as Annexure VI to this report are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 (1) (b) of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, SEBI Regulations, IRDAI Capital Issuance Regulations, IRDAI Regulations and the Guidance Note issued in this regard by the ICAI, as amended from time to time.

17. Our report is intended solely for use of the management and for inclusion in the Draft Red Herring Prospectus in connection with the proposed Initial Public Offering of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our consent in writing.

For R. Devendra Kumar & Associates **Chartered Accountants** **Firm Reg. No. 114207 W**	**For A. Bafna & Co.** **Chartered Accountants** **Firm Reg. No. 003660C**	**For NBS & Co.** **Chartered Accountants** **Firm Reg.No. 110100W**
Neeraj Golas	**Vivek Gupta**	**Pradeep J . Shetty**
Partner **Membership No. 074392**	**Partner** **Membership No. 400543**	**Partner** **Membership No. 046940**

Place: New Delhi
Date: August 4, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-I : RESTATED STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Particulars	Annexure	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. Sources of Funds						
1. Share Capital	XXI	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
2. Reserves and Surplus	XXII	121,078.27	118,003.87	110,295.19	100,276.47	90,901.86
3. Fair Value Change Account		236,904.70	190,713.14	228,003.78	178,302.30	158,624.44
4. Borrowings	XXIII	-	-	-	-	-
Total A		**359,982.98**	**310,717.00**	**340,298.97**	**280,578.76**	**251,526.29**
B. Application of Funds						
1. Investments	XXIV	514,302.04	445,457.17	449,581.39	353,497.52	312,741.68
2. Loans	XXV	3,089.40	3,288.49	3,676.87	4,011.55	3,857.04
3. Fixed Assets	XXVI	3,641.12	2,584.84	1,992.33	1,778.26	1,523.92
4. Deferred Tax Assets		2,245.81	2,202.40	1,686.67	1,651.64	1,405.40
5. Current Assets						
a. Cash and Bank Balances	XXVII	80,191.76	70,827.44	82,502.30	89,650.04	74,079.93
b Advances and Other Assets	XXVIII	89,610.48	107,334.52	81,960.43	85,040.84	64,973.14
Sub Total(a+b)		**169,802.23**	**178,161.96**	**164,462.73**	**174,690.88**	**139,053.08**
c. Current Liabilities	XXIX	237,335.21	237,871.18	197,651.24	182,753.60	148,812.53
d. Provisions	XXX	97,975.82	87,464.44	83,449.79	72,640.61	58,928.53
Sub Total(c+d)		**335,311.03**	**325,335.62**	**281,101.03**	**255,394.21**	**207,741.06**
Net Current Assets (a+b-c-d)		**(165,508.79)**	**(147,173.66)**	**(116,638.30)**	**(80,703.33)**	**(68,687.98)**
6. Miscellaneous Expenditure (to the extent not written off or adjusted)	XXXI	2,213.40	4,357.76	-	343.12	686.24
Total B		**359,982.98**	**310,717.00**	**340,298.97**	**280,578.76**	**251,526.29**

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II : RESTATED STANDALONE SUMMARY STATEMENT OF REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	175,542.23	151,036.15	132,348.01	108,690.71	94,782.66
2.Profit on Sale or Redemption of Investments (Policy Holders)		12,307.00	8,893.18	9,236.40	6,923.45	6,106.20
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		16,864.72	15,928.43	14,735.54	12,840.87	11,314.07
Total (A)		**204,713.95**	**175,857.76**	**156,319.95**	**128,455.03**	**112,202.94**
1.Claims Incurred (Net)	XVIII	162,421.90	131,559.26	111,880.83	93,809.07	81,052.59
2.Commission	XIX	13,231.38	14,037.46	12,838.65	11,726.12	8,966.39
3.Operating Expenses Related to Insurance Business	XX	37,769.14	35,097.28	30,570.24	26,365.83	22,853.24
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		5.62	5.10	8.45	4.43	8.88
Amortisation, Write off, Provisions - Investments		52.45	19.00	49.93	137.50	(6.78)
Total (B)		**213,480.49**	**180,718.09**	**155,348.10**	**132,042.95**	**112,874.33**
Operating Profit/ (Loss) C=(A-B)		**(8,766.54)**	**(4,860.33)**	**971.85**	**(3,587.92)**	**(671.40)**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		8,766.54	4,860.33	(971.85)	3,587.92	671.40
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of insurance business have been fully debited in the Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II A: RESTATED STANDALONE SUMMARY STATEMENT OF FIRE INSURANCE REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	20,829.19	20,542.00	19,276.86	16,515.20	15,718.05
2.Profit on Sale or Redemption of Investments (Policy Holders)		1,927.15	1,461.33	1,713.71	1,484.21	1,410.16
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		2,640.84	2,617.37	2,734.01	2,752.75	2,612.86
Total (A)		**25,397.17**	**24,620.70**	**23,724.58**	**20,752.15**	**19,741.06**
1.Claims Incurred (Net)	XVIII	19,593.69	14,719.65	14,415.19	15,300.62	12,428.44
2.Commission	XIX	3,406.04	3,815.56	4,031.47	3,184.67	2,413.34
3.Operating Expenses Related to Insurance Business	XX	4,077.84	4,716.29	4,404.56	3,855.66	3,925.51
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		3.99	2.97	7.56	2.99	5.23
Amortisation, Write off, Provisions - Investments		8.21	3.12	9.26	29.48	(1.56)
Total (B)		**27,089.77**	**23,257.59**	**22,868.05**	**22,373.41**	**18,770.95**
Operating Profit/ (Loss) C=(A-B)		**(1,692.60)**	**1,363.11**	**856.53**	**(1,621.26)**	**970.11**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		1,692.60	(1,363.11)	(856.53)	1,621.26	(970.11)
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of fire insurance business have been fully debited in the Fire Insurance Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II B:RESTATED STANDALONE SUMMARY STATEMENT OF MARINE INSURANCE REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	4,337.15	4,628.52	4,500.57	4,548.42	4,045.68
2.Profit on Sale or Redemption of Investments (Policy Holders)		377.51	309.95	295.87	289.48	271.28
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others						
4.Interest, Dividend and Rent (Gross)		517.31	555.14	472.03	536.90	502.65
Total (A)		**5,231.97**	**5,493.61**	**5,268.47**	**5,374.80**	**4,819.61**
1.Claims Incurred (Net)	XVIII	3,493.42	2,724.40	3,216.65	2,143.20	1,929.87
2.Commission	XIX	453.87	480.03	425.85	485.93	477.29
3.Operating Expenses Related to Insurance Business	XX	742.03	912.93	1,054.56	987.79	1,025.23
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		-	-	-	-	-
Amortisation, Write off, Provisions - Investments		1.61	0.66	1.60	5.75	(0.30)
Total (B)		**4,690.92**	**4,118.02**	**4,698.66**	**3,622.66**	**3,432.09**
Operating Profit/ (Loss) C=(A-B)		**541.05**	**1,375.59**	**569.81**	**1,752.13**	**1,387.51**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		(541.05)	(1,375.59)	(569.81)	(1,752.13)	(1,387.51)
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of Marine insurance business have been fully debited in the Marine Insurance Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II C: RESTATED STANDALONE SUMMARY STATEMENT OF MISCELLANEOUS INSURANCE REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	150,375.89	125,865.63	108,570.58	87,627.09	75,018.93
2.Profit on Sale or Redemption of Investments (Policy Holders)		10,002.35	7,121.90	7,226.82	5,149.76	4,424.76
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others						
4.Interest, Dividend and Rent (Gross)		13,706.57	12,755.92	11,529.50	9,551.23	8,198.57
Total (A)		**174,084.80**	**145,743.45**	**127,326.90**	**102,328.08**	**87,642.26**
1.Claims Incurred (Net)	XVIII	139,334.79	114,115.20	94,248.99	76,365.26	66,694.28
2.Commission	XIX	9,371.48	9,741.87	8,381.33	8,055.53	6,075.76
3.Operating Expenses Related to Insurance Business	XX	32,949.27	29,468.05	25,111.12	21,522.38	17,902.50
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		1.64	2.13	0.89	1.44	3.65
Amortisation, Write off, Provisions - Investments		42.63	15.22	39.06	102.28	(4.91)
Total (B)		**181,699.80**	**153,342.47**	**127,781.39**	**106,046.88**	**90,671.29**
Operating Profit/ (Loss) C=(A-B)		**(7,615.00)**	**(7,599.02)**	**(454.49)**	**(3,718.80)**	**(3,029.02)**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		7,615.00	7,599.02	454.49	3,718.80	3,029.02
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of Miscellaneous insurance business have been fully debited in the Miscellaneous Insurance Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
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Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-III: RESTATED STANDALONE SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Operating Profit / (Loss)						
a. Fire Insurance	II -A	(1,692.60)	1,363.11	856.53	(1,621.26)	970.11
b. Marine Insurance	II -B	541.05	1,375.59	569.81	1,752.13	1,387.51
c. Miscellaneous Insurance	II -C	(7,615.00)	(7,599.02)	(454.49)	(3,718.80)	(3,029.02)
2. Income from Investments						
a. Interest Dividend and Rent (Gross) - Share Holders		9,251.82	9,465.95	8,802.68	8,032.47	6,828.10
b. Profit on Sale of Investment - Share Holders		6,751.50	5,285.04	5,517.62	4,330.89	3,685.12
Less: Loss on Sale of Investment - Share Holders		-	-	-	-	-
3. Other Income - Misc Receipts, Credit Balances Written Back		859.59	423.23	269.63	278.21	206.04
Interest on Refund of Income Tax		1,325.92	303.20	1,486.42	-	-
Total (A)=1+2+3		**9,422.28**	**10,617.09**	**17,048.20**	**9,053.64**	**10,047.86**
4. Provisions (Other Than Taxation)						
Traded Shares - Shareholders		25.90	26.80	23.03	27.53	26.95
b. For Doubtful Debts - Investments(Shareholders)		(9.28)	(18.47)	12.92	10.78	(55.02)
c. For Doubtful Debts - Operations		91.39	239.36	-	-	-
d. For Dimunition In Value Of Investments (Shareholders)		12.15	2.96	(6.12)	47.70	23.99
5. Other Expenses (Other Than Those Related To Insurance Business)						
a. Others - Interest On Income/Service Tax		8.58	0.79	33.81	(275.95)	(340.58)
b. (Profit)/Loss On Sale Of Assets		27.78	(7.50)	12.72	(0.35)	(4.07)
c. Penalty		2.00	2.00	-	-	0.50
Total (B)=(4+5)		**158.52**	**245.94**	**76.36**	**(190.29)**	**(348.23)**
Profit Before Tax (A-B)		**9,263.76**	**10,371.15**	**16,971.85**	**9,243.93**	**10,396.09**
Provision For Taxation - Current Tax		1,108.94	1,540.59	3,227.00	1,503.92	1,631.50
Deferred Tax		(43.41)	(515.41)	(17.38)	(246.23)	(82.11)
Wealth Tax		-	-	19.64	13.58	15.53
MAT Credit entitlement		-	-			
Profit After Tax		**8,198.23**	**9,345.97**	**13,742.59**	**7,972.67**	**8,831.17**
Transfer from General Reserves / Equalization / Contingency Reserves		129.46	248.33	323.67	25.83	290.76
Appropriations						
a. Proposed Final Dividend		-	-	-	-	-
b. Dividend Distribution Tax.		-	-	-	-	-
c. Transfer to General Reserves		(8,327.68)	(9,345.97)	(13,742.59)	(7,972.67)	(8,418.82)
d. Transfer to Equalization / Contingency Reserves for Foreign Branches		-	(248.33)	(323.67)	(25.83)	(703.11)
Profit / (Loss) Carried Forward to The Balance Sheet		**-**	**-**	**-**	**-**	**-**
Basic and diluted earnings per share (₹) of face value of ₹ 10 each {Refer Annexure-VII}		40.99	46.73	68.71	39.86	44.16

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
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Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited

[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-IV: RESTATED STANDALONE SUMMARY STATEMENT OF RECEIPTS AND PAYMENTS ACCOUNT

(₹ in millions)

Particulars	For the Year Ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A. Cash Flows from the operating activities:					
1. Premium received from policyholders, including advance receipts	241,479.10	201,752.99	173,623.01	152,583.23	133,042.70
2. Other receipts	265.32	154.52	90.94	176.42	88.57
3. Payments to the re-insurers, net of commissions and claims	(15,693.95)	(6,306.59)	(2,745.08)	(10,640.10)	(6,697.42)
4. Payments to co-insurers, net of claims recovery	(1,907.98)	(3,231.59)	(2,388.02)	(3,681.68)	3,608.63
5. Payments of claims	(152,535.97)	(135,024.14)	(110,673.89)	(88,477.01)	(86,630.88)
6. Payments of commission and brokerage	(14,914.21)	(14,970.60)	(13,355.54)	(12,050.51)	(10,176.23)
7. Payments of other operating expenses	(39,560.25)	(37,988.59)	(25,606.68)	(24,148.46)	(23,215.64)
8. Preliminary and pre-operative expenses	-	-	-	-	-
9. Deposits, advances and staff loans	(34.41)	210.15	2,112.14	1,521.13	1,514.02
10. Income taxes paid (Net)	2,782.51	(2,327.58)	1,391.10	37.13	1,826.94
11. Service tax paid	(23,077.87)	(17,607.94)	(13,553.61)	(12,255.31)	(10,389.51)
12. Other payments	1,648.33	(244.35)	(226.37)	1,333.88	127.45
13. Cash flows before extraordinary items	(1,549.37)	(15,583.73)	8,668.00	4,398.72	3,098.63
14. Cash flow from extraordinary operations	-	-	-	-	-
Net cash flow from operating activities	**(1,549.37)**	**(15,583.73)**	**8,668.00**	**4,398.72**	**3,098.63**
B. Cash flows from investing activities:					
1. Purchase of fixed assets	(1,915.03)	(952.34)	(599.78)	(622.22)	(377.30)
2. Proceeds from sale of fixed assets	384.06	193.94	115.14	57.08	50.71
3. Purchases of investments	(34,331.24)	(50,866.36)	(64,960.18)	(35,125.86)	(39,252.53)
4. Loans disbursed	(376.33)	-	-	-	(403.60)
5. Sales of investments	29,400.24	32,148.97	33,531.06	24,376.05	22,504.18
6. Repayments received	-	87.13	97.73	1,640.20	-
7. Rents/Interests/ Dividends received	25,431.40	24,871.33	20,969.47	17,602.59	16,553.41
funds	-	-	-	-	-
9. Expenses related to investments	(297.50)	102.64	(152.11)	(277.24)	(230.09)
Net cash flow from investing activities	**18,295.60**	**5,585.31**	**(10,998.66)**	**7,650.61**	**(1,155.23)**
C. Cash flows from financing activities:					
1. Proceeds from issuance of share capital	-	-	-	-	-
2. Proceeds from borrowing	-	-	-	-	-
3. Repayments of borrowing	-	-	-	-	-
4. Interest/dividends paid	(3,019.85)	(3,600.00)	(2,573.89)	(1,988.92)	(464.89)
Net cash flow from financing activities	**(3,019.85)**	**(3,600.00)**	**(2,573.89)**	**(1,988.92)**	**(464.89)**
D. Effect of foreign exchange rates on cash and cash equivalents, net	**(4,362.07)**	**1,923.57**	**(2,243.19)**	**5,509.69**	**1,179.68**
E. Net increase in cash and cash equivalents:	**9,364.31**	**(11,674.85)**	**(7,147.74)**	**15,570.11**	**2,658.19**
1. Cash and cash equivalents at the beginning of the year	70,827.44	82,502.30	89,650.04	74,079.93	71,421.74
2. Cash and cash equivalents at the end of the year	80,191.76	70,827.44	82,502.30	89,650.04	74,079.93

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
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Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Co. Ltd.

[Registration No.190 Renewed from April 1, 2017]

ANNEXURE-V

Summarised significant Accounting Policies and Restated Notes forming part of Standalone Financial Statements as on March 31, 2017,March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013

The New India Assurance Company Limited was incorporated on July 23, 1919. The Company is a wholly owned Government Company. The Company holds a valid certificate of registration bearing number 190, to conduct General Insurance business, from the Insurance Regulatory and Development Authority of India (IRDAI).

A. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The financial statements are drawn up in accordance with the provisions of IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, IRDAI (Issuance of Capital by Indian Insurance Companies Transacting other than Life Insurance Business) Regulations, 2015 and circulars and/or guidelines issued in the context of preparation of the financial statements, and the provisions of the Companies Act as applicable from time to time. The said statements prepared on historical cost convention and on accrual basis, comply with accounting standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and conform to practices prevailing in the General Insurance industry except as otherwise stated.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates and assumptions. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. Revenue Recognition

a) Premium

Premium income is recognized on assumption of risk. A reserve for Unearned Premium for each segment, representing that part of the recognized premium attributable to the succeeding accounting periods, calculated on time apportionment basis is created. This forms part of the un-expired risk reserves.

Reinsurance premium is recognized as per the terms of the reinsurance contracts. A reserve for Unearned Premium for each segment, representing that part of the recognized reinsurance premium attributable to the succeeding accounting periods, is also calculated on time apportionment basis. This also forms part of the un-expired risk reserves.

Any subsequent revisions to or cancellations of premium are recognized in the year in which they occur.

b) Commission

Commission Income on Reinsurance cessions is recognized as income in the year in which reinsurance Premium is ceded.

Profit Commission under reinsurance treaties wherever applicable, is recognized on accrual. Any subsequent revisions of profit commission are recognized for in the year in which final determination of the profits are intimated by reinsurer.

4. Premium Received in Advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

5. Reserves for Unexpired Risk/s

Unearned premium reserve is computed in accordance with the guidelines issued by IRDAI as under:

a) Marine Hull: 100% of the net written premium during the preceding twelve months;

b) Other segments:

  i) in respect of domestic business: on the basis of 1/365th method on the unexpired period of respective policies and

  ii) in respect of foreign business 50% of the net premium in respect of all business other than Marine hull

6. Reinsurance Accepted

Reinsurance returns have been incorporated for the advices received up to the date of finalization of accounts or on estimation basis.

7. Reinsurance Ceded

Reinsurance cessions are accounted for on the basis of actuals or on estimation basis.

8. Premium Deficiency

Premium deficiency is calculated where the sum of expected claims costs, related expenses and maintenance costs exceed the related unearned premium. The premium deficiency is recognized as per IRDA guidelines and forms part of unexpired risk reserves.

9. Acquisition Costs.

Acquisition costs are primarily related to acquisition of insurance contracts and have been expensed in the year in which they are incurred.

10. Incurred Claims

Claims are recognized as and when reported.

Claims Paid (net of recoveries including salvages retained by the insured, includes interest paid towards claims and all expenses directly incurred in relation to their assessment) are charged to respective revenue accounts.

Claims outstanding at the year-end are provided based on survey reports, information provided by clients and other sources, past experience and applicable laws and includes:

a. In respect of direct business, claim intimations received up to the year-end.

b. In respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalization of accounts or on estimation basis

c. Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER). The said provisions have been determined by Appointed Actuary, which is in accordance with accepted actuarial practice, requirement of IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the master circulars issued in the context of preparation of financial statements and stipulations of the Institute of Actuaries of India.

All the outstanding claims for direct business are provided net of estimated salvage (if any).

In respect of motor third party claims where court summons have been served on the Company without adequate policy particulars to establish liability of the Company, provision is made as under:

a. 100% of the estimated liability, where such claims are outstanding for more than one year.

b. 1/3rd of the estimated liability, for all such claims for which court summons have been served on the Company during the year.

Interest on motor accident claims tribunal (MACT) claims is provided based on the prevailing trends in the motor third party claim awards.

11. Salvage and Claim Recoveries

Recoveries of claims and sale proceeds on disposal of salvage are accounted on realisation and credited to claims.

12. Provisions, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of economic resources and reliable estimate can be made of the amount of obligation. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

13. Loans and Investments

a. Loans are measured at historical cost subject to impairment. Company reviews the quality of its loan assets and provides for impairment if any.

b. Short Term Money Market Instruments such as Commercial Papers and Certificate of Deposits are shown at their discounted value and the difference between the acquisition cost and the redemption value is apportioned on time basis and recognised as accrued income.

c. Contracts for purchase and sale of shares, bonds, debentures are accounted for as "Investments" as on date of transaction.

d. The cost of investments includes premium on acquisition, brokerage, transfer stamps, transfer charges, Securities Transaction Tax and is net of incentive/ fee if any, received thereon.

e. Dividend income (other than interim dividend) is accounted for as income in the year of declaration. Dividend on shares/interest on debentures under objection/pending delivery is accounted for on realisation. Interim dividend is accounted for where the amount is received/credited in the account of the company up to 31st March.

   Dividend on foreign investments is accounted on gross basis.

   Interest Income is recognized on accrual basis on time proportion except income on non-performing assets is recognized on realization.

Amount received towards compensation for future loss of interest is recognised as income only to the extent attributable to the accounting year and balance is kept in interest received in advance account for apportionment in the relevant year.

f. Profit/Loss on realization of investments is computed by taking weighted average book value as cost of investments except:

   i. In respect of Government Securities/Debentures/Bonds under Trading Portfolio, the profit/loss is worked out specific scrip wise.

   ii. In respect of Government Securities sold from Investment Portfolio, the profit/loss is worked out on first in first out basis (FIFO).

g. The Company follows the prudential norms prescribed by the Insurance Regulatory and Development Authority as regards to asset classification, recognition of income and provisioning pertaining to loans/advances/debentures

h. Investment in government securities, debt securities and redeemable preference shares are considered as held till maturity and valued at cost. However, in terms of Insurance Regulatory and Development Authority Regulations the premium paid at the time of acquisition of securities is amortized over the residual period of maturity.

i. Investments in Mutual Funds are valued at Net Asset Value (NAV) as at the Balance Sheet date and the difference between cost/book value and NAV is accounted in Fair Value Change Account. In case of non-availability of latest NAV as at the balance sheet date, investment is shown at cost.

   Investments in Venture Funds are valued at cost. If there is reduction in NAV, the same is charged to revenue and book value of investments is reduced accordingly. Any appreciation in NAV to the extent of loss earlier recognised, is taken to revenue. Wherever Net Asset Value as on Balance Sheet date is not available, latest available Net Asset Value is considered.

j. In accordance with IRDA/F&I/INV/CIR213/10/2013 dated October 30, 2013 for Valuation of Equity Portfolio, National Stock Exchange (NSE) is considered as Primary Stock Exchange and Bombay Stock Exchange (BSE) as Secondary Stock Exchange.

   Investment Portfolio in respect of equity/ equity related instruments are segregated into actively traded and thinly traded as prescribed by Insurance Regulatory and Development Authority Regulations. The shares are treated as actively traded or thinly traded by taking into consideration total traded transactions in the month of March on NSE and BSE.

   Actively traded equity/ equity related instruments are valued at the closing price at NSE or if the scrip is not traded at NSE, the scrip is valued at the closing price at BSE. The difference between weighted average cost and quoted value is accounted in Fair Value Change Account

   Exchange traded funds are valued as applicable to Equity portfolio. The difference between the weighted average cost and the quoted value is accounted in Fair Value change account.

   Investments in equity shares of companies outside India are valued at the last quoted price at the stock exchange of the respective Country.

k. Investment in thinly traded equity shares and unlisted equity shares are shown at cost. However, difference between cost and break-up value is provided for as diminution in value. If the break-up value is negative, then the provision is made for the entire cost. Further, if the published accounts of an unlisted Company are not available for last three accounting years ending on or immediately preceding the date of working out diminution in value, then the provision is made for the entire cost.

l. In case of investment in listed and unlisted equity/ equity related instruments / preference shares where the value has been impaired on or before March 31, 2000; the historical/weighted average costs are not available with the Company. As a consequence, the carrying value of such investments as on April 1,2000 is presumed to be the historical/ weighted average cost.

m. Investments in listed equity/ equity related instruments/ preference shares made in those companies, which are making losses continuously for last 3 years and where capital is eroded, are considered to have impairment in value. Further, if the published accounts of a Company are not available for last three accounting years ending on or immediately preceding the date of working out impairment in value, it is presumed that the value of investment is fully impaired and is written off to a nominal value of ₹1/- per Company.

   i) Valuation of such investments is done as under:

      - In respect of actively traded equity shares: - least of cost price, market price or break-up value provided break-up value is positive. However, if the break-up value is negative the nominal value is taken at ₹1/- per Company.

      - In respect of other than actively traded equity shares: - lower of cost price or break-up value provided break-up value is positive. However, if break-up value is negative the nominal value is taken at ₹1/- per Company.

      - In respect of preference shares, if the dividend is not received for the last three years, such preference shares are written down to a value which will bear to its face value, the same proportion as value taken/ which would have been taken for writing down equity shares bears to the face value of the equity shares. However, if the equity shares are written down to ₹1/- per Company, preference shares are also written down to a nominal value of ₹1/- per Company.

   ii) Once the value of investment in listed equity/ equity related instruments/ preference shares of a company is impaired in accordance with the above mentioned policy, the reversal of such impairment losses are not recognised in revenue/ profit and loss till such company achieves a positive net worth as per the latest available published accounts immediately preceding the date of working out the reversal. However, in respect of investments where the historical or weighted average cost is not available as mentioned in Policy No.13-i, reversal of impairment loss is carried out and recognised only to the extent of impairment losses accounted after March 31, 2000.

n. Reverse repo transactions are treated as secured lending transactions and accordingly disclosed in the financial statements. The difference between total consideration at the 1st and 2nd leg of the transaction is treated as interest income.

o. "Collateralized Borrowing and Lending Obligation" (CBLO), which is issued at discount to the face value, is treated as money market instrument as per Reserve Bank of India Notification. Discount earned at the time of lending through CBLO is shown as income, which is apportioned on time basis.

p. Un-realized gains / losses arising due to changes in the fair value of actively traded listed equity shares other than enumerated in Accounting Policy 13-i are taken under the head "Fair Value Change Account" and on realization reported in profit and loss account.

q. Pending realization, the credit balance in the "Fair Value Change Account" is not available for distribution.

14. Foreign Currency Transactions

a. Reinsurance operations:

Revenue transactions of reinsurance in foreign currencies are converted at the average of buying and selling rates of exchange of each quarter in which they are accounted.

Monetary assets and liabilities of reinsurance in foreign currencies are converted at the closing rate.

b. Foreign operations:

i. As per the Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates", foreign branches/agencies are classified as 'non-integral foreign operations'.

ii. The assets and liabilities (including contingent liabilities), both monetary and non-monetary of the non-integral foreign operations are translated at the closing rate,

iii. Income and expense items of the non-integral foreign operations are translated at the average exchange rate of the year.

iv. Depreciation on fixed assets held in foreign branches and agencies is provided on written down rupee value at the year-end at the rates and in the manner as stated in "Depreciation" policy stated herein below.

v. All resulting exchange difference is accumulated in a foreign currency translation reserve until the disposal of the net investment.

vi. Foreign investments transactions during the year are converted at the exchange rates prevailing as on the last day of the month of purchase or sale.

vii. Other assets and liabilities in foreign currencies are converted at the average of buying and selling rates of exchange prevailing at the year end.

viii. The exchange gain/loss due to conversion of foreign currencies other than relating to non-integral foreign operations is taken to revenue(s) account and profit and loss account as applicable.

15. Fixed Assets

a. Fixed assets are stated at cost less depreciation.

b. The fixed assets are assessed for any indication that an asset is impaired. In case the recoverable amount of the fixed assets is lower than its carrying amount a provision is made for the impairment loss.

c. Lease payment for assets taken on operating lease are recognized as an expense in the revenue(s) accounts and profit and loss account over the lease term.

16. Depreciation

a. Depreciation on fixed assets is charged on Straight Line Method (SLM) as per the useful life prescribed under Schedule II of the Companies Act 2013 and the residual value of the asset shall be ₹ 1/-.

b. Lease hold properties are amortized over the lease period.

17. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. The same is amortised over a period of four years on straight line basis. Software development / acquisition costs, except those which meet the recognition criteria as laid down in Accounting Standard 26 (AS 26), are charged to revenue. Any additions to already existing assets are amortised prospectively over the remaining residual life of the assets.

18. Employee Benefits

Employee benefits comprise of both defined contributions and defined benefit plans.

Provident Fund is a defined contribution plan. Company's contribution towards provident fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further Company has no further obligation beyond the periodic contributions.

Pension, Gratuity and Leave Encashment are defined benefit plans. The Company has incorporated a Pension Trust and Gratuity Trust. The Company's liability towards pension, gratuity and leave encashment is accounted for on the basis of an actuarial valuation done at the year end and is charged to revenue accounts and profit and loss account as applicable except in case of pension (National Pension System) for the employee who joined from April 1, 2010 which is defined contribution plan wherein contribution towards pension fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further, Company has no further obligation beyond the periodic contributions.

All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees

19. Expenses of Management-Basis of Apportionment

Expenses of management including provision for bad and doubtful debts and exchange gain/loss, are apportioned to the revenue accounts on the basis of net premium

20. Segregation of Policyholders and Shareholders funds:

Investment Assets includes Policyholders' as well as Shareholders' Investment assets are bifurcated at the end of each quarter between Shareholders and Policyholders at 'fund' level on notional basis in accordance with IRDAI guidelines.

21. Income from Investments -Basis of Apportionment

Investment Income (net of expenses) is apportioned between Shareholders' Fund and Policyholders' Fund in proportion to the balance of these funds at the beginning of the year.

Investment income (net of expenses) belonging to Policyholders' is further apportioned to Fire, Marine and Miscellaneous segments in proportion to respective technical reserves balance at the beginning of the year.

Policyholders' fund for this purpose consists of estimated liability for outstanding claims including IBNR and IBNER, unexpired risk reserve (URR), Premium deficiency (if any). Catastrophe reserves (if any) and Other Liabilities net of Other Assets (relating to policy holders) as per the guidelines of IRDAI; the residual consists of the Shareholder' fund.

22. Taxation.

a. Tax expense for the year, comprises current tax and deferred tax.

b. Current income tax expense comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

c. Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax on future income. Accordingly, MAT is recognized as an asset in the Balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

d. A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.

e. Deferred tax assets are recognized only if there is a virtual certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

f. Refund of income tax is accounted on realization basis.

B. Notes Forming Part of Financial Statement:

1. The accounts of the company incorporate audited accounts of certain Branches which are drawn upon on calendar year basis as per local laws as compared to the financial year from April to March followed by the company. However, there are no material changes during the quarter from January to March during year ended March 31, 2017, March 31, 2016 and March 31, 2015, while during year ended March 31, 2014 and March 31, 2013 material changes noted have been incorporated in accounts. The accounts of certain runoff agencies and representative offices have been incorporated on the basis of unaudited accounts as certified by the management. These agencies /representative offices are not material. The details are as under:

Particulars		For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Branches where accounts are prepared on calendar year basis.	Audited	Fiji, Thailand	Fiji, and Thailand	Fiji, Canada and Thailand	Fiji, Canada and Thailand	Fiji, Canada and Thailand
	unaudited	Canada (Run-off*)	Canada (Run-off)	-	-	-
Accounts of Branches/Run-off and representative offices incorporated on unaudited basis	Agencies (Run-off*)	Colombo and Saudi Arabia	Colombo and Saudi Arabia	Paris, Colombo, Saudi Arabia	Paris, NIA T&T, Malaysia, Beirut, Ghana, Colombo, Singapore, Saudi Arabia	NIA T&T, Malaysia, Beirut, Ghana, Colombo, Singapore, Saudi Arabia
	Rep offices	Myanmar	Myanmar	Myanmar	-	-

(*Run-off: An insurance company that is being wound up or otherwise not underwriting any business at the place of operation. It is thus letting its parent insurance policies run to their expiration dates to meet the liability on these policies.)

2. The company is in the process of implementing systems and procedures to implement the IRDAI guidelines regarding following the 1/365 method in case of foreign business and therefore the impact of pending compliance is presently not ascertainable. Systems and procedures in domestic business in few segments are also being strengthened to compute the Unexpired Premium Reserve based on data input in the accounting systems of the company. In the opinion of the management the impact of pending compliances is not expected to be material.

3. Land as stated in the restated Financial statements include Land for which registration formalities are yet to be completed, deed of conveyance is yet to be executed and lease deed has expired in case of leasehold lands. Book value of Buildings includes buildings where registration formalities are yet to be completed/title deeds are not presently available and Buildings not in possession of the Company. These are as under:

(₹ in millions)

	As at

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
LAND					
Registration formalities yet to be completed	-	17.38	17.38	Not Available	
Deed conveyance to be executed	12.50	-	-	Not Available	
Lease deed expired	11.84	-	-	-	-
BUILDING	-	-	-	-	-
Registration yet to be completed	206.70	307.38	307.38	Not Available	
Deed conveyance to be executed	-	5.19	96.84	69.88	71.87
Lease deed expired	-	11.84	-	-	-
Buildings not in possession of the company	0.34	0.34	Not Available		
Properties yet to be registered in the name of the company	16.36	10.27	Not Available		

4. As certified by the Custodian, in respect of certain securities held by the Company on reporting dates, there are variations and other differences which include excess of market value as per the custodian as compared to books which are being reconciled, while shortages have been provided for. In the opinion of the management, these are not expected to have a material impact on the state of affairs of the Company.

5. (a) Provision for standard assets has been made as per Insurance Regulatory and Development Authority guidelines on (i) Term Loan (PFPS/DTL), (ii) Debentures, (iii) Infrastructure Investments, (iv) Bonds/ Debentures of HUDCO, (v) Bonds/Debentures of Institutions accredited to NHB and (vi) Govt. Guaranteed Bonds/Securities (vii) Housing and Fire fighting Loans to State Governments (viii) Loan to HUDCO for Housing (ix) Debtor.

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision for standard assets @0.4%	373.02	335.89	310.73	256.49	216.33

(b) The amount of total corporate debt/loans etc. restructured under various categories are being compiled during the year, the Company has undertaken restructuring as under:

(₹ in millions)

Sr. No.	Particulars	As at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
	Total amount of assets subjected to restructuring	84.42	127.78	-	175.34	213.45
	The break-up of the same is given here under:					
(i)	Total amount of standard assets subjected to restructuring	26.86	-	-	-	-
(ii)	Total amount of sub-standard assets subjected to restructuring	-	-	-	-	-
(iii)	Total amount of doubtful assets subjected to restructuring	57.56	127.78	-	127.78	-
(iv)	Total amount of loss assets subjected to restructuring	-	-	-	47.56	213.45
	Total	84.42	127.78	-	175.34	213.45

(c) Details of Non-Performing Assets (NPA) and Provisions on NPA

i) Details of Non-Performing Assets (NPA):

(₹ in millions)

Sr. No.	Particulars	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
(i)	Opening Balance	1,150.10	1,348.45	1,408.13	1,356.15	1,565.92
(ii)	Additions During the Year	-	-	-	130.63	-
(iii)	Reductions During the Year	63.28	198.34	59.69	78.65	209.77
(iv)	Closing Balance	1,086.82	1,150.10	1,348.45	1,408.13	1,356.15
	Percentage of Gross NPAs to Net Assets	0.37%	0.44%	0.54%	0.67%	0.77%
	Percentage of Net NPAs to Net Assets	-	-	0.05%	0.08%	0.07%

ii) Details of Provisions on NPA (other than standard provisions)

(₹ in millions)

Sr. No.	Particulars	As at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
(i)	Opening Balance	1,150.10	1,224.87	1,244.55	1,256.69	1,435.94
(ii)	Incremental Provision During the Year	(63.28)	(74.77)	(19.68)	(12.14)	(179.25)
(iii)	Closing Balance	1,086.82	1,150.10	1,224.87	1,244.55	1,256.69

6. Short-term Investments (Annexure XXIV) in Debentures and other guaranteed securities include those, which are fully repayable in the next year. As regards those debentures and other guaranteed securities, which have fallen due and remain unpaid as on March 31, 2017, March 31, 2016, March 31, 2015, March

31, 2014 and March 31, 2013, they have been shown under long-term investments, as their reliability is unascertainable. However, necessary provision, wherever required, has been made.

7. (a) There are following cases of non-compliance/contravention of Insurance Regulatory & Development Authority (Investment) Regulations, 2000.

   During the years March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Company is in the process of improving the system to ensure that the investment exposure at any point of time does not exceed the prescribed limits under Regulation 5. However, there is no case of violation of the prescribed exposure limits.

   (b) There are following cases of non-compliance/contravention of Insurance Regulatory & Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002:

   i) Segmental reporting in respect of Public and Product Liability is not disclosed separately for foreign business.

   ii) The provisions against loans have been shown in annexure XXX "Provisions". Consequently, the "Loans" shown in the annexure XXV have not been reduced to the extent of provisions made against thereof, as required by Part V of Schedule B of the Regulation. The details of such provisions not netted against the Loans in annexure XXV are as under:

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provisions made against loans not netted in annexure XXV	628.64	680.51	723.59	728.46	766.87

   iii) For the year ended as on March 31, 2017, March 31, 2016, March 31, 2015**,** March 31, 2014 and March 31, 2013 Receipts& Payments Account/ (Cash Flow Statement) have been drawn under "Direct Method" as required by Part I of Schedule B of the regulation. However, the same is subject to reconciliation of various inter office and other accounts including certain Bank Accounts.

   iv) During the year ended March 31, 2014 and March 31, 2013, the separate disclosure requirement as per IRDA circular dated March 28, 2008 in respect of outsourcing expenses has not been complied.

8. As per IRDAI circular no. IRDA/F&I/CIR/CMP/174/11/2011 dated November 1, 2010, company is required to give detail of age wise analysis of unclaimed amount of the policyholder Accordingly the unclaimed amount representing the excess premium collected, refund premium and the amount lying in stale cheques accounts and the unclaimed claim amounts at the reporting dates are as under:

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Claims settled but not paid to policyholders / insured due to any reason except under litigation from insured / policyholders	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise.	-	-	-	-	-
Any excess collection of premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	678.58	657.49	528.76	362.85	461.57
Cheques issued but not encashed by the policyholder / insured	708.96	750.63	669.78	598.65	1,272.90

Further as required under the above said IRDAI circular age wise analysis of unclaimed amount of the policyholders amounting to ₹ 1,387.54 million (PY ₹ 1,408.12millions) at the year ended March 31, 2017 representing the excess premium collected, refund premium and the amount lying in stale cheque accounts and unclaimed amount towards claim is as under:

(₹ in millions)

Particulars	Total Amount	1-6 Months	7-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	Beyond 36 Months
Claims settled but not paid to policyholders / insured due to any reason except under litigation from insured / policyholders	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise.	-	-	-	-	-	-	-	-
Any excess collection of premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	678.58	124.12	42.03	32.73	30.72	38.96	26.64	383.38
Cheques issued but not encashed by the policyholder / insured	708.96	65.21	45.65	33.40	25.58	31.82	25.53	481.77

The age-wise analysis of the above information for the financial years March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 is not available.

Further as per the IRDA circular no IRDA/F&A/CIR/CPM/134/07/2015 Company has as on March 31, 2017 invested the above said total amount of ₹1,387.54millions in fixed deposit and interest accrued on such fixed deposit has been allocated to the fund amount.

IRDAI circular number IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 which came into effect from financial year ended March 31, 2017 required disclosure of the following information on unclaimed amount of policy holders.

Particulars	₹ in million
Opening Balance as at April 1, 2016	1,408.12
Add: Amount transferred to unclaimed amount during the year	1,952.83
Add: Cheques issued out of the unclaimed amount not encashed by the policyholders	105.23
Add: Investment income	0.21
Less: Amount paid during the year	2,078.85
Closing balance as at March 31, 2017	1,387.54

9. Disclosure as required by Accounting Standards (AS): -

a. Related party disclosures as per Accounting Standard 18

➢ Subsidiaries:

i) The New India Assurance Co. (T & T) Ltd. – Port of Spain, Trinidad & Tobago

ii) The New India Assurance Co. (S.L.) Ltd. – Free Town, Sierra Leone

iii) Prestige Assurance Plc. – Nigeria

➢ Associates:

i) India International Insurance Pte. Ltd., Singapore

ii) Health Insurance TPA of India Ltd

Transaction with related party: **(₹ In millions)**

Sr. No.	Nature of Relationship	Nature of Transaction	For the period ended				
			March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
i)	Subsidiaries	Management fees earned (NIA T&T)	4.80	4.92	4.90	8.36	-
		Premium on Reinsurance Accepted	41.24	40.30	44.85	49.51	70.85
		Commission on Reinsurance Accepted	(10.48)	(9.80)	(8.97)	(9.75)	(15.14)
		Claims Paid	(13.99)	(16.90)	(9.63)	(11.40)	(29.01)
		Dividend income received	25.02	28.97	27.81	18.29	27.20
		Equity Purchased (Rights)	-	-	(384.62)	-	-
		Loan Installments & Interest Received Prestige Assurance Nigeria	-	67.34	82.80	-	-
		Interest Accrued Prestige Assurance Nigeria	3.04	-	-	-	-
		Dividend Receivable	-	-	-	20.24	-
		Loan	-	-	-	(179.30)	-
ii)	Associates	Premium on Reinsurance Accepted	72.39	156.69	145.03	134.70	255.83
		Commission on Reinsurance Accepted	(12.37)	(30.17)	(15.82)	(31.70)	(53.09)
		Claims Paid	(95.24)	(121.90)	(125.23)	(83.50)	(122.34)
		Dividend income received	48.08	35.18	39.20	25.33	23.29
		Dividend income received from Kenindia Assurance Kenya	-	-	3.52	-	-
		TPA fees paid to Health TPA of India	(9.26)	-	-	-	-
		Additional Equity Infusion in Health TPA of India	-	(118.75)	(23.75)	(23.75)	-

iii)	Key Management Personnel	Salary and allowances	22.41	22.17	14.83	12.47	3.82

➢ Key Management Personnel of the Company

Name	Designation	Date of Joining	Date of Cessation
Mr. G. Srinivasan	Chairman cum Managing Director	October 18, 2012	till date
Mr. K. Sanath Kumar	Whole Time Director	September 06, 2012	July 31, 2015
Mr. V. Hari Srinivas	General Manager & FA	May 31, 2013	May 31, 2016
Mr. Sharad Ramnarayanan	Appointed Actuary	May 16, 2013	till date
Ms S.N. Rajeswari	CFO	August 10, 2015	Till date
Mr. Renjit Gangadharan	General Manager & Chief Marketing Officer	November 30, 2016	April 01, 2016
Mr. Rakesh Kumar	Chief Marketing Officer	April 01, 2016	May 14, 2017
Mr. Renjit Gangadharan	General Manager & Chief Marketing Officer	May 14, 2017	till date
Mr. S. Shankar	Deputy General Manager & Chief Risk Officer	June 16, 2014	June 29, 2017
Mr. S. Shankar	General Manager & Chief Risk Officer	June 29, 2017	till date
Mr. S.R. Shreeram	Chief Investment Officer	August 31, 2009	August 10, 2015
Ms Jayashree Nair	Company Secretary and Chief Compliance Officer	October 25, 2012	Till date
Mr. KLR Babu	Director	August 21, 2014	May 31, 2016
Mr. S. Harinath	Chief Investment Officer	August 10, 2015	till date
Mr. Hemant G. Rokade	Whole Time Director	January 27, 2016	till date
Mr. P. Nayak	Whole Time Director	January 27, 2016	May 31, 2016
Mr. Segar Sampath Kumar	General Manager	October 29, 2012	September 29, 2016
Mr. Anil Kumar	General Manager	May 30, 2014	June 23, 2017
Mr. Anil Kumar	Whole Time Director	June 23, 2017	till date
Mr. C. Narambunathan	General Manager	May 30, 2014	till date
Ms Tajinder Mukherjee	General Manager & Chief Underwriting Officer	August 10, 2015	till date
Ms T.L. Alamelu	Whole Time Director	October 01, 2016	June 01, 2017
Mr. Mohd. Zafir Alam	General Manager	May 30, 2014	till date
Mr. S. Pradhan	General Manager	August 27, 2016	till date
Mr. R.M. Singh	General Manager	November 30, 2016	till date
Mr. J.K. Garg	General Manager	June 29, 2017	till date
Mr. R.P. Joshi	Chief of Internal Audit	August 10, 2015	till date

b. Disclosure as per Accounting Standard 20-“Earnings Per Share”:

(₹in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Net profit attributable to shareholders (₹ in millions)	8,198.23	9,345.97	13,742.59	7,972.67	8,831.17
Weighted average number of equity shares issued	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Basic and diluted earnings per share of ₹10/- each	40.99	46.73	68.71	39.86	44.16
Adjusted weighted average number of equity shares issued*	800,000,000	800,000,000	800,000,000	800,000,000	800,000,000
Adjusted basic & diluted earnings per share of ₹5/- each*	10.25	11.68	17.18	9.97	11.04

The company does not have any outstanding diluted potential equity share. Consequently, the basic and diluted earnings per share of the company remain the same.

*Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General Meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised number of shares from existing 300 million to 1,200 million, increase in issued number of shares from 200 million to 800 million and decrease in face value of shares from ₹ 10 to ₹ 5. Adjusted weighted average number of shares and adjusted basic & diluted earnings per share represents the pro-forma values incorporating impact of this corporate action.

c. Taxation

Income Tax

i) Provision for Tax - Current Tax shown in Profit & Loss Account includes following figures relating to foreign taxes.

(₹in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision for taxes relating to foreign taxes	429.90	404.88	473.54	245.48	296.56

ii) The Income Tax Assessments of the Company have been completed up to assessment year 2014-15. Major disputed demands are in respect of profit on sale of investment and related exemptions from tax liability. Based on the decisions of the appellate authority and the interpretations of the relevant provisions, the Management is of the opinion that the demands are likely to be either deleted or substantially reduced and accordingly no provisions have been made for the same.

The Income tax department has raised demands during the relevant assessment years which are being adjusted against refunds arising out of the previous assessment years without full information to the company regarding such adjustments. The details are as under:

Particulars	For the year ended				
	March 31,	March 31,	March 31,	March 31,	March 31,

	2017	2016	2015	2014	2013
Amount of demand raised/refund adjusted (₹ in millions)	2,777.85	1,175.31	-	900.55	154.57
Year of refund against which adjusted	2007-08	No intimation	-	No intimation	No intimation

The Company is in appeal in respect of various taxation issues in various levels of Hon'ble Judiciary on which Income Tax Dept has made unilateral set off.

The Company is following up with the Tax Dept for re-computing the Tax Refunds unilaterally set off pursuant to an order of ITAT for AY 2004-05 antic (A) for A.Y. 2009-10 the accounting of the adjustments shall be made after obtaining details from the Tax Dept.

During the year ended March 31, 2017, the company received ₹ 191.45 million towards income tax pertaining to Assessment Year 2004-05, without details of such refund as to the component of interest, if any, the company is following up for the same with the Income Tax Department. Pending receipt of such details, the amount of ₹ 191.45 million has been adjusted against advance tax/self-assessment tax.

During the year ended March 31, 2017, interest on income tax refund amounting to ₹1,325.92 million has been recognised on realisation basis.

iii) Deferred Taxes

The major components of temporary differences resulting into deferred tax assets are as under:

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Fixed Assets	(66.97)	(53.00)	29.66	111.25	112.87
Leave Encashment	2,309.32	2,251.94	1,653.61	1,653.61	1,463.27
Estimated Disallowance u/s 40(a) (ia)	3.46	3.46	3.40	3.40	3.24
Gratuity	-	-	-	(116.63)	(222.65)
LTS	-	-	-	-	-
Profit linked Incentive	-	-	-	-	48.67
Total	2,245.81	2,202.40	1,686.67	1,651.64	1,405.40

Notes:

(1) Sums credited to the Profit & Loss account on account of increase in deferred tax assets are

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Amount debited/(Credited)	(43.41)	(515.41)	(17.38)	(246.23)	(82.11)

(2) On prudence basis recognition of deferred tax asset on unabsorbed depreciation and carry forward losses has not been given effect in the books of account.
(3) Above deferred tax asset does not include impact of deferred tax in respect of operations of foreign branches.
(4) The company continues to recognize the deferred tax asset as hitherto, as in the opinion of the management there are sufficient evidences to establish the virtual certainty of realization of the Deferred Tax Asset from the future taxable profits.

d. Accounting Standard 15 – Employee Benefits

The details of employee benefits for the period on account of gratuity, superannuation which is funded defined employee benefit plans and encashment which is an unfunded defined benefit plan are as under.

i. Pension

(₹ in millions)

	Particulars	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I	Components of employer expense					
A	Current Service Cost	1,013.80	855.40	858.30	1,200.00	1,092.00
B	Interest Cost	2,927.20	2,492.40	2,588.50	1,560.90	2,278.10
C	Expected Return on Plan Assets	(2,492.20)	(2,381.40)	(2,588.60)	(2,277.70)	(2,224.60)
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Past Service Cost	-	-	-	-	-
G	Actuarial Losses/(Gains)	46.20	6,186.70	910.50	2,111.00	1,751.20
H	Amortised/(Deferred) Cost)	1,709.40	-	-	-	-
	Total expense recognized in the statement of Profit and Loss Account	3,204.40	3,665.10	1,768.70	2,594.20	2,896.70
II	Actual Returns for the Period	2,629.00	2,619.50	2,527.90	2,723.00	2,098.30
III	Net Asset/(Liability) recognized in Balance Sheet					
A	Present Value of Defined Benefit Obligation	35,123.50	37,289.60	31,469.20	30,453.40	28,748.80
B	Fair Value of Plan Assets	32,515.90	31,748.40	30,067.40	28,725.90	28,789.00
C	Status (Surplus/Deficit)	(2,607.60)	(5,541.20)	(1,401.80)	(1727.50)	(40.20)

D	Un recognized Past Service Cost	1,778.50	-	-	-	-
	Net Asset / (Liability) recognized in Balance Sheet	(829.10)	(5,541.20)	(1,401.80)	(1727.50)	(40.20)
IV	Change in Defined Benefit Obligation					
A	Past value of the Defined Benefit Obligation at the beginning of the period	37,289.60	31,469.20	30,453.40	28,748.80	26,204.50
B	Current Service Cost	1,013.80	855.40	858.30	1,200.00	1,092.00
C	Interest Cost	2,927.20	2,492.40	2,588.50	1,560.90	2,278.10
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Plan Amendments	-	-	-	-	-
G	Acquisitions	-	-	-	-	-
H	Actuarial Losses/(Gains)	183.00	6,424.80	849.80	1,885.40	1,459.10
I	Asset Loss / (Gain)	-	-	-	-	-
J	Benefits Paid	(6,290.10)	(3,952.20)	(3,280.80)	(2,941.70)	(2,284.90)
	Present Value of Defined Benefit Obligation at the end of the period	35,123.50	37,289.60	31,469.20	30,453.40	28,748.80
V	Change in the Fair Value of Assets during the period ended					
A	Plan Assets at the beginning of the period	31,748.40	30,067.40	30,453.40	28,789.00	26,070.30
B	Acquisition Adjustment	-	-	-	-	-
C	Expected return on Plan Assets	2,492.20	2,381.40	2,588.60	2,277.70	2,224.60
D	Asset (Losses)/Gains	136.80	238.10	(60.70)	225.60	292.10
E	Actual Company Contributions	4,428.60	3,013.70	366.90	2,102.80	2,486.90
F	Benefits Paid	(6,290.10)	(3,952.20)	(3,280.80)	(2,941.70)	(2,284.90)
	Plan Assets at the end of the period	32,515.90	31,748.40	30,067.40	30,453.40	28,789.00
VI	Transitional Provisions					
	(Income)/Expense to be recognised	32.04	-	-	-	-
VII	Actuarial Assumptions					
A	Discount Rate (%)	7.22%	7.85%	7.92%	8.50%	8.25%
B	Expected Return on Plan	7.22%	7.85%	7.92%	8.50%	8.25%

	Assets (%)					
C	Rate of escalation in salary	3.50%	3.50%	4.00%	4.50%	4.75%
VIII	Major Category of Plan Assets as % of the Total Plan Assets					
A	Government Securities	47.29%	47.37%	39.74%	36.72%	32.70%
B	High Quality Corporate Bonds	43.25%	41.95%	50.62%	50.78%	55.93%
C	Others	9.46%	10.68%	9.64%	12.50%	11.37%
XI	Basis used to determine the expected rate of return on plan assets	The expected rate of return on plan assets is based on the current portfolio of the assets, investment strategy and the market scenario, in order to protect capital and optimize returns within acceptable risk parameters; the plan assets are well diversified.				

ii. Gratuity

(₹ in millions)

	Particulars	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I	Components of employer expense					
A	Current Service Cost	211.00	223.40	231.70	443.50	415.70
B	Interest Cost	908.40	769.80	791.60	666.70	646.50
C	Expected Return on Plan Assets	(764.00)	(750.10)	(791.70)	(595.90)	(636.80)
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Past Service Cost	-	-	-	-	-
G	Actuarial Losses/(Gains)	(94.10)	1,564.40	19.80	646.20	126.20
H	Amortised/(Deferred) Cost)	434.90	(869.80)	-	-	-
	Total expense recognized in the statement of Profit and Loss Account	696.20	937.70	251.40	1,160.50	551.60
II	Actual Returns for the Period	823.00	825.00	789.20	767.70	684.80
III	Net Asset/ (Liability) recognized in Balance Sheet					
A	Present Value of Defined Benefit Obligation	10,758.20	11,368.90	9,683.50	9,312.50	8,162.10
B	Fair Value of Plan Assets	10,061.90	9,561.70	9,433.50	9,313.50	8,265.90
C	Status (Surplus/Deficit)	(696.30)	(1,807.20)	(250.00)	1.00	103.80
D	Un recognized Past Service Cost	-	-	-	-	-
	Net Asset / (Liability) recognized in Balance Sheet	(696.30)	(1,807.20)	(250.00)	1.00	103.80

IV	Change in Defined Benefit Obligation					
A	Past value of the Defined Benefit Obligation at the beginning of the period	11,368.90	9,683.50	9,312.50	8,162.10	7,649.70
B	Current Service Cost	211.00	223.40	231.70	443.50	415.70
C	Interest Cost	908.40	769.80	791.60	666.70	646.50
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Plan Amendments	-	-	-	-	-
G	Acquisitions	-	-	-	-	-
H	Actuarial Losses/(Gains)	(35.10)	1,639.30	17.30	646.20	(46.20)
I	Asset Loss / (Gain)	-	-	-	-	-
J	Benefits Paid	(1,695.00)	(947.10)	(669.60)	(606.00)	(503.60)
	Present Value of Defined Benefit Obligation at the end of the period	10,758.20	11,368.90	9,683.50	9,312.50	8,162.10
V	Change in the Fair Value of Assets during the period ended					
A	Plan Assets at the beginning of the period	9,561.70	9,433.50	9,313.50	8,265.90	7,525.70
B	Acquisition Adjustment	-	-	-	-	-
C	Expected return on Plan Assets	764.00	750.10	791.70	595.90	636.80
D	Asset (Losses)/Gains	59.00	74.90	(2.50)	1057.70	172.40
E	Actual Company Contributions	1,372.20	250.30	0.40	-	434.50
F	Benefits Paid	(1,695.00)	(947.10)	(669.60)	(606.00)	(503.50)
	Plan Assets at the end of the period	10,061.90	9,561.70	9,433.50	9,313.50	8,265.90
VI	Transitional Provisions					
	(Income)/Expense to be recognised	6.96	-	-	-	-
VII	Actuarial Assumptions					
A	Discount Rate (%)	7.51%	7.99%	7.95%	8.50%	8.25%
B	Expected Return on Plan Assets (%)	7.51%	7.99%	7.95%	8.50%	8.25%
C	Rate of escalation in salary	3.50%	3.50%	4.00%	4.50%	4.75%
VIII	Major Category of Plan Assets as % of the Total Plan Assets					

A	Government Securities	47.02%	50.37%	39.07%	39.02%	38.78%
B	High Quality Corporate Bonds	43.25%	38.74%	48.33%	52.29%	56.20%
C	Others	9.73%	10.90%	12.60%	8.69%	5.02%
XI	Basis used to determine the expected rate of return on plan assets	The expected rate of return on plan assets is based on the current portfolio of the assets, investment strategy and the market scenario, in order to protect capital and optimize returns within acceptable risk parameters; the plan assets are well diversified.				

iii. Leave Encashment

(₹ in millions)

	Particulars	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I	Components of employer expense					
A	Current Service Cost	104.80	127.00	132.50	230.00	176.00
B	Interest Cost	519.90	385.30	413.50	359.20	305.40
C	Expected Return on Plan Assets	-	-	-	-	-
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	(245.00)
F	Past Service Cost	-	-	-	-	-
G	Actuarial Losses/(Gains)	397.90	2,091.90	(32.40)	345.70	602.20
H	Amortised/(Deferred) Cost	-	-	-	-	-
	Total expense recognized in the statement of Profit and Loss Account	1,022.60	2,604.20	513.60	934.90	838.60
II	Actual Returns for the Period	-	-	-	-	-
III	Net Asset/ (Liability) recognized in Balance Sheet					
A	Present Value of Defined Benefit Obligation	6,672.80	6,507.00	4,846.90	4,865.00	4,500.00
B	Fair Value of Plan Assets	-	-	-	-	-
C	Status (Surplus/Deficit)	(6,672.80)	-	4,846.90	4,865.00	4,500.00
D	Un recognized Past Service Cost	-	-	-	-	-
	Net Asset / (Liability) recognized in Balance Sheet	(6,672.80)	6,507.00	4,846.90	4,865.00	4,500.00
IV	Change in Defined Benefit Obligation					
A	Past value of the Defined Benefit Obligation at the beginning of the period	6,507.00	4,865.00	4,865.00	4,500.00	3,661.40

B	Current Service Cost	104.80	127.00	132.50	230.00	176.00
C	Interest Cost	519.90	385.30	413.50	359.20	305.40
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Plan Amendments	-	-	-	-	-
G	Acquisitions	-	-	-	-	-
H	Actuarial Losses/(Gains)	397.90	2,073.80	(32.40)	345.70	602.20
I	Asset Loss / (Gain)	-	-	-	-	-
J	Benefits Paid	(856.80)	(944.10)	(531.70)	(559.90)	(245.00)
	Present Value of Defined Benefit Obligation at the end of the period	6,672.80	6,507.00	4,846.90	4,875.00	4,500.00
VII	Actuarial Assumptions					
A	Discount Rate (%)	7.51%	7.99%	7.95%	8.50%	8.25%
B	Expected Return on Plan Assets (%)	-	-	-	-	-
C	Rate of escalation in salary	3.50%	3.50%	4.00%	4.50%	4.75%

e. Accounting for Lease(AS-19):

The Company's Office Premises and Residential flats for employees are obtained on operating lease and are renewable / cancellable at mutual consent. There are no restrictions imposed by lease agreements. Lease terms are based on individual agreements. Significant leasing arrangements are in respect of operating lease for premises. Lease rentals charged to Revenue Account are.

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Lease rentals Charged to revenue account	1,131.30	958.68	1,075.11	926.69	806.60

f. Impairment of Assets(AS-28)

During the periods, the Company reviewed its fixed assets for impairment. In the opinion of the management no provision for impairment loss is considered necessary. However, Impairment assessment as required by AS-28 would be done in due course.

Other Notes:

10. The pay revision of the officers and employees has been carried out by the Public Sector General Insurance Companies for the year ended March 31, 2016 consequent upon the Gazette Notification dated January 23, 2016 issued by the Ministry of Finance. As a result, the additional liability of Pension and gratuity on

account of pay revision has been arrived at ₹ 5,024.70 Million and ₹1,304.70 Million respectively as per the actuarial valuation carried out.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire additional liability of ₹5,024.70millions for pension and ₹1,304.70 million for gratuity is required to be charged to the Profit & Loss Account. However, vide circular communications ref IRDA/F&A/CIR/ACTS/077/04/2016 dated April 18, 2016 and IRDA/F&A/LR/001/2016/6 dated April 19, 2016, IRDA has permitted the amortization of expenditure relating to additional liability towards gratuity and pension over a period of three years commencing year ended March 31, 2016. Accordingly, the Company has recognised the additional liability and an amount of ₹ 1,674.90 million for pension and ₹ 434.90 million for gratuity is charged to the revenue in each of the years ended March 31, 2016 and March 31, 2017and balance amount remaining to be amortised in the year ended March 31, 2018 amounts to₹ 1,674.90 million and ₹434.90 million for pension and gratuity respectively.

The Pension Scheme 1995 has been extended to PSU officers and staff members who joined until March 31, 2010, By virtue of the Gazette Notification no. 233(E), 234(E) and 235(E) dated January 23, 2016, the incremental liability towards pension arising out of the above extension has been arrived at ₹172.70 million based on actuarial valuation.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire amount of ₹172.70millions for pension is required to be charged to the Profit &Loss Account in the year ended March 31, 2016. However, IRDA vide Circular ref IRDA/F&A/CIR/ACTS/077/04/2016 dated April 18, 2016 has permitted the amortisation of expenditure relating to the additional liability over a period of five years commencing from year ended March 31, 2016 and accordingly an amount of ₹34.54 million is charged to the revenue in each of the year ended March 31, 2016 and March 31, 2017 and balance amount remaining to be amortised in next three years is ₹ 103.62 million for pension.

11. For the Year ended March 31, 2015, March 31, 2014 and March 31, 2013

    In year ended March 31, 2011, the limit of gratuity payable to the employee was enhanced consequent to amendment to the Payment of Gratuity Act, 1972, (Government Gazette notification dated May 24, 2010). The maximum amount of gratuity payable has been increased from ₹ 0.35 million to ₹1.00 million per employee. As a result, the gratuity liability of the Company had increased by ₹1,715.60 million.

    In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire amount of ₹1,715.60 million is required to be charged to the Profit & Loss Account. As permitted by IRDA circular number IRDA/F&A/CIR/ACT/069042011 dated April 18, 2011 an amount of ₹343.12 million has been charged to the revenue in each of the 5 financial years beginning from year ended March 31, 2011.

12. The management is currently in the process of identifying enterprises which have been providing goods and services to the Company which qualify under the definition of medium and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such Micro, Small, and Medium Enterprises as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013; has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

13. Penalty (As per IRDAI Circular No 005/IRDA/F&A/CIR/MAY-09 dated May 07, 2009, below table mentions the details of the penalty imposed by various regulators and Government authorities during the year):

For the year ended March 31, 2017					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/

					Reduced
1	Insurance Regulatory and Development Authority / TAC	Nil	-	-	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	(Refer note below)	2.00	2.00	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

Note: The Company received an order from Competition Commission of India imposing a penalty of ₹ 2,510.7 million in year ended March 31, 2016. The Company contested against the order in Competition Appeal Tribunal and the Tribunal awarded penalty of ₹2.0 million as against ₹2,510.70millions of CCI order. The penalty was paid in January 2017.CCIhas appealed against the order of Tribunal at the Apex Courtand the case has been admitted in the Apex Court in March 2017.

For the year ended March 31, 2016					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1(a)	Insurance Regulatory and Development Authority / TAC	Non-compliance of IRDAI(Health Insurance) Regulations,2013	0.50	0.50	-
1(b)		Violation of IRDA guidelines	1.50	1.50	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-

6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Refer Note Below	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

Note: The Company received an order from Competition Commission of India imposing a penalty of ₹ 2,510.70 million which is being contested by the Company. In the opinion of the management and as per the legal advice received, the company is hopeful of favorable decision in the matter and as such no provision has been considered necessary. However, in this regard company has deposited an amount of ₹251.10million to the Appellate Authority to contest appeal against the order.

For the year ended March 31, 2015					
Sr. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	Nil	-	-	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Nil	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-
For the year ended March 31, 2014					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development	Nil	-	-	-

	Authority / TAC				
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Nil	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

For the year ended March 31, 2013					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	Late submission of information relating to premium, claims, agent and offices in Form I to X	-	0.50	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Nil	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

14. The Company has created Equalization Reserve in respect of London Branch as required by the UK Regulations. This reserve is not available for distribution as dividend. The details of movement in the above said reserve are as under:

Amount in million in stated currency

Equalization Reserve	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening balance of reserve (GBP)	12.60	10.00	6.50	6.24	6.24
Opening balance of reserve (₹)	1,203.45	924.76	648.34	514.98	508.29
Transferred from General Reserve (GBP)	-	-	-	0.26	-
Transferred from General Reserve (₹)	-	-	-	25.83	-
Charged to Profit and loss account (GBP)	(1.60)	2.60	3.50	-	-
Charged to Profit and loss account (₹)	(313.43)	278.70	323.67	-	-
Closing Balance (GBP)	11.00	12.60	10.00	6.50	6.24
Foreign Exchange Fluctuation (₹)	-	-	(47.25)	107.53	6.70
Closing Balance (₹) Restated	890.02	1,203.45	924.76	648.34	514.98

Further, in accordance with Oman Insurance Company Law, company has created contingency reserve for claims for Muscat agency for 5 million omani Riyal.The details of movement due to foreign currency fluctuations are as under:

Amount in million in stated currency

Appropriation for Muscat Agency	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening balance of reserve (INR) Restated	857.49	811.39	775.88	703.11	-
Transferred from General Reserve	-	-	-	-	290.76
Charged to Profit & Loss Account	-	-	-	-	412.35
Closing Balance (INR)	703.11	703.11	703.11	703.11	703.11
Foreign Exchange Fluctuation (₹)	(15.29)	46.10	35.52	72.77	-
Closing Balance (INR) Restated	842.21	857.49	811.39	775.88	703.11

15. a) The balance appearing in the amount due to/ due from persons or bodies carrying on insurance business including reinsurance business are subject to confirmation/ reconciliation and consequential adjustments, if any. In case of co-insurance balances, the reconciliation and settlement process to clear balances is in progress. During the year ended March 31,2017 the company has made considerable progress in the reconciliation process and the outstanding entries are being reduced gradually.

As regards Reinsurance balances, RI Balances reconciliation is an ongoing process though confirmations of balances are done at regular intervals, not on a specific cut-off date (i.e. Annual Closing date). Further the company has maintained provision towards doubtful debts as a prudent measure amounting to-

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision in the books	1,237.33	1,237.33	1,237.33	1,237.33	1,197.71

b) The reconciliation of various inter office and assets and liabilities related accounts Control Accounts, old balances appearing in legacy software, sundries and suspense, certain Bank Accounts, other assets and other liabilities etc. is under progress and certain Investment in term loans, loans to State Government for the purpose of Housing & Fire fighting equipments are subject to confirmation. The impact of the above, if any, on the financial statements are unascertainable.

16. Reinsurance acceptance transactions pertaining to the reporting periods have been booked for advices received up to-

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Advices received up to	April 19, 2017	April 21, 2016	April 21, 2015	April 22, 2014	April 23, 2013

17. In accordance with the provisions of the Section 135 of the Companies Act, 2013, the Company had spent following amounts towards Corporate Social Responsibility.

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Amount Approved	269.70	315.00	160.20	NA	NA
Amount sanctioned	210.70	295.40	160.20	NA	NA
Amount spent	189.50	101.00	32.60	NA	NA
Amount not Spent	21.20	194.40	127.60	NA	NA

18. Pre-payment premium received in present value terms on account of restructuring/reduction of interest rates in respect of loans/debentures is spread over the remaining tenure of such loans/debentures for reported period. Accordingly following amounts have been considered as income received in advance and shown in Schedule – 13 Current Liabilities under the head "Others".

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Pre-payment premium received and shown as current liabilities	2.09	2.79	3.68	4.77	6.11

19. Indian Motor Third Party Insurance Pool (IMTPIP) :

During the year ended March 31, 2012, the Insurance Regulatory and Development Authority vide its Orders No. IRDA/NL/ORD/MPL/277/12/2011 dated December 23, 2011 directed the dismantling of the Indian Motor Third Party Insurance Pool (IMTPI Pool).

The IMTPIP Pool was dismantled on a clean cut basis and general insurances companies were required to recognized the pool liabilities of underwriting years 2009-10, 2010-11 and 2011-12 as per loss ratios communicated by IRDA with the option to recognize the same an expense on a straight-line basis over up to the three years beginning with the financial year ending March, 31, 2012.

In accordance with IRDA order no. IRDA/F&A/ORD/MTPP/070/03-2012 dated March 22, 2012, on recognition of transitional liability, the company has recognized ₹ 8,688.74 million during the year ended March 31, 2013 and ₹ 4,344.37 million during the year ended March 31, 2014.

During the reported periods, the company has also recognized following amounts as per the option exercised during year ended March 31, 2012.The details are as below-

Year ended March 31, 2014

(₹ in millions)

Underwriting Year	Total Liability as per ULR communicated by IRDA	Amount recognized up to March 31, 2013	Amount recognized during the year	Total amount recognized up to March 31, 2014	Amount un-recognized on March 31, 2014
2009-10	2,392.59	1,860.90	531.69	2,392.59	-
2010-11	3,113.72	2,421.78	691.94	3,113.72	-
2011-12	14,043.36	10,922.62	3,120.75	14,043.36	-
Total	19,549.67	15,205.30	4,344.37	19,549.67	-

Year ended March 31, 2013

(₹ in millions)

Underwriting Year	Total Liability as per ULR communicated by IRDA	Amount recognized up to last balance sheet date	Amount recognized during the year	Total amount recognized up to March 31, 2013	Amount un-recognized March 31, 2013
2009-10	2,392.59	797.53	1,063.37	1,860.90	531.69
2010-11	3,113.72	1,037.91	1,383.88	2,421.78	691.94
2011-12	14,043.36	4,681.12	6,241.50	10,922.62	3,120.75
Total	19,549.67	6,516.56	8,688.74	15,205.30	4,344.37

Had the liability had been accounted in the year ended March 31, 2012 the profit of the company would have been higher by ₹ 8,688.74 million for the year ended March 31, 2013 and by ₹ 4,344.37 million for the year ended March 31, 2014.

As required by IRDA, Companies appointed actuary has actuary determined the liabilities in respect of IMITP Pool business written by company and companies accounts have been made in accordance with the above.

20. Declined Risk Pool:

The IRDA vide its Circular no. IRDA/NL/ORD/MPL/MPL/277/12/2011 Dated December 23, 2011 announced the creation of decline risk pool for Commercial Vehicles for standalone Third Party Liability insurance (Act only insurance) with effect from April 1, 2012. The act only insurance policies of commercial vehicles which are declined under the norms of 'file and use' guidelines of IRDA as well as underwriting policy of respective company are covered under the pool.

As per IRDA Order no. IRDA/NL/MPL/ 72/03/2012 dated March 22,2012 on Declined Risk Insurance Pool, the estimation of ULR for the DR Pool shall be completed by the Pool actuary by the following May of each u/w year starting from May 31, 2013; and that the insurers shall make provision as per the latest year's ULR, until the u/w year's ULR is estimated. IRDA has given ULR for year ended March 31, 2012 as 145%.

Provisions in the Company's accounts have been made in accordance with the above for the year ended March 31, 2013.

IRDAI vide their order no. IRDA/NL/MPL/223/11/2013 dated November 18, 2013 advised to maintain Ultimate Liability Ratio (ULR) of 210% for Declined Risk Insurance Pool for year ended March 31, 2013.

The provisions in the Company's accounts have been made in accordance with the above for the year ended March 31, 2014.

IRDAI vide their Order No. IRDA/NL/ORD/MPL/251/11/2014 dated November 27, 2014 advised that ULR for year ended March 31, 2014 for declined risk pool be fixed at 175%.

IRDAI vide their Circular no. IRDA/NL/MTP/DRP/2013-15/01/2016 dated February 10, 2016 advised the provisional ULR of motor declined risk pool for year ended March 31, 2015 @184%. The provision of the same has been made in the IBNR calculation as provided by the actuary for the year ended March 31, 2016.

The company’s total investments adequately cover the investment of the DR Pool funds also, though it is not earmarked separately, as stipulated by IRDA.

21. The Company is in the process of completing the physical verification of fixed assets and at certain locations updating fixed asset register Consequent to the enactment of the Companies Act 2013 and its applicability for accounting period commencing after April 1, 2014, during the year ended March 31, 2015 the company has changed/reviewed useful life and method of accounting of depreciation from WDV basis to SLM basis as per estimates of useful life given in Schedule II of Companies Act, 2013. Due to non-availability of data and limitations relating to data migration and original purchase cost of assets at foreign branches the precise effect of the change in the accounting policy could not be given in the accounts of the company in the year of the change and in subsequent years up to March 2016. During the process of restatement of financial statements, the effect of the above change in the accounting policy in accordance with the requirement of AS-6 on Depreciation, has been given in the respective years to the extent of available information in respect of original cost, additions and deletions to fixed assets and impact of remaining adjustments if any has not been ascertained which in the opinion of management is not expected to be material.

22. During the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the incorporated returns/ audit reports relating to certain foreign Branches and foreign agency offices, audited by the local auditors appointed by the company have been prepared in accordance with the accounting principles generally accepted in the respective locations/countries with certain adjustments being carried out for the purpose of consolidation to be in accordance with the accounting policies followed by the company, as per consistent practice followed in this regard. The impact if any of the above on the accounts could not be ascertained. The audit reports received in case of the foreign Branches/offices are also not in strict accordance with the requirements laid down in SA700 issued by the ICAI and matters required under the provisions of the companies Act, 2013 read with IRDA Regulations 2002. While the above position was set right during the year ended March 31, 2017, there was no financial impact of the above on the accounts of the company.

23. Demonetization of Specified Bank Notes

    The presentation of financial statements of the company is governed under the provisions of IRDAI (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 and circulars and/or guidelines issued there-under and hence the provisions of Section 129(1) of the Companies Act,2013 with regard to applicability of Schedule III of the Companies Act,2013 are not applicable to the company and hence the disclosure requirement as envisaged in Notification G.S.R 308(E) dated March 30, 2017 is not applicable to the Company.

24. At Navsari Divisional office under Surat Regional office of the company, transactions comprising un-authorized/illegally authorized claims having been posted in the accounting system and paid, were observed during the year in case of one of the dealers relating to the financial years ended March 31,2012 to March 31, 2017. As per the investigations carried so far, an amount of ₹ 15.20 million (approx..) has been identified to have been excess paid in this respect. The detailed investigations to assess the total amount of such irregularities are in progress and the management has taken appropriate action against the concerned dealer/employees.

25. Unexpired premium reserve at revenue segment level is found to be sufficient to cover the expected claim cost as certified by the appointed actuary and the claims related expenses as estimated by the management for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013. Hence no premium deficiency reserve is required to be provided for the respective year.

26. For the year ended March 31, 2017, the Board of Directors at their meeting held on May 3, 2017 have proposed a dividend of 155% of the paid up capital of the company. In terms of revised Accounting Standard (AS)-4 Contingencies and Events occurring after the Balance Sheet date as notified by the Ministry of Corporate Affairs through the amendments to the Companies (Accounting Standard) Rules 2016, the company has not appropriated proposed dividend (including tax) amounting to ₹ 3,731.19 million from the Profit & Loss Account for the year ended on March 31, 2017. In respect of the years March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the proposed dividend has been restated in accordance with the amendment as above.

Jayashree Nair Company Secretary and Chief Compliance Officer	**S. N. Rajeswari** Chief Financial Officer

Hemant G. Rokade Director DIN No.06417520	**Anil Kumar** Director DIN No. 07859811	**G. Srinivasan** Chairman-Cum- Managing Director DIN No.01876234
As per our report of even date **For R. Devendra Kumar & Associates** Firm Reg. No. 114207W Chartered Accountants	**For A. Bafna & Co.** Firm Reg. No. 003660C Chartered Accountants	**For NBS & CO.** Firm Reg. No. 110100W Chartered Accountants
Neeraj Golas Partner Membership Number 074392	**Vivek Gupta** Partner Membership Number 400543	**Pradeep J. Shetty** Partner Membership Number 046940

Place: New Delhi
Date: August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-VI: NOTES ON ADJUSTMENTS FOR RESTATED STANDALONE FINANCIAL INFORMATION

1 **The summary of results of restatement made in the audited consolidated financials statements for the respective years and it's impact on the profits of the Company is as follows:-**

(₹ in millions)

Particulars		for the period ended				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Profit After Tax as per Audited Standalone Financial Statements		10,079.32	8,286.92	14,312.25	10,889.81	8,436.59
(A) Adjustments due to change in accounting policy		-	-	-	-	-
	1. Impact of UPR/URR due to change in method of calculation in compliance with IRDAI circular no .IRDA/ F&A/ CIR / CPM/ 056/03/2016 dated April 04, 2016.	(2,605.58)	1,438.91	(806.12)	(3,629.66)	(495.92)
	2. Impact of change in valuation of investments - capitalistaion of STT	4.53	8.25	6.20	6.12	4.16
	3. Depreciation	23.21	-	(23.21)	4.72	(23.26)
(B) Other adjustments						
	1. Net impact of Prior Period Item	169.70	(93.16)	31.99	(81.41)	420.76
	2. AS-11 Impact on outstanding Claims	-	-	-	-	378.12
	3. Adjustment for deferred tax	(13.10)	22.82	(45.71)	3.03	32.96
	4. Adjustment for current tax	506.82	(279.34)	267.19	780.07	77.76
	5. Foreign Dividend Gross up	(5.11)	-	-	-	-
	6. Provision for Doubtful debt-Curaco	38.43	(38.43)	-	-	-
	Profit after tax as per restated standalone Financial Statements	8,198.23	9,345.97	13,742.59	7,972.67	8,831.17

Notes :

A **Change in accounting policy**

i. Unexpired Premium Reserve (UPR)

During the year ended March 31, 2017 , the company has changed its Accounting policy for calculation of UPR to be in compliance with guidelines issued by IRDA which is as follows:

a) Marine Hull :	100% of the net written premium during the preceding twelve
b) Other segments:	
i) in respect of domestic business :	On the basis of 1/365th method on Net Premium over the unexpired period of respective policies.
ii) in respect of foreign business	50% of the net premium in respect of all business other than Marine hull.

As compared to the earlier policy which is as follows:

a) Marine Hull :	100% of the net written premium during the preceding twelve months.
b) other segments:	50% of the net premium in respect of all business other than Marine hull.

For the purpose of restated standalone financial information , this change in accounting policy and the consequential adjustments on account of UPR have been appropriately adjusted in the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016.

ii. Capitalisation Of Securities Transaction Tax (STT)

During the year ended March 31, 2017, the company has changed its accounting policy in respect to Securities Transaction Tax from Treating it from revenue expense to capitalising it in the cost of Investments.

For the purpose of restated standalone financial information , this change in accounting policy and the consequential adjustments on account of capitalisation of STT have been appropriately adjusted in the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016.

iii. Depreciation

During the year ended March 31, 2015, the Company has decided to change the method of Depreciation to Straight Line method (SLM) as compared to the Written Down Value (WDV) Method. Retrospective amendment of the Change in method of calculation of depreciation to SLM from WDV was recorded in standalone financial statements for the year ended March 31, 2015.

For the purpose of restated standalone financial information , this change in accounting policy and the consequential adjustments on account of change in method of depreciation has been appropriately adjusted in the year ended March 31, 2013, March 31, 2014 and March 31, 2015.

iv. Proposed Dividend

Pursuant to revised Accounting Standard (AS)-4 Contingencies and Events occurring after the Balance Sheet date as notified by the Ministry of Corporate Affairs through the amendments to the Companies (Accounting Standard) Rules 2016, there was a change in the method of accounting for Dividend Declared after the balance sheet Date, wherein such dividend declared post balance sheet date should not be recognized as a liability item at the balance sheet unless a statue requires otherwise. Such dividend should be disclosed in notes. The company has accordingly restated the accounting of dividend on payment basis.

(B) Other adjustments

i. Net impact of Prior Period Item

In the financial statements for the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 , certain items of income / expense have been identified as adjustments pertaining to earlier years . These adjustments were recorded in the year in which they were identified . However, for the purpose of restated standalone financial information, such adjustments have been appropriately recorded in the respective years to which the transaction pertains. Adjustments related to financial years prior to year ended March 31, 2013 have been adjusted against the opening balance of the restated standalone Net Worth as at April 1, 2012.

ii. AS-11 Impact on outstanding Claims

During the year ended March 31, 2014, the company changed its Accounting policy in respect of recording Outstanding Claims to be in line with AS-11 " Effect of changes in foreign exchange rates". The Outstanding Claims are recorded in Profit and Loss Account at average rate and in Balance Sheet are recorded at closing rate, as compared to recording Outstanding Claims at closing rate in Profit and Loss Account.

For the purpose of restated standalone financial information , this change in accounting policy and the consequential adjustments on account of such change has been appropriately adjusted in the year ended March 31 ,2013.

iii. Adjustment for deferred tax

During the above period Deferred Tax created due to restatement of WDV of Fixed Assets.

iv. Adjustment for current tax

Impact of change in PBT has been taken into account in current tax calculation.

Adjustments related to financial years prior to Year ended 31st March 2013 have been adjusted against the opening balance of the Restated Standalone Net Worth at April 1, 2012

v. Dividend Gross up

During the Year ended March 31, 2015, the company has changed the accounting treatment for Dividend on Foreign Investment by showing the Gross value of dividend as Income and tax deducted on the same as Asset whereas in the earlier years the dividend on foreign investments were booked on net basis.

For the purpose of restated standalone financial information , this change in accounting policy and the consequential adjustments on account of such change has been appropriately adjusted in the year ended March 31, 2014 and March 31,2013.

Adjustment related to financial year ended March 31,2012 has been adjusted in the opening balance of restated standalone Net Worth as at April 1,2012.

vi. Provision for Doubtful Debt for Curaco Branch

During the period ended March 31, 2017 Company has made provision for bad debts of ₹ 38.43 millions which pertains to March 31, 2016, hence the impact of same is provided in the respective years in the restated financial statements.

2 Material Regroupings

Appropriate Adjustments have been made in restated standalone financial information , wherever required , by a reclassification of corresponding items of income , expense, asset, liability, receipt and payment in order to bring them in line with the groupings as per the condensed audited financial statements of the company as at and for the year ended March 31, 2017.

3 Reconciliation of Opening Net Worth as on April 1, 2012:

Particulars	**(₹ in millions)**
Net Worth as at April 1, 2012 as per audited financial statements	76,283.61
Adjustments for :	
1. Impact of UPR due to change in method of calculation in compliance with IRDAI circular no .IRDA/ F&A/ CIR / CPM/ 056/03/2016 dated April 4, 2016.	6,098.37
2. Impact of change in valuation of investments (capitalistaion of STT)	-
3. Depreciation	18.54
4. Net impact of Prior Period Item	-
5. AS-11 Impact on outstanding Claims	(447.88)
6. Adjustment for deferred tax	-
7. Adjustment for current tax for participating products	-
8. Dividend Gross up	-
9. Provision for Doubtful Debt for Curaco Branch	-
10. Proposed dividend and dividend distribution tax of period ended March 31, 2012	464.89
Net Worth as at April 1, 2012 as per restated standalone financial information	**82,417.53**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-VII: RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
i. Gross Premium Growth Rates					
Fire	0.08%	3.49%	15.27%	10.84%	22.16%
Marine Cargo	(0.37%)	(0.02%)	(0.46%)	1.84%	6.63%
Marine Hull	(3.15%)	(24.64%)	(13.03%)	12.83%	(3.30%)
Marine Total	(1.59%)	(12.48%)	(7.25%)	7.50%	1.28%
Motor OD	7.97%	15.68%	8.15%	16.16%	21.68%
Motor TP	32.82%	22.14%	20.44%	25.29%	27.22%
Motor Total	19.32%	18.55%	13.27%	19.80%	23.83%
Health	22.65%	23.49%	19.95%	20.56%	17.39%
Crop	Refer Note 1				
Other Miscellaneous					
Liability	8.74%	7.53%	7.46%	26.92%	5.06%
Personal Accident	73.26%	11.61%	12.64%	5.78%	12.77%
Aviation	8.69%	9.79%	11.51%	(23.57%)	12.35%
Engineering	(0.27%)	12.55%	(0.22%)	2.26%	9.67%
Miscellaneous Other	2.94%	7.90%	3.29%	3.65%	8.00%
Miscellaneous Total	26.44%	18.72%	13.82%	17.27%	18.65%
Grand Total	21.59%	14.75%	12.77%	15.59%	17.89%
ii. Gross Direct Premium to Net Worth Ratio (Times)	1.79	1.54	1.38	1.35	1.29
iii .Growth Rate of Net Worth	4.51%	2.98%	10.17%	10.54%	11.89%
iv. Net Retention Ratio					
Fire	57.67%	63.33%	62.53%	61.22%	65.58%
Marine Cargo	82.17%	77.33%	81.56%	83.99%	84.24%
Marine Hull	15.18%	33.47%	35.63%	24.62%	31.24%
Marine Total	52.17%	57.01%	56.68%	50.06%	55.65%
Motor OD	92.94%	93.29%	94.55%	94.28%	90.07%
Motor TP	94.98%	91.52%	90.50%	88.35%	86.84%
Motor Total	93.98%	92.47%	92.70%	91.81%	88.79%
Health	90.96%	94.03%	95.04%	94.93%	90.09%
Crop	30.84%	100.00%	100.00%	-	-
Other Miscellaneous					
Liability	79.96%	86.02%	88.33%	88.60%	84.46%
Personal Accident	94.62%	90.55%	94.33%	92.83%	88.76%
Aviation	41.07%	38.88%	28.69%	21.46%	39.78%
Engineering	56.81%	52.16%	59.65%	60.31%	57.31%
Miscellaneous Other	81.84%	78.48%	78.18%	82.67%	79.95%
Miscellaneous Total	86.08%	89.60%	90.11%	89.10%	85.40%
Grand Total	80.76%	83.69%	83.14%	81.31%	79.37%

v. Net Commission to Net Written Premium Ratio					
Fire	16.97%	17.84%	20.07%	18.03%	13.67%
Marine Cargo	14.11%	15.89%	15.75%	14.99%	14.57%
Marine Hull	1.16%	0.10%	(4.49%)	(0.13%)	0.66%
Marine Total	12.43%	11.60%	8.86%	10.74%	10.35%
Motor OD	11.30%	11.88%	11.17%	12.31%	12.64%
Motor TP	(0.10%)	(0.09%)	(0.09%)	(0.09%)	(0.38%)
Motor Total	5.43%	6.37%	6.14%	7.35%	7.60%
Health	5.52%	6.84%	7.18%	6.57%	6.33%
Crop	(6.55%)	9.85%	8.30%	-	-
Other Miscellaneous					
Liability	14.85%	16.52%	16.31%	15.71%	13.31%
Personal Accident	8.50%	13.41%	12.78%	11.98%	12.27%
Aviation	9.30%	4.55%	6.00%	19.18%	11.77%
Engineering	4.16%	4.38%	3.74%	10.42%	0.34%
Miscellaneous Other	12.72%	14.67%	14.82%	15.29%	11.72%
Miscellaneous Total	5.78%	7.29%	7.32%	8.17%	7.55%
Grand Total	7.12%	8.82%	9.21%	9.71%	8.73%
vi. Expense of Management to Gross Direct Premium Ratio	17.49%	19.76%	19.75%	19.21%	19.25%
vii. Expense of Management to Net Written Premium Ratio	20.32%	22.06%	21.94%	21.83%	22.25%
viii.Net Incurred Claims to Net Earned Premium	92.53%	87.10%	84.54%	86.31%	85.51%
ix. Combined Ratio	119.96%	117.99%	115.68%	117.85%	116.49%
x. Technical Reserves to net Premium Ratio (Times)	1.44	1.51	1.57	1.67	1.63
xi. Underwriting Balance Ratio					
Fire	(0.30)	(0.13)	(0.19)	(0.35)	(0.19)
Marine Cargo	(0.05)	(0.03)	0.02	0.10	0.09
Marine Hull	(0.18)	0.37	(0.20)	0.45	0.39
Marine Total	(0.08)	0.11	(0.04)	0.20	0.15
Motor OD	(0.15)	(0.15)	(0.02)	(0.02)	0.00
Motor TP	(0.12)	(0.11)	(0.37)	(0.52)	(0.89)
Motor Total	(0.14)	(0.13)	(0.18)	(0.21)	(0.33)
Health	(0.41)	(0.42)	(0.31)	(0.32)	(0.27)
Crop	(0.07)	(1.39)	0.70	-	-
Other Miscellaneous					
Liability	0.41	0.21	0.16	0.19	(0.00)
Personal Accident	(0.11)	(0.17)	0.03	0.07	(0.04)
Aviation	0.01	(0.33)	(0.55)	(3.10)	0.94
Engineering	(0.03)	0.02	0.39	(0.00)	0.36
Miscellaneous Other	(0.00)	0.02	(0.08)	0.07	0.22
Miscellaneous Total	(0.21)	(0.22)	(0.18)	(0.21)	(0.21)
Grand Total	(0.22)	(0.20)	(0.17)	(0.21)	(0.19)
xii. Operating Profit Ratio	(4.99%)	(3.22%)	0.73%	(3.30%)	(0.71%)

xiii.Liquid Assets to Liabilities Ratio (Times)	0.39	0.38	0.45	0.52	0.52
xiv.Net Earnings Ratio	4.41%	5.87%	9.86%	6.60%	8.59%
xv. Return on Net Worth Ratio (Refer Note 2)	6.93%	8.20%	12.83%	8.21%	10.11%
xvi.Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio (Times) (Refer Note 3)	2.22	2.46	2.52	2.77	2.68
xvii. Gross NPA Ratio	0.37%	0.44%	0.54%	0.67%	0.77%
xviii. Net NPA Ratio	0.00%	0.00%	0.05%	0.08%	0.07%
xix..Basic EPS (in ₹) (Refer Note 2)	40.99	46.73	68.71	39.86	44.16
xx. Diluted EPS (in ₹) (Refer Note 2)	40.99	46.73	68.71	39.86	44.16
xxi. Net Asset Value Per Share (in ₹) (Refer Note 2)	604.32	578.23	561.48	509.67	461.08

The above ratio's are computed in accordance with IRDA Circular No. IRDA/F&I/CIR/F&A/12/01/2010 dated January 28, 2010.

(1) Gross Direct Premium from Crop insurance increased by significant amount in year ended March 31, 2017. Refer to Annexure VIII for details of gross direct premium from crop insurancr

(2) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300.00 millions to 1,200.00 millions, increase in issued numbers of shares from 200.00 millions to 800.00 millions and decrease in face value of shares from ₹ 10 to ₹ 5. While the share capital has increased by ₹ 2,000 millions, the reserves and surplus has decreased by ₹ 2,000 millions, hence resulting in no change in net worth. The adjusted accounting ratios as a result of this corporate action is as follows:

Particulars	**For the Year Ended**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
i. Adjusted return on Net Worth Ratio*	6.93%	8.20%	12.83%	8.21%	10.11%
ii. Adjusted Basic EPS (in ₹)*	10.25	11.68	17.18	9.97	11.04
iii. Adjusted Diluted EPS (in ₹)*	10.25	11.68	17.18	9.97	11.04
iv.Adjusted net Asset Value Per Share (in ₹)*	151.08	144.56	140.37	127.42	115.27

*** The ratio have been computed as below**

Earnings per Share (in ₹)	=	Restated Profit after tax attributable to equity shareholders for the year/period / Weighted average Number of equity shares
Diluted Earnings per Share (in ₹)	=	Restated Profit after tax attributable to equity shareholders for the year/period / Weighted average diluted Number of equity shares
Return on Net Worth (%)	=	Restated Profit after tax attributable to equity shareholders for the year/period / Average of Restated Net worth at the beginning and end of year/period
Net Asset Value Per Share (in ₹)	=	Restated Net Worth at the end of the year/period / Total number of equity shares outstanding at the end of the year/period

(3) Restated Solvency Margin

(₹ in millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Required solvency margin under IRDAI Regulations (A)	50,735.30	39,866.19	34,685.37	28,220.19	23,495.60
Available assets(B)	112,723.49	97,978.94	87,492.26	78,046.65	63,000.58
Solvency ratio Actual (times) (B/A)	2.22	2.46	2.52	2.77	2.68
Solvency ratio prescribed by Regulation	1.50	1.50	1.50	1.50	1.50

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-VIII: RESTATED STANDALONE STATEMENT ON SEGMENT REPORTING

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Premium (Direct)					
Fire	**25,515.34**	**25,495.20**	**24,635.04**	**21,371.79**	**19,281.41**
Marine Cargo	3,792.55	3,806.81	3,807.64	3,825.35	3,756.09
Marine Hull	2,848.25	2,941.02	3,902.69	4,487.63	3,977.17
Marine Total	**6,640.80**	**6,747.83**	**7,710.33**	**8,312.98**	**7,733.26**
Motor OD	43,577.42	40,359.84	34,888.04	32,260.03	27,770.93
Motor TP	45,063.47	33,929.11	27,779.08	23,065.01	18,408.89
Motor Total	**88,640.88**	**74,288.95**	**62,667.12**	**55,325.04**	**46,179.82**
Health	60,849.79	49,613.32	40,176.28	33,493.94	27,782.74
Crop	10,464.17	0.24	0.01	-	-
Other Miscellaneous					
Liability	4,855.80	4,465.40	4,152.62	3,864.36	3,044.78
Personal Accident	3,970.32	2,291.55	2,053.24	1,822.76	1,723.18
Aviation	1,245.13	1,145.60	1,043.41	935.74	1,224.25
Engineering	5,796.59	5,812.05	5,164.14	5,175.71	5,061.15
Miscellaneous Other	8,000.34	7,771.95	7,202.61	6,973.44	6,728.03
Miscellaneous Total	**183,823.02**	**145,389.06**	**122,459.44**	**107,590.99**	**91,743.96**
Grand Total	**215,979.16**	**177,632.09**	**154,804.81**	**137,275.77**	**118,758.63**
2. Premium Accepted					
Fire	**9,288.62**	**8,268.65**	**7,482.17**	**7,479.68**	**7,636.29**
Marine Cargo	73.62	90.36	79.46	48.09	58.45
Marine Hull	286.78	421.39	694.22	679.06	493.13
Marine Total	**360.41**	**511.74**	**773.68**	**727.15**	**551.58**
Motor OD	160.44	152.32	232.29	155.75	169.91
Motor TP	459.91	1,216.18	1,870.32	-	(93.02)
Motor Total	**620.35**	**1,368.50**	**2,102.61**	**155.75**	**76.89**
Health	-	-	0.89	-	-
Crop	2,039.93	523.16	666.61	-	-
Other Miscellaneous					
Liability	211.42	26.50	48.20	73.78	29.20
Personal Accident	70.21	78.99	94.80	63.03	71.06
Aviation	803.14	748.56	695.14	934.45	757.22
Engineering	568.12	654.94	620.73	826.20	559.45
Miscellaneous Other	265.84	309.79	369.09	1,013.02	1,030.37
Miscellaneous Total	**4,579.01**	**3,710.44**	**4,598.05**	**3,066.22**	**2,524.18**
Grand Total	**14,228.05**	**12,490.84**	**12,853.90**	**11,273.05**	**10,712.06**

3. Premium Ceded					
Fire	**14,731.83**	**12,381.93**	**12,034.00**	**11,188.13**	**9,265.66**
Marine Cargo	689.52	883.68	716.71	620.02	601.00
Marine Hull	2,659.23	2,237.00	2,958.87	3,894.90	3,073.61
Marine Total	**3,348.75**	**3,120.69**	**3,675.57**	**4,514.92**	**3,674.61**
Motor OD	3,089.47	2,717.07	1,914.02	1,855.12	2,773.59
Motor TP	2,287.31	2,979.54	2,816.49	2,686.39	2,410.64
Motor Total	**5,376.78**	**5,696.61**	**4,730.51**	**4,541.50**	**5,184.23**
Health	5,502.49	2,963.00	1,991.20	1,699.60	2,753.07
Crop	8,648.32	0.01	-	-	-
Other Miscellaneous					
Liability	1,015.58	628.01	490.08	448.88	477.59
Personal Accident	217.32	224.12	121.83	135.29	201.62
Aviation	1,207.05	1,157.68	1,239.67	1,468.81	1,193.21
Engineering	2,749.01	3,093.50	2,334.19	2,381.91	2,399.61
Miscellaneous Other	1,500.91	1,739.30	1,652.40	1,383.93	1,555.67
Miscellaneous Total	**26,217.47**	**15,502.23**	**12,559.88**	**12,059.93**	**13,765.00**
Grand Total	**44,298.04**	**31,004.84**	**28,269.45**	**27,762.98**	**26,705.27**
4. Net Premium					
Fire	**20,072.14**	**21,381.92**	**20,083.22**	**17,663.34**	**17,652.04**
Marine Cargo	3,176.66	3,013.49	3,170.39	3,253.42	3,213.54
Marine Hull	475.80	1,125.40	1,638.04	1,271.79	1,396.68
Marine Total	**3,652.46**	**4,138.89**	**4,808.43**	**4,525.21**	**4,610.23**
Motor OD	40,648.38	37,795.09	33,206.30	30,560.66	25,167.26
Motor TP	43,236.06	32,165.75	26,832.91	20,378.62	15,905.22
Motor Total	**83,884.44**	**69,960.84**	**60,039.21**	**50,939.28**	**41,072.48**
Health	55,347.30	46,650.32	38,185.97	31,794.34	25,029.68
Crop	3,855.78	523.39	666.62	-	-
Other Miscellaneous					
Liability	4,051.65	3,863.89	3,710.74	3,489.27	2,596.39
Personal Accident	3,823.21	2,146.41	2,026.21	1,750.49	1,592.62
Aviation	841.22	736.48	498.88	401.37	788.27
Engineering	3,615.70	3,373.49	3,450.69	3,620.00	3,220.98
Miscellaneous Other	6,765.27	6,342.44	5,919.30	6,602.53	6,202.73
Miscellaneous Total	**162,184.56**	**133,597.27**	**114,497.62**	**98,597.28**	**80,503.14**
Grand Total	**185,909.17**	**159,118.08**	**139,389.26**	**120,785.84**	**102,765.41**
5. Change in Unexpired Risk Reserve					
Fire	**757.04**	**(839.93)**	**(806.35)**	**(1,148.15)**	**(1,933.99)**
Marine Cargo	35.09	(23.01)	58.39	(101.69)	37.76
Marine Hull	649.60	512.64	(366.26)	124.90	(602.31)
Marine Total	**684.69**	**489.63**	**(307.86)**	**23.21**	**(564.55)**
Motor OD	(2,094.24)	(2,345.51)	(1,182.96)	(2,728.37)	(2,403.21)
Motor TP	(6,242.76)	(3,123.96)	(2,338.74)	(3,018.19)	(2,178.11)
Motor Total	**(8,336.99)**	**(5,469.47)**	**(3,521.69)**	**(5,746.56)**	**(4,581.32)**
Health	(2,337.48)	(2,341.84)	(2,695.61)	(4,132.22)	(372.95)
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	14.14	(92.58)	(145.86)	(425.54)	(136.61)
Personal Accident	(777.01)	33.34	(109.82)	(92.70)	(119.88)
Aviation	70.15	(16.37)	63.36	(66.28)	25.03
Engineering	(205.63)	95.51	93.36	(182.31)	(198.73)
Miscellaneous Other	(235.85)	59.76	389.23	(324.56)	(99.75)
Miscellaneous Total	**(11,808.68)**	**(7,731.64)**	**(5,927.03)**	**(10,970.19)**	**(5,484.21)**
Grand Total	**(10,366.94)**	**(8,081.93)**	**(7,041.25)**	**(12,095.13)**	**(7,982.75)**

6. Net Earned Premium					
Fire	**20,829.19**	**20,542.00**	**19,276.86**	**16,515.20**	**15,718.05**
Marine Cargo	3,211.75	2,990.48	3,228.78	3,151.73	3,251.30
Marine Hull	1,125.40	1,638.04	1,271.79	1,396.68	794.38
Marine Total	**4,337.15**	**4,628.52**	**4,500.57**	**4,548.42**	**4,045.68**
Motor OD	38,554.15	35,449.58	32,023.34	27,832.28	22,764.05
Motor TP	36,993.30	29,041.79	24,494.17	17,360.43	13,727.11
Motor Total	**75,547.45**	**64,491.37**	**56,517.52**	**45,192.72**	**36,491.16**
Health	53,009.82	44,308.48	35,490.36	27,662.12	24,656.72
Crop	3,855.78	523.39	666.62	-	-
Other Miscellaneous					
Liability	4,065.79	3,771.32	3,564.88	3,063.72	2,459.78
Personal Accident	3,046.19	2,179.75	1,916.39	1,657.79	1,472.74
Aviation	911.37	720.12	562.24	335.09	813.29
Engineering	3,410.06	3,469.00	3,544.05	3,437.68	3,022.25
Miscellaneous Other	6,529.42	6,402.21	6,308.53	6,277.97	6,102.98
Miscellaneous Total	**150,375.89**	**125,865.63**	**108,570.58**	**87,627.09**	**75,018.93**
Grand Total	**175,542.23**	**151,036.15**	**132,348.02**	**108,690.71**	**94,782.66**
7. Profit on Realisation of Investment					
Fire	1,930.87	1,462.66	1,713.71	1,484.21	1,410.16
Marine Cargo	195.28	149.10	161.94	159.73	149.30
Marine Hull	182.95	161.13	133.93	129.75	121.98
Marine Total	**378.24**	**310.23**	**295.87**	**289.48**	**271.28**
Motor OD	1,550.74	1,060.89	1,102.92	841.22	716.06
Motor TP	5,918.04	4,287.88	4,228.25	2,896.51	2,368.24
Motor Total	**7,468.78**	**5,348.77**	**5,331.17**	**3,737.73**	**3,084.30**
Health	1,331.63	867.94	834.38	555.06	504.58
Crop	23.80	8.10	-	-	-
Other Miscellaneous					
Liability	303.02	228.52	242.02	197.60	176.65
Personal Accident	108.47	74.39	73.74	63.01	53.31
Aviation	87.73	79.99	90.82	61.35	87.45
Engineering	302.73	224.77	287.15	219.00	217.04
Miscellaneous Other	371.74	287.80	367.54	316.03	301.43
Miscellaneous Total	**9,997.89**	**7,120.29**	**7,226.82**	**5,149.76**	**4,424.76**
Grand Total	**12,307.00**	**8,893.18**	**9,236.40**	**6,923.45**	**6,106.20**
8. Interest Dividend and Rent					
Fire	2,645.95	2,619.75	2,734.01	2,752.75	2,612.86
Marine Cargo	267.61	267.06	258.36	296.25	276.64
Marine Hull	250.71	288.59	213.67	240.64	226.01
Marine Total	**518.31**	**555.64**	**472.03**	**536.90**	**502.65**
Motor OD	2,125.04	1,900.14	1,759.57	1,560.20	1,326.78
Motor TP	8,109.70	7,679.95	6,745.65	5,372.13	4,388.08
Motor Total	**10,234.73**	**9,580.09**	**8,505.22**	**6,932.33**	**5,714.85**
Health	1,824.77	1,554.55	1,331.16	1,029.47	934.93
Crop	32.62	14.51	-	-	-
Other Miscellaneous					
Liability	415.23	409.30	386.11	366.49	327.31
Personal Accident	148.64	133.24	117.65	116.86	98.77
Aviation	120.22	143.26	144.89	113.78	162.03
Engineering	414.84	402.59	458.12	406.17	402.16
Miscellaneous Other	509.41	515.48	586.36	586.13	558.51
Miscellaneous Total	**13,700.46**	**12,753.03**	**11,529.50**	**9,551.23**	**8,198.57**
Grand Total	**16,864.72**	**15,928.43**	**14,735.54**	**12,840.87**	**11,314.07**

9. Investment Provisions					
Fire	(8.23)	(3.13)	(9.26)	(29.48)	1.56
Marine Cargo	(0.83)	(0.32)	(0.88)	(3.17)	0.17
Marine Hull	(0.78)	(0.34)	(0.72)	(2.58)	0.14
Marine Total	**(1.61)**	**(0.66)**	**(1.60)**	**(5.75)**	**0.30**
Motor OD	(6.61)	(2.27)	(5.96)	(16.71)	0.79
Motor TP	(25.22)	(9.16)	(22.86)	(57.53)	2.63
Motor Total	**(31.83)**	**(11.43)**	**(28.82)**	**(74.23)**	**3.42**
Health	(5.67)	(1.85)	(4.51)	(11.02)	0.56
Crop	(0.10)	(0.02)	-	-	-
Other Miscellaneous	-	-	-	-	-
Liability	(1.29)	(0.49)	(1.31)	(3.92)	0.20
Personal Accident	(0.46)	(0.16)	(0.40)	(1.25)	0.06
Aviation	(0.37)	(0.17)	(0.49)	(1.22)	0.10
Engineering	(1.29)	(0.48)	(1.55)	(4.35)	0.24
Miscellaneous Other	(1.58)	(0.61)	(1.99)	(6.28)	0.33
Miscellaneous Total	**(42.61)**	**(15.21)**	**(39.06)**	**(102.28)**	**4.91**
Grand Total	**(52.45)**	**(19.00)**	**(49.93)**	**(137.50)**	**6.78**
10. Total Investment Income					
Fire	**4,568.59**	**4,079.29**	**4,438.45**	**4,207.48**	**4,024.58**
Marine Cargo	462.06	415.84	419.43	452.81	426.11
Marine Hull	432.88	449.37	346.87	367.81	348.12
Marine Total	**894.94**	**865.21**	**766.30**	**820.63**	**774.23**
Motor OD	3,669.17	2,958.77	2,856.53	2,384.72	2,043.63
Motor TP	14,002.51	11,958.66	10,951.04	8,211.11	6,758.95
Motor Total	**17,671.68**	**14,917.43**	**13,807.57**	**10,595.83**	**8,802.58**
Health	3,150.73	2,420.64	2,161.03	1,573.50	1,440.07
Crop	56.31	22.59	-	-	-
Other Miscellaneous					
Liability	716.96	637.34	626.81	560.16	504.15
Personal Accident	256.65	207.47	191.00	178.61	152.14
Aviation	207.58	223.08	235.23	173.91	249.58
Engineering	716.27	626.88	743.72	620.82	619.44
Miscellaneous Other	879.56	802.67	951.91	895.88	860.28
Miscellaneous Total	**23,655.75**	**19,858.10**	**18,717.26**	**14,598.71**	**12,628.24**
Grand Total	**29,119.28**	**24,802.61**	**23,922.00**	**19,626.82**	**17,427.05**
11. Claims Paid Direct					
Fire	**17,248.78**	**18,060.72**	**18,953.77**	**15,804.79**	**14,475.03**
Marine Cargo	2,888.15	2,183.26	2,046.19	2,252.62	1,781.97
Marine Hull	1,315.74	2,472.40	1,162.40	1,027.79	2,575.29
Marine Total	**4,203.89**	**4,655.65**	**3,208.59**	**3,280.41**	**4,357.26**
Motor OD	31,930.21	27,725.14	22,125.10	18,533.03	14,697.33
Motor TP	24,070.17	19,977.40	17,613.18	15,420.20	13,553.80
Motor Total	**56,000.38**	**47,702.54**	**39,738.28**	**33,953.23**	**28,251.14**
Health	64,948.59	49,526.08	36,678.96	28,948.08	25,786.78
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	1,430.37	1,436.18	1,303.12	1,656.34	1,262.98
Personal Accident	2,037.88	1,498.88	1,064.14	1,032.39	904.47
Aviation	208.55	522.23	415.24	195.35	438.17
Engineering	2,265.42	2,326.82	2,228.84	2,289.70	1,678.13
Miscellaneous Other	5,753.96	5,247.76	4,745.48	2,967.93	2,424.81
Miscellaneous Total	**132,645.14**	**108,260.49**	**86,174.07**	**71,043.01**	**60,746.48**
Grand Total	**154,097.81**	**130,976.87**	**108,336.43**	**90,128.21**	**79,578.77**

12. Claims Paid Accepted					
Fire	**5,879.39**	**5,308.50**	**5,760.76**	**9,778.42**	**6,259.96**
Marine Cargo	29.36	45.69	41.58	90.39	27.10
Marine Hull	375.62	518.33	219.11	294.66	84.10
Marine Total	**404.98**	**564.03**	**260.69**	**385.06**	**111.19**
Motor OD	154.37	137.10	144.10	169.89	238.50
Motor TP	553.71	2,201.86	3,273.06	-	433.75
Motor Total	**708.08**	**2,338.96**	**3,417.15**	**169.89**	**672.25**
Health	-	-	-	-	-
Crop	201.57	417.31	137.81	-	-
Other Miscellaneous					
Liability	17.95	1.63	55.94	2.46	24.57
Personal Accident	91.80	58.57	43.57	27.02	77.23
Aviation	822.36	831.76	554.28	701.52	435.57
Engineering	762.90	624.43	395.40	327.99	173.17
Miscellaneous Other	105.26	328.60	575.54	784.07	486.31
Miscellaneous Total	**2,709.92**	**4,601.27**	**5,179.70**	**2,012.95**	**1,869.11**
Grand Total	**8,994.29**	**10,473.80**	**11,201.15**	**12,176.43**	**8,240.27**
13. Claims Paid Ceded					
Fire	**6,403.92**	**9,326.60**	**8,317.75**	**9,591.49**	**7,769.92**
Marine Cargo	372.30	390.73	294.07	254.23	308.96
Marine Hull	621.57	2,322.07	811.51	731.27	2,059.24
Marine Total	**993.87**	**2,712.79**	**1,105.57**	**985.50**	**2,368.20**
Motor OD	1,841.84	1,574.98	1,290.89	1,563.55	1,490.36
Motor TP	1,423.14	3,840.30	3,870.96	12,959.75	1,823.13
Motor Total	**3,264.98**	**5,415.28**	**5,161.85**	**14,523.30**	**3,313.49**
Health	4,968.01	2,442.67	1,829.09	2,131.39	2,501.69
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	64.01	75.73	97.85	160.90	66.97
Personal Accident	110.51	84.25	68.51	102.09	108.64
Aviation	149.04	320.49	284.95	124.94	473.59
Engineering	834.84	890.03	674.74	1,081.88	420.33
Miscellaneous Other	963.62	1,693.00	687.10	417.15	470.08
Miscellaneous Total	**10,355.01**	**10,921.45**	**8,804.09**	**18,541.65**	**7,354.77**
Grand Total	**17,752.79**	**22,960.85**	**18,227.41**	**29,118.63**	**17,492.89**
14. Net Claims Paid					
Fire	**16,724.25**	**14,042.62**	**16,396.78**	**15,991.72**	**12,965.07**
Marine Cargo	2,545.21	1,838.22	1,793.70	2,088.79	1,500.11
Marine Hull	1,069.79	668.67	570.00	591.18	600.14
Marine Total	**3,615.00**	**2,506.89**	**2,363.71**	**2,679.97**	**2,100.25**
Motor OD	30,242.74	26,287.25	20,978.31	17,139.36	13,445.48
Motor TP	23,200.74	18,338.96	17,015.27	2,460.45	12,164.42
Motor Total	**53,443.48**	**44,626.21**	**37,993.58**	**19,599.82**	**25,609.91**
Health	59,980.59	47,083.41	34,849.87	26,816.69	23,285.10
Crop	201.57	417.31	137.81	-	-
Other Miscellaneous					
Liability	1,384.31	1,362.09	1,261.21	1,497.89	1,220.58
Personal Accident	2,019.17	1,473.20	1,039.21	957.33	873.06
Aviation	881.87	1,033.50	684.58	771.93	400.15
Engineering	2,193.48	2,061.22	1,949.50	1,535.80	1,430.98
Miscellaneous Other	4,895.59	3,883.37	4,633.92	3,334.86	2,441.05
Miscellaneous Total	**125,000.05**	**101,940.31**	**82,549.68**	**54,514.31**	**55,260.83**
Grand Total	**145,339.30**	**118,489.82**	**101,310.17**	**73,186.01**	**70,326.15**

15. Claims Outstanding at End Direct					
Fire	**39,365.62**	**32,111.62**	**35,048.98**	**30,533.18**	**29,430.93**
Marine Cargo	3,511.42	3,867.84	3,913.30	3,345.07	3,177.49
Marine Hull	7,637.44	2,864.99	5,323.79	2,720.01	3,681.25
Marine Total	**11,148.87**	**6,732.83**	**9,237.09**	**6,065.08**	**6,858.74**
Motor OD	13,942.23	11,808.45	9,679.36	8,678.53	7,698.65
Motor TP	115,374.91	103,517.47	96,797.31	59,501.56	46,344.90
Motor Total	**129,317.14**	**115,325.92**	**106,476.67**	**68,180.09**	**54,043.55**
Health	9,453.21	8,316.58	5,615.04	5,203.11	4,623.59
Crop	10,453.50	-	-	-	-
Other Miscellaneous					
Liability	3,960.34	4,500.64	4,370.24	4,071.07	4,201.74
Personal Accident	1,387.54	1,218.97	893.22	832.02	843.73
Aviation	1,472.89	1,128.77	1,364.11	1,437.65	1,051.31
Engineering	5,895.07	5,395.85	5,210.68	5,276.93	4,866.00
Miscellaneous Other	4,763.37	6,171.92	5,638.39	4,127.94	4,176.56
Miscellaneous Total	**166,703.06**	**142,058.65**	**129,568.36**	**89,128.82**	**73,806.47**
Grand Total	**217,217.55**	**180,903.11**	**173,854.43**	**125,727.08**	**110,096.15**
16. Claims Outstanding at End Accepted					
Fire	**10,995.83**	**11,150.96**	**11,866.38**	**13,561.67**	**15,140.85**
Marine Cargo	86.27	53.38	52.43	55.09	89.26
Marine Hull	817.59	510.05	631.28	395.98	455.71
Marine Total	**903.86**	**563.42**	**683.71**	**451.07**	**544.97**
Motor OD	98.39	56.84	59.82	65.33	72.02
Motor TP	-	-	-	26,538.14	19,982.57
Motor Total	**98.39**	**56.84**	**59.82**	**26,603.47**	**20,054.59**
Health	-	-	-	-	-
Crop	1,634.62	465.03	199.57	-	-
Other Miscellaneous					
Liability	10.06	10.53	8.57	6.31	6.98
Personal Accident	23.65	24.18	23.74	10.63	26.69
Aviation	1,083.81	974.53	1,007.32	614.35	426.47
Engineering	2,102.47	1,821.09	1,372.71	1,673.79	968.17
Miscellaneous Other	618.83	490.46	873.46	1,257.98	1,001.24
Miscellaneous Total	**5,571.84**	**3,842.65**	**3,545.18**	**30,166.52**	**22,484.14**
Grand Total	**17,471.53**	**15,557.03**	**16,095.27**	**44,179.26**	**38,169.96**
17. Claims Outstanding at End Ceded					
Fire	**22,495.96**	**17,727.77**	**22,111.06**	**17,439.45**	**18,078.37**
Marine Cargo	1,277.96	1,331.94	1,496.93	1,113.21	560.25
Marine Hull	5,849.97	927.90	3,627.00	1,456.28	2,394.53
Marine Total	**7,127.93**	**2,259.83**	**5,123.93**	**2,569.49**	**2,954.79**
Motor OD	1,923.88	1,033.77	659.49	515.46	545.74
Motor TP	7,400.30	5,070.29	5,206.06	5,231.08	4,968.78
Motor Total	**9,324.18**	**6,104.05**	**5,865.55**	**5,746.54**	**5,514.52**
Health	993.60	551.70	141.09	159.72	281.41
Crop	8,242.23	-	-	-	-
Other Miscellaneous					
Liability	421.52	300.01	316.06	393.29	463.00
Personal Accident	89.13	30.39	21.92	57.13	80.87
Aviation	1,559.01	875.98	871.09	598.30	461.41
Engineering	3,191.70	2,856.46	2,693.46	2,391.62	2,088.35
Miscellaneous Other	1,468.35	2,178.82	2,517.78	1,028.54	894.59
Miscellaneous Total	**25,289.71**	**12,897.41**	**12,426.94**	**10,375.14**	**9,784.14**
Grand Total	**54,913.60**	**32,885.01**	**39,661.93**	**30,384.08**	**30,817.30**

18. Claims Outstanding at End Net					
Fire	**27,865.50**	**25,534.81**	**24,804.30**	**26,655.40**	**26,493.41**
Marine Cargo	2,319.73	2,589.28	2,468.80	2,286.95	2,706.49
Marine Hull	2,605.07	2,447.14	2,328.07	1,659.71	1,742.43
Marine Total	**4,924.80**	**5,036.42**	**4,796.87**	**3,946.66**	**4,448.93**
Motor OD	12,116.74	10,831.52	9,079.69	8,228.41	7,224.94
Motor TP	107,974.61	98,447.18	91,591.25	80,808.62	61,358.69
Motor Total	**120,091.35**	**109,278.71**	**100,670.94**	**89,037.02**	**68,583.62**
Health	8,459.61	7,764.89	5,473.95	5,043.40	4,342.18
Crop	3845.90	465.03	199.57	0.00	0.00
Other Miscellaneous					
Liability	3,548.89	4,211.16	4,062.74	3,684.09	3,745.72
Personal Accident	1,322.06	1,212.75	895.04	785.52	789.55
Aviation	997.70	1,227.31	1,500.34	1,453.69	1,016.37
Engineering	4,805.84	4,360.48	3,889.94	4,559.10	3,745.82
Miscellaneous Other	3,913.85	4,483.56	3,994.07	4,357.38	4,283.20
Miscellaneous Total	**146,985.19**	**133,003.90**	**120,686.60**	**108,920.20**	**86,506.47**
Grand Total	**179,775.48**	**163,575.13**	**150,287.77**	**139,522.26**	**117,448.81**
19. Claims Outstanding at Beginning Direct					
Fire	**31,930.63**	**35,055.41**	**30,613.97**	**30,273.32**	**33,917.40**
Marine Cargo	3,877.55	3,950.21	3,342.47	3,202.91	3,305.12
Marine Hull	2,868.20	5,320.51	2,720.43	3,681.74	4,667.82
Marine Total	**6,745.75**	**9,270.72**	**6,062.90**	**6,884.65**	**7,972.93**
Motor OD	11,781.80	9,771.20	8,699.57	7,957.91	7,197.86
Motor TP	103,517.47	96,797.31	86,039.70	46,344.90	43,878.48
Motor Total	**115,299.27**	**106,568.51**	**94,739.26**	**54,302.81**	**51,076.34**
Health	8,316.58	5,615.11	5,203.12	4,623.59	3,806.44
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	4,254.44	4,374.93	4,125.31	4,477.08	4,102.58
Personal Accident	1,073.55	893.04	830.94	842.80	747.19
Aviation	1,128.77	1,364.11	1,437.65	1,051.31	1,647.94
Engineering	5,413.89	5,236.04	5,287.71	4,922.69	5,488.57
Miscellaneous Other	6,183.05	5,648.49	4,122.78	4,195.00	4,412.83
Miscellaneous Total	**141,669.54**	**129,700.24**	**115,746.77**	**74,415.28**	**71,281.89**
Grand Total	**180,345.93**	**174,026.38**	**152,423.64**	**111,573.25**	**113,172.23**
20. Claims Outstanding at Beginning Accepted					
Fire	**10,768.20**	**11,812.59**	**13,577.06**	**15,815.97**	**17,019.61**
Marine Cargo	53.93	52.39	54.63	94.14	82.48
Marine Hull	513.30	644.23	396.02	466.49	392.29
Marine Total	**567.23**	**696.63**	**450.66**	**560.64**	**474.77**
Motor OD	63.72	58.68	60.77	66.46	72.67
Motor TP	-	-	-	19,982.57	28,329.44
Motor Total	**63.72**	**58.68**	**60.77**	**20,049.03**	**28,402.11**
Health	-	-	-	-	-
Crop	465.03	(199.57)	337.38	-	-
Other Miscellaneous					
Liability	10.61	8.65	6.32	7.11	7.40
Personal Accident	24.18	23.74	10.63	26.81	31.81
Aviation	974.53	1,007.32	614.35	426.47	526.91
Engineering	1,832.22	1,394.31	1,680.86	994.04	833.42
Miscellaneous Other	491.21	1,270.82	920.30	1,002.90	625.20
Miscellaneous Total	**3,861.50**	**3,563.95**	**3,630.60**	**22,506.36**	**30,426.84**
Grand Total	**15,196.93**	**16,073.16**	**17,658.32**	**38,882.96**	**47,921.22**

21. Claims Outstanding at Beginning Ceded					
Fire	**17,702.77**	**22,010.23**	**17,405.14**	**18,742.79**	**23,906.97**
Marine Cargo	1,338.69	1,521.44	1,113.36	567.34	942.46
Marine Hull	927.92	3,627.00	1,456.28	2,394.52	2,885.93
Marine Total	**2,266.61**	**5,148.44**	**2,569.63**	**2,961.86**	**3,828.39**
Motor OD	1,014.32	659.30	521.95	574.38	543.38
Motor TP	5,070.29	5,206.06	5,231.08	4,968.78	21,184.84
Motor Total	**6,084.60**	**5,865.36**	**5,753.03**	**5,543.16**	**21,728.23**
Health	551.91	141.09	159.72	281.41	256.05
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	294.52	316.21	396.28	486.69	681.04
Personal Accident	30.39	21.92	57.12	80.86	98.77
Aviation	875.98	871.09	598.30	461.41	542.48
Engineering	2,864.08	2,701.52	2,397.05	2,104.01	2,363.51
Miscellaneous Other	2,179.10	2,517.98	1,028.58	894.84	965.65
Miscellaneous Total	**12,880.59**	**12,435.17**	**10,390.09**	**9,852.38**	**26,635.72**
Grand Total	**32,849.97**	**39,593.84**	**30,364.85**	**31,557.02**	**54,371.09**
22. Claims Outstanding at Beginning Net					
Fire	**24,996.06**	**24,857.77**	**26,785.89**	**27,346.50**	**27,030.04**
Marine Cargo	2,592.79	2,481.16	2,283.75	2,729.72	2,445.13
Marine Hull	2,453.58	2,337.75	1,660.18	1,753.71	2,174.18
Marine Total	**5,046.37**	**4,818.91**	**3,943.93**	**4,483.43**	**4,619.31**
Motor OD	10,831.20	9,170.57	8,238.38	7,449.99	6,727.15
Motor TP	98,447.18	91,591.25	80,808.62	61,358.69	51,023.07
Motor Total	**109,278.38**	**100,761.83**	**89,047.00**	**68,808.67**	**57,750.22**
Health	7,764.66	5,474.02	5,043.40	4,342.18	3,550.39
Crop	465.03	(199.57)	337.38	-	-
Other Miscellaneous					
Liability	3,970.54	4,067.37	3,735.35	3,997.51	3,428.94
Personal Accident	1,067.34	894.87	784.44	788.75	680.23
Aviation	1,227.31	1,500.34	1,453.69	1,016.37	1,632.37
Engineering	4,382.03	3,928.82	4,571.53	3,812.72	3,958.48
Miscellaneous Other	4,495.15	4,401.34	4,014.49	4,303.06	4,072.38
Miscellaneous Total	**132,650.45**	**120,829.01**	**108,987.28**	**87,069.26**	**75,073.01**
Grand Total	**162,692.89**	**150,505.69**	**139,717.10**	**118,899.19**	**106,722.36**
23. Incurred Claims Direct					
Fire	**24,683.77**	**15,116.93**	**23,388.78**	**16,064.64**	**9,988.56**
Marine Cargo	2,522.02	2,100.89	2,617.02	2,394.78	1,654.34
Marine Hull	6,084.98	16.88	3,765.76	66.06	1,588.73
Marine Total	**8,607.00**	**2,117.76**	**6,382.77**	**2,460.84**	**3,243.07**
Motor OD	34,090.64	29,762.39	23,104.90	19,253.65	15,198.12
Motor TP	35,927.62	26,697.56	28,370.79	28,576.86	16,020.22
Motor Total	**70,018.25**	**56,459.95**	**51,475.69**	**47,830.51**	**31,218.34**
Health	66,085.22	52,227.56	37,090.88	29,527.60	26,603.94
Crop	10,453.50	-	-	-	-
Other Miscellaneous					
Liability	1,136.26	1,561.89	1,548.05	1,250.33	1,362.14
Personal Accident	2,351.87	1,824.80	1,126.43	1,021.62	1,001.01
Aviation	552.67	286.88	341.71	581.69	(158.47)
Engineering	2,746.60	2,486.63	2,151.81	2,643.94	1,055.56
Miscellaneous Other	4,334.28	5,771.20	6,261.09	2,900.87	2,188.54
Miscellaneous Total	**157,678.66**	**120,618.91**	**99,995.66**	**85,756.56**	**63,271.06**
Grand Total	**190,969.42**	**137,853.60**	**129,767.21**	**104,282.04**	**76,502.69**

24. Incurred Claims Accepted					
Fire	**6,107.02**	**4,646.86**	**4,050.08**	**7,524.13**	**4,381.20**
Marine Cargo	61.70	46.68	39.37	51.34	33.88
Marine Hull	679.91	384.15	454.37	224.15	147.51
Marine Total	**741.61**	**430.83**	**493.74**	**275.49**	**181.39**
Motor OD	189.04	135.26	143.15	168.76	237.86
Motor TP	553.71	2,201.86	3,273.06	6,555.57	(7,913.12)
Motor Total	**742.75**	**2,337.12**	**3,416.20**	**6,724.34**	**(7,675.26)**
Health	-	-	-	-	-
Crop	1,371.16	1,081.91	-	-	-
Other Miscellaneous					
Liability	17.40	3.52	58.19	1.66	24.15
Personal Accident	91.27	59.00	56.68	10.84	72.11
Aviation	931.65	798.97	947.26	889.39	335.14
Engineering	1,033.14	1,051.21	87.26	1,007.74	307.93
Miscellaneous Other	232.88	(451.76)	528.69	1,039.15	862.35
Miscellaneous Total	**4,420.26**	**4,879.98**	**5,094.28**	**9,673.11**	**(6,073.59)**
Grand Total	**11,268.89**	**9,957.67**	**9,638.11**	**17,472.73**	**(1,511.00)**
25. Incurred Claims Ceded					
Fire	**11,197.10**	**5,044.14**	**13,023.67**	**8,288.15**	**1,941.32**
Marine Cargo	311.57	201.22	677.64	800.10	(73.25)
Marine Hull	5,543.62	(377.03)	2,982.23	(206.97)	1,567.84
Marine Total	**5,855.19**	**(175.81)**	**3,659.87**	**593.13**	**1,494.59**
Motor OD	2,751.40	1,949.45	1,428.42	1,504.63	1,492.71
Motor TP	3,753.15	3,704.53	3,845.94	13,222.05	(14,392.94)
Motor Total	**6,504.55**	**5,653.98**	**5,274.37**	**14,726.68**	**(12,900.23)**
Health	5,409.69	2,853.28	1,810.46	2,009.70	2,527.04
Crop	8,242.23	-	-	-	-
Other Miscellaneous					
Liability	191.01	59.52	17.64	67.50	(151.06)
Personal Accident	169.25	92.72	33.30	78.35	90.73
Aviation	832.07	325.38	557.74	261.83	392.52
Engineering	1,162.46	1,044.96	971.16	1,369.49	145.17
Miscellaneous Other	252.87	1,353.84	2,176.29	550.85	399.01
Miscellaneous Total	**22,764.12**	**11,383.69**	**10,840.95**	**19,064.41**	**(9,496.81)**
Grand Total	**39,816.42**	**16,252.02**	**27,524.49**	**27,945.69**	**(6,060.90)**
26. Incurred Claims Net					
Fire	**19,593.69**	**14,719.65**	**14,415.19**	**15,300.62**	**12,428.44**
Marine Cargo	2,272.14	1,946.34	1,978.75	1,646.01	1,761.47
Marine Hull	1,221.27	778.06	1,237.90	497.18	168.40
Marine Total	**3,493.42**	**2,724.40**	**3,216.65**	**2,143.20**	**1,929.87**
Motor OD	31,528.27	27,948.20	21,819.62	17,917.78	13,943.27
Motor TP	32,728.18	25,194.89	27,797.91	21,910.38	22,500.04
Motor Total	**64,256.45**	**53,143.09**	**49,617.52**	**39,828.17**	**36,443.31**
Health	60,675.53	49,374.28	35,280.42	27,517.90	24,076.90
Crop	3,582.44	1,081.91	-	-	-
Other Miscellaneous					
Liability	962.66	1,505.88	1,588.60	1,184.48	1,537.35
Personal Accident	2,273.89	1,791.08	1,149.81	954.10	982.38
Aviation	652.25	760.48	731.23	1,209.25	(215.85)
Engineering	2,617.28	2,492.89	1,267.91	2,282.18	1,218.32
Miscellaneous Other	4,314.29	3,965.59	4,613.50	3,389.17	2,651.87
Miscellaneous Total	**139,334.79**	**114,115.20**	**94,248.99**	**76,365.26**	**66,694.28**
Grand Total	**162,421.90**	**131,559.26**	**111,880.83**	**93,809.07**	**81,052.59**

27. Commission Direct					
Fire	**3,245.92**	**3,826.36**	**3,473.88**	**2,835.03**	**2,132.31**
Marine Cargo	531.76	506.95	536.16	541.58	517.63
Marine Hull	108.78	4.80	161.34	191.08	167.38
Marine Total	**640.54**	**511.75**	**697.51**	**732.65**	**685.01**
Motor OD	5,006.83	4,818.28	3,930.65	4,014.27	3,607.55
Motor TP	-	-	(0.06)	0.06	1.33
Motor Total	**5,006.83**	**4,818.28**	**3,930.59**	**4,014.34**	**3,608.87**
Health	3,719.82	3,477.98	2,983.00	2,294.91	1,876.19
Crop	56.03	0.02	-	-	-
Other Miscellaneous					
Liability	651.93	688.47	635.46	570.55	397.66
Personal Accident	332.45	279.67	244.90	207.15	198.42
Aviation	6.69	5.95	5.67	5.99	7.23
Engineering	462.62	463.13	483.00	479.18	428.59
Miscellaneous Other	1,064.45	1,039.06	964.82	945.43	850.21
Miscellaneous Total	**11,300.82**	**10,772.56**	**9,247.44**	**8,517.55**	**7,367.17**
Grand Total	**15,187.28**	**15,110.67**	**13,418.83**	**12,085.24**	**10,184.49**
28. Commission Accepted					
Fire	**1,555.31**	**1,373.03**	**1,179.07**	**1,321.06**	**882.13**
Marine Cargo	18.84	20.26	16.17	13.90	10.24
Marine Hull	33.05	63.97	118.18	158.66	105.40
Marine Total	**51.89**	**84.23**	**134.34**	**172.56**	**115.64**
Motor OD	1.85	2.40	2.37	1.01	6.28
Motor TP	-	-	-	-	-
Motor Total	**1.85**	**2.40**	**2.37**	**1.01**	**6.28**
Health	-	-	-	(0.00)	-
Crop	184.01	51.52	55.31	-	-
Other Miscellaneous					
Liability	1.09	3.90	7.69	12.01	3.47
Personal Accident	25.91	29.67	32.07	21.53	25.31
Aviation	120.41	73.10	66.78	128.65	130.91
Engineering	90.09	151.97	138.89	226.47	(70.70)
Miscellaneous Other	80.16	99.33	106.13	194.29	70.90
Miscellaneous Total	**503.51**	**411.89**	**409.24**	**583.95**	**166.17**
Grand Total	**2,110.71**	**1,869.15**	**1,722.65**	**2,077.58**	**1,163.94**
29. Commission Ceded					
Fire	**1,395.19**	**1,383.83**	**621.48**	**971.43**	**601.11**
Marine Cargo	102.26	48.34	52.94	67.88	59.73
Marine Hull	136.30	67.61	353.06	351.41	263.63
Marine Total	**238.56**	**115.95**	**406.00**	**419.29**	**323.35**
Motor OD	415.76	330.14	225.33	253.44	431.79
Motor TP	41.63	30.56	23.86	18.21	62.28
Motor Total	**457.38**	**360.69**	**249.18**	**271.65**	**494.07**
Health	663.17	285.56	241.02	204.84	292.83
Crop	492.42	0.00	0.00	-	-
Other Miscellaneous					
Liability	51.27	54.25	38.03	34.33	55.64
Personal Accident	33.44	21.53	18.06	19.00	28.29
Aviation	48.87	45.52	42.53	57.64	45.35
Engineering	402.22	467.38	492.79	328.32	346.96
Miscellaneous Other	284.08	207.66	193.74	130.21	194.43
Miscellaneous Total	**2,432.85**	**1,442.58**	**1,275.35**	**1,045.98**	**1,457.58**
Grand Total	**4,066.61**	**2,942.36**	**2,302.84**	**2,436.70**	**2,382.04**

30. Commission Net					
Fire	**3,406.04**	**3,815.56**	**4,031.47**	**3,184.67**	**2,413.34**
Marine Cargo	448.34	478.87	499.39	487.60	468.14
Marine Hull	5.52	1.16	(73.54)	(1.68)	9.15
Marine Total	**453.87**	**480.03**	**425.85**	**485.93**	**477.29**
Motor OD	4,592.92	4,490.55	3,707.70	3,761.85	3,182.04
Motor TP	(41.63)	(30.56)	(23.92)	(18.15)	(60.95)
Motor Total	**4,551.29**	**4,459.99**	**3,683.78**	**3,743.70**	**3,121.08**
Health	3,056.65	3,192.42	2,741.98	2,090.07	1,583.37
Crop	(252.38)	51.54	55.31	-	-
Other Miscellaneous					
Liability	601.74	638.13	605.12	548.23	345.48
Personal Accident	324.92	287.81	258.92	209.68	195.45
Aviation	78.22	33.53	29.92	77.00	92.79
Engineering	150.50	147.72	129.10	377.32	10.93
Miscellaneous Other	860.53	930.74	877.21	1,009.52	726.68
Miscellaneous Total	**9,371.48**	**9,741.87**	**8,381.33**	**8,055.53**	**6,075.76**
Grand Total	**13,231.38**	**14,037.46**	**12,838.65**	**11,726.12**	**8,966.39**
31. Foreign Taxes					
Fire	**3.99**	**2.97**	**7.56**	**2.99**	**5.23**
Marine Cargo	-	-	-	-	-
Marine Hull	-	-	-	-	-
Marine Total	**-**	**-**	**-**	**-**	**-**
Motor OD	1.13	1.47	0.56	0.92	2.43
Motor TP	-	-	-	-	0.00
Motor Total	**1.13**	**1.47**	**0.56**	**0.92**	**2.43**
Health	0.13	0.15	0.05	0.04	0.08
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	0.12	0.19	0.09	0.14	0.24
Personal Accident	0.02	0.03	0.01	0.02	0.05
Aviation	0.07	0.09	0.04	0.09	0.23
Engineering	0.07	0.10	0.06	0.10	0.31
Miscellaneous Other	0.09	0.11	0.07	0.14	0.32
Miscellaneous Total	**1.64**	**2.13**	**0.89**	**1.44**	**3.65**
Grand Total	**5.62**	**5.10**	**8.45**	**4.43**	**8.88**
32. Operating Expenses					
Fire	**4,077.84**	**4,716.29**	**4,404.56**	**3,855.66**	**3,925.51**
Marine Cargo	645.37	664.70	695.32	710.18	714.64
Marine Hull	96.66	248.23	359.25	277.61	310.60
Marine Total	**742.03**	**912.93**	**1,054.56**	**987.79**	**1,025.23**
Motor OD	8,258.09	8,336.61	7,282.66	6,670.96	5,596.76
Motor TP	8,783.80	7,094.92	5,884.88	4,448.36	3,537.05
Motor Total	**17,041.89**	**15,431.53**	**13,167.54**	**11,119.32**	**9,133.81**
Health	11,244.31	10,289.84	8,374.78	6,940.25	5,566.17
Crop	786.45	116.08	147.21	-	-
Other Miscellaneous					
Liability	823.13	852.27	813.82	761.66	577.39
Personal Accident	776.72	473.44	444.38	382.11	354.17
Aviation	170.90	162.45	109.41	87.61	175.30
Engineering	734.56	744.10	756.79	790.19	716.29
Miscellaneous Other	1,371.31	1,398.34	1,297.19	1,441.24	1,379.38
Miscellaneous Total	**32,949.27**	**29,468.05**	**25,111.12**	**21,522.38**	**17,902.50**
Grand Total	**37,769.14**	**35,097.28**	**30,570.24**	**26,365.83**	**22,853.24**

33. Revenue Accounts Result Profit/ (loss)					
Fire	**(1,683.78)**	**1,366.82**	**856.53**	**(1,621.26)**	**970.11**
Marine Cargo	307.96	316.41	474.75	760.75	733.16
Marine Hull	234.82	1,059.96	95.05	991.38	654.35
Marine Total	**542.78**	**1,376.37**	**569.81**	**1,752.13**	**1,387.51**
Motor OD	(2,157.09)	(2,368.48)	2,069.33	1,865.49	2,083.19
Motor TP	9,525.47	8,741.20	1,786.35	(769.06)	(5,490.07)
Motor Total	**7,368.37**	**6,372.72**	**3,855.68**	**1,096.44**	**(3,406.89)**
Health	(18,816.07)	(16,127.57)	(8,745.84)	(7,312.65)	(5,129.71)
Crop	(204.42)	(703.55)	464.10	-	-
Other Miscellaneous					
Liability	2,395.10	1,412.19	1,184.05	1,129.38	503.47
Personal Accident	(72.71)	(165.14)	254.27	290.50	92.83
Aviation	217.49	(13.35)	(73.14)	(864.95)	1,010.42
Engineering	623.93	711.08	2,133.91	608.70	1,695.85
Miscellaneous Other	862.76	910.11	472.48	1,333.78	2,205.01
Miscellaneous Total	**(7,625.54)**	**(7,603.52)**	**(454.49)**	**(3,718.80)**	**(3,029.02)**
Grand Total	**(8,766.54)**	**(4,860.33)**	**971.85**	**(3,587.93)**	**(671.40)**
34. Capital Employed					
Fire	**16,502.28**	**15,998.31**	**16,486.58**	**16,526.18**	**17,922.41**
Marine Cargo	1,467.85	1,610.86	1,666.67	1,569.29	1,921.86
Marine Hull	1,289.03	1,509.31	1,801.43	1,297.36	1,561.39
Marine Total	**2,756.87**	**3,120.17**	**3,468.10**	**2,866.65**	**3,483.25**
Motor OD	14,081.79	12,791.32	11,891.00	10,685.81	10,153.75
Motor TP	54,977.03	48,850.41	47,986.48	40,948.99	34,847.68
Motor Total	**69,058.82**	**61,641.73**	**59,877.48**	**51,634.79**	**45,001.43**
Health	12,154.50	10,991.95	9,713.28	8,080.69	6,677.89
Crop	1,609.11	196.46	90.65	-	-
Other Miscellaneous					
Liability	2,223.11	2,530.55	2,611.15	2,312.06	2,417.56
Personal Accident	1,257.06	894.87	832.92	714.49	758.92
Aviation	591.75	724.17	895.13	879.57	738.08
Engineering	2,742.68	2,494.39	2,511.39	2,784.46	2,634.29
Miscellaneous Other	3,091.40	3,262.58	3,312.44	3,560.54	3,803.42
Miscellaneous Total	**92,728.44**	**82,736.70**	**79,844.44**	**69,966.61**	**62,031.58**
Grand Total	**111,987.59**	**101,855.17**	**99,799.12**	**89,359.44**	**83,437.24**
25. Technical reserve					
Fire	**39,441.73**	**37,868.09**	**36,297.65**	**37,342.40**	**36,032.27**
Marine Cargo	3,508.27	3,812.92	3,669.42	3,545.96	3,863.82
Marine Hull	3,080.87	3,572.54	3,966.11	2,931.50	3,139.12
Marine Total	**6,589.14**	**7,385.46**	**7,635.54**	**6,477.46**	**7,002.94**
Motor OD	33,656.58	30,277.14	26,179.79	24,145.55	20,413.71
Motor TP	131,399.40	115,629.21	105,649.32	92,527.95	70,059.83
Motor Total	**165,055.98**	**145,906.35**	**131,829.11**	**116,673.50**	**90,473.54**
Health	29,050.21	26,018.00	21,385.23	18,259.06	13,425.63
Crop	3,845.90	465.03	199.57	-	-
Other Miscellaneous					
Liability	5,313.40	5,989.82	5,748.82	5,224.32	4,860.40
Personal Accident	3,004.48	2,118.16	1,833.79	1,614.45	1,525.77
Aviation	1,414.34	1,714.11	1,970.77	1,987.47	1,483.87
Engineering	6,555.23	5,904.24	5,529.21	6,291.73	5,296.14
Miscellaneous Other	7,388.69	7,722.55	7,292.83	8,045.36	7,646.63
Miscellaneous Total	**221,628.23**	**195,838.26**	**175,789.32**	**158,095.89**	**124,711.97**
Grand Total	**267,659.09**	**241,091.80**	**219,722.51**	**201,915.75**	**167,747.17**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-IX: RESTATED STANDALONE DISCLOSURES FORMING PART OF FINANCIAL STATEMENTS

(₹ in millions)

Srl No.	Particulars	As at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1	The details of contingent liabilities are as under:					
	(a) Partly-paid up investments	468.87	28.32	77.55	73.15	82.06
	(b) Underwriting commitments outstanding	-	-	-	-	-
	(c) Claims, other than those under policies, not acknowledged as debts	83.53	241.31	1,949.78	1,736.13	1,702.60
	(d) Guarantees given by or on behalf of the Company	17.09	8.86	8.33	8.68	3,408.14
	(e) Statutory demands/liabilities in dispute not provided for	26,773.42	23,929.47	26,445.34	23,946.00	20,693.20
	(f) Reinsurance obligations to the extent not provided for in accounts	-	-	-	-	-
	(g) Others (matters under litigation) to the extent ascertainable	474.79	2,624.05	64.66	134.85	59.46
	(h) Potential Tax Liability towards distribution received from Venture Fund	154.04	154.04	134.31	134.31	100.14
	Total contingent liability	**27,971.75**	**26,986.05**	**28,679.97**	**26,033.12**	**26,045.60**
2	The details of encumbrances to the assets of the Company are as under:					
	(a) In India	512.33	374.41	461.50	354.51	400.60
	(b) Outside India	-	22.18	20.87	20.07	451.72
3	Commitment made and outstanding for Loans Investments and Fixed Assets	1,316.16	5.15	86.64	90.07	90.77
4	Claims, less reinsurance, paid to claimants:					
	(a) In India	125,457.49	100,455.69	84,588.49	54,050.11	57,058.42
	(b) Outside India	19,881.81	18,034.13	16,721.67	19,135.89	13,268.54
5	Claim liabilities where claim payment period exceeds four years.	-	-	-	-	-
6	Amount of claims outstanding for more than six months (Gross Indian)					
	No. of Claims	163,044	147,006	172,988	182,469	210,928
	Amount of claims outstanding for less than six months (Gross Indian)	28,063.94	36,801.76	26,205.34	20,273.30	16,788.88
	No. of Claims	502,275	152,222	114,056	101,287	132,731
	Total amount of claims outstanding (Gross Indian)	114,462.88	101,516.74	98,736.69	81,733.83	79,430.67
	Total No. of claims outstanding	665,319	299,228	287,044	283,756	343,659
7	Premiums, less reinsurances, written from business					
	(a) In India	157,654.86	129,099.88	113,111.42	95,959.14	81,020.29
	(b) Outside India	28,254.30	30,019.22	26,276.62	24,827.02	21,721.37
8	The details of contracts in relation to investments, for					
	Purchases where deliveries are pending	37.20	-	387.29	-	-
	Sales where payments are overdue	-	-	-	-	-
	Sales where deliveries are pending	2,200.72	481.86	85.40	934.26	1,221.36
9	Amount of Claims settled and remaining unpaid for a period of more than six months as on balance sheet date are as under:	-	-	-	-	-

	No. of claims	-	-	-	-	-
10	Investments made in accordance with statutory requirements are as under:					
	(a) In India- Under Sec.7 of Insurance Act 1938	-	-	107.51	107.52	107.52
	(b) Outside India- Statutory Deposits under local laws	8,152.91	5,535.74	5,161.25	5,061.10	3,438.93
11	Segregation of investments into performing and non-performing investments where NPA Provision is required as per IRDA Guidelines is as under:					
	Performing (Standard) Investments	93,255.47	83,974.26	77,682.40	64,121.82	54,081.38
	Non Performing Investments	1,086.82	1,150.10	1,348.45	1,408.13	1,383.41
	Total Book Value (Closing Value)	94,342.30	85,124.37	79,030.84	65,529.95	55,464.79

12 All significant accounting policies forming part of the financial statements are disclosed separately.

13 Premium has been recognised as income on assumption of the risk. Unearned premium reserve is computed in accordance with the guidelines issued by IRDAI as under :

a) Marine Hull : 100% of the net written premium during the preceding twelve months;

b) Other segments:

i) in respect of domestic business : on the basis of 1/365th method on the unexpired period of respective policies, and

ii) in respect of foreign business : 50% of the net premium in respect of all business other than Marine hull .

14 Operating expenses relating to insurance business are apportioned to the revenue account on the basis of Net premium.

15 In compliance of section 197 of the Companies Act 2013, the total managerial remuneration paid to its Directors including Managing Director, Whole Time Directors, and Managers in respect of financial year ended March 31, 2017, does not exceed 11% of Net Profit of the Company.

16 The historical/weighted average cost in respect of investments in listed equity/equity related instruments/preference shares, the value of which had impaired on or before March 31, 2000 is not available with the company and hence the carrying value of the same as on October 31, 2000 is presumed to be the historical/weighted average cost.

(₹ in millions)

Particulars	**Historical Cost/Weighted Average Cost as at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Equity Shares	50,117.02	48,094.24	40,246.21	33,020.25	28,501.91
Venture Funds	202.09	170.20	128.07	49.90	38.70

17 Amortisation of debt securities is done from the date of investment on the basis of actual number of days upto the date of Sale/Redemption/31st March of the respective year. While working out amortisation put/call option is not considered. However, partial redemption if any, is taken into account.

18 a) Unrealised gains / losses arising due to change in the Fair Value of listed equity shares and equity related instruments have been taken to “Fair Value Change Account” and on realisation will be transferred to profit and loss account.

b) Pending realisation, the credit balance in the “Fair Value Change Account” is not available for distribution.

19 The Company does not have Real Estate Investment Property.

20 Sector-wise break-up of gross direct premium written in India is as under:

(₹ in millions)

Particulars	**For the Year Ended**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Direct Gross Premium Written in India					
Rural	29,253.50	24,661.46	18,597.52	17,564.50	19,384.00
PMFBY	10,464.20	-	-	-	-
Social	5,309.46	5,371.78	4,468.06	4,682.20	5,591.70
Others	146,119.76	121,461.85	109,028.37	93,153.90	75,403.80
Total	**191,146.92**	**151,495.09**	**132,093.95**	**115,400.60**	**100,379.50**
Sector-wise Percentage of Direct Gross Premium Written in India					
Rural	15.30%	16.28%	14.08%	15.22%	19.31%
PMFBY	5.47%	0.00%	0.00%	0.00%	0.00%
Social	2.78%	3.55%	3.38%	4.06%	5.57%
Others	76.44%	80.18%	82.54%	80.72%	75.12%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Sector-wise Number of Policies/Lives-Parent Company					
Rural	466,219	4,639,139	33,999,946	1,487,555	1,465,073
PMFBY	355,474	-	-	-	-
Social	254,418,431	74,161,700	50,417,387	37,666,578	29,965,660
Others	-	-	-	-	-
Total	**255,240,124**	**78,800,839**	**84,417,333**	**39,154,133**	**31,430,733**

21 Summary of Financial Statements

(₹ in millions)

Particulars	For the Period ended/as at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
i. Gross Direct Premium	215,979.16	177,632.09	154,803.59	137,275.77	118,758.63
ii. Net Earned Premium #	175,542.23	151,036.15	132,348.02	108,690.71	94,782.66
iii. Income from Investments(Net)@	29,390.17	25,102.58	24,150.06	19,791.08	17,465.61
iv. Other income (Prem Deficiency)	-	-	-	-	-
v. Total Income	204,932.39	176,138.73	156,498.07	128,481.79	112,248.27
vi. Commissions (net incl Brokerage)	13,231.38	14,037.46	12,838.65	11,726.12	8,966.39
vii. Operating Expenses	37,774.76	35,102.38	30,578.70	26,370.26	22,862.12
viii. Net Incurred Claims	162,421.90	131,559.26	111,880.83	93,809.07	81,052.59
ix. Change in Unexpired Risk Reserves	103,669.40	80,819.32	70,412.47	120,951.29	79,827.50
x. Operating Profit/Loss	(8,495.65)	(4,560.35)	1,199.90	(3,423.66)	(632.84)
Non Operating Result					
xi. Total Income under Shareholders' A/c	17,759.41	14,931.50	15,771.95	12,667.60	11,028.93
xii. Profit/(Loss) Before Tax	9,263.76	10,371.15	16,971.85	9,243.93	10,396.09
xiii. Provision for Tax	1,065.53	1,025.18	3,229.26	1,271.26	1,564.92
xiv. Net Profit/(Loss) after Tax	8,198.23	9,345.97	13,742.59	7,972.67	8,831.17
Miscellaneous					
xv. Policy Holders' Account :					
Total Funds	267,004.39	240,924.65	219,319.30	202,122.76	167,462.28
Total Investments *					
Yield on Investments *					
xvi. Shareholders' Account :					
Total Funds	120,864.87	115,646.11	112,295.19	101,933.35	92,215.62
Total Investments *	97,999.47	91,172.22	90,610.45	77,322.53	67,894.83
Yield on Investments *	15.40	14.61	15.68	15.17	14.46
xvii. Paid up Equity Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
xviii.Net Worth	120,864.87	115,646.11	112,295.19	101,933.35	92,215.62
xix. Total Assets	693,080.60	631,694.87	621,400.00	535,629.86	458,581.11
xx. Yield on Total Investments(%)	15.40	14.61	15.68	15.17	14.46
xxi. Earning per Share (₹)**	40.99	46.73	68.71	39.86	44.16
xxii. Book value per Share(₹)**	604.32	578.23	561.48	509.67	461.08
xxiii.Total Dividend excluding dividend distribution tax	3,100.00	2,500.00	3,000.00	2,200.00	1,700.00
xxiv.Dividend per Share (₹)**	15.50	12.50	15.00	11.00	8.50

\# Net of Re-insurance

@ Net of losses

* Share holders investments and yield on investments includes policy holders figures.

** Based on number of shares prior to the bonus and split of shares (as approved by the shareholders in the AGM held on August 2, 2017)

22 Age wise analysis of outstanding claims as on 31.03.2017 (Gross Indian excluding provision for IBNR and IBNER)

(₹ in millions)

Age Band	For the Period ended/as at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Less than 90 days	13,287.60	18,459.77	14,564.83	13,680.59	11,500.29
90 Days to 6 months	13,316.02	18,341.99	11,640.51	6,592.71	5,288.59
6 months to 1 year	23,532.41	5,583.89	17,380.06	10,980.05	10,543.08
1 Year to 2 years	19,584.84	18,725.32	15,710.52	12,642.82	14,894.16
2 Years to 3 years	11,649.60	9,067.76	7,989.05	9,407.79	8,694.84
3 years to 5 Years	10,625.22	11,084.55	11,660.14	9,801.51	9,335.88
5 Years and above	21,038.35	20,253.46	19,791.59	18,628.36	19,173.83
Total	**113,034.05**	**101,516.74**	**98,736.69**	**81,733.83**	**79,430.67**
Number of Claims					
Less than 90 days	123,201	118,647	97,504	85,874	110,367
90 Days to 6 months	18,732	33,575	16,552	15,413	22,364
6 months to 1 year	29,825	9,228	21,874	18,961	27,213
1 Year to 2 years	28,957		25,430	28,695	38,329
2 Years to 3 years	18,478	17,192	19,541	24,699	23,610
3 years to 5 Years	23,518	28,514	31,836	32,304	41,373
5 Years and above	61,647	65,355	74,307	77,810	80,403
Total	**304,358**	**272,511**	**287,044**	**283,756**	**343,659**

23 Investment income (Net of Expenses) is apportioned between Revenue Accounts and Profit and Loss account in proportion to the balance in the shareholders funds and policyholders' funds at the beginning of the year. The same is further apportioned to fire, marine and miscellaneous Revenue Accounts in proportion to the technical reserve balance at the beginning of the year.

24 Unexpired premium reserve at revenue segment level is found to be sufficient to cover the expected claim cost as certified by the appointed actuary and the claims related expenses as estimated by the management for the year ended March 31, 2017, year ended March 31, 2016, year ended March 31, 2015, year ended March 31, 2014 and year ended March 31, 2013. Hence no premium deficiency reserve is required to be provided during the respective periods.

25 Extent of risks retained and reinsured

Particulars	For the Year Ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Retention					
Fire	57.67%	63.33%	62.53%	61.22%	65.58%
Marine Cargo	82.17%	77.33%	81.56%	83.99%	84.24%
Marine Hull	15.18%	33.47%	35.63%	24.62%	31.24%
Marine Total	52.17%	57.01%	56.68%	50.06%	55.65%
Motor OD	92.94%	93.29%	94.55%	94.28%	90.07%
Motor TP	94.98%	91.52%	90.50%	88.35%	86.84%
Motor Total	93.98%	92.47%	92.70%	91.81%	88.79%
Health	90.96%	94.03%	95.04%	94.93%	90.09%
Crop	30.84%	100.00%	100.00%	-	-
Other Miscellaneous					
Liability	79.96%	86.02%	88.33%	88.60%	84.46%
Personal Accident	94.62%	90.55%	94.33%	92.83%	88.76%
Aviation	41.07%	38.88%	28.69%	21.46%	39.78%
Engineering	56.81%	52.16%	59.65%	60.31%	57.31%
Miscellaneous Other	81.84%	78.48%	78.18%	82.67%	79.95%
Miscellaneous Total	86.08%	89.60%	90.11%	89.10%	85.40%
Grand Total	80.76%	83.69%	83.14%	81.31%	79.37%
Ceded					
Fire	42.33%	36.67%	37.47%	38.78%	34.42%
Marine Cargo	17.83%	22.67%	18.44%	16.01%	15.76%
Marine Hull	84.82%	66.53%	64.37%	75.38%	68.76%
Marine Total	47.83%	42.99%	43.32%	49.94%	44.35%
Motor OD	7.06%	6.71%	5.45%	5.72%	9.93%
Motor TP	5.02%	8.48%	9.50%	11.65%	13.16%
Motor Total	6.02%	7.53%	7.30%	8.19%	11.21%
Health	9.04%	5.97%	4.96%	5.07%	9.91%
Crop	69.16%	0.00%	0.00%	-	-
Other Miscellaneous					
Liability	20.04%	13.98%	11.67%	11.40%	15.54%
Personal Accident	5.38%	9.45%	5.67%	7.17%	11.24%
Aviation	58.93%	61.12%	71.31%	78.54%	60.22%
Engineering	43.19%	47.84%	40.35%	39.69%	42.69%
Miscellaneous Other	18.16%	21.52%	21.82%	17.33%	20.05%
Miscellaneous Total	13.92%	10.40%	9.89%	10.90%	14.60%
Grand Total	19.24%	16.31%	16.86%	18.69%	20.63%

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-X: RESTATED STANDALONE STATEMENT OF CAPITALISATION

(₹ in millions)

Particulars	As at March 31, 2017	As Adjusted for issue
Shareholders' fund		Refer Note mentioned below
Share Capital	2,000.00	
Reserve & surplus	121,078.27	
Less: Misc. expenditure not written off	(2,213.40)	
Total Shareholders Fund (Net worth excluding fair value)	**120,864.87**	
Debt	-	
Long term borrowings	-	
Short term borrowings	-	
Other borrowings (Current maturity of long term borrowings)	-	
Total Debt - B	-	
Long term debt to Equity ratio	**-**	
Total debt to equity ratio C=(B/A)	**-**	

Notes :

1) The post issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence, the same has not been provided in the above statement.

2) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300 millions to 1,200 millions, increase in issued numbers of shares from 200 millions to 800 millions and decrease in face value of shares from ₹ 10 to ₹ 5. The impact on shareholders fund is as follows:

(₹ in millions)

Particulars	No of shares in millions	Share capital	Reserves & Surplus
As of March 31, 2017	200.00	2,000.00	121,078.27
Allotment of equity shares Pursuant to sub-division of shares	200.00	-	-
Allotment of equity shares Pursuant to issue of Bonus equity shares	400.00	2,000.00	(2,000.00)
As of July 31, 2017	800.00	4,000.00	119,078.27

The New India Assurance Company Limited
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ANNEXURE-XI: RESTATED STANDALONE STATEMENT OF OTHER INCOME

The Company's major revenue is earned through its core business of selling insurance contracts and through income from investment earned out of Policyholders' and Shareholders' funds, which is ancillary to its core business of General Insurance. "Other income" mainly includes income earned under normal business activities i.e. Sundry credit balances written back, Miscellaneous income and Directors fees received, which is recurring in nature and Interest on refund of Income Tax (non-recurring). The break-up of "other income" earned by company and % of net profit before tax is given as below:

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Sundry credit balances written back, Miscellaneous income and Directors fees received	859.59	423.23	269.63	278.21	206.04
Interest on Refund of Income Tax	1,325.92	303.20	1,486.42	-	-
Total Other Income	**2,185.51**	**726.42**	**1,756.05**	**278.21**	**206.04**
Profit Before Tax	**9,263.76**	**10,371.15**	**16,971.85**	**9,243.93**	**10,396.09**
Percentage of Sundry credit balances written back, Miscellaneous income and Directors fees received to PBT	9.28%	4.08%	1.59%	3.01%	1.98%
Percentage of Interest on Refund of Income Tax percentage of PBT	14.31%	2.92%	8.76%	0.00%	0.00%
Percentage of Total Other Income to PBT	**23.59%**	**7.00%**	**10.35%**	**3.01%**	**1.98%**

ANNEXURE-XII: RESTATED STANDALONE STATEMENT OF DIVIDEND

Particulars	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Number of equity shares at period ended	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Face value per equity share (₹)	10.00	10.00	10.00	10.00	10.00
Dividend paid:					
-Interim dividend (millions)	-	-	-	-	-
-Final dividend (millions)*	2500.00	3000.00	2200.00	1700.00	400.00
Rate of dividend (%)**	125.00	150.00	110.00	85.00	20.00
Dividend distribution tax (in millions)	519.85	599.82	373.89	288.92	64.89

* For the year ended March 31, 2017, the Board of Directors at their meeting have proposed a dividend of 155% of the paid up capital of the company and the same approved in Annual General Meeting held on August 2, 2017.

** Based on share capital prior to the bonus and split of shares (as approved by the shareholders in the AGM held on August 2, 2017)

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XIII: RESTATED STANDALONE STATEMENT OF ADDITIONAL DISCLOSURES

(₹ in millions)

Particulars	**For the period ended**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
i) Operating Expenses Ratio:*	20.32%	22.06%	21.94%	21.83%	22.25%
ii) Investment yield	15.40%	14.61%	15.68%	15.17%	14.46%
iii) Investment in Equity and Bonds	Annexure-XIIIA Investment in Equity and Bonds				
iv) Claims outstanding in the last five years	Annexure-XIIIB Claims outstanding				
v) Manner of arriving at unrealised gains/Losses	Annexure-V. Point no 14. Loans and Investments (f)				
vi) Restated Solvency ratio	2.22	2.46	2.52	2.77	2.68
vii) A Comparison of year wise provisions made and the actual payouts made for the last five years.					
Outstanding claims at year end	179,120.78	163,407.98	149,884.56	139,729.27	117,163.92
Net Claims paid	145,339.30	118,489.82	101,310.17	73,186.01	70,326.15
viii) Accounting and other ratios; the ratios with specific reference to the insurance industry as prescribed by the Authority from time to time shall be disclosed.	Annexure-VII: Restated Standalone Statement of Accounting Ratios				

***Operating Expenses Ratio** = $\frac{\text{Operating Expenses related to Insurance business}}{\text{Net Written Premium}}$

ANNEXURE-XIIIA: RESTATED STANDALONE STATEMENT OF INVESTMENT IN EQUITY AND BONDS

Investment in Equity and Bonds (relative to total funds)

(₹ in millions)

Particulars	As at					
	March 31, 2017		**March 31, 2016**		**March 31, 2015**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Financial and Insurance Activities	72,483.97	12.36%	55,593.45	10.98%	57,826.70	11.04%
Manufacture of Tobacco Products	58,337.41	9.95%	49,036.37	9.69%	50,403.82	9.63%
Infrastructure	36,657.81	6.25%	35,318.99	6.98%	32,005.61	6.11%
Manufacture of Chemicals And Chemical Products	29,068.00	4.96%	26,510.50	5.24%	30,623.60	5.85%
Manufacture of Motor Vehicles, Trailers And Semi-Trailers	25,649.10	4.37%	23,577.62	4.66%	29,377.37	5.61%
Total (Refer Note 1)	**586,430.86**		**506,259.00**		**523,669.36**	

(1) Total refers to total funds of the company including Investments (as given in Annexure-XXIV) , Loans (as given in Annexure -XXV excluding Loans To Employees) and Cash And Bank Balances (as given in Annexure-XXVII excluding Cash and deposit in Current account)

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XIIIB: RESTATED STANDALONE STATEMENT OF CLAIMS OUTSTANDING (GROSS INDIAN EXCLUDING PROVISION FOR IBNR AND IBNER)

Claims Outstanding (year ended March 31, 2017)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	3,762	24,918.33	2,500	3,002.35	269	2,378.31	1,924	4,192.29	60,454	4,088.91	162,011	51,143.53	2,439	1,489.85	2,062	401.49	55,043	4,041.07	8,764	5,860.61	299,228	101,516.74
2	Claims intimated/booked during the year	8,000	23,155.37	25,704	2,841.05	255	5,088.16	11,800	3,589.84	836,760	23,454.01	69,516	32,277.46	4,874	1,040.12	20,279	2,301.17	2,817,957	62,791.75	93,062	6,514.13	3,888,207	163,053.07
3	Claims settled during the year	8,395	30,182.55	25,663	3,365.10	257	1,136.80	11,947	3,190.70	837,186	23,388.90	75,036	25,953.20	5,013	1,311.04	19,874	2,634.15	2,806,579	66,864.92	93,127	17,971.06	3,883,077	175,998.42
4	Claims repudiated during the year																						
5	Claims O/S at the end of the year	3,367	28,699.86	2,541	2,478.32	267	6,329.64	1,777	4,591.46	60,028	4,153.98	156,491	57,467.83	2,300	1,466.00	2,467	656.13	66,421	2,788.23	8,699	4,402.59	304,358	113,034.05
Agewise Details Of Claims																							
	0-3 months	598	2,769.84	1,050	365.58	36	370.03	779	430.18	46,351	2,325.54	7,941	3,372.26	330	128.40	1,594	406.20	62,166	2,368.84	2,356	750.74	123,201	13,287.60
	3-6 months	845	3,861.87	429	161.92	42	3,884.14	372	337.89	6,466	775.91	7,901	3,525.61	191	87.09	327	88.51	731	27.55	1,428	565.54	18,732	13,316.02
	6-12 months	702	10,343.83	483	258.68	52	404.68	380	1,923.40	4,531	595.51	19,113	8,324.82	314	395.18	290	66.94	2,349	244.13	1,611	975.24	29,825	23,532.41
	1 year to 2 years	349	4,229.04	128	480.34	30	576.40	113	1,117.88	664	135.84	26,420	11,653.61	268	256.94	69	31.13	421	85.59	495	1,018.07	28,957	19,584.84
	2 year to 3 years	154	2,120.26	107	779.49	24	514.02	35	280.29	377	67.63	17,048	7,608.01	214	71.14	39	10.89	214	15.72	266	182.15	18,478	11,649.60
	3 years to 5 years	190	1,026.92	99	141.73	26	95.93	44	457.91	605	94.94	21,225	8,310.82	357	210.40	51	11.86	271	22.87	650	251.84	23,518	10,625.22
	5 years and above	529	4,348.11	245	290.58	57	484.44	54	43.92	1,034	158.61	56,843	14,672.70	626	316.84	97	40.60	269	23.53	1,893	659.01	61,647	21,038.35
	Total	**3,367**	**28,699.86**	**2,541**	**2,478.32**	**267**	**6,329.64**	**1,777**	**4,591.46**	**60,028**	**4,153.98**	**156,491**	**57,467.83**	**2,300**	**1,466.00**	**2,467**	**656.13**	**66,421**	**2,788.23**	**8,699**	**4,402.59**	**304,358**	**113,034.05**

Claims Outstanding (year ended March 31, 2016)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	2,988	27,264.45	2,497	2,813.90	266	4,626.86	1,868	4,289.64	49,995	3,421.10	172,365	46,284.00	2,457	1,511.43	1,866	312.01	43,760	2,733.92	8,982	5,479.39	287,044	98,736.69
2	Claims intimated/booked during the year	16,125	13,144.22	24,778	2,419.95	324	472.83	25,223	2,046.48	845,959	21,304.02	117,072	24,867.09	3,904	690.18	14,864	1,542.48	1,480,835	51,401.95	89,854	6,072.15	2,618,938	123,961.35
3	Claims settled during the year	14,710	14,414.71	23,875	2,058.70	293	2,285.94	24,857	1,991.16	832,645	20,586.36	126,412	19,922.44	3,633	614.44	14,354	1,447.53	1,400,142	47,043.13	87,810	5,432.40	2,528,731	115,796.78
4	Claims repudiated during the year	641	841.11	900	207.50	28	114.00	310	228.98	2,856	190.87	1,014	211.85	289	80.63	314	43.55	69,410	4,964.66	2,262	331.12	78,024	7,214.27
5	Claims O/S at the end of the year	3,762	24,918.33	2,500	3,002.35	269	2,378.31	1,924	4,192.29	60,454	4,088.91	162,011	51,143.53	2,439	1,489.85	2,062	401.49	55,043	4,041.07	8,764	5,860.61	299,228	101,516.74
Agewise Details Of Claims																							
	0-3 months	620	5,140.76	1,103	446.04	30	130.71	814	602.80	46,887	2,335.22	12,047	4,495.06	456	249.72	1,337	196.98	52,533	3,552.97	2,820	1,309.51	118,647	18,459.77
	3-6 months	1,574	6,385.47	682	630.35	50	222.09	659	1,335.79	9,360	1,064.55	16,927	6,251.92	401	185.26	417	128.78	1,362	378.95	2,143	1,758.84	33,575	18,341.99
	6-12 months	294	1,521.85	121	260.07	9	253.84	157	384.24	1,436	208.96	6,471	2,565.81	103	52.69	60	15.25	132	18.46	445	302.73	9,228	5,583.89
	1 year to 2 years	361	5,255.72	206	952.37	51	948.15	147	809.00	847	178.52	23,864	9,523.84	312	217.31	82	24.08	315	30.34	532	785.99	26,717	18,725.32
	2 year to 3 years	152	1,236.41	62	148.12	26	90.85	61	892.75	371	62.86	15,674	6,022.63	209	211.05	34	5.82	195	13.61	408	383.67	17,192	9,067.76
	3 years to 5 years	265	754.20	130	291.47	41	319.11	38	116.45	666	95.85	25,916	8,309.42	434	351.72	45	9.25	279	24.10	700	813.00	28,514	11,084.55
	5 years and above	496	4,623.93	196	273.93	62	413.57	48	51.27	887	142.95	61,112	13,974.86	524	222.10	87	21.34	227	22.65	1,716	506.87	65,355	20,253.46
	Total	**3,762**	**24,918.33**	**2,500**	**3,002.35**	**269**	**2,378.31**	**1,924**	**4,192.29**	**60,454**	**4,088.91**	**162,011**	**51,143.53**	**2,439**	**1,489.85**	**2,062**	**401.49**	**55,043**	**4,041.07**	**8,764**	**5,860.61**	**299,228**	**101,516.74**

Claims Outstanding (year ended March 31, 2015)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**
1	Claims O/S at start of the year	2,883	19,873.95	2,515	2,704.71	249	2,132.01	1,778	4,057.91	33,822	2,527.76	183,885	41,755.64	2,470	1,286.63	1,991	323.14	45,275	2,707.18	8,888	4,365.05	283,756	81,733.98
2	Claims intimated/booked during the year	12,858	21,248.87	23,701	2,177.43	308	3,634.66	17,643	2,758.30	719,559	16,487.12	181,691	22,136.57	4,552	674.45	13,590	1,039.84	1,525,557	39,276.33	80,602	5,919.13	2,580,061	115,352.70
3	Claims settled during the year	12,161	12,805.93	22,873	1,857.38	256	971.02	17,271	2,603.01	698,772	15,479.92	191,763	17,606.37	4,361	436.14	13,395	1,011.89	1,450,267	35,702.61	78,605	4,545.20	2,489,724	93,019.48
4	Claims repudiated during the year	592	519.45	846	229.39	35	49.03	282	(99.42)	3,148	35.87	1,264	(55.93)	204	10.61	320	35.11	76,805	2,738.37	1,903	51.07	85,399	3,513.54
5	Claims O/S at the end of the year	2,988	27,264.45	2,497	2,813.90	266	4,626.86	1,868	4,289.64	49,995	3,421.10	172,365	46,284.00	2,457	1,511.43	1,866	312.01	43,760	2,733.92	8,982	5,479.39	287,044	98,736.69
Agewise Details Of Claims																							
	0-3 months	700	3,255.08	1,114	388.01	30	770.76	834	502.64	37,908	1,902.03	11,073	3,824.12	508	218.61	1,184	130.20	41,542	2,535.17	2,611	1,038.21	97,504	14,564.83
	3-6 months	530	5,865.21	381	417.03	38	390.14	327	757.02	5,459	605.11	7,364	2,586.72	225	83.55	252	78.79	770	42.54	1,206	814.40	16,552	11,640.51
	6-12 months	513	7,042.09	427	672.86	29	2,458.44	352	759.16	3,764	473.55	14,380	4,659.32	292	246.05	203	53.45	494	34.84	1,420	980.30	21,874	17,380.06
	1 year to 2 years	339	4,268.43	200	288.70	38	182.41	230	1,906.10	939	142.14	22,200	7,666.14	319	258.60	56	15.98	307	68.45	802	913.57	25,430	15,710.52
	2 year to 3 years	164	1,217.50	85	283.20	31	141.99	40	251.38	464	65.43	17,767	5,508.88	238	207.08	33	7.14	218	20.48	501	285.97	19,541	7,989.05
	3 years to 5 years	302	1,294.14	134	553.97	48	451.89	36	59.74	590	91.71	29,204	7,901.98	386	289.72	63	11.03	248	14.04	825	991.92	31,836	11,660.14
	5 years and above	440	4,321.99	156	210.12	52	231.24	49	53.61	871	141.12	70,377	14,136.84	489	207.82	75	15.42	181	18.40	1,617	455.02	74,307	19,791.59
	Total	**2,988**	**27,264.45**	**2,497**	**2,813.90**	**266**	**4,626.86**	**1,868**	**4,289.64**	**49,995**	**3,421.10**	**172,365**	**46,284.00**	**2,457**	**1,511.43**	**1,866**	**312.01**	**43,760**	**2,733.92**	**8,982**	**5,479.39**	**287,044**	**98,736.69**

Claims Outstanding (year ended March 31, 2014)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**
1	Claims O/S at start of the year	3,004	17,542.17	2,821	2,593.38	322	3,093.92	1,873	3,722.74	38,051	2,724.37	204,813	41,221.54	2,638	1,249.93	2,251	373.33	76,406	2,775.09	11,480	4,134.18	343,659	79,430.66
2	Claims intimated/booked during the year	11,104	16,658.71	30,014	2,714.78	318	2,395.14	16,428	3,253.64	614,839	14,310.68	131,108	18,228.70	4,166	762.63	14,666	992.58	1,250,027	32,604.09	76,580	4,408.58	2,149,250	96,329.51
3	Claims settled during the year	10,170	10,609.24	28,732	1,825.72	326	793.68	15,785	1,579.00	608,371	13,219.02	149,282	15,866.66	3,612	431.35	13,821	910.64	1,225,088	30,065.90	75,599	3,559.75	2,130,786	78,860.96
4	Claims repudiated during the year	1,055	2,266.70	1,588	322.34	65	2,202.87	738	866.83	10,697	470.66	2,754	276.22	722	83.81	1,105	73.64	56,070	1,801.47	3,573	455.94	78,367	8,820.47
5	Claims O/S at the end of the year	2,883	19,873.95	2,515	2,704.71	249	2,132.01	1,778	4,057.91	33,822	2,527.76	183,885	41,755.64	2,470	1,286.63	1,991	323.14	45,275	2,707.18	8,888	4,365.05	283,756	81,733.98
Agewise Details Of Claims																							
	0-3 months	749	4,196.75	1,095	496.39	38	209.42	814	369.79	26,342	1,447.81	10,967	3,175.69	637	179.95	1,346	138.61	40,709	2,446.66	3,177	1,019.53	85,874	13,680.59
	3-6 months	489	2,293.11	413	298.19	15	63.53	285	570.16	3,219	402.80	7,290	2,134.84	221	55.06	237	51.21	2,194	119.76	1,050	604.05	15,413	6,592.71
	6-12 months	471	3,746.90	412	300.50	25	182.40	350	2,060.80	1,823	271.40	13,179	3,660.80	245	189.40	149	39.00	1,412	74.60	895	454.40	18,961	10,980.20
	1 year to 2 years	325	2,991.52	188	367.60	47	754.26	165	587.77	783	124.98	25,730	6,893.29	312	254.51	78	24.50	355	18.97	712	625.42	28,695	12,642.82
	2 year to 3 years	211	1,446.01	145	413.86	41	380.16	65	115.30	439	86.10	22,526	5,694.11	297	340.63	51	8.99	219	12.17	705	910.46	24,699	9,407.79
	3 years to 5 years	271	1,126.44	146	645.43	27	235.29	55	306.77	482	74.77	30,081	7,027.38	277	75.14	53	8.71	278	26.25	634	275.33	32,304	9,801.51
	5 years and above	367	4,073.22	116	182.74	56	306.95	44	47.33	734	119.91	74,112	13,169.54	481	191.94	77	52.13	108	8.76	1,715	475.87	77,810	18,628.36
	Total	**2,883**	**19,873.95**	**2,515**	**2,704.71**	**249**	**2,132.01**	**1,778**	**4,057.91**	**33,822**	**2,527.76**	**183,885**	**41,755.64**	**2,470**	**1,286.63**	**1,991**	**323.14**	**45,275**	**2,707.18**	**8,888**	**4,365.05**	**283,756**	**81,733.98**

Claims Outstanding (year ended March 31, 2013)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	4,191	20,732.20	3,880	2,813.47	356	4,123.01	3,173	4,147.01	60,604	3,384.95	220,878	40,605.48	3,497	1,166.27	3,240	472.39	75,912	2,604.44	15,232	4,394.74	390,963	84,443.95
2	Claims intimated/booked during the year	9,214	17,391.94	25,175	3,269.47	378	9,032.68	16,376	2,920.53	506,809	12,028.05	115,854	14,431.98	6,022	894.54	15,800	1,455.35	1,558,985	56,081.74	82,586	8,793.62	2,337,199	126,299.90
3	Claims settled during the year	7,300	9,211.26	20,594	1,639.19	264	2,540.51	13,603	1,471.58	473,374	9,802.79	107,089	13,037.48	3,111	427.95	12,246	856.65	1,244,659	22,263.10	64,907	2,495.07	1,947,147	63,745.58
4	Claims repudiated during the year	2,877	11,405.38	5,346	1,924.12	139	7,309.80	3,599	2,373.69	49,926	3,309.81	14,112	4,598.20	3,598	833.65	4,313	907.31	270,706	35,131.67	19,414	3,442.23	374,030	71,235.85
5	Claims O/S at the end of the year	3,004	17,542.17	2,821	2,593.38	322	3,093.92	1,873	3,722.74	38,051	2,724.37	204,813	41,221.54	2,638	1,249.93	2,251	373.33	76,406	2,775.09	11,480	4,134.18	343,659	79,430.66
Agewise Details Of Claims																							
	0-3 months	778	1,858.00	1,181	632.06	60	893.82	817	479.71	26,545	1,365.90	11,539	3,001.02	584	159.99	1,283	130.16	63,664	2,280.41	3,916	699.23	110,367	11,500.30
	3-6 months	396	1,554.82	367	184.87	19	53.77	294	277.47	4,712	464.44	8,399	1,961.46	207	63.33	308	54.79	5,929	279.97	1,733	393.67	22,364	5,288.59
	6-12 months	590	4,769.59	533	213.76	22	79.83	356	655.79	3,503	416.76	15,279	3,509.44	336	287.17	259	62.50	4,802	104.83	1,533	443.40	27,213	10,543.06
	1 year to 2 years	433	3,363.17	368	659.61	72	92.06	238	1,044.20	1,432	224.76	32,524	7,510.17	487	388.88	181	48.02	1,259	59.74	1,335	1,503.54	38,329	14,894.16
	2 year to 3 years	239	1,512.01	165	566.97	55	536.50	75	734.02	437	69.54	21,210	4,729.59	236	90.18	100	18.42	378	16.99	715	420.62	23,610	8,694.84
	3 years to 5 years	236	737.23	107	137.28	24	383.39	51	39.31	746	88.76	38,924	7,568.13	291	115.30	41	10.28	262	23.42	691	232.76	41,373	9,335.88
	5 years and above	332	3,747.36	100	198.83	70	1,054.55	42	492.24	676	94.21	76,938	12,941.73	497	145.09	79	49.16	112	9.72	1,557	440.97	80,403	19,173.83
	Total	**3,004**	**17,542.17**	**2,821**	**2,593.38**	**322**	**3,093.92**	**1,873**	**3,722.74**	**38,051**	**2,724.37**	**204,813**	**41,221.54**	**2,638**	**1,249.93**	**2,251**	**373.33**	**76,406**	**2,775.09**	**11,480**	**4,134.18**	**343,659**	**79,430.66**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XIV: RESTATED STANDALONE STATEMENT OF TAX SHELTER

(₹ in millions)

Particulars	For the period ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Surplus as per Revenue Account (Net of contribution from shareholders Account)	(8,766.54)	(4,860.33)	971.85	(3,587.92)	(671.40)
Interim Bonus	-	-	-	-	-
Allocation of Bonus	-	-	-	-	-
Income as per P&L account	18,030.30	15,231.48	16,000.00	12,831.86	11,067.49
Surplus as restated	**9,263.76**	**10,371.15**	**16,971.85**	**9,243.93**	**10,396.09**
Minimum Alternative Tax Rate	21.34%	21.34%	20.96%	20.96%	20.01%
Tax thereon at above rate	1,977.03	2,213.37	3,557.38	1,937.57	2,080.02
Adjustment on account of Minimum Alternative Tax					
Temporary Adjustments					
Provisions for unascertained liability	191.80	226.90	51.73	55.78	-
Interest on late payment of Statutory Dues	8.61	-	-	-	-
Provision for Bad & Doubtful debt written off	-	-	-	-	(232.05)
Permanent Adjustments					
Expenditure related to exempt income u/s 10, 10A, 10B, 11 or 12.	8.77	8.57	6.98	9.22	-
Exemption under section 10(34)-Non Pension Dividend Income	(4,368.95)	(4,610.38)	(3,894.22)	(3,463.13)	(3,343.64)
Exemption under section 10(15)-Interest Income on tax free bond	(395.03)	-	-	(168.77)	(61.83)
Total Adjustments	(4,554.79)	(4,374.91)	(3,835.51)	(3,566.90)	(3,637.51)
Tax on Adjustments	(972.07)	(933.68)	(803.94)	(747.64)	(727.78)
Gross Taxable Profit	4,708.97	5,996.24	13,136.33	5,677.03	6,758.58
Brought Forward Losses adjusted	-	-	-	-	-
Taxable Profit	4,708.97	5,996.24	13,136.33	5,677.03	6,758.58
Tax Liability on taxable profit	1,004.97	1,279.69	2,753.44	1,189.93	1,352.24
Provision for Interest on short payment of Advance Tax	-	-	-	68.50	-
Provision for tax at Foreign branches net of Relief u/s 90 & 91 of Income Tax Act '1961	103.97	260.90	473.53	245.48	279.26
Tax Liability	**1,108.94**	**1,540.59**	**3,226.97**	**1,503.91**	**1,631.50**

ANNEXURE XV – RESTATED STANDALONE STATEMENT OF AGGREGATE BOOK VALUE & MARKET VALUE OF QUOTED INVESTMENTS

Aggregate book value of quoted investments **(₹ in millions)**

Particulars	For the period ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Equity	50,390.00	48,220.00	40,670.00	33,100.00	28,610.00
Other	225,330.00	204,725.83	179,420.00	140,700.00	124,110.00
Total	**275,720.00**	**252,945.83**	**220,090.00**	**173,800.00**	**152,720.00**

Aggregate market value of quoted investments **(₹ in millions)**

Particulars	For the period ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Equity	286,988.87	238,860.00	268,440.00	211,410.00	187,230.00
Other	233,070.00	206,217.49	179,507.56	136,326.98	116,460.56
Total	**520,058.87**	**445,077.49**	**447,947.56**	**347,736.98**	**303,690.56**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE XVI: RESTATED STANDALONE STATEMENT OF DEBTORS

(₹ in millions)

Particulars	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Receivables outstanding for a period not exceeding six months from the date they became due for payment	28,697.02	31,292.84	23,589.69	31,306.80	19,394.63
Other Debts	33,782.22	29,629.45	32,453.90	19,307.76	20,832.57
Total	62,479.24	60,922.29	56,043.59	50,614.56	40,227.20

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XVII: RESTATED STANDALONE STATEMENT OF PREMIUM EARNED (NET)

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Premium Earned (Net) - Fire					
Premium From Direct Business - in India	18,242.82	16,918.36	16,448.93	14,117.66	13,326.80
outside India	7,272.52	8,576.84	8,186.12	7,254.14	5,954.61
Total	**25,515.34**	**25,495.20**	**24,635.04**	**21,371.79**	**19,281.41**
Add: Premium on Reinsurance Accepted	9,288.63	8,268.65	7,482.17	7,479.68	7,636.29
Less: Premium on Reinsurance Ceded	14,731.83	12,381.93	12,034.00	11,188.13	9,265.66
Net Premium	**20,072.14**	**21,381.92**	**20,083.22**	**17,663.35**	**17,652.04**
Adjustment for Change in Reserve for Un-Expired Risks	757.04	(839.93)	(806.35)	(1,148.15)	(1,933.99)
Total Premium Earned (Net) - Fire	**20,829.19**	**20,542.00**	**19,276.86**	**16,515.20**	**15,718.05**
Premium Earned (Net) - Marine					
Premium From Direct Business - in India	6,100.26	6,175.33	6,652.78	7,114.65	6,699.27
outside India	540.54	572.50	1,057.55	1,198.34	1,033.99
Total	**6,640.80**	**6,747.83**	**7,710.33**	**8,312.98**	**7,733.26**
Add: Premium on Reinsurance Accepted	360.41	511.74	773.68	727.15	551.58
Less: Premium on Reinsurance Ceded	3,348.75	3,120.69	3,675.58	4,514.92	3,674.61
Net Premium	**3,652.46**	**4,138.89**	**4,808.43**	**4,525.21**	**4,610.23**
Adjustment for Change in Reserve for Un-expired Risks	684.69	489.63	(307.86)	23.21	(564.55)
Total Premium Earned (Net) - Marine	**4,337.15**	**4,628.52**	**4,500.57**	**4,548.42**	**4,045.68**

Premium Earned (Net) - Miscellaneous					
Premium From Direct Business - in India	166,803.84	128,400.38	108,993.46	94,167.98	80,377.22
outside India	17,019.18	16,988.68	13,465.98	13,423.02	11,366.74
Total	**183,823.02**	**145,389.06**	**122,459.44**	**107,590.99**	**91,743.96**
Add: Premium on Reinsurance Accepted	4,579.01	3,710.44	4,598.05	3,066.22	2,524.18
Less: Premium on Reinsurance Ceded	26,217.47	15,502.23	12,559.88	12,059.93	13,765.00
Net Premium	**162,184.56**	**133,597.27**	**114,497.62**	**98,597.28**	**80,503.14**
Adjustment for Change in Reserve for Un-expired Risks	(11,808.68)	(7,731.64)	(5,927.03)	(10,970.19)	(5,484.21)
Total Premium Earned (Net) - Miscellaneous	**150,375.89**	**125,865.63**	**108,570.58**	**87,627.09**	**75,018.93**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XVIII: RESTATED STANDALONE STATEMENT OF CLAIMS INCURRED (NET)

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Claims Incurred (Net) - Fire					
Claims Paid Direct	17,248.78	18,060.72	18,953.77	15,804.79	14,475.03
Add: Claims on Reinsurance Accepted	5,879.39	5,308.50	5,760.76	9,778.42	6,259.96
Less: Claims on Reinsurance Ceded	6,403.92	9,326.60	8,317.75	9,591.49	7,769.92
Net Claims Paid	**16,724.25**	**14,042.62**	**16,396.78**	**15,991.72**	**12,965.07**
Add: Claims Outstanding at End (Net)	27,480.75	25,393.00	24,545.35	26,814.55	26,360.68
Less :Claims Outstanding at Beginning (Net)	25,393.00	24,545.35	26,814.55	26,360.68	26,660.65
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	781.69	(170.62)	287.61	(1,144.97)	(236.66)
Total Incurred Claims (Net) - Fire	**19,593.69**	**14,719.65**	**14,415.19**	**15,300.62**	**12,428.44**
Claims Incurred (Net) - Marine					
Claims Paid Direct	4,203.89	4,655.65	3,208.59	3,280.41	4,357.26
Add: Claims on Reinsurance Accepted	404.98	564.03	260.69	385.06	111.19
Less: Claims on Reinsurance Ceded	993.87	2,712.79	1,105.57	985.50	2,368.20
Net Claims Paid	**3,615.00**	**2,506.89**	**2,363.71**	**2,679.97**	**2,100.25**
Add: Claims Outstanding at End (Net)	4,914.24	5,041.15	4,805.07	3,943.83	4,447.85
Less :Claims Outstanding at Beginning (Net)	5,051.60	4,805.07	3,943.83	4,447.85	4,602.36
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	15.78	(18.56)	(8.30)	(32.76)	(15.87)
Total Incurred Claims (Net)	**3,493.42**	**2,724.40**	**3,216.65**	**2,143.20**	**1,929.87**
Claims Incurred (Net) - Miscellaneous					
Claims Paid Direct	132,645.14	108,260.49	86,174.07	71,043.01	60,746.48
Add: Claims on Reinsurance Accepted	2,709.92	4,601.27	5,179.70	2,012.95	1,869.11
Less: Claims on Reinsurance Ceded	10,355.01	10,921.45	8,804.09	18,541.65	7,354.77
Net Claims Paid	**125,000.05**	**101,940.31**	**82,549.68**	**54,514.31**	**55,260.83**
Add: Claims Outstanding at End (Net)	146,725.79	132,973.84	120,534.15	108,970.89	86,355.39
Less :Claims Outstanding at Beginning (Net)	132,973.84	120,534.15	108,970.90	86,355.39	74,796.34
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	582.79	(264.80)	136.06	(764.56)	(125.60)
Total Incurred Claims (Net)	**139,334.79**	**114,115.20**	**94,248.99**	**76,365.26**	**66,694.28**

ANNEXURE-XIX: RESTATED STANDALONE STATEMENT OF COMMISSION

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Commission (Net) - Fire					
Commission - Direct	3,245.93	3,826.36	3,473.88	2,835.03	2,132.31
Add : Commission on Reinsurance Accepted	1,555.31	1,373.03	1,179.07	1,321.06	882.13
Less : Commission on Reinsurance Ceded	1,395.19	1,383.83	621.48	971.43	601.11
Commission (Net) - Fire	**3,406.04**	**3,815.56**	**4,031.47**	**3,184.67**	**2,413.34**
Break-up of Commission Direct - Fire					
Direct Commission	2,642.04	3,316.88	2,998.62	2,401.12	1,790.07
Direct Brokerage	533.12	439.16	404.69	369.48	287.42
Direct Corporate Agency Commission	70.77	70.32	70.57	64.43	54.82
Others - Other Channels	-	-	-	-	-
Total Direct Commission - Fire	**3,245.93**	**3,826.36**	**3,473.88**	**2,835.03**	**2,132.31**
Commission (Net) - Marine					
Commission - Direct	640.54	511.75	697.51	732.66	685.01
Add : Commission on Reinsurance Accepted	51.89	84.23	134.34	172.56	115.64
Less : Commission on Reinsurance Ceded	238.56	115.95	406.00	419.29	323.35
Commission (Net) - Marine	**453.87**	**480.03**	**425.85**	**485.93**	**477.29**
Break-up of Commission Direct - Marine					
Direct Commission	369.58	296.94	492.21	539.86	507.85
Direct Brokerage	270.51	214.23	204.25	192.29	175.82
Direct Corporate Agency Commission	0.46	0.58	1.05	0.51	1.33
Others - Other Channels	-	-			
Total Direct Commission - Marine	**640.54**	**511.75**	**697.51**	**732.66**	**685.01**
Commission (Net) - Miscellaneous					
Commission - Direct	11,300.82	10,772.56	9,247.44	8,517.55	7,367.17
Add : Commission on Reinsurance Accepted	503.51	411.89	409.24	583.95	166.17
Less : Commission on Reinsurance Ceded	2,432.85	1,442.58	1,275.35	1,045.98	1,457.58
Commission (Net) - Miscellaneous	**9,371.48**	**9,741.87**	**8,381.33**	**8,055.53**	**6,075.76**
Break-up of Commission Direct - Miscellaneous					
Direct Commission	8,457.93	8,335.88	7,300.67	6,898.83	6,262.87
Direct Brokerage	2,534.91	2,208.68	1,763.07	1,432.28	905.58
Direct Corporate Agency Commission	214.37	198.13	183.70	186.38	198.73
Others - Other Channels	93.61	29.87	-	-	-
Total Direct Commission - Miscellaneous	11,300.82	10,772.56	9,247.44	8,517.49	7,367.17

ANNEXURE-XX: RESTATED STANDALONE STATEMENT OF OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Operating Expenses Related To Insurance Business					
1. Employees Remuneration And Welfare Benefits	22,154.90	24,268.36	20,750.06	18,989.47	16,776.06
2. Travel Conveyance And Vehicle Running Expenses	611.97	633.76	610.80	627.78	524.31
3. Training Expenses	146.17	188.64	322.69	56.40	43.13
4. Rent Rates And Taxes	1,131.30	958.68	1,075.11	926.69	806.60
5. Repairs And Maintenance	931.94	1,050.35	746.33	726.79	597.29
6. Printing And Stationery	391.50	393.42	369.95	433.70	356.30
7. Communication Expenses	284.11	361.50	402.73	379.93	311.64
8. Legal And Professional Charges	535.85	514.79	374.58	396.11	352.31
9. Auditors Fees, Expenses Etc. As Auditor	92.31	79.47	76.04	65.85	58.03
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Taxation	-	-	-	-	-
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Insurance	-	-	-	-	-
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Mgt Services	-	-	-	-	-
Auditors Fees, Expenses Etc. In Other Capacity	-	-	-	-	-
10. Advertisement And Publicity	604.51	351.60	500.96	392.99	314.56
11. Interest And Bank Charges	52.54	34.46	29.34	21.81	27.52
12. Others - Exchange (Gain) / Loss	370.34	(864.20)	156.48	(645.15)	(248.20)
IT Implementation	1,079.47	449.18	412.17	224.79	140.30
Outsourcing Expenses	4,378.17	3,683.47	3,256.68	1,907.56	1,193.50
Other Taxes	138.62	125.92	143.36	52.91	120.84
Incentives to Agents	1,979.83	1,032.19	-	-	-
Others	1,790.99	1,294.22	1,242.94	954.38	788.11
13. Depreciation	425.57	318.03	241.42	334.48	372.32
14. Service Tax Account	669.06	223.43	(141.40)	519.33	318.63
Total	**37,769.14**	**35,097.28**	**30,570.24**	**26,365.83**	**22,853.24**
Apportioned to Fire Segment	4,077.84	4,716.29	4,404.56	3,855.66	3,925.51
Apportioned to Marine Segment	742.03	912.93	1,054.56	987.79	1,025.23
Apportioned to Miscellaneous Segment	32,949.27	29,468.05	25,111.12	21,522.38	17,902.50
Total	**37,769.14**	**35,097.28**	**30,570.24**	**26,365.83**	**22,853.24**

ANNEXURE-XXI: RESTATED STANDALONE STATEMENT OF SHARE CAPITAL

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Share Capital					
1. Authorised Capital	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
300,000,000 Equity Shares of ₹ 10 each	-	-	-	-	-
2. Issued Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
200,000,000 Equity Shares of ₹ 10 each	-	-	-	-	-
3. Subscribed Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
200,000,000 Equity Shares of ₹ 10 each	-	-	-	-	-
4. Called up Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
200,000,000 Equity Shares of ₹ 10 each					
Total	**2,000.00**	**2,000.00**	**2,000.00**	**2,000.00**	**2,000.00**

1) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300.00 millions to 1,200.00 millions, increase in issued numbers of shares from 200.00 millions to 800.00 millions and decrease in face value of shares from ₹ 10 to ₹ 5. As a result, the authorised share capital has increased from ₹ 3,000.00 millions to ₹ 6,000.00 millions, and the issued share capital has increased from ₹ 2,000.00 millions to ₹ 4,000.00 millions.

ANNEXURE-XXI-A: RESTATED STANDALONE STATEMENT OF PATTERN OF SHAREHOLDING

(As Certified by Management) **(Numbers in millions)**

Share holder	As at									
	March 31, 2017		**March 31, 2016**		**March 31, 2015**		**March 31, 2014**		**March 31, 2013**	
	Numbers	**% of Holding**	**Numbers**	**% of Holding**	**Numbers**	**% of Holding**	**Numbers**	**% of Holding**	**Numbers**	**% of Holding**
Promoters Indian	200.00	100.00	200.00	100.00	200.00	100.00	200.00	100.00	200.00	100.00
Foreign	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	**200.00**	**100.00**	**200.00**	**100.00**	**200.00**	**100.00**	**200.00**	**100.00**	**200.00**	**100.00**

ANNEXURE-XXII: RESTATED STANDALONE STATEMENT OF RESERVES AND SURPLUS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Reserves and Surplus					
1. Capital Reserve (Op. Balance)	0.58	0.58	0.58	0.58	0.58
Addition During The Year	-	-	-	-	-
Deduction During The Year	-	-	-	-	-
(Cl.Balance)	**0.58**	**0.58**	**0.58**	**0.58**	**0.58**
2. Capital Redemption Reserve	-	-	-	-	-
3. Share Premium	-	-	-	-	-
4. General Reserves (Op. Balance)	105,160.36	99,662.40	88,851.65	82,893.73	75,230.55
Addition during the year - Balance Transferred From P & L Account	8,327.68	9,345.97	13,742.59	7,972.67	8,418.82
Deferred tax due to Depreciation	-	0.32	17.65	-	-
Deduction during the year -	-	-	-	-	-
Dividend and Dividend distribution tax paid	(3,019.85)	(3,600.00)	(2,573.89)	(1,988.92)	(464.89)
Transfer to P & L Account for Equalization / Contingency Reserves for Foreign Branches	-	(248.33)	(323.67)	(25.83)	(290.76)
Change in Depreciation due to Companies Act, 2013	-	-	(51.94)	-	-
(Cl.Balance)	**110,468.19**	**105,160.36**	**99,662.40**	**88,851.65**	**82,893.73**
5. Catastrophe Reserve	-	-	-	-	-
6. Other Reserves					
A. Foreign Currency Translation Reserve					
Opening Balance	10,781.99	8,896.07	10,000.02	6,789.46	5,707.48
Addition During The Year	-	1,885.92	(1,103.95)	3,210.56	1,081.98
Deduction During The Year	**(1,904.71)**	-	-	-	-
(Cl.Balance)	**8,877.28**	**10,781.99**	**8,896.07**	**10,000.02**	**6,789.46**
B. Equalization / Contingency Reserves for Foreign Branches					
Opening Balance	2,060.94	1,736.15	1,424.22	1,218.09	508.29
Addition During The Year	(328.72)	324.80	311.93	206.13	709.81
Deduction During The Year	-	-	-	-	-
(Cl.Balance)	**1,732.23**	**2,060.94**	**1,736.15**	**1,424.22**	**1,218.09**
7. Balance Of Profit In Profit And Loss Account	-	-	-	-	-
Total	**121,078.27**	**118,003.87**	**110,295.19**	**100,276.47**	**90,901.86**

1) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors approved the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300.00 millions to 1,200.00 millions, increase in issued numbers of shares from 200.00 millions to 800.00 millions and decrease in face value of shares from ₹ 10 to ₹ 5. As a result, the General Reserve has decreased from ₹ 110,468.19 millions to ₹ 108,468.19 millions and Reserves & Surplus has decreased from ₹ 121,078.27 millions to ₹ 119,078.27 millions

ANNEXURE-XXIII:RESTATED STANDALONE STATEMENT OF BORROWINGS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1.Debentures / Bonds	-	-	-	-	-
2.Banks	-	-	-	-	-
3.Financial Institutions	-	-	-	-	-
4.Others	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XXIV: RESTATED STANDALONE STATEMENT OF INVESTMENTS

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Long term investments					
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	122,710.17	110,159.56	96,870.07	71,301.06	66,587.13
(Market value as at March 31, 2017 : ₹ 130,165.17 Mn)					
(Market value as at March 31, 2016 : ₹ 113,386.53 Mn)					
(Market value as at March 31, 2015 : ₹ 99,984.96 Mn)					
(Market value as at March 31, 2014 : ₹ 69,716.17 Mn)					
(Market value as at March 31, 2013 : ₹ 67,402.86 Mn)					
2. Other Approved Securities	-	-	43.82	43.81	43.82
(Market value as at March 31, 2017 : ₹ Nil Mn)					
(Market value as at March 31, 2016 : ₹ Nil Mn)					
(Market value as at March 31, 2015 : ₹ 44.22 Mn)					
(Market value as at March 31, 2014 : ₹ 24.60 Mn)					
(Market value as at March 31, 2013 : ₹ 42.86 Mn)					
3. Other Investments	-	-	-	-	-
(a) Shares	-	-	-	-	-
aa Equity	270,455.33	236,151.99	265,314.24	210,002.84	185,095.60
(Historical value as at March 31, 2017 : ₹ 42,082.62 Mn)					
(Historical value as at March 31, 2016 : ₹ 46,773.09 Mn)					
(Historical value as at March 31, 2015 : ₹ 39,299.02 Mn)					
(Historical value as at March 31, 2014 : ₹ 32,486.88 Mn)					
(Historical value as at March 31, 2013 : ₹ 27,111.64 Mn)					
bb Preference	1.95	3.28	8.23	8.23	6.28
(Market value as at March 31, 2017 : ₹ 1.95 Mn)					
(Market value as at March 31, 2016 : ₹ 3.28 Mn)					
(Market value as at March 31, 2015 : ₹ 8.23 Mn)					
(Market value as at March 31, 2014 : ₹ 8.23 Mn)					
(Market value as at March 31, 2013 : ₹ 6.28 Mn)					
(b) Mutual funds/ ETF	994.76	517.94	637.75	459.50	-
(Historical value as at March 31, 2017 : ₹ 684.68 Mn)					
(Historical value as at March 31, 2016 : ₹ 459.50 Mn)					
(Historical value as at March 31, 2015 : ₹ 459.50 Mn)					
(Historical value as at March 31, 2014 : ₹ 459.50 Mn)					
(Historical value as at March 31, 2013 : ₹ Nil Mn)					
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures/Bonds	24,893.39	21,982.81	20,636.68	14,895.67	12,920.31
(Market value as at March 31, 2017 : ₹ 25,748.38 Mn)					
(Market value as at March 31, 2016 : ₹ 20,745.29 Mn)					
(Market value as at March 31, 2015 : ₹ 21,322.50 Mn)					

(Market value as at March 31, 2014 : ₹ 13,852.14 Mn)					
(Market value as at March 31, 2013 : ₹ 11,736.30 Mn)					
(e) Other securities - Foreign shares	61.55	78.32	99.63	33.34	32.09
(f) Subsidiaries	470.77	704.98	677.83	597.10	597.10
(Historical value as at March 31, 2017 : ₹ 981.72 Mn)					
(Historical value as at March 31, 2016 : ₹ 981.72 Mn)					
(Historical value as at March 31, 2015 : ₹ 981.72 Mn)					
(Historical value as at March 31, 2014 : ₹ 597.10 Mn)					
(Historical value as at March 31, 2013 : ₹ 597.10 Mn)					
(g) Investment Properties (Real Estate)	-	-	-	-	-
4. Investment in Infrastructure, Housing and Social Sector	50,356.43	49,002.23	44,062.23	38,607.87	31,754.96
(Market value as at March 31, 2017 : ₹ 52,556.77 Mn)					
(Market value as at March 31, 2016 : ₹ 50,136.61 Mn)					
(Market value as at March 31, 2015 : ₹ 45,875.98 Mn)					
(Market value as at March 31, 2014 : ₹ 37,549.12 Mn)					
(Market value as at March 31, 2013 : ₹ 26,614.82 Mn)					
5. Other than Approved Investments :					
Debenture/Bonds	2,725.05	1,853.73	600.25	865.10	1,010.05
(Market value as at March 31, 2017 : ₹ 2,345.75 Mn)					
(Market value as at March 31, 2016 : ₹ 1,371.14 Mn)					
(Market value as at March 31, 2015 : ₹ 99.04 Mn)					
(Market value as at March 31, 2014 : ₹ 326.78 Mn)					
(Market value as at March 31, 2013 : ₹ 433.81 Mn)					
Infrastructure/Housing Bonds	216.66	-	-	-	-
(Market value as at March 31, 2017 : ₹ 218.79 Mn)					
(Market value as at March 31, 2016 : ₹ Nil Mn)					
(Market value as at March 31, 2015 : ₹ Nil Mn)					
(Market value as at March 31, 2014 : ₹ Nil Mn)					
(Market value as at March 31, 2013 : ₹ Nil Mn)					
Equity Shares	16,994.72	3,084.34	3,216.54	1,559.16	2,187.16
(Historical value as at March 31, 2017 : ₹ 8,320.35 Mn)					
(Historical value as at March 31, 2016 : ₹ 1,426.54 Mn)					
(Historical value as at March 31, 2015 : ₹ 1,214.13 Mn)					
(Historical value as at March 31, 2014 : ₹ 870.88 Mn)					
(Historical value as at March 31, 2013 : ₹ 1,752.46 Mn)					
Preference Shares	11.63	10.30	7.55	7.55	7.97
(Market value as at March 31, 2017 : ₹ 11.63 Mn)					
(Market value as at March 31, 2016 : ₹ 10.30 Mn)					
(Market value as at March 31, 2015 : ₹ 7.55 Mn)					
(Market value as at March 31, 2014 : ₹ 7.55 Mn)					
(Market value as at March 31, 2013 : ₹ 7.97 Mn)					
Venture Funds	202.09	170.19	154.78	49.90	117.86
(Historical value as at March 31, 2017 : ₹ 202.09 Mn)					
(Historical value as at March 31, 2016 : ₹ 126.80 Mn)					
(Historical value as at March 31, 2015 : ₹ 154.78 Mn)					
(Historical value as at March 31, 2014 : ₹ 49.90 Mn)					

(Historical value as at March 31, 2013 : ₹ 117.86 Mn)					
Sub Total	**490,094.48**	**423,719.67**	**432,329.59**	**338,431.13**	**300,360.33**
Short Term Investments					
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	8,028.57	10,777.86	5,209.65	6,079.69	4,443.28
(Market value as at March 31, 2017 : ₹ 8,077.97 Mn)					
(Market value as at March 31, 2016 : ₹ 11,429.97 Mn)					
(Market value as at March 31, 2015 : ₹ 5,233.85 Mn)					
(Market value as at March 31, 2014 : ₹ 6,136.23 Mn)					
(Market value as at March 31, 2013 : ₹ 4,453.43 Mn)					
2. Other Approved Securities	-	-	-	-	-
3. Other Investments	-	-	-	-	-
(a) Shares	-	-	-	-	-
aa Equity	-	-	-	-	-
bb Preference	-	-	-	-	-
(b) Mutual funds/ ETF	-	-	-	-	-
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures/Bonds	5,507.60	2,057.28	3,422.55	2,878.50	3,318.13
(Market value as at March 31, 2017 : ₹ 5,563.76 Mn)					
(Market value as at March 31, 2016 : ₹ 2,855.31 Mn)					
(Market value as at March 31, 2015 : ₹ 2,942.83 Mn)					
(Market value as at March 31, 2014 : ₹ 3,774.76 Mn)					
(Market value as at March 31, 2013 : ₹ 3,344.77 Mn)					
(e) Other Securities	-	-	-	-	-
(f) Subsidiaries	-	-	-	-	-
(g) Investment Properties (Real Estate)	-	-	-	-	-
4. Investment in infrastructure and Social Sector	10,665.40	8,902.37	8,470.24	6,083.20	4,619.95
(Market value as at March 31, 2017 : ₹ 10,745.60 Mn)					
(Market value as at March 31, 2016 : ₹ 8,908.89 Mn)					
(Market value as at March 31, 2015 : ₹ 7,622.90 Mn)					
(Market value as at March 31, 2014 : ₹ 6,057.44 Mn)					
(Market value as at March 31, 2013 : ₹ 4,264.63 Mn)					
5. Other than Approved Investments :					
Debenture/Bonds	5.97	-	149.37	25.00	-
(Market value as at March 31, 2017 : ₹ 5.99 Mn)					
(Market value as at March 31, 2016 : ₹ Nil Mn)					
(Market value as at March 31, 2015 : ₹ 140.15 Mn)					
(Market value as at March 31, 2014 : ₹ 24.41 Mn)					
(Market value as at March 31, 2013 : ₹ Nil Mn)					
Sub Total	**24,207.55**	**21,737.50**	**17,251.80**	**15,066.39**	**12,381.35**
Grand Total	**514,302.04**	**445,457.18**	**449,581.39**	**353,497.52**	**312,741.68**
Investments					
1.In India	510,755.42	440,964.43	445,418.85	349,986.81	309,005.99
2.Outside India	3,546.61	4,492.75	4,162.54	3,510.71	3,735.69

ANNEXURE-XXV:RESTATED STANDALONE STATEMENT OF LOANS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1. Security-Wise Classification					
Secured					
a. On Mortgage Of Property					
aa. In India					
Loan Against Mortgage Of Property	-	-	-	-	-
Housing, Vehicle And Computer Loans To Employees	1,883.44	1,781.50	1,962.82	2,026.77	1,916.37
Direct Term Loans	183.24	638.12	672.68	691.94	744.30
bb. Outside India Housing, Vehicle Loan To Employees	0.48	0.88	4.56	5.32	5.71
b. On Shares, Bonds, Government Securities	-	-	-	-	-
c. Others	-	-	-	-	-
Loans to Subsidiaries	26.86	43.49	100.91	179.30	-
Loans To State Government Housing, FFe Loans	571.69	676.98	788.39	960.70	1,040.68
Unsecured (Term Loans, Bridge Loans, Short-Term Loans, Term Loans PFPS)	423.68	147.52	147.52	147.52	149.98
Total	**3,089.40**	**3,288.49**	**3,676.87**	**4,011.55**	**3,857.04**
2. Borrower-Wise Classification					
a. Central And State Governments(Term Loans, Housing and FFE)	571.69	676.98	788.39	960.70	1,040.68
b. Banks And Financial Institutions	-	-	-	-	-
c. Subsidiaries	26.86	43.49	100.91	179.30	-
d. Industrial Undertakings (Term Loans, Bridge Loans, Short-Term Loans, Loans To PFPS)	578.14	755.14	789.69	807.77	862.15
e. Others - Housing Loans, Vehicle Loans, Computer Loans To Employees	1,883.93	1,782.38	1,967.38	2,032.09	1,922.08
Term Loans and PFPS	28.77	30.51	30.51	31.70	32.13
Total	**3,089.40**	**3,288.49**	**3,676.87**	**4,011.55**	**3,857.04**
3. Performance-wise Classification					
a. Loans Classified as Standard					
aa. In India: Term Loans, Bridge Loans, State Government Housing And FFE, PFPS	552.18	785.25	768.82	960.70	1,143.76
Housing, Vehicle And Computer Loans To Employees	1,883.44	1,781.50	1,962.82	2,026.77	1,916.37
bb. Outside India (Loans To Employees)	0.48	0.88	4.56	5.32	5.71
Loans to Subsidiaries	26.86	43.49	100.91	179.30	-
b. Non-Performing Loans less Provisions	-	-	-	-	-
aa. In India (Term Loans, Bridge Loans, Short-Term Loans, Loans PFPS)	626.42	677.37	839.77	839.46	791.20
bb. Outside India	-	-	-	-	-
Total	**3,089.40**	**3,288.49**	**3,676.87**	**4,011.55**	**3,857.04**
4. Maturity-wise Classification					
a. Short-Term (Term Loans, Direct Bridge Loans, Short-Term Loans, Term Loans PFPS)	103.12	105.29	-	-	-
b. Long-Term	-	-	-	-	-
(Term Loans Direct, Loans State Government Housing and FF, and Loans PFPS)	1,075.48	1,357.33	1,608.59	1,800.16	1,934.96
Loans to Subsidiaries	26.86	43.49	100.91	179.30	-
Housing, Vehicle, And Computer Loans To Employees.	1,883.93	1,782.38	1,967.38	2,032.09	1,922.08
Total	**3,089.40**	**3,288.49**	**3,676.87**	**4,011.55**	**3,857.04**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XXVI:RESTATED STANDALONE STATEMENT OF FIXED ASSETS

(₹ in millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Goodwill	-	-	-	-	-
Intangibles (Softwares)	33.86	31.12	-	-	-
Land Freehold	76.12	74.31	74.31	74.13	74.13
Leasehold Property	17.18	15.69	17.91	18.10	18.31
Buildings	947.24	823.25	833.72	656.32	683.62
Furnitures & Fittings	206.27	200.07	122.95	84.87	67.51
Information & Technology Equipments	816.22	473.96	277.48	135.76	167.73
Vehicles	820.19	675.17	550.14	521.98	441.15
Office Equipments	18.44	17.16	15.56	20.85	16.63
Other Assets #	138.71	122.17	100.25	64.23	54.84
Total	**3,074.23**	**2,432.89**	**1,992.33**	**1,576.24**	**1,523.92**
Work in Progress	566.90	151.95	-	202.02	-
Grand Total	**3,641.12**	**2,584.84**	**1,992.33**	**1,778.26**	**1,523.92**

* Includes foreign currency fluctuation.

Other Assets includes Air Conditioner, Water Coolers, Television, Lifts & Cameras etc.

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XXVII:RESTATED STANDALONE STATEMENT OF CASH AND BANK BALANCES

(₹ in millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1. Cash (Including Cheques, Drafts and Stamps)	2,344.38	2,033.60	2,247.70	1,277.31	1,725.71
2. Bank Balances					
a. Deposit Accounts					
aa. Short - Term (due within 12 Months)	16,301.22	8,983.40	29,427.50	30,885.36	24,734.90
bb.Others	46,194.96	46,617.37	39,014.82	41,225.09	35,025.49
b. Current Accounts	6,924.01	9,498.13	7,876.13	10,643.29	9,356.16
3. Money at Call and Short Notice					
With Banks	503.02	610.45	2,397.30	1,066.88	1,446.12
With other Institutions	7,924.16	3,084.50	1,538.85	4,552.11	1,791.56
Total	**80,191.76**	**70,827.44**	**82,502.30**	**89,650.04**	**74,079.93**
Cash and Bank Balances In India	29,479.19	16,557.87	33,439.72	39,252.29	31,484.71
Cash and Bank Balances Outside India	50,712.57	54,269.57	49,062.58	50,397.75	42,595.22
Total	**80,191.76**	**70,827.44**	**82,502.30**	**89,650.04**	**74,079.93**

ANNEXURE-XXVIII:RESTATED STANDALONE STATEMENT OF ADVANCES AND OTHER ASSETS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Advances and Other Assets					
A. Advances					
1. Reserve Deposits With Ceding Companies	161.68	257.77	165.55	125.65	130.35
2. Application Money For Investments	-	-	87.32	-	47.33
3. Pre-Payments	317.55	174.39	366.18	44.87	211.65
4. Advances To Directors / Officers	-	-	-	-	-
5. Advance Tax Paid And Taxes Deducted At Source (Net Of Provision For Taxation)	4,271.06	6,850.29	5,761.28	10,416.67	11,969.07
6. Others	585.88	384.21	375.66	390.00	403.46
Total (A)	**5,336.16**	**7,666.65**	**6,755.99**	**10,977.19**	**12,761.86**
B. Other Assets					
1. Income Accrued On Investments	6,884.50	6,549.89	6,218.09	5,366.47	4,689.96
2. Outstanding Premiums	6,247.79	1,846.08	1,810.76	1,411.46	1,227.81
3. Agents Balances	3,969.68	4,485.41	3,562.45	3,214.76	2,820.63
4. Foreign Agencies Balances	995.90	1,503.99	1,633.08	1,195.88	1,011.77
5. Due From Other Entities Carrying Insurance Business (Including Reinsurers)	57,513.66	54,932.88	50,848.06	46,203.92	36,394.80
6. Due From Subsidiaries/Holding Companies	-	-	-	0.60	0.57
7. Deposit With R B I (Pursuant to Section 7 Of Insurance Act 1938)	-	-	107.51	107.52	107.53
8. Others - a. Other Accrued Income	1,323.80	999.10	809.62	1,090.41	756.63
b. Others Including Sundry Debtors & Interoffice Accounts	5,628.00	29,024.62	9,803.72	15,472.65	5,201.58
c. Service Tax Unutilized Credit	323.45	325.89	411.15	-	-
d. Fixed Deposit-Unclaimed Amounts of Policy Holders	1,387.54	-	-	-	-
Total (B)	**84,274.31**	**99,667.87**	**75,204.44**	**74,063.66**	**52,211.29**
TOTAL(A+B)	**89,610.48**	**107,334.52**	**81,960.43**	**85,040.84**	**64,973.14**

ANNEXURE-XXIX:RESTATED STANDALONE STATEMENT OF CURRENT LIABILITIES

(₹ in millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1. Agents Balances	241.51	168.20	257.39	216.58	254.40
2. Balances Due To Other Insurance Companies	34,446.69	23,823.44	20,089.06	14,461.66	15,126.90
3. Deposits Held On Reinsurance Ceded	161.53	174.93	121.98	283.77	173.80
4. Premium Received In Advance	1,702.02	1,428.84	1,011.85	704.04	716.80
5. Un-Allocated Premium	-	-	-	-	-
6. Sundry Creditors - a. Other Than Service Tax Payable	18,215.11	23,097.50	21,399.61	15,154.32	16,590.57
b. Service Tax Payable	485.37	594.42	486.09	193.33	(4,063.19)
7. Due To Subsidiaries / Holding Company	-	-	-	-	-
8. Claims Outstanding	179,120.78	163,407.98	149,884.56	139,729.27	117,163.92
9. Due To Officers/Directors	-	-	-	-	-
10. Others	1,574.66	23,767.75	3,202.16	11,049.13	1,114.87
Unclaimed Amounts of Policy Holders - Excess Premium Collected	344.98	325.39	282.20	166.46	254.59
Unclaimed Amounts of Policy Holders - Refund Premium Due	333.60	332.10	246.56	196.39	206.99
Unclaimed Amounts of Policy Holders - Stale Cheques	708.96	750.62	669.78	598.65	1,272.90
Total	**237,335.21**	**237,871.18**	**197,651.24**	**182,753.60**	**148,812.53**

ANNEXURE-XXX:RESTATED STANDALONE STATEMENT OF PROVISIONS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1. a. Reserve for Un-Expired Risks	87,883.61	77,516.67	69,434.74	62,393.49	50,298.36
b. Premium Deficiency Reserve	-	-	-	-	-
2. Provision for Taxation (Net of Payment of Taxes)	-	-	-	-	-
3. Provision for Proposed Dividend	-	-	-	-	-
4. Provision for Dividend Distribution Tax	-	-	-	-	-
5. Others - Reserve for Bad and Doubtful Debts.	3,345.92	3,335.52	3,144.36	3,249.89	3,250.28
Provision for Diminution in value of Thinly Traded / Unlisted Shares	63.49	95.25	68.95	105.48	103.14
Provision for Wage Arrear	-	-	5,926.75	2,016.75	766.75
Provision for Leave Encashment	6,682.80	6,517.00	4,875.00	4,875.00	4,510.00
Total	**97,975.82**	**87,464.44**	**83,449.79**	**72,640.61**	**58,928.53**

ANNEXURE-XXXI: RESTATED STANDALONE STATEMENT OF MISCELLANEOUS EXPENDITURE

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Discount Allowed in Issue of Shares and Debentures	-	-	-	-	-
2. Others - Contribution to Pension Fund and Gratuity Fund (Deferred Expenses to the Extent not Written Off)	2,213.40	4,357.76	-	343.12	686.24
Total	**2,213.40**	**4,357.76**	**-**	**343.12**	**686.24**

AUDITORS EXAMINATION REPORT ON RESTATED CONSOLIDATED SUMMARY FINANCIAL INFORMATION AS REQUIRED UNDER SECTION 26 OF COMPANIES ACT, 2013, READ WITH RULE 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

The Board of Directors
The New India Assurance Company Limited
87, MG Road
Mumbai 400 001
India.

Dear Sirs;

1. We have examined as appropriate (Refer paragraph 2 below) the attached Restated Consolidated Summary Financial Information of The New India Assurance Company Limited **(**the "**Company**") which comprises the Restated Consolidated Summary Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Restated Consolidated Summary Statement of Revenue Accounts (Fire, marine, miscellaneous accounts), the Restated Consolidated Summary Statement of Profit and Loss Account, the Restated Consolidated Summary Statement of Receipts and Payments Account and the summary of significant accounting policies and Notes to Accounts and the other financial information (as described more in detail in paragraph 12 below, referred as "**Other Restated Consolidated Financial Information**"), (collectively, the **"Restated Consolidated Summary Financial Information"**), for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, as approved by the Board of Directors of the Company in the meeting held on August 4, 2017 and prepared by the management of the Company in terms of the requirements of:

   a) Section 26 (1) (b) of the Companies Act, 2013 (the "**Act**") read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "**Rules**");

   b) Part (B) of Item (IX) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "**SEBI Regulations**" or "**ICDR Regulations**");

   c) Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations 2015, (the "**IRDAI Capital Issuance Regulations**");

   d) the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, (the "**IRDAI Regulations**"); and

   e) the Guidance Note on Reports in Company's Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**ICAI**") ("**Guidance Note**"), to the extent applicable, in connection with the proposed Initial Public Offering of equity shares of the Company.

2. The preparation of the Restated Consolidated Summary Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 16 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Act, Rules, ICDR Regulations, IRDAI Capital Issuance Regulations, IRDAI Regulations and the Guidance Note.

   Our responsibility is to examine the Restated Consolidated Summary Financial Information and confirm whether such Restated Consolidated Summary Financial Information comply with the requirements of the Act, Rules, ICDR Regulations, IRDAI Capital Issuance Regulations, IRDAI Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Summary Financial Information taking into consideration:

   i. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 30, 2017 in connection with the proposed Initial Public Offering of equity shares of the Company;

   ii. The Guidance Note (Revised) on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India (ICAI); and

   iii. The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Summary Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

4. The Restated Consolidated Summary Financial Information for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 have been extracted by the Company's Management from the Company's consolidated audited financial statements of the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

5. The consolidated financial statements were audited jointly by us for the financial years ended March 31, 2017, March 31, 2015, March 31, 2014 and March 31, 2013 and by other auditors M/s JCR & Co. Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co Chartered Accountants for the financial year ended March 31, 2016. For the purpose of the Restated Consolidated Summary Financial Information, we have placed reliance on the consolidated financial statements audited by the other Auditors hereinabove, and the Restated Consolidated Summary Financial Information included for these years are solely based on the reports on such accounts submitted by them.

6. We did not audit the financial statements of subsidiaries (3 in financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013) and associates (2 in financial years March 31, 2017, March 31, 2016 and March 31, 2015, and 1 in March 31, 2014 and March 31, 2013), as considered in the consolidated financial statements, whose financial statements reflect total assets, total revenues, net cash outflows and Group's share of profit as under :

(₹ in millions)

Particulars of subsidiaries and associates not audited by us	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Total Net Assets	2,559.42	3,259.03	2,557.26	2,849.66	2,403.11
Total Revenues	2,092.18	2,145.19	2,138.85	2,294.51	2,326.93

Net Cash outflows	-269.28	-619.64	89.90	567.77	399.30
Group's share of Profit (associates)	224.19	290.59	346.51	254.76	145.4

These associates and subsidiaries were audited by other auditors as listed below, whose reports were made available to us, and our opinion on the Restated Consolidated Summary Financial Information, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors to the extent these were furnished to us. The names of the other auditors of the subsidiaries and associates are as follows:

Years	**New India Assurance Company (Trinidad and Tobago) Limited**	**Prestige Assurance plc. – Nigeria**	**The New India Assurance Co. (S.L) Ltd- Free Town, Sierra Leone**	**India International**	**Health India TPA**
2016-17 (December 2016)	KPMG	E & Y	BDO	Deloitte	Asit Mehta & co
2015-16 (December 2015)	KPMG	BDO Professional Services	BDO	E&Y LLP	Asit Mehta & co
2014-15 (December 2014)	KPMG	BDO Professional Services	BDO	E&Y LLP	Asit Mehta & co
2013-14 (December 2013)	KPMG	BDO Professional Services	PKF Professional Service	E&Y LLP	NA
2012-13 (December 2012)	KPMG	BDO Professional Services	PKF Professional Service	E&Y LLP	NA

7. In accordance with the requirements of Section 26 (1) (b) of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations, IRDAI Capital Issuance Regulations, IRDAI Regulations and the Guidance Note, as amended from time to time, read with Note No. 21 in Annexure V – Part B regarding non adjustment of changes in accounting policy related to depreciation, we further report that:

   i. The Restated Consolidated Summary Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, examined by us, as set out in Annexure I to this report read with the summary of significant accounting policies in Annexure V – Part A are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Consolidated Summary Financial Information enclosed as Annexure VI to this report. Reliance has been placed on the Financial Statements audited by other auditors namely: M/s JCR & Co. Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co Chartered Accountants for the financial year ended March 31, 2016 and also on the financial statements of the subsidiaries and associates audited by the other auditors of the respective subsidiary and associate. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

ii. The Restated Consolidated Summary Statement of Revenue Accounts and Restated Consolidated Summary Statement of Profit and Loss Account for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 as set out in Annexure II, Annexure IIA, Annexure IIB, Annexure IIC and Annexure III to this report read with the summary of significant accounting policies in Annexure V – Part A are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Consolidated Summary Financial Information enclosed as Annexure VI to this report. Reliance has been placed on the Financial Statements audited by other auditors namely: M/s JCR & Co., Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants for the financial year ended March 31, 2016 and also on the financial statements of the subsidiaries and associates audited by the other auditors of the respective subsidiary and associate. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

iii. The Restated Consolidated Summary Statement of Receipts and Payments Account for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 as set out in Annexure IV to this report read with the summary of significant accounting policies in Annexure V – Part A are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Consolidated Summary Financial Information enclosed as Annexure VI to this report. Reliance has been placed on the Financial Statements audited by other auditors namely: M/s JCR & Co., Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants for the financial year ended March 31, 2016 and also on the financial statements of the subsidiaries and associates audited by the other auditors of the respective subsidiary and associate. As a result of these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

8. The Joint Auditors' Report to the Consolidated Financial Statements for the years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 contains the following qualifications, impact of which has not been ascertained and not incorporated in the Restated Consolidated Summary Financial Information:

   i. In case of financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, pending reconciliation of balances with persons or bodies carrying on Insurance Business including reinsurers and few bank accounts and other balances. (Refer Note No. 15 Annexure V – Part B).
   ii. In case of financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, regarding returns of foreign subsidiaries, branches and the audit reports in some cases not having been drawn in the forms and contents as required under Indian Laws. This has however no material financial impact in those stated years (Refer Note No. 1 Annexure V – Part A and Note No. 22 Annexure V – Part B).

9. We draw attention to the fact that the Joint Auditors' report on the Consolidated Financial Statements of the Company for the financials years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, without qualifying the opinion, contained an emphasis of matter paragraph drawing attention to the disclosures made by the company in relation to the following matters in the report for the respective financial years:

   i. In case of foreign business, regarding recognition of Reserve for Unexpired risk by 1/365 method and the implementation of systems and procedures to compute the same in accordance with 1/365 method is pending and systems in case of domestic business are being strengthened. (Refer Note No. 2 Annexure V – Part B).

ii. Deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision in respective financial years pursuant to the deferment permitted by IRDAI. (Refer Note No. 10, Annexure V – Part B).; Deferment of gratuity liability of the company to the extent of Rs. 343.12 millions in the financial year ended March 31, 2014 and Rs. 686.24 millions in the financial year ended March 31, 2013, pursuant to the circular dated April 18, 2011 of IRDA to Public Sector insurance companies. (Refer Note No. 11, Annexure V – Part B)
iii. Pending non-compliance/contravention of Insurance Regulatory & Development Authority (Investment) Regulations, 2000 in respective financial years as stated in Note No. 7, Annexure V – Part B.
iv. In case of financial years ended March 31, 2015, March 31, 2014 and March 31, 2013, regarding pending disclosure of age-wise analysis of unclaimed amount of the policyholders as stated in Note No. 8 Annexure V – Part B.
v. The Company's internal control systems specially in the area of data input and validation in softwares, including internal audit, require strengthening.

10. We draw attention to the fact that the Joint Auditors report on the Internal Financial Controls under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013, of the Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and March 31, 2016 has contained following qualifications, impact of which has not been ascertained and not incorporated in the Restated Consolidated Summary Financial Information:

    i. Confirmation and reconciliation of various balances relating to co insurers, reinsurers, few bank accounts, inter office accounts and other control accounts are pending and are at various stages;
    ii. Controls on ageing of insurance receivables and internal control systems in area of data input and validation in various softwares and recording of intimated claims at the offices of the company and internal audit required strengthening; and
    iii. In case of financial year March 31, 2016, inconsistencies involved in the migration of data as well as non-availability of original cost in case of assets at Foreign Branches and process of documenting the laid down policies, procedures and controls in the form of process flow details and risk control matrix and test these matrices including the policies and procedures.

11. Based on the above and based on the reliance placed on the Financial Statements audited by other auditors namely: M/s JCR & Co., Chartered Accountants, M/s R. Devendra Kumar & Associates, Chartered Accountants and M/s A. Bafna & Co., Chartered Accountants for the financial year ended March 31, 2016 and also on the financial statements of the subsidiaries and associates audited by the other auditors of the respective subsidiary and associate, we are of the opinion that the Restated Consolidated Summary Financial Information read with Note No. 21, Annexure V – Part B regarding changes in accounting policy related to depreciation:

    i. has been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods based on the significant accounting policies adopted by the Company as at March 31, 2017;
    ii. has been made after incorporating adjustments for material prior period amounts in the respective financial years to which they relate to; and
    iii. do not contain any extra-ordinary items that need to be disclosed separately other than those presented in the Restated Consolidated Summary Financial Information and do not contain any qualifications requiring adjustments.

12. We have also examined the following Other Restated Consolidated Summary Financial Information, proposed to be included in the Draft Red Herring Prospectus, as set out in the Annexures prepared by the management of

the Company and approved by the Board of Directors on August 4, 2017, relating to the Company for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013:

i. Notes on Adjustments for Restated Consolidated Financial Information, included in Annexure VI
ii. Restated Consolidated Statement of Accounting Ratios, included in Annexure VII
iii. Restated Consolidated Statement on Segment Reporting, included in Annexure VIII
iv. Restated Consolidated Summary Statement of Disclosures Forming Part of Financial Statements, included in Annexure IX
v. Restated Consolidated Statement Of Capitalisation, included in Annexure X
vi. Restated Consolidated Statement Of Other Income, included in Annexure XI
vii. Restated Consolidated Statement Of Dividend, included in Annexure XII
viii. Restated Consolidated Statement Of Additional Disclosures, included in Annexure XIII
ix. Restated Consolidated Statement Of Investment In Equity And Bonds, included in Annexure XIIIA
x. Restated Consolidated Statement Of Claims Outstanding (Gross Indian Excluding Provision For IBNR And IBNER), included in Annexure XIIIB
xi. Restated Consolidated Statement Of Tax Shelter, included in Annexure XIV
xii. Restated Consolidated Statement Of Aggregate Book Value & Market Value Of Quoted Investments, included in Annexure XV
xiii. Restated Consolidated Statement Of Debtors, included in Annexure XVI
xiv. Restated Consolidated Statement of Premium Earned (Net), included in Annexure XVII
xv. Restated Consolidated Statement of Claims Incurred (Net), included in Annexure XVIII
xvi. Restated Consolidated Statement of Commission, included in Annexure XIX
xvii. Restated Consolidated Statement of Operating Expenses related to Insurance business, included in Annexure XX
xviii. Restated Consolidated Statement of Share Capital, included in Annexure XXI
xix. Restated Consolidated Statement of Pattern of Shareholding, included in Annexure XXIA
xx. Restated Consolidated Statement of Reserves and Surplus, included in Annexure XXII
xxi. Restated Consolidated Statement of Borrowings, included in Annexure XXIII
xxii. Restated Consolidated Statement of Investments, included in Annexure XXIV
xxiii. Restated Consolidated Statement of Loans, included in Annexure XXV
xxiv. Restated Consolidated Statement of Fixed Assets, included in Annexure XXVI
xxv. Restated Consolidated Statement of Cash and Bank Balances, included in Annexure XXVII
xxvi. Restated Consolidated Statement of Advances and Other Assets, included in Annexure XXVIII
xxvii. Restated Consolidated Statement of Current Liabilities, included in Annexure XXIX
xxviii. Restated Consolidated Statement of Provisions, included in Annexure XXX
xxix. Restated Consolidated Statement of Miscellaneous Expenditure, included in Annexure XXXI

13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other firms of Chartered Accountants, nor should this report be construed as an opinion on any of the consolidated financial statements referred to herein.

14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15. In our opinion the above Restated Consolidated Summary Financial Information contained in Annexure I to Annexure XXXI accompanying this report read along with the Summary of Significant Accounting Policies and Notes to Accounts in Annexure V and Notes on Adjustments for Restated Consolidated Summary Financial Information enclosed as Annexure VI to this report are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 (1) (b) of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, ICDR Regulations, IRDAI Capital Issuance Regulations, IRDAI Regulations and the Guidance Note issued in this regard by the ICAI, as amended from time to time.

16. Our report is intended solely for use of the management and for inclusion in the Draft Red Herring Prospectus in connection with the proposed Initial Public Offering of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our consent in writing.

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Reg. No. 114207 W

Neeraj Golas

Partner
Membership No. 074392

For A. Bafna& Co.
Chartered Accountants
Firm Reg. No. 003660C

Vivek Gupta

Partner
Membership No. 400543

For NBS & Co.
Chartered Accountants
Firm Reg.No. 110100W

Pradeep J. Shetty

Partner
Membership No. 046940

Place: New Delhi
Date: August 4, 2017

ANNEXURE-I: RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Particulars	Annexure	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. Sources of Funds						
1. Share Capital	XXI	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
2. Reserves and Surplus	XXII	126,177.88	122,945.43	114,692.76	105,173.40	94,736.58
3. Fair Value Change Account		237,016.37	190,933.61	228,388.05	178,390.92	158,647.79
4. Borrowings	XXIII	-	-	-	-	-
5. Minority Interest		474.00	459.30	329.34	287.73	516.58
Total A		**365,668.25**	**316,338.34**	**345,410.14**	**285,852.05**	**255,900.95**
B. Application of Funds						
1. Investments	XXIV	519,306.76	449,717.50	453,646.81	357,111.65	315,656.63
2. Loans	XXV	3,080.33	3,267.29	3,568.42	3,857.04	3,877.69
3. Fixed Assets	XXVI	4,294.54	3,653.12	3,024.56	2,436.60	2,116.20
4. Deferred Tax Assets		2,197.49	2,171.53	1,661.42	1,650.60	1,362.36
5. Current Assets						
a. Cash and Bank Balances	XXVII	81,257.28	72,162.25	84,456.75	91,514.59	75,376.72
b Advances and Other Assets	XXVIII	90,357.20	108,736.01	83,247.62	86,872.72	67,361.81
Sub Total(a+b)		**171,614.49**	**180,898.26**	**167,704.38**	**178,387.31**	**142,738.53**
c. Current Liabilities	XXIX	238,346.76	239,486.42	200,042.46	184,621.67	150,528.18
d. Provisions	XXX	98,692.00	88,240.71	84,152.98	73,312.61	60,008.51
Sub Total(c+d)		**337,038.77**	**327,727.13**	**284,195.44**	**257,934.28**	**210,536.69**
Net Current Assets (a+b-c-d)		**(165,424.28)**	**(146,828.87)**	**(116,491.07)**	**(79,546.96)**	**(67,798.17)**
6. Miscellaneous Expenditure (to the extent not written off or adjusted)	XXXI	2,213.40	4,357.76	-	343.12	686.24
Total B		**365,668.25**	**316,338.34**	**345,410.14**	**285,852.05**	**255,900.95**

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II : RESTATED CONSOLIDATED SUMMARY STATEMENT OF REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	176,747.78	152,150.22	133,538.02	109,941.34	95,991.81
2.Profit on Sale or Redemption of Investments (Policy Holders)		12,098.50	8,792.78	9,002.38	6,807.30	6,151.85
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		16,689.95	15,784.27	14,570.43	12,680.54	11,428.19
Total (A)		**205,536.23**	**176,727.27**	**157,110.83**	**129,429.18**	**113,571.84**
1.Claims Incurred (Net)	XVIII	162,998.18	132,343.47	112,619.95	94,624.63	81,891.81
2.Commission	XIX	13,320.41	14,129.29	12,878.74	11,801.99	8,961.12
3.Operating Expenses Related to Insurance Business	XX	38,171.78	35,551.97	31,038.46	26,740.38	23,036.12
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		5.62	5.10	8.45	4.43	8.88
Amortisation, Write off, Provisions - Investments		53.98	31.68	61.28	134.67	(5.05)
Total (B)		**214,549.96**	**182,061.52**	**156,606.89**	**133,306.10**	**113,892.88**
Operating Profit/ (Loss) C=(A-B)		**(9,013.74)**	**(5,334.25)**	**503.94**	**(3,876.92)**	**(321.04)**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		9,013.74	5,334.25	(503.94)	3,876.92	321.04
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of insurance business have been fully debited in the Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
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Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II A: RESTATED CONSOLIDATED SUMMARY STATEMENT OF FIRE INSURANCE REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	20,967.23	20,643.54	19,419.07	16,710.63	15,889.78
2.Profit on Sale or Redemption of Investments (Policy Holders)		1,894.50	1,444.83	1,670.29	1,459.31	1,420.70
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		2,613.47	2,593.68	2,703.38	2,718.38	2,639.21
Total (A)		**25,475.20**	**24,682.06**	**23,792.73**	**20,888.31**	**19,949.69**
1.Claims Incurred (Net)	XVIII	19,666.29	14,931.09	14,654.20	15,521.37	12,696.27
2.Commission	XIX	3,346.78	3,758.88	3,944.11	3,127.56	2,329.87
3.Operating Expenses Related to Insurance Business	XX	4,121.88	4,768.74	4,458.85	3,900.31	3,940.84
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		3.99	2.97	7.56	2.99	5.23
Amortisation, Write off, Provisions - Investments		8.45	5.21	11.37	28.87	(1.17)
Total (B)		**27,147.39**	**23,466.88**	**23,076.09**	**22,581.09**	**18,971.06**
Operating Profit/ (Loss) C=(A-B)		**(1,672.19)**	**1,215.18**	**716.64**	**(1,692.79)**	**978.64**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		1,672.19	(1,215.18)	(716.64)	1,692.79	(978.64)
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of fire insurance business have been fully debited in the Fire Insurance Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II B : RESTATED CONSOLIDATED SUMMARY STATEMENT OF MARINE INSURANCE REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	4,390.00	4,686.73	4,686.33	4,747.94	4,302.77
2.Profit on Sale or Redemption of Investments (Policy Holders)		371.11	306.45	288.37	284.62	273.31
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		511.95	550.11	466.74	530.19	507.72
Total (A)		**5,273.06**	**5,543.29**	**5,441.44**	**5,562.76**	**5,083.80**
1.Claims Incurred (Net)	XVIII	3,577.51	2,869.11	3,350.12	2,332.61	2,080.86
2.Commission	XIX	450.92	478.73	425.62	504.68	477.96
3.Operating Expenses Related to Insurance Business	XX	758.01	932.24	1,096.91	1,029.16	1,081.22
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		-	-	-	-	-
Amortisation, Write off, Provisions - Investments		1.66	1.10	1.96	5.63	(0.22)
Total (B)		**4,788.09**	**4,281.19**	**4,874.61**	**3,872.08**	**3,639.81**
Operating Profit/ (Loss) C=(A-B)		**484.97**	**1,262.09**	**566.83**	**1,690.68**	**1,443.99**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		(484.97)	(1,262.09)	(566.83)	(1,690.68)	(1,443.99)
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of Marine insurance business have been fully debited in the Marine Insurance Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-II C: RESTATED CONSOLIDATED SUMMARY STATEMENT OF MISCELLANEOUS INSURANCE REVENUE ACCOUNT

(₹ in millions)

Particulars	Annexure	For the Year Ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.Premium Earned (Net)	XVII	151,390.55	126,819.95	109,432.62	88,482.77	75,799.25
2.Profit on Sale or Redemption of Investments (Policy Holders)		9,832.89	7,041.49	7,043.72	5,063.37	4,457.84
Loss on Sale or Redemption of Investments (Policy Holders)		-	-	-	-	-
3.Others		-	-	-	-	-
4.Interest, Dividend and Rent (Gross)		13,564.53	12,640.47	11,400.32	9,431.97	8,281.26
Total (A)		**174,787.97**	**146,501.92**	**127,876.66**	**102,978.11**	**88,538.35**
1.Claims Incurred (Net)	XVIII	139,754.39	114,543.27	94,615.64	76,770.65	67,114.68
2.Commission	XIX	9,522.71	9,891.68	8,509.01	8,169.75	6,153.29
3.Operating Expenses Related to Insurance Business	XX	33,291.88	29,850.99	25,482.71	21,810.92	18,014.06
4. Premium Deficiency		-	-	-	-	-
5.Others - Foreign Taxes		1.64	2.13	0.89	1.44	3.65
Amortisation, Write off, Provisions - Investments		43.87	25.37	47.94	100.17	(3.66)
Total (B)		**182,614.49**	**154,313.44**	**128,656.19**	**106,852.93**	**91,282.01**
Operating Profit/ (Loss) C=(A-B)		**(7,826.52)**	**(7,811.52)**	**(779.53)**	**(3,874.82)**	**(2,743.66)**
Appropriations						
Transfer to Share Holders Account (Profit and Loss Account)		7,826.52	7,811.52	779.53	3,874.82	2,743.66
Transfer to Catastrophic Reserves		-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

As required by section 40C(2) of the Insurance Act 1938, we certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly in respect of Miscellaneous insurance business have been fully debited in the Miscellaneous Insurance Revenue Account as expenses.

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
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Neeraj Golas
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Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-III: RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS ACCOUNT

(₹ in millions)

Particulars	**Annexure**	**For the Year Ended**				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1. Operating Profit / (Loss)						
a. Fire Insurance	II -A	(1,672.19)	1,215.18	716.64	(1,692.79)	978.64
b. Marine Insurance	II -B	484.97	1,262.09	566.83	1,690.68	1,443.99
c. Miscellaneous Insurance	II -C	(7,826.52)	(7,811.52)	(779.53)	(3,874.82)	(2,743.66)
2. Income from Investments						
a. Interest Dividend and Rent (Gross) - Share Holders		9,601.37	9,808.03	9,196.88	8,366.38	6,896.97
b. Profit on Sale of Investment - Share Holders		6,960.00	5,463.66	5,682.31	4,491.32	3,712.67
Less: Loss on Sale of Investment - Share Holders		-	-	-	-	-
3. Other Income - Misc Receipts, Credit Balances Written Back		858.13	474.96	263.53	272.46	201.05
Interest on Refund of Income Tax		1,325.92	303.20	1,486.42	-	-
Total (A)=1+2+3		**9,731.69**	**10,715.59**	**17,133.09**	**9,253.24**	**10,489.65**
4. Provisions (Other Than Taxation)						
a. Others - Amortisation Provision For Thinly Traded Shares - Shareholders		28.09	35.64	31.65	28.43	27.98
b. For Doubtful Debts - Investments(Shareholders)		(9.56)	(18.99)	13.36	11.14	(55.02)
c. For Doubtful Debts - Operations		91.39	240.17	-	-	-
d. For Dimunition In Value Of Investments (Shareholders)		12.53	3.04	(6.34)	49.28	23.99
5. Other Expenses (Other Than Those Related To Insurance Business)						
a. Others - Interest On Income/Service Tax		11.47	6.92	33.81	(275.95)	(340.58)
b. (Profit)/Loss On Sale Of Assets		27.83	(7.56)	11.85	(0.30)	(5.33)
c. Penalty		2.00	2.00	-	1.85	0.95
Total (B)=(4+5)		**163.73**	**261.22**	**84.34**	**(185.56)**	**(348.01)**
Profit Before Tax (A-B)		**9,567.96**	**10,454.37**	**17,048.75**	**9,438.79**	**10,837.66**
Provision For Taxation - Current Tax		1,215.33	1,666.24	3,311.70	1,622.17	1,746.41
Deferred Tax		(45.97)	(515.41)	(55.83)	(246.23)	(63.54)
Wealth Tax		-	-	19.64	13.58	15.53
Profit After Tax		**8,398.60**	**9,303.54**	**13,773.23**	**8,049.28**	**9,139.25**
Profit attributable to Minority Interest		(44.18)	18.65	39.00	(4.60)	(118.43)
Add : Share of Profit/(Loss) in Associate Enterprises		224.19	290.59	346.51	254.76	145.48
Transfer from General Reserves / Equalization / Contingency Reserves		129.46	248.33	323.67	25.83	290.76
Appropriations						
a. Proposed Final Dividend		-	-	-	-	-
b. Dividend Distribution Tax.		-	-	-	-	-
c. Transfer to General Reserves		(8,708.07)	(9,612.78)	(14,158.74)	(8,299.43)	(8,753.95)
d. Transfer to Equalization / Contingency Reserves for Foreign Branches		-	(248.33)	(323.67)	(25.83)	(703.11)
Profit / (Loss) Carried Forward to The Balance Sheet		**-**	**-**	**-**	**-**	**-**
Basic and diluted earnings per share (₹) {Refer Annexure-VII}		42.89	48.06	70.79	41.50	45.83

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
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As per our report of even date

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Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-IV: RESTATED CONSOLIDATED SUMMARY STATEMENT OF RECEIPTS AND PAYMENTS ACCOUNT

(₹ in millions)

Particulars	For the Year Ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A. Cash Flows from the operating activities:					
1. Premium received from policyholders, including advance receipts	243,593.76	203,822.86	175,820.59	155,405.40	135,344.81
2. Other receipts	397.16	222.17	110.95	289.98	392.09
3. Payments to the re-insurers, net of commissions and claims	(15,900.24)	(5,959.10)	(2,648.29)	(10,170.32)	(6,405.67)
4. Payments to co-insurers, net of claims recovery	(1,907.98)	(3,231.59)	(2,388.02)	(3,681.68)	3,608.63
5. Payments of claims	(153,615.45)	(136,580.96)	(111,721.23)	(89,851.56)	(88,044.57)
6. Payments of commission and brokerage	(15,205.59)	(15,195.39)	(13,459.59)	(12,002.88)	(10,024.91)
7. Payments of other operating expenses	(39,826.16)	(39,083.50)	(26,777.40)	(26,159.66)	(24,821.13)
8. Preliminary and pre-operative expenses	(1.64)	(4.02)	-	-	-
9. Deposits, advances and staff loans	(34.41)	210.15	2,112.14	1,521.13	1,514.02
10. Income taxes paid (Net)	2,704.81	(2,400.83)	1,205.63	(32.81)	1,699.73
11. Service tax paid	(23,077.87)	(17,607.94)	(13,553.61)	(12,255.31)	(10,389.51)
12. Other payments	1,638.03	(244.35)	(226.37)	1,333.88	127.45
13. Cash flows before extraordinary items	**(1,235.58)**	**(16,052.50)**	**8,474.80**	**4,396.17**	**3,000.94**
14. Cash flow from extraordinary operations	-	-	-	-	-
Net cash flow from operating activities	**(1,235.58)**	**(16,052.50)**	**8,474.80**	**4,396.17**	**3,000.94**
B. Cash flows from investing activities:					
1. Purchase of fixed assets	(1,922.67)	(974.84)	(641.24)	(707.63)	(667.00)
2. Proceeds from sale of fixed assets	384.22	195.46	116.01	57.39	52.16
3. Purchases of investments	(35,425.71)	(51,615.61)	(65,988.77)	(35,774.94)	(39,789.61)
4. Loans disbursed	(376.33)	(0.78)	-	-	(403.60)
5. Sales of investments	29,981.95	32,724.25	34,221.01	24,960.53	23,050.10
6. Repayments received	-	-	65.55	1,821.55	-
7. Rents/Interests/ Dividends received	25,585.17	25,071.96	21,136.31	17,772.77	16,726.67
8. Investments in money market instruments and in liquid mutual funds	-	-	-	-	-
9. Expenses related to investments	(297.50)	124.02	(152.11)	(277.24)	(230.09)
Net cash flow from investing activities	**17,929.13**	**5,524.44**	**(11,243.24)**	**7,852.43**	**(1,261.37)**
C. Cash flows from financing activities:		-			
1. Proceeds from issuance of share capital	-	-	547.22	-	(5.10)
2. Proceeds from borrowing	-	-	-	-	-
3. Repayments of borrowing	-	-	-	-	-
4. Interest/dividends paid	(3,054.96)	(3,655.65)	(2,631.47)	(2,012.01)	(493.66)
Net cash flow from financing activities	**(3,054.96)**	**(3,655.65)**	**(2,084.25)**	**(2,012.01)**	**(498.76)**
D. Effect of foreign exchange rates on cash and cash equivalents, net	**(4,524.97)**	**1,889.21**	**(2,205.15)**	**5,901.28**	**1,816.68**
E. Net increase in cash and cash equivalents:	**9,113.62**	**(12,294.50)**	**(7,057.84)**	**16,137.87**	**3,057.49**
1. Cash and cash equivalents at the beginning of the year	72,162.25	84,456.75	91,514.59	75,376.72	72,319.24
2. Cash and cash equivalents at the end of the year	81,257.28	72,162.25	84,456.75	91,514.59	75,376.72

The accompanying Summary of Significant Accounting Policies and Notes to Accounts and disclosures (Annexure V -XXXI) are an integral part of this statement

Jayashree Nair
Company Secretary and Chief Compliance Officer

S. N. Rajeswari
Chief Financial Officer

Hemant G. Rokade
Director
DIN No.06417520

Anil Kumar
Director
DIN No. 07859811

G. Srinivasan
Chairman-Cum- Managing Director
DIN No.01876234

As per our report of even date

For R. Devendra Kumar & Associates
Firm Reg. No. 114207W
Chartered Accountants

For A. Bafna & Co.
Firm Reg. No. 003660C
Chartered Accountants

For NBS & CO.
Firm Reg. No. 110100W
Chartered Accountants

Neeraj Golas
Partner
Membership Number 074392

Vivek Gupta
Partner
Membership Number 400543

Pradeep J. Shetty
Partner
Membership Number 046940

New Delhi
August 04, 2017

The New India Assurance Co. Ltd.

[Registration No.190 Renewed from April 1, 2017]

ANNEXURE-V

Summarised significant Accounting Policies and Restated Notes forming part of Consolidated Financial Statements as on March 31, 2017,March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013

The New India Assurance Company Limited was incorporated on July 23, 1919. The Company is a wholly owned Government Company. The Company holds a valid certificate of registration bearing number 190, to conduct General Insurance business, from the Insurance Regulatory and Development Authority of India (IRDAI).

A. SIGNIFICANT ACCOUNTING POLICIES

1. **Principles of Consolidation:**

   The consolidated financial statements relate to New India Assurance Co Ltd, the holding company (also referred herein as "parent company" or "company") and its subsidiaries (together referred to as “Group”) and associates. The restated consolidated financial statements have been prepared on the following basis:

   a. The restated financial statements of the company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating the intra-group balances and intra-group transactions to the extent possible and by following the consolidation procedures as laid down in Accounting Standard (AS) 21- Consolidated Financial Statements.

   b. The difference between the cost of investment in the subsidiaries, over the net assets in the subsidiaries, at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

   c. The difference between the proceeds from disposal of investment in subsidiaries and carrying amount of its assets less liabilities as of the date of disposal of investment in subsidiaries is recognized in the consolidated statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

   d. Minority interest’s share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the company. Minority interest’s share of net assets of consolidated balance sheet is presented in consolidated balance sheet separate from liabilities and the equity of the company’s shareholder.

   e. Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS)- 23- Accounting for investments in associates in Consolidated Financial Statements.

   f. The company accounts for its shares in change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its shares, through its profit and loss account to the extent such change is attributable to the associates’ Profit or Loss through its reserves for the balance, based on available information.

   g. As far as possible, the restated consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company’s separate financial statements. Except in case of the subsidiary companies, where the accounts are made and maintained in accordance with International Financial Reporting Standards (IFRS) as required under the local laws of the respective country, during the process of consolidation, accounting adjustments have been made to align the accounts of the subsidiary company to confirm to the accounting polices followed by the holding company however following are the material differences with the accounting policies followed by the holding company as compared to the subsidiary companies combined in the consolidated financial statements :

i) Pursuant to the enactment of the Companies Act, 2013 and rules made there-under, the company was required to present consolidated financial statements for the first time during the financial year March 31, 2016. The consolidated financial statements for the group for the year ended on March 31, 2013, 2014 and 2015 have since been prepared for the purpose of restated consolidated financials on the basis of and to the extent of information and details received from the subsidiaries and associates. In the case of one of the subsidiaries M/s Prestige Assurance PLC, the financial information relating to the years ended on March 31, 2013, 2014 and 2015 required to ensure the compliance of AS-21 - consolidated financial statement issued by ICAI for preparation of consolidated financial statement for the respective year is as provided by the management at Head Office level as the same could not extracted from the audited accounts and schedules and other financial information. The accounts of the company have been made and maintained in accordance with the IFRS and the local requirements, its conversion into the Generally accepted accounting principles in India is done to the extent practicable and to the extent of unavailable information, effect of which on compliance requirements of preparation of consolidated financial statements based on similar accounting policies has not been ascertained.

ii) In accordance with IFRS, Insurance receivables are recognized when due and measured at amortized cost, using the effective interest rate method. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of income.

iii) Insurance and investment contract of policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognized as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognized over those future periods;

iv) Reserve for unexpired risk and Premium deficiency reserve is calculated and recognized as per 1/365 or 1/24 method or as required under local laws.

v) Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER) is accounted as per liability adequacy test carried by actuary/ management assessment of such liability.

   Property plant and equipment is shown at fair value on historical cost model except in case of NIA (T&T) Ltd., where fair value is based on triennial valuation by external appraisers Depreciation on property plant and equipment is calculated and accounted for based on useful lives as assessed by the management which are different from those followed by the holding company.

vi) Provisions related to post -employment benefits to the staff are accounted for based on the requirements of local laws.

vii) Provision for taxation including deferred tax is accounted as per local tax laws and in accordance with the provisions of IFRS.

viii) Statutory Reserve is created in accordance with the requirements of local laws.

h. The list of subsidiary companies and associates which are included in the consolidation and the company holdings are as under:

Srl No.	Name of the company	Ownership %					Country of incorporation
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	
	Subsidiaries						
01.	The New India Assurance Co. (Trinidad & Tobago) Limited	83.89	83.89	83.89	83.89	83.89	Trinidad & Tobago
02.	Prestige Assurance PLC Nigeria	69.50	69.50	51.01	51.01	51.01	Nigeria
03.	The New India Assurance Co. (Sierra Leone) Limited	100.00	100.00	100.00	100.00	100.00	Sierra Leone
	Associates						
04.	Indian International Insurance Pte. Ltd.	20.00	20.00	20.00	20.00	20.00	Singapore
05.	Health Insurance TPA of India Limited	23.75	23.75	23.75	Not incorporated		India

2. Accounting Convention

The financial statements of the Group are drawn up in accordance with the provisions of IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, IRDAI (Issuance of Capital by Indian Insurance Companies Transacting other than Life Insurance Business) Regulations, 2015 and circulars and/or guidelines issued in the context of preparation of the financial statements, and the provisions of the Companies Act as applicable from time to time. The said statements prepared on historical cost convention and on accrual basis, comply with accounting standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and conform to practices prevailing in the General Insurance industry except as otherwise stated.

3. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates and assumptions. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

4. Revenue Recognition

a) Premium

Premium income is recognized on assumption of risk. A reserve for Unearned Premium for each segment, representing that part of the recognized premium attributable to the succeeding accounting periods, calculated on time apportionment basis is created. This forms part of the un-expired risk reserves.

Reinsurance premium is recognized as per the terms of the reinsurance contracts. A reserve for Unearned Premium for each segment, representing that part of the recognized reinsurance premium attributable to the succeeding accounting periods, is also calculated on time apportionment basis. This also forms part of the un-expired risk reserves.

Any subsequent revisions to or cancellations of premium are recognized in the year in which they occur.

b) Commission

Commission Income on Reinsurance cessions is recognized as income in the year in which reinsurance Premium is ceded.

Profit Commission under reinsurance treaties wherever applicable, is recognized on accrual. Any subsequent revisions of profit commission are recognized for in the year in which final determination of the profits are intimated by reinsurer.

5. Premium Received in Advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

6. Reserves for Unexpired Risk/s

Unearned premium reserve is computed in accordance with the guidelines issued by IRDAI as under:

a) Marine Hull: 100% of the net written premium during the preceding twelve months;

b) Other segments:

  i) in respect of domestic business: on the basis of 1/365th method on the unexpired period of respective policies and

  ii) in respect of foreign business 50% of the net premium in respect of all business other than Marine hull

7. Reinsurance Accepted

Reinsurance returns have been incorporated for the advices received up to the date of finalization of accounts or on estimation basis.

8. Reinsurance Ceded

Reinsurance cessions are accounted for on the basis of actuals or on estimation basis.

9. Premium Deficiency

Premium deficiency is calculated where the sum of expected claims costs, related expenses and maintenance costs exceed the related unearned premium. The premium deficiency is recognized as per IRDA guidelines and forms part of unexpired risk reserves.

10. Acquisition Costs.

Acquisition costs are primarily related to acquisition of insurance contracts and have been expensed in the year in which they are incurred.

11. Incurred Claims

Claims are recognized as and when reported.

Claims Paid (net of recoveries including salvages retained by the insured, includes interest paid towards claims and all expenses directly incurred in relation to their assessment) are charged to respective revenue accounts.

Claims outstanding at the year-end are provided based on survey reports, information provided by clients and other sources, past experience and applicable laws and includes:

a. In respect of direct business, claim intimations received up to the year-end.

b. In respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalization of accounts or on estimation basis

c. Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER). The said provisions have been determined by Appointed Actuary, which is in accordance with accepted actuarial practice, requirement of IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the master circulars issued in the context of preparation of financial statements and stipulations of the Institute of Actuaries of India.

All the outstanding claims for direct business are provided net of estimated salvage (if any).

In respect of motor third party claims where court summons has been served on the Company without adequate policy particulars to establish liability of the Company, provision is made as under:

a. 100% of the estimated liability, where such claims are outstanding for more than one year.

b. 1/3rd of the estimated liability, for all such claims for which court summons have been served on the Company during the year.

Interest on motor accident claims tribunal (MACT) claims is provided based on the prevailing trends in the motor third party claim awards.

12. Salvage and Claim Recoveries

Recoveries of claims and sale proceeds on disposal of salvage are accounted on realisation and credited to claims.

13. Provisions, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of economic resources and reliable estimate can be made of the amount of obligation. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

14. Loans and Investments

a. Loans are measured at historical cost subject to impairment. Company reviews the quality of its loan assets and provides for impairment if any.

b. Short Term Money Market Instruments such as Commercial Papers and Certificate of Deposits are shown at their discounted value and the difference between the acquisition cost and the redemption value is apportioned on time basis and recognised as accrued income.

c. Contracts for purchase and sale of shares, bonds, debentures are accounted for as “Investments” as on date of transaction.

d. The cost of investments includes premium on acquisition, brokerage, transfer stamps, transfer charges, Securities Transaction Tax and is net of incentive/ fee if any, received thereon.

e. Dividend income (other than interim dividend) is accounted for as income in the year of declaration. Dividend on shares/interest on debentures under objection/pending delivery is accounted for on realisation. Interim dividend is accounted for where the amount is received/credited in the account of the company up to 31st March.

   Dividend on foreign investments is accounted on gross basis.

   Interest Income is recognized on accrual basis on time proportion except income on non-performing assets is recognized on realization.

   Amount received towards compensation for future loss of interest is recognised as income only to the extent attributable to the accounting year and balance is kept in interest received in advance account for apportionment in the relevant year.

f. Profit/Loss on realization of investments is computed by taking weighted average book value as cost of investments except:

   i. In respect of Government Securities/Debentures/Bonds under Trading Portfolio, the profit/loss is worked out specific scrip wise.

   ii. In respect of Government Securities sold from Investment Portfolio, the profit/loss is worked out on first in first out basis (FIFO).

g. The Company follows the prudential norms prescribed by the Insurance Regulatory and Development Authority as regards to asset classification, recognition of income and provisioning pertaining to loans/advances/debentures

h. Investment in government securities, debt securities and redeemable preference shares are considered as held till maturity and valued at cost. However, in terms of Insurance Regulatory and Development Authority Regulations the premium paid at the time of acquisition of securities is amortized over the residual period of maturity.

i. Investments in Mutual Funds are valued at Net Asset Value (NAV) as at the Balance Sheet date and the difference between cost/book value and NAV is accounted in Fair Value Change Account. In case of non-availability of latest NAV as at the balance sheet date, investment is shown at cost.

   Investments in Venture Funds are valued at cost. If there is reduction in NAV, the same is charged to revenue and book value of investments is reduced accordingly. Any appreciation in NAV to the extent of loss earlier recognised, is taken to revenue. Wherever Net Asset Value as on Balance Sheet date is not available, latest available Net Asset Value is considered.

j. In accordance with IRDA/F&I/INV/CIR213/10/2013 dated October 30, 2013 for Valuation of Equity Portfolio, National Stock Exchange (NSE) is considered as Primary Stock Exchange and Bombay Stock Exchange (BSE) as Secondary Stock Exchange.

   Investment Portfolio in respect of equity/ equity related instruments are segregated into actively traded and thinly traded as prescribed by Insurance Regulatory and Development Authority Regulations. The shares are treated as actively traded or thinly traded by taking into consideration total traded transactions in the month of March on NSE and BSE.

Actively traded equity/ equity related instruments are valued at the closing price at NSE or if the scrip is not traded at NSE, the scrip is valued at the closing price at BSE. The difference between weighted average cost and quoted value is accounted in Fair Value Change Account

Exchange traded funds are valued as applicable to Equity portfolio. The difference between the weighted average cost and the quoted value is accounted in Fair Value change account.

Investments in equity shares of companies outside India are valued at the last quoted price at the stock exchange of the respective Country.

k. Investment in thinly traded equity shares and unlisted equity shares are shown at cost. However, difference between cost and break-up value is provided for as diminution in value. If the break-up value is negative, then the provision is made for the entire cost. Further, if the published accounts of an unlisted Company are not available for last three accounting years ending on or immediately preceding the date of working out diminution in value, then the provision is made for the entire cost.

l. In case of investment in listed and unlisted equity/ equity related instruments / preference shares where the value has been impaired on or before March 31, 2000; the historical/weighted average costs are not available with the Company. As a consequence, the carrying value of such investments as on April 1,2000 is presumed to be the historical/ weighted average cost.

m. Investments in listed equity/ equity related instruments/ preference shares made in those companies, which are making losses continuously for last 3 years and where capital is eroded, are considered to have impairment in value. Further, if the published accounts of a Company are not available for last three accounting years ending on or immediately preceding the date of working out impairment in value, it is presumed that the value of investment is fully impaired and is written off to a nominal value of ₹1/- per Company.

   i) Valuation of such investments is done as under:

      - In respect of actively traded equity shares: - least of cost price, market price or break-up value provided break-up value is positive. However, if the break-up value is negative the nominal value is taken at ₹1/- per Company.
      - In respect of other than actively traded equity shares: - lower of cost price or break-up value provided break-up value is positive. However, if break-up value is negative the nominal value is taken at ₹1/- per Company.
      - In respect of preference shares, if the dividend is not received for the last three years, such preference shares are written down to a value which will bear to its face value, the same proportion as value taken/ which would have been taken for writing down equity shares bears to the face value of the equity shares. However, if the equity shares are written down to ₹1/- per Company, preference shares are also written down to a nominal value of ₹1/- per Company.

   ii) Once the value of investment in listed equity/ equity related instruments/ preference shares of a company is impaired in accordance with the above mentioned policy, the reversal of such impairment losses are not recognised in revenue/ profit and loss till such company achieves a positive net worth as per the latest available published accounts immediately preceding the date of working out the reversal. However, in respect of investments where the historical or weighted average cost is not available as mentioned in Policy No.14-i, reversal of impairment loss is carried out and recognised only to the extent of impairment losses accounted after March 31, 2000.

n. Reverse repo transactions are treated as secured lending transactions and accordingly disclosed in the financial statements. The difference between total consideration at the 1st and 2nd leg of the transaction is treated as interest income.

o. "Collateralized Borrowing and Lending Obligation" (CBLO), which is issued at discount to the face value, is treated as money market instrument as per Reserve Bank of India Notification. Discount earned at the time of lending through CBLO is shown as income, which is apportioned on time basis.

p. Un-realized gains / losses arising due to changes in the fair value of actively traded listed equity shares other than enumerated in Accounting Policy 14-i are taken under the head "Fair Value Change Account" and on realization reported in profit and loss account.

q. Pending realization, the credit balance in the "Fair Value Change Account" is not available for distribution.

15. Foreign Currency Transactions

a. Reinsurance operations:

Revenue transactions of reinsurance in foreign currencies are converted at the average of buying and selling rates of exchange of each quarter in which they are accounted.

Monetary assets and liabilities of reinsurance in foreign currencies are converted at the closing rate.

b. Foreign operations:

i. As per the Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates", foreign branches/agencies are classified as 'non-integral foreign operations'.

ii. The assets and liabilities (including contingent liabilities), both monetary and non-monetary of the non-integral foreign operations are translated at the closing rate,

iii. Income and expense items of the non-integral foreign operations are translated at the average exchange rate of the year.

iv. Depreciation on fixed assets held in foreign branches and agencies is provided on written down rupee value at the year-end at the rates and in the manner as stated in "Depreciation" policy stated herein below.

v. All resulting exchange difference is accumulated in a foreign currency translation reserve until the disposal of the net investment.

vi. Foreign investments transactions during the year are converted at the exchange rates prevailing as on the last day of the month of purchase or sale.

vii. Other assets and liabilities in foreign currencies are converted at the average of buying and selling rates of exchange prevailing at the year end.

viii. The exchange gain/loss due to conversion of foreign currencies other than relating to non-integral foreign operations is taken to revenue(s) account and profit and loss account as applicable.

16. Fixed Assets

a. Fixed assets are stated at cost less depreciation.

b. The fixed assets are assessed for any indication that an asset is impaired. In case the recoverable amount of the fixed assets is lower than its carrying amount a provision is made for the impairment loss.

c. Lease payment for assets taken on operating lease are recognized as an expense in the revenue(s) accounts and profit and loss account over the lease term.

17. Depreciation

a. Depreciation on fixed assets is charged on Straight Line Method (SLM) as per the useful life prescribed under Schedule II of the Companies Act 2013 and the residual value of the asset shall be ₹ 1/-.

b. Lease hold properties are amortized over the lease period.

18. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. The same is amortised over a period of four years on straight line basis. Software development / acquisition costs, except those which meet the recognition criteria as laid down in Accounting Standard 26 (AS 26), are charged to revenue. Any additions to already existing assets are amortised prospectively over the remaining residual life of the assets.

19. Employee Benefits

Employee benefits comprise of both defined contributions and defined benefit plans.

Provident Fund is a defined contribution plan. Company's contribution towards provident fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further Company has no further obligation beyond the periodic contributions.

Pension, Gratuity and Leave Encashment are defined benefit plans. The Company has incorporated a Pension Trust and Gratuity Trust. The Company's liability towards pension, gratuity and leave encashment is accounted for on the basis of an actuarial valuation done at the year end and is charged to revenue accounts and profit and loss account as applicable except in case of pension (National Pension System) for the employee who joined from April 1, 2010 which is defined contribution plan wherein contribution towards pension fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further, Company has no further obligation beyond the periodic contributions.

All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees

20. Expenses of Management-Basis of Apportionment

Expenses of management including provision for bad and doubtful debts and exchange gain/loss, are apportioned to the revenue accounts on the basis of net premium

21. Segregation of Policyholders and Shareholders funds:

Investment Assets includes Policyholders as well as Shareholder Investment assets are bifurcated at the end of each quarter between Shareholders and Policyholders at 'fund' level on notional basis in accordance with IRDAI guidelines.

22. Income from Investments -Basis of Apportionment

Investment Income (net of expenses) is apportioned between Shareholders' Fund and Policyholders' Fund in proportion to the balance of these funds at the beginning of the year.

Investment income (net of expenses) belonging to Policyholders' is further apportioned to Fire, Marine and Miscellaneous segments in proportion to respective technical reserves balance at the beginning of the year.

Policyholders' fund for this purpose consists of estimated liability for outstanding claims including IBNR and IBNER, unexpired risk reserve (URR), Premium deficiency (if any). Catastrophe reserves (if any) and Other Liabilities net of Other Assets (relating to policy holders) as per the guidelines of IRDAI; the residual consists of the Shareholder' fund.

23. Taxation.

a. Tax expense for the year, comprises current tax and deferred tax.

b. Current income tax expense comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

c. Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax on future income. Accordingly, MAT is recognized as an asset in the Balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

d. A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.

e. Deferred tax assets are recognized only if there is a virtual certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

f. Refund of income tax is accounted on realization basis.

B. Notes Forming Part of Accounts:

1. The accounts of the company incorporate audited accounts of certain Branches which are drawn upon on calendar year basis as per local laws as compared to the financial year from April to March followed by the company. However, there are no material changes during the quarter from January to March during year ended March 31, 2017, March 31, 2016 and March 31, 2015, while during year ended March 31, 2014 and March 31, 2013 material changes noted have been incorporated in accounts. The accounts of certain runoff agencies and representative offices have been incorporated on the basis of unaudited accounts as certified by the management. These agencies /representative offices are not material. The details are as under :

Particulars		For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Branches where accounts are prepared on calendar year basis.	Audited	Fiji, Thailand	Fiji, and Thailand	Fiji, Canada and Thailand	Fiji, Canada and Thailand	Fiji, Canada and Thailand
Branches where accounts are prepared on calendar year basis.	unaudited	Canada (Run-off)	Canada (Run-off)	-	-	-
Accounts of Branches/Run-off and representative offices incorporated on unaudited basis	Agencies (Run-off*)	Colombo and Saudi Arabia	Colombo and Saudi Arabia	Paris, Colombo, Saudi Arabia	Paris, NIA T&T, Malaysia, Beirut, Ghana, Colombo, Singapore, Saudi Arabia	NIA T&T, Malaysia, Beirut, Ghana, Colombo, Singapore, Saudi Arabia
Accounts of Branches/Run-off and representative offices incorporated on unaudited basis	Rep offices	Myanmar	Myanmar	Myanmar	-	-

(*Run-off: An insurance company that is being wound up or otherwise not underwriting any business at the place of operation. It is thus letting its parent insurance policies run to their expiration dates to meet the liability on these policies.)

2. The company is in the process of implementing systems and procedures to implement the IRDAI guidelines regarding following the 1/365 method in case of foreign business and therefore the impact of pending compliance is presently not ascertainable. Systems and procedures in domestic business in few segments are also being strengthened to compute the Unexpired Premium Reserve based on data input in the accounting systems of the company. In the opinion of the management the impact of pending compliances is not expected to be material.

3. Land as stated in the restated Financial statements include Land for which registration formalities are yet to be completed, deed of conveyance is yet to be executed and lease deed has expired in case of leasehold lands. Book value of Buildings includes buildings where

registration formalities are yet to be completed/title deeds are not presently available and Buildings not in possession of the Company. These are as under:

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
LAND					
Registration formalities yet to be completed	-	17.38	17.38	Not Available	
Deed conveyance to be executed	12.50	-	-	Not Available	
Lease deed expired	11.84	-	-	-	-
BUILDING	-	-	-	-	-
Registration yet to be completed	206.70	307.38	307.38	Not Available	
Deed conveyance to be executed	-	5.19	96.84	69.88	71.87
Lease deed expired	-	11.84	-	-	-
Buildings not in possession of the company	0.34	0.34	Not Available		
Properties yet to be registered in the name of the company	16.36	10.27	Not Available		

4. As certified by the Custodian, in respect of certain securities held by the Company on reporting dates, there are variations and other differences which include excess of market value as per the custodian as compared to books which are being reconciled, while shortages have been provided for. In the opinion of the management, these are not expected to have a material impact on the state of affairs of the Company.

5. (a) Provision for standard assets has been made as per Insurance Regulatory and Development Authority guidelines on (i) Term Loan (PFPS/DTL), (ii) Debentures, (iii) Infrastructure Investments, (iv) Bonds/ Debentures of HUDCO, (v) Bonds/Debentures of Institutions accredited to NHB and (vi) Govt. Guaranteed Bonds/Securities (vii) Housing and Fire fighting Loans to State Governments (ix) Debtor.

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision for standard assets @0.4%	373.02	335.89	310.73	256.49	216.33

(b) The amount of total corporate debt/loans etc. restructured under various categories are being compiled during the year, the Company has undertaken restructuring as under:

(₹in millions)

Sr. No.	Particulars	As at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
	Total amount of assets subjected to restructuring	84.42	127.78	-	175.34	213.45
	The break-up of the same is given here under:					
(i)	Total amount of standard assets subjected to restructuring	26.86	-	-	-	-
(ii)	Total amount of sub-standard assets subjected to restructuring	-	-	-	-	-
(iii)	Total amount of doubtful assets subjected to restructuring	57.56	127.78	-	127.78	-
(iv)	Total amount of loss assets subjected to restructuring	-	-	-	47.56	213.45
	Total	84.42	127.78	-	175.34	213.45

(c) Details of Non-Performing Assets (NPA) and Provisions on NPA

i) Details of Non-Performing Assets (NPA):

(₹in millions)

Sr. No.	Particulars	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
(i)	Opening Balance	1,150.10	1,348.45	1,408.13	1,356.15	1,565.92
(ii)	Additions During the Year	-	-	-	130.63	-
(iii)	Reductions During the Year	63.28	198.34	59.69	78.65	209.77
(iv)	Closing Balance	1,086.82	1,150.10	1,348.45	1,408.13	1,356.15
	Percentage of Gross NPAs to Net Assets	0.37%	0.44%	0.54%	0.67%	0.77%
	Percentage of Net NPAs to Net Assets	-	-	0.05%	0.08%	0.07%

ii) Details of Provisions on NPA (other than standard provisions)

(₹in millions)

Sr. No.	Particulars	As at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
(i)	Opening Balance	1,150.10	1,224.87	1,244.55	1,256.69	1,435.94
(ii)	Incremental Provision During the Year	(63.28)	(74.77)	(19.68)	(12.14)	(179.25)
(iii)	Closing Balance	1,086.82	1,150.10	1,224.87	1,244.55	1,256.69

6. Short-term Investments (Annexure XVI) in Debentures and other guaranteed securities include those, which are fully repayable in the next year. As regards those debentures and other guaranteed securities, which have fallen due and remain unpaid as on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, they have been shown under long-term investments, as their reliability is unascertainable. However, necessary provision, wherever required, has been made.

7. (a) There are following cases of non-compliance/contravention of Insurance Regulatory & Development Authority (Investment) Regulations, 2000.

During the years March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Company is in the process of improving the system to ensure that the investment exposure at any point of time does not exceed the prescribed limits under Regulation 5. However, there is no case of violation of the prescribed exposure limits.

(b) There are following cases of non-compliance/contravention of Insurance Regulatory & Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002:

i) Segmental reporting in respect of Public and Product Liability is not disclosed separately for foreign business.

ii) The provisions against loans ₹628.64millions have been shown in annexure XXX "Provisions". Consequently, the "Loans" shown in the annexure XXV have not been reduced to the extent of provisions made against thereof, as required by Part V of Schedule B of the Regulation. The details of such provisions not netted against the Loans in annexure XXV are as under:

(in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provisions made against loans not netted in annexure XXX	628.64	680.51	723.59	728.46	766.87

iii) For the year ended as on March 31,2017, March 31, 2016, March 31, 2015**,** March 31, 2014 and March 31, 2013 Receipts& Payments Account/ (Cash Flow Statement) have been drawn under "Direct Method" as required by Part I of Schedule B of the regulation. However, the same is subject to reconciliation of various inter office and other accounts including certain Bank Accounts.

iv) During the year ended March 31, 2014 and March 31, 2013, the separate disclosure requirement as per IRDA circular dated March 28, 2008 in respect of outsourcing expenses has not been complied.

8. As per IRDAI circular no. IRDA/F&I/CIR/CMP/174/11/2011 dated November 1, 2010, company is required to give detail of age wise analysis of unclaimed amount of the policyholder Accordingly the unclaimed amount representing the excess premium collected, refund premium and the amount lying in stale cheques accounts and the unclaimed claim amounts at the reporting dates are as under:

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Claims settled but not paid to policyholders / insured due to any reason except under litigation from insured / policyholders	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise.	-	-	-	-	-
Any excess collection of premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	678.58	657.49	528.76	362.85	461.57
Cheques issued but not encashed by the policyholder / insured	708.96	750.63	669.78	598.65	1,272.90

Further as required under the above said IRDAI circular age wise analysis of unclaimed amount of the policyholders amounting to ₹ 1,387.54 million (PY ₹ 1,408.12millions) at the year ended March 31, 2017 representing the excess premium collected, refund premium and the amount lying in stale cheque accounts and unclaimed amount towards claim is as under:

(₹ in millions)

Particulars	Total Amount	1-6 Months	7-12 Months	13-18 Months	19-24 Months	25-30 Months	31-36 Months	Beyond 36 Months
Claims settled but not paid to policyholders / insured due to any reason except under litigation from insured / policyholders	-	-	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise.	-	-	-	-	-	-	-	-
Any excess collection of premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	678.58	124.12	42.03	32.73	30.72	38.96	26.64	383.38
Cheques issued but not encashed by the policyholder / insured	708.96	65.21	45.65	33.40	25.58	31.82	25.53	481.77

The age-wise analysis of the above information for the financial years March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 is not available.

Further as per the IRDA circular no IRDA/F&A/CIR/CPM/134/07/2015 Company has as on March 31, 2017 invested the above said total amount of ₹1,387.54millions in fixed deposit and interest accrued on such fixed deposit has been allocated to the fund amount.

IRDAI circular number IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 which came into effect from financial year ended March 31, 2017 required disclosure of the following information on unclaimed amount of policy holders.

Particulars	(₹in millions)
Opening Balance as at April 1, 2016	1,408.12
Add: Amount transferred to unclaimed amount during the year	1,952.83
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	105.23
Add: Investment income	0.21
Less: Amount paid during the year	2,078.85

9. Disclosure as required by Accounting Standards (AS): -

a. Related party disclosures as per Accounting Standard 18

Key Management Personnel of the Company

Name	Designation	Date of Joining	Date of Cessation
Mr. G. Srinivasan	Chairman cum Managing Director	October 18, 2012	till date
Mr. K. Sanath Kumar	Whole Time Director	September 06, 2012	July 31, 2015
Mr. V. Hari Srinivas	General Manager & FA	May 31, 2013	May 31, 2016
Mr. Sharad Ramnarayanan	Appointed Actuary	May 16, 2013	till date
Ms S.N. Rajeswari	CFO	August 10, 2015	Till date
Mr. Renjit Gangadharan	General Manager & Chief Marketing Officer	November 30, 2016	April 01, 2016
Mr. Rakesh Kumar	Chief Marketing Officer	April 01, 2016	May 14, 2017
Mr. Renjit Gangadharan	General Manager & Chief Marketing Officer	May 14, 2017	till date
Mr. S. Shankar	Deputy General Manager & Chief Risk Officer	June 16, 2014	June 29, 2017
Mr. S. Shankar	General Manager & Chief Risk Officer	June 29, 2017	till date
Mr. S.R. Shreeram	Chief Investment Officer	August 31, 2009	August 10, 2015
Ms Jayashree Nair	Company Secretary and Chief Compliance Officer	October 25, 2012	Till date
Mr. KLR Babu	Director	August 21, 2014	May 31, 2016
Mr. S. Harinath	Chief Investment Officer	August 10, 2015	till date
Mr. Hemant G. Rokade	Whole Time Director	January 27, 2016	till date
Mr. P. Nayak	Whole Time Director	January 27, 2016	May 31, 2016
Mr. Segar Sampath Kumar	General Manager	October 29, 2012	September 29, 2016
Mr. Anil Kumar	General Manager	May 30, 2014	June 23, 2017
Mr. Anil Kumar	Whole Time Director	June 23, 2017	till date
Mr. C. Narambunathan	General Manager	May 30, 2014	till date
Ms Tajinder Mukherjee	General Manager & Chief Underwriting Officer	August 10, 2015	till date
Ms T.L. Alamelu	Whole Time Director	October 01, 2016	June 01, 2017
Mr. Mohd. Zafir Alam	General Manager	May 30, 2014	till date
Mr. S. Pradhan	General Manager	August 27, 2016	till date
Mr. R.M. Singh	General Manager	November 30, 2016	till date
Mr. J.K. Garg	General Manager	June 29, 2017	till date
Mr. R.P. Joshi	Chief of Internal Audit	August 10, 2015	till date
Aswathanarayana	Managing Director (NIA T &T)	January 27, 2009	March 20, 2015
Jyoti Kumar Garg	Managing Director (NIA T &T)	March 09, 2015	May 02, 2016
Amit Misra	Managing Director (NIA T &T)	August 11, 2016	continuing
Harish Kumar Singhal	General Manager/Company Secretary (NIA T &T)	October 21, 2012	December 30, 2016

Ahalia Manoo	Underwriting Manager (NIA T &T)	May 01, 1988	April 30, 2015
Umesh Rathod	Underwriting Manager (NIA T &T)	June 24, 2012	October 24, 2016
Ravikant Vishal	Underwriting Manager (NIA T &T)	October 07, 2016	continuing
Michael Peter Jacob	Marketing Manager (NIA T &T)	January 01, 1987	January 07, 2016
Sookdeo Beepath	1)Assistant General Manager 2) Corporate Consultant (NIA T &T)	1) March 1, 2008 2) August 13, 2012	1)August 12,2012 2) continuing
Dr. A.P Mittal	Managing Director & CEO ,Prestige Assurance	March 03, 2010	December 24, 2014
Dr. Balla Swamy	Managing Director & CEO , Prestige Assurance	November 26, 2014	Till Date
Mr C.R Kale	Executive director (risk & operations), prestige assurance	February 09, 2010	December 12, 2015
Mr Sarbeswar Sahoo	Executive director (risk & operations), prestige assurance	November 16, 2015	Till Date
Mr E.O Oyetoyan	DGM (underwriting), prestige assurance	May 03, 2010	December 24, 2013
Mrs Jibirin Yaro	AGM 11 (Technical), prestige assurance	January 01, 2013	Till Date
Mr. P.Ln Sarma	DGM (reinsurance & claims), prestige assurance	January 19, 2011	April 12, 2016
Mr.Raja Vadlamudi	DGM (claims & reinsurance), prestige assurance	March 21, 2016	Till Date
Mrs K.O Fasanu	Chief finance officer, prestige assurance	July 01, 2012	January 12, 2016
Mr Oluwadare Emmanuel	Chief finance officer, prestige assurance	January 12, 2016	Till Date
Ms Josephine Gbuji	AGM marketing/business development, prestige assurance	July 01, 2016	Till Date
Mr Abayomi Odulana	CS & chief compliance officer, prestige assurance	January 01, 2014	Till Date
Mrs Eunice Aina	AGM 11 (audit & internal control), prestige assurance	January 01, 2013	Till Date

Transaction with related party: (₹ in millions)

Sr. No.	Nature of Relationship	Nature of Transaction	For the period ended				
			March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
i)	Associates (refer part A point-1 (h)	Premium on Reinsurance Accepted	72.39	156.69	145.03	134.70	255.83
		Commission on Reinsurance Accepted	(12.37)	(30.17)	(15.82)	(31.70)	(53.09)
		Claims Paid	(95.24)	(121.90)	(125.23)	(83.50)	(122.34)
		Dividend income received	48.08	35.18	39.20	25.33	23.29
		TPA fees paid to Health TPA of India	(9.26)	-	-	-	-
		Additional Equity Infusion in Health TPA of India	-	(118.75)	(23.75)	(23.75)	-
ii)	KMP	Salary and allowances	82.95	101.25	87.26	86.64	54.07

b. Disclosure as per Accounting Standard 20-"Earnings Per Share":

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Net profit attributable to shareholders (₹in millions)	8,578.61	9,612.78	14,158.74	8,299.43	9,166.30
Weighted average number of equity shares issued	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Basic and diluted earnings per share of ₹10/- each	42.89	48.06	70.79	41.50	45.83
Adjusted weighted average number of	800,000,000	800,000,000	800,000,000	800,000,000	800,000,000

equity shares issued*					
Adjusted basic & diluted earnings per share of ₹5/- each*	10.72	12.02	17.70	10.37	11.46

The company does not have any outstanding diluted potential equity share. Consequently, the basic and diluted earnings per share of the company remain the same.

*Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General Meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised number of shares from existing 300 million to 1,200 million, increase in issued number of shares from 200 million to 800 million and decrease in face value of shares from ₹ 10 to ₹ 5. Adjusted weighted average number of shares and adjusted basic & diluted earnings per share represents the pro-forma values incorporating impact of this corporate action.

c. Taxation

Income Tax

i) Provision for Tax - Current Tax shown in Profit & Loss Account includes following figures relating to foreign taxes.

(₹in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision for taxes relating to foreign taxes	429.90	404.88	473.54	245.48	296.56

ii) The Income Tax Assessments of the Company have been completed up to assessment year 2014-15. Major disputed demands are in respect of profit on sale of investment and related exemptions from tax liability. Based on the decisions of the appellate authority and the interpretations of the relevant provisions, the Management is of the opinion that the demands are likely to be either deleted or substantially reduced and accordingly no provisions have been made for the same.

The Income tax department has raised demands during the relevant assessment years which are being adjusted against refunds arising out of the previous assessment years without full information to the company regarding such adjustments. The details are as under:

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Amount of demand raised/refund adjusted (₹ in millions)	2,777.85	1,175.31	-	900.55	154.57
Year of refund against which adjusted	2007-08	No intimation	-	No intimation	No intimation

The Company is in appeal in respect of various taxation issues in various levels of Hon'ble Judiciary on which Income Tax Dept has made unilateral set off.

The Company is following up with the Tax Dept. for re-computing the Tax Refunds unilaterally set off pursuant to an order of ITAT for AY 2004-05 and CIT (A) for A.Y. 2009-10 the accounting of the adjustments shall be made after obtaining details from the Tax Dept.

During the year ended March 31, 2017, the company received ₹ 191.45 million towards income tax pertaining to Assessment Year 2004-05, without details of such refund as to the component of interest, if any, the company is following up for the same with the Income Tax Department. Pending receipt of such details, the amount of ₹ 191.45 million has been adjusted against advance tax/self-assessment tax.

During the year ended March 31, 2017, interest on income tax refund amounting to ₹ 1,325.92 million has been recognized on realization basis.

iii) Deferred Taxes

The major components of temporary differences resulting into deferred tax assets are as under:

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Fixed Assets	(115.30)	(83.87)	4.41	110.22	69.83
Leave Encashment	2,309.33	2,251.94	1,653.61	1,653.61	1,463.27
Estimated Disallowance u/s 40(a) (ia)	3.46	3.46	3.40	3.40	3.24
Gratuity	-	-	-	(116.63)	(222.65)
LTS	-	-	-	-	-
Profit linked Incentive	-	-	-	-	48.67
Total	2,197.49	2,171.53	1,661.42	1,650.60	1,362.36

Notes:

(1) Sums credited to the Profit & Loss account on account of increase in deferred tax assets are

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Amount debited/(Credited)	(45.97)	(515.41)	(55.83)	(246.23)	(63.54)

(2) On prudence basis recognition of deferred tax asset on unabsorbed depreciation and carry forward losses has not been given effect in the books of account.

(3) Above deferred tax asset does not include impact of deferred tax in respect of operations of foreign branches.

(4) The company continues to recognize the deferred tax asset as hitherto, as in the opinion of the management there are sufficient evidences to establish the virtual certainty of realization of the Deferred Tax Asset from the future taxable profits.

d. Accounting Standard 15 – Employee Benefits

The details of employee benefits for the period on account of gratuity, superannuation which is funded defined employee benefit plans and encashment which is an unfunded defined benefit plan are as under.

i. Pension-Parent Company

(₹ in millions)

	Particulars	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I	Components of employer expense					
A	Current Service Cost	1,013.80	855.40	858.30	1,200.00	1,092.00
B	Interest Cost	2,927.20	2,492.40	2,588.50	1,560.90	2,278.10
C	Expected Return on Plan Assets	(2,492.20)	(2,381.40)	(2,588.60)	(2,277.70)	(2,224.60)
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Past Service Cost	-	-	-	-	-
G	Actuarial Losses/(Gains)	46.20	6,186.70	910.50	2,111.00	1,751.20
H	Amortised/(Deferred) Cost)	1,709.40	-	-	-	-
	Total expense recognized in the statement of Profit and Loss Account	3,204.40	3,665.10	1,768.70	2,594.20	2,896.70
II	Actual Returns for the Period	2,629.00	2,619.50	2,527.90	2,723.00	2,098.30
III	Net Asset/(Liability) recognized in Balance Sheet					
A	Present Value of Defined Benefit Obligation	35,123.50	37,289.60	31,469.20	30,453.40	28,748.80
B	Fair Value of Plan Assets	32,515.90	31,748.40	30,067.40	28,725.90	28,789.00
C	Status (Surplus/Deficit)	(2,607.60)	(5,541.20)	(1,401.80)	(1727.50)	(40.20)
D	Un recognized Past Service Cost	1,778.50	-	-	-	-
	Net Asset / (Liability) recognized in Balance Sheet	(829.10)	(5,541.20)	(1,401.80)	(1727.50)	(40.20)
IV	Change in Defined Benefit Obligation					
A	Past value of the Defined Benefit Obligation at the beginning of the period	37,289.60	31,469.20	30,453.40	28,748.80	26,204.50
B	Current Service Cost	1,013.80	855.40	858.30	1,200.00	1,092.00
C	Interest Cost	2,927.20	2,492.40	2,588.50	1,560.90	2,278.10
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Plan Amendments	-	-	-	-	-
G	Acquisitions	-	-	-	-	-
H	Actuarial Losses/(Gains)	183.00	6,424.80	849.80	1,885.40	1,459.10

I	Asset Loss / (Gain)	-	-	-	-	-
J	Benefits Paid	(6,290.10)	(3,952.20)	(3,280.80)	(2,941.70)	(2,284.90)
	Present Value of Defined Benefit Obligation at the end of the period	35,123.50	37,289.60	31,469.20	30,453.40	28,748.80
V	Change in the Fair Value of Assets during the period ended					
A	Plan Assets at the beginning of the period	31,748.40	30,067.40	30,453.40	28,789.00	26,070.30
B	Acquisition Adjustment	-	-	-	-	-
C	Expected return on Plan Assets	2,492.20	2,381.40	2,588.60	2,277.70	2,224.60
D	Asset (Losses)/Gains	136.80	238.10	(60.70)	225.60	292.10
E	Actual Company Contributions	4,428.60	3,013.70	366.90	2,102.80	2,486.90
F	Benefits Paid	(6,290.10)	(3,952.20)	(3,280.80)	(2,941.70)	(2,284.90)
	Plan Assets at the end of the period	32,515.90	31,748.40	30,067.40	30,453.40	28,789.00
VI	Transitional Provisions					
	(Income)/Expense to be recognised	32.04	-	-	-	-
VII	Actuarial Assumptions					
A	Discount Rate (%)	7.22%	7.85%	7.92%	8.50%	8.25%
B	Expected Return on Plan Assets (%)	7.22%	7.85%	7.92%	8.50%	8.25%
C	Rate of escalation in salary	3.50%	3.50%	4.00%	4.50%	4.75%
VIII	Major Category of Plan Assets as % of the Total Plan Assets					
A	Government Securities	47.29%	47.37%	39.74%	36.72%	32.70%
B	High Quality Corporate Bonds	43.25%	41.95%	50.62%	50.78%	55.93%
C	Others	9.46%	10.68%	9.64%	12.50%	11.37%
XI	Basis used to determine the expected rate of return on plan assets	The expected rate of return on plan assets is based on the current portfolio of the assets, investment strategy and the market scenario, in order to protect capital and optimize returns within acceptable risk parameters; the plan assets are well diversified.				

ii. Gratuity-Parent Company

(₹ in millions)

	Particulars	For the year ended

		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I	Components of employer expense					
A	Current Service Cost	211.00	223.40	231.70	443.50	415.70
B	Interest Cost	908.40	769.80	791.60	666.70	646.50
C	Expected Return on Plan Assets	(764.00)	(750.10)	(791.70)	(595.90)	(636.80)
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Past Service Cost	-	-	-	-	-
G	Actuarial Losses/(Gains)	(94.10)	1,564.40	19.80	646.20	126.20
H	Amortised/(Deferred) Cost)	434.90	(869.80)	-	-	-
	Total expense recognized in the statement of Profit and Loss Account	696.20	937.70	251.40	1,160.50	551.60
II	Actual Returns for the Period	823.00	825.00	789.20	767.70	684.80
III	Net Asset/ (Liability) recognized in Balance Sheet					
A	Present Value of Defined Benefit Obligation	10,758.20	11,368.90	9,683.50	9,312.50	8,162.10
B	Fair Value of Plan Assets	10,061.90	9,561.70	9,433.50	9,313.50	8,265.90
C	Status (Surplus/Deficit)	(696.30)	(1,807.20)	(250.00)	1.00	103.80
D	Un recognized Past Service Cost	-	-	-	-	-
	Net Asset / (Liability) recognized in Balance Sheet	(696.30)	(1,807.20)	(250.00)	1.00	103.80
IV	Change in Defined Benefit Obligation					
A	Past value of the Defined Benefit Obligation at the beginning of the period	11,368.90	9,683.50	9,312.50	8,162.10	7,649.70
B	Current Service Cost	211.00	223.40	231.70	443.50	415.70
C	Interest Cost	908.40	769.80	791.60	666.70	646.50
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Plan Amendments	-	-	-	-	-
G	Acquisitions	-	-	-	-	-
H	Actuarial Losses/(Gains)	(35.10)	1,639.30	17.30	646.20	(46.20)
I	Asset Loss / (Gain)	-	-	-	-	-
J	Benefits Paid	(1,695.00)	(947.10)	(669.60)	(606.00)	(503.60)

	Present Value of Defined Benefit Obligation at the end of the period	10,758.20	11,368.90	9,683.50	9,312.50	8,162.10
V	Change in the Fair Value of Assets during the period ended					
A	Plan Assets at the beginning of the period	9,561.70	9,433.50	9,313.50	8,265.90	7,525.70
B	Acquisition Adjustment	-	-	-	-	-
C	Expected return on Plan Assets	764.00	750.10	791.70	595.90	636.80
D	Asset (Losses)/Gains	59.00	74.90	(2.50)	1057.70	172.40
E	Actual Company Contributions	1,372.20	250.30	0.40	-	434.50
F	Benefits Paid	(1,695.00)	(947.10)	(669.60)	(606.00)	(503.50)
	Plan Assets at the end of the period	10,061.90	9,561.70	9,433.50	9,313.50	8,265.90
VI	Transitional Provisions					
	(Income)/Expense to be recognised	6.96	-	-	-	-
VII	Actuarial Assumptions					
A	Discount Rate (%)	7.51%	7.99%	7.95%	8.50%	8.25%
B	Expected Return on Plan Assets (%)	7.51%	7.99%	7.95%	8.50%	8.25%
C	Rate of escalation in salary	3.50%	3.50%	4.00%	4.50%	4.75%
VIII	Major Category of Plan Assets as % of the Total Plan Assets					
A	Government Securities	47.02%	50.37%	39.07%	39.02%	38.78%
B	High Quality Corporate Bonds	43.25%	38.74%	48.33%	52.29%	56.20%
C	Others	9.73%	10.90%	12.60%	8.69%	5.02%
XI	Basis used to determine the expected rate of return on plan assets	The expected rate of return on plan assets is based on the current portfolio of the assets, investment strategy and the market scenario, in order to protect capital and optimize returns within acceptable risk parameters; the plan assets are well diversified.				

iii. Leave Encashment

(₹ in millions)

	Particulars	For the year ended

		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I	Components of employer expense					
A	Current Service Cost	104.80	127.00	132.50	230.00	176.00
B	Interest Cost	519.90	385.30	413.50	359.20	305.40
C	Expected Return on Plan Assets	-	-	-	-	-
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	(245.00)
F	Past Service Cost	-	-	-	-	-
G	Actuarial Losses/(Gains)	397.90	2,091.90	(32.40)	345.70	602.20
H	Amortised/(Deferred) Cost	-	-	-	-	-
	Total expense recognized in the statement of Profit and Loss Account	1,022.60	2,604.20	513.60	934.90	838.60
II	Actual Returns for the Period	-	-	-	-	-
III	Net Asset/(Liability) recognized in Balance Sheet					
A	Present Value of Defined Benefit Obligation	6,672.80	6,507.00	4,846.90	4,865.00	4,500.00
B	Fair Value of Plan Assets	-	-	-	-	-
C	Status (Surplus/Deficit)	(6,672.80)	-	4,846.90	4,865.00	4,500.00
D	Un recognized Past Service Cost	-	-	-	-	-
	Net Asset / (Liability) recognized in Balance Sheet	(6,672.80)	6,507.00	4,846.90	4,865.00	4,500.00
IV	Change in Defined Benefit Obligation					
A	Past value of the Defined Benefit Obligation at the beginning of the period	6,507.00	4,865.00	4,865.00	4,500.00	3,661.40
B	Current Service Cost	104.80	127.00	132.50	230.00	176.00
C	Interest Cost	519.90	385.30	413.50	359.20	305.40
D	Curtailment Cost/(Credit)	-	-	-	-	-
E	Settlement Cost/(Credit)	-	-	-	-	-
F	Plan Amendments	-	-	-	-	-
G	Acquisitions	-	-	-	-	-
H	Actuarial Losses/(Gains)	397.90	2,073.80	(32.40)	345.70	602.20
I	Asset Loss / (Gain)	-	-	-	-	-
J	Benefits Paid	(856.80)	(944.10)	(531.70)	(559.90)	(245.00)

	Present Value of Defined Benefit Obligation at the end of the period	6,672.80	6,507.00	4,846.90	4,875.00	4,500.00
VII	Actuarial Assumptions					
A	Discount Rate (%)	7.51%	7.99%	7.95%	8.50%	8.25%
B	Expected Return on Plan Assets (%)	-	-	-	-	-
C	Rate of escalation in salary	3.50%	3.50%	4.00%	4.50%	4.75%

e. Accounting for Lease(AS-19):

The Company's Office Premises and Residential flats for employees are obtained on operating lease and are renewable / cancellable at mutual consent. There are no restrictions imposed by lease agreements. Lease terms are based on individual agreements. Significant leasing arrangements are in respect of operating lease for premises. Lease rentals charged to Revenue Account are.

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Lease rentals Charged to revenue account	1,147.50	974.08	1,089.61	942.20	828.51

f. Impairment of Assets(AS-28)

During the periods, the Company reviewed its fixed assets for impairment. In the opinion of the management no provision for impairment loss is considered necessary. However, Impairment assessment as required by AS-28 would be done in due course.

Other Notes:

10. The pay revision of the officers and employees has been carried out by the Public Sector General Insurance Companies for the year ended March 31, 2016 consequent upon the Gazette Notification dated January 23, 2016 issued by the Ministry of Finance. As a result, the additional liability of Pension and gratuity on account of pay revision has been arrived at ₹ 5,024.70 million and ₹1,304.70 million respectively as per the actuarial valuation carried out.

    In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire additional liability of ₹5,024.70 million for pension and ₹1,304.70 million for gratuity is required to be charged to the Profit & Loss Account. However, vide circular communications ref IRDA/F&A/CIR/ACTS/077/04/2016 dated April 18, 2016 and IRDA/F&A/LR/001/2016/6 dated April 19, 2016, IRDA has permitted the amortization of expenditure relating to additional liability towards gratuity and pension over a period of three years commencing year ended March 31, 2016. Accordingly, the Company has recognised the additional liability and an amount of ₹ 1,674.90 million for pension and ₹ 434.90 million for gratuity is charged to the revenue in each of the years ended March 31, 2016 and March 31, 2017and balance amount remaining to be amortised in the year ended March 31, 2018 amounts to₹ 1,674.90 million and ₹434.90 million for pension and gratuity respectively.

    The Pension Scheme 1995 has been extended to PSU officers and staff members who joined until March 31, 2010, By virtue of the Gazette Notification no. 233(E), 234(E) and 235(E) dated January 23, 2016, the incremental liability towards pension arising out of the above extension has been arrived at ₹172.70 million based on actuarial valuation.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire amount of ₹1,715.60 million for pension is required to be charged to the Profit &Loss Account in the year ended March 31, 2016. However, IRDA vide Circular ref IRDA/F&A/CIR/ACTS/077/04/2016 dated April 18, 2016 has permitted the amortisation of expenditure relating to the additional liability over a period of five years commencing from year ended March 31, 2016 and accordingly an amount of ₹34.54 million is charged to the revenue in each of the year ended March 31, 2016 and March 31, 2017 and balance amount remaining to be amortised in next three years is ₹ 103.62 million for pension.

11. For the Year ended March 31, 2015, March 31, 2014 and March 31, 2013
In year ended March 31, 2011, the limit of gratuity payable to the employee was enhanced consequent to amendment to the Payment of Gratuity Act, 1972, (Government Gazette notification dated May 24, 2010). The maximum amount of gratuity payable has been increased from ₹0.35million to ₹1.00 million per employee. As a result, the gratuity liability of the Company had increased by ₹1,715.60 million.

In terms of requirement of the Accounting Standard (AS-15) Employee Benefits, the entire amount of ₹1,715.60 million is required to be charged to the Profit & Loss Account. As permitted by IRDA circular number IRDA/F&A/CIR/ACT/069042011 dated April 18, 2011 an amount of ₹343.12 million has been charged to the revenue in each of the 5 financial years beginning from year ended March 31, 2011.

12. The management is currently in the process of identifying enterprises which have been providing goods and services to the Company which qualify under the definition of medium and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such Micro, Small, and Medium Enterprises as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013; has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

13. Penalty (As per IRDAI Circular No 005/IRDA/F&A/CIR/MAY-09 dated May 07, 2009, below table mentions the details of the penalty imposed by various regulators and Government authorities during the year):

For the year ended March 31, 2017					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	Nil	-	-	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-

7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Refer Note below	2.00	2.00	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

Note: The Company received an order from Competition Commission of India imposing a penalty of ₹ 2,510.70millions in year ended March 31, 2016. The Company contested against the order in Competition Appeal Tribunal and the Tribunal awarded penalty of ₹2.00millions as against ₹2,510.70millions of CCI order. The penalty was paid in January 2017.CCIhas appealed against the order of Tribunal at the Apex Courtand the case has been admitted in the Apex Court in March 2017.

For the year ended March 31, 2016					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1(a)	Insurance Regulatory and Development Authority / TAC	Non-compliance of IRDAI(Health Insurance) Regulations,2013	0.50	0.50	-
1(b)		Violation of IRDA guidelines	1.50	1.50	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Refer Note Below	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

Note: The Company received an order from Competition Commission of India imposing a penalty of ₹ 2,510.70million which is being contested by the Company. In the opinion of the management and as per the legal advice received, the company is hopeful of favorable decision in the matter and as such no provision has been considered necessary. However, in this regard company has deposited an amount of ₹251.10million to the Appellate Authority to contest appeal against the order.

For the year ended March 31, 2015					
Sr. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	Nil	-	-	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Nil	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

For the year ended March 31, 2014					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	Nil	-	-	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-

6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Nil	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

For the year ended March 31, 2013					
S. No.	Authority	Non-Compliance/ Violation	₹ in millions		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority / TAC	Late submission of information relating to premium, claims, agent and offices in Form I to X	-	0.50	-
2	Service Tax Authorities	Nil	-	-	-
3	Income Tax Authorities	Nil	-	-	-
4	Any other Tax Authorities	Nil	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	Nil	-	-	-
8	Securities and Exchange Board of India	Nil	-	-	-
9	Competition Commission of India	Nil	-	-	-
10	Any other Central / State / Local Government / Statutory Authority	Nil	-	-	-

14. The Company has created Equalization Reserve in respect of London Branch as required by the UK Regulations. This reserve is not available for distribution as dividend. The details of movement in the above said reserve are as under:

Amount in million in stated currency

Equalization Reserve	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening balance of reserve (GBP)	12.60	10.00	6.50	6.24	6.24
Opening balance of reserve (₹)	1,203.45	924.76	648.34	514.98	508.29
Transferred from General Reserve (GBP)	-	-	-	0.26	-
Transferred from General Reserve (₹)	-	-	-	25.83	-
Charged to Profit and loss account (GBP)	(1.60)	2.60	3.50	-	-
Charged to Profit and loss account (₹)	(313.43)	278.70	323.67	-	-
Closing Balance (GBP)	11.00	12.60	10.00	6.50	6.24
Foreign Exchange Fluctuation (₹)	-	-	(47.25)	107.53	6.70
Closing Balance (₹) Restated	890.02	1,203.45	924.76	648.34	514.98

Further, in accordance with Oman Insurance Company Law, company has created contingency reserve for claims for Muscat agency for 5 million omani Riyal.The details of movement due to foreign currency fluctuations are as under:

Amount in million in stated currency

Appropriation for Muscat Agency	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening balance of reserve (INR) Restated	857.49	811.39	775.88	703.11	-
Transferred from General Reserve	-	-	-	-	290.76
Charged to Profit & Loss Account	-	-	-	-	412.35
Closing Balance (INR)	703.11	703.11	703.11	703.11	703.11
Foreign Exchange Fluctuation (`)	(15.29)	46.10	35.52	72.77	-
Closing Balance (INR) Restated	842.21	857.49	811.39	775.88	703.11

15. a) The balance appearing in the amount due to/ due from persons or bodies carrying on insurance business including reinsurance business are subject to confirmation/ reconciliation and consequential adjustments, if any. In case of co-insurance balances, the reconciliation and settlement process to clear balances is in progress. During the year ended March 31,2017 the company has made considerable progress in the reconciliation process and the outstanding entries are being reduced gradually.

As regards Reinsurance balances, RI Balances reconciliation is an ongoing process though confirmations of balances are done at regular intervals, not on a specific cut-off date (i.e. Annual Closing date). Further the company has maintained provision towards doubtful debts as a prudent measure amounting to-

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Provision in the books	1,237.33	1,237.33	1,237.33	1,237.33	1,197.71

b) The reconciliation of various inter office and assets and liabilities related accounts Control Accounts, old balances appearing in legacy software, sundries and suspense, certain Bank Accounts, other assets and other liabilities etc. is under progress and certain Investment in term loans, loans to State Government for the purpose of Housing & Fire fighting equipments are subject to confirmation. The impact of the above, if any, on the financial statements are unascertainable.

16. Reinsurance acceptance transactions pertaining to the reporting periods have been booked for advices received up to-

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Advices received upto	April 19, 2017	April 21, 2016	April 21, 2015	April 22, 2014	April 23, 2013

17. In accordance with the provisions of the Section 135 of the Companies Act, 2013, the Company had spent following amounts towards Corporate Social Responsibility.

(₹ in millions)

Particulars	For the year ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Amount Approved	269.70	315.00	160.20	NA	NA
Amount sanctioned	210.70	295.40	160.20	NA	NA
Amount spent	189.50	101.00	32.60	NA	NA
Amount not Spent	21.20	194.40	127.60	NA	NA

18. Pre-payment premium received in present value terms on account of restructuring/reduction of interest rates in respect of loans/debentures is spread over the remaining tenure of such loans/debentures for reported period. Accordingly following amounts have been considered as income received in advance and shown in Schedule – 13 Current Liabilities under the head “Others”.

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Pre-payment premium received and shown as current liabilities	2.09	2.79	3.68	4.77	6.11

19. Indian Motor Third Party Insurance Pool (IMTPIP):

During the year ended March 31, 2012, the Insurance Regulatory and Development Authority vide its Orders No. IRDA/NL/ORD/MPL/277/12/2011 dated December 23, 2011 directed the dismantling of the Indian Motor Third Party Insurance Pool (IMTPI Pool).

The IMTPIP Pool was dismantled on a clean cut basis and general insurances companies were required to recognized the pool liabilities of underwriting years 2009-10, 2010-11 and 2011-12 as per loss ratios communicated by IRDA with the option to recognize the same an expense on a straight-line basis over up to the three years beginning with the financial year ending March, 31, 2012.

In accordance with IRDA order no. IRDA/F&A/ORD/MTPP/070/03-2012 dated March 22, 2012, on recognition of transitional liability, the company has recognized ₹ 8,688.74 million during the year ended March 31, 2013 and ₹ 4,344.37 million during the year ended March 31, 2014.

During the reported periods, the company has also recognized following amounts as per the option exercised during year ended March 31, 2012.The details are as below-

Year ended March 31, 2014

(₹ in millions)

Underwriting Year	Total Liability as per ULR communicated by IRDA	Amount recognised up to March 31, 2013	Amount recognised during the year	Total amount recognised up to March 31, 2014	Amount un-recognised on March 31, 2014
2009-10	2,392.59	1,860.90	531.69	2,392.59	-
2010-11	3,113.72	2,421.78	691.94	3,113.72	-
2011-12	14,043.36	10,922.62	3,120.75	14,043.36	-
Total	19,549.67	15,205.30	4,344.37	19,549.67	-

Year ended March 31, 2013

(₹ in millions)

Underwriting Year	Total Liability as per ULR communicated by IRDA	Amount recognised up to last balance sheet date	Amount recognised during the year	Total amount recognised up to March 31, 2013	Amount un-recognised March 31, 2013
2009-10	2,392.59	797.53	1,063.37	1,860.90	531.69
2010-11	3,113.72	1,037.91	1,383.88	2,421.78	691.94
2011-12	14,043.36	4,681.12	6,241.50	10,922.62	3,120.75
Total	19,549.67	6,516.56	8,688.74	15,205.30	4,344.37

Had the liability had been accounted in the year ended March 31, 2012 the profit of the company would have been higher by ₹ 8,688.74 million for the year ended March 31, 2013 and by ₹ 4,344.37 million for the year ended March 31, 2014.

As required by IRDA, Companies appointed actuary has actuary determined the liabilities in respect of IMITP Pool business written by company and companies accounts have been made in accordance with the above.

20. Declined Risk Pool:

The IRDA vide its Circular no. IRDA/NL/ORD/MPL/MPL/277/12/2011 Dated December 23, 2011 announced the creation of decline risk pool for Commercial Vehicles for standalone Third Party Liability insurance (Act only insurance) with effect from April 1, 2012. The act only insurance policies of commercial vehicles which are declined under the norms of 'file and use' guidelines of IRDA as well as underwriting policy of respective company are covered under the pool.

As per IRDA Order no. IRDA/NL/MPL/ 72/03/2012 dated March 22,2012 on Declined Risk Insurance Pool, the estimation of ULR for the DR Pool shall be completed by the Pool actuary by the following May of each u/w year starting from May 31, 2013; and that the insurers shall make provision as per the latest year's ULR, until the u/w year's ULR is estimated. IRDA has given ULR for year ended March 31, 2012 as 145%.

Provisions in the Company's accounts have been made in accordance with the above for the year ended March 31, 2013.

IRDAI vide their order no. IRDA/NL/MPL/223/11/2013 dated November 18, 2013 advised to maintain Ultimate Liability Ratio (ULR) of 210% for Declined Risk Insurance Pool for year ended March 31, 2013.

The provisions in the Company's accounts have been made in accordance with the above for the year ended March 31, 2014.

IRDAI vide their Order No. IRDA/NL/ORD/MPL/251/11/2014 dated November 27, 2014 advised that ULR for the year ended March 31, 2014 for declined risk pool be fixed at 175%.

IRDAI vide their Circular no. IRDA/NL/MTP/DRP/2013-15/01/2016 dated February 10, 2016 advised the provisional ULR of motor declined risk pool for the year ended March 31, 2015 @184%. The provision of the same has been made in the IBNR calculation as provided by the actuary for the year ended March 31, 2016.

The company’s total investments adequately cover the investment of the DR Pool funds also, though it is not earmarked separately, as stipulated by IRDA.

21. The Company is in the process of completing the physical verification of fixed assets and at certain locations updating fixed asset register Consequent to the enactment of the Companies Act 2013 and its applicability for accounting period commencing after April 1, 2014, during the year ended March 31, 2015 the company has changed/reviewed useful life and method of accounting of depreciation from WDV basis to SLM basis as per estimates of useful life given in Schedule II of Companies Act, 2013. Due to non-availability of data and limitations relating to data migration and original purchase cost of assets at foreign branches the precise effect of the change in the accounting policy could not be given in the accounts of the company in the year of the change and in subsequent years up to March 2016. During the process of restatement of financial statements, the effect of the above change in the accounting policy in accordance with the requirement of AS-6 on Depreciation, has been given in the respective years to the extent of available information in respect of original cost, additions and deletions to fixed assets and impact of remaining adjustments if any has not been ascertained which in the opinion of management is not expected to be material.
22. During the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the incorporated returns/ audit reports relating to certain foreign Branches and foreign agency offices, audited by the local auditors appointed by the company have been prepared in accordance with the accounting principles generally accepted in the respective locations/countries with certain adjustments being carried out for the purpose of consolidation to be in accordance with the accounting policies followed by the company, as per consistent practice followed in this regard. The impact if any of the above on the accounts could not be ascertained. The audit reports received in case of the foreign Branches/offices are also not in strict accordance with the requirements laid down in SA700 issued by the ICAI and matters required under the provisions of the companies Act, 2013 read with IRDA Regulations 2002. While the above position was set right during the year ended March 31, 2017, there was no financial impact of the above on the accounts of the company.

23. Demonetization of Specified Bank Notes
The presentation of financial statements of the company is governed under the provisions of IRDAI (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 and circulars and/or guidelines issued there-under and hence the provisions of Section 129(1) of the Companies Act,2013 with regard to applicability of Schedule III of the Companies Act,2013 are not applicable to the company and hence the disclosure requirement as envisaged in Notification G.S.R 308(E) dated March 30, 2017 is not applicable to the Company.

24. At Navsari Divisional office under Surat Regional office of the company, transactions comprising un-authorized/illegally authorized claims having been posted in the accounting system and paid, were observed during the year in case of one of the dealers relating to the financial years ended March 31,2012 to March 31, 2017. As per the investigations carried so far, an amount of ₹ 15.20 million (approx..) has been identified to have been excess paid in this respect. The detailed investigations to assess the total amount of such irregularities are in progress and the management has taken appropriate action against the concerned dealer/employees.

25. Unexpired premium reserve at revenue segment level is found to be sufficient to cover the expected claim cost as certified by the appointed actuary and the claims related expenses as estimated by the management for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013. Hence no premium deficiency reserve is required to be provided for the respective year.

26. For the year ended March 31, 2017, the Board of Directors at their meeting held on May 3, 2017 have proposed a dividend of 155% of the paid up capital of the company. In terms of revised Accounting Standard (AS)-4 Contingencies and Events occurring after the Balance Sheet date as notified by the Ministry of Corporate Affairs through the amendments to the Companies (Accounting Standard) Rules 2016, the company has not appropriated proposed dividend (including tax) amounting to ₹ 3,731.19 million from the Profit & Loss Account for the year ended on March 31, 2017. In respect of the years March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the proposed dividend has been restated in accordance with the amendment as above.

Jayashree Nair Company Secretary and Chief Compliance Officer	**S. N. Rajeswari** Chief Financial Officer	
Hemant G. Rokade Director DIN No.06417520	**Anil Kumar** Director DIN No. 07859811	**G. Srinivasan** Chairman-Cum- Managing Director DIN No.01876234
As per our report of even date **For R. Devendra Kumar & Associates** Firm Reg. No. 114207W Chartered Accountants	**For A. Bafna & Co.** Firm Reg. No. 003660C Chartered Accountants	**For NBS & CO.** Firm Reg. No. 110100W Chartered Accountants
Neeraj Golas Partner Membership Number 074392	**Vivek Gupta** Partner Membership Number 400543	**Pradeep J. Shetty** Partner Membership Number 046940

Place: New Delhi
Date: August 04, 2017

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-VI: NOTES ON ADJUSTMENTS FOR RESTATED CONSOLIDATED FINANCIAL INFORMATION

1 The summary of results of restatement made in the audited consolidated financials statements for the respective years and it's impact on the profits of the Company is as follows:-

(₹ in millions)

Particulars		**For the year ended**				
		March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Profit After Tax as per Audited Consolidated Financial Statements		10,279.70	8,244.49	14,342.90	10,966.40	8,744.67
(A) Adjustments due to change in accounting policy		-	-	-	-	-
	1. Impact of UPR due to change in method of calculation in compliance with IRDAI circular no .IRDA/ F&A/ CIR / CPM/ 056/03/2016 dated April 04, 2016.	(2,605.58)	1,438.91	(806.12)	(3,629.66)	(495.92)
	2. Impact of change in valuation of investments - capitalistaion of STT	4.53	8.25	6.20	6.12	4.16
	3. Depreciation	23.21	-	(23.21)	4.72	(23.26)
(B) Other adjustments						
	1. Net impact of Prior Period Item	169.70	(93.16)	31.99	(81.41)	420.76
	2. AS-11 Impact on outstanding Claims	-	-	-	-	378.12
	3. Adjustment for deferred tax	(13.10)	22.82	(45.71)	3.03	32.96
	4. Adjustment for current tax	506.82	(279.34)	267.19	780.07	77.76
	5. Foreign Dividend Gross up	(5.11)	-	-	-	-
	6. Provision for Doubtful debt for Curaco Branch	38.43	(38.43)	-	-	-
	Profit after tax as per restated consolidated Financial Statements	**8,398.60**	**9,303.54**	**13,773.23**	**8,049.28**	**9,139.25**

A Change in accounting policy

i. **Unexpired Premium Reserve (UPR)**

During the year ended March 31, 2017, the company has changed its Accounting policy for calculation of UPR to be in compliance with guidelines issued by IRDA which is as follows:

a) Marine Hull :	100% of the net written premium during the preceding twelve
b) Other segments:	
i) in respect of domestic business :	On the basis of 1/365th method on Net Premium over the unexpired period of respective policies.
ii) in respect of foreign business	50% of the net premium in respect of all business other than Marine hull.

As compared to the earlier policy which is as follows:

a) Marine Hull :	100% of the net written premium during the preceding twelve months.
b) other segments:	50% of the net premium in respect of all business other than Marine hull.
c) in respect of subsidiaries :	on the basis of 1/365th method on the unexpired period of respective policies for all segments

For the purpose of restated consolidated financial information , this change in accounting policy and the consequential adjustments on account of UPR have been appropriately adjusted in the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016.

ii. Capitalisation of Securities Transaction Tax (STT)

During the year ended March 31, 2017, the company has changed its accounting policy in respect to Securities Transaction Tax from Treating it from revenue expense to capitalising it in the cost of Investments.

For the purpose of restated consolidated financial information , this change in accounting policy and the consequential adjustments on account of capitalisation of STT have been appropriately adjusted in the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016.

iii. Depreciation

During the year ended March 31, 2015, the Company has decided to change the method of Depreciation to Straight Line method (SLM) as compared to the Written Down Value (WDV) Method. Retrospective amendment of the Change in method of calculation of depreciation to SLM from WDV was recorded in consolidated financial statements for the year ended March 31, 2015.

For the purpose of restated consolidated financial information , this change in accounting policy and the consequential adjustments on account of change in method of depreciation has been appropriately adjusted in the year ended March 31, 2013, March 31, 2014 and March 31, 2015.

iv. Proposed Dividend

Pursuant to revised Accounting Standard (AS)-4 Contingencies and Events occurring after the Balance Sheet date as notified by the Ministry of Corporate Affairs through the amendments to the Companies (Accounting Standard) Rules 2016, there was a change in the method of accounting for Dividend Declared after the balance sheet Date, wherein such dividend declared post balance sheet date should not be recognized as a liability item at the balance sheet unless a statue requires otherwise. Such dividend should be disclosed in notes. The company has accordingly restated the accounting of dividend on payment basis.

(B) Other adjustments

i. Net impact of Prior Period Item

In the financial Statements for the year ended March 31, 2013, March 31, 2014, March 31, 2015 and March 31, 2016 , certain items of income / expense have been identified as adjustments pertaining to earlier years . These adjustments were recorded in the year in which they were identified . However, for the purpose of restated consolidated financial information, such adjustments have been appropriately recorded in the respective years to which the transaction pertains. Adjustments related to financial Years Prior to year ended March 31, 2013 have been adjusted against the opening balance of the restated consolidated Net Worth as at April 1, 2012.

ii. AS-11 Impact on outstanding Claims

During the Year Ended March 31, 2014, The company changed its Accounting policy in respect of recording Outstanding Claims to be in line with AS-11 " Effect of changes in foreign exchange rates". The Outstanding Claims are recorded in Profit and Loss Account at average rate and in Balance Sheet are recorded at closing rate, as compared to recording Outstanding Claims at closing rate in Profit and Loss Account.

For the purpose of restated consolidated financial information, this change in accounting policy and the consequential adjustments on account of such change has been appropriately adjusted in the year ended March 31, 2013.

iii. Adjustment for deferred tax

During the above period Deferred Tax created due to restatement of WDV of Fixed Assets.

iv. Adjustment for current tax

Impact of change in PBT has been taken into account in current tax calculation.

Adjustments related to financial years prior to Year ended March 31, 2013 have been adjusted against the opening balance of the restated consolidated Net Worth at April 1,2012

v. Dividend Gross up

During the year ended March 31, 2015 The Company has changed the accounting treatment for dividend on foreign investment by showing the gross value of dividend as Income and Tax deducted on the same as Asset whereas in the earlier years the dividend on foreign investments were booked on net basis.

For the purpose of restated consolidated financial information, this change in accounting policy and the consequential adjustments on account of such change has been appropriately adjusted in the year ended March 31, 2014 and March 31, 2013.

Adjustment related to financial year ended March 31, 2012 has been adjusted in the opening balance of restated consolidated Net Worth as at April 1, 2012.

vi. Provision for Doubtful Debt for Curaco Branch

During the period ended March 31, 2017 Company has made provision for bad debts of ₹ 38.43 millions which pertains to March 31, 2016, hence the impact of same is provided in the respective years in the restated financial statements.

2 Material Regroupings

Appropriate adjustments have been made in restated consolidated summary financial information, wherever required, by a reclassification of corresponding items of income, expense, asset, liability, receipt and payment in order to bring them in line with the groupings as per the condensed audited financial statements of the company as at and for the year ended March 31, 2017.

3 Reconciliation of opening Net Worth of consolidated financial statement as on April 1, 2012

Particulars	**(₹ in millions)**
Net Worth as at April 1, 2012 as per consolidated financial statements	77,170.49
Adjustments for :	
1. Impact of UPR due to change in method of calculation in compliance with IRDAI circular no .IRDA/ F&A/ CIR / CPM/ 056/03/2016 dated April 4, 2016.	6,098.37
2. Impact of change in valuation of investments (capitalistaion of STT)	-
3. Depreciation	18.54
4. Net impact of Prior Period Item	(447.88)
5. AS-11 Impact on outstanding Claims	-
6. Adjustment for deferred tax	-
7. Adjustment for current tax for participating products	-
8. Dividend Gross up	-
9. Provision for Doubtful Debt for Curaco Branch	-
10. Proposed dividend and dividend distribution tax of period ended March 31, 2012	464.89
Net Worth as at April 1, 2012 as per restated consolidated financial information	**83,304.41**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-VII: RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS

Particulars	For the Year Ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
i. Gross Premium Growth Rates					
Fire	(0.12%)	3.28%	15.25%	9.56%	N/A
Marine Cargo	(1.12%)	(0.75%)	(1.27%)	(0.02%)	N/A
Marine Hull	(3.15%)	(25.77%)	(12.98%)	12.61%	N/A
Marine Total	(1.98%)	(13.19%)	(7.46%)	6.29%	N/A
Motor OD	7.88%	15.56%	8.27%	15.99%	N/A
Motor TP	32.82%	22.14%	20.44%	25.29%	N/A
Motor Total	19.14%	18.44%	13.28%	19.65%	N/A
Health	22.65%	23.49%	19.95%	20.56%	N/A
Crop	Refer Note 1				
Other Miscellaneous					
Liability	8.88%	7.20%	7.72%	26.44%	N/A
Personal Accident	70.62%	10.52%	(5.52%)	12.25%	N/A
Aviation	8.69%	9.79%	11.51%	(23.57%)	N/A
Engineering	(0.28%)	12.45%	(0.12%)	2.16%	N/A
Others	2.70%	8.72%	3.40%	3.61%	N/A
Miscellaneous Total	26.26%	18.67%	13.45%	17.29%	N/A
Grand Total	21.30%	14.55%	12.45%	15.27%	N/A
ii. Gross Direct Premium to Net Worth Ratio (Times)	1.73	1.49	1.34	1.31	1.26
iii .Growth Rate of Net Worth	4.46%	3.34%	9.23%	11.22%	15.30%
iv. Net Retention Ratio					
Fire	56.72%	62.07%	61.14%	59.50%	63.82%
Marine Cargo	80.89%	75.68%	79.65%	81.75%	80.53%
Marine Hull	15.18%	33.47%	36.48%	25.43%	31.88%
Marine Total	52.04%	56.58%	56.62%	50.16%	55.43%
Motor OD	92.99%	93.34%	94.57%	94.27%	90.17%
Motor TP	94.98%	91.52%	90.50%	88.35%	86.84%
Motor Total	93.99%	92.51%	92.73%	91.84%	88.87%
Health	90.96%	94.03%	95.04%	94.93%	90.09%
Crop	30.84%	100.00%	100.00%	-	-
Other Miscellaneous					
Liability	80.17%	86.15%	88.49%	88.72%	84.70%
Personal Accident	94.31%	90.03%	92.13%	79.78%	89.12%
Aviation	41.07%	38.88%	28.69%	21.46%	39.78%
Engineering	56.73%	51.98%	59.58%	59.88%	53.36%
Other	81.63%	78.27%	78.12%	82.59%	79.88%
Miscellaneous Total	86.12%	89.60%	90.10%	88.84%	85.22%
Grand Total	80.56%	83.37%	82.74%	80.65%	78.72%

v. Net Commission to Net Written Premium Ratio					
Fire	16.56%	17.48%	19.53%	17.59%	13.11%
Marine Cargo	13.74%	15.52%	14.84%	14.68%	13.42%
Marine Hull	1.16%	0.10%	(3.41%)	0.90%	1.22%
Marine Total	12.13%	11.39%	8.57%	10.76%	9.80%
Motor OD	11.38%	11.98%	11.27%	12.37%	12.73%
Motor TP	(0.10%)	(0.09%)	(0.09%)	(0.09%)	(0.38%)
Motor Total	5.53%	6.49%	6.25%	7.45%	7.73%
Health	5.52%	6.84%	7.18%	6.57%	6.33%
Crop	(6.55%)	9.85%	8.30%	-	-
Other Miscellaneous					
Liability	14.80%	16.45%	16.24%	15.64%	13.27%
Personal Accident	8.55%	13.31%	12.66%	11.62%	8.39%
Aviation	9.30%	4.55%	6.00%	19.18%	11.77%
Engineering	4.05%	4.33%	3.70%	10.43%	0.82%
Other	12.77%	14.60%	14.76%	15.32%	11.68%
Miscellaneous Total	5.83%	7.35%	7.37%	8.22%	7.57%
Grand Total	7.12%	8.81%	9.16%	9.68%	8.62%
vi. Expense of Management to Gross Direct Premium Ratio	17.50%	19.78%	19.78%	19.16%	19.02%
vii. Expense of Management to Net Written Premium Ratio	20.40%	22.18%	22.08%	21.94%	22.17%
viii.Net Incurred Claims to Net Earned Premium	92.22%	86.98%	84.34%	86.07%	85.31%
ix. Combined Ratio	119.73%	117.97%	115.59%	117.70%	116.10%
x. Technical Reserves to net Premium Ratio (Times)	1.43	1.51	1.57	1.67	1.63
xi. Underwriting Balance Ratio					
Fire	(0.29)	(0.14)	(0.19)	(0.35)	(0.19)
Marine Cargo	(0.06)	(0.07)	0.04	0.11	0.11
Marine Hull	(0.18)	0.37	(0.23)	0.36	0.35
Marine Total	(0.09)	0.09	(0.04)	0.19	0.15
Motor OD	(0.15)	(0.15)	(0.02)	(0.02)	0.01
Motor TP	(0.12)	(0.11)	(0.38)	(0.52)	(0.89)
Motor Total	(0.13)	(0.13)	(0.17)	(0.21)	(0.33)
Health	(0.42)	(0.42)	(0.31)	(0.32)	(0.27)
Crop	(0.07)	(1.39)	0.70	-	-
Other Miscellaneous					
Liability	0.41	0.21	0.15	0.17	0.00
Personal Accident	(0.10)	(0.14)	0.05	0.11	0.05
Aviation	0.01	(0.33)	(0.55)	(3.10)	0.94
Engineering	(0.00)	0.00	0.39	(0.01)	0.33
Other	(0.00)	0.03	(0.08)	0.07	0.22
Miscellaneous Total	(0.21)	(0.22)	(0.18)	(0.21)	(0.20)
Grand Total	(0.21)	(0.20)	(0.17)	(0.21)	(0.19)
xii. Operating Profit Ratio	(5.10%)	(3.51%)	0.38%	(3.53%)	(0.33%)
xiii.Liquid Assets to Liabilities Ratio (Times)	0.39	0.39	0.46	0.52	0.52
xiv.Net Earnings Ratio	4.49%	5.80%	9.80%	6.60%	8.80%

xv. Return on Net Worth Ratio (Refer Note 2)	6.81%	7.84%	12.32%	7.93%	10.19%
xvi.Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio (Times) - Parent Company (Refer Note 3)	2.22	2.46	2.52	2.77	2.68
xvii. Gross NPA Ratio-Parent Company	0.37%	0.44%	0.54%	0.67%	0.77%
xviii. Net NPA Ratio-Parent Company	0.00%	0.00%	0.05%	0.08%	0.07%
xix..Basic EPS (in ₹) (Refer Note 2)	42.89	48.06	70.79	41.50	45.83
xx. Diluted EPS (in ₹) (Refer Note 2)	42.89	48.06	70.79	41.50	45.83
xxi. Net Asset Value Per Share (in ₹) (Refer Note 2)	629.82	602.94	583.46	534.15	480.25

The above ratio's are computed in accordance with IRDA Circular No. IRDA/F&I/CIR/F&A/12/01/2010 dated January 28, 2010.

(1) Gross Direct Premium from Crop insurance increased by significant amount in financial year ended March 31, 2017. Refer to Annexure VIII for details of gross direct premium from crop insurance.

(2) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300.00 millions to 1,200.00 millions, increase in issued numbers of shares from 200.00 millions to 800.00 millions and decrease in face value of shares from ₹ 10 to ₹ 5. While the share capital has increased by ₹ 2,000 millions, the reserves and surplus has decreased by ₹ 2,000 millions, hence resulting in no change in net worth. The adjusted accounting ratios as a result of this corporate action is as follows:

Particulars	**For the Year Ended**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
i. Adjusted return on Net Worth Ratio*	6.81%	7.84%	12.32%	7.93%	10.19%
ii. Adjusted Basic EPS (in ₹)*	10.72	12.02	17.70	10.37	11.46
iii. Adjusted Diluted EPS (in ₹)*	10.72	12.02	17.70	10.37	11.46
iv.Adjusted net Asset Value Per Share (in ₹)*	157.46	150.73	145.87	133.54	120.06

<u>* The ratio have been computed as below</u>

Earnings per Share (in ₹) = $\dfrac{\text{Restated Profit after tax attributable to equity shareholders for the year/period}}{\text{Weighted average Number of equity shares}}$

Diluted Earnings per Share (in ₹) = $\dfrac{\text{Restated Profit after tax attributable to equity shareholders for the year/period}}{\text{Weighted average diluted Number of equity shares}}$

Return on Net Worth (%) = $\dfrac{\text{Restated Profit after tax attributable to equity shareholders for the year/period}}{\text{Average of Restated Net worth at the beginning and end of year/period}}$

Net Asset Value Per Share (in ₹) = $\dfrac{\text{Restated Net Worth at the end of the year/period}}{\text{Total number of equity shares outstanding at the end of the year/period}}$

(3) Restated Solvency Margin-Parent Company

(₹ in millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Required solvency margin under IRDAI Regulations (A)	50,735.30	39,866.19	34,685.37	28,220.19	23,495.60
Available assets(B)	112,723.49	97,978.94	87,492.26	78,046.65	63,000.58
Solvency ratio Actual (times) (B/A)	2.22	2.46	2.52	2.77	2.68
Solvency ratio prescribed by Regulation	1.50	1.50	1.50	1.50	1.50

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-VIII: RESTATED CONSOLIDATED STATEMENT ON SEGMENT REPORTING

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Premium (Direct)					
Fire	**26,335.13**	**26,366.27**	**25,528.76**	**22,150.30**	**20,217.13**
Marine Cargo	3,931.73	3,976.08	4,005.97	4,057.67	4,058.35
Marine Hull	2,848.25	2,941.02	3,961.85	4,552.61	4,042.63
Marine Total	**6,779.98**	**6,917.09**	**7,967.83**	**8,610.28**	**8,100.99**
Motor OD	44,476.28	41,227.27	35,675.19	32,949.68	28,406.73
Motor TP	45,063.47	33,929.11	27,779.08	23,065.01	18,408.89
Motor Total	**89,539.75**	**75,156.38**	**63,454.27**	**56,014.68**	**46,815.62**
Health	60,849.79	49,613.32	40,176.28	33,493.94	27,782.74
Crop	10,464.17	0.24	0.01	-	-
Other Miscellaneous					
Liability	4,922.23	4,520.70	4,217.04	3,914.71	3,096.14
Personal Accident	4,063.89	2,381.90	2,155.25	2,281.18	2,032.16
Aviation	1,245.13	1,145.60	1,043.41	935.74	1,224.25
Engineering	5,813.83	5,830.42	5,184.99	5,191.18	5,081.65
Others	8,057.44	7,845.35	7,215.84	6,978.26	6,734.87
Miscellaneous Total	**184,956.23**	**146,493.91**	**123,447.09**	**108,809.70**	**92,767.44**
Grand Total	**218,071.34**	**179,777.28**	**156,943.67**	**139,570.28**	**121,085.56**
2. Premium Accepted					
Fire	**9,290.48**	**8,270.85**	**7,495.10**	**7,722.93**	**7,636.29**
Marine Cargo	74.48	90.63	86.44	48.09	201.04
Marine Hull	286.78	421.39	718.20	691.96	495.97
Marine Total	**361.27**	**512.01**	**804.64**	**740.05**	**697.01**
Motor OD	160.84	152.68	232.37	158.74	171.98
Motor TP	459.91	1,216.18	1,870.32	-	(93.02)
Motor Total	**620.75**	**1,368.86**	**2,102.69**	**158.74**	**78.96**
Health	-	-	0.89	-	-
Crop	2,039.93	523.16	666.61	-	-
Other Miscellaneous					
Liability	211.42	26.50	48.20	73.78	29.20
Personal Accident	71.26	79.92	117.62	63.03	71.06
Aviation	803.14	748.56	695.14	934.45	757.22
Engineering	568.12	655.47	622.35	833.62	616.15
Other	267.23	310.03	369.09	1,013.02	1,030.37
Miscellaneous Total	**4,581.85**	**3,712.50**	**4,622.58**	**3,076.64**	**2,582.95**
Grand Total	**14,233.59**	**12,495.37**	**12,922.31**	**11,539.62**	**10,916.26**

3. Premium Ceded					
Fire	**15,417.07**	**13,136.21**	**12,832.66**	**12,097.94**	**10,077.38**
Marine Cargo	765.67	988.87	832.73	749.33	829.10
Marine Hull	2,659.23	2,237.00	2,972.55	3,910.70	3,091.83
Marine Total	**3,424.91**	**3,225.88**	**3,805.28**	**4,660.02**	**3,920.93**
Motor OD	3,127.45	2,754.79	1,950.35	1,897.89	2,809.80
Motor TP	2,287.31	2,979.54	2,816.49	2,686.39	2,410.64
Motor Total	**5,414.76**	**5,734.33**	**4,766.84**	**4,584.28**	**5,220.45**
Health	5,502.49	2,963.00	1,991.20	1,699.60	2,753.07
Crop	8,648.32	0.01	0.00	-	-
Other Miscellaneous					
Liability	1,017.87	629.82	491.07	449.90	478.20
Personal Accident	235.20	245.32	178.91	474.07	228.89
Aviation	1,207.05	1,157.68	1,239.67	1,468.81	1,193.21
Engineering	2,761.17	3,114.58	2,347.59	2,416.90	2,657.50
Other	1,529.64	1,771.88	1,659.85	1,391.45	1,562.68
Miscellaneous Total	**26,316.50**	**15,616.62**	**12,675.13**	**12,485.00**	**14,093.99**
Grand Total	**45,158.47**	**31,978.72**	**29,313.07**	**29,242.96**	**28,092.30**
4. Net Premium					
Fire	**20,208.54**	**21,500.91**	**20,191.20**	**17,775.30**	**17,776.05**
Marine Cargo	3,240.54	3,077.83	3,259.68	3,356.43	3,430.29
Marine Hull	475.80	1,125.40	1,707.50	1,333.87	1,446.78
Marine Total	**3,716.34**	**4,203.23**	**4,967.18**	**4,690.30**	**4,877.06**
Motor OD	41,509.68	38,625.16	33,957.21	31,210.53	25,768.91
Motor TP	43,236.06	32,165.75	26,832.91	20,378.62	15,905.22
Motor Total	**84,745.74**	**70,790.92**	**60,790.12**	**51,589.15**	**41,674.13**
Health	55,347.30	46,650.32	38,185.97	31,794.34	25,029.68
Crop	3,855.78	523.39	666.62	-	-
Other Miscellaneous					
Liability	4,115.78	3,917.38	3,774.16	3,538.60	2,647.13
Personal Accident	3,899.95	2,216.50	2,093.96	1,870.14	1,874.32
Aviation	841.22	736.48	498.88	401.37	788.27
Engineering	3,620.77	3,371.31	3,459.75	3,607.90	3,040.31
Other	6,795.03	6,383.50	5,925.07	6,599.83	6,202.56
Miscellaneous Total	**163,221.58**	**134,589.79**	**115,394.54**	**99,401.34**	**81,256.41**
Grand Total	**187,146.46**	**160,293.93**	**140,552.91**	**121,866.94**	**103,909.52**
5. Change in Unexpired Risk Reserve					
Fire	**758.69**	**(857.37)**	**(772.13)**	**(1,064.67)**	**(1,886.26)**
Marine Cargo	24.06	(29.15)	100.30	(43.57)	32.98
Marine Hull	649.60	512.64	(381.15)	101.21	(607.26)
Marine Total	**673.66**	**483.50**	**(280.85)**	**57.64**	**(574.29)**
Motor OD	(2,113.16)	(2,389.81)	(1,223.88)	(2,741.00)	(2,401.18)
Motor TP	(6,242.76)	(3,123.96)	(2,338.74)	(3,018.19)	(2,178.11)
Motor Total	**(8,355.91)**	**(5,513.77)**	**(3,562.61)**	**(5,759.19)**	**(4,579.29)**
Health	(2,337.48)	(2,341.84)	(2,695.61)	(4,132.22)	(372.95)
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	9.43	(91.95)	(147.32)	(429.94)	(134.75)
Personal Accident	(777.46)	42.60	(100.00)	(44.07)	(117.63)
Aviation	70.15	(16.37)	63.36	(66.28)	25.03
Engineering	(198.95)	72.91	90.77	(163.33)	(178.74)
Other	(240.80)	78.58	389.50	(323.54)	(98.83)
Miscellaneous Total	**(11,831.03)**	**(7,769.83)**	**(5,961.91)**	**(10,918.57)**	**(5,457.16)**
Grand Total	**(10,398.68)**	**(8,143.70)**	**(7,014.89)**	**(11,925.60)**	**(7,917.71)**

6. Net Earned Premium					
Fire	**20,967.23**	**20,643.54**	**19,419.07**	**16,710.62**	**15,889.78**
Marine Cargo	3,264.60	3,048.68	3,359.97	3,312.86	3,463.26
Marine Hull	1,125.40	1,638.04	1,326.35	1,435.08	839.51
Marine Total	**4,390.00**	**4,686.73**	**4,686.33**	**4,747.94**	**4,302.77**
Motor OD	39,396.52	36,235.35	32,733.33	28,469.53	23,367.73
Motor TP	36,993.30	29,041.79	24,494.17	17,360.43	13,727.11
Motor Total	**76,389.83**	**65,277.14**	**57,227.51**	**45,829.96**	**37,094.84**
Health	53,009.82	44,308.48	35,490.36	27,662.12	24,656.72
Crop	3,855.78	523.39	666.62	-	-
Other Miscellaneous					
Liability	4,125.22	3,825.43	3,626.85	3,108.66	2,512.38
Personal Accident	3,122.49	2,259.10	1,993.97	1,826.07	1,756.69
Aviation	911.37	720.12	562.24	335.09	813.29
Engineering	3,421.82	3,444.22	3,550.52	3,444.57	2,861.58
Other	6,554.23	6,462.08	6,314.56	6,276.29	6,103.73
Miscellaneous Total	**151,390.55**	**126,819.95**	**109,432.62**	**88,482.77**	**75,799.25**
Grand Total	**176,747.78**	**152,150.22**	**133,538.02**	**109,941.34**	**95,991.80**
7. Claims Paid Direct					
Fire	**17,593.59**	**18,654.65**	**19,330.40**	**16,406.78**	**15,087.10**
Marine Cargo	3,151.85	2,650.50	2,200.65	2,466.47	2,068.89
Marine Hull	1,315.74	2,472.40	1,288.96	1,112.52	2,575.29
Marine Total	**4,467.60**	**5,122.90**	**3,489.61**	**3,578.99**	**4,644.18**
Motor OD	32,355.94	28,124.07	22,405.76	18,806.30	14,945.88
Motor TP	24,070.17	19,977.40	17,613.18	15,420.20	13,553.80
Motor Total	**56,426.12**	**48,101.47**	**40,018.94**	**34,226.50**	**28,499.69**
Health	64,948.59	49,526.08	36,678.96	28,948.08	25,786.78
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	1,439.20	1,456.41	1,344.82	1,690.69	1,289.58
Personal Accident	2,062.51	1,540.46	1,107.68	1,184.91	1,135.77
Aviation	208.55	522.23	415.24	195.35	438.17
Engineering	2,274.18	2,340.67	2,250.48	2,302.10	1,682.26
Other	5,756.94	5,267.05	4,747.63	2,969.37	2,428.93
Miscellaneous Total	**133,116.09**	**108,754.38**	**86,563.76**	**71,516.99**	**61,261.18**
Grand Total	**155,177.28**	**132,531.93**	**109,383.77**	**91,502.76**	**80,992.46**
8. Claims Paid Accepted					
Fire	**5,879.39**	**5,308.50**	**5,760.76**	**9,778.42**	**6,259.96**
Marine Cargo	29.36	45.69	41.58	90.39	27.10
Marine Hull	375.62	518.33	219.11	294.66	84.10
Marine Total	**404.98**	**564.03**	**260.69**	**385.06**	**111.19**
Motor OD	154.37	137.10	144.10	169.89	238.50
Motor TP	553.71	2,201.86	3,273.06	-	433.75
Motor Total	**708.08**	**2,338.96**	**3,417.15**	**169.89**	**672.25**
Health	-	-	-	-	-
Crop	201.57	417.31	137.81	-	-
Other Miscellaneous					
Liability	17.95	1.63	55.94	2.46	24.57
Personal Accident	91.80	58.57	43.57	27.02	77.23
Aviation	822.36	831.76	554.28	701.52	435.57
Engineering	762.90	624.43	395.40	327.99	173.17
Other	105.26	328.60	575.54	784.07	486.31
Miscellaneous Total	**2,709.92**	**4,601.27**	**5,179.70**	**2,012.95**	**1,869.11**
Grand Total	**8,994.29**	**10,473.80**	**11,201.15**	**12,176.43**	**8,240.27**

9. Claims Paid Ceded					
Fire	**6,492.66**	**9,660.43**	**8,582.19**	**10,052.79**	**8,238.99**
Marine Cargo	468.74	571.17	373.54	337.83	820.29
Marine Hull	621.57	2,322.07	772.74	628.78	2,220.76
Marine Total	**1,090.32**	**2,893.24**	**1,146.28**	**966.62**	**3,041.04**
Motor OD	1,847.42	1,588.47	1,294.28	1,574.65	1,504.93
Motor TP	1,423.14	3,840.30	3,870.96	12,959.75	1,823.13
Motor Total	**3,270.56**	**5,428.78**	**5,165.25**	**14,534.40**	**3,298.91**
Health	4,968.01	2,442.67	1,829.09	2,131.39	2,501.69
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	64.77	75.91	98.02	162.93	67.06
Personal Accident	48.67	33.30	133.54	268.53	266.59
Aviation	149.04	320.49	284.95	124.94	473.59
Engineering	843.45	897.73	680.72	1,086.35	424.07
Other	964.73	1,738.97	688.41	418.20	475.32
Miscellaneous Total	**10,309.23**	**10,937.86**	**8,879.98**	**18,726.74**	**7,507.22**
Grand Total	**17,892.20**	**23,491.52**	**18,608.45**	**29,746.14**	**18,787.26**
10. Net Claims Paid					
Fire	**16,980.32**	**14,302.72**	**16,508.97**	**16,132.41**	**13,108.07**
Marine Cargo	2,712.47	2,125.02	1,868.69	2,219.03	1,275.70
Marine Hull	1,069.79	668.67	735.33	778.40	438.63
Marine Total	**3,782.26**	**2,793.69**	**2,604.02**	**2,997.43**	**1,714.33**
Motor OD	30,662.90	26,672.70	21,255.58	17,401.53	13,679.46
Motor TP	23,200.74	18,338.96	17,015.27	2,460.45	12,164.42
Motor Total	**53,863.64**	**45,011.65**	**38,270.85**	**19,861.98**	**25,843.88**
Health	59,980.59	47,083.41	34,849.87	26,816.69	23,285.10
Crop	201.57	417.31	137.81	-	-
Other Miscellaneous	-	-	-	-	-
Liability	1,392.37	1,382.13	1,302.74	1,530.21	1,247.09
Personal Accident	2,105.64	1,565.73	1,017.72	943.40	946.41
Aviation	881.87	1,033.50	684.58	771.93	400.15
Engineering	2,193.63	2,067.38	1,965.16	1,543.74	1,431.37
Other	4,897.47	3,856.68	4,634.75	3,335.24	2,439.92
Miscellaneous Total	**125,516.78**	**102,417.80**	**82,863.49**	**54,803.20**	**55,593.92**
Grand Total	**146,279.37**	**119,514.21**	**101,976.48**	**73,933.05**	**70,416.32**
11. Claims Oustanding at End Direct					
Fire	**39,579.44**	**32,590.71**	**35,612.80**	**31,134.91**	**29,675.82**
Marine Cargo	3,585.34	4,059.44	4,270.84	3,723.43	3,714.71
Marine Hull	7,637.44	2,864.99	5,379.24	2,861.49	3,681.25
Marine Total	**11,222.78**	**6,924.43**	**9,650.08**	**6,584.91**	**7,395.96**
Motor OD	14,290.77	12,142.80	9,997.11	8,966.85	7,943.47
Motor TP	115,374.91	103,517.47	96,797.31	59,501.56	46,344.90
Motor Total	**129,665.68**	**115,660.27**	**106,794.42**	**68,468.40**	**54,288.37**
Health	9,453.21	8,316.58	5,615.04	5,203.11	4,623.59
Crop	10,453.50	-	-	-	-
Other Miscellaneous					
Liability	3,990.32	4,537.55	4,443.61	4,124.07	4,239.18
Personal Accident	1,424.17	1,319.75	1,070.28	832.02	1,188.35
Aviation	1,472.89	1,128.77	1,364.11	1,437.65	1,051.31
Engineering	5,908.57	5,446.75	5,225.37	5,300.45	4,875.35
Other	4,763.69	6,214.91	5,638.50	4,128.51	4,176.67
Miscellaneous Total	**167,132.03**	**142,624.56**	**130,151.33**	**89,494.22**	**74,442.82**
Grand Total	**217,934.26**	**182,139.71**	**175,414.21**	**127,214.05**	**111,514.59**

12. Claims Oustanding at End Accepted					
Fire	**10,995.83**	**11,150.96**	**11,866.38**	**13,561.67**	**15,140.85**
Marine Cargo	86.27	53.38	52.43	55.09	89.26
Marine Hull	817.59	510.05	631.28	395.98	455.71
Marine Total	**903.86**	**563.42**	**683.71**	**451.07**	**544.97**
Motor OD	98.39	56.84	59.82	65.33	72.02
Motor TP	-	-	-	26,538.14	19,982.57
Motor Total	**98.39**	**56.84**	**59.82**	**26,603.47**	**20,054.59**
Health	-	-	-	-	-
Crop	1,634.62	465.03	199.57	-	-
Other Miscellaneous					
Liability	10.06	10.53	8.57	6.31	6.98
Personal Accident	23.65	24.18	23.74	10.63	26.69
Aviation	1,083.81	974.53	1,007.32	614.35	426.47
Engineering	2,102.47	1,821.09	1,372.71	1,673.79	968.17
Other	618.83	490.46	873.46	1,257.98	1,001.24
Miscellaneous Total	**5,571.84**	**3,842.65**	**3,545.18**	**30,166.52**	**22,484.14**
Grand Total	**17,471.53**	**15,557.03**	**16,095.27**	**44,179.26**	**38,169.96**
13. Claims Oustanding at End Ceded					
Fire	**22,495.96**	**17,727.77**	**22,111.06**	**17,439.45**	**18,078.37**
Marine Cargo	1,277.96	1,331.94	1,496.93	1,113.21	560.25
Marine Hull	5,849.97	927.90	3,627.00	1,456.28	2,394.53
Marine Total	**7,127.93**	**2,259.83**	**5,123.93**	**2,569.49**	**2,954.79**
Motor OD	1,923.88	1,033.77	659.49	515.46	545.74
Motor TP	7,400.30	5,070.29	5,206.06	5,231.08	4,968.78
Motor Total	**9,324.18**	**6,104.05**	**5,865.55**	**5,746.54**	**5,514.52**
Health	993.60	551.70	141.09	159.72	281.41
Crop	8,242.23	-	-	-	-
Other Miscellaneous					
Liability	421.52	300.01	316.06	393.29	463.00
Personal Accident	89.13	30.39	21.92	57.13	80.87
Aviation	1,559.01	875.98	871.09	598.30	461.41
Engineering	3,191.70	2,856.46	2,693.46	2,391.62	2,088.35
Other	1,468.35	2,178.82	2,517.78	1,028.54	894.59
Miscellaneous Total	**25,289.71**	**12,897.41**	**12,426.94**	**10,375.14**	**9,784.14**
Grand Total	**54,913.60**	**32,885.01**	**39,661.93**	**30,384.08**	**30,817.30**
14. Claims Oustanding at End Net					
Fire	**28,079.32**	**26,013.90**	**25,368.12**	**27,257.13**	**26,738.30**
Marine Cargo	2,393.65	2,780.88	2,826.33	2,665.31	3,243.71
Marine Hull	2,605.07	2,447.14	2,383.53	1,801.18	1,742.43
Marine Total	**4,998.72**	**5,228.02**	**5,209.86**	**4,466.49**	**4,986.15**
Motor OD	12,465.28	11,165.87	9,397.44	8,516.72	7,469.76
Motor TP	107,974.61	98,447.18	91,591.25	80,808.62	61,358.69
Motor Total	**120,439.89**	**109,613.06**	**100,988.69**	**89,325.34**	**68,828.44**
Health	8,459.61	7,764.89	5,473.95	5,043.40	4,342.18
Crop	3,845.90	465.03	199.57	-	-
Other Miscellaneous					
Liability	3,578.87	4,248.07	4,136.11	3,737.10	3,783.16
Personal Accident	1,358.69	1,313.53	1,072.10	785.52	1,134.17
Aviation	997.70	1,227.31	1,500.34	1,453.69	1,016.37
Engineering	4,819.33	4,411.38	3,904.62	4,582.62	3,755.17
Other	3,914.17	4,526.54	3,994.18	4,357.94	4,283.32
Miscellaneous Total	**147,414.16**	**133,569.81**	**121,269.57**	**109,285.60**	**87,142.81**
Grand Total	**180,492.19**	**164,811.73**	**151,847.55**	**141,009.23**	**118,867.25**

15. Claims Oustanding at Beginning Direct					
Fire	**32,327.93**	**35,583.17**	**31,050.96**	**30,795.00**	**34,037.45**
Marine Cargo	4,034.64	4,283.91	3,720.83	3,634.37	3,507.51
Marine Hull	2,868.20	5,320.51	2,861.91	3,898.15	4,465.73
Marine Total	**6,902.85**	**9,604.42**	**6,582.74**	**7,532.53**	**7,973.25**
Motor OD	12,109.35	10,084.04	8,988.12	8,218.92	7,401.17
Motor TP	103,517.47	96,797.31	86,039.70	46,344.90	43,878.48
Motor Total	**115,626.81**	**106,881.35**	**95,027.82**	**54,563.81**	**51,279.64**
Health	8,316.58	5,615.11	5,203.12	4,623.59	3,806.44
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	4,290.56	4,412.66	4,203.84	4,501.23	4,138.12
Personal Accident	1,156.17	1,092.04	969.92	792.85	1,050.68
Aviation	1,128.77	1,364.11	1,437.65	1,051.31	1,647.94
Engineering	5,493.38	5,249.92	5,311.23	4,936.25	5,494.96
Other	6,183.37	5,700.37	4,123.34	4,195.13	4,413.15
Miscellaneous Total	**142,195.64**	**130,315.56**	**116,276.91**	**74,664.17**	**71,830.92**
Grand Total	**181,426.42**	**175,503.15**	**153,910.61**	**112,991.70**	**113,841.62**
16. Claims Oustanding at Beginning Accepted					
Fire	**10,768.20**	**11,812.59**	**13,577.06**	**15,815.97**	**17,019.61**
Marine Cargo	53.93	52.39	54.63	94.14	82.48
Marine Hull	513.30	644.23	396.02	466.49	392.29
Marine Total	**567.23**	**696.63**	**450.66**	**560.64**	**474.77**
Motor OD	63.72	58.68	60.77	66.46	72.67
Motor TP	-	-	-	19,982.57	28,329.44
Motor Total	**63.72**	**58.68**	**60.77**	**20,049.03**	**28,402.11**
Health	-	-	-	-	-
Crop	465.03	(199.57)	337.38	-	-
Other Miscellaneous					
Liability	10.61	8.65	6.32	7.11	7.40
Personal Accident	24.18	23.74	10.63	26.81	31.81
Aviation	974.53	1,007.32	614.35	426.47	526.91
Engineering	1,832.22	1,394.31	1,680.86	994.04	833.42
Other	491.21	1,270.82	920.30	1,002.90	625.20
Miscellaneous Total	**3,861.50**	**3,563.95**	**3,630.60**	**22,506.36**	**30,426.84**
Grand Total	**15,196.93**	**16,073.16**	**17,658.32**	**38,882.96**	**47,921.22**
17. Claims Oustanding at Beginning Ceded					
Fire	**17,702.77**	**22,010.23**	**17,405.14**	**18,742.79**	**23,906.97**
Marine Cargo	1,338.69	1,521.44	1,113.36	567.34	942.46
Marine Hull	927.92	3,627.00	1,456.28	2,394.52	2,885.93
Marine Total	**2,266.61**	**5,148.44**	**2,569.63**	**2,961.86**	**3,828.39**
Motor OD	1,014.32	659.30	521.95	574.38	543.38
Motor TP	5,070.29	5,206.06	5,231.08	4,968.78	21,184.84
Motor Total	**6,084.60**	**5,865.36**	**5,753.03**	**5,543.16**	**21,728.23**
Health	551.91	141.09	159.72	281.41	256.05
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	294.52	316.21	396.28	486.69	681.04
Personal Accident	30.39	21.92	57.12	80.86	98.77
Aviation	875.98	871.09	598.30	461.41	542.48
Engineering	2,864.08	2,701.52	2,397.05	2,104.01	2,363.51
Other	2,179.10	2,517.98	1,028.58	894.84	965.65
Miscellaneous Total	**12,880.59**	**12,435.17**	**10,390.09**	**9,852.38**	**26,635.72**
Grand Total	**32,849.97**	**39,593.84**	**30,364.85**	**31,557.02**	**54,371.09**

18. Claims Outstanding at Beginning Net					
Fire	**25,393.36**	**25,385.53**	**27,222.88**	**27,868.18**	**27,150.09**
Marine Cargo	2,749.89	2,814.86	2,662.11	3,161.18	2,647.53
Marine Hull	2,453.58	2,337.75	1,801.65	1,970.12	1,972.10
Marine Total	**5,203.47**	**5,152.61**	**4,463.76**	**5,131.31**	**4,619.62**
Motor OD	11,158.75	9,483.41	8,526.93	7,710.99	6,930.45
Motor TP	98,447.18	91,591.25	80,808.62	61,358.69	51,023.07
Motor Total	**109,605.93**	**101,074.66**	**89,335.55**	**69,069.68**	**57,953.52**
Health	7,764.66	5,474.02	5,043.40	4,342.18	3,550.39
Crop	465.03	(199.57)	337.38	-	-
Other Miscellaneous					
Liability	4,006.65	4,105.10	3,813.88	4,021.66	3,464.48
Personal Accident	1,149.96	1,093.86	923.43	738.80	983.71
Aviation	1,227.31	1,500.34	1,453.69	1,016.37	1,632.37
Engineering	4,461.52	3,942.70	4,595.04	3,826.28	3,964.87
Other	4,495.48	4,453.21	4,015.06	4,303.19	4,072.70
Miscellaneous Total	**133,176.55**	**121,444.33**	**109,517.43**	**87,318.15**	**75,622.05**
Grand Total	**163,773.37**	**151,982.47**	**141,204.07**	**120,317.64**	**107,391.76**
19. Incurred Claims Direct					
Fire	**24,845.11**	**15,662.19**	**23,892.24**	**16,746.69**	**10,725.46**
Marine Cargo	2,702.55	2,426.04	2,750.65	2,555.52	2,276.09
Marine Hull	6,084.98	16.88	3,806.30	75.85	1,790.81
Marine Total	**8,787.53**	**2,442.92**	**6,556.95**	**2,631.37**	**4,066.90**
Motor OD	34,537.37	30,182.84	23,414.76	19,554.23	15,488.19
Motor TP	35,927.62	26,697.56	28,370.79	28,576.86	16,020.22
Motor Total	**70,464.98**	**56,880.39**	**51,785.55**	**48,131.09**	**31,508.41**
Health	66,085.23	52,227.56	37,090.88	29,527.60	26,603.94
Crop	10,453.50	-	-	-	-
Other Miscellaneous					
Liability	1,138.96	1,581.29	1,584.59	1,313.53	1,390.64
Personal Accident	2,330.51	1,768.17	1,208.04	1,224.09	1,273.45
Aviation	552.67	286.88	341.71	581.69	(158.47)
Engineering	2,689.37	2,537.50	2,164.61	2,666.31	1,062.65
Other	4,337.26	5,781.59	6,262.79	2,902.74	2,192.45
Miscellaneous Total	**158,052.48**	**121,063.39**	**100,438.18**	**86,347.04**	**63,873.07**
Grand Total	**191,685.12**	**139,168.49**	**130,887.37**	**105,725.11**	**78,665.43**
20. Incurred Claims Accepted					
Fire	**6,107.02**	**4,646.86**	**4,050.08**	**7,524.13**	**4,381.20**
Marine Cargo	61.70	46.68	39.37	51.34	33.88
Marine Hull	679.91	384.15	454.37	224.15	147.51
Marine Total	**8,787.53**	**2,442.92**	**6,556.95**	**2,631.37**	**4,066.90**
Motor OD	189.04	135.26	143.15	168.76	237.86
Motor TP	553.71	2,201.86	3,273.06	6,555.57	(7,913.12)
Motor Total	**70,464.98**	**56,880.39**	**51,785.55**	**48,131.09**	**31,508.41**
Health	-	-	-	-	-
Crop	1,371.16	1,081.91	-	-	-
Other Miscellaneous					
Liability	17.40	3.52	58.19	1.66	24.15
Personal Accident	91.27	59.00	56.68	10.84	72.11
Aviation	931.65	798.97	947.26	889.39	335.14
Engineering	1,033.14	1,051.21	87.26	1,007.74	307.93
Other	232.88	(451.76)	528.69	1,039.15	862.35
Miscellaneous Total	**74,142.49**	**59,423.25**	**53,463.63**	**51,079.86**	**33,110.08**
Grand Total	**89,037.05**	**66,513.02**	**64,070.66**	**61,235.37**	**41,558.18**

21. Incurred Claims Ceded					
Fire	**11,285.84**	**5,377.96**	**13,288.11**	**8,749.45**	**2,410.39**
Marine Cargo	408.02	381.67	757.12	883.71	438.08
Marine Hull	5,543.62	(377.03)	2,943.46	(309.46)	1,729.35
Marine Total	**8,787.53**	**2,442.92**	**6,556.95**	**2,631.37**	**4,066.90**
Motor OD	2,756.98	1,962.94	1,431.82	1,515.73	1,507.28
Motor TP	3,753.15	3,704.53	3,845.94	13,222.05	(14,392.94)
Motor Total	**70,464.98**	**56,880.39**	**51,785.55**	**48,131.09**	**31,508.41**
Health	5,409.69	2,853.28	1,810.46	2,009.70	2,527.04
Crop	8,242.23	-	-	-	-
Other Miscellaneous					
Liability	191.77	59.71	17.81	69.53	(150.98)
Personal Accident	107.41	41.77	98.33	244.79	248.69
Aviation	832.07	325.38	557.74	261.83	392.52
Engineering	1,171.07	1,052.66	977.13	1,373.96	148.92
Other	253.98	1,399.82	2,177.61	551.90	404.26
Miscellaneous Total	**86,673.20**	**62,613.01**	**57,424.62**	**52,642.81**	**35,078.86**
Grand Total	**106,746.57**	**70,433.89**	**77,269.68**	**64,023.64**	**41,556.14**
22. Incurred Claims Net					
Fire	**19,666.29**	**14,931.09**	**14,654.21**	**15,521.37**	**12,696.27**
Marine Cargo	2,356.23	2,091.05	2,032.91	1,723.15	1,871.89
Marine Hull	1,221.27	778.06	1,317.20	609.46	208.96
Marine Total	**3,577.50**	**2,869.11**	**3,350.12**	**2,332.61**	**2,080.86**
Motor OD	31,969.43	28,355.16	22,126.08	18,207.26	14,218.76
Motor TP	32,728.18	25,194.89	27,797.91	21,910.38	22,500.04
Motor Total	**64,697.60**	**53,550.05**	**49,923.99**	**40,117.64**	**36,718.80**
Health	60,675.54	49,374.28	35,280.42	27,517.90	24,076.90
Crop	3,582.44	1,081.91	-	-	-
Other Miscellaneous					
Liability	964.59	1,525.10	1,624.98	1,245.65	1,565.77
Personal Accident	2,314.37	1,785.40	1,166.40	990.13	1,096.86
Aviation	652.25	760.48	731.23	1,209.25	(215.85)
Engineering	2,551.45	2,536.05	1,274.74	2,300.08	1,221.67
Other	4,316.16	3,930.01	4,613.88	3,390.00	2,650.54
Miscellaneous Total	**139,754.39**	**114,543.28**	**94,615.63**	**76,770.65**	**67,114.68**
Grand Total	**162,998.18**	**132,343.47**	**112,619.95**	**94,624.63**	**81,891.81**
23. Commission Direct					
Fire	**3,379.90**	**3,969.14**	**3,616.38**	**2,994.74**	**2,288.21**
Marine Cargo	552.92	531.11	548.10	565.74	551.88
Marine Hull	108.78	4.80	179.90	207.23	176.54
Marine Total	**661.70**	**535.91**	**727.99**	**772.97**	**728.42**
Motor OD	5,139.55	4,955.34	4,048.76	4,115.16	3,705.96
Motor TP	-	-	(0.06)	0.06	1.33
Motor Total	**5,139.55**	**4,955.34**	**4,048.70**	**4,115.22**	**3,707.29**
Health	3,719.82	3,477.98	2,983.00	2,294.91	1,876.19
Crop	56.03	0.02	0.00	-	-
Other Miscellaneous					
Liability	660.14	695.20	643.75	576.23	403.66
Personal Accident	348.72	294.25	265.25	318.88	254.44
Aviation	6.69	5.95	5.67	5.99	7.23
Engineering	463.94	465.46	485.58	482.13	460.61
Other	1,077.35	1,047.82	964.41	949.72	850.68
Miscellaneous Total	**11,472.23**	**10,942.01**	**9,396.36**	**8,743.09**	**7,560.11**
Grand Total	**15,513.83**	**15,447.06**	**13,740.74**	**12,510.79**	**10,576.74**

24. Commission Accepted					
Fire	**1,555.31**	**1,373.03**	**1,179.07**	**1,321.06**	**882.13**
Marine Cargo	18.84	20.26	16.17	13.90	10.24
Marine Hull	33.05	63.97	118.18	158.66	105.40
Marine Total	**51.89**	**84.23**	**134.34**	**172.56**	**115.64**
Motor OD	1.85	2.40	2.37	1.01	6.28
Motor TP	-	-	-	-	-
Motor Total	**1.85**	**2.40**	**2.37**	**1.01**	**6.28**
Health	-	-	-	-	-
Crop	184.01	51.52	55.31	-	-
Other Miscellaneous					
Liability	1.09	3.90	7.69	12.01	3.47
Personal Accident	25.91	29.67	32.07	21.53	25.31
Aviation	120.41	73.10	66.78	128.65	130.91
Engineering	90.09	151.97	138.89	226.47	(70.70)
Other	80.16	99.33	106.13	194.29	70.90
Miscellaneous Total	**503.51**	**411.89**	**409.24**	**583.95**	**166.17**
Grand Total	**2,110.71**	**1,869.15**	**1,722.65**	**2,077.58**	**1,163.94**
25. Commission Ceded					
Fire	**1,588.43**	**1,583.29**	**851.34**	**1,188.24**	**840.47**
Marine Cargo	126.37	73.79	80.46	86.94	101.80
Marine Hull	136.30	67.61	356.25	353.92	264.30
Marine Total	**262.67**	**141.40**	**436.71**	**440.85**	**366.10**
Motor OD	416.36	330.38	225.83	254.13	431.75
Motor TP	41.63	30.56	23.86	18.21	62.28
Motor Total	**457.98**	**360.93**	**249.69**	**272.34**	**494.03**
Health	663.17	285.56	241.02	204.84	292.83
Crop	492.42	0.00	0.00		
Other Miscellaneous					
Liability	51.90	54.83	38.36	34.67	55.79
Personal Accident	41.32	28.88	32.33	123.02	122.51
Aviation	48.87	45.52	42.53	57.64	45.35
Engineering	407.37	471.48	496.47	332.13	365.09
Other	290.00	215.03	196.19	132.65	197.38
Miscellaneous Total	**2,453.03**	**1,462.23**	**1,296.58**	**1,157.29**	**1,572.99**
Grand Total	**4,304.13**	**3,186.92**	**2,584.64**	**2,786.38**	**2,779.56**
26. Commission Net					
Fire	**3,346.78**	**3,758.88**	**3,944.11**	**3,127.56**	**2,329.87**
Marine Cargo	445.39	477.58	483.80	492.71	460.32
Marine Hull	5.52	1.16	(58.18)	11.97	17.64
Marine Total	**450.92**	**478.74**	**425.62**	**504.68**	**477.96**
Motor OD	4,725.04	4,627.36	3,825.30	3,862.04	3,280.49
Motor TP	(41.63)	(30.56)	(23.92)	(18.15)	(60.95)
Motor Total	**4,683.41**	**4,596.81**	**3,801.38**	**3,843.89**	**3,219.54**
Health	3,056.65	3,192.42	2,741.98	2,090.08	1,583.37
Crop	(252.38)	51.54	55.31	-	-
Other Miscellaneous					
Liability	609.33	644.27	613.08	553.58	351.34
Personal Accident	333.31	295.04	264.99	217.38	157.24
Aviation	78.22	33.53	29.92	77.00	92.79
Engineering	146.66	145.95	128.00	376.46	24.81
Other	867.50	932.12	874.35	1,011.36	724.21
Miscellaneous Total	**9,522.71**	**9,891.67**	**8,509.01**	**8,169.75**	**6,153.29**
Grand Total	**13,320.41**	**14,129.29**	**12,878.74**	**11,801.99**	**8,961.12**

27. Foreign Taxes					
Fire	**3.99**	**2.97**	**7.56**	**2.99**	**5.23**
Marine Cargo	-	-	-	-	-
Marine Hull	-	-	-	-	-
Marine Total	**-**	**-**	**-**	**-**	**-**
Motor OD	1.13	1.47	0.56	0.92	2.43
Motor TP	-	-	-	-	0.00
Motor Total	**1.13**	**1.47**	**0.56**	**0.92**	**2.43**
Health	0.13	0.15	0.05	0.04	0.08
Crop	-	-	-	-	-
Other Miscellaneous					
Liability	0.12	0.19	0.09	0.14	0.24
Personal Accident	0.02	0.03	0.01	0.02	0.05
Aviation	0.07	0.09	0.04	0.09	0.23
Engineering	0.07	0.10	0.06	0.10	0.31
Other	0.09	0.11	0.07	0.14	0.32
Miscellaneous Total	**1.64**	**2.13**	**0.89**	**1.44**	**3.65**
Grand Total	**5.62**	**5.10**	**8.45**	**4.43**	**8.88**
28. Operating Expenses					
Fire	**4,121.88**	**4,768.74**	**4,458.85**	**3,900.31**	**3,940.84**
Marine Cargo	660.96	682.64	719.84	736.48	760.47
Marine Hull	97.05	249.60	377.07	292.68	320.74
Marine Total	**758.01**	**932.24**	**1,096.91**	**1,029.16**	**1,081.22**
Motor OD	8,466.62	8,566.77	7,498.81	6,848.30	5,712.81
Motor TP	8,818.75	7,134.12	5,925.54	4,471.53	3,526.09
Motor Total	**17,285.37**	**15,700.88**	**13,424.35**	**11,319.84**	**9,238.91**
Health	11,289.05	10,346.68	8,432.65	6,976.40	5,548.93
Crop	786.45	116.08	147.21	-	-
Other Miscellaneous					
Liability	839.49	868.85	833.45	776.45	586.85
Personal Accident	795.46	491.60	462.41	410.35	415.53
Aviation	171.58	163.35	110.17	88.07	174.75
Engineering	738.52	747.73	764.02	791.66	674.02
Other	1,385.96	1,415.81	1,308.44	1,448.15	1,375.07
Miscellaneous Total	**33,291.88**	**29,850.99**	**25,482.71**	**21,810.92**	**18,014.06**
Grand Total	**38,171.78**	**35,551.97**	**31,038.46**	**26,740.38**	**23,036.12**
29. Underwriting Profit/ (loss)					
Fire	**(6,171.71)**	**(2,818.13)**	**(3,645.66)**	**(5,841.60)**	**(3,082.44)**
Marine Cargo	(197.99)	(202.58)	123.42	360.52	370.58
Marine Hull	(198.45)	609.22	(309.74)	520.97	292.16
Marine Total	**(396.43)**	**406.64**	**(186.32)**	**881.49**	**662.74**
Motor OD	(5,765.69)	(5,315.41)	(717.42)	(448.99)	153.24
Motor TP	(4,511.99)	(3,256.66)	(9,205.36)	(9,003.34)	(12,238.07)
Motor Total	**(10,277.69)**	**(8,572.07)**	**(9,922.78)**	**(9,452.33)**	**(12,084.83)**
Health	(22,011.53)	(18,605.05)	(10,964.74)	(8,922.30)	(6,552.55)
Crop	(260.73)	(726.14)	464.10	-	-
Other Miscellaneous					
Liability	1,711.69	787.03	555.24	532.84	8.18
Personal Accident	(320.67)	(312.97)	100.15	208.19	87.02
Aviation	9.24	(237.33)	(309.12)	(1,039.32)	761.38
Engineering	(14.88)	14.38	1,383.70	(23.73)	940.77
Other	(15.49)	184.03	(482.17)	426.64	1,353.60
Miscellaneous Total	**(31,180.07)**	**(27,468.12)**	**(19,175.62)**	**(18,270.00)**	**(15,486.43)**
Grand Total	**(37,748.21)**	**(29,879.61)**	**(23,007.59)**	**(23,230.10)**	**(17,906.13)**

30. Capital Employed					
Fire	**18,612.67**	**19,082.35**	**19,438.82**	**19,928.85**	**20,597.76**
Marine Cargo	1,681.33	1,992.73	2,123.61	2,061.12	2,498.86
Marine Hull	1,446.03	1,777.77	2,120.77	1,613.97	1,782.36
Marine Total	**3,127.36**	**3,770.50**	**4,244.37**	**3,675.09**	**4,281.22**
Motor OD	15,960.60	15,232.91	13,973.42	12,833.05	11,729.68
Motor TP	61,673.43	57,539.51	55,713.95	48,597.12	39,779.19
Motor Total	**77,634.03**	**72,772.42**	**69,687.37**	**61,430.17**	**51,508.86**
Health	13,634.96	12,947.10	11,277.46	9,589.94	7,622.92
Crop	1,805.11	231.41	105.24	-	-
Other Miscellaneous					
Liability	2,507.96	2,999.03	3,070.32	2,771.73	2,780.94
Personal Accident	1,427.37	1,104.19	1,060.42	847.93	1,061.99
Aviation	663.83	852.98	1,039.28	1,043.85	842.53
Engineering	3,083.09	2,963.40	2,923.56	3,316.87	3,012.40
Other	3,468.10	3,864.29	3,845.92	4,225.85	4,341.73
Miscellaneous Total	**104,224.45**	**97,734.81**	**93,009.56**	**83,226.35**	**71,171.36**
Grand Total	**125,964.48**	**120,587.67**	**116,692.76**	**106,830.28**	**96,050.34**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-IX: RESTATED CONSOLIDATED SUMMARY STATEMENT OF DISCLOSURES FORMING PART OF FINANCIAL STATEMENTS

(₹ in millions)

Srl No.	Particulars	As at				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1	The details of contingent liabilities are as under:					
	(a) Partly-paid up investments	468.87	28.32	77.55	73.15	82.06
	(b) Underwriting commitments outstanding	-	-	-	-	-
	(c) Claims, other than those under policies, not acknowledged as debts	83.53	241.31	1,949.78	1,736.13	1,702.60
	(d) Guarantees given by or on behalf of the Company	17.09	8.86	8.33	8.68	3,408.14
	(e) Statutory demands/liabilities in dispute not provided for	26,773.42	23,929.47	26,445.34	23,946.00	20,693.20
	(f) Reinsurance obligations to the extent not provided for in accounts	-	-	-	-	-
	(g) Others (matters under litigation) to the extent ascertainable	474.79	2,624.05	64.66	134.85	59.46
	(h) Potential Tax Liability towards distribution received from Venture Fund	154.04	154.04	134.31	134.31	100.14
	Total contingent liability	**27,971.75**	**26,986.05**	**28,679.97**	**26,033.12**	**26,045.60**
2	The details of encumbrances to the assets of the Company are as under:					
	(a) In India	512.33	374.41	461.50	354.51	400.60
	(b) Outside India	-	22.18	20.87	20.07	451.72
3	Commitment made and outstanding for Loans Investments and Fixed Assets	1,321.20	10.30	94.04	99.58	137.40
4	Claims, less reinsurance, paid to claimants:					
	(a) In India	125,457.49	100,455.69	84,588.49	54,050.11	57,058.42
	(b) Outside India	20,821.87	19,058.52	17,387.98	19,882.93	15,066.80
5	Claim liabilities where claim payment period exceeds four years	-	-	-	-	-
6	Amount of claims outstanding for more than six months (Gross Indian)					
	No. of Claims	163,044	147,006	172,988	182,469	210,928
	Amount of claims outstanding for less than six months (Gross Indian)	28,063.94	36,801.76	26,205.34	20,273.30	16,788.88
	No. of Claims	502,275	152,222	114,056	101,287	132,731
	Total amount of claims outstanding (Gross Indian)	114,462.88	101,516.74	98,736.69	81,733.83	79,430.67
	Total No. of claims outstanding	665,319	299,228	287,044	283,756	343,659
7	Premiums, less reinsurances, written from business					
	(a) In India	157,654.86	129,099.88	113,111.42	95,959.14	81,020.29
	(b) Outside India	29,491.60	31,194.05	27,441.49	25,907.80	22,889.23
8	The details of contracts in relation to investments, for					
	Purchases where deliveries are pending	37.20	-	387.29	-	-
	Sales where payments are overdue	-	-	-	-	-
	Sales where deliveries are pending	2,200.72	481.86	85.40	934.26	1,221.36

9	Amount of Claims settled and remaining unpaid for a period of more than six months as on balance sheet date are as under:	-	-	-	-	-
	No. of claims	-	-	-	-	-
10	Investments made in accordance with statutory requirements are as under:					
	(a) In India- Under Sec.7 of Insurance Act 1938	-	-	107.51	107.52	107.52
	(b) Outside India- Statutory Deposits under local laws	8,152.91	5,535.74	5,161.25	5,061.10	3,438.93
11	Segregation of investments into performing and non-performing investments where NPA Provision is required as per IRDA Guidelines is as under:					
	Performing (Standard) Investments	93,255.47	83,974.26	77,682.40	64,121.82	54,081.38
	Non Performing Investments	1,086.82	1,150.10	1,348.45	1,408.13	1,383.41
	Total Book Value (Closing Value)	94,342.30	85,124.37	79,030.84	65,529.95	55,464.79

12 All significant accounting policies forming part of the financial statements are disclosed separately.

13 Premium has been recognised as income on assumption of the risk. Unearned premium reserve is computed in accordance with the guidelines issued by IRDAI as under :

a) Marine Hull : 100% of the net written premium during the preceding twelve months;

b) Other segments:

i) in respect of domestic business : on the basis of 1/365th method on the unexpired period of respective policies, and

ii) in respect of foreign business : 50% of the net premium in respect of all business other than Marine hull .

iii) in respect of subsidiaries ; on the basis of 1/365th method on the unexpired period of respective policies

14 Operating expenses relating to insurance business are apportioned to the revenue account on the basis of Net premium.

15 In compliance of section 197 of the Companies Act 2013, the total managerial remuneration paid to its Directors including Managing Director, Whole Time Directors, and Managers in respect of year ended March 31, 2017, does not exceed 11% of Net Profit of the Company.

16 The historical/weighted average cost in respect of investments in listed equity/equity related instruments/preference shares, the value of which had impaired on or before March 31, 2000 is not available with the company and hence the carrying value of the same as on October 31, 2000 is presumed to be the historical/weighted average cost.

(₹ in millions)

Particulars	**Historical Cost/Weighted Average Cost as at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Equity Shares	50,117.02	48,094.24	40,246.21	33,020.25	28,501.91
Venture Funds	202.09	170.20	128.07	49.90	38.70

17 Amortisation of debt securities is done from the date of investment on the basis of actual number of days upto the date of Sale/Redemption/31st March of the respective year. While working out amortisation put/call option is not considered. However, partial redemption if any, is taken into account.

18 a) Unrealised gains / losses arising due to change in the Fair Value of listed equity shares and equity related instruments have been taken to "Fair Value Change Account" and on realisation will be transferred to profit and loss account.

b) Pending realisation, the credit balance in the "Fair Value Change Account" is not available for distribution.

19 The Company does not have Real Estate Investment Property.

20 Sector-wise break-up of gross direct premium written in India is as under for Parent Company:

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Direct Gross Premium Written in India					
Rural	29,253.50	24,661.46	18,597.52	17,564.50	19,384.00
PMFBY	10,464.20	-	-	-	-
Social	5,309.46	5,371.78	4,468.06	4,682.20	5,591.70
Others	146,119.76	121,461.85	109,028.37	93,153.90	75,403.80
Total	**191,146.92**	**151,495.09**	**132,093.95**	**115,400.60**	**100,379.50**
Sector-wise Percentage of Direct Gross Premium Written in India					
Rural	15.30%	16.28%	14.08%	15.22%	19.31%
PMFBY	5.47%	0.00%	0.00%	0.00%	0.00%
Social	2.78%	3.55%	3.38%	4.06%	5.57%
Others	76.44%	80.18%	82.54%	80.72%	75.12%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Sector-wise Number of Policies/Lives-Parent Company					
Rural	466,219	4,639,139	33,999,946	1,487,555	1,465,073
PMFBY	355,474	-	-	-	-
Social	254,418,431	74,161,700	50,417,387	37,666,578	29,965,660
Others	-	-	-	-	-
Total	**255,240,124**	**78,800,839**	**84,417,333**	**39,154,133**	**31,430,733**

21 Restated Consolidated Summary of Financial Statements

(₹ in millions)

Particulars	For the Period ended/as at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
i. Gross Direct Premium	218,071.34	179,777.28	156,943.67	139,570.28	121,085.56
ii. Net Earned Premium #	176,747.78	152,150.22	133,538.02	109,941.34	95,991.80
iii. Income from Investments(Net)@	28,734.47	24,545.36	23,511.54	19,353.17	17,585.09
iv. Other income (Prem Deficiency)	-	-	-	-	-
v. Total Income	205,482.25	176,695.58	157,049.56	129,294.51	113,576.90
vi. Commissions (net incl Brokerage)	13,320.41	14,129.29	12,878.74	11,801.99	8,961.12
vii. Operating Expenses	38,177.40	35,557.07	31,046.92	26,744.81	23,045.00
viii. Net Incurred Claims	162,998.18	132,343.47	112,619.95	94,624.63	81,891.81
ix. Change in Unexpired Risk Reserves	10,398.68	8,143.70	7,014.89	11,925.60	7,917.71
x. Operating Profit/Loss	(9,013.74)	(5,334.25)	503.94	(3,876.92)	(321.04)
Non Operating Result					
xi. Total Income under Shareholders' A/c	18,581.69	15,788.62	16,544.81	13,315.71	11,158.69
xii. Profit/(Loss) Before Tax	9,567.96	10,454.37	17,048.75	9,438.79	10,837.66
xiii. Provision for Tax	1,169.36	1,150.83	3,275.52	1,389.52	1,698.40
xiv. Net Profit/(Loss) after Tax	8,398.60	9,303.54	13,773.23	8,049.27	9,139.25
Miscellaneous					
xv. Policy Holders' Account :					
Total Funds	268,369.38	242,923.55	221,591.47	204,355.73	169,716.01
Total Investments *					
Yield on Investments *					
xvi. Shareholders' Account :					
Total Funds	125,964.48	120,587.67	116,692.76	106,830.28	96,050.34
Total Investments *	285,370.72	262,051.18	228,827.19	182,577.77	160,886.54
Yield on Investments Standalone*	15.40	14.61	15.68	15.17	14.46
xvii. Paid up Equity Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
xviii.Net Worth	125,964.48	120,587.67	116,692.76	106,830.28	96,050.34
xix. Total Assets	700,493.61	639,707.71	629,605.59	543,443.20	465,751.41
xx. Yield on Total Investments(%)	15.40	14.61	15.68	15.17	14.46
xxi. Earning per Share (₹)**	42.89	48.06	70.79	41.50	45.83
xxii. Book value per Share(₹)**	629.82	602.94	583.46	534.15	480.25
xxiii.Total Dividend excluding dividend distribution tax	3,100.00	2,500.00	3,000.00	2,200.00	1,700.00
xxiv.Dividend per Share (₹)**	15.50	12.50	15.00	11.00	8.50

Net of Re-insurance

@ Net of losses

* Share holders investments and yield on investments includes policy holders figures.

** Based on number of shares prior to the bonus and split of shares (as approved by the shareholders in the AGM held on August 2, 2017)

22 Age wise analysis of outstanding claims (Gross Indian excluding provision for IBNR and IBNER)

(₹ in millions)

Age Band	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Less than 90 days	13,287.60	18,459.77	14,564.83	13,680.59	11,500.29
90 Days to 6 months	13,316.02	18,341.99	11,640.51	6,592.71	5,288.59
6 months to 1 year	23,532.41	5,583.89	17,380.06	10,980.05	10,543.08
1 Year to 2 years	19,584.84	18,725.32	15,710.52	12,642.82	14,894.16
2 Years to 3 years	11,649.60	9,067.76	7,989.05	9,407.79	8,694.84
3 years to 5 Years	10,625.22	11,084.55	11,660.14	9,801.51	9,335.88
5 Years and above	21,038.35	20,253.46	19,791.59	18,628.36	19,173.83
Total	**113,034.05**	**101,516.74**	**98,736.69**	**81,733.83**	**79,430.67**
Number of Claims					
Less than 90 days	123,201	118,647	97,504	85,874	110,367
90 Days to 6 months	18,732	33,575	16,552	15,413	22,364
6 months to 1 year	29,825	9,228	21,874	18,961	27,213
1 Year to 2 years	28,957	26,717	25,430	28,695	38,329
2 Years to 3 years	18,478	17,192	19,541	24,699	23,610
3 years to 5 Years	23,518	28,514	31,836	32,304	41,373
5 Years and above	61,647	65,355	74,307	77,810	80,403
Total	**304,358**	**299,228**	**287,044**	**283,756**	**343,659**

23 Investment income (Net of Expenses) is apportioned between Revenue Accounts and Profit and Loss account in proportion to the balance in the shareholders funds and policyholders' funds at the beginning of the year. The same is further apportioned to fire, marine and miscellaneous Revenue Accounts in proportion to the technical reserve balance at the beginning of the year.

24 Unexpired premium reserve at revenue segment level is found to be sufficient to cover the expected claim cost as certified by the appointed actuary and the claims related expenses as estimated by the management for the year ended March 31, 2017, year ended March 31, 2016, year ended March 31, 2015, year ended March 31, 2014 and year ended March 31, 2013. Hence no premium deficiency reserve is required to be provided during the respective periods.

25 Extent of risks retained and reinsured

Particulars	For the Year Ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Retention					
Fire	**56.72%**	**62.07%**	**61.14%**	**59.50%**	**63.82%**
Marine Cargo	80.89%	75.68%	79.65%	81.75%	80.53%
Marine Hull	15.18%	33.47%	36.48%	25.43%	31.88%
Marine Total	**52.04%**	**56.58%**	**56.62%**	**50.16%**	**55.43%**
Motor OD	92.99%	93.34%	94.57%	94.27%	90.17%
Motor TP	94.98%	91.52%	90.50%	88.35%	86.84%
Motor Total	**93.99%**	**92.51%**	**92.73%**	**91.84%**	**88.87%**
Health	90.96%	94.03%	95.04%	94.93%	90.09%
Crop	30.84%	100.00%	100.00%	-	-
Other Miscellaneous					
Liability	80.17%	86.15%	88.49%	88.72%	84.70%
Personal Accident	94.31%	90.03%	92.13%	79.78%	89.12%
Aviation	41.07%	38.88%	28.69%	21.46%	39.78%
Engineering	56.73%	51.98%	59.58%	59.88%	53.36%
Other	81.63%	78.27%	78.12%	82.59%	79.88%
Miscellaneous Total	**86.12%**	**89.60%**	**90.10%**	**88.84%**	**85.22%**
Grand Total	**80.56%**	**83.37%**	**82.74%**	**80.65%**	**78.72%**
Ceded					
Fire	**43.28%**	**37.93%**	**38.86%**	**40.50%**	**36.18%**
Marine Cargo	19.11%	24.32%	20.35%	18.25%	19.47%
Marine Hull	84.82%	66.53%	63.52%	74.57%	68.12%
Marine Total	**47.96%**	**43.42%**	**43.38%**	**49.84%**	**44.57%**
Motor OD	7.01%	6.66%	5.43%	5.73%	9.83%
Motor TP	5.02%	8.48%	9.50%	11.65%	13.16%
Motor Total	**6.01%**	**7.49%**	**7.27%**	**8.16%**	**11.13%**
Health	9.04%	5.97%	4.96%	5.07%	9.91%
Crop	69.16%	0.00%	0.00%	-	-
Other Miscellaneous					
Liability	19.83%	13.85%	11.51%	11.28%	15.30%
Personal Accident	5.69%	9.97%	7.87%	20.22%	10.88%
Aviation	58.93%	61.12%	71.31%	78.54%	60.22%
Engineering	43.27%	48.02%	40.42%	40.12%	46.64%
Other	18.37%	21.73%	21.88%	17.41%	20.12%
Miscellaneous Total	**13.88%**	**10.40%**	**9.90%**	**11.16%**	**14.78%**
Grand Total	**19.44%**	**16.63%**	**17.26%**	**19.35%**	**21.28%**

ANNEXURE-X: RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

(₹ in millions)

Particulars	As at March 31, 2017	As Adjusted for issue
Shareholders' fund		Refer Note mentioned below
Share Capital	2,000.00	
Reserve & surplus	126,177.88	
Less: Misc expenditure not written off	(2,213.40)	
Total Shareholders Fund (Net worth excluding fair value) -A	**125,964.48**	
Debt		
Long term borrowings	-	
Short term borrowings	-	
Other borrowings (Current maturity of long term borrowings)	-	
Total Debt - B	-	
Long term debt to Equity ratio	-	
Total debt to equity ratio C=(B/A)	-	

Notes :

1) The post issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the book building process and hence, the same has not been provided in the above statement.

2) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300 millions to 1,200 millions, increase in issued numbers of shares from 200 millions to 800 millions and decrease in face value of shares from ₹ 10 to ₹ 5. The impact on shareholders fund is as follows:

(₹ in millions)

Particulars	No of shares in millions	Share capital	Reserves & Surplus
As of March 31, 2017	200.00	2,000.00	126,177.88
Allotment of equity shares Pursuant to sub-division of shares	200.00	-	-
Allotment of equity shares Pursuant to issue of Bonus equity shares	400.00	2,000.00	(2,000.00)
As of July 31, 2017	800.00	4,000.00	124,177.88

ANNEXURE-XI:RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME

The Company's major revenue is earned through its core business of selling insurance contracts and through income from investment earned out of Policyholders' and Shareholders' funds, which is ancillary to its core business of General Insurance. "Other income" mainly includes income earned under normal business activities i.e. Sundry credit balances written back, Miscellaneous income and Directors fees received ,which is recurring in nature and Interest on refund of Income Tax (non recurring). The break-up of "other income" earned by company and % of net profit before tax is given as below:

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Sundry credit balances written back, Miscellaneous income and Directors fees received	858.13	474.96	263.53	272.46	201.05
Interest on Refund of Income Tax	1,325.92	303.20	1,486.42	-	-
Total Other Income	**2,184.06**	**778.16**	**1,749.95**	**272.46**	**201.05**
Profit Before Tax	**9,567.96**	**10,454.37**	**17,048.75**	**9,438.79**	**10,837.66**
Percentage of Sundry credit balances written back, Miscellaneous income and Directors fees received to PBT	8.97%	4.54%	1.55%	2.89%	1.86%
Percentage of Interest on Refund of Income Tax percentage of PBT	13.86%	2.90%	8.72%	0.00%	0.00%
Percentage of Total Other Income to PBT	**22.83%**	**7.44%**	**10.26%**	**2.89%**	**1.86%**

ANNEXURE-XII: RESTATED CONSOLIDATED STATEMENT OF DIVIDEND

(₹ in millions)

Particulars	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Number of equity shares at period ended	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Face value per equity share (₹)	10.00	10.00	10.00	10.00	10.00
Dividend paid:					
-Interim dividend	-	-	-	-	-
-Final dividend*	2,500.00	3,000.00	2,200.00	1,700.00	400.00
Rate of dividend (%)	125.00	150.00	110.00	85.00	20.00
Dividend distribution tax	519.85	599.82	373.89	288.92	64.89

* For the year ended March 31, 2017, the Board of Directors at their meeting have proposed a dividend of 155% of the paid up capital of the company and the same approved in Annual General Meeting held on August 2, 2017.

** Based on share capital prior to the bonus and split of shares (as approved by the shareholders in the AGM held on August 2, 2017)

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XIII : RESTATED CONSOLIDATED STATEMENT OF ADDITIONAL DISCLOSURES

(₹ in millions)

Particulars	For the period ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
i) Operating Expenses Ratio:*	20.40%	22.18%	22.09%	21.95%	22.18%
ii) Investment yield - Parent Company	15.40%	14.61%	15.68%	15.17%	14.46%
iii) Investment in Equity and Bonds	Annexure-XIIIA Investment in Equity and Bonds				
iv) Claims outstanding in the last five years	Annexure-XIIIB Claims outstanding				
v) Manner of arriving at unrealised gains/Losses	Annexure-V. Point no 14. Loans and Investments (f)				
vi) Restated Solvency ratio - Parent Company	2.22	2.46	2.52	2.77	2.68
vii) A Comparison of year wise provisions made and the actual payouts made for the last five years.					
Outstanding claims at year end	179,778.44	164,644.58	151,444.35	141,216.24	118,582.36
Net Claims paid	146,279.37	119,514.21	101,976.48	73,933.05	70,416.32
viii) Accounting and other ratios; the ratios with specific reference to the insurance industry as prescribed by the Authority from time to time shall be disclosed.	Annexure-VII: Restated Consolidated Statement of Accounting Ratios				

$$\textbf{*Operating Expenses Ratio} = \frac{\text{Operating Expenses related to Insurance business}}{\text{Net Written Premium}}$$

The New India Assurance Company Limited
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ANNEXURE-XIIIA: RESTATED CONSOLIDATED STATEMENT OF INVESTMENT IN EQUITY AND BONDS

Investment in Equity and Bonds (relative to total funds) - Parent Company

(₹ in millions)

Particulars	As at					
	March 31, 2017		**March 31, 2016**		**March 31, 2015**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Financial and Insurance Activities	72,483.97	12.36%	55,593.45	10.98%	57,826.70	11.04%
Manufacture of Tobacco Products	58,337.41	9.95%	49,036.37	9.69%	50,403.82	9.63%
Infrastructure	36,657.81	6.25%	35,318.99	6.98%	32,005.61	6.11%
Manufacture of Chemicals And Chemical Products	29,068.00	4.96%	26,510.50	5.24%	30,623.60	5.85%
Manufacture of Motor Vehicles, Trailers And Semi-Trailers	25,649.10	4.37%	23,577.62	4.66%	29,377.37	5.61%
Total (refer Note 1)	**586,430.86**		**506,259.00**		**523,669.36**	

(1) Total refers to total funds of the company including Investments (as given in Annexure-XXIV) ,Loans (as given in Annexure -XXV excluding Loans To Employees) and Cash And Bank Balances (as given in Annexure-XXVII excluding Cash and deposit in Current account)

The New India Assurance Company Limited
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ANNEXURE-XIIIB: RESTATED CONSOLIDATED STATEMENT OF CLAIMS OUTSTANDING (GROSS INDIAN EXCLUDING PROVISION FOR IBNR AND IBNER)

Claims Outstanding (year ended March 31, 2017) - Parent Company

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	3,762	24,918.33	2,500	3,002.35	269	2,378.31	1,924	4,192.29	60,454	4,088.91	162,011	51,143.53	2,439	1,489.85	2,062	401.49	55,043	4,041.07	8,764	5,860.61	299,228	101,516.74
2	Claims intimated/booked during the year	8,000	23,155.37	25,704	2,841.05	255	5,088.16	11,800	3,589.84	836,760	23,454.01	69,516	32,277.46	4,874	1,040.12	20,279	2,301.17	2,817,957	62,791.75	93,062	6,514.13	3,888,207	163,053.07
3	Claims settled during the year	8,395	30,182.55	25,663	3,365.10	257	1,136.80	11,947	3,190.70	837,186	23,388.90	75,036	25,953.20	5,013	1,311.04	19,874	2,634.15	2,806,579	66,864.92	93,127	17,971.06	3,883,077	175,998.42
4	Claims repudiated during the year																						
5	Claims O/S at the end of the year	3,367	28,699.86	2,541	2,478.32	267	6,329.64	1,777	4,591.46	60,028	4,153.98	156,491	57,467.83	2,300	1,466.00	2,467	656.13	66,421	2,788.23	8,699	4,402.59	304,358	113,034.05
Agewise Details Of Claims																							
	0-3 months	598	2,769.84	1,050	365.58	36	370.03	779	430.18	46,351	2,325.54	7,941	3,372.26	330	128.40	1,594	406.20	62,166	2,368.84	2,356	750.74	123,201	13,287.60
	3-6 months	845	3,861.87	429	161.92	42	3,884.14	372	337.89	6,466	775.91	7,901	3,525.61	191	87.09	327	88.51	731	27.55	1,428	565.54	18,732	13,316.02
	6-12 months	702	10,343.83	483	258.68	52	404.68	380	1,923.40	4,531	595.51	19,113	8,324.82	314	395.18	290	66.94	2,349	244.13	1,611	975.24	29,825	23,532.41
	1 year to 2 years	349	4,229.04	128	480.34	30	576.40	113	1,117.88	664	135.84	26,420	11,653.61	268	256.94	69	31.13	421	85.59	495	1,018.07	28,957	19,584.84
	2 year to 3 years	154	2,120.26	107	779.49	24	514.02	35	280.29	377	67.63	17,048	7,608.01	214	71.14	39	10.89	214	15.72	266	182.15	18,478	11,649.60
	3 years to 5 years	190	1,026.92	99	141.73	26	95.93	44	457.91	605	94.94	21,225	8,310.82	357	210.40	51	11.86	271	22.87	650	251.84	23,518	10,625.22
	5 years and above	529	4,348.11	245	290.58	57	484.44	54	43.92	1,034	158.61	56,843	14,672.70	626	316.84	97	40.60	269	23.53	1,893	659.01	61,647	21,038.35
	Total	**3,367**	**28,699.86**	**2,541**	**2,478.32**	**267**	**6,329.64**	**1,777**	**4,591.46**	**60,028**	**4,153.98**	**156,491**	**57,467.83**	**2,300**	**1,466.00**	**2,467**	**656.13**	**66,421**	**2,788.23**	**8,699**	**4,402.59**	**304,358**	**113,034.05**

Claims Outstanding (year ended March 31, 2016)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	2,988	27,264.45	2,497	2,813.90	266	4,626.86	1,868	4,289.64	49,995	3,421.10	172,365	46,284.00	2,457	1,511.43	1,866	312.01	43,760	2,733.92	8,982	5,479.39	287,044	98,736.69
2	Claims intimated/booked during the year	16,125	13,144.22	24,778	2,419.95	324	472.83	25,223	2,046.48	845,959	21,304.02	117,072	24,867.09	3,904	690.18	14,864	1,542.48	1,480,835	51,401.95	89,854	6,072.15	2,618,938	123,961.35
3	Claims settled during the year	14,710	14,414.71	23,875	2,058.70	293	2,285.94	24,857	1,991.16	832,645	20,586.36	126,412	19,922.44	3,633	614.44	14,354	1,447.53	1,400,142	47,043.13	87,810	5,432.40	2,528,731	115,796.78
4	Claims repudiated during the year	641	841.11	900	207.50	28	114.00	310	228.98	2,856	190.87	1,014	211.85	289	80.63	314	43.55	69,410	4,964.66	2,262	331.12	78,024	7,214.27
5	Claims O/S at the end of the year	3,762	24,918.33	2,500	3,002.35	269	2,378.31	1,924	4,192.29	60,454	4,088.91	162,011	51,143.53	2,439	1,489.85	2,062	401.49	55,043	4,041.07	8,764	5,860.61	299,228	101,516.74
Agewise Details Of Claims																							
	0-3 months	620	5,140.76	1,103	446.04	30	130.71	814	602.80	46,887	2,335.22	12,047	4,495.06	456	249.72	1,337	196.98	52,533	3,552.97	2,820	1,309.51	118,647	18,459.77
	3-6 months	1,574	6,385.47	682	630.35	50	222.09	659	1,335.79	9,360	1,064.55	16,927	6,251.92	401	185.26	417	128.78	1,362	378.95	2,143	1,758.84	33,575	18,341.99
	6-12 months	294	1,521.85	121	260.07	9	253.84	157	384.24	1,436	208.96	6,471	2,565.81	103	52.69	60	15.25	132	18.46	445	302.73	9,228	5,583.89
	1 year to 2 years	361	5,255.72	206	952.37	51	948.15	147	809.00	847	178.52	23,864	9,523.84	312	217.31	82	24.08	315	30.34	532	785.99	26,717	18,725.32
	2 year to 3 years	152	1,236.41	62	148.12	26	90.85	61	892.75	371	62.86	15,674	6,022.63	209	211.05	34	5.82	195	13.61	408	383.67	17,192	9,067.76
	3 years to 5 years	265	754.20	130	291.47	41	319.11	38	116.45	666	95.85	25,916	8,309.42	434	351.72	45	9.25	279	24.10	700	813.00	28,514	11,084.55
	5 years and above	496	4,623.93	196	273.93	62	413.57	48	51.27	887	142.95	61,112	13,974.86	524	222.10	87	21.34	227	22.65	1,716	506.87	65,355	20,253.46
	Total	**3,762**	**24,918.33**	**2,500**	**3,002.35**	**269**	**2,378.31**	**1,924**	**4,192.29**	**60,454**	**4,088.91**	**162,011**	**51,143.53**	**2,439**	**1,489.85**	**2,062**	**401.49**	**55,043**	**4,041.07**	**8,764**	**5,860.61**	**299,228**	**101,516.74**

Claims Outstanding (year ended March 31, 2015)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	2,883	19,873.95	2,515	2,704.71	249	2,132.01	1,778	4,057.91	33,822	2,527.76	183,885	41,755.64	2,470	1,286.63	1,991	323.14	45,275	2,707.18	8,888	4,365.05	283,756	81,733.98
2	Claims intimated/booked during the year	12,858	21,248.87	23,701	2,177.43	308	3,634.66	17,643	2,758.30	719,559	16,487.12	181,691	22,136.57	4,552	674.45	13,590	1,039.84	1,525,557	39,276.33	80,602	5,919.13	2,580,061	115,352.70
3	Claims settled during the year	12,161	12,805.93	22,873	1,857.38	256	971.02	17,271	2,603.01	698,772	15,479.92	191,763	17,606.37	4,361	436.14	13,395	1,011.89	1,450,267	35,702.61	78,605	4,545.20	2,489,724	93,019.48
4	Claims repudiated during the year	592	519.45	846	229.39	35	49.03	282	(99.42)	3,148	35.87	1,264	(55.93)	204	10.61	320	35.11	76,805	2,738.37	1,903	51.07	85,399	3,513.54
5	Claims O/S at the end of the year	2,988	27,264.45	2,497	2,813.90	266	4,626.86	1,868	4,289.64	49,995	3,421.10	172,365	46,284.00	2,457	1,511.43	1,866	312.01	43,760	2,733.92	8,982	5,479.39	287,044	98,736.69
Agewise Details Of Claims																							
	0-3 months	700	3,255.08	1,114	388.01	30	770.76	834	502.64	37,908	1,902.03	11,073	3,824.12	508	218.61	1,184	130.20	41,542	2,535.17	2,611	1,038.21	97,504	14,564.83
	3-6 months	530	5,865.21	381	417.03	38	390.14	327	757.02	5,459	605.11	7,364	2,586.72	225	83.55	252	78.79	770	42.54	1,206	814.40	16,552	11,640.51
	6-12 months	513	7,042.09	427	672.86	29	2,458.44	352	759.16	3,764	473.55	14,380	4,659.32	292	246.05	203	53.45	494	34.84	1,420	980.30	21,874	17,380.06
	1 year to 2 years	339	4,268.43	200	288.70	38	182.41	230	1,906.10	939	142.14	22,200	7,666.14	319	258.60	56	15.98	307	68.45	802	913.57	25,430	15,710.52
	2 year to 3 years	164	1,217.50	85	283.20	31	141.99	40	251.38	464	65.43	17,767	5,508.88	238	207.08	33	7.14	218	20.48	501	285.97	19,541	7,989.05
	3 years to 5 years	302	1,294.14	134	553.97	48	451.89	36	59.74	590	91.71	29,204	7,901.98	386	289.72	63	11.03	248	14.04	825	991.92	31,836	11,660.14
	5 years and above	440	4,321.99	156	210.12	52	231.24	49	53.61	871	141.12	70,377	14,136.84	489	207.82	75	15.42	181	18.40	1,617	455.02	74,307	19,791.59
	Total	**2,988**	**27,264.45**	**2,497**	**2,813.90**	**266**	**4,626.86**	**1,868**	**4,289.64**	**49,995**	**3,421.10**	**172,365**	**46,284.00**	**2,457**	**1,511.43**	**1,866**	**312.01**	**43,760**	**2,733.92**	**8,982**	**5,479.39**	**287,044**	**98,736.69**

Claims Outstanding (year ended March 31, 2014)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	3,004	17,542.17	2,821	2,593.38	322	3,093.92	1,873	3,722.74	38,051	2,724.37	204,813	41,221.54	2,638	1,249.93	2,251	373.33	76,406	2,775.09	11,480	4,134.18	343,659	79,430.66
2	Claims intimated/booked during the year	11,104	16,658.71	30,014	2,714.78	318	2,395.14	16,428	3,253.64	614,839	14,310.68	131,108	18,228.70	4,166	762.63	14,666	992.58	1,250,027	32,604.09	76,580	4,408.58	2,149,250	96,329.51
3	Claims settled during the year	10,170	10,609.24	28,732	1,825.72	326	793.68	15,785	1,579.00	608,371	13,219.02	149,282	15,866.66	3,612	431.35	13,821	910.64	1,225,088	30,065.90	75,599	3,559.75	2,130,786	78,860.96
4	Claims repudiated during the year	1,055	2,266.70	1,588	322.34	65	2,202.87	738	866.83	10,697	470.66	2,754	276.22	722	83.81	1,105	73.64	56,070	1,801.47	3,573	455.94	78,367	8,820.47
5	Claims O/S at the end of the year	2,883	19,873.95	2,515	2,704.71	249	2,132.01	1,778	4,057.91	33,822	2,527.76	183,885	41,755.64	2,470	1,286.63	1,991	323.14	45,275	2,707.18	8,888	4,365.05	283,756	81,733.98
Agewise Details Of Claims																							
	0-3 months	749	4,196.75	1,095	496.39	38	209.42	814	369.79	26,342	1,447.81	10,967	3,175.69	637	179.95	1,346	138.61	40,709	2,446.66	3,177	1,019.53	85,874	13,680.59
	3-6 months	489	2,293.11	413	298.19	15	63.53	285	570.16	3,219	402.80	7,290	2,134.84	221	55.06	237	51.21	2,194	119.76	1,050	604.05	15,413	6,592.71
	6-12 months	471	3,746.90	412	300.50	25	182.40	350	2,060.80	1,823	271.40	13,179	3,660.80	245	189.40	149	39.00	1,412	74.60	895	454.40	18,961	10,980.20
	1 year to 2 years	325	2,991.52	188	367.60	47	754.26	165	587.77	783	124.98	25,730	6,893.29	312	254.51	78	24.50	355	18.97	712	625.42	28,695	12,642.82
	2 year to 3 years	211	1,446.01	145	413.86	41	380.16	65	115.30	439	86.10	22,526	5,694.11	297	340.63	51	8.99	219	12.17	705	910.46	24,699	9,407.79
	3 years to 5 years	271	1,126.44	146	645.43	27	235.29	55	306.77	482	74.77	30,081	7,027.38	277	75.14	53	8.71	278	26.25	634	275.33	32,304	9,801.51
	5 years and above	367	4,073.22	116	182.74	56	306.95	44	47.33	734	119.91	74,112	13,169.54	481	191.94	77	52.13	108	8.76	1,715	475.87	77,810	18,628.36
	Total	**2,883**	**19,873.95**	**2,515**	**2,704.71**	**249**	**2,132.01**	**1,778**	**4,057.91**	**33,822**	**2,527.76**	**183,885**	**41,755.64**	**2,470**	**1,286.63**	**1,991**	**323.14**	**45,275**	**2,707.18**	**8,888**	**4,365.05**	**283,756**	**81,733.98**

Claims Outstanding (year ended March 31, 2013)

(₹ in millions)

Sl. No.	Particulars	Fire		Marine Cargo		Marine Hull		Engineering		Motor OD		Motor TP		Liability		PA		Health		Miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at start of the year	4,191	20,732.20	3,880	2,813.47	356	4,123.01	3,173	4,147.01	60,604	3,384.95	220,878	40,605.48	3,497	1,166.27	3,240	472.39	75,912	2,604.44	15,232	4,394.74	390,963	84,443.95
2	Claims intimated/booked during the year	9,214	17,391.94	25,175	3,269.47	378	9,032.68	16,376	2,920.53	506,809	12,028.05	115,854	14,431.98	6,022	894.54	15,800	1,455.35	1,558,985	56,081.74	82,586	8,793.62	2,337,199	126,299.90
3	Claims settled during the year	7,300	9,211.26	20,594	1,639.19	264	2,540.51	13,603	1,471.58	473,374	9,802.79	107,089	13,037.48	3,111	427.95	12,246	856.65	1,244,659	22,263.10	64,907	2,495.07	1,947,147	63,745.58
4	Claims repudiated during the year	2,877	11,405.38	5,346	1,924.12	139	7,309.80	3,599	2,373.69	49,926	3,309.81	14,112	4,598.20	3,598	833.65	4,313	907.31	270,706	35,131.67	19,414	3,442.23	374,030	71,235.85
5	Claims O/S at the end of the year	3,004	17,542.17	2,821	2,593.38	322	3,093.92	1,873	3,722.74	38,051	2,724.37	204,813	41,221.54	2,638	1,249.93	2,251	373.33	76,406	2,775.09	11,480	4,134.18	343,659	79,430.66
Agewise Details Of Claims																							
	0-3 months	778	1,858.00	1,181	632.06	60	893.82	817	479.71	26,545	1,365.90	11,539	3,001.02	584	159.99	1,283	130.16	63,664	2,280.41	3,916	699.23	110,367	11,500.30
	3-6 months	396	1,554.82	367	184.87	19	53.77	294	277.47	4,712	464.44	8,399	1,961.46	207	63.33	308	54.79	5,929	279.97	1,733	393.67	22,364	5,288.59
	6-12 months	590	4,769.59	533	213.76	22	79.83	356	655.79	3,503	416.76	15,279	3,509.44	336	287.17	259	62.50	4,802	104.83	1,533	443.40	27,213	10,543.06
	1 year to 2 years	433	3,363.17	368	659.61	72	92.06	238	1,044.20	1,432	224.76	32,524	7,510.17	487	388.88	181	48.02	1,259	59.74	1,335	1,503.54	38,329	14,894.16
	2 year to 3 years	239	1,512.01	165	566.97	55	536.50	75	734.02	437	69.54	21,210	4,729.59	236	90.18	100	18.42	378	16.99	715	420.62	23,610	8,694.84
	3 years to 5 years	236	737.23	107	137.28	24	383.39	51	39.31	746	88.76	38,924	7,568.13	291	115.30	41	10.28	262	23.42	691	232.76	41,373	9,335.88
	5 years and above	332	3,747.36	100	198.83	70	1,054.55	42	492.24	676	94.21	76,938	12,941.73	497	145.09	79	49.16	112	9.72	1,557	440.97	80,403	19,173.83
	Total	**3,004**	**17,542.17**	**2,821**	**2,593.38**	**322**	**3,093.92**	**1,873**	**3,722.74**	**38,051**	**2,724.37**	**204,813**	**41,221.54**	**2,638**	**1,249.93**	**2,251**	**373.33**	**76,406**	**2,775.09**	**11,480**	**4,134.18**	**343,659**	**79,430.66**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XIV: RESTATED CONSOLIDATED STATEMENT OF TAX SHELTER

(₹ in millions)

Particulars	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Surplus as per Revenue Account (Net of contribution from shareholders Account)	(9,013.74)	(5,334.25)	503.94	(3,876.92)	(321.04)
Interim Bonus	-	-	-	-	-
Allocation of Bonus	-	-	-	-	-
Income as per P&L account	18,581.69	15,788.62	16,544.81	13,315.71	11,158.69
Surplus as restated	**9,567.96**	**10,454.37**	**17,048.75**	**9,438.79**	**10,837.66**

Minimum Alternative Tax Rate	21.34%	21.34%	20.96%	20.96%	20.01%
Tax thereon at above rate	2,106.88	2,248.89	3,589.62	2,019.26	2,256.72
Adjustment on account of Minimum Alternative Tax					
Temporary Adjustments					
Provision for Bad & Doubtful debt written off	-	-	-	-	(232.05)
Provisions for unascertained liability	191.80	226.90	51.73	55.78	-
Interest on late payment of Statutory Dues	8.61	-	-	-	-
Permanent Adjustments					
Expenditure related to exempt income u/s 10, 10A, 10B, 11 or 12.	8.77	8.57	6.98	9.22	-
Exemption under section 10(34)-Non Pension Dividend Income	(4,368.95)	(4,610.38)	(3,894.22)	(3,463.13)	(3,343.64)
Exemption under section 10(15)-Interest Income on tax free bond	(395.03)	-	-	(168.77)	(61.83)
Subsidiaries Surplus not assesed in India	(304.20)	(83.22)	(76.90)	(194.86)	(441.57)
Total Adjustments	(4,858.99)	(4,458.14)	(3,912.41)	(3,761.76)	(4,079.08)
Tax on Adjustments	(1,036.99)	(951.44)	(820.06)	(788.48)	(816.13)
Gross Taxable Profit	4,708.97	5,996.24	13,136.33	5,677.03	6,758.58
Brought Forward Losses adjusted	-	-	-	-	-
Taxable Profit	4,708.97	5,996.24	13,136.33	5,677.03	6,758.58
Tax Liability on taxable profit	1,004.97	1,279.69	2,753.44	1,189.93	1,352.24
Provision for Interest on short payment of Advance Tax	-	-	-	68.50	-
Provision for tax at Foreign Subsidiaries	106.39	125.65	84.70	118.25	114.92
Provision for tax at Foreign branches net of Relief u/s 90 & 91 of Income Tax Act '1961	103.97	260.90	473.53	245.48	279.26
Tax Liability	**1,215.33**	**1,666.24**	**3,311.68**	**1,622.17**	**1,746.42**

ANNEXURE XV – RESTATED CONSOLIDATED STATEMENT OF AGGREGATE BOOK VALUE & MARKET VALUE OF QUOTED INVESTMENTS

Aggregate book value of quoted investments **(₹ in millions)**

Particulars	For the period ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Equity	50,735.95	48,473.62	40,709.23	33,307.01	28,757.25
Other	226,893.74	206,292.21	180,650.48	141,737.34	125,025.26
Total	**277,629.69**	**254,765.83**	**221,359.71**	**175,044.35**	**153,782.51**

Aggregate market value of quoted investments **(₹ in millions)**

Particulars	For the period ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Equity	287,446.48	239,334.12	268,863.50	211,705.63	187,400.61
Other	234,633.74	207,783.87	180,738.04	137,364.32	117,375.82
Total	**522,080.22**	**447,117.99**	**449,601.54**	**349,069.96**	**304,776.43**

ANNEXURE XVI: RESTATED CONSOLIDATED STATEMENT OF DEBTORS

(₹ in millions)

Particulars	**For the period ended**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Receivables outstanding for a period not exceeding six months from the date they became due for payment	28,914.94	31,560.45	23,817.14	31,470.18	20,133.18
Other Debts	33,872.11	30,252.96	33,137.78	20,302.99	21,857.54
Total	**62,787.05**	**61,813.41**	**56,954.92**	**51,773.17**	**41,990.72**

ANNEXURE-XVII: RESTATED CONSOLIDATED STATEMENT OF PREMIUM EARNED (NET)

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Premium Earned (Net) - Fire					
Premium From Direct Business - in India	18,242.82	16,918.36	16,448.93	14,117.66	13,326.80
outside India	8,092.31	9,447.91	9,079.83	8,032.65	6,890.34
Total	**26,335.13**	**26,366.27**	**25,528.76**	**22,150.30**	**20,217.13**
Add: Premium on Reinsurance Accepted	9,290.48	8,270.85	7,495.10	7,722.93	7,636.29
Less: Premium on Reinsurance Ceded	15,417.07	13,136.21	12,832.66	12,097.94	10,077.38
Net Premium	20,208.54	21,500.91	20,191.20	17,775.30	17,776.05
Adjustment for Change in Reserve for Un-Expired Risks	758.69	(857.37)	(772.13)	(1,064.67)	(1,886.27)
Total Premium Earned (Net) - Fire	**20,967.23**	**20,643.54**	**19,419.07**	**16,710.63**	**15,889.78**
Premium Earned (Net) - Marine					
Premium From Direct Business - in India	6,100.26	6,175.33	6,652.78	7,114.65	6,699.27
outside India	679.72	741.76	1,315.05	1,495.63	1,401.72
Total	**6,779.98**	**6,917.09**	**7,967.83**	**8,610.28**	**8,100.99**
Add: Premium on Reinsurance Accepted	361.27	512.01	804.64	740.05	697.01
Less: Premium on Reinsurance Ceded	3,424.91	3,225.88	3,805.28	4,660.02	3,920.93
Net Premium	3,716.34	4,203.23	4,967.18	4,690.30	4,877.06
Adjustment for Change in Reserve for Un-expired Risks	673.66	483.50	(280.85)	57.64	(574.29)
Total Premium Earned (Net) - Marine	**4,390.00**	**4,686.73**	**4,686.33**	**4,747.94**	**4,302.77**
Premium Earned (Net) - Miscellaneous					
Premium From Direct Business - in India	166,803.84	128,400.38	108,993.46	94,167.98	80,377.22
outside India	18,152.39	18,093.53	14,453.62	14,641.73	12,390.22
Total	**184,956.23**	**146,493.91**	**123,447.09**	**108,809.70**	**92,767.44**
Add: Premium on Reinsurance Accepted	4,581.85	3,712.50	4,622.58	3,076.64	2,582.95
Less: Premium on Reinsurance Ceded	26,316.50	15,616.62	12,675.13	12,485.00	14,093.99
Net Premium	163,221.58	134,589.79	115,394.53	99,401.34	81,256.41
Adjustment for Change in Reserve for Un-expired Risks	(11,831.03)	(7,769.83)	(5,961.91)	(10,918.57)	(5,457.16)
Total Premium Earned (Net) - Miscellaneous	**151,390.55**	**126,819.95**	**109,432.62**	**88,482.77**	**75,799.25**

ANNEXURE-XVIII: RESTATED CONSOLIDATED STATEMENT OF CLAIMS INCURRED (NET)

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Claims Incurred (Net) - Fire					
Claims Paid Direct	17,593.59	18,654.65	19,330.40	16,406.78	15,087.10
Add: Claims on Reinsurance Accepted	5,879.39	5,308.50	5,760.76	9,778.42	6,259.96
Less: Claims on Reinsurance Ceded	6,492.66	9,660.43	8,582.19	10,052.79	8,238.99
Net Claims Paid	**16,980.33**	**14,302.72**	**16,508.97**	**16,132.41**	**13,108.07**
Add:Claims Outstanding at End (Net)	27,663.89	25,872.09	25,109.16	27,416.28	26,605.56
Less :Claims Outstanding at Beginning (Net)	25,872.09	25,109.16	27,416.28	26,605.56	26,780.70
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	894.16	(134.56)	452.35	(1,421.76)	(236.66)
Total Incurred Claims (Net) - Fire	**19,666.29**	**14,931.09**	**14,654.20**	**15,521.37**	**12,696.27**
Claims Incurred (Net) - Marine					
Claims Paid Direct	4,467.60	5,122.90	3,489.61	3,578.99	4,644.18
Add: Claims on Reinsurance Accepted	404.98	564.03	260.69	385.06	111.19
Less: Claims on Reinsurance Ceded	1,090.32	2,893.24	1,146.29	966.62	3,041.04
Net Claims Paid	**3,782.26**	**2,793.69**	**2,604.02**	**2,997.43**	**1,714.33**
Add:Claims Outstanding at End (Net)	4,980.36	5,232.75	5,218.06	4,463.66	4,985.07
Less :Claims Outstanding at Beginning (Net)	5,232.75	5,218.06	4,463.66	4,985.07	4,602.67
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	47.64	60.73	(8.30)	(143.42)	(15.87)
Total Incurred Claims (Net)	**3,577.51**	**2,869.11**	**3,350.12**	**2,332.61**	**2,080.86**
Claims Incurred (Net) - Miscellaneous					
Claims Paid Direct	133,116.09	108,754.38	86,563.76	71,516.99	61,261.18
Add: Claims on Reinsurance Accepted	2,709.92	4,601.27	5,179.70	2,012.95	1,869.11
Less: Claims on Reinsurance Ceded	10,309.23	10,937.86	8,879.98	18,726.74	7,536.38
Net Claims Paid	**125,516.78**	**102,417.80**	**82,863.49**	**54,803.21**	**55,593.92**
Add:Claims Outstanding at End (Net)	147,134.18	133,539.74	121,117.12	109,336.29	86,991.73
Less :Claims Outstanding at Beginning (Net)	133,539.74	121,117.12	109,336.29	86,991.73	75,345.38
Foreign Exchange Fluctuation Relating to Non-Integral Foreign Operations	643.17	(297.15)	(28.68)	(377.11)	(125.60)
Total Incurred Claims (Net)	**139,754.39**	**114,543.27**	**94,615.64**	**76,770.65**	**67,114.68**

ANNEXURE-XIX: RESTATED CONSOLIDATED STATEMENT OF COMMISSION

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Commission (Net) - Fire					
Commission - Direct	3,379.90	3,969.14	3,616.38	2,994.74	2,288.21
Add : Commission on Reinsurance Accepted	1,555.31	1,373.03	1,179.07	1,321.06	882.13
Less : Commission on Reinsurance Ceded	1,588.43	1,583.29	851.35	1,188.24	840.47
Commission (Net) - Fire	**3,346.78**	**3,758.88**	**3,944.11**	**3,127.56**	**2,329.87**
Break-up of Commission Direct - Fire					
Direct Commission	2,776.01	3,459.67	3,141.12	2,560.83	443.31
Direct Brokerage	533.12	439.16	404.69	369.48	1,790.07
Direct Corporate Agency Commission	70.77	70.32	70.57	64.43	54.82
Others - Other Channels	-	-	-	-	-
Total Direct Commission - Fire	**3,379.90**	**3,969.14**	**3,616.38**	**2,994.74**	**2,288.21**
Commission (Net) - Marine					
Commission - Direct	661.70	535.91	728.00	772.97	728.42
Add : Commission on Reinsurance Accepted	51.89	84.23	134.34	172.56	115.64
Less : Commission on Reinsurance Ceded	262.67	141.40	436.72	440.85	366.10
Commission (Net) - Marine	**450.92**	**478.73**	**425.62**	**504.68**	**477.96**
Break-up of Commission Direct - Marine					
Direct Commission	390.74	321.10	522.70	580.17	551.27
Direct Brokerage	270.51	214.23	204.25	192.29	175.82
Direct Corporate Agency Commission	0.46	0.58	1.05	0.51	1.33
Others - Other Channels	-	-	-	-	-
Total Direct Commission - Marine	**661.70**	**535.91**	**728.00**	**772.97**	**728.42**
Commission (Net) - Miscellaneous					
Commission - Direct	11,472.23	10,942.01	9,396.36	8,743.09	7,560.11
Add : Commission on Reinsurance Accepted	503.51	411.89	409.24	583.95	166.17
Less : Commission on Reinsurance Ceded	2,453.03	1,462.23	1,296.59	1,157.29	1,572.99
Commission (Net) - Miscellaneous	**9,522.71**	**9,891.68**	**8,509.01**	**8,169.75**	**6,153.29**
Break-up of Commission Direct - Miscellaneous					
Direct Commission	8,629.34	8,505.34	7,449.59	7,124.37	6,455.81
Direct Brokerage	2,534.91	2,208.68	1,763.07	1,432.28	905.58
Direct Corporate Agency Commission	214.37	198.13	183.70	186.38	198.73
Others - Other Channels	93.61	29.87	-	-	-
Total Direct Commission - Miscellaneous	**11,472.23**	**10,942.01**	**9,396.36**	**8,743.03**	**7,560.11**

ANNEXURE-XX: RESTATED CONSOLIDATED STATEMENT OF OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ in millions)

Particulars	For the Year Ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Operating Expenses Related To Insurance Business					
1. Employees Remuneration And Welfare Benefits	22,359.36	24,510.66	21,004.03	19,193.60	16,972.87
2. Travel Conveyance And Vehicle Running Expenses	644.39	656.92	643.59	659.80	552.20
3. Training Expenses	155.96	196.75	338.00	66.16	49.70
4. Rent Rates And Taxes	1,147.50	974.08	1,089.61	942.20	828.51
5. Repairs And Maintenance	954.52	1,076.25	775.88	746.22	612.74
6. Printing And Stationery	404.64	403.76	379.99	444.36	363.79
7. Communication Expenses	294.03	371.24	411.69	387.53	319.04
8. Legal And Professional Charges	565.56	541.17	403.03	417.09	364.56
9. Auditors Fees, Expenses Etc. As Auditor	99.73	86.21	82.17	75.68	63.95
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Taxation	-	-	-	-	-
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Insurance	-	-	-	-	-
Auditors Fees, Expenses Etc. As Advisor Or Other Capacity - Mgt Services	-	4.99	-	-	-
Auditors Fees, Expenses Etc. In Other Capacity	-	-	-	-	-
10. Advertisement And Publicity	616.34	364.45	512.84	409.31	322.24
11. Interest And Bank Charges	55.51	37.92	32.03	22.87	30.29
12. Others - Exchange (Gain) / Loss	370.34	(874.29)	146.48	(645.15)	(247.09)
IT Implementation	1,079.47	449.18	412.17	224.79	140.30
Outsourcing Expenses	4,378.17	3,683.47	3,256.68	1,907.56	1,193.50
Other Taxes	138.62	125.92	143.36	52.91	120.84
Incentives to Agents	1,979.83	1,032.19	-	-	-
Others	1,812.22	1,343.57	1,268.42	934.80	600.87
13. Depreciation	446.53	344.10	279.88	381.33	429.18
14. Service Tax Account	669.06	223.43	(141.40)	519.33	318.63
Total	**38,171.78**	**35,551.97**	**31,038.46**	**26,740.38**	**23,036.12**
Apportioned to Fire Segment	4,121.88	4,768.74	4,458.85	3,900.31	3,940.84
Apportioned to Marine Segment	758.01	932.24	1,096.91	1,029.16	1,081.22
Apportioned to Miscellaneous Segment	33,291.88	29,850.99	25,482.71	21,810.92	18,014.06
Total	**38,171.78**	**35,551.97**	**31,038.46**	**26,740.38**	**23,036.12**

ANNEXURE-XXI: RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Share Capital					
1. Authorised Capital	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
300,000,000 Equity Shares of ₹ 10 each	-	-	-	-	-
2. Issued Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
200,000,000 Equity Shares of ₹ 10 each	-	-	-	-	-
3. Subscribed Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
200,000,000 Equity Shares of ₹ 10 each	-	-	-	-	-
4. Called up Capital	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
200,000,000 Equity Shares of ₹ 10 each					
Total	**2,000.00**	**2,000.00**	**2,000.00**	**2,000.00**	**2,000.00**

1) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors recommended and the same was approved by the shareholders in the Annual General meeting held on August 2, 2017, the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300.00 millions to 1,200.00 millions, increase in issued numbers of shares from 200.00 millions to 800.00 millions and decrease in face value of shares from ₹ 10 to ₹ 5. As a result, the authorised share capital has increased from ₹ 3,000.00 millions to ₹ 6,000.00 millions, and the issued share capital has increased from ₹ 2,000.00 millions to ₹ 4,000.00 millions.

ANNEXURE-XXI-A: RESTATED CONSOLIDATED STATEMENT OF PATTERN OF SHAREHOLDING

(As Certified by Management) **(Numbers in millions)**

Share holder	As at									
	March 31, 2017		**March 31, 2016**		**March 31, 2015**		**March 31, 2014**		**March 31, 2013**	
	Numbers	**% of Holding**	**Numbers**	**% of Holding**	**Numbers**	**% of Holding**	**Numbers**	**% of Holding**	**Numbers**	**% of Holding**
Promoters Indian	200.00	100.00	200.00	100.00	200.00	100.00	200.00	100.00	200.00	100.00
Foreign	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	**200.00**	**100.00**	**200.00**	**100.00**	**200.00**	**100.00**	**200.00**	**100.00**	**200.00**	**100.00**

ANNEXURE-XXII: RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Reserves and Surplus					
1. Capital Reserve (Op. Balance)	554.25	43.90	419.74	331.27	1.25
Addition During The Year	-	510.35	-	88.48	330.02
Deduction During The Year	(56.74)	-	(375.85)	-	-
(Cl.Balance)	**497.51**	**554.25**	**43.90**	**419.74**	**331.27**
2. Capital Redemption Reserve	-	-	-	-	-
3. Share Premium	-	-	-	-	-
4. General Reserves (Op. Balance)	108,672.00	103,388.49	92,472.77	85,756.38	75,475.38
Addition during the year - Balance Transferred From P & L Account	8,708.07	9,612.78	14,158.74	8,299.43	8,753.95
Deffered tax due to Depreciation	-	0.32	17.65	-	-
Consolidation Revenue Reserve / CFS Adjustment	176.73	-	-	431.71	2,282.69
Deduction during the year -					
Dividend and Dividend distribution tax paid	(3,019.85)	(3,600.00)	(2,573.89)	(1,988.92)	(464.89)
Transfer to P & L Account for Equalization / Contingency Reserves for Forgine Branches / Consolidation Revenue Reserve / CFS Adjustment	-	(729.59)	(634.85)	(25.83)	(290.76)
Change in Depreciation due to Companies Act, 2013	-	-	(51.94)	-	-
(Cl.Balance)	**114,536.95**	**108,672.00**	**103,388.49**	**92,472.77**	**85,756.38**
5. Catastrophe Reserve	-	-	-	-	-
6. Other Reserves					
A. Foreign Currency Translation Reserve					
Opening Balance	10,887.41	8,796.65	10,147.44	6,859.07	5,777.08
Addition During The Year	-	2,090.76	-	3,288.37	1,081.98
Deduction During The Year	(2,104.60)	-	(1,350.79)	-	-
(Cl.Balance)	**8,782.81**	**10,887.41**	**8,796.65**	**10,147.44**	**6,859.07**
B. Equalization / Contingency Reserves for Foreign Branches					
Opening Balance	2,831.77	2,463.72	2,133.45	1,789.87	1,080.06
Addition During The Year	-	368.05	330.27	343.58	709.81
Deduction During The Year	(471.15)	-	-	-	-
(Cl.Balance)	**2,360.62**	**2,831.77**	**2,463.72**	**2,133.45**	**1,789.87**
7. Balance Of Profit In Profit And Loss Account	-	-	-	-	-
Total	**126,177.88**	**122,945.43**	**114,692.76**	**105,173.40**	**94,736.58**

1) Pursuant to 1553rd Board Meeting held on July 10, 2017 the Board of directors approved the increase in authorised share capital, sub division of shares and issue of bonus equity shares resulting in an increase in authorised numbers of shares from existing 300.00 millions to 1,200.00 millions, increase in issued numbers of shares from 200.00 millions to 800.00 millions and decrease in face value of shares from ₹ 10 to ₹ 5. As a result, the General Reserve has decreased from ₹ 114,536.95 millions to ₹ 112,536.95 millions and Reserves & Surplus has decreased from ₹ 126,177.88 millions to ₹ 124,177.88 millions

ANNEXURE-XXIII:RESTATED CONSOLIDATED STATEMENT OF BORROWINGS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1.Debentures / Bonds	-	-	-	-	-
2.Banks	-	-	-	-	-
3.Financial Institutions	-	-	-	-	-
4.Others	-	-	-	-	-
Total	-	-	-	-	-

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XXIV: RESTATED CONSOLIDATED STATEMENT OF INVESTMENTS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Long term investments					
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	122,787.89	110,320.02	96,978.90	71,478.67	66,741.26
(Market value as at March 31, 2017 : ₹ 130,242.89 Mn)					
(Market value as at March 31, 2016 : ₹ 113,546.99 Mn)					
(Market value as at March 31, 2015 : ₹ 100,093.78 Mn)					
(Market value as at March 31, 2014 : ₹ 69,893.79 Mn)					
(Market value as at March 31, 2013 : ₹ 67,556.99 Mn)					
2. Other Approved Securities	-	-	43.82	43.81	43.82
(Market value as at March 31, 2017 : ₹ Nil Mn)					
(Market value as at March 31, 2016 : ₹ Nil Mn)					
(Market value as at March 31, 2015 : ₹ 44.22 Mn)					
(Market value as at March 31, 2014 : ₹ 24.60 Mn)					
(Market value as at March 31, 2013 : ₹ 42.86 Mn)					
3. Other Investments	-	-	-	-	-
(a) Shares	-	-	-	-	-
aa Equity	270,455.33	236,151.99	265,314.24	210,002.84	185,095.60
(Historical value as at March 31, 2017 : ₹ 42,082.62 Mn)					
(Historical value as at March 31, 2016 : ₹ 46,773.09 Mn)					
(Historical value as at March 31, 2015 : ₹ 39,299.02 Mn)					
(Historical value as at March 31, 2014 : ₹ 32,486.88 Mn)					
(Historical value as at March 31, 2013 : ₹ 27,111.64 Mn)					
bb Preference	1.95	3.28	8.23	8.23	6.28
(Market value as at March 31, 2017 : ₹ 1.95 Mn)					
(Market value as at March 31, 2016 : ₹ 3.28 Mn)					
(Market value as at March 31, 2015 : ₹ 8.23 Mn)					
(Market value as at March 31, 2014 : ₹ 8.23 Mn)					
(Market value as at March 31, 2013 : ₹ 6.28 Mn)					
(b) Mutual funds/ ETF	994.76	517.94	637.75	459.50	-
(Historical value as at March 31, 2017 : ₹ 684.68 Mn)					
(Historical value as at March 31, 2016 : ₹ 459.50 Mn)					
(Historical value as at March 31, 2015 : ₹ 459.50 Mn)					
(Historical value as at March 31, 2014 : ₹ 459.50 Mn)					
(Historical value as at March 31, 2013 : ₹ Nil Mn)					
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures/Bonds	25,537.82	22,470.08	21,115.92	15,142.22	13,202.20
(Market value as at March 31, 2017 : ₹ 26,392.82 Mn)					
(Market value as at March 31, 2016 : ₹ 21,232.56 Mn)					
(Market value as at March 31, 2015 : ₹ 21,801.74 Mn)					

(Market value as at March 31, 2014 : ₹ 14,098.69 Mn)					
(Market value as at March 31, 2013 : ₹ 12,018.20 Mn)					
(e) Other securities - Foreign shares	4,031.35	3,880.79	3,649.19	3,207.22	2,628.89
(Historical value as at March 31, 2017 : ₹ 345.95 Mn)					
(Historical value as at March 31, 2016 : ₹ 253.62 Mn)					
(Historical value as at March 31, 2015 : ₹ 39.23 Mn)					
(Historical value as at March 31, 2014 : ₹ 207.01 Mn)					
(Historical value as at March 31, 2013 : ₹ 147.25 Mn)					
(f) Subsidiaries	-	-	-	-	-
(Historical value as at March 31, 2017 : ₹ 981.72 Mn)					
(Historical value as at March 31, 2016 : ₹ 981.72 Mn)					
(Historical value as at March 31, 2015 : ₹ 981.72 Mn)					
(Historical value as at March 31, 2014 : ₹ 597.10 Mn)					
(Historical value as at March 31, 2013 : ₹ 597.10 Mn)					
(g) Investment Properties (Real Estate)	-	-	-	-	-
4. Investment in Infrastructure, Housing and Social Sector	50,356.43	49,002.23	44,062.23	38,607.87	31,754.96
(Market value as at March 31, 2017 : ₹ 52,556.77 Mn)					
(Market value as at March 31, 2016 : ₹ 50,136.61 Mn)					
(Market value as at March 31, 2015 : ₹ 45,875.98 Mn)					
(Market value as at March 31, 2014 : ₹ 37,549.12 Mn)					
(Market value as at March 31, 2013 : ₹ 26,614.82 Mn)					
5. Other than Approved Investments :					
Debenture/Bonds	3,311.96	2,136.73	962.63	1,273.57	1,342.04
(Market value as at March 31, 2017 : ₹ 2,990.71 Mn)					
(Market value as at March 31, 2016 : ₹ 2,057.68 Mn)					
(Market value as at March 31, 2015 : ₹ 498.20 Mn)					
(Market value as at March 31, 2014 : ₹ 735.24 Mn)					
(Market value as at March 31, 2013 : ₹ 765.80 Mn)					
Infrastructure/Housing Bonds	216.66	-	-	-	-
(Market value as at March 31, 2017 : ₹ 218.79 Mn)					
(Market value as at March 31, 2016 : ₹ Nil Mn)					
(Market value as at March 31, 2015 : ₹ Nil Mn)					
(Market value as at March 31, 2014 : ₹ Nil Mn)					
(Market value as at March 31, 2013 : ₹ Nil Mn)					
Equity Shares	16,994.72	3,084.34	3,216.54	1,559.16	2,187.16
(Historical value as at March 31, 2017 : ₹ 8,320.35 Mn)					
(Historical value as at March 31, 2016 : ₹ 1,426.54 Mn)					
(Historical value as at March 31, 2015 : ₹ 1,214.13 Mn)					
(Historical value as at March 31, 2014 : ₹ 870.88 Mn)					
(Historical value as at March 31, 2013 : ₹ 1,752.46 Mn)					
Preference Shares	11.63	10.30	7.55	7.55	7.97
(Market value as at March 31, 2017 : ₹ 11.63 Mn)					
(Market value as at March 31, 2016 : ₹ 10.30 Mn)					
(Market value as at March 31, 2015 : ₹ 7.55 Mn)					
(Market value as at March 31, 2014 : ₹ 7.55 Mn)					
(Market value as at March 31, 2013 : ₹ 7.97 Mn)					

Venture Funds	202.09	170.19	154.78	49.90	117.86
(Historical value as at March 31, 2017 : ₹ 202.09 Mn)					
(Historical value as at March 31, 2016 : ₹ 126.80 Mn)					
(Historical value as at March 31, 2015 : ₹ 154.78 Mn)					
(Historical value as at March 31, 2014 : ₹ 49.90 Mn)					
(Historical value as at March 31, 2013 : ₹ 117.86 Mn)					
Sub Total	**494,902.59**	**427,747.89**	**436,151.76**	**341,840.56**	**303,128.03**

Short Term Investments					
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	8,028.57	10,777.86	5,209.65	6,079.69	4,443.28
(Market value as at March 31, 2017 : ₹ 8,077.97 Mn)					
(Market value as at March 31, 2016 : ₹ 11,429.97 Mn)					
(Market value as at March 31, 2015 : ₹ 5,233.85 Mn)					
(Market value as at March 31, 2014 : ₹ 6,136.23 Mn)					
(Market value as at March 31, 2013 : ₹ 4,453.43 Mn)					
2. Other Approved Securities	-	-	-	-	-
3. Other Investments	-	-	-	-	-
(a) Shares	-	-	-	-	-
aa Equity	-	-	-	-	-
bb Preference	-	-	-	-	-
(b) Mutual funds/ ETF	-	-	-	-	-
(c) Derivative Instruments	-	-	-	-	-
(d) Debentures/Bonds	5,507.60	2,057.28	3,422.55	2,878.50	3,318.13
(Market value as at March 31, 2017 : ₹ 5,563.76 Mn)					
(Market value as at March 31, 2016 : ₹ 2,855.31 Mn)					
(Market value as at March 31, 2015 : ₹ 2,942.83 Mn)					
(Market value as at March 31, 2014 : ₹ 3,774.76 Mn)					
(Market value as at March 31, 2013 : ₹ 3,344.77 Mn)					
(e) Other Securities	-	-	-	-	-
(f) Subsidiaries	-	-	-	-	-
(g) Investment Properties (Real Estate)	-	-	-	-	-
4. Investment in infrastructure and Social Sector	10,665.40	8,902.37	8,470.24	6,083.20	4,619.95
(Market value as at March 31, 2017 : ₹ 10,745.60 Mn)					
(Market value as at March 31, 2016 : ₹ 8,908.89 Mn)					
(Market value as at March 31, 2015 : ₹ 7,622.90 Mn)					
(Market value as at March 31, 2014 : ₹ 6,057.44 Mn)					
(Market value as at March 31, 2013 : ₹ 4,264.63 Mn)					
5. Other than Approved Investments :					
Debenture/Bonds	202.59	232.11	392.62	229.71	147.25
(Market value as at March 31, 2017 : ₹ 202.61 Mn)					
(Market value as at March 31, 2016 : ₹ 232.11 Mn)					
(Market value as at March 31, 2015 : ₹ 383.4 Mn)					
(Market value as at March 31, 2014 : ₹ 229.12 Mn)					
(Market value as at March 31, 2013 : ₹ 147.25 Mn)					
Sub Total	**24,404.17**	**21,969.61**	**17,495.06**	**15,271.10**	**12,528.60**
Grand Total	**519,306.76**	**449,717.50**	**453,646.82**	**357,111.65**	**315,656.63**
Investments					
1.In India	510,755.43	440,964.43	445,418.86	349,986.81	309,005.99
2.Outside India	8,551.33	8,753.07	8,227.96	7,124.84	6,650.64

ANNEXURE-XXV:RESTATED CONSOLIDATED STATEMENT OF LOANS

(₹ in millions)

Particulars	**As at**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
1. Security-Wise Classification					
Secured					
a. On Mortgage Of Property					
aa. In India					
Loan Against Mortgage Of Property	-	-	-	-	-
Housing, Vehicle And Computer Loans To Employees	1,883.44	1,781.50	1,962.82	2,026.77	1,916.37
Direct Term Loans	183.24	638.12	672.68	691.94	744.30
bb. Outside India Housing, Vehicle Loan To Employees	0.48	0.88	4.56	5.32	5.71
b. On Shares, Bonds, Government Securities	23.42	46.43	48.33	35.49	20.66
c. Others	-	-	-	-	-
Loans to Subsidiaries	26.86	43.49	100.91	179.30	-
Loans To State Government Housing, FFe Loans	539.20	609.34	631.61	770.70	1,040.68
Unsecured (Term Loans, Bridge Loans, Short-Term Loans, Term Loans PFPS)	423.68	147.52	147.52	147.52	149.98
Total	**3,080.33**	**3,267.29**	**3,568.42**	**3,857.04**	**3,877.69**
2. Borrower-Wise Classification					
a. Central And State Governments(Term Loans, Housing and FFE)	571.69	676.98	788.39	960.70	1,040.68
b. Banks And Financial Institutions	-	-	-	-	-
c. Subsidiaries	(5.62)	(24.14)	(55.88)	(10.70)	-
d. Industrial Undertakings (Term Loans, Bridge Loans, Short-Term Loans, Loans To PFPS)	578.14	755.14	789.69	807.77	862.15
e. Others - Housing Loans,Vehicle Loans, Computer Loans To Employees	1,907.35	1,828.81	2,015.71	2,067.57	1,942.74
Term Loans and PFPS	28.77	30.51	30.51	31.70	32.13
Total	**3,080.33**	**3,267.29**	**3,568.42**	**3,857.04**	**3,877.69**
3. Performance-wise Classification					
a. Loans Classified as Standard					
aa. In India:Term Loans, Bridge Loans, State Government Housing And FFE, PFPS	552.18	785.25	768.82	960.70	1,143.76
Housing, Vehicle And Computer Loans To Employees	1,883.44	1,781.50	1,962.82	2,026.77	1,916.37
bb. Outside India (Loans To Employees)	23.91	47.31	52.90	40.80	26.37
Loans to Subsidiaries	(5.62)	(24.14)	(55.88)	(10.70)	-
b. Non-Performing Loans less Provisions	-	-	-	-	-
aa. In India (Term Loans, Bridge Loans, Short-Term Loans, Loans PFPS)	626.42	677.37	839.77	839.46	791.20
bb. Outside India	-	-	-	-	-
Total	**3,080.33**	**3,267.29**	**3,568.42**	**3,857.04**	**3,877.69**
4. Maturity-wise Classification					
a. Short-Term (Term Loans, Direct Bridge Loans, Short-Term Loans, Term Loans PFPS)	103.12	105.29	-	-	-
b. Long-Term	-	-	-	-	-
(Term Loans Direct, Loans State Government Housing and FF, and Loans PFPS)	1,075.48	1,357.33	1,608.59	1,800.16	1,934.96
Loans to Subsidiaries	(5.62)	(24.14)	(55.88)	(10.70)	-
Housing, Vehicle, And Computer Loans To Employees.	1,907.35	1,828.81	2,015.71	2,067.57	1,942.74
Total	**3,080.33**	**3,267.29**	**3,568.42**	**3,857.04**	**3,877.69**

ANNEXURE-XXVI:RESTATED CONSOLIDATED STATEMENT OF FIXED ASSETS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Goodwill	140.94	140.94	140.94	140.94	140.94
Intangibles (Softwares)	35.90	34.49	1.85	2.39	2.50
Land Freehold	76.12	74.31	435.22	74.13	433.70
Leasehold Property	19.15	18.33	21.26	24.08	34.11
Buildings	1,413.42	1,689.50	1,306.13	1,119.41	731.29
Furnitures & Fittings	233.22	226.78	148.96	108.45	78.66
Information & Technology Equipments	821.81	481.76	283.81	141.23	170.74
Vehicles	828.23	692.72	566.79	536.98	450.45
Office Equipments	20.16	20.18	19.34	22.74	18.97
Other Assets #	138.71	122.17	100.25	64.23	54.84
Total	**3,727.65**	**3,501.17**	**3,024.56**	**2,234.58**	**2,116.20**
Work in Progress	566.90	151.95	-	202.02	-
Grand Total	**4,294.54**	**3,653.12**	**3,024.56**	**2,436.60**	**2,116.20**

* Includes foreign currency fluctuation.

Other Assets includes Air Conditioner, Water Coolers, Television, Lifts & Cameras etc.

ANNEXURE-XXVII: RESTATED CONSOLIDATED STATEMENT OF CASH AND BANK BALANCES

(₹ in millions)

Particulars		As at			
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Cash (Including Cheques, Drafts and Stamps)		2,344.56	2,033.78	2,247.84	1,277.43	1,725.80
2. Bank Balances						
a. Deposit Accounts						
aa. Short - Term (due within 12 Months)		16,961.63	9,869.31	30,361.01	31,789.49	25,291.51
bb.Others		46,194.96	46,617.37	39,014.82	41,225.09	35,025.49
b. Current Accounts		7,247.64	9,854.24	8,284.74	11,338.47	9,816.56
3. Money at Call and Short Notice						
With Banks		503.02	610.45	2,397.30	1,066.88	1,446.12
With other Institutions		8,005.47	3,177.10	2,151.05	4,817.24	2,071.24
Total		**81,257.28**	**72,162.25**	**84,456.75**	**91,514.59**	**75,376.72**
Cash and Bank Balances	**In India**	29,479.19	16,557.87	33,439.72	39,252.29	31,484.71
Cash and Bank Balances	**Outside India**	51,778.09	55,604.38	51,017.04	52,262.30	43,892.01
Total		**81,257.28**	**72,162.25**	**84,456.75**	**91,514.59**	**75,376.72**

ANNEXURE-XXVIII: RESTATED CONSOLIDATED STATEMENT OF ADVANCES AND OTHER ASSETS

(₹ in millions)

Particulars	As at				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Advances and Other Assets					
A. Advances					
1. Reserve Deposits With Ceding Companies	161.68	257.77	165.55	125.65	130.35
2. Application Money For Investments	-	-	87.32	-	47.33
3. Pre-Payments	330.44	183.96	370.85	51.02	213.04
4. Advances To Directors / Officers	-	-	-	-	-
5. Advance Tax Paid And Taxes Deducted At Source (Net Of Provision For Taxation)	4,270.88	6,849.95	5,703.00	10,268.05	11,857.96
6. Others	589.22	384.21	377.10	390.00	403.46
Total (A)	**5,352.21**	**7,675.89**	**6,703.83**	**10,834.72**	**12,652.15**
B. Other Assets					
1. Income Accrued On Investments	6,898.02	6,564.69	6,229.24	5,376.53	4,699.65
2. Outstanding Premiums	6,630.28	2,259.27	2,134.16	1,724.34	1,538.36
3. Agents Balances	3,971.44	4,486.32	3,562.45	3,214.76	2,944.60
4. Foreign Agencies Balances	995.90	1,503.99	1,633.08	1,195.88	1,011.77
5. Due From Other Entities Carrying Insurance Business (Including Reinsurers)	57,819.70	55,823.10	51,759.39	47,362.53	38,034.34
6. Due From Subsidiaries/Holding Companies	-	-	-	0.60	0.57
7. Deposit With R B I (Persuant to Section 7 Of Insurance Act 1938)	66.75	-	210.29	221.52	211.87
8. Others - a. Other Accrued Income	1,325.20	1,008.64	820.13	1,099.74	757.31
b. Others Including Sundry Debtors & Interoffice Accounts	5,586.71	29,088.23	9,783.89	15,842.11	5,511.18
c. Service Tax Unutilized Credit	323.45	325.89	411.15	-	-
d. Fixed Deposit-Unclaimed Amounts of Policy Holders	1,387.54	-	-	-	-
Total (B)	**85,004.99**	**101,060.12**	**76,543.79**	**76,038.00**	**54,709.66**
TOTAL(A+B)	**90,357.20**	**108,736.01**	**83,247.62**	**86,872.72**	**67,361.81**

The New India Assurance Company Limited
[Registration No.190 Renewed from 01/04/2017]

ANNEXURE-XXIX:RESTATED CONSOLIDATED STATEMENT OF CURRENT LIABILITIES

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Agents Balances	262.74	197.72	292.01	291.92	254.86
2. Balances Due To Other Insurance Companies	34,503.38	23,916.74	20,159.94	14,547.69	15,238.33
3. Deposits Held On Reinsurance Ceded	161.53	174.93	121.98	283.77	173.80
4. Premium Received In Advance	1,702.02	1,449.09	1,011.85	704.04	716.80
5. Un-Allocated Premium	-	-	-	-	-
6. Sundry Creditors - a. Other Than Service Tax Payable	18,452.24	23,269.60	22,111.89	15,331.41	16,741.42
b. Service Tax Payable	487.83	604.10	497.35	203.72	(4,056.20)
7. Due To Subsidiaries / Holding Company	-	-	-	-	-
8. Claims Outstanding	179,778.44	164,644.58	151,444.35	141,216.24	118,582.36
9. Due To Officers/Directors	-	-	-	-	-
10. Others	1,611.05	23,821.54	3,204.55	11,081.39	1,142.34
Unclaimed Amounts of Policy Holders - Excess Premium Collected	344.98	325.39	282.20	166.46	254.59
Unclaimed Amounts of Policy Holders - Refund Premium Due	333.60	332.10	246.56	196.39	206.99
Unclaimed Amounts of Policy Holders - Stale Cheques	708.96	750.62	669.78	598.65	1,272.90
Total	**238,346.76**	**239,486.42**	**200,042.46**	**184,621.67**	**150,528.18**

ANNEXURE-XXX: RESTATED CONSOLIDATED STATEMENT OF PROVISIONS

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. a. Reserve for Un-Expired Risks	88,590.94	78,278.97	70,147.12	63,139.50	51,133.65
b. Premium Deficiency Reserve	-	-	-	-	-
2. Provision for Taxation (Net of Payment of Taxes)	-	-	-	-	-
3. Provision for Proposed Dividend	-	-	-	-	-
4. Provision for Dividend Distribution Tax	-	-	-	-	-
5. Others - Reserve for Bad and Doubtful Debts.	3,354.77	3,349.50	3,135.16	3,175.89	3,494.98
Provision for Diminution in value of Thinly Traded / Unlisted Shares	63.49	95.25	68.95	105.48	103.14
Provision for Wage Arrear	-	-	5,926.75	2,016.75	766.75
Provision for Leave Encashment	6,682.80	6,517.00	4,875.00	4,875.00	4,510.00
Total	**98,692.00**	**88,240.71**	**84,152.98**	**73,312.61**	**60,008.51**

ANNEXURE-XXXI: RESTATED CONSOLIDATED STATEMENT OF MISCELLANEOUS EXPENDITURE

(₹ in millions)

Particulars	As at				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1. Discount Allowed in Issue of Shares and Debentures	-	-	-	-	-
2. Others - Contribution to Pension Fund and Gratuity Fund (Deferred Expenses to the Extent not Written Off)	2,213.40	4,357.76	-	343.12	686.24
Total	**2,213.40**	**4,357.76**	**-**	**343.12**	**686.24**

ADDITIONAL DISCLOSURES OF FINANCIAL STATEMENTS UNDER IRDAI CAPITAL REGULATIONS

1. Distribution network: See "*Our Business – Distribution Network*" on page 156.

2. Legal and Other Information: See "*Outstanding Litigation and Material Developments*" and "*Our Business – Compliance*" on pages 501 and 175, respectively.

3. Our Company does not derive any premium from cross-selling of products.

4. Awards given by Ombudsmen against our Company for last three Financial Years

(*₹ in millions*)

	Fiscal 2017	Fiscal 2016	Fiscal 2015
Number of Cases	672	610	492
Amount	26.46	26.35	28.25

5. Interest rate sensitivity

   Duration risk in the general insurance sector is significantly low on the liability side, therefore, the asset duration is also reasonably low and hence not subject to material interest rate risk. However, when the yield falls, the investment income generated by our Company's assets will also decrease and thereby affect the profitability of our Company.

   Our Company holds a significant portion of its fixed income securities on a held-to-maturity basis.

6. Agent productivity

Particulars	For the period ended								
	March 31, 2017			March 31, 2016			March 31, 2015		
	Gross Direct Premium (₹ millions)	Number of agents	Productivity (₹ millions per agent)	Gross Direct Premium (₹ millions)	Number of agents	Productivity (₹ millions per agent)	Gross Direct Premium (₹ millions)	Number of agents	Productivity (₹ millions per agent)
Agent (Individual, Corporate and others)	80,297.91	66,872	1.20	70,684.67	57,411	1.23	65,859.88	86,978	0.76

7. Policyholder protection and the pendency of the policyholder complaints for the last five years, including but not limited to grievance redressal and ageing of claims:

For year ended March 31, 2017

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully accepted	Partial Accepted	Rejected	
1	**Complaints made by customers**						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	13	747	527	120	110	3

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully accepted	Partial Accepted	Rejected	
d)	Claims Servicing Related	113	2,918	1,291	249	1,474	17
e)	Others	22	636	388	54	198	18
	Total Number	**148**	**4,301**	**2,206**	**423**	**1,782**	**38**
2	**Duration wise Pending Status**	**Complaints made by Customers**	**Complaints made by intermediaries**	**Total**			
a)	Less than 15 days	23	-	23			
b)	Greater than 15 days	15	-	15			
	Total Number	**38**	**-**	**38**			

For year ended March 31, 2016

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully accepted	Partial Accepted	Rejected	
1	**Complaints made by customers**						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	23	815	655	40	120	23
d)	Claims Servicing Related	66	2,752	1,052	236	1,417	113
e)	Others	12	521	329	48	144	12
	Total Number	**101**	**4,088**	**2,036**	**324**	**1,681**	**148**
2	**Duration wise Pending Status**	**Complaints made by Customers**	**Complaints made by intermediaries**	**Total**			
a)	Less than 15 days	94		94			
b)	Greater than 15 days	54		54			
	Total Number	**148**	**-**	**148**			

For year ended March 31, 2015

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully accepted	Partial Accepted	Rejected	
1	**Complaints made by customers**						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	16	501	330	56	108	23
d)	Claims Servicing Related	100	2,504	1,009	242	1,287	66
e)	Others	10	199	112	24	61	12
	Total Number	**126**	**3,204**	**1,451**	**322**	**1,456**	**101**
2	**Duration wise Pending Status**	**Complaints made by Customers**	**Complaints made by intermediaries**	**Total**			
a)	Less than 15 days	24	-	24			
b)	Greater than 15 days	77	-	77			
	Total Number	**101**	**-**	**101**			

For year ended March 31, 2014

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully accepted	Partial Accepted	Rejected	

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully accepted	Partial Accepted	Rejected	
1	**Complaints made by customers**						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	-	487	271	138	62	16
d)	Claims Servicing Related	197	3,002	1,892	476	731	100
e)	Others	-	226	108	56	52	10
	Total Number	**197**	**3,715**	**2,271**	**670**	**845**	**126**
2	**Duration wise Pending Status**	**Complaints made by Customers**	**Complaints made by intermediaries**	**Total**			
a)	Less than 15 days	50	-	50			
b)	Greater than 15 days	76	-	76			
	Total Number	**126**	**-**	**126**			

For year ended March 31, 2013

Sl. No.	Particulars	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully accepted	Partial Accepted	Rejected	
1	**Complaints made by customers**						
a)	Sales Related	-	-	-	-	-	-
b)	New Business Related	-	-	-	-	-	-
c)	Policy Servicing Related	37	618	479	112	64	-
d)	Claims Servicing Related	7	5,206	3,105	834	1,077	197
e)	Others	257		162	58	37	-
	Total Number	**301**	**5,824**	**3,746**	**1,004**	**1,178**	**197**
2	**Duration wise Pending Status**	**Complaints made by Customers**	**Complaints made by intermediaries**	**Total**			
a)	Less than 15 days	172	-	172			
b)	Greater than 15 days	25	-	25			
	Total Number	**197**	**-**	**197**			

8. Gross direct premium earned by our Company along with geographic

On Standalone Basis:

(₹ in millions)

Geographic Segment	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Andhra Pradesh	5,025.20	5,122.47	5,890.56	6,070.32	5,474.01
Arunachal Pradesh	198.11	759.32	248.87	66.81	52.82
Assam	1,410.96	1,347.73	1,424.74	1,299.85	1,136.71
Bihar	999.19	1,390.89	646.48	547.53	422.17
Chhattisgarh	2,866.66	2,799.81	2,425.13	1,215.62	1,112.58
Goa	437.36	455.33	424.50	340.61	285.51
Gujarat	18,967.27	10,816.55	11,774.29	11,207.29	8,199.79
Haryana	4,761.57	4,681.26	4,307.25	3,751.06	3,108.74
Himachal Pradesh	1,239.44	1,159.68	1,559.20	1,002.61	956.06
Jammu & Kashmir	1,328.98	1,340.23	782.03	841.18	699.66
Jharkhand	887.89	760.91	897.17	590.72	1,027.14
Karnataka	9,178.92	10,031.38	7,609.92	6,117.90	4,824.55
Kerala	8,864.04	6,585.98	6,546.82	5,094.09	3,695.35

Geographic Segment	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Madhya Pradesh	6,340.43	3,510.17	3,826.36	3,317.94	3,245.02
Maharashtra	61,084.97	44,520.05	42,091.09	40,199.12	37,143.37
Manipur	42.00	190.99	49.59	59.87	71.75
Meghalaya	121.65	965.39	164.40	134.29	101.27
Mizoram	76.86	1,581.25	101.67	59.99	33.71
Nagaland	126.23	95.60	96.95	81.97	77.86
Odisha	2,114.58	2,685.20	1,936.39	1,898.92	1,504.22
Punjab	3,522.04	6,304.38	3,903.35	2,654.55	2,959.22
Rajasthan	9,296.37	5,852.92	4,666.61	3,318.50	2,827.35
Sikkim	96.53	154.79	80.45	61.98	59.47
Tamil Nadu	24,449.99	13,799.67	13,277.88	11,172.60	9,295.35
Telangana	2,972.38	2,642.88	1,016.54	-	-
Tripura	176.38	526.38	159.56	141.19	110.73
Uttar Pradesh	8,486.78	7,094.78	7,323.53	6,006.62	4,896.95
Uttrakhand	1,822.63	1,512.97	936.38	667.97	571.27
West Bengal	3,855.20	4,598.52	3,188.19	3,429.81	2,872.87
Andaman & Nicobar Islands	90.85	70.78	64.82	47.25	38.49
Chandigarh	418.66	1,540.65	335.50	297.56	328.71
Dadra & Nagar Haveli	119.32	453.33	125.66	85.74	74.71
Daman & Diu	59.23	103.99	58.88	39.03	37.05
Delhi	9,484.83	5,349.44	3,956.32	3,394.23	2,999.70
Lakshadweep	9.36	200.64	13.56	7.65	11.70
Puducherry	214.08	487.79	183.33	177.92	147.46
Outside India	24,832.24	26,138.01	22,709.64	21,875.49	18,355.34
Grand Total	**2,15,979.16**	**1,77,632.09**	**1,54,803.59**	**1,37,275.77**	**1,18,758.63**

On Consolidated Basis:

(₹ in millions)

Geographic Segment	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Andhra Pradesh	5,025.20	5,122.47	5,890.56	6,070.32	5,474.01
Arunachal Pradesh	198.11	759.32	248.87	66.81	52.82
Assam	1,410.96	1,347.73	1,424.74	1,299.85	1,136.71
Bihar	999.19	1,390.89	646.48	547.53	422.17
Chhattisgarh	2,866.66	2,799.81	2,425.13	1,215.62	1,112.58
Goa	437.36	455.33	424.50	340.61	285.51
Gujarat	18,967.27	10,816.55	11,774.29	11,207.29	8,199.79
Haryana	4,761.57	4,681.26	4,307.25	3,751.06	3,108.74
Himachal Pradesh	1,239.44	1,159.68	1,559.20	1,002.61	956.06
Jammu & Kashmir	1,328.98	1,340.23	782.03	841.18	699.66
Jharkhand	887.89	760.91	897.17	590.72	1,027.14
Karnataka	9,178.92	10,031.38	7,609.92	6,117.90	4,824.55
Kerala	8,864.04	6,585.98	6,546.82	5,094.09	3,695.35
Madhya Pradesh	6,340.43	3,510.17	3,826.36	3,317.94	3,245.02
Maharashtra	61,084.97	44,520.05	42,091.09	40,199.12	37,143.37
Manipur	42.00	190.99	49.59	59.87	71.75
Meghalaya	121.65	965.39	164.40	134.29	101.27
Mizoram	76.86	1,581.25	101.67	59.99	33.71
Nagaland	126.23	95.60	96.95	81.97	77.86
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Punjab	3,522.04	6,304.38	3,903.35	2,654.55	2,959.22

Geographic Segment	For the period ended				
	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Rajasthan	9,296.37	5,852.92	4,666.61	3,318.50	2,827.35
Sikkim	96.53	154.79	80.45	61.98	59.47
Tamil Nadu	24,449.99	13,799.67	13,277.88	11,172.60	9,295.35
Telangana	2,972.38	2,642.88	1,016.54	-	-
Tripura	176.38	526.38	159.56	141.19	110.73
Uttar Pradesh	8,486.78	7,094.78	7,323.53	6,006.62	4,896.95
Uttrakhand	1,822.63	1,512.97	936.38	667.97	571.27
West Bengal	3,855.20	4,598.52	3,188.19	3,429.81	2,872.87
Andaman & Nicobar Islands	90.85	70.78	64.82	47.25	38.49
Chandigarh	418.66	1,540.65	335.50	297.56	328.71
Dadra & Nagar Haveli	119.32	453.33	125.66	85.74	74.71
Daman & Diu	59.23	103.99	58.88	39.03	37.05
Delhi	9,484.83	5,349.44	3,956.32	3,394.23	2,999.70
Lakshadweep	9.36	200.64	13.56	7.65	11.70
Puducherry	214.08	487.79	183.33	177.92	147.46
Outside India	26,924.42	28,283.20	24,849.72	24,170.00	20,682.27
Grand Total	**2,18,071.34**	**1,79,777.27**	**1,56,943.67**	**1,39,570.28**	**1,21,085.56**

9. Reinsurance arrangements and reinsurance strategy

Statement as on March 31, 2015

Sr. No.	Particulars	Premium ceded to Reinsurers													
		Proportional Treaties						Non-proportional Treaties				Facultative			
		Obligatory (In India)		Others (in India)		Others (outside India)		Excess of Loss (In India)		Excess of loss (Outside India)		In India		Outside India	
		No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)
1	No. Of Reinsurers with rating of AAA and above	-	-	-	-	1	613.12	-	-	-	-	-	-	-	-
2	No. Of Reinsurers with AA but less than AAA	-	-	-	-	-	-	-	-	4	106.20	-	-	104	1,202.23
3	No. Of Reinsurers with A & less than AA	-	-	-	-	3	81.07	-	-	31	876.12	-	-	124	1,551.26
4	No. Of Reinsurers with BBB but less than A	-	-	-	-	13	805.14	-	-	26	398.24	-	-	43	353.98
5	No. Of Reinsurers with less than BBB	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Domestic capacity	1	6,358.87	4	6,588.71	-	-	1	863.43	-	-	13	3,509.53	-	-
	Total	**1**	**6,358.87**	**4**	**6,588.71**	**17**	**1,499.33**	**1**	**863.43**	**61**	**1,380.55**	**13**	**3,509.53**	**271**	**3,107.47**

Statement as on March 31, 2016

Sr. No.	Particulars	Premium ceded to Reinsurers						
		Proportional Treaties			Non-proportional Treaties		Facultative	
		Obligatory (In India)	Others (in India)	Others (outside India)	Excess of Loss (In India)	Excess of loss (Outside India)	In India	Outside India

		No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)
1	No. Of Reinsurers with rating of AAA and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	No. Of Reinsurers with AA but less than AAA	-	-	-	-	1	648.81	-	-	5	148.53	-	-	68	1,059.63
3	No. Of Reinsurers with A & less than AA	-	-	-	-	3	22.70	-	-	29	1,225.35	-	-	246	2,536.45
4	No. Of Reinsurers with BBB but less than A	-	-	-	-	13	712.82	-	-	27	556.99	-	-	51	847.70
5	No. Of Reinsurers with less than BBB	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Domestic capacity	1	7,265.93	4	5,811.54	-	-	1	1,073.16	-	-	15	3,899.29	-	-
	Total	**1**	**7,265.93**	**4**	**5,811.54**	**17**	**1,384.32**	**1**	**1,073.16**	**61**	**1,930.87**	**15**	**3,899.29**	**365**	**4,443.78**

Statement as on March 31, 2017

Sr. No.	Particulars	Premium ceded to Reinsurers													
		Proportional Treaties						Non-proportional Treaties				Facultative			
		Obligatory (In India)		Others (in India)		Others (outside India)		Excess of Loss (In India)		Excess of loss (Outside India)		In India		Outside India	
		No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)	No. of Reinsurers	Amount (₹ in million)
1	No. Of Reinsurers with rating of AAA and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	No. Of Reinsurers with AA but less than AAA	-	-	-	-	2	649.54	-	-	4	417.61	-	-	38	561.80
3	No. Of Reinsurers with A & less than AA	-	-	-	-	2	35.99	-	-	33	1,002.52	-	-	183	2,902.13
4	No. Of Reinsurers with BBB but less than A	-	-	-	-	14	1,554.71	-	-	15	434.06	-	-	101	2,487.16
5	No. Of Reinsurers with less than BBB	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Domestic capacity	1	9,041.20	5	10,457.00	-	-	1	1,084.64	-	-	2	7,046.57	-	-
	Total	**1**	**9,041.20**	**5**	**10,457.00**	**18**	**2,240.24**	**1**	**1,084.64**	**52**	**1,854.20**	**2**	**7,046.57**	**322**	**5,951.09**

10. Probable maximum loss

Probable maximum loss ("**PML**") represents the maximum loss an insurer is exposed to. Our Company monitors its reinsurance exposure on both sum insured as well as PML basis.

11. Reinsurance Balances Outstanding ‐ Age-wise

Our Company is not able to provide the required data for ‘Reinsurance Balances Outstanding ‐ Age-wise’.

12. Certification by our Joint Auditors in relation to manner of determination of the amount of liabilities (including the quantum of IBNR and IBNER) as per the IRDAI Assets, Liabilities and Solvency Margin of Insurers Regulations: See "*Material Contracts and Documents for Inspection*" on page 641.

13. **IBNR/ IBNER***

(₹ *in millions*)

Particulars	For the period ended				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Fire	1,804.17	1,800.00	2,600.00	2,377.50	3,523.80
Marine Cargo	360.81	347.44	588.86	445.6	311.62
Marine Hull	294.24	450	656.94	511.8	547.78
Marine Total	655.05	797.44	1245.8	957.4	859.4
Motor OD	4,460.43	3,854.65	3,207.03	2,895.30	2,073.10
Motor TP*	55,409.19	52,373.94	50,513.31	44,284.60	30,024.40
Motor Total	59,869.62	56,228.59	53,720.34	47,179.90	32,097.50
Health	5,055.05	4,275.16	2,879.01	2,495.80	1,848.50
Crop	2,211.28	-	-	-	-
Other Miscellaneous	-	-	-	-	-
Liability	412.18	728.88	786.08	659.8	606.68
Personal Accident	775.18	654.41	566.3	483.7	453.29
Aviation	152.93	262.18	293.59	290.6	216.8
Engineering	437.66	510	500	454.1	605.82
Others	592.75	900.85	935.55	646.8	637.34
Miscellaneous Total	69,506.65	63,560.07	59,680.87	52,210.70	36,465.93
TOTAL	71,965.87	66,157.51	63,526.67	55,545.60	40,849.13

**For the period ended March 31, 2013 an amount of ₹ 4,344.37 million was deferred. Refer point No 19 of Annexure- V: Summarised significant Accounting Policies and Restated Notes forming part of Standalone Financial Statements.*

14. **Experience Analysis**

Adequacy of premium

The pricing strategy varies from product to product. For products where sufficient and credible data are available, premium is derived using actual loss experience. The burning cost is first estimated based on techniques like frequency severity approach. This is loaded for expenses, commission and profit to arrive at office premium. The premium rate and adjusted based on feedback from underwriters and market factors.

Where sufficient data is not available, rates are determined using rates of similar products as benchmarks. Certain exposures, especially those under the commercial lines, reinsurance rates form the basis for the premium charged. Product reviews are done by the product management committee and corrective actions needed are taken. as per the File & Use guidelines appointed actuary performs an annual review of the major products to the product management committee.

Reserve adequacy

Premium deficiency reserve and IBNR (including IBNER) reserves have been determined using actuarial principles and in the manner prescribed in the Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016.

For most segments the historical data is found to be representative in estimating future losses with appropriate adjustments where necessary. In motor TP business which is long tailed, significant future extrapolation of losses to estimate ultimate losses needs to be done. The actual development is tracked with respect to assumptions and any deviations are addressed.

Asset Liability Management

From an ALM perspective currently the duration of assets is slightly higher than the estimated duration of liabilities. Company has enough surplus assets to manage this tactical ALM mismatch and this mismatch has been made to improve investment returns.

Financial Condition

The solvency ratio as on 31st March 2017 is comfortable at 2.22. The solvency ratio if fair value change account is considered is significantly higher. Overall financial condition of our Company is hence good.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the discussion and analysis of our financial condition and results of operations set forth below in conjunction with our restated audited financial statements set forth in "Financial Information" on page 227, which have been prepared in accordance with Indian GAAP. Our financial statements differ significantly from those of non-insurance companies. See "Risk Factors — The preparation and presentation of our financial statements and calculation of related performance indicators differ significantly from those of non-insurance companies, could materially vary from those prepared and presented by insurance companies in other jurisdictions, and may be difficult to understand or interpret" on page 52.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth in the sections "Forward-Looking Statements" and "Risk Factors" on pages 18 and 20, respectively.

Unless otherwise indicated, the financial information included herein are based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For details, see "Financial Information" on page 227. Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the CRISIL Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant fiscal year.

Unless the context otherwise requires, in this section, references to "we", "us", or "our", refers to The New India Assurance Company Limited together with its Subsidiaries and Associates on a consolidated basis and references to "the Company" or "our Company" refers to The New India Assurance Company Limited on a standalone basis.

Overview

We are the largest general insurance company in India in terms of net worth, domestic gross direct premium, profit after tax and number of branches as of and for the fiscal year ended March 31, 2017 *(Source: CRISIL Report)*. Our Company has been in operation for almost a century. In Fiscal 2017, we had the largest market share of gross direct premium among general insurers in India *(Source: CRISIL Report).* As of March 31, 2017, we had issued 27.10 million policies across all our product segments, the highest among all general insurance companies in India *(Source: CRISIL Report).* As of June 30, 2017, our operations were spread across 29 States and seven Union Territories in India and across 28 other countries globally through a number of international branches, agency offices and Subsidiaries including a desk at Lloyd's, London.

Our insurance products can be broadly categorized into the following product verticals: fire insurance, marine insurance, motor insurance, crop insurance, health insurance and other insurance products.

In Fiscals 2013, 2014, 2015, 2016 and 2017, despite increasing competition from private players, we have maintained market leadership in the general insurance industry in India and we were leaders in all segments except crop insurance *(Source: CRISIL Report)*. In Fiscal 2017, our gross direct premium from fire, engineering, aviation, liability, marine, motor and health insurance represented a market share of 19.1%, 21.9%, 29.6%, 18.2%, 21.0%, 15.1% and 18.4%, respectively, of total gross direct premium in these segments in India, and we were the market leader in each such product segment *(Source: CRISIL Report).*

We have developed an expansive multi-channel distribution network that includes individual and corporate agents, brokers, bancassurance partners and other intermediaries, as well as direct sales and sales through online channels. As of June 30, 2017, our distribution network in India included 68,389 individual agents and 16 corporate agents, bancassurance arrangements with 25 banks in India, and a large number of OEM and automotive dealer arrangements through our agent and broker network. We have developed a pan-India branch network. As of June 30, 2017, we had 2,452 offices in India across 29 States and seven Union Territories. We also partner with the GoI and State governments for implementation of various government schemes including health insurance and policies for underprivileged customer segments. As of June 30, 2017, we had international operations across 28 countries, through a number of international branches, agency offices, subsidiaries and associated companies.

In Fiscal 2015, 2016 and 2017, our gross written premium was ₹ 169,865.98 million, ₹ 192,272.64 million and ₹ 232,304.93 million, respectively. Our gross written premium increased at a CAGR of 15.18% from ₹ 132,001.81 million in Fiscal 2013 to ₹ 232,304.93 million in Fiscal 2017. In Fiscal 2016 and 2017, we paid dividends (including dividend distribution tax) of ₹ 3,599.82 million and ₹ 3,019.85 million, respectively, while for Fiscal 2017 we have declared dividend payments (including dividend distribution tax) of ₹ 3,731.19 million. We have funded our operations for more than 40 years without any external capital infusion. Our net worth (excluding fair value change account) increased from ₹ 96,050.34 million as of March 31, 2013 to ₹ 125,964.48 million as of March 31, 2017, while our total net worth (including fair value change account) increased from ₹ 254,698.13 million as of March 31, 2013 to ₹ 362,980.85 million as of March 31, 2017. We command a robust financial position, with a solvency ratio as of March 31, 2017 of 2.22, compared to the IRDAI prescribed control level requirement of 1.50. We have been rated A-(Excellent) by AM Best Company since 2007 and have been rated AAA/Stable by CRISIL since 2014.

RECENT DEVELOPMENTS

Pursuant to shareholders' resolution dated August 2, 2017, the face value of the Equity Shares of our Company of ₹ 10 each was split into two equity shares of ₹ 5 each and consequently the issued, subscribed and paid-up equity share capital of our Company was split from ₹ 2,000,000,000 divided into 200,000,000 equity shares of ₹ 10 each into ₹ 2,000,000,000 divided into 400,000,000 Equity Shares of ₹ 5 each. Further, the authorized share capital of our Company was increased from ₹ 3,000,000,000 divided into 300,000,000 Equity Shares of ₹ 10 each to ₹ 6,000,000,000 divided into 1,200,000,000 Equity Shares of ₹ 5 each.

Pursuant to Board resolution dated August 4, 2017, 400,000,000 bonus Equity Shares of ₹ 5 each were issued in the ratio of one equity share for every one equity share held. Consequently, the issued, subscribed and paid-up equity share capital of our Company increased to ₹ 4,000,000,000 divided into 800,000,000 Equity Shares of ₹ 5 each.

For the year ended March 31, 2017, the Board of Directors of our Company in their meeting held on May 3, 2017 proposed a dividend of 155% of the paid-up capital of our Company, which was approved by the shareholders' in the AGM held on August 2, 2017.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Macroeconomic conditions in India and in our international markets

Our business and profitability are affected by general economic and demographic conditions in India. Over the medium term, India's GDP growth is expected to move to a higher trajectory due to reforms initiated by the government aimed at improving the quality of growth including implementation of the national goods and services tax ("GST") regime in India, power sector reforms and enactment of the bankruptcy code *(Source: CRISIL Report).* India has grown primarily on the engine of consumption. The other engine – of investment – has been decelerating. Investment's share in GDP has been falling since 2012. Prior to demonetisation, consumption-fuelled growth was expected to continue in Fiscal 2017. Consumption was expected to pick up in the second half owing to good monsoon after two years of drought, and salary payouts based on the seventh pay commission recommendations. However, demand fell in the latter half of the year and GDP growth slowed down to 7.1% in Fiscal 2017 from 7.6% in the previous year *(Source: CRISIL Report).*

Income levels of consumers and inflation are additional factors that affect our operations. A rise in inflation and lower household savings are likely to decrease discretionary spending among consumers, thereby adversely affecting our results of operations. Further, any decline in the general economic activity within the country is also likely to impact the general insurance industry and specifically our business.

Several global economic developments may have an impact on the Indian economy, including the change in the global interest rates outlook, recent changes in United States fiscal and monetary policies, the medium term political outlook for globalization, China's ability to re-balance its financial systems and economy. In addition, European reinsurance operations are likely to be affected by the withdrawal of the United Kingdom from the European Union. If the economic or demographic conditions in India deteriorate or are not in line with our expectations, or the international markets in which we operate decline and the impact on our business is different from what we expect, our financial condition and results of operations may be materially and adversely affected.

Regulatory and fiscal environment

We are subject to a comprehensive regulatory framework in India which affects the terms of products or services we offer, distribution channels, the value of our assets and investment portfolio and our business in general. The regulatory framework governing the insurance industry in India involves significant compliance efforts and related costs. Any change in IRDAI policies may result in increased cost of regulatory compliance or require us to modify our business strategy and focus on new markets and customer segments. The existing insurance regulatory framework also stipulates the appointment, reappointment or termination of appointment, of our senior management. We are also required to maintain a control level of solvency in order to continue our operations, acquire new business or implement our growth strategies. Insurers are also required to follow certain investment directives restricting the nature of investments we are able to undertake. We are also subject to regular audit by such regulatory authorities, and we are required to comply with the regulatory framework applicable to us, our employees, agents and other intermediaries. Any significant change in the existing regulatory framework, or any judicial determination that affects the insurance industry in general, may affect our operations, business prospects and financial performance.

In addition, any significant changes in existing tax laws, including indirect taxes, such changes to existing tax exemptions or tax benefits available to insurance companies, could impact our profitability. Any increase in the applicable corporate tax rates, or the non-applicability of minimum alternate tax, or discontinuation of exemptions for dividend income from investments in other Indian companies or mutual funds, or for income from an IRDAI approved pension fund or a public sector company in respect of tax free bonds, could affect our financial condition and results of operations. Any change in the application or interpretation of the fiscal regulatory regime could also affect sales of certain of our products. The GoI has recently implemented a comprehensive GST regime that combines taxes and levies by the central and state governments into a unified rate structure. While the impact of GST is currently unclear, it is anticipated that the implementation of GST is likely to increase prices of insurance products and increase compliance requirements. In addition, if India adopts international tax reforms requiring additional disclosure and compliance measures, it may result in increased compliance costs for the industry and us. We cannot predict the introduction, implementation or impact of a new fiscal regulatory framework affecting the insurance industry. As the taxation regime in India is undergoing significant changes, its consequent effects on the insurance industry cannot currently be determined with any certainty.

Relative contribution of our principal business verticals and new business growth

We provide a comprehensive range of general insurance products that cater to various industries and different customer segments, including for industrial and commercial enterprises in the civil engineering, aviation, energy and other industries. We also offer personal products targeted at individuals and families. As of June 30, 2017, we offered more than 230 products across our various business segments. Our ability to develop appropriate products for various industry and customer segments and distribute such products through our multi-channel distribution network affects our business and financial performance.

In Fiscal 2017, the fire, marine, motor, crop, health and other insurance segments contributed 15.34%, 3.07%, 38.81%, 5.38%, 26.19%, and 11.21%, respectively, of our gross written premium in such period. Since our capital requirement, pricing assumptions, technical reserves, and profitability vary significantly among our principal business lines as well as from product to product within a business vertical, any significant changes in the relative net written premium contribution of our principal businesses, or significant market or regulatory changes that affect our principal business verticals, or the relative product mix within any of our principal business verticals, may affect our financial condition and results of operations.

Our diversified portfolio reduces risk of dependency on any particular class of insurance products or any specific customer segment, which enables us to obtain cost-effective reinsurance arrangements. We have however strategically focused on certain of our products to maintain growth, improve profitability and increase the value of our business. A significant proportion of our premium earned is generated by a certain category of products, including health insurance, fire insurance and motor insurance products. Any regulatory or market development affecting customer preferences for such products may require us to modify product terms or discontinue certain products, which may affect sales and our prospects in such business segment. We therefore need to continuously anticipate market developments and design additional products to capitalize on new market opportunities and effectively compete with competitor products. We must also continuously grow our product portfolio, and continue to focus on maintaining or increasing the relative proportion of our high margin products in our new business. Equally, we need to maintain growth levels while developing additional products to maintain our market position and profitability.

Pricing and claims experience

Effective pricing of our products affects our business and results of operations. The pricing of our products is based mainly on assumptions with respect to hazards involved, risk profile, rates of return on investments, and expenses. The ability to accurately price insurance products is subject to a number of assumptions relating to factors outside our control, including availability of sufficient data, changes in regulatory standards and ability to obtain applicable regulatory approvals. If our risk assessment is inaccurate and, if we underprice our products, our profitability could be adversely affected, while if we overprice our products, our competitiveness, sales, market share and business prospects may be materially and adversely affected.

Our claims experience may also vary from the assumptions that we make both when we design and price our products and when we calculate our contractual liabilities. Claims experience can vary significantly across or principal business verticals and primary products within such business verticals as well over time, and may be impacted by specific events and changes in macroeconomic conditions, population demographics and other factors. In the non-life insurance business, natural catastrophes such as floods, earthquakes, and cyclones are considered to be key risks. Due to the nature of the underlying risks and the high degree of uncertainty associated with the determination of liabilities relating to unpaid insurance policy claims, we are unable to determine in a precise manner the amount that will ultimately be required to settle such liabilities. These assumptions and estimates are based on our management's assessment of the information available to us, historical data, probable forecast of future events that could affect our policyholders or the general insurance industry, as well as anticipated estimates of future claims severity and frequency. These assumptions and estimates are also affected by other factors beyond our control such as regulatory development or judicial determination relating to insurance claims and damages, or any change in the political environment or general macroeconomic trends affecting the Indian economy, including inflation.

Reserves

We establish and maintain reserves to cover our estimated ultimate losses under all insurance policies that we underwrite and our loss adjustment expenses relating to the investigation and settlement of policy claims. Our reserves represent our estimates of liability. Our technical reserves comprise unexpired risk reserve and claims outstanding.

The unexpired risk reserve represents the sum of the unearned premium reserve and the premium deficiency reserve. The unearned premium reserve is calculated in accordance with applicable IRDAI guidelines, as follows: (i) in the case of marine hull insurance, 100.00% of the net written premium during the preceding twelve months; and (ii) in the case of all our other products: (a) with respect to our business in India, on the basis of 1/365th of the unexpired period of the respective insurance policies and (b) with respect to our international business, 50.00% of the net premium in respect of all business other than those relating to the marine hull business. Any provision for premium deficiency reserve is based on estimates provided by the Appointed Actuary.

Claims outstanding as of the end of a fiscal year are provided for based on survey reports, information provided by the relevant clients and other sources, past experience and applicable laws and includes: (i) with respect to direct business, claim intimations received up to the year-end and (ii) in respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalization of accounts or on estimation basis. Provision for claims include provision for claims incurred but not reported ("**IBNR**") and provision for claims incurred but not enough reported ("**IBNER**"). These provisions are determined by our Appointed Actuary, in accordance with accepted actuarial practice, and in compliance with the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and other relevant regulations and guidelines issued by the Institute of Actuaries of India.

Our technical reserves as of March 31, 2015, 2016 and 2017 were ₹ 221,591.47 million, ₹ 242,923.55 million and ₹ 268,369.38 million, respectively. However, our reserves do not, and will not in the future, represent any precise calculation of liability, but rather are estimates of the anticipated net future policy benefits and claims payments, and are consequently inherently uncertain. Our reserves represent our management's estimate of the ultimate cost of unpaid claims and claim adjustment expenses for claims that have been reported and those claims incurred but not reported. In arriving at this estimate, management utilizes actuarial estimation in conjunction with their knowledge and judgment about operational and environmental conditions. These estimates are based on predictions of future developments and estimates of future trends in claims severity and frequency and other variable factors. Although we regularly review and update these estimates using information available to us, it is likely that the ultimate liability will vary, perhaps materially, from the estimates we have made.

Growth and productivity of our multi-channel distribution network

Our business is dependent on our multi-channel distribution and any disruption to or decrease in productivity of any of our distribution channels will have a significant impact on our financial condition and results of operations. The substantial majority of our retail business in India is generated through our agent network. We engage individual and corporate agents to market and distribute our insurance products. Our agent network primarily focuses on retail insurance products and has historically been our most significant distribution channel in terms of gross direct premium collected. In Fiscal 2015, 2016 and 2017, our agent network contributed 49.86%, 46.66% and 42.01%, respectively, of our gross direct premium in such periods. Gross direct premium generated through our agent network increased at a CAGR of 11.00% between Fiscal 2013 and Fiscal 2017. As of June 30, 2017, we had distribution arrangements with 68,389 individual agents and 16 corporate agents. We also generate a significant proportion of our business through third party insurance brokerage firms or individual brokers. In Fiscal 2015, 2016 and 2017, brokers contributed 25.35%, 26.72% and 25.75%, respectively, of our gross direct premium in such periods. Gross direct premium generated through brokers increased at a CAGR of 32.10% between Fiscal 2013 and Fiscal 2017. We have also entered into bancassurance arrangements, which primarily focus on our retail insurance products. We may not be able to maintain our relationships with these agents, insurance brokers, bancassurance partners and other distribution intermediaries. As the insurance market becomes increasingly competitive, it could increase our costs of sales, thereby reducing profitability.

We believe that we have developed a strong agent network that caters to the retail segment and we have also maintained strong relationships with insurance brokers. We have also undertaken various initiatives to increase gross direct premium contribution from other channels. In order to increase contribution from the bancassurance channel, we have entered into bancassurance arrangements with four public sector banks, including with, more recently, Bank of India and Canara Bank, as well as a number of smaller banks. We continue to focus on growing our bancassurance channel and expect the relative contribution from this channel to increase in the future. In addition, we have focused on develop emerging channels such as business from web-aggregators and contribution of this channel is also expected to increase in the future. We continue to explore opportunities to increase contribution from other channels such as common service centers, point of sale terminals, insurance marketing firms as well as micro-agents. We believe that our focus on increasing our online presence and focusing on improving customer interfaces and other dedicated portals for agents, brokers and corporates will increase contribution from direct business.

Competition

As of March 31, 2017 we were the largest general insurance company in India in terms of net worth. In Fiscal 2017, we also had the largest market share of gross direct premium among general insurers in India (*Source: CRISIL Report*). In Fiscal 2015, 2016 and 2017, despite increasing competition, we have consistently maintained market leadership in the general insurance industry in India, particularly in fire insurance, marine insurance, motor insurance and health insurance.

We face competition in each of our business lines as well as in our international operations. Competition in the general insurance industry is based on many factors, including the strength of our direct sales force, product design features, customer service, size, relationships with brokers and agents (including ease of doing business, service provided and commission rates paid), financial strength ratings assigned by independent rating agencies, claims services, reputation, perceived financial strength and the experience of the insurance company in the specific product segment. We face competition from over 20 general insurers, five standalone health insurers and an agriculture insurer in India *(Source: CRISIL Report)*. We may also be subject to additional competition in the future from new market entrants. We need to respond effectively to various competitive pressures to maintain our market share and customer base, margins and spreads, and future growth rates.

Fluctuations in equity markets and interest rate volatility

A decline in the equity markets reduces our investment income and also reduces the fair value of equity investments held and fluctuations in equity markets may therefore affect our investment returns, our financial condition and results of our operations. In addition, our investment returns are also sensitive to interest rate fluctuations, and changes in interest rates could affect our investment returns, financial condition and results of operations. We are affected by fluctuations in market interest rates as a substantial portion of our investment portfolio is held in debt securities, particularly fixed income government securities. Interest rate risk generally originates from movements of interest rates and the mismatches between the durations of assets and liabilities.

Reinsurance market

The net written premiums presented are net of amounts ceded to reinsurers. We manage our risk through a prudent mix of proportional and non-proportional reinsurance covers. We may purchase treaty reinsurance, facultative reinsurance and catastrophe excess-of-loss reinsurance, among other arrangements. In Fiscal 2015, 2016 and 2017, reinsurance premiums ceded to reinsurers in connection with our reinsurance arrangements were ₹ 29,313.07 million, ₹ 31,978.72 million and ₹ 45,158.47million, respectively, accounting for 17.26%, 16.63% and 19.44%, respectively, of our total gross written premiums for the respective periods. The reinsurance market is cyclical, with periodic fluctuations in underwriting capacity in the market affecting the price at which reinsurance can be obtained.

Underwriting capacity and rates in the reinsurance market, which are determined largely by underwriting conditions in the international market, may not necessarily move in tandem with those in the India direct insurance market. Scarcity of underwriting capacity in the reinsurance market leading to increases in reinsurance rates could raise the cost of reinsurance to us and potentially decrease our underwriting profit. The occurrence of major terrorist attacks, regional natural disasters and developments in the global financial markets in recent years have caused reinsurance rates to increase. In addition, under applicable IRDAI regulations, there are certain restrictions and conditions applicable to our obtaining reinsurance. See "*Key Regulations and Policies*" on page 179.

We plan to use reinsurance in a more effective manner to manage volatility and reduce the required solvency margin. We expect various measures undertaken by us to reduce the incurred claim ratio leading to better terms from reinsurers and more protection per unit cost incurred. We also intend to introduce certain reinsurance driven policies leveraging reinsurers' knowledge of international markets, capacity and capabilities in areas where we do not currently have requisite experience. In this context, we involve reinsurer input on product design, underwriting methodology as well as policy terms and language. We intend to carefully monitor retention rates on such policies.

Expense Management

Our results of operations are highly dependent on our level of expenses, which may vary from the assumptions we make when we design and price our products. Expenses may be impacted by specific events and changes in macroeconomic conditions including increases in inflation, changes in laws and regulations, increased competition, increased distribution costs and employee costs and other factors. Any shift in product mix or slowdown in the growth of our premiums could impact our expense ratios and hence our financial condition and results of operations.

A large component of our expenses are fixed in nature and we believe that we have a significant operating leverage. We have in the past demonstrated our ability to grow at a rate faster than the increase in expenses, which leads to lower expense ratio. Our operating expense ratio was 20.40% in Fiscal 2017, the lowest among the top 10 multi-product insurers in India *(Source: CRISIL Report).*Our gross written premium per employee was ₹ 9.31 million, ₹ 10.24 million and ₹ 13.19 million in Fiscal 2015, 2016 and 2017, respectively. We expect to continue to benefit from economies of scale in the future.

TRANSITION FROM INDIAN GAAP TO IND AS

The Ministry of Corporate Affairs, Government of India, had through a notification dated February 16, 2015, set out the Ind AS standard and the timelines for its implementation. Accordingly, we were required to adopt and prepare our statutory financial statements in accordance with Ind AS for periods beginning on or after April 1, 2018. However, the IRDAI approved a regulatory change whereby the implementation of Ind AS in the insurance sector has been deferred for a period of two years and insurance companies shall be required to implement it for periods beginning on or after April 1, 2020.

SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

Our Restated Consolidated Financial Statements have been prepared on the following basis:

- The restated financial statements of our Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating the intra-group balances and intra-group transactions to the extent possible and by following the consolidation procedures as laid down in Accounting Standard (AS) 21- Consolidated Financial Statements.

- The difference between the cost of investment in the subsidiaries, over the net assets in the subsidiaries, at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as goodwill or capital reserve as the case may be.

- The difference between the proceeds from disposal of investment in subsidiaries and carrying amount of its assets less liabilities as of the date of disposal of investment in subsidiaries is recognized in the consolidated statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

- Minority interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the shareholders of our company. Minority interest's share of net assets of consolidated balance sheet is presented in consolidated balance sheet separate from liabilities and the equity of the company's shareholder.

- Investment in associate companies has been accounted under the equity method as per Accounting Standard (AS)-23- Accounting for investments in associates in our consolidated financial statements.

- Our company accounts for its shares in change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between our Company and its associates to the extent of its shares, through its profit and loss account to the extent such change is attributable to the associates' profit or loss through its reserves for the balance, based on available information.

To the extent possible, our Company's Restated Consolidated Financial Statements have been prepared using uniform accounting policies for similar transactions and other events in similar circumstances and are presented in the same manner as our Company's standalone financial statements. Except in the case of subsidiaries where the financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as required under applicable regulations in the respective jurisdictions, during the process of consolidation, accounting adjustments have been made to align the accounts of the subsidiary company to conform to the accounting polices followed by our Company; however following are the material differences with the accounting policies followed by our Company as compared to the subsidiary companies included in the consolidated financial statements:

- Pursuant to the Companies Act, 2013 and rules thereunder, our Company was required to present consolidated financial statements for the first time during Fiscal 2016. Our consolidated financial statements for Fiscal 2013, 2014 and 2015 have since been prepared for the purpose of restated consolidated financials on the basis of and to the extent of information and details received from the subsidiaries and associates. In case of one of the subsidiaries Prestige Assurance Plc, the financial information relating to the years ended on March 31, 2013, 2014 and 2015 was required to ensure compliance with AS-21 - consolidated financial statement issued by ICAI for preparation of consolidated financial statement for the relevant fiscal years as provided by the management at head office level as the same could not be extracted from the audited accounts and schedules and other financial information. The accounts of such entity have been prepared under IFRS and applicable regulations in its jurisdiction, its conversion into the Indian GAAP was done to the extent practicable and to the extent of unavailable information, effect of which on compliance requirements of preparation of consolidated financial statements based on similar accounting policies has not been ascertained.

- In accordance with IFRS, insurance receivables are recognized when due and measured at amortized cost, using the effective interest rate method. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of income.

- Insurance and investment contract of policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognized as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognized over those future periods;

- Reserve for unexpired risk and premium deficiency reserve is calculated and recognized as per 1/365 or 1/24 method or as required under local laws.

- Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER) is accounted as per liability adequacy test carried by actuary/ management assessment of such liability.

- Property plant and equipment is shown at fair value on historical cost model except in case of The New India Assurance Co. (Trinidad & Tobago) Limited, where fair value is based on triennial valuation by external appraisers depreciation on property plant and equipment is calculated and accounted for based on useful lives as assessed by the management which are different from those followed by the holding company.

- Provisions related to post-employment benefits to the staff are accounted for based on the requirements of local laws.

- Provision for taxation including deferred tax is accounted as per local tax laws and in accordance with the provisions of IFRS.

- Statutory reserve is created in accordance with the requirements of local laws.

The list of subsidiary companies and associates which are included in our Company's Restated Consolidated Financial Statements include:

	Name of the company	Shareholding Percentage as of March 31,					Country of incorporation
		2017	2016	2015	2014	2013	
	Subsidiaries						
1.	The New India Assurance Co. (Trinidad & Tobago) Limited	83.89%	83.89%	83.89%	83.89%	83.89%	Trinidad & Tobago
2.	Prestige Assurance PLC Nigeria	69.50%	69.50%	51.01%	51.01%	51.01%	Nigeria
3.	The New India Assurance Co. (Sierra Leone) Limited	100.00%	100.00%	100.00%	100.00%	100.00%	Sierra Leone
	Associates						
4.	Indian International Insurance Pte. Ltd.	20.00%	20.00%	20.00%	20.00%	20.00%	Singapore
5.	Health Insurance TPA of India Limited	23.75%	23.75%	23.75%	Not incorporated		India

Accounting Convention

Our consolidated financial statements are prepared in accordance with the provisions of IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, IRDAI (Issuance of Capital by Indian Insurance Companies Transacting other than Life Insurance Business) Regulations, 2015 and circulars and/or guidelines issued in the context of preparation of the financial statements, and the provisions of the Companies Act 2013 (as applicable from time to time). Our consolidated financial statements are prepared on historical cost convention and on accrual basis, comply with accounting standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and conform to practices prevailing in the general insurance industry except as otherwise stated.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates and assumptions. The estimates and assumptions used in our restated consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

Revenue Recognition

Premium

Premium income is recognized on assumption of risk. A reserve for unearned premium for each segment, representing that part of the recognized premium attributable to the succeeding accounting periods, calculated on time apportionment basis is created. This forms part of the un-expired risk reserves.

Reinsurance premium is recognized as per the terms of the reinsurance contracts. A reserve for unearned premium for each segment, representing that part of the recognized reinsurance premium attributable to the succeeding accounting periods, is also calculated on time apportionment basis. This also forms part of the un-expired risk reserves.

Any subsequent revisions to or cancellations of premium are recognized in the year in which they occur.

Commission

Commission income on reinsurance cessions is recognized as income in the year in which reinsurance premium is ceded.

Profit commission under reinsurance treaties wherever applicable, is recognized on accrual. Any subsequent revisions of profit commission are recognized for in the year in which final determination of the profits are intimated by reinsurer.

Premium Received in Advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

Unearned Premium Reserves

Unearned premium reserve is computed in accordance with the guidelines issued by IRDAI as under:

- Marine Hull: 100% of the net written premium during the preceding twelve months;
- Other segments:
  - in respect of domestic business: on the basis of 1/365th method on the unexpired period of respective policies and
  - in respect of foreign business 50% of the net premium in respect of all business other than marine hull.

Reinsurance Accepted

Reinsurance returns have been incorporated for the advices received up to the date of finalization of accounts or on estimation basis.

Reinsurance Ceded

Reinsurance cessions are accounted for on the basis of actuals or on estimation basis.

Premium Deficiency

Premium deficiency is calculated where the sum of expected claims costs, related expenses and maintenance costs exceed the related unearned premium. The premium deficiency is recognized as per IRDA guidelines and forms part of unexpired risk reserves.

Acquisition Costs

Acquisition costs are primarily related to acquisition of insurance contracts and have been expensed in the year in which they are incurred.

Incurred Claims

Claims are recognized as and when reported.

Claims paid (net of recoveries including salvages retained by the insured, includes interest paid towards claims and all expenses directly incurred in relation to their assessment) are charged to respective revenue accounts.

Claims outstanding at the year-end are provided based on survey reports, information provided by clients and other sources, past experience and applicable laws and includes:

- In respect of direct business, claim intimations received up to the year-end;
- In respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalization of accounts or on estimation basis;

Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER). Such provisions have been determined by Appointed Actuary, which is in accordance with accepted actuarial practice, requirement of IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the master circulars issued in the context of preparation of financial statements and stipulations of the Institute of Actuaries of India.

All the outstanding claims for direct business are provided net of estimated salvage (if any).

In respect of motor third party claims where court summons have been served on us without adequate policy particulars to establish our liability, provision is made as under:

- 100% of the estimated liability, where such claims are outstanding for more than one year.
- $1/3^{rd}$ of the estimated liability, for all such claims for which court summons have been served on us during the year.

Interest on motor accident claims tribunal claims is provided based on the prevailing trends in the motor third party claim awards.

Provisions, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of economic resources and reliable estimate can be made of the amount of obligation. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Loans and Investments

Loans are measured at historical cost subject to impairment. We review the quality of our loan assets and provides for impairment if any. Short term money market instruments such as commercial papers and certificates of deposit are shown at their discounted value and the difference between the acquisition cost and the redemption value is apportioned on time basis and recognised as accrued income. Contracts for purchase and sale of shares, bonds, debentures are accounted for as "Investments" as on date of transaction.

- *Investments*

The cost of investments includes premium on acquisition, brokerage, transfer stamps, transfer charges, securities transaction tax and is net of incentive/ fee if any, received thereon.

Investment in government securities, debt securities and redeemable preference shares are considered as held till maturity and valued at cost. However, in terms of IRDAI regulations the premium paid at the time of acquisition of securities is amortized over the residual period of maturity. Investments in mutual funds are valued at net asset value (NAV) as at the balance sheet date and the difference between cost/book value and NAV is accounted in the fair value change account. In case of non-availability of latest NAV as at the balance sheet date, investment is shown at cost. Investments in venture funds are valued at cost. If there is reduction in NAV, such decrease is charged to revenue and book value of investments is reduced accordingly. Any appreciation in NAV to the extent of loss earlier recognised, is taken to revenue. Wherever NAV as on balance sheet date is not available, the latest available NAV is considered.

In accordance with IRDA/F&I/INV/CIR213/10/2013 dated October 30, 2013 for valuation of equity portfolio, National Stock Exchange (NSE) is considered as the primary stock exchange and Bombay Stock Exchange (BSE) as the secondary stock exchange. Investment portfolio in respect of equity/ equity related instruments are segregated into actively traded and thinly traded as prescribed by IRDAI regulations. The shares are treated as actively traded or thinly traded by taking into consideration total traded transactions in the month of March on NSE and BSE. Actively traded equity/ equity related instruments are valued at the closing price at NSE or if the scrip is not traded at NSE, the scrip is valued at the closing price at BSE. The difference between weighted average cost and quoted value is accounted in fair value change account. Exchange traded funds are valued as applicable to equity portfolio. The difference between the weighted average cost and the quoted value is accounted in fair value change account.

Investments in equity shares of companies outside India are valued at the last quoted price at the stock exchange of the respective country. Investment in thinly traded equity shares and unlisted equity shares are shown at cost. However, difference between cost and break-up value is provided for as diminution in value. If the break-up value is negative, then the provision is made for the entire cost. Further, if the published accounts of an unlisted company are not available for last three accounting years ending on or immediately preceding the date of working out diminution in value, then the provision is made for the entire cost.

In case of investments in listed and unlisted equity/ equity related instruments / preference shares where the value has been impaired on or before March 31, 2000; the historical/weighted average costs are not available with us. As a consequence, the carrying value of such investments as on April 1, 2000 is presumed to be the historical/ weighted average cost.

Investments in listed equity/ equity related instruments/ preference shares made in those companies, which are making losses continuously for last three years and where capital is eroded, are considered to have impairment in value. Further, if the published accounts of a company are not available for last three accounting years ending on or immediately preceding the date of working out impairment in value, it is presumed that the value of investment is fully impaired and is written off to a nominal value of ₹1 per company.

Valuation of such investments is done as under:

- In respect of actively traded equity shares: least of cost price, market price or break-up value provided break-up value is positive. However, if the break-up value is negative the nominal value is taken at ₹1 per company.

- In respect of other than actively traded equity shares: lower of cost price or break-up value provided break-up value is positive. However, if break-up value is negative the nominal value is taken at ₹1 per company.

- In respect of preference shares, if the dividend is not received for the last three years, such preference shares are written down to a value which will bear to its face value, the same proportion as value taken/

which would have been taken for writing down equity shares bears to the face value of the equity shares. However, if the equity shares are written down to ₹1 per company, preference shares are also written down to a nominal value of ₹1 per company.

Once the value of investment in listed equity/ equity related instruments/ preference shares of a company is impaired in accordance with the above mentioned policy, the reversal of such impairment losses are not recognised in revenue/ profit and loss until such company achieves a positive net worth as per the latest available published accounts immediately preceding the date of working out the reversal. However, in respect of investments where the historical or weighted average cost is not available as mentioned in Policy No.14-i, reversal of impairment loss is carried out and recognised only to the extent of impairment losses accounted after March 31, 2000.

Reverse repo transactions are treated as secured lending transactions and accordingly disclosed in the financial statements. The difference between total consideration at the 1st and 2nd leg of the transaction is treated as interest income. Collateralized borrowing and lending obligation ("CBLO"), which is issued at discount to the face value, is treated as money market instrument in accordance with applicable RBI regulations. Discount earned at the time of lending through CBLO is shown as income, which is apportioned on time basis.

Un-realized gains / losses arising due to changes in the fair value of actively traded listed equity shares other than enumerated in Accounting Policy 14-i are taken under "Fair Value Change Account" and on realization reported in profit and loss account. Pending realization, the credit balance in the "Fair Value Change Account" is not available for distribution.

- *Dividend and interest income*

Dividend income (other than interim dividend) is accounted for as income in the year of declaration. Dividend on shares/interest on debentures under objection/pending delivery is accounted for on realisation. Interim dividend is accounted for where the amount is received/ credited in the account of our Company until March 31. Dividend on foreign investments is accounted on gross basis. Interest Income is recognized on accrual basis on time proportion except income on non-performing assets is recognized on realization. Amount received towards compensation for future loss of interest is recognised as income only to the extent attributable to the accounting year and balance is kept in interest received in advance account for apportionment in the relevant year.

Profit/loss on realization of investments is computed by taking weighted average book value as cost of investments except:

- In respect of government securities/debentures/bonds under trading portfolio, the profit/loss is worked out specific scrip wise.
- In respect of government securities sold from investment portfolio, the profit/loss is worked out on first in first out basis (FIFO).

We follow the prudential norms prescribed by the IRDAI with respect to asset classification, recognition of income and provisioning pertaining to loans/advances/debentures

Foreign Currency Transactions

Reinsurance operations

Revenue transactions of reinsurance in foreign currencies are converted at the average of buying and selling rates of exchange of each quarter in which they are accounted. Monetary assets and liabilities of reinsurance in foreign currencies are converted at the closing rate.

Foreign operations

In accordance with Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates", foreign branches/agencies are classified as "non-integral foreign operations". The assets and liabilities (including contingent liabilities), both monetary and non-monetary of the non-integral foreign operations are translated at the closing rate, Income and expense items of the non-integral foreign operations are translated at the average exchange rate of the year.

Depreciation on fixed assets held in foreign branches and agencies is provided on written down rupee value at the year-end at the rates and in the manner as stated in our depreciation policy stated herein below. All resulting exchange difference is accumulated in a foreign currency translation reserve until the disposal of the net investment.

Foreign investments transactions during the year are converted at the exchange rates prevailing as on the last day of the month of purchase or sale. Other assets and liabilities in foreign currencies are converted at the average of buying and selling rates of exchange prevailing at the year end. The exchange gain/loss due to conversion of foreign currencies other than relating to non-integral foreign operations is taken to revenue(s) account and profit and loss account as applicable.

Fixed Assets

Fixed assets are stated at cost less depreciation. The fixed assets are assessed for any indication that an asset is impaired. In case the recoverable amount of the fixed assets is lower than its carrying amount a provision is made for the impairment loss. Lease payment for assets taken on operating lease are recognized as an expense in the revenue(s) accounts and profit and loss account over the lease term.

Depreciation

Depreciation on fixed assets is charged on straight line method in accordance with the useful life prescribed under Schedule II of the Companies Act, 2013 and the residual value of the asset shall be ₹ 1. Lease hold properties are amortized over the lease period.

Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. The same is amortised over a period of four years on straight line basis. Software development / acquisition costs, except those which meet the recognition criteria as laid down in Accounting Standard 26 (AS 26), are charged to revenue. Any additions to already existing assets are amortised prospectively over the remaining residual life of the assets.

Employee Benefits

Employee benefits comprise of both defined contributions and defined benefit plans.

Provident fund is a defined contribution plan. Our contribution towards provident fund is charged to the Profit and Loss Account and Revenue Accounts as applicable. Further we have no further obligation beyond the periodic contributions.

Pension, gratuity and leave encashment are defined benefit plans. We have established a pension trust and gratuity trust. Our liability towards pension, gratuity and leave encashment is accounted for on the basis of an actuarial valuation done at the year end and is charged to revenue accounts and profit and loss account as applicable except in case of pension (National Pension System) for the employee who joined from April 1, 2010 which is defined contribution plan wherein contribution towards pension fund is charged to the Profit and Loss Account and Revenue Accounts, as applicable. Further, we have no further obligation beyond the periodic contributions.

All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees.

Expenses of Management - Basis of Apportionment

Expenses of management including provision for bad and doubtful debts and exchange gain/ loss, are apportioned to the revenue accounts on the basis of net premium.

Segregation of Policyholders and Shareholders funds

Investment assets includes policyholders' as well as shareholders' investment assets are bifurcated at the end of each quarter between shareholders and policyholders at the fund level on notional basis in accordance with IRDAI guidelines.

Income from Investments - Basis of Apportionment

Investment income (net of expenses) is apportioned between Shareholders' Fund and Policyholders' Fund in proportion to the balance of these funds at the beginning of the year.

Investment income (net of expenses) belonging to policyholders' is further apportioned to fire, marine and miscellaneous segments in proportion to respective technical reserves balance at the beginning of the year.

Policyholders' fund for this purpose consists of estimated liability for outstanding claims including IBNR and IBNER, unexpired risk reserve (URR), premium deficiency (if any). Catastrophe reserves (if any) and other liabilities net of other assets (relating to policy holders) as per the guidelines of IRDAI; the residual consists of the Shareholder' Fund.

Taxation

Tax expense for the year, comprises current tax and deferred tax.

Current Tax

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that we will pay normal income tax on future income. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to us and the asset can be measured reliably.

Deferred Tax

A provision is made for deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted tax rates.

Deferred tax assets are recognized only if there is a virtual certainty backed by convincing evidence that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Refund of income tax is accounted on realization basis.

RESULTS OF OPERATIONS

FISCAL 2017 COMPARED TO FISCAL 2016

Revenue Account

The Revenue Accounts primarily represent the net earned premium, profit (loss) on sale or redemption of investments, investment income, commissions paid and operating expenses related to the insurance business across our product segments:

Particulars	Fiscal 2016	Fiscal 2017
	(₹ million)	
Income:		
Premium Earned (Net)	152,150.22	176,747.78
Profit (Loss) on Sale or Redemption of Investments (Policy Holders)	8,792.78	12,098.50
Others	0.00	0.00
Interest, Dividend and Rent (Gross)	15,784.27	16,689.95
Total	176,727.27	205,536.23
Expenses:		
Claims Incurred (Net)	132,343.47	162,998.18
Commission	14,129.29	13,320.41
Operating Expenses Related to Insurance Business	35,551.97	38,171.78
Others - Foreign Taxes	5.10	5.62
Amortization, Write off, Provisions – Investments	31.68	53.98
Total	182,061.52	214,549.96
Operating Profit/ (Loss)	**(5,334.25)**	**(9,013.74)**
Appropriations		
Transfer to Share Holders Account (Profit and Loss Account)	5,334.25	9,013.74
Transfer to Catastrophic Reserves	0.00	0.00
Transfer to Other Reserves	0.00	0.00

Profit and Loss Account

The following table sets forth information relating to our profit and loss account in the periods indicated:

Particulars	Fiscal 2016	Fiscal 2017
	(₹ million)	
1. Operating Profit / (Loss)	(5,334.25)	(9,013.74)
2. Income from Investments		
a. Interest Dividend and Rent (Gross) - Share Holders	9,808.03	9,601.37
b. Profit on Sale of Investment - Share Holders	5,463.66	6,960.00
Less: Loss on Sale of Investment - Share Holders	-	-
Other Income	778.16	2,184.06
Total	**10,715.59**	**9,731.69**
4. Provisions (Other Than Taxation)		
a. Others - Amortisation Provision For Thinly Traded Shares - Shareholders	35.64	28.09
b. For Doubtful Debts - Investments(Shareholders)	(18.99)	(9.56)
c. For Doubtful Debts – Operations	240.17	91.39

Particulars	Fiscal 2016	Fiscal 2017
	(₹ million)	
d. For Diminution In Value Of Investments (Shareholders)	3.04	12.53
5. Other Expenses (Other Than Those Related To Insurance Business)		
a. Others - Interest On Income/Service Tax	6.92	11.47
b. (Profit)/Loss On Sale Of Assets	(7.56)	27.83
c. Penalty	2.00	2.00
Total	**261.22**	**163.73**
Profit Before Tax	**10,454.37**	**9,567.96**
Provision For Taxation - Current Tax	1,666.24	1,215.33
Deferred Tax	(515.41)	(45.97)
Wealth Tax	-	-
Profit After Tax	**9,303.54**	**8,398.60**
Profit attributable to Minority Interest	18.65	(44.18)
Add : Share of Profit/(Loss) in Associate Enterprises	290.59	224.19

Gross Written Premium

The gross written premium is the sum of gross direct premium and the inward reinsurance business accepted by us. It represents the total business written during a given fiscal period. Our gross written premium increased from ₹ 192,272.64 million in Fiscal 2016 to ₹ 232,304.93 million in Fiscal 2017, an increase of 20.82%.

The following table sets forth our gross written premium in Fiscal 2016 and 2017 across our product segments:

Segment	Fiscal 2016		Fiscal 2017	
	Gross Written Premium	Percentage of Gross Written Premium	Gross Written Premium	Percentage of Gross Written Premium
	(₹ million)	(%)	(₹ million)	(%)
Fire	34,637.12	18.01%	35,625.61	15.34%
Marine Cargo	4,066.70	2.12%	4,006.22	1.72%
Marine Hull	3,362.40	1.75%	3,135.03	1.35%
Marine Total	7,429.11	3.86%	7,141.25	3.07%
Motor OD	41,379.96	21.52%	44,637.13	19.21%
Motor TP	35,145.29	18.28%	45,523.37	19.60%
Motor Total	76,525.25	39.80%	90,160.50	38.81%
Crop	523.40	0.27%	12,504.10	5.38%
Health	49,613.32	25.80%	60,849.79	26.19%
Others	-	-	-	-
Liability	4,547.20	2.36%	5,133.66	2.21%
Personal Accident	2,461.82	1.28%	4,135.15	1.78%
Aviation	1,894.16	0.99%	2,048.27	0.88%
Engineering	6,485.89	3.37%	6,381.95	2.75%
Miscellaneous Other	8,155.38	4.24%	8,324.67	3.58%
Total	**192,272.64**	**100.00%**	**232,304.93**	**100.00%**

The 20.82% increase in gross written premium was primarily driven by an increase of 17.82% in gross written premium from policies issued under our motor insurance business which increased from ₹ 76,525.25 million in Fiscal 2016 to ₹ 90,160.50 million in Fiscal 2017. Growth in our motor insurance segment is attributable to premium correction by the IRDAI with respect to motor third party premiums. While our motor third party segment witnessed a significant increase of 29.53% in Fiscal 2017, our motor own damage segment witnessed a more modest growth of 7.87% in Fiscal 2017.

We also recorded a 22.65% increase in the gross written premium generated from policies issued under our health insurance business from ₹ 49,613.32 million in Fiscal 2016 to ₹ 60,849.79 million in Fiscal 2017. This is partly attributable to the overall growth of the health insurance industry due to increased health insurance penetration in India. We benefited from these growth trends across all our three sub-segments – retail, group health and government business. Our group health business recorded an increase in gross written premium in part on account of an increase in pricing.

In Fiscal 2017 we registered significant growth in our crop insurance business from ₹ 523.4 million in Fiscal 2016 to ₹ 12,504.10 million in Fiscal 2017 as we participated in the Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme. We diversified our risks in the crop insurance business geographically by entering into coinsurance arrangements. The reinsurance inward accepted crop business which we write through treaties also increased as a result of the implementation of the PMFBY.

Our fire insurance business however increased moderately by 2.85% from ₹ 34,637.12 million in Fiscal 2016 to ₹ 35,625.61 million in Fiscal 2017, primarily on account of decreased levels of investments in the economy. The depreciation of the British Pound following the proposed exit of the U.K. from the European Union impacted our U.K. business as a result of currency translation into the Indian rupee which was also reflected in the nominal growth in this segment.

Our miscellaneous other insurance products, which primarily includes rural insurance, credit insurance, traditional business and non-traditional business, among others, increased by 2.08% from ₹ 8,155.38 million in Fiscal 2016 to ₹ 8,324.67 million in Fiscal 2017, resulting from acquisition of new customers.

These increases were in part offset by a 3.87% decrease in the gross written premium from our marine insurance products which decreased from ₹ 7,429.11 million in Fiscal 2016 to ₹ 7,141.25 million in Fiscal 2017, resulting from the low crude oil prices which adversely affected the energy and offshore segments, leading to reduced marine activity.

Our engineering insurance business decreased marginally from ₹ 6,485.89 million in Fiscal 2016 to ₹ 6,381.95 million in Fiscal 2017, resulting from reduced investment activities.

Reinsurance Ceded

While gross written premium depends on the total risk underwritten, we prudently manage the risks by ceding it to reinsurers. The premium paid to reinsurers to accept these risks is the ceded premium.

We have a conservative reinsurance policy with respect to risk retention. For certain business segments such as fire, marine hull, aviation and engineering, which are susceptible to large claims, a significant proportion of risk is ceded to a reinsurer. Retention ratio represents the ratio of net premium to gross written premium. Our retention ratio in the fire, marine hull, aviation and engineering businesses in Fiscal 2017 was 56.72%, 15.18%, 41.07% and 56.73%, respectively, compared to 62.07%, 33.47%, 38.88% and 51.98%, respectively, in Fiscal 2016. Since business segments such as motor and health are characterized by low claim volatility and are more predictable, we retain a significant share of these businesses. Our retention ratio in motor and health was 93.99% and 90.96%, respectively, in Fiscal 2017 compared to 92.51% and 94.03%, respectively, in Fiscal 2016. We have recently entered the crop insurance business and from a risk management perspective we retain a small proportion of crop risk. Our retention ratio in crop insurance was only 30.84% in Fiscal 2017.

The following table sets forth information on certain segment wise ceded premium in the periods indicated:

Segments	Fiscal 2016		Fiscal 2017	
	Premium Ceded	Percentage of Premium Ceded	Premium Ceded	Percentage of Premium Ceded
	(₹ million)	(%)	(₹ million)	(%)
Fire	13,136.21	41.08%	15,417.07	34.14%
Marine Cargo	988.87	3.09%	765.67	1.70%
Marine Hull	2,237.00	7.00%	2,659.23	5.89%
Marine Total	**3,225.88**	10.09%	**3,424.91**	7.58%
Motor OD	2,754.79	8.61%	3,127.45	6.93%
Motor TP	2,979.54	9.32%	2,287.31	5.07%
Motor Total	**5,734.33**	17.93%	**5,414.76**	11.99%
Crop	0.01	0.00%	8,648.32	19.15%
Health	2,963.00	9.27%	5,502.49	12.18%
Others	-	-	-	-
Liability	629.82	1.97%	1,017.87	2.25%
Personal Accident	245.32	0.77%	235.20	0.52%
Aviation	1,157.68	3.62%	1,207.05	2.67%
Engineering	3,114.58	9.74%	2,761.17	6.11%
Miscellaneous Other	1,771.88	5.54%	1,529.64	3.39%
Total	**31,978.72**	**100.00%**	**45,158.47**	**100.00%**

Net Written Premium

Net written premium represents the premium retained after premium ceded to the reinsurers. Our net written premium increased from ₹ 160,293.93 million in Fiscal 2016 to ₹ 187,146.46 million in Fiscal 2017, an increase of 16.75%.

The following table sets forth our net written premium in Fiscal 2016 and 2017 across our product segments:

Segment	Fiscal 2016		Fiscal 2017	
	Net Written Premium	Percentage of Net Written Premium	Net Written Premium	Percentage of Net Written Premium
	(₹ million)	(%)	(₹ million)	(%)
Fire	21,500.91	13.41%	20,208.54	10.80%
Marine Cargo	3,077.83	1.92%	3,240.54	1.73%
Marine Hull	1,125.40	0.70%	475.80	0.25%
Marine Total	4,203.23	2.62%	3,716.34	1.99%
Motor OD	38,625.16	24.10%	41,509.68	22.18%
Motor TP	32,165.75	20.07%	43,236.06	23.10%
Motor Total	70,790.92	44.16%	84,745.74	45.28%
Crop	523.39	0.33%	3,855.78	2.06%
Health	46,650.32	29.10%	55,347.30	29.57%
Others				
Liability	3,917.38	2.44%	4,115.78	2.20%
Personal Accident	2,216.50	1.38%	3,899.95	2.08%
Aviation	736.48	0.46%	841.22	0.45%
Engineering	3,371.31	2.10%	3,620.77	1.93%

Segment	Fiscal 2016		Fiscal 2017	
	Net Written Premium	Percentage of Net Written Premium	Net Written Premium	Percentage of Net Written Premium
	(₹ million)	(%)	(₹ million)	(%)
Miscellaneous Other	6,383.50	3.98%	6,795.03	3.63%
Total	**160,293.93**	**100.00%**	**187,146.46**	**100.00%**

Net Earned Premium (Revenue Account)

Net earned premium is the net premium collected by us and earned during a specified period. It is calculated from the net written premium after adjusting for reserve for unexpired risks. Our net earned premium increased from ₹ 152,150.22 million in Fiscal 2016 to ₹ 176,747.78 million in Fiscal 2017, an increase of 16.17%.

Net earned premium for various segments is given below:

Segment	Fiscal 2016		Fiscal 2017	
	Net Earned Premium	Percentage of Net Earned Premium	Net Earned Premium	Percentage of Net Earned Premium
	(₹ million)	(%)	(₹ million)	(%)
Fire	20,643.54	13.57%	20,967.23	11.86%
Marine Cargo	3,048.68	2.00%	3,264.60	1.85%
Marine Hull	1,638.04	1.08%	1,125.40	0.64%
Marine Total	4,686.73	3.08%	4,390.00	2.48%
Motor OD	36,235.35	23.82%	39,396.52	22.29%
Motor TP	29,041.79	19.09%	36,993.30	20.93%
Motor Total	65,277.14	42.90%	76,389.83	43.22%
Crop	523.39	0.34%	3,855.78	2.18%
Health	44,308.48	29.12%	53,009.82	29.99%
Others	-	-	-	-
Liability	3,825.43	2.51%	4,125.22	2.33%
Personal Accident	2,259.10	1.48%	3,122.49	1.77%
Aviation	720.12	0.47%	911.37	0.52%
Engineering	3,444.22	2.26%	3,421.82	1.94%
Miscellaneous Other	6,462.08	4.25%	6,554.23	3.71%
Total	**152,150.22**	**100.00%**	**176,747.78**	**100.00%**

Profit on Sale/ Redemption of Investments (Revenue Account)

Profit on sale/redemption of investments increased by 37.60% from ₹ 8,792.78 million in Fiscal 2016 to ₹ 12,098.50 million in Fiscal 2017. The increase was driven by favorable movement in equity markets, as equity comprised 55.35% of our investment portfolio as of March 31, 2017, allowing us to realise gains on our equity portfolio.

Interest, Dividend and Rent (Revenue Account)

Our interest/ dividend/ rent income increased by 5.74% from ₹ 15,784.27 million in Fiscal 2016 to ₹ 16,689.95 million in Fiscal 2017, primarily driven by an increase in operations leading to increase in the investment assets partially offset by falling interest rates. We also received a higher dividend income from our diversified equity portfolio during Fiscal 2017.

Net Claims Incurred (Revenue Account)

Net claims incurred increased by 23.16% from ₹ 132,343.47 million in Fiscal 2016 to ₹ 162,998.18 million in Fiscal 2017, primarily due to increase in business volume.

The following table provides our net claims incurred across our various product segments:

Segment	**Fiscal 2016**		**Fiscal 2017**	
	Net Claims Incurred	**Percentage of Net Claims Incurred**	**Net Claims Incurred**	**Percentage of Net Claims Incurred**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**
Fire	14,931.09	11.28%	19,666.29	12.07%
Marine Cargo	2,091.05	1.58%	2,356.23	1.45%
Marine Hull	778.06	0.59%	1,221.27	0.75%
Marine Total	**2,869.11**	2.17%	**3,577.50**	2.19%
Motor OD	28,355.16	21.43%	31,969.43	19.61%
Motor TP	25,194.89	19.04%	32,728.18	20.08%
Motor Total	**53,550.05**	40.46%	**64,697.60**	39.69%
Crop	1,081.91	0.82%	3,582.44	2.20%
Health	49,374.28	37.31%	60,675.54	37.22%
Others	-	-	-	-
Liability	1,525.10	1.15%	964.59	0.59%
Personal Accident	1,785.40	1.35%	2,314.37	1.42%
Aviation	760.48	0.57%	652.25	0.40%
Engineering	2,536.05	1.92%	2,551.45	1.57%
Miscellaneous Other	3,930.01	2.97%	4,316.16	2.65%
Total	**132,343.47**	**100.00%**	**162,998.18**	**100.00%**

Net incurred claim increases along with increase in business volume and hence profitability analysis of the various lines of business is better addressed by the incurred claim ratio ("ICR"). ICR is defined as the ratio of net incurred claims to net earned premium. We recorded an ICR of 86.98% in Fiscal 2016 which increased to 92.22% in Fiscal 2017.

The following table provides information relating to out ICR for various segments in the periods indicated:

Segment	**Fiscal 2016**	**Fiscal 2017**
	(%)	**(%)**
Fire	72.33%	93.80%
Marine Cargo	68.59%	72.18%
Marine Hull	47.50%	108.52%
Marine Total	61.22%	81.49%
Motor OD	78.25%	81.15%
Motor TP	86.75%	88.47%
Motor Total	82.03%	84.69%
Crop	206.71%	92.91%
Health	111.43%	114.46%
Others	-	-
Liability	39.87%	23.38%
Personal Accident	79.03%	74.12%
Aviation	105.60%	71.57%
Engineering	73.63%	74.56%
Miscellaneous Others	60.82%	65.85%

Segment	Fiscal 2016	Fiscal 2017
	(%)	(%)
Total	86.98%	92.22%

The increase in ICR, adjusted for materiality, was driven by our health insurance business where the ICR increased from 111.43% in Fiscal 2016 to 114.46% in Fiscal 2017, primarily due to higher loss ratio in our government business resulting from a state government health scheme that incurred heavy losses. We have discontinued participation in that scheme since December 2016. Our group health business also had a high loss ratio during the year. In order to manage our claim ratio, we are seeking the support of reinsurers who also provide value added services in the area of claim control through advanced data analytics for large state government health insurance schemes. The net retention in our government health business has accordingly been strategically reduced, in an attempt to decrease our ICR. Pricing in our group health business has been increased and the price increase in our flagship retail health schemes has been approved by the regulator in the first half of Fiscal 2018.

We also recorded an increase in ICR in our fire insurance business from 72.33% in Fiscal 2016 to 93.80% in Fiscal 2017, primarily due to losses suffered in the small/ medium risk category and cyclone Wardha, Chennai. We have since focused on better risk selection and underwriting to improve this portfolio.

Our motor insurance business also recorded an increase in ICR from 82.03% in Fiscal 2016 to 84.69% in Fiscal 2017, due to higher ICR in our motor own damage segment particularly in commercial vehicle and private car own damage segment. As premiums from our motor third party business are set by the regulator, we continued to witness a high loss ratio from this line of business.

Our crop insurance business witnessed a high loss ratio due to severe drought in the state of Tamil Nadu where we were the leader in a couple of clusters. This was partially offset by the business from rest of India procured through co-insurance as in general India witnessed lower crop related losses in Fiscal 2017.

The loss ratio in marine segment increased from 61.22% in Fiscal 2016 to 81.49% in Fiscal 2017 due to large claims in marine hull segment arising out of cyclone Wardha.

The other segments had relatively positive results with a loss ratio of 59.55% in Fiscal 2017 compared to a loss ratio of 63.05% in Fiscal 2016.

Commission (Revenue Account)

We pay commission to intermediaries to procure business and this forms an important part of selling expenses. In order to compensate us for the expenses incurred to procure the business the reinsurers pay ceding commission to us. Net commission is the total commission paid by us for its direct and reinsurance inward business less the commission we have received from reinsurers for the ceded business. Commission ratio defined as the ratio of net commission to net written premium is a metric used to analyze the expenses incurred in this regard. We also procure a significant amount of business directly from customers. No commission is paid in such cases.

Net commission paid to intermediaries decreased by 5.72% from ₹ 14,129.29 million in Fiscal 2016 to ₹ 13,320.41 million in Fiscal 2017. Commission represented 8.81% of our net written premium in Fiscal 2016 compared to 7.12% in Fiscal 2017.

The following table sets forth certain information on commission ratio across our principal business segments in the periods indicated:

Segment	Fiscal 2016	Fiscal 2017
	Commission Ratio	Commission Ratio
	(%)	(%)

Segment	Fiscal 2016	Fiscal 2017
	Commission Ratio	Commission Ratio
	(%)	(%)
Fire	17.48%	16.56%
Marine Cargo	15.52%	13.74%
Marine Hull	0.10%	1.16%
Marine Total	11.39%	12.13%
Motor OD	11.98%	11.38%
Motor TP	-0.09%	-0.10%
Motor Total	6.49%	5.53%
Crop	9.85%	-6.55%
Health	6.84%	5.52%
Others		
Liability	16.45%	14.80%
Personal Accident	13.31%	8.55%
Aviation	4.55%	9.30%
Engineering	4.33%	4.05%
Miscellaneous Others	14.60%	12.77%
Total	8.81%	7.12%

This decrease was primarily driven by higher proportion of business being procured directly from customers without intermediaries. Our Company's direct business as a percentage of total gross direct premium increased from 25.87% in Fiscal 2016 to 31.09% in Fiscal 2017. In addition, we received a higher amount of commission with respect to our reinsurance business. Our ceding commission increased from ₹ 3,186.92 million in Fiscal 2016 to ₹ 4,304.13 million in Fiscal 2017, an increase of 35.06%.

Operating Expenses related to Insurance Business (Revenue Account)

Operating expenses related to insurance business mainly comprise of employees remuneration and welfare benefits, rent rates and taxes, foreign exchange loss, incentives to agents and advertisement and publicity expenses. Operating expenses related to insurance business increased by 7.37% from ₹ 35,551.97 million in Fiscal 2016 to ₹ 38,171.78 million in Fiscal 2017, primarily due to increased volume of business and inflation. Our expense ratio, which is the ratio of operating expenses to net written premium represented as a percentage, decreased from 22.18% in Fiscal 2016 to 20.40% in Fiscal 2017, with the increase of net written premium, as a significant proportion of our costs are fixed in nature. The fixed nature of expenses helps us to leverage the economies of scale as we are able to grow at a rate much faster than the rate of growth of expenses. Our Company's business per employee increased from ₹ 10.24 million in Fiscal 2016 to ₹ 13.19 million in Fiscal 2017. Our operating expense ratio was 20.40% in Fiscal 2017, the lowest among the top 10 multi-product insurers in India *(Source: CRISIL Report).*

Others (Revenue Account)

Our other expenses primarily comprise of foreign taxes and amortization, write off, provisions – investments. Foreign taxes include taxes paid on account of our foreign operations. This increased from ₹ 5.10 million in Fiscal 2016 to ₹ 5.62 million in Fiscal 2017, an increase by 10.17%

Amortization, write off, provisions – investments include amortization provisions for thinly traded shares, provision for doubtful debts arising out of investments, and provisions for diminution in value of investments. This increased from ₹ 31.68 million in Fiscal 2016 to ₹ 53.98 million in Fiscal 2017, an increase of 70.36%.

Operating Profit/ Loss

As a result of the above our operating loss increased by 68.98% from ₹ 5,334.25 million in Fiscal 2016 to ₹ 9,013.74 million in Fiscal 2017.

Profit on Sale/ Redemption of Investments (Profit and Loss Account)

Profit on sale/redemption of investments increased by 27.39% from ₹ 5,463.66 million in Fiscal 2016 to ₹ 6,960.00 million in Fiscal 2017. The increase was attributable to a general increase in equity markets during the period which enabled our Company to realize gains on its equity portfolio.

Interest, Dividend and Rent (Profit and Loss Account)

The interest/ dividend/ rent income marginally decreased by 2.11% from ₹ 9,808.03 million in Fiscal 2016 to ₹ 9,601.37 million in Fiscal 2017. This was primarily due to lower yield in Fiscal 2017 compared to Fiscal 2016 accompanied by a higher ratio of policyholder funds to shareholder funds based on which the investment income is apportioned.

Other Income (Profit and Loss Account)

Other income increased by 180.67% from ₹ 778.16 million in Fiscal 2016 to ₹ 2,184.06 million in Fiscal 2017, primarily due to a significant increase in interest on refund of income tax from ₹ 303.20 million in Fiscal 2016 to ₹ 1,325.92 million in Fiscal 2017 accompanied by an increase in miscellaneous receipts such as write-back of credit balances outstanding for more than three years as per applicable accounting policy.

Other Expenses and Provisions (Other than Taxation)

Other expenses decreased by 37.32% from ₹ 261.22 million in Fiscal 2016 to ₹ 163.73 million in Fiscal 2017, primarily due to a decrease in provision for doubtful debts.

Profit

As a result of the above our profit before tax decreased from ₹ 10,454.37 million in Fiscal 2016 to ₹ 9,567.96 million in Fiscal 2017, a decrease of 8.48%. As the effective tax rate increased from 11.01% in Fiscal 2016 to 12.22% in Fiscal 2017, our profit after tax decreased from ₹ 9,303.54 million in Fiscal 2016 to ₹ 8,398.60 million in Fiscal 2017, a decrease of 9.73%.

FISCAL 2016 COMPARED TO FISCAL 2015

Revenue Account

The Revenue Accounts primarily represent the net earned premium, profit (loss) on sale or redemption of investments, investment income, commissions paid and operating expenses related to the insurance business across our product segments.

Particulars	**Fiscal 2015**	**Fiscal 2016**
	(₹ million)	
Income:		
Premium Earned (Net)	133,538.02	152,150.22
Profit (Loss) on Sale or Redemption of Investments (Policy Holders)	9,002.38	8,792.78
Others	0.00	0.00
Interest, Dividend and Rent (Gross)	14,570.43	15,784.27
Total	157,110.83	176,727.27
Expenses:		

Particulars	Fiscal 2015	Fiscal 2016
	(₹ million)	
Claims Incurred (Net)	112,619.95	132,343.47
Commission	12,878.74	14,129.29
Operating Expenses Related to Insurance Business	31,038.46	35,551.97
Others - Foreign Taxes	8.45	5.10
Amortization, Write off, Provisions - Investments	61.28	31.68
Total	156,606.89	182,061.52
Operating Profit/ (Loss)	**503.94**	**(5,334.25)**
Appropriations		
Transfer to Share Holders Account (Profit and Loss Account)	(503.94)	5,334.25
Transfer to Catastrophic Reserves	0.00	0.00
Transfer to Other Reserves	0.00	0.00

Profit and Loss Account

The following table sets forth information relating to our profit and loss account in the periods indicated:

Particulars	Fiscal 2015	Fiscal 2016
	(₹ million)	
1. Operating Profit / (Loss)	503.94	(5,334.25)
2. Income from Investments		
a. Interest Dividend and Rent (Gross) – Shareholders	9,196.88	9,808.03
b. Profit on Sale of Investment – Shareholders	5,682.31	5,463.66
Less: Loss on Sale of Investment – Shareholders	-	-
Other Income	1,749.95	778.16
Total	**17,133.09**	**10,715.59**
4. Provisions (Other Than Taxation)		
a. Others - Amortisation Provision For Thinly Traded Shares – Shareholders	31.65	35.64
b. For Doubtful Debts – Investments (Shareholders)	13.36	(18.99)
c. For Doubtful Debts - Operations	-	240.17
d. For Diminution In Value Of Investments (Shareholders)	(6.34)	3.04
5. Other Expenses (Other Than Those Related To Insurance Business)		
a. Others - Interest On Income/Service Tax	33.81	6.92
b. (Profit)/Loss On Sale Of Assets	11.85	(7.56)
c. Penalty	-	2.00
Total	**84.34**	**261.22**
Profit Before Tax	**17,048.75**	**10,454.37**
Provision For Taxation - Current Tax	3,311.70	1,666.24
Deferred Tax	(55.83)	(515.41)
Wealth Tax	19.64	-
Profit After Tax	**13,773.23**	**9,303.54**
Profit attributable to Minority Interest	39.00	18.65
Add : Share of Profit/(Loss) in Associate Enterprises	346.51	290.59

Gross Written Premium

Our gross written premium increased from ₹ 169,865.98 million in Fiscal 2015 to ₹ 192,272.64 million in Fiscal 2016, an increase of 13.19%.

The following table sets forth our gross written premium in Fiscal 2016 and 2015 across our product segments:

Segment	**Fiscal 2015**		**Fiscal 2016**	
	Gross Written Premium	**Percentage of Gross Written Premium**	**Gross Written Premium**	**Percentage of Gross Written Premium**
	(₹ million)	**(%)**	**(₹ million)**	**(%)**
Fire	33,023.85	19.44%	34,637.12	18.01%
Marine Cargo	4,092.41	2.41%	4,066.70	2.12%
Marine Hull	4,680.05	2.76%	3,362.40	1.75%
Marine Total	8,772.46	5.16%	7,429.11	3.86%
Motor OD	35,907.56	21.14%	41,379.96	21.52%
Motor TP	29,649.40	17.45%	35,145.29	18.28%
Motor Total	65,556.96	38.59%	76,525.25	39.80%
Crop	666.62	0.39%	523.40	0.27%
Health	40,177.17	23.65%	49,613.32	25.80%
Others	-		-	
Liability	4,265.24	2.51%	4,547.20	2.36%
Personal Accident	2,272.87	1.34%	2,461.82	1.28%
Aviation	1,738.55	1.02%	1,894.16	0.99%
Engineering	5,807.34	3.42%	6,485.89	3.37%
Miscellaneous Other	7,584.92	4.47%	8,155.38	4.24%
Total	**169,865.98**	**100.00%**	**192,272.64**	**100.00%**

The 13.19% increase in gross written premium was primarily driven by an increase of 23.49% in the gross written premium collected from policies issued under our health insurance business, which increased from ₹ 40,177.17 million in Fiscal 2015 to ₹ 49,613.32 million in Fiscal 2016. This is primarily attributable to the overall growth in the health insurance industry resulting from increased health insurance penetration in India. We benefited from these growth trends across all our three sub-segments – retail, group health and government business. While agents were partly responsible for the increase in the retail segment, new corporate clients and price revision on renewals contributed to the increase in group health segment.

We also recorded an increase of 16.73% in gross written premium collected from our motor insurance business, primarily due to premium corrections in motor third party premiums implemented by the IRDAI which increased the segment premium by 18.54% from ₹ 29,649.4 million in Fiscal 2015 to ₹ 35,145.29 million in Fiscal 2016. Gross written premium collected from our motor own damage insurance products increased by 15.24%, from ₹ 35,907.56 million in Fiscal 2015 to ₹ 41,379.96 million in Fiscal 2016 resulting from an increase in new vehicle sales, sale of add-on covers that increased the per policy premium and new dealer tie ups that we entered into during Fiscal 2016, compared to Fiscal 2015. In addition, we increased the number of agents engaged in this insurance segment which was also partly responsible for the increase in gross written premium from this segment.

There was also a marginal increase of 4.89% in the gross written premium collected from our fire insurance business, from ₹ 33,023.85 million in Fiscal 2015 to ₹ 34,637.12 million in Fiscal 2016, due to reduced level of investments in the economy and muted economic growth.

Our engineering insurance business also increased by 11.68% from ₹ 5,807.34 million in Fiscal 2016 to ₹ 6,485.89 million in Fiscal 2017, resulting from new projects from our large customers.

Similarly, our miscellaneous other insurance products, which primarily includes rural insurance, credit insurance , traditional business and non-traditional business, among others, increased by 7.52% from ₹ 7,584.92 million in Fiscal 2016 to ₹ 8,155.38 million in Fiscal 2017, resulting from acquisition of new customers.

These increases were offset in part by a decrease in the gross written premium from our marine insurance products which declined by 15.31%, from ₹ 8,772.46 million in Fiscal 2015 to ₹ 7,429.11 million in Fiscal 2016, primarily due to a decrease in the offshore and energy segment, owing to a reduction of crude oil prices leading to reduced marine activity.

Reinsurance Ceded

Our retention ratio in our fire, marine hull, aviation and engineering lines of business in Fiscal 2016 was 62.07%, 33.47%, 38.88% and 51.98% compared to retention ratio of 61.14%, 36.48%, 28.69% and 59.58% in Fiscal 2015. Our retention ratio in low claim volatility and predictable lines of business such as motor and health was 92.51% and 94.03%, respectively, in Fiscal 2016 compared to retention ratio of 92.73% and 95.04% in Fiscal 2015.

The following table sets forth information on certain segment wise ceded premium in the periods indicated:

Segment	Fiscal 2015		Fiscal 2016	
	Premium Ceded	Percentage of Premium Ceded	Premium Ceded	Percentage of Premium Ceded
	(₹ million)	(%)	(₹ million)	(%)
Fire	12,832.66	43.78%	13,136.21	41.08%
Marine Cargo	832.73	2.84%	988.87	3.09%
Marine Hull	2,972.55	10.14%	2,237.00	7.00%
Marine Total	3,805.28	12.98%	3,225.88	10.09%
Motor OD	1,950.35	6.65%	2,754.79	8.61%
Motor TP	2,816.49	9.61%	2,979.54	9.32%
Motor Total	4,766.84	16.26%	5,734.33	17.93%
Crop	0.00	0.00%	0.01	0.00%
Health	1,991.20	6.79%	2,963.00	9.27%
Others	-	-	-	-
Liability	491.07	1.68%	629.82	1.97%
Personal Accident	178.91	0.61%	245.32	0.77%
Aviation	1,239.67	4.23%	1,157.68	3.62%
Engineering	2,347.59	8.01%	3,114.58	9.74%
Miscellaneous Other	1,659.85	5.66%	1,771.88	5.54%
Total	**29,313.07**	**100.00%**	**31,978.72**	**100.00%**

Net Written Premium

Net written premium increased from ₹ 140,552.91 million in Fiscal 2015 to ₹ 160,293.93 million in Fiscal 2016, an increase of 14.05%.

The following table sets forth our net written premium in Fiscal 2015 and 2016 across our product segments:

Segment	Fiscal 2015		Fiscal 2016	
	Net Written Premium	Percentage of Net Written Premium	Net Written Premium	Percentage of Net Written Premium
	(₹ million)	(%)	(₹ million)	(%)
Fire	20,191.20	14.37%	21,500.91	13.41%
Marine Cargo	3,259.68	2.32%	3,077.83	1.92%
Marine Hull	1,707.50	1.21%	1,125.40	0.70%
Marine Total	**4,967.18**	3.53%	**4,203.23**	2.62%
Motor OD	33,957.21	24.16%	38,625.16	24.10%
Motor TP	26,832.91	19.09%	32,165.75	20.07%
Motor Total	**60,790.12**	43.25%	**70,790.92**	44.16%
Crop	666.62	0.47%	523.39	0.33%
Health	38,185.97	27.17%	46,650.32	29.10%
Others	-	-	-	-
Liability	3,774.16	2.69%	3,917.38	2.44%
Personal Accident	2,093.96	1.49%	2,216.50	1.38%
Aviation	498.88	0.35%	736.48	0.46%
Engineering	3,459.75	2.46%	3,371.31	2.10%
Miscellaneous Other	5,925.07	4.22%	6,383.50	3.98%
Total	**140,552.91**	**100.00%**	**160,293.93**	**100.00%**

Net Earned Premium (Revenue Account)

Our net earned premium increased from ₹ 133,538.02 million to ₹ 152,150.22 million, an increase of 13.94%.

Net earned premium for various segments is given below:

Segment	Fiscal 2015		Fiscal 2016	
	Net Earned Premium	Percentage of Net Earned Premium	Net Earned Premium	Percentage of Net Earned Premium
	(₹ million)	(%)	(₹ million)	(%)
Fire	**19,419.07**	14.54%	**20,643.54**	13.57%
Marine Cargo	3,359.97	2.52%	3,048.68	2.00%
Marine Hull	1,326.35	0.99%	1,638.04	1.08%
Total Marine	4,686.33	3.51%	4,686.73	3.08%
Motor OD	32,733.33	24.51%	36,235.35	23.82%
Motor TP	24,494.17	18.34%	29,041.79	19.09%
Total Motor	57,227.51	42.85%	65,277.14	42.90%
Crop	666.62	0.50%	523.39	0.34%
Health	35,490.36	26.58%	44,308.48	29.12%
Others	-	-		0.00%
Liability	3,626.85	2.72%	3,825.43	2.51%
Personal Accident	1,993.97	1.49%	2,259.10	1.48%
Aviation	562.24	0.42%	720.12	0.47%
Engineering	3,550.52	2.66%	3,444.22	2.26%
Miscellaneous Other	6,314.56	4.73%	6,462.08	4.25%
Total	**133,538.02**	**100.00%**	**152,150.22**	**100.00%**

Profit on sale/ redemption of investments (Revenue Account)

Profit on sale/ redemption of investments decreased by 2.33% from ₹ 9,002.38 million in Fiscal 2015 to ₹ 8,792.78 million in Fiscal 2016. The decrease was attributable to subdued performance of equity markets, which comprised 53.20% of our investment portfolio as of March 31, 2016, as a result of which our realized gains were lower compared to that in Fiscal 2015.

Interest, dividend and rent (Revenue Account)

Our interest/ dividend/ rent income increased by 8.33% from ₹ 14,570.43 million to ₹ 15,784.27 million, primarily due to an increase in operations leading to increase in the investment assets.

Net Claims Incurred (Revenue Account)

The net claims incurred increased by 17.51% from ₹ 112,619.95 million in Fiscal 2015 to ₹ 132,343.47 million in Fiscal 2016, primarily due to increase in business volume.

The following table provides our net claims incurred across our various product segments:

Segment	Fiscal 2015		Fiscal 2016	
	Net Claims Incurred	Percentage of Net Claims Incurred	Net Claims Incurred	Percentage of Net Claims Incurred
	(₹ million)	(%)	(₹ million)	(%)
Fire	14,654.21	13.01%	14,931.09	11.28%
Marine Cargo	2,032.91	1.81%	2,091.05	1.58%
Marine Hull	1,317.20	1.17%	778.06	0.59%
Marine Total	3,350.12	2.97%	2,869.11	2.17%
Motor OD	22,126.08	19.65%	28,355.16	21.43%
Motor TP	27,797.91	24.68%	25,194.89	19.04%
Motor Total	49,923.99	44.33%	53,550.05	40.46%
Crop	-	-	1,081.91	0.82%
Health	35,280.42	31.33%	49,374.28	37.31%
Other	-	-	-	-
Liability	1,624.98	1.44%	1,525.10	1.15%
Personal Accident	1,166.40	1.04%	1,785.40	1.35%
Aviation	731.23	0.65%	760.48	0.57%
Engineering	1,274.74	1.13%	2,536.05	1.92%
Miscellaneous Other	4,613.88	4.10%	3,930.01	2.97%
Total	**112,619.95**	**100.00%**	**132,343.47**	**100.00%**

We recorded an ICR of 84.34% in Fiscal 2015 compared to 86.98% in Fiscal 2016.

The following table provides information relating to out ICR for various segments in the periods indicated:

Segment	Fiscal 2015	Fiscal 2016
	(%)	(%)
Fire	75.46%	72.33%
Marine Cargo	60.50%	68.59%
Marine Hull	99.31%	47.50%
Marine Total	71.49%	61.22%
Motor OD	67.59%	78.25%
Motor TP	113.49%	86.75%

Segment	Fiscal 2015	Fiscal 2016
	(%)	(%)
Motor Total	87.24%	82.03%
Crop	0.00%	206.71%
Health	99.41%	111.43%
Other		
Liability	44.80%	39.87%
Personal Accident	58.50%	79.03%
Aviation	130.06%	105.60%
Engineering	35.90%	73.63%
Miscellaneous Others	73.07%	60.82%
Total	84.34%	86.98%

The increase in ICR was primarily driven by our health insurance business where the ICR increased from 99.41% in Fiscal 2015 to 111.43% in Fiscal 2016 primarily due to high ICR in our government health insurance segment and group health insurance segment.

Motor own damage ICR increased from 67.59% in Fiscal 2015 to 78.25% in Fiscal 2016 due to pricing pressure and poor claims experience in some of the add-on covers. The motor third party ICR decreased from 113.49% in Fiscal 2015 to 86.75% in Fiscal 2016 primarily due to an increase in premium.

Marine segment ICR improved due to a good year for the marine hull segment which did not witness any large loss. The ICR for the other segments on an overall basis remained healthy at 63.05%.

Commission (Revenue Account)

Net commission paid to intermediaries increased by 9.71% from ₹ 12,878.74 million to ₹ 14,129.29 million, primarily due to increase in business volume. Commission represented 9.16% of our net written premium in Fiscal 2015 compared to 8.81% in Fiscal 2016. This increase was primarily driven by higher proportion of direct business and higher commission on ceded business.

Our Company's direct business as a percentage of total gross direct premium increased from 23.96% in Fiscal 2015 to 25.87% in Fiscal 2016. In addition, we received a higher amount of commission with respect to our reinsurance business. Our ceding commission increased from ₹ 2,584.64 million in Fiscal 2015 to ₹ 3,186.92 million in Fiscal 2016, an increase of 23.30%.

The following table sets forth certain information on commission paid across our principal business segments in the periods indicated:

Segment	Fiscal 2015	Fiscal 2016
	Commission Ratio	Commission Ratio
	(%)	(%)
Fire	19.53%	17.48%
Marine Cargo	14.84%	15.52%
Marine Hull	-3.41%	0.10%
Marine Total	8.57%	11.39%
Motor OD	11.27%	11.98%
Motor TP	-0.09%	-0.09%
Motor Total	6.25%	6.49%
Crop	8.30%	9.85%

Segment	Fiscal 2015	Fiscal 2016
Health	7.18%	6.84%
Others	-	-
Liability	16.24%	16.45%
Personal Accident	12.66%	13.31%
Aviation	6.00%	4.55%
Engineering	3.70%	4.33%
Miscellaneous Others	14.76%	14.60%
Total	9.16%	8.81%

The decrease in commission ratio was primarily driven by the health segment where the ratio decreased from 7.18% in Fiscal 2015 to 6.84% in Fiscal 2016 as the group business which has a lower commission rate grew faster than the retail segment augmented by a lower commission ratio in the fire segment where the commission ratio fell from 19.53% in Fiscal 2015 to 17.84% in Fiscal 2016.

Operating Expenses related to Insurance Business (Revenue Account)

Operating expenses related to insurance business increased by 14.54% from ₹ 31,038.46 million in Fiscal 2015 to ₹ 35,551.97 million in Fiscal 2016, primarily due to increased volume of business and inflation. Our expense ratio therefore increased slightly from 22.08% in Fiscal 2015 to 22.18% in Fiscal 2016. In Fiscal 2016 we had to make significant payments and provisions related to wage revision which increased the expenses significantly. This led to a slight increase in expense ratio which was contrary to the usual decreasing trend due to benefits of economies of scale.

Others (Revenue Account)

Our other expenses primarily comprise of foreign taxes and amortization, write off, provisions – investments. Foreign Taxes includes taxes paid on account of our foreign operations. This decreased from ₹ 8.45 million in Fiscal 2015 to ₹ 5.10 million in Fiscal 2016, a decrease by 39.64%.

Amortization, write off, provisions – investments includes amortization provisions for thinly traded shares, provision for doubtful debts arising out of investments, and provisions for diminution in value of investments. This decreased from ₹ 61.28 million in Fiscal 2015 to ₹ 31.68 million in Fiscal 2016, a decrease by 48.29%.

Operating Profit/ Loss

As a result of the above, we experienced an operating loss of ₹ 5,334.25 million in Fiscal 2016 as against a profit of ₹ 503.94 million in Fiscal 2015.

Profit and Loss Account

Profit on Sale/ Redemption of Investments (Profit and Loss Account)

Profit on sale/ redemption of investments decreased by 3.85% from ₹ 5,682.31 million in Fiscal 2015 to ₹ 5,463.66 million in Fiscal 2016, primarily due to subdued equity markets as a result of which the realized gains were lower.

Interest, Dividend and Rent (Profit and Loss Account)

Our interest/ dividend/ rent income increased by 6.65% from ₹ 9,196.88 million in Fiscal 2015 to ₹ 9,808.03 million in Fiscal 2016, primarily driven by an increase in operations leading to increase in investment assets. This was partially offset by a higher ratio of policyholder funds to shareholder funds based on which our investment income is apportioned.

Other Income (Profit and Loss Account)

Other income decreased from ₹ 1,749.95 million in Fiscal 2015 to ₹ 778.16 million in Fiscal 2016, primarily due to a decrease in interest on refund of income tax from ₹ 1,486.42 million in Fiscal 2015 to ₹ 303.20 million in Fiscal 2016, partially offset by an increase in miscellaneous receipts such as write-back of credit balances pending for more than three years.

Other Expenses

Other expenses increased by 209.73% from ₹ 84.34 million in Fiscal 2015 to ₹ 261.22 million in Fiscal 2016, due to an increase in provisions for doubtful debts.

Profit

As a result of the above the profit before tax decreased from ₹ 17,048.75 million in Fiscal 2015 to ₹10,454.37 million in Fiscal 2016, a decrease of 38.68%. As the effective tax rate decreased from 19.21% in Fiscal 2015 to 11.01% in Fiscal 2016, our profit after tax decreased from ₹ 13,773.23 million in Fiscal 2015 to ₹ 9,303.54 million in Fiscal 2016, a decrease of 32.45%.

FINANCIAL POSITION

As of March 31, 2017, our net worth was ₹ 125,964.48 million. Our net worth increased by 4.46% to ₹ 125,964.48 million as of March 31, 2017 from ₹ 120,587.67 million as of March 31, 2016. Our net worth increased by 3.34% to ₹ 120,587.67 million as of March 31, 2016 from ₹ 116,692.76 million as of March 31, 2015.

The following table sets forth, at the dates indicated, our balance sheet, which is based on our financial statements set forth in "*Financial Information*":

Particulars	As of March 31,		
	2015	2016	2017
	(₹ million)		
A. Sources of Funds			
Share Capital	2,000.00	2,000.00	2,000.00
Reserves and Surplus	114,692.76	122,945.43	126,177.88
Fair Value Change Account	228,388.05	190,933.61	237,016.37
Borrowings	-	-	-
Minority Interest	329.34	459.30	474.00
Total	**345,410.14**	**316,338.34**	**365,668.25**
B. Application of Funds			
Investments	453,646.81	449,717.50	519,306.76
Loans	3,568.42	3,267.29	3,080.33
Fixed Assets	3,024.56	3,653.12	4,294.54
Deferred Tax Assets	1,661.42	2,171.53	2,197.49
Current Assets			
Cash and Bank Balances	84,456.75	72,162.25	81,257.28
Advances and Other Assets	83,247.62	108,736.35	90,357.38
	167,704.38	**180,898.60**	**171,614.67**
Current Liabilities	200,042.46	239,486.42	238,346.76
Provisions	84,152.98	88,241.05	98,692.18

Particulars	As of March 31,		
	2015	2016	2017
	(₹ million)		
	284,195.44	**327,727.47**	**337,038.95**
Net Current Assets	**(116,491.07)**	**(146,828.87)**	**(165,424.28)**
Miscellaneous Expenditure (to the extent not written off or adjusted)	-	4,357.76	2,213.40
Total	**345,410.14**	**316,338.34**	**365,668.25**

Assets

Our total assets comprise investments, loans, fixed assets, deferred tax assets and current assets such as cash and bank balances and advances. Our total assets increased marginally by 1.60% from ₹ 629,605.59 million as of March 31, 2015 to ₹ 639,708.05 million as of March 31, 2016. While we had an increase in assets backing higher technical reserves created by increased business volume, this was offset by a decline in equity markets leading to a decrease in the market value of our equity portfolio. Value of our investments therefore decreased by 0.87% from ₹ 453,646.81 million as of March 31, 2015 to ₹ 449,717.50 million as of March 31, 2016.

Total assets increased by 9.50% from ₹ 639,708.05 million as of March 31, 2016 to ₹ 700,493.79 million as of March 31, 2017, primarily due to increase in volume of business leading to an increase in assets backing technical reserves and a general increase in equity markets leading to an increase in market value of equity portfolio.

Investments

Investment assets comprise of assets backing technical reserves and those deployed from the shareholder funds. We manage the assets together and bifurcation between shareholders and policyholders is done on a notional basis. Consequently the entire investment corpus is subject to IRDAI investment regulations which have specifications about the limits on the proportion of corpus that can be deployed in various asset classes. We have a conservative investment policy wherein investment is generally made in highly rated debt and blue chip stocks.

Investments marginally decreased by 0.87% from ₹ 453,646.81 million as of March 31, 2015 to ₹ 449,717.50 million as of March 31, 2016. While the non-equity portfolio increased by 13.70% from ₹ 185,116.04 million as of March 31, 2015 to ₹ 210,481.17 million as of March 31, 2016, this was offset by fall in market value of equity portfolio from ₹ 268,530.78 million as of March 31, 2015 to ₹ 239,236.33 million as of March 31, 2016, a decrease of 10.91%.

Investments increased by 15.47% from ₹ 449,717.50 million as of March 31, 2016 to ₹ 519,306.76 million as of March 31, 2017. This was driven by an increase of 20.15% in equity portfolio from ₹ 239,236.33 million as of March 31, 2016 to ₹ 287,450.05 million as of March 31, 2017. The non-equity portfolio increased by10.16% from ₹ 210,481.17 million as of March 31, 2016 to ₹ 231,856.72 million as of March 31, 2017, due to increase in investments along with growth in business accompanied by increase in market value of equity portfolio due to favorable stock market performance during Fiscal 2017.

The investment portfolio over last three years is given below:

Long term investments	As of March 31,		
	2015	2016	2017
	(₹ million)		
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	96,978.90	110,320.02	122,787.89
2. Other Approved Securities	43.82	-	-

Long term investments	As of March 31,		
	2015	2016	2017
	(₹ million)		
3. Other Investments	-	-	-
(a) Shares	-	-	-
aa Equity	265,314.24	236,151.99	270,455.33
bb Preference	8.23	3.28	1.95
(b) Mutual funds/ ETF	637.75	517.94	994.76
(c) Derivative Instruments	-	-	-
(d) Debentures/Bonds	21,115.92	22,470.08	25,537.82
(e) Other securities - Foreign shares	3,649.19	3,880.79	4,031.35
(f) Subsidiaries	-	-	-
(g) Investment Properties (Real Estate)	-	-	-
4. Investment in Infrastructure, Housing and Social Sector	44,062.23	49,002.23	50,356.43
5. Other than Approved Investments :			
Debenture/Bonds	962.63	2,136.73	3,311.96
Infrastructure/Housing Bonds	-	-	216.66
Equity Shares	3,216.54	3,084.34	16,994.72
Preference Shares	7.55	10.30	11.63
Venture Funds	154.78	170.19	202.09
Sub Total	**436,151.76**	**427,747.89**	**494,902.59**
Short Term Investments			
1. Government Securities and Government Guaranteed Bonds including Treasury Bills	5,209.65	10,777.86	8,028.57
2. Other Approved Securities	-	-	-
3. Other Investments	-	-	-
(a) Shares	-	-	-
aa Equity	-	-	-
bb Preference	-	-	-
(b) Mutual funds/ ETF	-	-	-
(c) Derivative Instruments	-	-	-
(d) Debentures/Bonds	3,422.55	2,057.28	5,507.60
(e) Other Securities	-	-	-
(f) Subsidiaries	-	-	-
(g) Investment Properties (Real Estate)	-	-	-
4. Investment in infrastructure and Social Sector	8,470.24	8,902.37	10,665.40
5. Other than Approved Investments :			
Debenture/Bonds	392.62	232.11	202.59
Sub Total	**17,495.06**	**21,969.61**	**24,404.17**
Total	**453,646.82**	**449,717.50**	**519,306.76**

Net Current Liabilities

We collect premiums in advance, and payout claims at a later period of time in the event of a claim. This usually results in liabilities towards the policyholder created in the form of claims outstanding under current liabilities and unexpired risk reserves under provisions. This generally results in the creation of negative net current assets or net current liabilities as a part of operations, in situations when our business volume is increasing. The rate of increase or decrease depends on many factors including claim settlement pattern during the year, net balances pending with other entities carrying insurance/ reinsurance business, net balances in inter-office accounts and movement from cash to investments.

Our net current liabilities accordingly increased from ₹ 116,491.07 million as of March 31, 2015 to ₹ 146,828.87 million as of March 31, 2016, an increase of 26.04%. We also recorded an increase in our net current liabilities from ₹ 146,828.87 million of March 2016, 2015 to ₹ 165,424.28 million as of March 31, 2017, an increase of 12.66%.

Net Worth

Our total net worth including fair value change account was ₹ 362,980.85 million as of March 31, 2017, recording an increase of 16.52% over ₹ 311,521.28 million as of March 31, 2016. Our net worth including fair value change account was ₹ 311,521.28 million as of March 31, 2016, recording a decrease of 9.73% over our net worth of ₹ 345,080.80 million as of March 31, 2015.

Fair Value Change Account

The fair value change account comprises the difference between the market value and book value of our investments.

We recorded a decrease of 16.40% in our fair value change account from ₹ 228,388.05 million as of March 31, 2015 to ₹ 190,933.61 million as of March 31, 2016, while there was an increase of 24.14% to ₹ 237,016.37 million in Fiscal 2017. The sharp movement in the fair value change account is primarily due to changes in the market value of our equity portfolio.

Reserves and Surplus

Our reserves and surplus increased by 7.20% from ₹ 114,692.76 million as of March 31, 2015 to ₹ 122,945.43 million as of March 31, 2016, and further increased by 2.63% from ₹ 122,945.43 million as of March 31, 2016 to ₹ 126,177.88 million as of March 31, 2017, primarily due to profitable operations of our Company.

LIQUIDITY AND CAPITAL RESOURCES

The following table sets forth, for the periods indicated, a summary of our cash flows:

Receipts and Payments Accounts	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**
	(₹ million)		
Net cash generated from/(used in) operating activities	8,474.80	(16,052.50)	(1,235.58)
Net cash generated from/(used in) investing activities	(11,243.24)	5,524.44	17,929.13
Net cash generated from/(used in) financing activities	(2,084.25)	(3,655.65)	(3,054.96)

Cash Flows from / (used in) Operating Activities

Net cash used in operating activities in decreased by 92.30% in Fiscal 2017 to ₹ 1,235.58 million, primarily due to premiums collected net of payments to reinsurers increasing by 15.08% with major cash outflows like claims paid increasing by only 12.47%.

Net cash generated from operating activities was ₹ 8,474.80 million in Fiscal 2015 while net cash used in operating activities was ₹16,052.50 million in Fiscal 2016. This decrease was primarily due to higher payments pertaining to claims and higher operating expenses due to payment of wage arrears.

Cash Flows from / (used in) Investing Activities

Net cash from investing activities increased by 224.54% to ₹ 17,929.13 million in Fiscal 2017. This increase was primarily due to a deployment of funds in fixed deposits and collateralized borrowing and lending obligation, which are classified as cash and cash equivalents for the purpose of preparation of accounts but are part of assets available for investments. Our cash and bank balances during the period had increased from ₹ 72,162.25 million in Fiscal 2016 to ₹ 81,257.28 million in Fiscal 2017.

Net cash used in investing activities was ₹ 11,243.24 million in Fiscal 2015 and net cash generated from investing activities was ₹ 5,524.44 million in Fiscal 2016. This increase was primarily due to surplus generated from investment activities.

Cash Flows from / (used in) Financing Activities

Net cash used in financing activities decreased marginally by 16.43% from ₹ 3,655.65 million in Fiscal 2016 to ₹ 3,054.96 million in Fiscal 2017. This decrease was due to a decrease in dividends paid during the year.

Net cash used in financing activities was ₹ 2,084.25 million in Fiscal 2015, which increased by 75.39% to ₹ 3,655.65 million in Fiscal 2016. This decrease was due to an increase in dividends paid during the year.

KEY PERFORMANCE INDICATORS

In evaluating our business, we consider and use non-GAAP financial measures and key performance indicators that are presented below, as supplemental measures to review and assess our operating performance. The presentation of these non-GAAP financial measures and key performance indicators is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with Indian GAAP. We present these non-GAAP financial measures and key performance indicators because they are used by our management to evaluate our operating performance and formulate business plans.

These non-GAAP financial measures are not defined under Indian GAAP and are not presented in accordance with Indian GAAP. The non-GAAP financial measures and key performance indicators have limitations as analytical tools. Further, these non-GAAP financial measures and key performance indicators may differ from the similar information used by other companies, including peer companies, and therefore their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to profit before tax, surplus before tax, net earned premiums, gross earned premiums or any other measure of performance or as an indicator of our operating performance, liquidity or profitability or results of operations.

The following table sets forth our key performance indicators for the periods indicated:

(₹ million, except ratios)

Particulars	**Fiscal 2015**	**Fiscal 2016**	**Fiscal 2017**
Investments	453,646.81	449,717.50	519,306.76
Cash and bank balances	84,456.75	72,162.25	81,257.28
Total investment assets	**538,103.57**	**521,879.75**	**600,564.04**
Networth	116,692.76	120,587.67	125,964.48
Networth (including fair value change account)	345,080.80	311,521.28	362,980.85
Investment Income	38,452.01	39,848.73	45,349.81
ICR	84.34%	86.98%	92.22%
Commission ratio	9.16%	8.81%	7.12%
Expense ratio	22.08%	22.18%	20.40%
Profit after tax	13,773.23	9,303.54	8,398.60
Policyholder liabilities	221,591.47	242,923.55	268,369.38
Net Written Premium	140,552.91	160,293.93	187,146.46
Key Performance Indicators			
Investment leverage	4.61	4.33	4.77
Insurance leverage	0.64	0.78	0.74

Particulars	Fiscal 2015	Fiscal 2016	Fiscal 2017
Premium to surplus ratio	0.41	0.51	0.52
Yield on average investments	7.79%	7.52%	8.08%
Combined ratio	115.58%	117.98%	119.74%
Adjusted combined ratio	98.81%	102.64%	104.35%
Solvency ratio	2.52	2.46	2.22
Return on average equity	12.32%	7.84%	6.81%

Investment Leverage

Investment leverage is the ratio of total investment assets, cash and cash equivalents net of borrowings to our networth. We believe that this ratio is a reliable measure of the ability of an insurance company to generate investment income. Our investment leverage was steady at 4.61, 4.33 and 4.77 for Fiscal 2015, Fiscal 2016 and Fiscal 2017, respectively.

Insurance Leverage

Insurance leverage is defined as the ratio of technical reserves and borrowings to the net worth of the company and provides an indication of how conservatively the company is financed. The technical reserves comprise unexpired risk reserves and claim outstanding. Our insurance leverage was 0.64, 0.78 and 0.74 for Fiscal 2015, Fiscal 2016 and Fiscal 2017, respectively, indicating that we have been conservatively financed.

Premium to Surplus Ratio

The general insurance industry is subject to significant volatility in claims and hence there is a need to be conservatively financed. Premium to surplus ratio, defined as the ratio of net written premium to shareholder’s equity, provides an indication of capital available to support the business written. Our premium to surplus ratio was 0.41, 0.51 and 0.52 for Fiscal 2015, Fiscal 2016 and Fiscal 2017, respectively, and conservative by insurance industry standards.

Yield on Average Investments

The yield on average investments is an indication of efficacy and level of conservative investment operations and is defined as the ratio of investment income to the average investments and cash in the company during the fiscal period. Our yield on average investments was 7.79%, 7.52% and 8.08% for Fiscal 2015, 2016 and 2017, respectively. We follow a conservative investment philosophy with investment in high grade bonds, bank fixed deposits and highly rated equities. We have been prudent in realizing gains on equity investments as is evident from our yield on average investment information.

Combined Ratio

Combined ratio is the sum of loss ratio and expense ratio and commission ratio. The combined ratio is a measure of the profitability of an insurance company’s underwriting business. A ratio below 100.00% usually indicates that the insurance company generates a margin in its insurance operations, while a ratio above 100.00% usually indicates that insurance company is paying out more money in claims and operating expenses than it is receiving from premiums.

Our combined ratio increased from 117.98% in Fiscal 2016 to 119.74% in Fiscal 2017 as a result of the increase in the incurred claim ratio, in part offset by a decrease in expense ratio and commission ratio. Our combined ratio increased from 115.58% in Fiscal 2015 to 117.98% in Fiscal 2016, primarily due to the increase in incurred claim ratio during Fiscal 2016.

Combined ratio is an important metric that provides an indication regarding the operational profitability of the company. We are pursuing various measures to reduce our combined ratio and increase profitability, including the following:

- *Fire Insurance*

Small/medium risks in the fire insurance business generally prone to higher claims. Since the reinsurance protection is relatively lower in this segment the exposure on the net account is higher. We have strengthened our underwriting and risk inspection in this segment, and have recruited risk engineers for such purpose.

- *Motor Insurance*

Our motor (third party) business involves a high claim ratio. IRDAI has been implementing price increases every year which to an extent offsets the losses. We are also introducing various mechanisms for faster claims settlement through Lok Adalats and encouraging conciliatory settlements. Since we are not allowed to discount the claims payable in the future, faster claims settlement is expected to improve the underwriting profitability.

In the motor (own damage) business, we intend to introduce certain restrictive conditions on the high claim prone enhanced covers and introduce certain new add-on covers that are expected to increase per policy premium and profitability. Regions prone to higher incurred claim ratios are being monitored more closely by senior management and corrective actions are being taken. We have also recruited automobile engineers who are involved in surprise checks, review of survey reports and other claim monitoring initiatives. We also intend to discontinue business with dealers who have high incurred claim ratios.

- *Crop Insurance*

In volatile lines such as crop insurance we are adopting a reinsurance driven strategy wherein the retention on our net account is low. We intend to continue with this strategy going forward.

- *Health Insurance*

We have initiated measures to strategically implement price correction for products where incurred claim ratio is high. Our health insurance business segment is a large segment where incurred claim ratio is relatively high. The health insurance business comprises retail health, group health and government health schemes. We received approval from the IRDAI to increase the price of our flagship retail schemes – New India Mediclaim policy and the New India Floater policy on March 9, 2017 and July 14, 2017 respectively. Such price increases are typically implemented once in three years. Such proposed price increase is expected to reduce the incurred claim ratio in our health insurance business.

Group health policy prices are generally increasing across the industry, and we intend to strategically reduce the premium contribution from this segment and increase our focus on the retail segment. We continue to maintain strong relationships with various corporate groups to whom we provide such cover and certain of these corporate customers have engaged with us in our efforts to run fraud analytics on reported claims. We also intend to introduce various restrictions such as co-payment clauses which typically impact propensity to bring claims.

For government health schemes and other mass schemes, profitability is particularly dependent on successful implementation of claim control mechanisms. For certain large schemes we have commenced working closely with reinsurers who also provide advanced analytical support to monitor claims. We also do not intend to renew certain loss making government health schemes in certain States.

We have recruited medical doctors to monitor large claims and they are also being involved in product design. We plan to launch a few innovative health covers in the near future following receipt of relevant approval from the IRDAI. We intend to increasingly use the services of our strategic investee Health India TPA Limited, promoted by four public sector general insurers, including us. We believe that they will be able to monitor claims in a better manner while improving customer support standards.

- *Other Miscellaneous Insurance*

We continue to focus on increasing the contribution of other miscellaneous segments where claim experience has been better. Some of the miscellaneous products are more suitable for sales through the bancassurance channel and our recent bancassurance arrangements with three large public sector banks is expected to enable us to increase sales of these products. We also intend to modify certain of our existing products to make them more attractive and also introduce several innovative products in this segment.

Adjusted Combined Ratio

Adjusted combined ratio is calculated as combined ratio less the ratio of policyholder share of investment income to net written premium. We believe that, in the Indian context, combined ratio may not be the most accurate indicator of the underlying business profitability as the yield on investments in India is reasonably high and assets backing the technical reserves earn investment income. We have accordingly also included information on our adjusted combined ratio, which we believe is a more accurate performance indicator depicting the operational profitability of a company.

Our adjusted combined ratio for Fiscals 2015, 2016 and 2017 was 98.81%, 102.64% and 104.35% respectively.

Commission Ratio

Our strong digital business initiatives are expected to increase the contribution of direct business to our overall portfolio. Since direct business involve no commission payouts these initiatives are expected to improve our commission ratio. Reinsurance commissions are a function of the state of the reinsurance market and quality of business ceded. The various measures discussed above are expected to improve the incurred claim ratio which in turn is expected to ensure better terms from reinsurers, thereby improving our commission ratio.

Solvency Ratio

The solvency ratio is a regulatory measure of capital adequacy, calculated by dividing available solvency margin by required solvency margin, each as calculated in accordance with the IRDAI Asset Liability and Solvency Margin Regulations 2016. The IRDAI has set a control level solvency ratio of at least 1.50. A fall in solvency ratio below 1.50 would lead to regulatory intervention.

Our solvency ratio decreased from 2.52 as of March 31, 2015 to 2.46 as of March 31, 2016 and further decreased to 2.22 as of March 31, 2017, primarily as a result of increase in the volume of business. The required solvency margin is proportional to the premium income and an increase in volume of business led to higher required solvency margin thereby reducing the solvency ratio. The solvency margin calculation under applicable IRDAI regulations exclude the fair value change reserve. If the fair value change reserve were to be included, our solvency margin would have been 6.89.

Return on Average Equity

Return on average equity is the ratio of profit after tax, to the average net worth of a company. It is a measure of the ability of a company to generate profits on its shareholders' investments.

Our return on equity decreased from 12.32% in Fiscal 2015 to 7.84% in Fiscal 2016. This decrease was primarily due to the decrease in profit after tax from ₹ 13,773.23 million in Fiscal 2015 to ₹ 9,303.54 million in Fiscal 2016. Our return on equity decreased from 7.84% in Fiscal 2016 to 6.81% in Fiscal 2017. This decrease was primarily due to lower profit after tax of ₹ 8,398.60 million in Fiscal 2017 compared to ₹ 9,303.54 million in Fiscal 2016.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known commitments as of March 31, 2017, aggregated by type of contractual obligation:

Particulars	**As of March 31, 2017**				
	Payment due by period				
	Total	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
	(₹ million)				
Operating lease obligations	89.6	23.2	27.3	8.5	30.6
Capital commitments	181.03	181.03	-	-	-
Purchase obligations	387.5	387.5	-	-	-
Other long-term liabilities	-	-	-	-	-
Total Contractual Obligations	658.13	591.73	1,249.86	8.5	30.6

CONTINGENT LIABILITIES AND OTHER OFF-BALANCE SHEET ARRANGEMENTS

The following table sets forth certain information relating to our contingent liabilities, as of March 31, 2017:

Particulars	**As of March 31, 2017**
	(₹ million)
Contingent Liabilities	
Partly paid-up investments	468.87
Underwriting commitments outstanding (in respect of shares and securities)	-
Claims, other than those under policies, not acknowledged as debts by our Company	83.53
Guarantees given by or on behalf of our Company	17.09
Statutory demands or liabilities in dispute, not provided for	26,773.42
Reinsurance obligations to the extent not provided for in accounts	-
Others (matters under litigation) to the extent ascertainable	474.79
Tax and other liabilities Venture Fund	154.04
Total	27,971.75
Commitments	
Commitment made and outstanding for Loans Investments and Fixed Assets	1,321.20
Total	1,321.20

Statutory demands or liabilities in dispute amounting to ₹ 26,773.42 million primarily comprise of liabilities in dispute with the Income Tax department. These pertain to disputes in respect of profit on sale of investments and other exemptions from tax liability. Based on the decisions of the appellate authorities and the interpretations of the relevant provisions, the management is of the opinion that the outcome will be favourable and hence these amounts are shown as contingent liability.

For details, see "*Financial Information*" on page 227. Except as disclosed in our restated audited financial statements or elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business including sale and purchase of goods from Subsidiaries and Associates, remuneration paid to key management personnel, *etc*. For further information relating to our related party transactions, see "*Related Party Transactions*" on page 225.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during the last five fiscal years, except for those set forth below.

Accounting Convention

Our Company's financial statements for Fiscal 2015, 2016 and 2017 have been drawn up in accordance with the provisions of IRDAI Financial Statements Regulations and the master circulars issued in the context of preparation of the financial statements, and the provisions of the Companies Act, 2013. The statements have been prepared on historical cost convention and on accrual basis, and comply with accounting standards specified under Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and conform to practices prevailing in the general insurance industry except as otherwise stated.

For Fiscal 2013 and 2014, our Company's financial statements were drawn up in accordance with the provisions of Section 11 (1) of the Insurance Act, 1938, and the regulations framed under the Insurance Regulatory and Development Authority Act, 1999, read with the provisions of sub-sections (1), (2) and (5) of Section 211, and sub-section (5) of Section 227 of the Companies Act, 1956. The statements were prepared on historical cost convention and on accrual basis, in compliance with accounting standards referred in Section 211 (3C) of the Companies Act, 1956, and IRDAI Financial Statements Regulations (to the extent applicable) and conformed to practices prevailing in the general insurance industry except as otherwise stated.

Reserve for Unexpired Reserves

Unearned premium reserve for Fiscal 2017 was computed in accordance with the guidelines issued by IRDAI as under:

a) Marine Hull: 100% of the net written premium during the preceding 12 months;

b) Other segments:

- in respect of domestic business: on the basis of 1/365th method on the unexpired period of respective policies; and
- in respect of foreign business, 50% of the net premium in respect of all business other than marine hull.

For Fiscal 2015 and 2016, reserve for unexpired risk was made as per the provisions of the Insurance Act, 1938 at 50% of net premium in respect of fire, marine cargo and miscellaneous business and 100% in respect of marine hull business.

For Fiscal 2013 and 2014, reserve for unexpired risk was made on the amount representing that part of the net premium written attributable to, and to be allocated to the succeeding accounting periods, subject to minimum at 100% of net premium for marine business and 50% of net premium for other classes of business.

Reinsurance Accepted

With respect to the financial statements for Fiscals 2015, 2016 and 2017, reinsurance returns have been incorporated for the advices received up to the date of finalisation of accounts or on estimation basis.

In Fiscal 2013 and 2014, reinsurance returns were incorporated for the advices received up to the date of finalisation of accounts and on estimation basis wherever advices were not received.

Reinsurance Ceded

With respect to the financial statements for Fiscal 2017, 2016, 2015 reinsurance cessions were accounted for on the basis of actuals or on estimation basis.

Until Fiscal 2013, 2014 reinsurance cessions were accounted for on the basis of actuals or estimates wherever actuals were not available.

Premium Deficiency

In Fiscal 2016 and 2017, premium deficiency was calculated where the sum of expected claims costs, related expenses and maintenance costs exceeded the related unearned premium. Premium deficiency is recognized as per IRDA guidelines and forms part of unexpired risk reserves.

In Fiscals 2014 and 2015, deficiency was recognized only to the extent of excess of unearned premium plus premium deficiency so calculated over the unexpired risk reserves at certain percentages. Premium deficiency was recognized for our Company as a whole on an annual basis as per IRDA guidelines and formed part of unexpired risk reserves.

In Fiscal 2013 deficiency was recognised, only to the extent of excess of unearned premium plus premium deficiency so calculated over the un-expired risk reserves at certain percentages. For the purpose of recognition of premium deficiency only three major segments, *i.e.*, fire, marine and miscellaneous were considered as directed by IRDA guidelines and premium deficiency formed part of the unexpired risk reserves.

Incurred Claims

Fiscal 2015, 2016 and 2017

Claims were recognized as and when reported. Claims paid (net of recoveries including salvages retained by the insured, includes interest paid towards claims and all expenses directly incurred in relation to their assessment) were charged to respective revenue accounts.

Claims outstanding at the year-end were provided for based on survey reports, information provided by clients and other sources, past experience and applicable laws and included:

- In respect of direct business, claim intimations received up to the year-end.
- In respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalisation of accounts or on estimation basis
- Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER), as determined by the Appointed Actuary, in accordance with accepted actuarial practice, requirements under the IRDA Financial Statements Regulations and the master circulars issued in the context of preparation of financial statements and stipulations of the Institute of Actuaries of India.

All the outstanding claims for direct business were provided net of estimated salvage (if any).

In respect of motor third party claims where court summons have been served on our Company without adequate policy particulars to establish liability of our Company, provision was made as under:

- 100% of the estimated liability, where such claims have been outstanding for more than one year.

- 1/3rd of the estimated liability, for all such claims for which court summons have been served on our Company during the relevant year.

Interest on motor accident claims tribunal (MACT) claims was provided based on the prevailing trends in the motor third party claim awards.

Fiscal 2013 and 2014

Claims were recognized as and when reported. Claims paid (net of recoveries including salvages retained by the insured, includes interest paid towards claims and all expenses directly incurred in relation to their assessment) were charged to respective revenue accounts.

Claims outstanding at the year-end were provided based on survey reports, information provided by clients and other sources, past experience and applicable laws and included:

- In respect of direct business, claim intimations received up to the year-end.
- In respect of reinsurance accepted, advices received as of different dates of subsequent year up to the date of finalisation of accounts and on estimation basis where advices were advises are not received.
- Provision for claims incurred but not reported (IBNR) and provision for claims incurred but not enough reported (IBNER), as determined by the Appointed Actuary, in accordance with accepted actuarial practice, requirement of Insurance Act 1938, applicable IRDA regulations and stipulations of the Institute of Actuaries of India.

All the outstanding claims for direct business were provided net of estimated salvage (if any).

In respect of motor third party claims where court summons had been served on our Company without adequate policy particulars to establish liability of our Company, provision was made as under:

- 100% of the estimated liability, where such claims had been outstanding for more than one year;
- 1/3rd of the estimated liability, for all such claims for which court summons have been served on the Company during the year.

Interest on motor accident claims tribunal (MACT) claims was provided based on the prevailing trends in the motor third party claim awards.

Depreciation

In Fiscal 2015, 2016 and 2017, depreciation on fixed assets was charged on straight line method as per the useful life prescribed under Schedule II of the Companies Act 2013 and the residual value of the asset shall was ₹ 1. Lease hold properties were amortised over the lease period.

In Fiscal 2013 and 2014 depreciation on fixed assets was charged on the written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956. However, where corresponding rates were higher under the Income Tax Rules, 1962, the same were adopted. In case of leasehold properties amortisation was made over the leased period.

Depreciation was provided at 50% of the applicable rates as above on additions made to fixed assets, which were put into use for less than six months. No depreciation was provided on assets sold/ discarded/ destroyed during the relevant year.

Employee Benefits

Fiscal 2016 and 2017

Employee benefits comprised of both defined contributions and defined benefit plans.

Provident fund is a defined contribution plan. Our Company's contribution towards provident fund is charged to the profit and loss account and revenue accounts as applicable. Our Company had no further obligation beyond the periodic contributions.

Pension, gratuity and leave encashment are defined benefit plans. Our Company has incorporated a pension trust and gratuity trust. Our Company's liability towards pension, gratuity and leave encashment is accounted for on the basis of an actuarial valuation done at the year end and was charged to revenue accounts and profit and loss account as applicable except in case of pension for the employee who joined from April 1, 2010 which was a defined contribution plan wherein contribution towards pension fund is charged to the profit and loss account and revenue accounts as applicable. Further, our Company has no further obligation beyond the periodic contributions.

All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees.

Fiscal 2013, 2014 and 2015

Employee benefits comprised both defined contributions and defined benefit plans.

Provident fund is a defined contribution plan. Our Company's contribution towards provident fund was charged to the profit and loss account and revenue accounts as applicable. Further, we have no further obligation beyond the periodic contributions.

Pension, gratuity and leave encashment are defined benefit plans. Our Company has incorporated a pension trust and gratuity trust. Our Company's liability towards pension, gratuity and leave encashment is accounted for on the basis of an actuarial valuation done at the year end and is charged to revenue accounts and profit and loss account as applicable except in case of pension for the employee who joined from January 1, 2004 which is defined contribution plan wherein contribution towards pension fund is charged to the profit and loss account and revenue accounts as applicable. Further, our Company has no further obligation beyond the periodic contributions.

All short term employee benefits are accounted on undiscounted basis during the accounting period based on service rendered by the employees.

Expenses of Management

In Fiscal 2017, expenses of management including provision for bad and doubtful debts and exchange gain/ loss, were apportioned to the revenue accounts on the basis of net premium.

In Fiscal 2013, 2014, 2015 and 2016, expenses of management including provision for bad and doubtful debts and exchange gain/loss, were apportioned to the revenue accounts on the basis of gross direct premium plus reinsurances accepted giving weightage of 75% for marine business and 100% each for fire and miscellaneous business.

Segregation of Policyholders and Shareholders Funds

In Fiscal 2017, investment assets included policyholders as well as shareholders. Investment assets were bifurcated at the end of each quarter between shareholders and policyholders at 'fund' level on notional basis in accordance with IRDAI guidelines.

In Fiscal 2015 and 2016, investment assets included policyholders as well as shareholders. Investment assets were not segregated between shareholders and policyholders at 'scrip' level, due to practical difficulties. Investments were 'allocated' to the policyholders' funds to the extent of technical reserves and to shareholders funds to the extent of share capital and reserves and surplus.

In Fiscal 2014, investment assets included policyholders as well as shareholders. Investment assets were not segregated between shareholders and policyholders at ‘scrip’ level, due to practical difficulties. Investments were ‘allocated’ to the policyholders' funds to the extent of technical reserves and to shareholders funds to the extent of share capital, general reserves, capital reserves and foreign currency translation reserve.

Loans and Investments

Cost of Investments

For Fiscal 2017, the cost of investments included premium on acquisition, brokerage, transfer stamps, transfer charges, securities transaction tax and was net of incentive/ fee if any, received thereon.

For Fiscal 2013, 2014, 2015 and 2016, the cost of investments included premium on acquisition, brokerage, transfer stamps, transfer charges and was net of incentive/ fee if any, received thereon.

Dividend and Interest Income

In Fiscal 2015, 2016 and 2017, dividend and interest income were accounted for as follows:

- Dividend income (other than interim dividend) was accounted for as income in the year of declaration.
- Dividend on shares/interest on debentures under objection/ pending delivery was accounted for on realization.
- Interim dividend was accounted for where the amount is received/ credited in the account of our Company up to 31 March.
- Dividend on foreign investments was accounted on gross basis.
- Interest income was recognized on accrual basis on time proportion except income on non-performing assets was recognized on realization.
- Amount received towards compensation for future loss of interest was recognized as income only to the extent attributable to the accounting year and balance was kept in interest received in advance account for apportionment in the relevant year.

In Fiscal 2013 and 2014, dividend and interest income were accounted for as follows:

- Dividend income (other than interim dividend) was accounted for as income in the year of declaration.
- Dividend on shares/interest on debentures under objection/ pending delivery was accounted for on realization.
- Interim dividend was accounted for where the amount is received/ credited in the account of our Company up to 31 March.
- Dividend on foreign investments was accounted for net of withholding tax.
- Interest income was recognized on accrual basis on time proportion except income on non-performing assets which was recognized on realization.
- Amount received towards compensation for future loss of interest was recognized as income only to the extent attributable to the accounting year and balance was kept in interest received in advance account for apportionment in the relevant year.

Asset Classification, Income Recognition and Provisioning

In Fiscal 2016 and 2017, our Company followed the prudential norms prescribed by the IRDA as regards asset classification, recognition of income and provisioning pertaining to loans/ advances/ debentures.

In Fiscal 2013, 2014 and 2015, our Company followed the prudential norms prescribed by the IRDA as regards asset classification, recognition of income and provisioning pertaining to loans/ advances.

Investments in Mutual Funds and Venture Funds

In Fiscal 2015, 2016 and 2017, investments in mutual funds were valued at Net Asset Value (NAV) as of the balance sheet date and the difference between cost/ book value and NAV was accounted in fair value change account. In case of non-availability of latest NAV as of the balance sheet date, investment was shown at cost.

Investments in venture funds were valued at cost. If there was a reduction in NAV, the same was charged to revenue and book value of investments was reduced accordingly. Any appreciation in NAV to the extent of loss earlier recognized was taken to revenue. Wherever NAV as of the balance sheet date was not available, latest available NAV was considered.

In Fiscal 2013 and 2014, investments in mutual funds/ venture funds were valued at NAV at the year-end and the difference between cost/ book value and NAV was accounted in fair value change account. However, if there was a reduction in NAV in case of venture fund, the same was charged to revenue and the book value of investment was reduced accordingly. Any appreciation in NAV to the extent of loss earlier recognized was taken to revenue. In case of non-availability of NAV as of the balance sheet date, investment was shown at cost.

Investment Portfolio

Fiscal 2015, 2016 and 2017

- In accordance with IRDA/F&I/INV/CIR213/10/2013 dated October 30, 2013 for 'Valuation of Equity Portfolio', NSE is considered as the primary stock exchange, and the BSE as the secondary stock exchange.

  Investment portfolio in respect of equity/ equity related instruments was segregated into actively traded and thinly traded as prescribed by applicable IRDA regulations. The shares were treated as actively traded or thinly traded by taking into consideration total traded transactions in the month of March on NSE and BSE.

- Actively traded equity/ equity related instruments were valued at the closing price at NSE or if the scrip was not traded at NSE, the scrip was valued at the closing price at BSE. The difference between weighted average cost and quoted value is accounted in fair value change account

Exchange traded funds were valued as applicable to equity portfolio. The difference between the weighted average cost and the quoted value was accounted in fair value change account.

- Investments in equity shares of companies outside India were valued at the last quoted price at the stock exchange of the respective country.

Fiscal 2014

- Investment portfolio in respect of equity/ equity related instruments was segregated into actively traded and thinly traded as prescribed by applicable IRDA regulations. The shares were treated as actively traded or thinly traded by taking into consideration total traded transactions in the month of March on NSE and BSE.

- Actively traded equity/ equity related instruments were valued at the closing price at NSE or if the scrip was not traded at NSE, the scrip was valued at the closing price at BSE. The difference between weighted average cost and quoted value was accounted in fair value change account

Exchange traded funds were valued as applicable to equity portfolio. The difference between the weighted average cost and the quoted value was accounted in fair value change account.

Fiscal 2013

Investment portfolio in respect of equity/ equity related instruments was segregated into actively traded and thinly traded as prescribed by applicable IRDA regulations. The shares were treated as thinly traded by taking into consideration transactions in the month of March on NSE or any other stock exchange if the figures were not available on NSE.

Actively traded equity/ equity related instruments were valued at lowest of the last quoted closing price in March at NSE, or if the scrip was not traded at NSE the scrip was valued at the lowest closing rate in March in any other stock exchange. The difference between weighted average cost and quoted value was accounted in fair value change account.

AUDITOR OBSERVATIONS

Our statutory auditors have made certain audit qualifications and other observations and drawn attention to certain matters of emphasis in the relevant audit reports to our audited standalone and consolidated financial statements in the last five fiscal years, as indicated below:.

Fiscal 2017

Audited Consolidated Financial Statements

Audit Qualifications and Other Observations

(i) In case of subsidiary companies, where the accounts were made and maintained in accordance with IFRS as required under the local laws of the respective country, during the process of consolidation, accounting adjustments had been made to align the accounts of the respective company to conform to the accounting polices followed by our Company, however, there were material differences in respect of certain items as stated in the significant accounting policies, proportion of these items to which different accounting policies had been applied, was not ascertained.

    Management Response. Accounts of subsidiaries are merged with our Company on a line by line basis as required by applicable regulations. Various liabilities and obligations of subsidiaries reflected in their financial statements have been incorporated in our consolidated financial statements providing a true and fair representation of our consolidated financial statements.

(ii) Consolidation of accounts of subsidiaries and one associate were prepared on a calendar year basis and combined as such, thereby intra-group *balances* had not been eliminated in full as required under the provisions of AS-21 on consolidated financial statements issued by the ICAI. The precise impact of this was not ascertained.

    Management Response. Our subsidiaries and associates prepare accounts based on local regulatory requirements and as per provisions of AS-21 that permit a gap of six months in the subsidiary and holding companies to be consolidated. There were no material changes in the accounts of subsidiaries requiring adjustments during the quarter ended March 31, 2017.

(iii) Balances due to/ from persons or bodies carrying on insurance business including reinsurers and balances of inter-office accounts, control accounts, few bank accounts, certain loans and other accounts at certain offices have been pending for reconciliation/ confirmation and consequential adjustments.

Management Response. During Fiscal 2017 we made significant progress in the reconciliation of coinsurance accounts and continue to be committed to finalizing pending items during Fiscal 2018. Reinsurance balances are long standing accounts and are running balances for which confirmations are obtained on regular basis and not as a year-end exercise. Substantial progress has been made in settlement of coinsurance balances and a majority of pending balances has been adjusted. Inter-office accounts reconciliation is being carried out on a continuous basis. In our opinion, there has been no significant impact on revenue. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on a continuous basis.

(iv) Overall impact and the consequential effects on the consolidated revenue accounts, consolidated profit and loss account and the assets, liabilities and reserves and surplus as stated in the consolidated balance sheet as at March 31, 2017 was not ascertainable.

Management Response. We believe that the impact of pending reconciliation/ confirmation will not be material.

Matters of Emphasis

(i) Regarding recognition of Reserve for Unexpired Risk by 1/365 method as per the approval of IRDAI in case of domestic business while the implementation of systems and procedures to compute the same in case of foreign business in accordance with 1/365 method is pending and systems in case of domestic business are being strengthened.

Management Response. We are in the process of developing systems for calculating Unexpired Risk Reserve under 1/365 method for foreign business.

(ii) Regarding pending compliance of IRDAI regulations in respect of segment disclosure of public and product liability of foreign business and netting of provisions in case of loans.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iii) Regarding deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision to the extent of ₹ 1,674.90 million and ₹ 434.90 million, respectively and pension liability of ₹ 103.62 million towards extended pension scheme, pursuant to the deferment permitted by the IRDAI.

Management Response. The deferment has been done as per the relevant IRDA approval.

(iv) Our internal control systems, especially in area of data input and validation in software, including internal audit, require strengthening.

Management Response. We will further improve / strengthen our internal control systems as suggested by the auditors.

Audited Standalone Financial Statements

Audit Qualifications and Other Observations

Balances due to/ from persons or bodies carrying on insurance business including reinsurers and balances of inter-office accounts, control accounts, few bank accounts, certain loans and other accounts at certain offices have been pending for reconciliation/ confirmation and consequential adjustments. The overall impact and the consequential effects on revenue accounts, profit and loss account and reserve and surplus as on March 31, 2017 were not ascertainable.

Management Response. During Fiscal 2017 we made significant progress in the reconciliation of coinsurance accounts and continue to be committed to finalizing pending items during Fiscal 2018. Reinsurance balances are long standing accounts and are running balances for which confirmations are obtained on regular basis and not as a year-end exercise. Substantial progress has been made in settlement of coinsurance balances and a majority of pending balances has been adjusted. Inter-office accounts reconciliation is being carried out on a continuous basis. In our opinion, there has been no significant impact on revenue. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on a continuous basis.

Matters of Emphasis

(i) Regarding recognition of Reserve for Unexpired Risk by 1/365 method as per the approval of IRDAI in case of domestic business while the implementation of systems and procedures to compute the same in case of foreign business in accordance with 1/365 method is pending and systems in case of domestic business are being strengthened.

Management Response. We are in the process of developing systems for calculating Unexpired Risk Reserve under 1/365 method for foreign business.

(ii) Regarding pending compliance of IRDAI regulations in respect of segment disclosure of public and product liability of foreign business and netting of provisions in case of loans.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iii) Regarding deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision to the extent of ₹ 1,674.90 million and ₹ 434.90 million, respectively and pension liability of ₹ 103.62 million towards extended pension scheme, pursuant to the deferment permitted by the IRDAI.

Management Response. The deferment has been done as per the relevant IRDA approval.

(iv) Our internal control systems, especially in area of data input and validation in software, including internal audit, require strengthening.

Management Response. We will further improve/ strengthen our internal control systems as suggested by auditors.

Fiscal 2016

Audited Consolidated Financial Statements

Audit Qualifications and Other Observations

(i) In case of subsidiary companies, where the accounts were made and maintained in accordance with IFRS as required under the local laws of the respective country, during the process of consolidation, accounting adjustments had been made to align the accounts of the company to conform to the accounting polices followed by our Company, however, there were material differences in respect of certain items as stated in the significant accounting policies, proportion of these items to which different accounting policies had been applied, was not ascertained.

Management Response. Accounts of subsidiaries are merged with our Company on a line by line basis as required by applicable regulations. Various liabilities and obligations of subsidiaries reflected in their financial statements have been incorporated in our consolidated financial statements providing a true and fair representation of our consolidated financial statements.

(ii) Consolidation of accounts of subsidiaries and one associate were prepared on a calendar year basis and combined as such, thereby intra group balances had not been eliminated in full as required under the provisions of AS-21 on consolidated financial statements issued by the ICAI. The precise impact of this was not ascertained.

Management Response. Our subsidiaries and associates prepare accounts based on local regulatory requirements and as per provisions of AS-21 that permits gap of six months in the subsidiary and holding companies to be consolidated. There were no material changes in the accounts of subsidiaries requiring adjustments during the quarter ended March 31, 2016.

(iii) The audited accounts of one of the Subsidiary, The New India Assurance Co. (Sierra Leone) Limited, Free Town, Sierra Leone, which was stated to be under audit, was not received and considered for the purpose of the consolidated financial statements. The impact arising out of the consolidation of unaudited accounts pending receipt of audited accounts was not ascertained.

Management Response. The New India Assurance Company (Sierra Leone) is a run off subsidiary and there were no transactions relating to its core activities during the relevant fiscal period. Entries relating to bank charges, interest, auditor’s fees, etc., were considered in the consolidated accounts. The audited financial statements were subsequently received and there was no change in figures from the unaudited accounts.

(iv) In view of non-availability of balance confirmations of some loans and investments the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Confirmations are sought on a regular basis and few state governments, although have not disputed, had not confirmed such dues. With regard to the term loan accounts, which have been restructured, reconciliation of balances had been done and suitable modifications carried out. There was no material impact on the relevant financial statements.

(v) Balances due to/ from persons or bodies carrying on insurance business and balances of inter-office accounts, control accounts, reinsurance accounts, certain bank accounts and other accounts at certain offices have been pending for reconciliation/ confirmation and consequential adjustments, effect of which, if any, was not ascertainable and could not be commented upon.

Management Response. Reinsurance balances are long standing accounts and are running balances for which confirmations are usually obtained at regular intervals as and when settlement process takes place and not as a year-end exercise. Regular reconciliation meetings are held to confirm/ settle balances. Substantial progress has been made in this regard and a majority of pending balances has been adjusted. Inter-office accounts reconciliation is being carried out on a continuous basis. In our opinion, there has been no significant impact on revenue. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on continuous basis.

(vi) Due to inconsistencies involved in the migration of data as well as non-availability of original cost in case of assets at foreign branches, compliance of Schedule II to the Companies Act, 2013 was pending and the precise impact on the depreciation charged during the relevant fiscal year and profit/ loss on sale of asset as recognized in the financial statements was unascertained.

Management Response. We migrated asset balance to core and calculated depreciation through the system itself. In respect of foreign branches, original cost of majority of assets was available and for the balance assets original cost was ascertained. However, considering minimum number of assets in foreign branches, in our opinion the impact on account of difference in depreciation was not material.

(vii) The returns of foreign branches and agencies incorporated in the financial statements were prepared based on the accounting principles generally accepted at the respective locations/ countries. Compliance of generally accepted accounting principles in India was pending in respect of these foreign branches/ agencies in relation to the matters stated in the said note, effect of which was not ascertained. Further the auditors report in respect of foreign branches did not contain the information required to be stated in accordance with the provisions of SA 700/705 read with provisions of the Companies Act, 2013 and IRDAI Financial Statements Regulations. The precise impact of which was not ascertainable.

Management Response. The accounts of foreign branches and agencies were consolidated as per accounting policies and principles followed by the head office and therefore, there was no impact on accounts. We have ensured uniformity of audit reports during Fiscal 2017.

(viii) No provision had been made towards receivable from agent at Curacao Branch for an amount of ₹ 186.18 million, the auditor of the said branch had not been able to obtain sufficient evidence towards recoverability of the said dues and as such the precise impact arising out of the above was not quantifiable.

Management Response. ANG 712500 had already been received and the agency is in the process of collecting balance amount. We are following up on such collection.

(ix) Internal control systems required strengthening especially in area of data input and validation in various softwares and recording of intimated claims at the offices of our Company and with TPAs. The internal audit system also required strengthening in the areas of audit coverage and compliance.

Management Response. We continuously monitor data input and validation to ensure quality of input data which has improved over time. Apart from regular training to all employees, our Internal Audit Department is also focused on all high revenue earning/ outgo transactions and following-up on audit compliance.

Matters of Emphasis

(i) Regarding non-compliance of (i) IRDAI (Investment) Regulations, 2000 and (ii) IRDAI Financial Statements Regulations with respect to (a) disclosure requirement of provisions of loan and (b) age-wise details of unclaimed amounts of policyholders during the relevant fiscal year.

Management Response. We have complied with the requirements of (i) and (ii)(b) during Fiscal 2017 and are in the process of complying with (ii)(a) during Fiscal 2018.

(ii) Regarding deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision to the extent of ₹ 3,349.80 million and ₹ 869.80 million respectively and pension liability of ₹ 138.16 million towards extended pension scheme, pursuant to the deferment permitted by the IRDAI.

Management Response. We deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iv) Regarding penalty imposed by Competition Commission of India of ₹ 2,510.70 million which is being contested by us and in our opinion, our Company is hopeful of a favourable decision.

Management Response. We have paid ₹ 2.00 million as penalty in Fiscal 2017 as awarded by the tribunal. The case is in appeal before the Supreme Court of India by the CCI and a decision is awaited.

(v) Regarding recognition of Reserve for Unexpired Risk as per Insurance Act, 1938 while the implementation of systems and procedures to compute the same in accordance with 1/365 method was pending and as such the compliance of IRDAI guidelines in this regard was pending.

Management Response. We implemented 1/365 method for our domestic business during Fiscal 2017.

Audited Standalone Financial Statements

Audit Qualifications and Other Observations

(i) In view of non-availability of balance confirmations of some loans and investments, the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Confirmations are sought on a regular basis and few state governments although they have not confirmed, they have not disputed the dues. With respect to term loan accounts, which have been restructured, reconciliation of balances had been done and suitable modifications carried out. There was no material impact on the relevant financial statements.

(ii) Balances due to/ from persons or bodies carrying on insurance business and balances of inter-office accounts, control accounts, reinsurance accounts, co-insurance accounts, certain bank accounts and other accounts at certain offices had been pending for reconciliation/confirmation and consequential adjustments.

Management Response. Reinsurance balances are long standing accounts and are running balances for which are usually obtained at regular intervals as and when settlement process takes place and not as a year-end exercise. Regular reconciliation meetings are held to confirm/ settle balances. Substantial progress has been made in this regard and majority of pending balances has been adjusted. Inter-office accounts reconciliation is being undertaken on a continuous basis. In our opinion there was no significant impact on revenue. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on continuous basis.

(iii) Due to inconsistencies involved in the migration of data as well as non-availability of original cost in case of assets at foreign branches, compliance of schedule II to the Companies Act, 2013, was pending and the precise impact on the depreciation charged during the year and profit/ loss on sale of asset as recognized in the financial statements was unascertained.

Management Response. We migrated asset balance to core and have been calculating depreciation through the system itself. In respect of foreign branches, original cost of majority of assets was available and for the balance assets original cost has been ascertained. However, considering minimum number of assets in foreign branches, in our opinion the impact on account of difference in depreciation was not material.

(iv) The returns of foreign branches and agencies incorporated in the financial statements were prepared based on the accounting principles generally accepted at the respective locations/ countries. Compliance of generally accepted accounting principles in India was pending in respect of these foreign branches/

agencies in relation to the matters stated in the relevant note, effect of which had not been ascertained. Further the auditors' reports in respect of foreign branches had not been drawn in accordance with form and content as prescribed under SA 700/ 705 issued by the ICAI read with provisions of the Companies Act, 2013 and IRDAI Financial Statements Regulations, and the precise impact of this was not ascertainable.

Management Response. The accounts of foreign branches and agencies are consolidated as per accounting policies and principles followed by the head office and therefore, there was no impact on accounts. We have ensured uniformity of audit reports during Fiscal 2017.

(v) No provision had been made towards receivable from agent at Curacao Branch for an amount of ₹ 186.18 million, and the auditor of the said branch had not been able to obtain sufficient evidence towards recoverability of such dues and as such the precise impact arising therefrom was not quantifiable.

Management Response. ANG 712,500 had already been received and the agency was in the process of collecting balance amounts also. We are closely following up on such collection.

(vi) Internal control systems required strengthening specially in the area of data input and validation in various softwares and recording of intimated claims at our offices and with TPAs. The internal audit system also required strengthening in the areas of audit coverage and compliance.

Management Response. We have been continuously monitoring data input and validation to ensure quality of input data which has improved over time. Apart from regular training to all employees, our Internal Audit Department has also been focusing on all high revenue earning/ outgo transactions and following up on audit compliance.

Matters of Emphasis

(i) Regarding non-compliance of (i) IRDAI (Investment) Regulations, 2000 and (ii) IRDAI Financial Statements Regulations with respect to (a) disclosure requirement of provisions of loan and (b) age-wise details of unclaimed amounts of policyholders during the relevant fiscal year.

Management Response. We have complied with the requirements of (i) and (ii)(b) during Fiscal 2017 and are in the process of complying with (ii)(a) during Fiscal 2018.

(ii) Regarding deferment of expenditure relating to additional liability towards pension and gratuity on account of pay revision to the extent of ₹ 3,349.80 million and ₹ 869.80 million respectively and pension liability of ₹ 138.16 million towards extended pension scheme, pursuant to the deferment permitted by the IRDAI.

Management Response. We had deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iv) Regarding penalty imposed by Competition Commission of India of ₹ 2,510.70 million which is being contested by us and in our opinion, our Company is hopeful of favourable decision.

Management Response. We have paid ₹ 2.00 million as penalty in Fiscal 2017 as awarded by the tribunal. The case is in appeal before the Supreme Court of India by the CCI and a decision is awaited.

(v) Regarding recognition of Reserve for Unexpired Risk as per Insurance Act, 1938 while the implementation of systems and procedures to compute the same in accordance with 1/365 method was pending and as such the compliance of IRDAI guidelines in this regard was pending.

Management Response. We have implemented 1/365 method for our domestic business during Fiscal 2017.

Fiscal 2015

Audited Consolidated Financial Statements

Auditor Qualifications and Other Observations

(i) In case of subsidiary companies, where the accounts were made and maintained in accordance with IFRS as required under the local laws of the respective country, during the process of consolidation, accounting adjustments had been made to align the accounts of the company to conform to the accounting polices followed by our Company, however, there were material differences in respect of certain items as stated in the significant accounting policies, proportion of these items to which different accounting policies had been applied, was not ascertained.

Management Response. Accounts of subsidiaries are merged with our Company on a line by line basis as required by applicable regulations. Various liabilities and obligations of subsidiaries reflected in their financial statements have been incorporated in our consolidated financial statements providing a true and fair representation of our consolidated financial statements.

(ii) Consolidation of accounts of subsidiaries and one associate were prepared on a calendar year basis and combined as such, thereby intra-group balances had not been eliminated in full as required under the provisions of AS-21 on consolidated financial statements issued by the ICAI. The precise impact of this was not ascertained.

Management Response. Our subsidiaries and associates prepare accounts based on local regulatory requirements and as per provisions of AS-21 that permit a gap of six months in the subsidiary and holding companies to be consolidated. There were no material changes in the accounts of subsidiaries requiring adjustments during the quarter ended March 31, 2015.

(iii) In case of the subsidiary Prestige Assurance PLC, the financial information relating to the year ended March 31, 2015 required compliance with AS-21 on consolidated financial statements issued by ICAI for preparation of consolidated financial statement as provided by the management at the head office level as the same could not extracted from the audited accounts and schedules and other financial information.

Management Response. Trial balance of Prestige Assurance Plc prepared in accordance with IFRS / local laws was obtained and the adjustment was made at the head office to align with the accounting policy of our Company.

(iv) In view of non-availability of balance confirmations of some loans and investments, the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Confirmations are sought on a regular basis and few state governments, although have not confirmed, have not disputed the dues. With respect to term loan accounts, which have been restructured, reconciliation of balances had been done and suitable modifications carried out. In our opinion, there was no material impact on the financial statements.

(v) The historical/ weighted average cost of listed and unlisted equity/ equity related instruments/ preference shares, the value of which were impaired on or before March 31, 2000 was not available with us. As a result, the reversal of impairment losses recognized in profit and loss/ revenue account prior to April 1, 2000 had not been accounted for.

Management Response. In accordance with our internal guidelines, and also in accordance with guidelines issued by General Insurance Corporation of India, the then holding company of our Company, we had been working out impairment value in respect of equity and preference shares. The exercise had been carried out for more than 25 years before notification of the same by IRDA in Fiscal 2001. We did not have a practice of working out reversal of impairment loss recognized in earlier years and hence details of amounts impaired prior to March 31, 2000 were not available. This was clearly stated in our accounting policies.

(vi) Balances due to/ from persons or bodies carrying on insurance business and balances of inter office accounts, other premium collection control accounts, certain bank accounts and other accounts at certain offices were pending for reconciliation/ confirmation and consequential adjustments, effect of which, if any, was not ascertainable and could not be commented upon by our auditors.

Management Response. Reinsurance balances are long standing accounts and are running balances for which confirmations are usually obtained at regular intervals as and when settlement process takes place and not as a year-end exercise. Regular reconciliation meetings are held to confirm/ settle balances. Substantial progress has been made in this regard and majority of pending balances has been adjusted. Inter-office entries mainly pertain to inter-office transfer of fund and inter office transfer of balances. Inter-office accounts reconciliation is being carried out on a continuous basis. In our opinion, there was no significant impact on revenue. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on a continuous basis.

(vii) We had, during the year, changed useful lives of the assets to be in line with those specified under Schedule II to the Companies Act, 2013 and also changed the method of depreciation, however due to inconsistencies involved the migration of data as well as non-availability of original cost in case of assets at foreign branches, the precise impact on the depreciation charged during the relevant fiscal year and profit/ loss on sale of asset as recognized in the financial statements was not ascertained.

Management Response. We exercised control to ensure that the migrated balance (of each account code of asset) of each office match with the balance prior to migration in the old software and fine tuning was done. Regarding foreign offices, assets were few and accounted for properly in original currency at the respective office. The same was converted at the head office and depreciation charged as per the requirements under the Companies Act, 2013.

(viii) The returns of foreign branches and agencies incorporated in the financial statements dealt with by the report were compiled based on the accounting principles generally accepted at the respective locations/ countries. Compliance of generally accepted accounting principles in India was pending in respect of these foreign branches/ agencies, effect of which was not ascertained. Further, the auditors report in respect of foreign branches did not contain the information required to be stated in accordance with the provisions of the Companies Act, 2013 read with IRDAI Financial Statements Regulations.

Management Response. The audit report of most foreign branches confirm that the accounts have been drafted based on our significant accounting policies and also the account closing guidelines issued by head office that are as per the generally accepted accounting principles in India. Further any modification required to comply with the provisions of Companies Act, 2013 and IRDAI Financial Statements Regulations, was effected at the head office. Any pending report not mentioning on such confirmation is being attended to.

(ix) Internal control systems required strengthening specially in the area of data input and validation in various softwares and recording of intimated claims at our offices and with TPAs. The internal audit system also required strengthening in the areas of audit coverage and compliance.

Management Response. We have been continuously monitoring data input and validation to ensure quality of input data which has improved over time. Apart from regular training to all employees, our Internal Audit Department has also been focusing on all high revenue earning/ outgo transactions and following up on audit compliance.

(x) We had not allocated direct expenses amounting to ₹ 225.60 million related to investment income between shareholders fund and policyholders fund and the same was stated against policyholders fund which was not in accordance with the relevant IRDAI regulations. Disclosure towards indirect expenses of investment division relating to shareholders was also pending.

Management Response. The actual 'direct expenses' of investment income which had not been allocated was less than ₹ 30.00 million and did not materially impact the revenue or profit and loss account.

(xi) Overall impact of the above and the consequential effects on consolidated revenue accounts, consolidated profit and loss accounts and reserve and surplus as on March 31, 2015 was not ascertainable.

Management Response. We believe that there was no material impact.

Matters of Emphasis

(i) Regarding non-compliance of (i) IRDAI (Investment) Regulations, 2000 and (ii) IRDAI Financial Statements Regulations with respect to (a) direct method of cash flow and (b) age-wise details of unclaimed amounts of policyholders during the relevant fiscal year.

Management Response. We have complied with the requirements of (i) during Fiscal 2017 and with (ii)(a) during Fiscal 2015 in which we prepared cash flow in direct method and the pending reconciliation items did not have any material impact on the financial statements, and complied with (ii)(b) during Fiscal 2017.

(ii) Deferment of gratuity liability to the extent of ₹ 343.12 million, pursuant to the circular dated April 18, 2011 of IRDA to public sector insurance companies.

Management Response. We deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iv) Regarding recognition of Reserve for Unexpired Risk as per Insurance Act, 1938 while the implementation of systems and procedures to compute the same in accordance with 1/365 method was pending and as such the compliance of IRDAI guidelines in this regard was pending.

Management Response. We have implemented 1/365 method for our domestic business during Fiscal 2017.

Audited Standalone Financial Statements

Audit Qualifications and Other Observations

(i) In view of non-availability of balance confirmations of some loans and investments, the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Confirmations are sought on a regular basis and few state governments, although have not confirmed, have not disputed the dues. With respect to term loan accounts, which have been restructured, reconciliation of balances had been done and suitable modifications carried out. In our opinion, there was no material impact on the financial statements.

(ii) The historical/ weighted average cost of listed and unlisted equity/ equity related instruments/ preference shares, the value of which were impaired on or before March 31, 2000 was not available with us. As a result, the reversal of impairment losses recognized in profit and loss/ revenue account prior to April 1, 2000 had not been accounted for.

Management Response. In accordance with our internal guidelines, and also in accordance with guidelines issued by General Insurance Corporation of India, the then holding company of our Company, we had been working out impairment value in respect of equity and preference shares. The exercise had been carried out for more than 25 years before notification of the same by IRDA in Fiscal 2001. We did not have a practice of working out reversal of impairment loss recognized in earlier years and hence details of amounts impaired prior to March 31, 2000 were not available. This was clearly stated in our accounting policies.

(iii) Balances due to/ from persons or bodies carrying on insurance business and balances of inter office accounts, other premium collection control accounts, certain bank accounts and other accounts at certain offices were pending for reconciliation/ confirmation and consequential adjustments, effect of which, if any, was not ascertainable and could not be commented upon by our auditors.

Management Response. Reinsurance balances are long standing accounts and are running balances for which confirmations are usually obtained at regular intervals as and when settlement process takes place and not as a year-end exercise. Regular reconciliation meetings are held to confirm/ settle balances. Substantial progress has been made in this regard and majority of pending balances has been adjusted. Inter-office entries mainly pertain to inter-office transfer of fund and inter office transfer of balances. Inter-office accounts reconciliation is being carried out on a continuous basis. In our opinion, there was no significant impact on revenue. All bank accounts have been reconciled and few open items pending are also being attended to. Control accounts are being reconciled on a continuous basis.

(iv) We had, during the year, changed useful lives of the assets to be in line with those specified under Schedule II to the Companies Act, 2013 and also changed the method of depreciation, however due to inconsistencies involved the migration of data as well as non-availability of original cost in case of assets at foreign branches, the precise impact on the depreciation charged during the relevant fiscal year and profit/ loss on sale of asset as recognized in the financial statements was not ascertained.

Management Response. We exercised control to ensure that the migrated balance (of each account code of asset) of each office match with the balance prior to migration in the old software and fine tuning was done. Regarding foreign offices, assets were few and accounted for properly in original currency at the respective office. The same was converted at the head office and depreciation charged as per the requirements under the Companies Act, 2013.

(v) The returns of foreign branches and agencies incorporated in the financial statements dealt with by the report were compiled based on the accounting principles generally accepted at the respective locations/ countries. Compliance of generally accepted accounting principles in India was pending in respect of these foreign branches/ agencies, effect of which was not ascertained. Further, the auditors report in respect of foreign branches did not contain the information required to be stated in accordance with the provisions of the Companies Act, 2013 read with IRDAI Financial Statements Regulations.

Management Response. The audit report of most foreign branches confirm that the accounts have been drafted based on our significant accounting policies and also the account closing guidelines issued by head office that are as per the generally accepted accounting principles in India. Further any modification required to comply with the provisions of Companies Act, 2013 and IRDAI Financial Statements Regulations, was effected at the head office. Any pending report not mentioning on such confirmation is being attended to.

(vi) We had not allocated direct expenses amounting to ₹ 225.60 million related to investment income between shareholders fund and policyholders fund and the same was stated against policyholders fund which was not in accordance with the relevant IRDAI regulations. Disclosure towards indirect expenses of investment division relating to shareholders was also pending.

Management Response. The actual 'direct expenses' of investment income which had not been allocated was less than ₹ 30.00 million and did not materially impact the revenue or profit and loss account.

(vii) Overall impact of the above and the consequential effects on revenue accounts, profit and loss accounts and reserve and surplus as on March 31, 2015 was not ascertainable.

Management Response. We believe that there was no material impact.

Matters of Emphasis

(i) Regarding non-compliance of (i) IRDAI (Investment) Regulations, 2000 and (ii) IRDAI Financial Statements Regulations with respect to (a) direct method of cash flow and (b) age-wise details of unclaimed amounts of policyholders during the relevant fiscal year.

Management Response. We have complied with the requirements of (i) during Fiscal 2017 and with (ii)(a) during Fiscal 2015 in which we prepared cash flow in direct method and the pending reconciliation items did not have any material impact on the financial statements, and complied with (ii)(b) during Fiscal 2017.

(ii) Deferment of gratuity liability to the extent of ₹ 343.12 million, pursuant to the circular dated April 18, 2011 of IRDA to public sector insurance companies.

Management Response. We deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iv) Regarding recognition of Reserve for Unexpired Risk as per Insurance Act, 1938 while the implementation of systems and procedures to compute the same in accordance with 1/365 method was pending and as such the compliance of IRDAI guidelines in this regard was pending.

Management Response. We have implemented 1/365 method for our domestic business during Fiscal 2017.

Fiscal 2014

Audited Consolidated Financial Statements

Auditor Qualifications and Other Observations

(i) In case of subsidiary companies, where the accounts were made and maintained in accordance with IFRS as required under the local laws of the respective country, during the process of consolidation, accounting adjustments had been made to align the accounts of the company to conform to the accounting polices followed by our Company, however, there were material differences in respect of certain items as stated in the significant accounting policies, proportion of these items to which different accounting policies had been applied, was not ascertained.

Management Response. Accounts of subsidiaries are merged with our Company on a line by line basis as required by applicable regulations. Various liabilities and obligations of subsidiaries reflected in their financial statements have been incorporated in our consolidated financial statements providing a true and fair representation of our consolidated financial statements.

(ii) Consolidation of accounts of subsidiaries and one associate were prepared on a calendar year basis and combined as such, thereby intra-group balances had not been eliminated in full as required under the provisions of AS-21 on consolidated financial statements issued by the ICAI. The precise impact of this was not ascertained.

Management Response. Our subsidiaries and associates prepare accounts based on local regulatory requirements and as per provisions of AS-21 that permit a gap of six months in the subsidiary and holding companies to be consolidated. There were no material changes in the accounts of subsidiaries requiring adjustments during the quarter ended March 31, 2014.

(iii) In case of the subsidiary Prestige Assurance PLC, the financial information relating to the year ended March 31, 2014 required compliance with AS-21 on consolidated financial statements issued by ICAI for preparation of consolidated financial statement as provided by the management at the head office level as the same could not extracted from the audited accounts and schedules and other financial information.

Management Response. Trial balance of Prestige Assurance Plc prepared in accordance with IFRS / local laws was obtained and the adjustment was made at the head office to align with the accounting policy of our Company.

(iv) In view of non-availability of balance confirmations of some loans and investments, the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Demand notices to state governments for outstanding dues were sent on a half yearly basis, indicating balances outstanding on account of principal as well as overdue of interest, and these have not been disputed by the respective state governments. With respect to term loan accounts, which have been restructured, reconciliation of balances had been done and suitable modifications carried out. There was no material impact on the relevant financial statements.

(v) The historical/weighted average cost of listed and unlisted equity/ equity related instruments/ preference shares, the value of which were impaired on or before March 31, 2000 was not available. As a result, the reversal of impairment losses recognized in profit and loss/ revenue account prior to April 1, 2000 was not accounted for.

Management Response. We have prepared accounts as per applicable IRDA regulations for the first time for Fiscal 2002. IRDAI Financial Statements Regulations required insurers to assess at each balance sheet date whether any impairment in value of specified assets has occurred and to recognize the same in revenue. Further the regulations also require our Company to incorporate any reversal of impairment loss recognized in earlier years.

In accordance with our internal guidelines, and also in accordance with guidelines issued by General Insurance Corporation of India, the then holding company of our Company, we had been working out impairment value in respect of equity and preference shares. The exercise had been carried out for more than 25 years before notification of the same by IRDA in Fiscal 2001. We did not have a practice of working out reversal of impairment loss recognized in earlier years and hence details of amounts impaired prior to March 31, 2000 were not available. This has been clearly stated in our accounting policies.

(vi) Balances due to/ from persons or bodies carrying on insurance business and balances of inter office accounts and other premium collection control accounts have been pending for reconciliation/ confirmation. Consequential effect, if any, was not ascertainable.

Management Response. We initiated a special drive over three fiscal years and have reconciled and accounted non-moving balances for more than five fiscal years to a greater extent.

Regarding outward treaty placement, statement of accounts have been exchanged up to the fourth quarter of Fiscal 2014. All major reinsurer's accounts balance confirmations were received either up to the second or third quarter of Fiscal 2014. However, this is an ongoing process and reconciliation of current balances for all other parties is being carried out under routine activities.

For inward treaty accounts, all transactions have been booked on the basis of advices received from the reinsured till the date of closing the account, which did not require separate confirmation. These balances have also been reconciled and settled at regular intervals. Inter-office balances mainly pertain to inter office transfer of fund and inter office transfer of employee balances. Inter-office accounts have been reconciled and outstanding items are being followed up. Inter-office accounts reconciliation is a continuous process.

(vii) Our internal audit system required strengthening in the areas of audit coverage and compliance.

Management Response. We are working towards building a stronger system control and are in the process of introducing exception reporting as a tool for better control in the software so that errors and irregularities are minimized. Apart from regular audit of all offices, surprise inspections and anti-fraud audits have also become an integral part of our internal audit system. Third party administrators audit, third party claims audit with special emphasis on pay and recover cases continued as one of the important steps of internal control during the relevant fiscal year. To enhance the effectiveness, efforts were made by the internal audit to reduce the time gap between the conduct of the audit and submission of report to two weeks. System audit and risk based audit practices have also been inculcated in the audit practices of our Internal Audit Department. The Internal Audit Department has conducted head office level workshops, regional office level workshops and CAG workshops during the relevant fiscal year. This has resolved many audit items and bought down considerably the number of outstanding items. With all these steps our Internal Audit Department is equipped to meet our audit requirements. The Internal Audit Department continues to review its role in tune with the value and volume of our operations and systemic improvements are being carried out in consultation with various departments at the head office level. In addition, investment operations are subjected to concurrent audit by an independent professional.

(viii) Overall impact of the above and the consequential effects on consolidated revenue accounts, consolidated profit and loss accounts, assets and liabilities and reserve and surplus as on March 31, 2014 were not ascertainable.

Management Response. We believe that there was no material impact.

Matters of Emphasis

(i) Regarding non-compliance of (i) IRDAI (Investment) Regulations, 2000 and (ii) IRDAI Financial Statements Regulations with respect to (a) direct method of cash flow and (b) age-wise details of unclaimed amounts of policyholders during the year.

Management Response. We have complied with the requirements of (i) during Fiscal 2017 and with (ii)(a) during Fiscal 2015 and (ii)(b) during Fiscal 2017.

(ii) Deferment of gratuity liability to the extent of ₹ 343.12 million, pursuant to the circular dated April 18, 2011 of IRDA to public sector insurance companies.

Management Response. We have deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

Audited Standalone Financial Statements

Auditor Qualifications and Other Observations

(i) In view of non-availability of balance confirmations of some loans and investments, the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Demand notices to state governments for outstanding dues were sent on a half yearly basis, indicating balances outstanding on account of principal as well as overdue of interest, and these have not been disputed by the respective state governments. With respect to term loan accounts, which have been restructured, reconciliation of balances had been done and suitable modifications carried out. There was no material impact on the relevant financial statements.

(ii) The historical/weighted average cost of listed and unlisted equity/ equity related instruments/ preference shares, the value of which were impaired on or before March 31, 2000 was not available. As a result, the reversal of impairment losses recognized in profit and loss/ revenue account prior to April 1, 2000 was not accounted for.

Management Response. We have prepared accounts as per applicable IRDA regulations for the first time for Fiscal 2002. IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 required insurers to assess at each balance sheet date whether any impairment in value of specified assets has occurred and to recognize the same in revenue. Further the regulations also require our Company to incorporate any reversal of impairment loss recognized in earlier years.

In accordance with our internal guidelines, and also in accordance with guidelines issued by General Insurance Corporation of India, the then holding company of our Company, we had been working out impairment value in respect of equity and preference shares. The exercise had been carried out for more than 25 years before notification of the same by IRDA in Fiscal 2001. We did not have a practice of working out reversal of impairment loss recognized in earlier years and hence details of amounts impaired prior to March 31, 2000 were not available. This has been clearly stated in our accounting policies.

(iii) Balances due to/ from persons or bodies carrying on insurance business and balances of inter office accounts and other premium collection control accounts have been pending for reconciliation/ confirmation. Consequential effect, if any, was not ascertainable.

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Regarding outward treaty placement, statement of accounts have been exchanged up to the fourth quarter of Fiscal 2014. All major reinsurer's accounts balance confirmations were received either up to the second or third quarter of Fiscal 2014. However, this is an ongoing process and reconciliation of current balances for all other parties is being carried out under routine activities.

For inward treaty accounts, all transactions have been booked on the basis of advices received from the reinsured till the date of closing the account, which did not require separate confirmation. These balances have also been reconciled and settled at regular intervals. Inter-office balances mainly pertain to inter office transfer of fund and inter office transfer of employee balances. Inter-office accounts have been reconciled and outstanding items are being followed up. Inter-office accounts reconciliation is a continuous process.

(iv) Our internal audit system required strengthening in the areas of audit coverage and compliance.

Management Response. We are working towards building a stronger system control and are in the process of introducing exception reporting as a tool for better control in the software so that errors and irregularities are minimized. Apart from regular audit of all offices, surprise inspections and anti-fraud audits have also become an integral part of our internal audit system. Third party administrators audit, third party claims audit with special emphasis on pay and recover cases continued as one of the important steps of internal control during the relevant fiscal year. To enhance the effectiveness, efforts were made by the internal audit to reduce the time gap between the conduct of the audit and submission of report to two weeks. System audit and risk based audit practices have also been inculcated in the audit practices of our Internal Audit Department. The Internal Audit Department has conducted head office level workshops, regional office level workshops and CAG workshops during the relevant fiscal year. This has resolved many audit items and bought down considerably the number of outstanding items. With all these steps our Internal Audit Department is equipped to meet our audit requirements. The Internal Audit Department continues to review its role in tune with the value and volume of our operations and systemic improvements are being carried out in consultation with various departments at the head office level. In addition, investment operations are subjected to concurrent audit by an independent professional.

(v) Overall impact of the above and the consequential effects on revenue accounts, profit and loss accounts and reserve and surplus as on March 31, 2014 were not ascertainable.

Management Response. We believe that there was no material impact.

Matters of Emphasis

(i) Regarding non-compliance of (i) IRDAI (Investment) Regulations, 2000 and (ii) IRDAI Financial Statements Regulations with respect to (a) direct method of cash flow and (b) age-wise details of unclaimed amounts of policyholders during the year.

Management Response. We have complied with the requirements of (i) during Fiscal 2017 and with (ii)(a) during Fiscal 2015 and (ii)(b) during Fiscal 2017.

(ii) Deferment of gratuity liability to the extent of ₹ 343.12 million, pursuant to the circular dated April 18, 2011 of IRDA to public sector insurance companies.

Management Response. We have deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

Fiscal 2013

Audited Consolidated Financial Statements

Auditor Qualifications and Other Observations

(i) In case of subsidiary companies, where the accounts were made and maintained in accordance with IFRS as required under the local laws of the respective country, during the process of consolidation, accounting adjustments had been made to align the accounts of the company to conform to the accounting polices followed by our Company, however, there were material differences in respect of certain items as stated in the significant accounting policies, proportion of these items to which different accounting policies had been applied, was not ascertained.

Management Response. Accounts of subsidiaries are merged with our Company on a line by line basis as required by applicable regulations. Various liabilities and obligations of subsidiaries reflected in their financial statements have been incorporated in our consolidated financial statements providing a true and fair representation of our consolidated financial statements.

(ii) Consolidation of accounts of subsidiaries and one associate were prepared on a calendar year basis and combined as such, thereby intra-group balances had not been eliminated in full as required under the provisions of AS-21 on consolidated financial statements issued by the ICAI. The precise impact of this was not ascertained.

Management Response. Our subsidiaries and associates prepare accounts based on local regulatory requirements and as per provisions of AS-21 that permit a gap of six months in the subsidiary and holding companies to be consolidated. There were no material changes in the accounts of subsidiaries requiring adjustments during the quarter ended March 31, 2013.

(iii) In case of the subsidiary Prestige Assurance PLC, the financial information relating to the year ended March 31, 2013 required compliance with AS-21 on consolidated financial statements issued by ICAI for preparation of consolidated financial statement as provided by the management at the head office level as the same could not extracted from the audited accounts and schedules and other financial information.

Management Response. Trial balance of Prestige Assurance Plc prepared in accordance with IFRS / local laws was obtained and the adjustment was made at the head office to align with the accounting policy of our Company.

(iv) In view of non-availability of balance confirmations of some loans and investments the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Confirmations are sought on a regular basis and few state governments, although have not disputed, had not confirmed such dues. With regard to the term loan accounts, which have been restructured, reconciliation of balances had been done and suitable modifications carried out. In our opinion, there was no material impact on the relevant financial statements.

(v) The historical/ weighted average cost of listed and unlisted equity/ equity related instruments/ preference shares, the value of which were impaired on or before March 31, 2000 was not available with us. As a result, the reversal of impairment losses recognized in profit and loss/ revenue account prior to April 1, 2000 had not been accounted for.

Management Response. We had prepared accounts as per IRDA regulations for the first time for Fiscal 2002. IRDA Regulations on preparations of financial statements required insurers to assess at each balance sheet date whether any impairment in value of specified assets has occurred and to recognize the same in revenue. Further the regulations also required us to incorporate any reversal of impairment loss recognized in earlier years.

In accordance with our internal guidelines, and also in accordance with guidelines issued by General Insurance Corporation of India, the then holding company of our Company, we had been working out impairment value in respect of equity and preference shares. The exercise had been carried out for more than 25 years before notification of the same by IRDA in Fiscal 2001. We did not have a practice of working out reversal of impairment loss recognized in earlier years and hence details of amounts impaired prior to March 31, 2000 were not available. This was clearly stated in our accounting policies.

(vi) Balances due to/ from persons or bodies carrying on insurance business and balances of inter office accounts, and other premium collection control accounts were pending for reconciliation/ confirmation and consequential adjustments, effect of which, if any, was not ascertainable and could not be commented upon by our auditors.

Management Response. We initiated a special drive in Fiscal 2012 for reconciliation of non-moving re-insurance balances for more than five fiscal years. The same drive continued in Fiscal 2013. As a result of this special drive an additional amount was identified and reconciled. As of March 31, 2013 even after considering additions to non-moving balances in Fiscal 2013 the net balances stood as payable to the extent of ₹ 230.00 million against opening net recoverable of ₹ 65.70 million (as recorded in the closing for Fiscal 2012). The effort has been ongoing.

Regarding outward treaty placement, statement of accounts were exchanged up to the fourth quarter of Fiscal 2012. All major reinsurer’s accounts balance confirmations had been received either up to second or third quarter of Fiscal 2012. However, this is an ongoing process and reconciliation of current balances for all other parties is being carried out under routine activities.

For inward treaty accounts, all transactions are booked on the basis of advices received from the reinsured till the date of closing the account, which do not require separate confirmation. These balances are also getting reconciled and settled at regular intervals.

(vii) Our internal audit system requires strengthening in the areas of audit, coverage and compliance.

Management Response. We are working towards building stronger system control and introducing exception reporting as a tool for better control in the software so that errors and irregularities are minimized. Apart from regular audit of all offices, surprise inspections and anti-fraud audits have also become an integral part of our internal audit system. Third party administrators audit, third party claims audit with special emphasis on pay and recover cases continued as one of the important steps of internal control during the relevant fiscal year. To enhance the effectiveness, efforts were made by the internal audit to reduce the time gap between the conduct of the audit and submission of report to two weeks. System audit and risk based audit practices are inculcated in the audit practices of our Internal Audit Department. The Internal Audit Department has conducted head office level workshops, regional office level workshops and CAG workshops during the relevant fiscal year. This has resolved many audit items and bought down considerably the number of outstanding items. With all these steps our Internal Audit Department is equipped to meet our audit requirements. The Internal Audit Department continues to review its role in tune with the value and volume of our operations and systemic improvements are being carried out in consultation with various departments at the head office level. In addition, investment operations are subjected to concurrent audit by an independent professional.

(viii) Overall impact of the above and the consequential effects on consolidated revenue accounts, consolidated profit and loss accounts, assets and liabilities and reserve and surplus as on March 31, 2013 were not ascertainable.

Management Response. We believe that there was no material impact.

Matters of Emphasis

(i) Regarding non-compliance of IRDAI (Investment) Regulations, 2000 during the year.

Management Response. We have complied with the requirements during Fiscal 2017.

(ii) Deferment of gratuity liability to the extent of ₹ 686.24 million, pursuant to the circular dated April 18, 2011 of IRDA to public sector insurance companies.

Management Response. We have deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iv) Deferment of the liability on dismantling of the Indian Motor Third Party Insurance Pool to the extent of ₹ 4,344.37 million pursuant to the exercise of the option for the accounting treatment for the same prescribed under paragraph 3(b) of Insurance Regulatory and Development Authority Order no. IRDA/F&A/ORD/MTAP/070/03/2012 dated March 22, 2012.

Management Response. The deferment has been done as per the relevant IRDA approval.

Audited Standalone Financial Statements

Auditor Qualifications and Other Observations

(i) In view of non-availability of balance confirmations of some loans and investments, the auditors were unable to comment on the impact of adjustments arising out of reconciliation/ confirmation of such balances on the financial statements.

Management Response. Demand notices to state governments for outstanding dues were sent on a half yearly basis, indicating balances outstanding on account of principal as well as overdue of interest, and these have not been disputed by the respective state governments. With respect to term loan accounts which have been restructured, reconciliation of balances has been done and suitable modifications carried out. There was no material impact on the financial statements.

(ii) The historical/ weighted average cost of listed and unlisted equity/ equity related instruments/ preference shares, the value of which were impaired on or before March 31, 2000 was not available with us. As a result, the reversal of impairment losses recognized in profit and loss/ revenue account prior to April 1, 2000 was not accounted for.

Management Response. We had prepared accounts as per IRDA regulations for the first time for Fiscal 2002. IRDA Regulations on preparations of financial statements required insurers to assess at each balance sheet date whether any impairment in value of specified assets has occurred and to recognize the same in revenue. Further the regulations also required us to incorporate any reversal of impairment loss recognized in earlier years.

In accordance with our internal guidelines, and also in accordance with guidelines issued by General Insurance Corporation of India, the then holding company of our Company, we had been working out impairment value in respect of equity and preference shares. The exercise had been carried out for more than 25 years before notification of the same by IRDA in Fiscal 2001. We did not have a practice of working out reversal of impairment loss recognized in earlier years and hence details of amounts impaired prior to March 31, 2000 were not available. This was clearly stated in our accounting policies.

(iii) Balances due to/ from persons or bodies carrying on insurance business and balances of inter office accounts and other premium collection control accounts had been pending for reconciliation/confirmation. Consequential effect, if any, was not ascertainable.

Management Response. We initiated a special drive in Fiscal 2012 for reconciliation of non-moving re-insurance balances for more than five fiscal years. The same drive continued in Fiscal 2013. As a result of this special drive an additional amount of ₹ 1,410.00 million was identified and reconciled. As of March 31, 2013 even after considering additions to non-moving balances in Fiscal 2013 the net balances stood as payable to the extent of ₹ 230.00 million against opening net recoverable of ₹ 65.70 million (as recorded in the closing for Fiscal 2012). The effort has been ongoing.

Regarding outward treaty placement, statement of accounts were exchanged up to the fourth quarter of Fiscal 2012. All major re-insurer’s accounts balance confirmations had been received either up to second or third quarter of Fiscal 2012. However, this is an ongoing process and reconciliation of current balances for all other parties is being carried out under routine activities.

For inward treaty accounts, all transactions are booked on the basis of advices received from the reinsured till the date of closing the account, which do not require separate confirmation. These balances are also getting reconciled and settled at regular intervals.

(iv) Our internal audit system requires strengthening in the areas of audit, coverage and compliance.

Management Response. We are working towards building stronger system control and introducing exception reporting as a tool for better control in the software so that errors and irregularities are minimized. Apart from regular audit of all offices, surprise inspections and anti-fraud audits have also become an integral part of our internal audit system. Third party administrators audit, third party claims audit with special emphasis on pay and recover cases continued as one of the important steps of internal control during the relevant fiscal year. To enhance the effectiveness, efforts were made by the internal audit to reduce the time gap between the conduct of the audit and submission of report to two weeks. System audit and risk based audit practices are inculcated in the audit practices of our Internal Audit Department. The Internal Audit Department has conducted head office level workshops, regional office level workshops and CAG workshops during the relevant fiscal year. This has resolved many audit items and bought down considerably the number of outstanding items. With all these steps our Internal Audit Department is equipped to meet our audit requirements. The Internal Audit Department continues to review its role in tune with the value and volume of our operations and systemic improvements are being carried out in consultation with various departments at the head office level. In addition, investment operations are subjected to concurrent audit by an independent professional.

(v) Overall impact of the above and the consequential effects on revenue accounts, profit and loss accounts and reserve and surplus as on March 31, 2013 were not ascertainable.

Management Response. We believe that there was no material impact.

Matters of Emphasis

(i) Regarding non-compliance of IRDAI (Investment) Regulations, 2000 during the year.

Management Response. We have complied with the requirements during Fiscal 2017.

(ii) Deferment of gratuity liability to the extent of ₹ 686.24 million, pursuant to the circular dated April 18, 2011 of IRDA to public sector insurance companies.

Management Response. We have deferred the gratuity liability as per the relevant IRDAI approval.

(iii) Non-disclosure of segment reporting in respect of public and product liability of foreign business.

Management Response. We are in the process of providing the required disclosure in Fiscal 2018 as systems are being developed to capture these sub-classes of business.

(iv) Deferment of the liability on dismantling of the Indian Motor Third Party Insurance Pool to the extent of ₹ 4,344.37 million pursuant to the exercise of the option for the accounting treatment for the same prescribed under paragraph 3(b) of Insurance Regulatory and Development Authority Order no. IRDA/F&A/ORD/MTAP/070/03/2012 dated March 22, 2012.

Management Response. The deferment has been done as per the relevant IRDA approval.

INDEBTEDNESS

As of March 31, 2017, we had no indebtedness.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been impacted, and we expect will continue to be impacted, by the trends identified above in "*Factors Affecting our Results of Operations*" on page 433 and the uncertainties described in "*Risk Factors*" on page 20.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no events or transactions relating to our Company which, in our judgement, would be considered unusual or infrequent.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECTED OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

See "*Risk Factors — Risks Related to our Business — Our investment portfolio is subject to liquidity risk and volatility in the market value of such financial instruments and may be concentrated in certain asset classes*" and "*Risk Factors — Risks Related to our Business — Changes in market interest rates may have a material adverse effect on our business and results of operations*" on pages 25 and 35, respectively.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2017

Other than as mentioned below, (a) to our knowledge, no circumstances have arisen since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect, our operations or profitability, the value of our assets or our ability to pay our material liabilities within the next 12 months; and (b) there is no development subsequent to March 31, 2017 that we believe is expected to have a material impact on the reserves, profits, earnings per share and book value of our Company.

1. Pursuant to shareholders' resolution dated August 2, 2017, the face value of the Equity Shares of our Company of ₹ 10 each was split into two equity shares of ₹ 5 each and consequently the issued, subscribed and paid-up equity share capital of our Company was split from ₹ 2,000,000,000 divided into 200,000,000 equity shares of ₹ 10 each into ₹ 2,000,000,000 divided into 400,000,000 Equity Shares of ₹ 5 each. Further, the authorized share capital of our Company was increased from ₹ 3,000,000,000 divided into 300,000,000 Equity Shares of ₹ 10 each to ₹ 6,000,000,000 divided into 1,200,000,000 Equity Shares of ₹ 5 each.

2. Pursuant to Board resolution dated August 4, 2017, 400,000,000 bonus Equity Shares of ₹ 5 each were issued in the ratio of one equity share for every one equity share held. Subsequent to this, the issued, subscribed and paid-up equity share capital of our Company increased to ₹ 4,000,000,000 divided into 800,000,000 Equity Shares of ₹ 5 each.

3. For the year ended March 31, 2017, the Board of Directors of our Company in their meeting held on May 3, 2017 proposed a dividend of 155% of the paid-up capital of our Company, which was approved by the shareholders' in the AGM held on August 2, 2017.

FINANCIAL INDEBTEDNESS

Our Company does not have any indebtedness as of the date of this Draft Red Herring Prospectus.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, there is no outstanding (i) criminal litigation involving our Company, Subsidiaries, Directors, Group Companies; (ii) outstanding actions by statutory or regulatory authorities which would mean, the Reserve Bank of India, the Insurance Regulatory and Development Authority of India, Ministry of Corporate Affairs, Competition Commission of India and the Securities and Exchange Board of India, involving our Company, Group Companies and Directors; (iii) past actions by the Insurance Regulatory and Development Authority of India in the last five years involving our Company; (iv) outstanding actions by statutory or regulatory authorities involving our Subsidiaries; (v) outstanding claims involving our Company, Subsidiaries, Group Companies or Directors for any direct or indirect tax liabilities; and (vi) other material litigation proceedings involving our Company, Subsidiaries, Group Companies or Directors. Our Board, in its meeting held on August 4, 2017, has adopted a policy for identification of Group Companies, material creditors and material legal proceedings ("**Materiality Policy**").*

Further, except as stated in this section, there are no (i) outstanding proceedings initiated for economic offences against our Company; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding this Draft Red Herring Prospectus; (iv) inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company or Subsidiaries during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (v) prosecutions filed (whether pending or not), fines imposed or compounding of offences done under the Companies Act, 2013 in the last five years immediately preceding the year of this Draft Red Herring Prospectus, involving our Company or Subsidiaries; (vi) other pending litigation proceedings involving our Company, Subsidiaries, Directors, Group Companies or any other person, as determined to be material by our Board of Directors, in terms of the Materiality Policy in accordance with the SEBI ICDR Regulations; (vii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; and (viii) overdues or defaults to banks or financial institutions by our Company.

Other than the abovementioned legal proceedings, our Company, Subsidiaries, Directors or Group Companies are not involved in any other material legal proceedings, determined pursuant to the Materiality Policy. For the purposes of disclosure, pursuant to the SEBI ICDR Regulations and the Materiality Policy of our Company, all pending litigation involving our Company (including material frauds), Subsidiaries, Directors or Group Companies, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 5% of the profit after tax on a consolidated basis for Fiscal 2017 or 1% of our gross written premium on a consolidated basis for Fiscal 2017, whichever is lesser (in our case, 5% of the profit after tax on a consolidated basis for Fiscal 2017 being a lesser amount, i.e., ₹ 419.93 million) or such pending litigation proceedings which are material from the perspective of the business, operations, prospects or reputation of our Company or Subsidiaries, as the case may be.

*In terms of the Materiality Policy, with respect to outstanding dues to creditors, our Board has determined that outstanding dues to creditors in excess of 5% of our Company's total dues owed to creditors as per the last Restated Financial Statements (₹ 922.61 million), shall be considered as material dues ("**Material Dues**") and the creditors to whom such Material Dues are outstanding as on March 31, 2017 would be considered as the material creditors of our Company ("**Material Creditors**").*

All terms defined in a particular disclosure of litigation are for that particular litigation only.

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, Subsidiaries, Group Companies or Directors shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Subsidiaries, Group Companies or Directors, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

Litigation involving our Company

I. Litigation against our Company

A. *Criminal Proceedings*

1. Mr. Prasanna filed a criminal complaint before the VI Additional Metropolitan Magistrate Court at Bangalore against, among others, our Company and the chairman and managing director of our Company at the time, alleging mischief under Section 425 of the Indian Penal Code, 1860 ("**IPC**"). Mr. Prasanna has alleged that certain officials of our Company have colluded by diverting the business procured by him for our Company, without obtaining the requisite prior approval from the competent authority within our Company. The VI Additional Metropolitan Magistrate vide its order dated March 21, 2012 initiated criminal proceedings against the accused for the alleged offences. Our Company filed a criminal petition before the High Court of Karnataka at Bangalore for quashing of the entire proceedings pending before the VI Additional Metropolitan Magistrate Court under Section 482 of the Code of Criminal Procedure, 1973. The High Court of Karnataka at Bangalore vide its interim order dated October 11, 2012, stayed the proceedings before the VI Additional Metropolitan Magistrate Court. The matter is currently pending before the High Court of Karnataka at Bangalore.

2. Our Company issued a fire policy to Darshan Chemicals for its factory situated at TCC Industrial Area, Pawane, Navi Mumbai. Due to a fire, the goods stored in the factory got damaged and Darshan Chemicals suffered losses. Darshan Chemicals filed a claim for recovery and our Company basis the report of the surveyor, sanctioned the claimed amount, including for the goods held in trust in the factory. Thereafter, Vav Life Sciences Private Limited has filed a criminal complaint before 23rd Metropolitan Magistrate, Bombay against, among others, Darshan Chemicals and our Company under Sections 409, 420, 421, 422, 424, 425, 192, 463, 464, 436, 120(b) and 34 of Indian Penal Code, 1860. The Complainant has alleged that certain of its goods, which were held in trust by Darshan Chemicals in their factory, had not been accounted by them, in the insurance claimed for the losses due to the fire. The matter is currently pending at 23rd Metropolitan Magistrate, Bombay.

3. Mr. Abhay Kumar filed a first information report ("**FIR**") on June 5, 2008 before the Palamu Police Station, Sadar, against certain officials of our Company, alleging offences under Sections 420, 409 and 120(b) of the Indian Penal Code, 1860 ("**IPC**"). Mr. Abhay Kumar, pursuant to an internal enquiry, was punished under The New India Assurance Co. Ltd. (Conduct, Discipline and Appeal) Rules, 2003 for the misconduct committed by him while functioning as a development officer in our Company. Mr. Abhay Kumar in the FIR has alleged that the internal enquiry was fraudulently initiated against him, pursuant to conspiracy by the accused. Officials of our Company filed two criminal miscellaneous petitions before the High Court of Jharkhand at Ranchi, requesting the Court to quash the FIR dated June 5, 2008 lodged against them. The High Court of Jharkhand at Ranchi through its interim order dated August 21, 2012 ordered that no coercive action shall be taken against our employees, pending the ongoing investigation. The Palamu Police Station, Sadar has also submitted the final investigation report to Chief Judicial Magistrate, Palamau at Daltonganj. The matter is currently pending before the Chief Judicial Magistrate, Palamau at Daltonganj and High Court of Jharkhand at Ranchi.

B. *Actions by Statutory/ Regulatory Authorities*

Except as disclosed below, there are no outstanding actions by the Reserve Bank of India, Ministry of Corporate Affairs, Competition Commission of India and the Securities and Exchange Board of India, involving our Company and Directors. Further, except as disclosed below, there are no actions by the Insurance Regulatory and Development Authority of India in the last five years involving our Company.

1. In the last five years, the IRDAI conducted the following inspections of our Company, which resulted in action against our Company:

The IRDAI conducted an on site inspection of our Company from February 14, 2011 to February 18, 2011 and issued an inspection report to our Company through a letter dated June 28, 2011. Our Company vide letter dated August 10, 2011, made submissions to the IRDAI on the inspection report. The IRDAI thereafter issued a show cause notice on May 29, 2015, which was responded to by our Company on July 11, 2015. Thereafter, pursuant to a personal hearing, the IRDAI passed a final order dated March 11, 2016. The key details contained in the order are set out below:

(a) Failure to comply with the Regulation 9(1) of the IRDAI (Investment) Regulations, 2000 and clause 7.2 of the annexure II of the IRDAI Guidelines on Corporate Governance circular number IRDA/F&A/Cir/025/2009-10 dated August 5, 2009 ("**IRDAI CG Guidelines, 2009**"), by not appointing chief investment officer and chief of finance as members of our Company's Investment Committee till 2012. The IRDAI directed our Company to ensure compliance with the applicable regulations/circulars/guidelines.

(b) Failure to comply with, *inter alia*, Regulation 9(2)(ii)(a) of the IRDAI (Licensing of Corporate Agents) Regulations, 2002 and clause 6 of the annexure II of the IRDAI CG Guidelines, 2009, by accepting business from corporate agents on pan-India basis, without such corporate agents having a single licensed 'specified person' for general insurance business and by procuring business and paying commission to the agents whose license had expired. The IRDAI imposed a penalty of ₹ 0.5 million on our Company under Section 102(b) of the IRDAI Act and further directed our Company to ensure compliance.

(c) Failure to comply with the File and Use guidelines dated September 28, 2006 ("**F and U Guidelines**") by not adhering to the discount structure on rating of motor risks, filed with the IRDAI under the F and U Guidelines. Further, the IRDAI found that our Company has violated the F and U Guidelines, by allowing its regional offices in-charge to offer discretionary/commercial discounts over and above the approved structure. The IRDAI has imposed a penalty of ₹ 0.5 million on our Company under Section 102(b) of the IRDAI Act and further directed our Company to ensure compliance.

(d) Failure to comply with the IRDAI (Protection of Policyholders' Interests) Regulation, 2002, owing to delay in processing in the sample claims examined by the IRDAI. The IRDAI found that there was *inter alia* huge delay in appointment of surveyors, no follow up with surveyors on timely submission of report, delay in settlement after receipt of survey report by our Company, *etc*. The IRDAI has imposed a penalty of ₹ 0.5 million on our Company under Section 102(b) of the IRDAI Act and also directed our Company to pay interest as prescribed under Regulation 9(6) of the IRDAI (Policyholders' Interests) Regulations, 2002 to the select policyholders.

(e) Failure to comply with clause (B)(1)(a) and clause (B)(1)(c) of annexure III of the IRDAI (Investment) (Fourth Amendment) Regulation, 2008 by non-segregation of the functions of the fund managers and dealers and by not barring the usage of mobile phone in the dealing room. The IRDAI directed our Company to segregate the functions between fund manager and dealers through an authority matrix as a part of its standard operating procedure and to bar usage of the mobile phones in dealing room.

2. The IRDAI through a show-cause dated April 29, 2015 alleged deviations committed by our Company in relation to the issue of "Mediclaim Policy 2012", which in its schedule referred to "-terms as per Mediclaim-96". It was *inter alia* alleged that issuance of Mediclaim policy 2012 with term of an unapproved product of Mediclaim 1996 is in contravention of the IRDAI Health Insurance Regulations.

Our Company through a letter dated May 9, 2015 replied to the allegations made in the show cause notice dated April 29, 2015. The IRDAI passed a final order dated January 19, 2016 pursuant to which, it found our Company to be in non-compliance with Regulation 4(a) of the IRDAI (Health Insurance) Regulations, 2013 and imposed a penalty of ₹ 0.5 on our Company, under Section 102 of the IRDAI Act.

3. The IRDAI through a show cause notice dated November 28, 2011 alleged non compliance with the IRDAI circular number IRDA/NL/Misc./159/07/2011 dated July 8, 2011 due to non submission, by our Company, of the information pertaining to policies, premium, claims, agent and offices, within 21 days of the end of the quarter. Subsequently, the IRDAI through an order dated August 8, 2012 found our Company to be in violation of Section 14(2)(h) of the IRDAI Act and imposed a penalty of ₹ 0.5 million on our Company, under Section 102(a) of the IRDAI Act.

4. The Competition Commission of India ("**CCI**") through an order dated July 10, 2015, found that our Company, among others, had indulged in anti competitive practices in relation to the tender floated by the Government of Kerala on November 18, 2009 for selecting insurance service provider for implementation of Rashtriya Swasthya Bima Yojna for the year 2010-2011. The CCI had found our Company to be in contravention of Section 3(1) read with Section 3(3) of the Competition Act, 2002 for bid rigging and had imposed a penalty of two percent of average turn over for the FY 2011, FY 2012, FY 2013 amounting to ₹ 2,510.70 million. Our Company, among others, had appealed the said order in the Competition Appellate Tribunal. The tribunal vide its order dated December 9, 2016 had disallowed our appeal on merits, however, had decreased the penalty imposed to one percent of average of the relevant turn over for the FY 2011, FY 2012, FY 2013, *i.e.*, ₹ 2 million. The CCI has appealed the order dated December 9, 2016 of the tribunal before the Supreme Court of India. The case is currently pending in the Supreme Court of India. The amount involved in the matter is ₹ 2,510.70 million.

Further, except as disclosed above and in "*Outstanding Litigations and Material Developments – Inquiries, inspections or investigations under Companies Act*" on page 508, there is no outstanding action by any statutory or regulatory authority against our Company, as on the date of this Draft Red Herring Prospectus.

C. *Tax Proceedings*

Set forth below are details of claims relating to direct and indirect taxes involving our Company in a consolidated manner giving details of number of cases and total amount involved in such claims.

(in ₹ million)

Particulars	Number of cases	Ascertainable amount involved
Direct Tax	14	26,672.50
Indirect Tax	6	77.23
Total (A+B)	20	26,749.73

D. *Civil Proceedings*

1. Sumitra Hooda Pednekar, along with certain other persons, has filed a public interest litigation against our Company and others, under Article 226 of the Constitution of India at the High Court of Judicature at Bombay for making huge investments in tobacco manufacturing/selling companies. The petitioners have alleged that by making such investments, our Company has violated Article 21 of the Constitution of India, as such investments substantially prejudice the right to life of the entire citizenry, both present and future. The petitioners have prayed that the Court direct our Company to divest such investments and to cease and desist from making any further investments in any commercial enterprise that is linked with funding, promoting, selling, directly or indirectly controlling or operating a tobacco business. The case is currently pending at the High Court of Judicature at Bombay. There is no monetary claim in the matter.

2. Our Company issued a standalone terrorism insurance policy dated November 20, 2009 to Essar Steel Limited (“**ESL**”), for its Kirandkul and Vishakhapatnam pipeline network. Due to alleged attack by around 300-400 unknown persons, ESL reported damage to the slurry booster pumping station, Chitrakonda, Malkangiri, Odisha, which is a part of Kirandkul and Vishakhapatnam pipeline network. A claim for insurance recovery was filed by ESL, which was disputed by our Company. Subsequently, arbitration proceedings were initiated by ESL, claiming an amount of ₹ 188.20 million for the quantified material damage and a business interruption claim of ₹ 16,950 million. Our Company has disputed the claim before the arbitral tribunal due to, among others, non-disclosure of material facts, fraud and misrepresentation. Our Company has also filed a civil suit before the High Court of Judicature at Bombay, against, among others, Amlin Underwriting Limited, to enforce the reinsurance contract executed by our Company in respect to the insurance policy issued by our Company for Kirandkul and Vishakhapatnam pipeline network The matter is currently pending before the arbitral tribunal and the High Court of Judicature at Bombay. The monetary claim against us in this matter is ₹ 17,138.20 million.

3. Our Company issued a fire policy ‘C’ for loss of profits to Reliance Industry Limited (“**RIL**”), for its plants at Hazira, along with single buoy mooring (“**SBM**”) facility. Due to alleged collision of a water borne vessel namely m.t. Emerald Sky with SBM facility, RIL reported damage to the SBM. A claim for insurance recovery was filed by RIL, which was disputed by our Company on the ground that the damage caused by water borne vehicles was allegedly not covered within the scope and terms and conditions of the insurance policy. Subsequently, RIL filed a special civil suit at the Court of Civil Judge (Senior Division) at Surat for recovery of the losses due to collision along with interest amounting to ₹ 2,695.50 million. Thereafter, RIL also filed a miscellaneous civil application under Section 24 of the Civil Procedure Code, 1908 at the High Court of Gujarat at Ahmedabad requesting the Court to transfer the ongoing proceedings in the special civil suit at the Court of Civil Judge (Senior Division) to the High Court of Gujarat at Ahmedabad. The High Court of Gujarat at Ahmedabad through an order dated August 22, 2008 transferred the special civil suit to the High Court of Gujarat at Ahmedabad, to be heard along with the other allied matters which were pending before the High Court of Gujarat at Ahmedabad. The matter is currently pending before the High Court of Gujarat at Ahmedabad. The monetary claim against us in this matter is ₹2,695.50 million.

4. Our Company issued a comprehensive mega risk policy to Tata Steel Limited (“**TSL**”), for its steel plant situated at Jamshedpur, Jharkhand (“**Steel Plant**”). Due to alleged storm, TSL reported damage to the ‘H’ blast furnace at the Steel Plant. A claim for insurance recovery was filed by TSL, which was disputed by our Company. Subsequently, arbitration proceedings were initiated by TSL, claiming an amount of ₹ 1,299.40 million for the quantified material damage and consequential business interruption. Our Company has disputed the claim before the arbitral tribunal on the ground that the damage was allegedly caused by electrical flashover resulting in voltage dip/breakdown and such risks were excluded in terms of the insurance policy. The matter is currently pending before the arbitral tribunal. The monetary claim against us in this matter is ₹ 1,299.40 million.

5. Our Company issued an industrial all risk policy to India Steel Limited (“**ISL**”) for its steel plant situated at Trubhe and Khopoli, Raigad, Maharashtra (“**Steel Plant”)**. Due to heavy rainfall and gusty winds, ISL reported damage to the Steel Plant. A claim for insurance recovery was filed by ISL for recovery of ₹ 812.80 million for the damage occurred, including the losses due to business interruption. Our Company admitted that there has been a loss indemnifiable under the insurance policy. However, our Company disputed the quantum of the indemnity payable under the policy and maintained that the policy allegedly does not cover damage caused to machineries due to the alleged collapse of steel melting plant. Thereafter, ISL has filed a complaint under Section 21 of the consumer Protection Act, 1986 against our Company before the National Consumer Disputes Redressal Commission (“**NCDRC**”) alleging *inter alia* that our Company has been deficient in providing service and has indulged in unfair trade practices. ISL has prayed to the NCDRC to direct our Company to pay a sum of ₹ 580.75 million to ISL, *i.e.*, the claimed amount. The matter is currently pending before the NCDRC.

6. Our Company issued a comprehensive mega risks policy to Gujarat Narmada Valley Fertilizers Company Limited ("**GNVF**") for its entire plant and machinery in Bharuch, Gujarat. GNVF informed our Company of repeated failure of a machine at the plant and claimed an amount of ₹ 594.992 million for the machinery breakdown under the insurance policy, including the losses due business interruption. Our Company rejected the business interruption claim basis the assessment made by surveyors. Subsequently, arbitration proceedings were initiated by GNVF by invoking the arbitration clause under the insurance policy. The arbitral tribunal vide its award dated dated June 24, 2015 directed our Company to pay an amount of ₹ 345.81 million towards the business interruption loss. Our Company has challenged the arbitral award dated June 24, 2015 by filing an arbitration petition under Section 34 of the Arbitration and Conciliation Act, 1996 before the High Court of Judicature at Bombay alleging *inter alia* that the award is patently illegal and against the public policy of India. The High Court of Judicature at Bombay has admitted the matter vide its order dated February 25, 2016. Also, GNVF has filed an application for execution of arbitral award before the Principal Senior Civil Judge at Bharuch. GNVF has appealed against the order dated February 25, 2016 before the High Court of Judicature at Bombay. The High Court of Judicature at Bombay through an order dated November 16, 2016 has stayed proceedings under Section 34 of the Arbitration and Conciliation Act, 1996 and the application for execution of arbitral award filed by GNVF, pending the appeal. The matter is currently pending before the High Court of Judicature at Bombay and Principal Senior Civil Judge at Bharuch.

7. Our Company has issued an industrial all risk policy to Khanna Paper Mills ("**KPM**") for its paper manufacturing plant situated at Amritsar. Due to a fire at the plant, KPM reported damage to the paper manufacturing plant. A claim for insurance recovery was filed by KPM for recovery of ₹ 1,799.00 million for the damage occurred, including the losses due to business interruption. Our Company admitted that there has been a loss indemnifiable under the insurance policy and paid the amount of ₹ 1,031.64 million to KPM for the losses suffered, basis the report of the surveyor. A joint discharge voucher was also signed on May 29, 2013, whereby KPM allegedly agreed to discharge our Company from all claims arising out of the losses due to fire, in lieu of the claim amount paid. Thereafter, arbitration proceedings were initiated by KPM invoking the arbitration clause under the insurance policy, for the recovery of the deficit amount of ₹ 816.40 million. Our Company has disputed the claim before the arbitral tribunal on the grounds that, *inter alia*, the execution of the joint discharge voucher. The monetary claim against us in this matter is ₹ 816.40 million.

8. Our Company through its branch in the Emirate of Dubai issued an all risk insurance policy to CGT Middle East LLC ("**CGT**"), for its cargo of semi processed iron materials which was to be shipped on a ship named B M Freedom from Bandar Abbas Port in Iran to Shanghai port in China. Due to alleged contact of the cargo with water during land transportation from the port to the warehouse, the cargo got damaged. A claim for recovery of damages was filed by CGT, which was disputed by our Company *inter alia* on the ground that the claim does not fall within the coverage of insurance policy as the insurance policy covers risks from Abbas Port in Iran to Shanghai port in China and not from the warehouse in Iran to warehouse in China. CGT filed a plenary commercial case before the Court of First Instance, Dubai and the Court vide its order dated March 24, 2013 found that the claim is within the scope of insurance policy and directed our Company to pay CGT an amount of AED 32.84 million along with a legal interest of 9 % on the amount from the date of judgment until full payment and ₹ 0.017 million for attorney fees. Our company appealed the said order, before the Court of Appeal, which through its order dated May 26, 2015, set aside the order of the Court of First Instance, Dubai. CGT challenged the Court of Appeal order dated May 26, 2015, before the Court of Cassation, by way of appeal for cassation. The Court of Cassation vide its order dated March 27, 2016 has remanded the matter to the Court of Appeal for reconsideration. The matter is currently pending before the Court of Appeal. The monetary claim against us in the matter is AED 32.84 million, plus interest and legal costs.

9. Our Company through its branch in Republic of Mauritius issued a credit insurance policy on September 3, 2010 to International Global Tele-Systems Limited ("**IGTL**"), for the coverage of credit risk of a sale of computer software by IGTL to DFI FZE ("**DFI**"), which in turn had to sell it to third parties. For this

purpose, IGTL availed a line of credit from SBI (Mauritius) Ltd ("**SBIM**") and the repayment of the credit facility was linked to payment by DFI to IGTL. IGTL through an agreement dated September 6, 2010 assigned all rights, title and benefits under the credit insurance policy to SBIM. Subsequently, due to non-payment of dues by DFI, a claim for recovery was filed, which was disputed by our Company inter alia on the ground that there existed a dispute between the seller and buyer and that such disputed sales are not covered under the insurance policy. SBIM has filed a case before the Supreme Court of Mauritius, against, among others, IGTL and our Company, seeking an amount of USD 28.87 million, including interest. The matter is currently pending before the Supreme Court of Mauritius. The monetary sum involved in this matter is USD 28.87 million.

E. *Insurance Claims*

In the ordinary course of our business, various insurance claims are filed against our Company by our policyholders or third parties pertaining to our products, including claims relating to, fire insurance policies, marine insurance policies and motor insurance policies, *etc*. For details, see "*Financial Statements*" on page 227.

II. Litigation by our Company

A. *Criminal Proceedings*

1. Our Company has filed a first information report ("**FIR**") on March 26, 2013 before the Sadar Bazar Police Station, Jalna, Maharashtra, against, among other persons, Mr. Sheikh Shakil, alleging offences under Sections 420, 447, 465, 467, 468, 461 and 462 of the Indian Penal Code, 1860 ("**IPC**"). Our Company has alleged that the accused have illegally trespassed and occupied the flat owned by our Company bearing No. 10, Varun Apartment, Jalana, Maharashtra. The Sadar Bazar Police Station, Jalna has filed the charge sheet to Chief Judicial Magistrate Court, Jalna charging the accused under Sections 420, 447, 465, 467, 468, 461, 462, 471 and 34 of IPC. The matter is currently pending before Chief Judicial Magistrate Court, Jalna.

2. Our Company has filed a first information report ("**FIR**") on November 20, 2010 before the Kotwali City Police Station, Haridwar, against, Shyam Sunder Lal, alleging offences under Sections 409, 420, 467, 468 and 471 of the Indian Penal Code, 1860 ("**IPC**"). Our Company has alleged that the accused have made certain embezzlement of funds of our company amounting to ₹ 6.7 million. Our company has also filed a civil suit before the Court of Civil Judge Senior Division, Dehradun seeking injunction against the disposal of a property owned by the accused, for which the accused have taken housing loan from our Company. The Kotwali City Police Station, Haridwar, has filed the charge sheet before the Chief Judicial Magistrate, Haridwar. The matter is currently pending before the Chief Judicial Magistrate, Haridwar and Court of Civil Judge Senior Division, Dehradun.

3. Our Company has filed a first information report before the police authorities in Mauritius against Auction House Limited and its Director(s) for embezzlement of funds of our Company and for bouncing of cheque. Auction House Limited was working as an auctioneer for our Company, for auctioning the assets of our Company like salvage of damaged vehicles/damaged parts, etc. Our Company has alleged that Auction House Limited has failed to remit the outstanding amount owed to our Company. Our Company has also filed a civil suit before the Commercial Division, Supreme Court of Mauritius for recovery of the MUR 18.54 million plus interest. The matter is currently pending before the police authorities in Mauritius and the Commercial Division, Supreme Court of Mauritius.

Litigation involving our Subsidiaries

There are no outstanding criminal proceedings, taxation matters, actions by regulatory and/or statutory authorities, or other litigation considered material as per the Materiality Policy, involving our Subsidiaries.

Litigation involving our Directors

I. Litigation against our Directors

Except as stated below, there are no outstanding criminal proceedings, taxation matters, actions by regulatory and/or statutory authorities, or other litigation considered material as per the Materiality Policy, involving our Directors.

A. *Criminal Proceedings*

Mr. G. Srinivasan

Mr. Srinivasan, in his capacity of being the Chairman and Managing Director of our Company, is involved in a criminal proceeding which may have been initiated prior to his joining our Company. Details of such proceeding is disclosed in "*Litigation against our Company - Criminal Proceedings*", and except as stated therein, Mr. G. Srinivasan is involved in no other criminal proceedings.

Mr. Hemant G. Rokade

1. Hubtown Limited has filed a defamation case bearing number 297 of 2014 before the High Court of Bombay, against IDBI Trusteeship Service Limited ("**ITSL**") and its directors, including Mr. Hemant G. Rokade, for issuance of letters by ITSL to its Bankers for the default committed by Hubtown Limited pursuant to the Corporate Guarantee executed by it in favour of ITSL. Each director of ITSL has filed Notice of Motion before the High Court of Bombay for dismissal of the suit against them as there is no cause of action against them in the plaint filed by the Hubtown Limited.

Litigation involving our Group Companies

There are no outstanding criminal proceedings, taxation matters, actions by regulatory and/or statutory authorities, or other litigation considered material as per the Materiality Policy, involving our Group Companies.

Material Developments

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 432, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

Proceedings initiated against our Company and our Directors for economic offences

There are no proceedings initiated against our Company or Group Companies or our Directors, for any economic offences.

Inquiries, inspections or investigations under Companies Act

There are no inquiries, inspections or investigations initiated or conducted against our Company under the Companies Act, 2013 or any previous company law in the five years immediately preceding the date of filing of this Draft Red Herring Prospectus. Further, except as disclosed below, there are no prosecutions filed (whether pending or otherwise), fines imposed, compounding of offences done by our Company or our Subsidiaries under the Companies Act, 2013 or any previous Companies Act in the five years immediately preceding this Draft Red Herring Prospectus involving our Company.

Defaults in respect of dues payable

Our Company has no outstanding defaults in relation to statutory dues payable, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financials institution (including interest).

Outstanding dues to Creditors

Out of the total sum of ₹18,452.24 million to our creditors, our Company owed Material Dues amounting to ₹ 2,607.62 million to one Material Creditor (*i.e.*, The New India Assurance Employees' Pension Trust). Details in relation to the amount owed by our Company to creditors as on March 31, 2017 are also available on http://newindia.co.in/downloads/Outstanding%20dues%20to%20creditors%20of%20The%20New%20India%20Assurance%20Co.pdf. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, http://newindia.co.in, would be doing so at their own risk.

Due to the decentralized and wide operations of our Company, the data pertaining to the total number of creditors including the amounts owed to creditors who are micro, small and medium enterprises are not available. Accordingly, the disclosure in respect of the amount payable to such Micro, Small, and Medium Enterprises as on March 31, 2017 has not been made in the Restated Financial Statements. In this regard, our Company has submitted a letter dated August 8, 2017 to SEBI, requesting an exemption under Regulation 113(1)(c) of the SEBI ICDR Regulations.

Material Frauds

There have been no material frauds committed against our Company in the last five years.

Outstanding litigation against any other person or companies whose outcome could have an adverse effect on our Company

There are no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act, 2013, show cause notices or legal notices pending against any company or person whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

Adverse findings against any persons/entities connected with our Company as regards non-compliance with securities laws

There are no adverse findings involving any persons/entities connected with our Company as regards non-compliance with securities law except as disclosed in this section.

Disciplinary action taken by SEBI or stock exchanges against our Company

There are no disciplinary actions taken by SEBI or stock exchanges against our Company or Directors.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material approvals applicable to our Company and our Subsidiaries. The indicative material approvals set out below are obtained by our Company and our Subsidiaries, as applicable, for the purposes of carrying out their present business. In view of these approvals, our Company can undertake this Offer and our Company and its Subsidiaries can undertake their current business activities. For details in connection with the regulatory and legal framework within which we operate, see "*Key Regulations and Policies*" on page 179.

Approvals in relation to the Offer

For the approvals and authorizations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures*" on page 513.

Incorporation details of our Company and Subsidiaries

1. Our Company was incorporated on July 23, 1919 under the Indian Companies Act, VII of 1913 with the Registrar of Companies. Our Company obtained the certificate of commencement of business on October 14, 1919. For further details in relation to incorporation, see "*History and Certain Corporate Matters*" on page 188.

2. For incorporation details of our Subsidiaries, see "*Our Subsidiaries*" on page 219.

Approvals obtained by our Company in relation to our business and operations

1. ***Business related approvals of our Company***

   Our Company requires various approvals for carrying on our business

   (a) *Regulatory approvals*

   Letter dated July 26, 2017 issued by the IRDAI confirming our Company's registration to undertake general insurance business in India.

   (b) *Product related approvals of our Company*

   As of June 30, 2017 we have offered over 230 products across various segments which include fire insurance, marine insurance, motor insurance, crop insurance and health insurance. Our Company has received IRDAI registrations for all such products.

   (c) *Office related approvals of our Company*

   (i). As on June 30, 2017, our Company has 2,452 offices across India, which have been approved by the IRDAI.

   (ii). Out of our 2,452 domestic offices, our Company considers 54 offices situated across India as material based on certain parameters which included, the nature of such offices and the premium receipts contributed by such offices in the Financial Year 2017 ("**Material Offices**"). Our Material Offices are subject to various approvals under the relevant legislations, out of which, except as stated below, our Company has obtained the applicable material approvals, *i.e.*, the requisite registrations under the applicable shops and establishments laws and professional tax legislations:

Sr. No.	Office Details/ Code	Nature of Approval	Status
1.	Jaipur Parbatsar - 331404	Registration under applicable shops and establishments laws	Application for registration yet to be made by our Company
2.	Ahmedabad Gota – 210205	Registration under applicable professional tax legislations	Application for registration yet to be made by our Company
3.	Ahmedabad Odhav - 210202	Registration under applicable professional tax legislations	Application for registration yet to be made by our Company
4.	Ludhiana - 360300	Registration under applicable shops and establishment legislations	Application for registration yet to be made by our Company
5.	Palwal – 312703	Registration under applicable shops and establishment legislations	Application for registration yet to be made by our Company

(iii). With respect to our offices other than the Material Offices, our Company routinely obtains material registrations in the normal course of business, under the applicable shops and establishments laws and professional tax legislations. However, in relation to such offices, certain approvals may have lapsed in their normal course or may have not been obtained by our Company as on date. Accordingly, our Company is in the process of making such applications.

(iv). As of June 30, 2017 we operate our international business through international branches, agency offices, representative office across 28 countries including by way of our Subsidiaries. Out of such offices, except for our office in Myanmar which was incorporated in the year 2015 and in relation to which the IRDAI had accorded its approval on January 31, 2014, none of our other foreign offices have received an approval from the IRDAI under the Guidelines for opening of foreign insurance company (including branch office) outside India by an Indian Insurance Company registered with the IRDAI issued by the IRDAI on May 15, 2013 ("**IRDAI Foreign Offices Guidelines**") since such offices were established prior to the IRDAI Foreign Offices Guidelines. Further, the approval for our Myanmar office expired on January 27, 2017 and we have applied for its renewal on June 9, 2017. The renewal application is pending before the IRDAI. For details, see "*Risk Factors - We are yet to receive or renew certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations*" on page 51.

2. ***Other approvals***

Our Company has obtained various tax related registrations and approvals including those relating to permanent account number, tax deduction account number and tax payer identification number. Our Company also maintains registration for Goods and Services Tax in the states wherever applicable, as per applicable laws.

3. ***Intellectual Property***

Our Company has applied for the following trademarks:

Sr. No.	Trademark	Type	Image	Class	Application number	Date of application	Status
1.	New India Assurance	Word	N/A	36	3598557	July 24, 2017	Pending

Sr. No.	Trademark	Type	Image	Class	Application number	Date of application	Status
2.	Logo of The New India Assurance Company Limited	Device		36	3598558	July 24, 2017	Pending

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

1. The Offer has been authorised by the Board of Directors pursuant to resolutions dated July 10, 2017 and August 4, 2017 and by our Shareholders pursuant to a special resolution dated August 2, 2017.

2. Letter (bearing reference number F. No. 3/5/2017 – DIPAM (M) issued by the Department of Investment and Public Asset Management, Ministry of Finance (on behalf of the President of India, acting through the MoF), dated August 4, 2017, approving the issue of 3% of the Equity Share capital, *i.e.*, 24,000,000 Equity Shares and the divestment of 12% of the Equity Share capital of our Company, *i.e*., 96,000,000 Equity Shares, through the Offer.

3. Our Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

4. The IRDAI has granted its in-principle approval to the Offer under the IRDAI Capital Regulations by its letter dated June 28, 2017. This approval is subject to, *inter-alia*, the following conditions:

   (a) Our Company to provide prescribed confirmations from concurrent auditor, appointed actuary and custodian: <u>Noted for compliance;</u>

   (b) maximum subscription that may be allotted to any class of foreign investors shall be in accordance with, the Foreign Investment Rules, guidelines on 'Indian Owned and Controlled' and any other statutory/ regulatory stipulations, as may be applicable and prescribed by any other regulator in this regard - <u>Noted for compliance</u>;

   (c) the Equity Shares subject to any prior directions on lock-in period issued by the IRDAI shall not be divested - <u>Noted for compliance</u>;

   (d) the disclosures in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus shall be in compliance with the requirements as indicated in Schedule 1 of the IRDAI Capital Regulations, in addition to the requirements prescribed under the SEBI ICDR Regulations – <u>Complied with and noted for compliance</u>;

   (e) the Articles of Association shall be amended so as to explicitly provide that no transfer beyond the limits prescribed in Section 6A of the Insurance Act shall be registered without the prior approval of the IRDAI and any directions, issued by IRDAI in this regard – <u>Complied with</u>; and

   (f) Our Company is required to ensure compliance with Insurance Act and other applicable circulars, directions and regulations issued thereunder, particularly the IRDA (Protection of Policyholders Interests) Regulations, 2002 – <u>Noted for compliance</u>

Restriction on transfer and transmission of shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, the minimum promoter's contribution as detailed in "*Capital Structure*" on page 101 and except as provided in the Insurance Act, the IRDAI Transfer Regulations and our Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Risk Factors*", "*Key Regulations and Policies*" and "*Main Provisions of the Articles of Association*" on page 20, 179 and 600, respectively.

The Insurance Act requires prior approval from the IRDAI where the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of the group, or body corporate under the same management, jointly or severally exceeds one per cent of the paid-up Equity Share capital of our Company.

The Insurance Act prohibits an insurance company from registering any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed five per cent of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, it is the responsibility of each Bidder to seek IRDAI approval, if the Bids submitted by such Bidder, results in the Bidder, holding five per cent or more of the post Offer paid-up share capital of our Company.

Additionally, IRDAI on August 5, 2016 has issued the Listed Indian Insurance Companies Guidelines. These guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to one per cent or more, but less than five per cent, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person intends to acquire such number of equity shares which will or is likely to result in the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to five per cent or more of the paid up equity share capital of the insurer or the total voting rights of the insurer such person is required to obtain prior approval of the IRDAI. Further, any person who has already obtained prior approval of IRDAI pursuant to this requirement, would be required to obtain a fresh prior approval of IRDAI in case of any subsequent acquisition which results in the aggregate holding of such person along with persons acting in concert exceeding 10 per cent of paid up equity share capital or voting rights of the concerned insurer. For details, see "*Key Regulations and Policies*" on page 179.

Accordingly, prospective Bidders should note the following:

(a) in the event any Bidder places a Bid amounting to one percent or more, but less than five percent of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit self-certification of 'fit and proper' criteria, as set out in "*Offer Procedure*" on page 546;

(b) in the event any Bidder places a Bid for such number of Equity Shares, as may result in the shareholding of a Bidder amounting to five percent or more of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit a copy of the prior approval obtained from the IRDAI with the Registrar to the Offer, at least one Working Day prior to the finalization of the Basis of the Allotment. The Basis of Allotment is expected to be finalized on or around [●]. In case of failure by such Bidder to submit the prior approval obtained from the IRDAI within the above time period, our Company shall Allot maximum number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Issue, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the resultant aggregate shareholding of the Bidder to less than five percent of the post-Offer paid-up equity share capital of our Company.

    A clearly legible copy of the aforementioned IRDAI approval together with the application submitted by such Bidder with the IRDAI for obtaining such prior approval must be submitted by the Bidders along with a copy of the Bid cum Application Form, with the Registrar to the Offer at least one Working Day prior to the finalisation of the Basis of Allotment as stated above. The IRDAI application should clearly mention the name(s) of the entities which propose to Bid in the Offer, the aggregate shareholding of the Bidder in the pre-Issue paid-up share capital of our Company and the maximum permitted holding of Equity Shares by such Bidder, in accordance with the above requirements.

Prohibition by the SEBI or other governmental authorities

The companies, with which our Promoters or our Directors or persons in control of our Company are or were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company have not been prohibited or debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of our Directors are associated with the securities market and / or no action has been initiated by SEBI against our Director or any entity in which any of our Directors are involved as promoter or directors.

Prohibition by RBI

Neither our Company, the Selling Shareholder, nor our Promoter, Directors, our Group Companies or the relatives of our Promoter have been declared as identified as a Wilful Defaulter (as defined under the SEBI ICDR Regulations).

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as explained below:

- Our Company has had net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each) of which not more than 50% of net tangible assets are monetary assets;

- Our Company has a minimum average pre-tax operating profit of ₹ 150 million, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);

- The aggregate size of the proposed Offer and all previous issues made in the same Financial Year will not exceed five times the pre-Offer net worth as per the restated unconsolidated financial statements of our Company for the preceding Financial Year; and

- Our Company has not changed its name within the last one year.

Our Company's net worth, net tangible assets and monetary assets derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus as of, and for the last three years ended, March 31, 2017 are set forth below:

(₹ in million)

Particulars	Financial Year 2017	Financial Year 2016	Financial Year 2015
Net worth(1)	125,964.48	120,587.67	116,692.76
Net tangible assets(2)	361,221.46	309,774.55	343,746.88
Monetary assets(3)	81,257.28	72,162.25	84,456.75
Monetary assets as a % of net tangible assets	22.50%	23.30%	24.57%

Notes:

(1) Net Worth = Paid-up share capital + Reserves and surplus - Miscellaneous Expenditure
(2) Net Tangible Assets' means the sum of all assets of the issuer less all liabilities, except share capital and free reserves and fair value change account, excluding deferred tax & intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India
(3) Monetary Assets means Cash in hand and Balance with bank in current and deposit account

Our Company's pre-tax operating profit derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus, during the three most profitable years out of the immediately preceding five years, are set forth below:

(₹ in million)

Particulars	Financial Year 2017	Financial Year 2016	Financial Year 2015	Financial Year 2014	Financial Year 2013
Pre-tax operating profit(1)	9,567.96	10,454.37	17,048.75	9,438.79	10,837.66

Note:

(1) 'Pre – tax operating profit' means profit before tax as restated

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF IRDAI

THE IRDAI DOES NOT UNDERTAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF OUR COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS CONNECTION.

ANY APPROVAL BY IRDAI UNDER THE IRDAI CAPITAL REGULATIONS SHALL NOT IN ANY MANNER BE DEEMED TO BE OR SERVE AS A VALIDATION OF THE REPRESENTATION BY OUR COMPANY IN THIS DRAFT RED HERRING PROSPECTUS.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, AXIS CAPITAL LIMITED, IDFC BANK LIMITED, NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED AND YES SECURITIES (INDIA) LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND ITS RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED IN THE OFFER, THE BRLMS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, AXIS CAPITAL LIMITED, IDFC BANK LIMITED, NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED AND YES SECURITIES (INDIA) LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO

ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGES THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS, KOTAK MAHINDRA CAPITAL COMPANY LIMITED, AXIS CAPITAL LIMITED, IDFC BANK LIMITED, NOMURA FINANCIAL ADVISORY AND SECURITIES (INDIA) PRIVATE LIMITED AND YES SECURITIES (INDIA) LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 8, 2017, WHICH READS AS FOLLOWS:

WE, THE BRLMS TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS PERTAINING TO THE OFFER;

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDER WE CONFIRM THAT:

   A. THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;

   B. ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

   C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID. - COMPLIED WITH AND NOTED FOR COMPLIANCE

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – <u>NOTED FOR COMPLIANCE</u>

5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING

FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS. - <u>COMPLIED WITH</u>

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO THE EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. – COMPLIED WITH AND NOTED FOR COMPLIANCE**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – <u>NOT APPLICABLE</u>**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' (AND OBJECTS ANCILLARY TO THE MAIN OBJECTS) LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY - <u>COMPLIED WITH</u>**

   AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – <u>COMPLIED WITH</u>

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDER SPECIFICALLY CONTAINS THIS CONDITION – <u>NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE ISSUE SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT, 2013, AS NOTIFIED</u>**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE, UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED ONLY IN DEMATERIALISED FORM**

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS: <u>COMPLIED WITH</u>

A. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

B. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER. – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC. – <u>COMPLIED WITH</u>

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THIS DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY – <u>COMPLIED WITH</u>

16. WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR – <u>COMPLIED WITH</u>

17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, AS PER THE ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y(1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE) – <u>NOT APPLICABLE</u>

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up, at any point of time, with the BRLMs any irregularities or lapses in this Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Price information of past issues handled by the BRLMs

The price information of past issues handled by the BRLMs is as follows:

1. *Kotak*

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak:

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	CL Educate Limited	238.95	502	31-Mar-17	402.00	-8.98%[+ 1.42%]	-15.36%[+3.46%]	-
2.	Avenue Supermarts Limited	1,870.00	299	21-Mar-17	600.00	+145.08%[- 0.33%]	+167.59%[+4.97%]	-
3.	Laurus Labs Limited(1)	1,330.50	428	19-Dec-16	489.90	+11.44%[+3.62%]	+23.97%[+13.03%]	+41.43%[+18.31%]
4.	Varun Beverages Limited	1,112.50	445	8-Nov-16	430.00	-7.72%[-5.17%]	-11.49%[+2.31%]	+8.89%[+8.68%]
5.	PNB Housing Finance Limited(2)	3,000.00	775	7-Nov-16	860.00	+11.70%[-4.16%]	+21.28%[+2.87%]	+70.50%[+9.28%]
6.	L&T Technology Services Limited	894.40	860	23-Sep-16	920.00	-0.85%[-1.57%]	-8.54%[-8.72%]	-9.55%[+3.28%]
7.	RBL Bank Limited	1,212.97	225	31-Aug-16	274.20	+27.07%[-2.22%]	+56.98%[-7.50%]	+103.07%[+1.74%]
8.	Larsen & Toubro Infotech Limited(3)	1,236.38	710	21-Jul-16	667.00	-6.39%[+1.84%]	-12.44%[+1.97%]	-4.21%[-1.14%]
9.	Mahanagar Gas Limited(4)	1,038.88	421	1-Jul-16	540.00	+20.86%[+3.72%]	+57.15%[+5.00%]	+83.71%[-3.55%]
10.	Parag Milk Foods Limited(5)	750.54	215	19-May-16	217.50	+17.07%[+4.97%]	+48.67%[+11.04%]	+38.93%[+6.59%]
11.	Ujjivan Financial Services Limited	882.50	210	10-May-16	231.90	+72.38%[+4.88%]	+120.90%[+10.08%]	+98.31%[+6.92%]
12.	Healthcare Global Enterprises Limited	649.64	218	30-Mar-16	210.20	-15.32%[+1.45%]	-19.98%[+4.65%]	-1.31%[+14.17%]
13.	Dr. Lal PathLabs Limited(6)	631.91	550	23-Dec-15	720.00	+32.54%[-7.49%]	+66.95% [-2.06%]	+63.13% [+3.87%]
14.	S H Kelkar and Company Limited	508.17	180	16-Nov-15	223.70	+21.69%[-1.35%]	+20.78%[-10.58%]	+24.97% [+0.11%]
15.	Interglobe Aviation Limited(7)	3,008.50	765	10-Nov-15	855.80	+32.39%[-2.20%]	+9.41%[-3.78%]	+40.59% [-0.64%]
16.	Coffee Day Enterprises Limited	1,150.00	328	2-Nov-15	317.00	-21.42%[-1.19%]	-19.73%[-6.05%]	-20.98% [-2.50%]
17.	Sadbhav Infrastructure Project Limited	491.66	103	16-Sep-15	111.00	-2.28% [+3.55%]	-5.63%[-3.15%]	-12.67% [-4.92%]

Sr. No.	Issue Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
18.	Power Mech Projects Limited	273.22	640	26-Aug-15	600.00	-9.36% [+0.98%]	-4.63%[+0.74%]	-10.65% [-7.15%]
19.	Manpasand Beverages Limited	400.00	320	9-Jul-15	300.00	+23.20% [+2.83%]	+36.53% [-2.11%]	+58.34% [-6.45%]
20.	Adlabs Entertainment Limited[(8)]	374.59	180	6-Apr-15	162.20	-18.36% [-3.87%]	-12.08% [-2.02%]	-38.39% [-8.19%]

Source: www.nseindia.com

Notes:

1. *In Laurus Labs Limited, the issue price to employees was ₹388 per equity share after a discount of ₹40 per equity share. The Anchor Investor Issue price was ₹428 per equity share.*
2. *In PNB Housing Finance Limited, the issue price to employees was ₹700 per equity share after a discount of ₹75 per equity share. The Anchor Investor Issue price was ₹775 per equity share.*
3. *In Larsen & Toubro Infotech Limited , the issue price to retail individual investor was ₹700 per equity share after a discount of ₹10 per equity share. The Anchor Investor Issue price was ₹710 per equity share.*
4. *In Mahanagar Gas Limited, the issue price to employees was ₹383 per equity share after a discount of ₹38 per equity share. The Anchor Investor Issue price was ₹421 per equity share.*
5. *In Parag Milk Foods Limited , the issue price to retail individual investor and employees was ₹203 per equity share after a discount of ₹12 per equity share. The Anchor Investor Issue price was ₹227 per equity share.*
6. *In Dr. Lal PathLabs Limited, the issue price to retail individual investor was ₹535 per equity share after a discount of ₹15 per equity share. The Anchor Investor Issue price was ₹550 per equity share.*
7. *In Interglobe Aviation Limited, the issue price to employees was ₹688.50 per equity share after a discount of ₹76.5 per equity share. The Anchor Investor Issue price was ₹765 per equity share.*
8. *In Adlabs Entertainment Limited, the issue price to retail individual investor was ₹168 per equity share after a discount of ₹12 per equity share. The Anchor Investor Issue price was ₹221 per equity share.*
9. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*
10. *Nifty is considered as the benchmark index*.

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by Kotak:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	11	13,567.63	-	-	4	2	1	4	-	-	2	4	2	1
2015-2016	9	7,487.69	-	-	5	-	2	2	-	1	4	2	1	1

2. *Axis:*

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Central Depository Services (India) Limited	5,239.91	149	30-Jun-17	250.00	+127.92%,[5.84%]	-	-
2	Eris Lifesciences Limited	17,404.86	603[1]	29-Jun-17	611.00	+0.87%,[+5.37%]	-	-
3	Tejas Networks Limited	7,766.88	257	27-Jun-17	257.00	+28.04%,[+5.35%]	-	-
4	S Chand And Company Limited	7,286	670.00	09-May-17	700.00	-17.37%,[+3.59%]	-8.89%,[+4.07%]	-
5	Avenue Supermarts Limited	18,700	299	21-Mar-17	600.00	+145.08%, [-0.20%]	+166.35%,[+5.88%]	-
6	BSE Limited	12,434.32	806	03-Feb-17	1085.00	+17.52%,[+2.55%]	+24.41%,[+6.53%]	+34.43%,[+15.72%]
7	Varun Beverages Limited	11,250.00	445	08-Nov-16	430.00	-7.72%,[-5.17%]	-9.36%,[+3.01%]	+10.60%,[+9.02%]
8	Endurance Technologies Limited	11,617.35	472	19-Oct-16	572.00	+16.06%,[-6.69%]	+ 23.78%,[-2.84%]	+73.98%,[+5.55%]
9	RBL Bank Limited	12,129.67	225	31-Aug-16	274.20	+27.07%,[-2.22%]	+56.98%,[-7.50%]	+107.91%,[+1.26%]
10	Dilip Buildcon Limited	6,539.77	219	11-Aug-16	240.00	+5.11%,[+3.20%]	+1.53%,[-0.57%]	+22.12%,[+2.43%]

Source: www.nseindia.com
[1]Price for eligible employees was ₹ 543.00 per equity share

Notes:
a. The CNX NIFTY is considered as the Benchmark Index.
b. Price on NSE is considered for all of the above calculations.
c. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.
d. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by Axis:

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	4	37,697.65	-	-	1	1	1	1	-	-	-	-	-	-
2016-2017	10	1,11,377.80	-	-	1	4	2	3	-	-	-	6	1	2
2015-2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

3. *IDFC:*

Price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by IDFC:

Sr. No.	Issuer Name	Issue Size (₹ Million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180th calendar day from listing
	HPL Electric & Power Limited	3,610.00	202.00	October 04, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [5.34%]
	Shankara Building Products Limited	3,450.01	460.00	April 05, 2017	545.00	51.25% [0.51%]	81.25% [4.16%]	Not available

Notes:

i. *Source: www.nseindia.com and www.bseindia.com for the price information and prospectus/finalised basis of allotment for issue details.*

ii. *NSE was the designated stock exchange for the issue listed as item 1 and BSE was the designated stock exchange for the issue listed as item 2. Therefore price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY and SENSEX have been used as the benchmark indices.*

iii. *In case of reporting dates falling on a trading holiday, values for the trading day, immediately following the trading holiday have been considered.*

iv. *Since 180 calendar days from listing date has not elapsed for Shankara Building Products Limited, data for the same is not available.*

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by IDFC:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	1	3,450.01		-	-	1	-	-	-	-	-	-	-	-
2016-2017	1	3,610.00	-	-	1	-	-	-	-	1	-	-	-	-
2015**-2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**As on the date of DRHP*

*** From October 21, 2015, the date of registration under SEBI (Merchant Banker) Regulations 1992,*

Notes:

i. *Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.*

ii. *The discount/premium has been/will be calculated based on the closing stock price.*

iii. *Since 180 calendar days from listing date has not elapsed for Shankara Building Products Limited, data for the same is not available. Hence the same has not been considered while calculating no. of IPOs trading at discount/premium on 180th calendar day from listing.*

4. *Nomura:*

Price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by Nomura:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Central Depository Services (India) Limited	5,239.91	149	June 30, 2017	250	+127.92% [5.84%]	Not applicable	Not applicable
2	Tejas Networks Limited	7,766.88	257	June 27, 2017	257	+28.04%, [+5.35%]	Not applicable	Not applicable
3	Housing and Urban	12,097.77	60	May 19,	73	+13.17%, [+2.44%]	Not applicable	Not applicable

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
	Development Corporation Limited[1]			2017				
4	BSE Limited	12,434.32	806	February 3, 2017	1,085	+17.52%, [+2.55%]	+24.41%, [+6.53%]	+34.43% [+15.72%]
5	Alkem Laboratories Limited[2]	13,477.64	1,050	December 23, 2015	1,380	+30.34%, [-7.49%]	+28.60%, [-2.06%]	+31.91%, [+4.74%]

Source: www.nseindia.com
1. *Price for retail individual bidders bidding in the retail portion and to eligible employees was INR58.00 per equity share*
2. *Price for eligible employees was INR950.00 per equity share*

Notes:
a. *The CNX NIFTY has been considered as the Benchmark Index.*
b. *Price on NSE is considered for all of the above calculations.*
c. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.*
d. *Not applicable – Period not completed*

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by Nomura:

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	3	25,104.56	-	-	-	1	1	1	-	-	-	-	-	-
2016-2017	1	12,434.32	-	-	-	-	-	1	-	-	-	-	1	-
2015-2016	1	13,477.64	-	-	-	-	1	-	-	-	-	-	1	-

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
3 issues were completed in the financial year 2017-2018. However, all 3 issues have not completed 180 days.

5. *YES:*

Price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by YES:

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Quess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.93% - change in closing price; +0.83% - change in closing benchmark	+94.59% - change in closing price; +2.20% - change in closing benchmark	+110.36% - change in closing price; -3.34% - change in closing benchmark
2	Varun Beverages Limited	11,125.00	445.00	November 08, 2016	430.00	-5.00% - change in closing price; -3.47% - change in closing benchmark	-9.36% - change in closing price; +3.01% - change in closing benchmark	+10.60% - change in closing price; +9.02% - change in closing benchmark
3	Central Depository Services	5,239.91	149.00	June 30, 2017	250.00	+127.92% - change in closing price; +5.84% - change in	-	-

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
	(India) Limited					closing benchmark		
4	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	-13.32% - change in closing price; +4.16% - change in closing benchmark	-	-

Notes:

1. Benchmark Index taken as CNX NIFTY
2. Price on NSE is considered for all of the above calculations
3. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index on the day of the listing date.
4. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days. If either of the 30th, 90th or 180th calendar days is a trading holiday, the next trading day has been considered for the computation.

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceeding the current Financial Year) handled by YES:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	2	10,087.91	-	-	1	1	-	-	-	-	-	-	-	-
2016-2017	2	15,125.00	-	-	1	1	-	-	-	-	-	1	-	1
2015-2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.

The information for the financial year is based on issue listed during such financial year.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular (CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please refer to the websites of the BRLMs, as set forth in the table below.

S. No.	Name of the BRLM	Website
1.	Kotak	www.investmentbank.kotak.com
2.	Axis	http://www.axiscapital.co.in
3.	IDFC	www.idfcbank.com
4.	Nomura	www.nomuraholdings.com/company/group/asia/india/index.html
5.	YES	www.yesinvest.in

Caution– Disclaimer from our Company, the Selling Shareholder, our Directors, and the BRLMs

Disclaimer from our Company, the Selling Shareholder, our Directors and the BRLMs

Our Company, the Selling Shareholder, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's or the Selling Shareholder's instance. Anyone placing reliance on any other source of information, including our Company's website, www.newindia.co.in, or the respective website of any of our Promoter or of any affiliate or associate of our Company, or our Group Companies would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, our Company and the Selling Shareholder.

All information, to the extent required in relation to the Offer, shall be made available by our Company, and the BRLMs to the public and investors at large and no selective or additional information will be made available for a section of investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company nor the Selling Shareholder, nor any Syndicate Member shall be liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, Axis Capital Limited will be involved only in marketing of the Offer. The BRLMs and their respective affiliates and associates may engage in transactions with, and perform services for, our Company or the Selling Shareholder and their respective affiliates or associates or our Group Companies or third parties in the ordinary course of business and have engaged, or may in the future engage, in transactions including underwriting, commercial banking and investment banking transactions with our Company or affiliates or the Selling Shareholder and their respective affiliates, associates, group companies or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

The Offer is being made in India to persons resident in India, including Indian national residents in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorised to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the IRDAI, permitted provident funds, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs and Eligible NRIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Maharashtra, India.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule

144A under the U.S. Securities Act, "Rule 144A") in reliance on the exemption from registration requirements of the Securities Act provided by Rule 144A, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

This Draft Red Herring Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company and the Selling Shareholder and their respective affiliates from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Important Information For Investors – Eligibility And Transfer Restrictions

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in reliance on the exemption from registration requirements of the Securities Act provided by Rule 144A, and (ii) outside the United States in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at the Corporation Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC, and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with the RoC:

The office of the RoC is located at:

The Registrar of Companies
Everest 5^{th}Floor
100, Marine Drive
Mumbai 400 002
Maharashtra, India

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Initial listing applications will be made to the Stock Exchanges for permission to deal in, and for an official quotation of the Equity Shares. The [●] will be the Designated Stock Exchange with which the 'Basis of Allotment' will be finalised.

If permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, our Company and the Selling Shareholder will forthwith repay, all moneys received from the applicants in pursuance of the Red Herring Prospectus, as required by applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest as prescribed under applicable laws.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or within such other period as may be prescribed. The Selling Shareholder confirms that it shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing of the Equity Shares and commencement of trading of the Equity Shares on the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date, or such other period as may be prescribed. If our Company and the Selling Shareholder do not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Account will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"***Any person who:***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

Consents

Consents in writing of the Selling Shareholder, the Directors, our Company Secretary and Chief Compliance Officer, Chief Financial Officer, the Bankers/lenders to our Company, the BRLMs and Syndicate Members, CRISIL, Public Offer Bank(s), Refund Bank, Registrar to the Offer, Legal Counsel to our Company as to Indian law, Legal Counsel to the BRLMs as to Indian Law, and Legal Counsel to the Offer as to international law to act in their respective capacities, will be obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent from its Joint Statutory Auditors, namely, R. Devendra Kumar & Associates, A. Bafna & Co., and NBS & CO., Chartered Accountants, to include their respective name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as "expert" as defined under section 2(38) and section 26 of the Companies Act, 2013 in respect of the reports of the Joint Statutory Auditors on the Restated Standalone Financial Statements and on the Restated Consolidated Financial Statements, both dated August 4, 2017, respectively and the Statement of Tax Benefits dated August 6, 2017, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, and "actuary" as defined under the Actuaries Act, 2006.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from its Joint Statutory Auditors, namely, R. Devendra Kumar & Associates, A. Bafna & Co., NBS & CO., Chartered Accountants, to include their name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as "Expert" as defined under section 2(38) and section 26 of the Companies Act, 2013 in respect of the reports of the Joint Statutory Auditors on the Restated Standalone Financial Statements and on the Restated Consolidated Financial Statements, both dated August 4, 2017, respectively and the Statement of Tax Benefits dated August 6, 2017, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act and "actuary" as defined under the Actuaries Act, 2006.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The fees and expenses relating to the Offer shall be shared in the proportion mutually agreed between our Company and the Selling Shareholder, except certain expenses to be borne by intermediaries as per the terms of their appointment. For details of the expenses of the Offer, see "*Objects of the Offer*" on page 112.

Fees, Brokerage and Selling Commission Payable to the BRLMs and the Syndicate Members

The total fees payable to the BRLMs and the Syndicate Members (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the engagement letters among our Company, the Selling Shareholder and the BRLMs and the Syndicate Agreement. A copy of the Syndicate Agreement will be made available for inspection at the Registered Office.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated [●] entered into, among our Company, the Selling Shareholder and the Registrar to the Offer, a copy of which is available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send such refund in any of the modes described in the Red Herring Prospectus or Allotment Advice by registered post/speed post/ordinary post.

Previous public or rights issues during the last five years

Our Company has not made any previous public issue or any rights issues during the ten years preceding the date of this Draft Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed under "*Capital Structure – Notes to Capital Structure – Share Capital History*" on page 101, our Company has not issued any securities for consideration other than cash.

Underwriting commission, brokerage and selling commission on previous issues

No sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of our Company since the 1973 Scheme.

Capital issuances in the preceding three years

Except as disclosed in "*Capital Structure"* on page 101, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Last one issue of our listed Group Companies, Subsidiaries and Associates

None of our Group Companies, Subsidiaries and Associates, except for Prestige Assurance Plc, one of our Subsidiaries, are listed as on the date of this Draft Red Herring Prospectus or has made any application for listing on any stock exchange in India or overseas. Further, Prestige Assurance Plc has not undertaken any public issuance during the period of ten years immediately preceding the date of this Draft Red Herring Prospectus. Accordingly, except as stated below, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings during the period of ten years immediately preceding the date of this Draft Red Herring Prospectus do not apply to our Associates or Subsidiaries:

Prestige Assurance Plc, one of our Subsidiaries, is listed on the Nigerian Stock Exchange since December 3, 1990. Prestige Assurance Plc completed a rights issuance in the year 2014 of 3,009,978,524 ordinary shares of 50 Kobo each in the ratio of six shares to be issued for every five oridinary shares held. The objects of the said rights issuance were, (i) repayment of the balance of the loan provided by our Company, (ii) investment in distribution channels for improved marketing of the company's products, for example, creation of special markets for NAICOM's compulsory insurance policies and MDRI (Market Deveopment and Restructuring Initiative) programme, (iii) deployment of electronic platforms, facilities and other information technology infrastructure to all its branches nationwide for quick and reliable service delivery, (iv) enhancement of working capital to improve liquidity and increase risk retention capabilities, and (vi) enhancement of the company's gilt edged portfolio. The objects mentioned in the offer document for the said rights issue were met.

Performance vis-à-vis objects

There has been no shortfall in terms of performance vis-à-vis objects for any of the previous issues of our Company since the 1973 Scheme.

Outstanding debentures or bond issues or preference shares or other instruments

There are no outstanding debentures or bonds or preference shares (including redeemable preference shares) or other instruments as of the date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up equity shares as on the date of this Draft Red Herring Prospectus.

Stock Market Data of the Equity Shares

This being an initial public offering of our Company, the Equity Shares are not listed on any stock exchange.

Other Disclosures

Except as disclosed in "*Capital Structure – Build-up of Promoter's shareholding of our Company*" on page 104, none of our Directors, Promoter have purchased or sold any securities of our Company, during a period of six months preceding the date of filing this Draft Red Herring Prospectus.

Mechanism for Redressal of Investor Grievances

For all Offer related queries and for redressal of complaints, Investors may also write to the BRLMs. All complaints, queries or comments received by SEBI shall be forwarded to the BRLMs, who shall respond to such complaints.

Further, the Bidders shall also enclose a copy of the Acknowledgement Slip duly received from the Designated Intermediaries in addition to the documents/ information mentioned hereinabove.

All grievances relating to the Bidding process must be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, quoting the full details such as the name and address of the sole or First Bidder, date and number of the Bid cum Application Form, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application, name and address of the relevant Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and cheque or draft number and issuing bank thereof.

The agreement between the Registrar to the Offer, our Company, Refund Bank, Public Offer Bank(s) and the Selling Shareholder dated [●], provides for retention of records, including refund orders despatched to the Bidders, with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Chief Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be [●] Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

There have been no investor grievances received by our Company for the three years prior to the filing of this Draft Red Herring Prospectus.

As on date, there are no investor complaints pending.

Our Company has constituted a Stakeholders' Relationship Committee. For details, see "*Our Management*" on page 197.

Our Company has appointed Ms. Jayashree Nair as our Company Secretary and Chief Compliance Officer who may be contacted in case of any pre-Offer or post-Offer related problems. For contact details, see "*General Information*" on page 93.

Disposal of investor grievances by listed Group Companies

As on the date of this Draft Red Herring Prospectus, none of our Group Companies is listed on any stock exchange in India or has made any application for listing on any stock exchange in India or overseas.

Change in Statutory Auditors

Except for the appointment of NBS & CO., Chartered Accountants, in place of JCR & Co., Chartered Accountants, on account of completion of their respective terms of four continuous years as the Statutory Auditors of our Company, there has been no change in the Joint Statutory Auditors of our Company during the financial three years preceding the date of this Draft Red Herring Prospectus.

Capitalisation of Reserves or Profits

Except as disclosed in the section "*Capital Structure*" on page 101, our Company has not capitalised its reserves or profits at any time since the 1973 Scheme.

Revaluation of Assets

Our Company has not revalued its assets since the 1973 Scheme.

SECTION VIII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Insurance Act, the IRDA Act and the rules and regulations made thereunder, including the IRDAI Capital Regulations, the SEBI ICDR Regulations, SCRA read with the SCRR, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, rules, guidelines, notifications and regulations relating to the issue and transfer of capital and registration, listing and trading of securities issued from time to time by SEBI, the GoI, the concerned Ministry/ Department of the GoI, the IRDAI, the Stock Exchanges, the RBI, the RoC, and/or other authorities, as in force on the date of the Offer and to the extent applicable, or such other conditions as may be prescribed by SEBI, the RBI, the IRDAI, the GoI, the concerned Ministry/ Department of the GoI, the Stock Exchanges, the RoC and/or any other regulatory authority while granting its approval for the Offer, as may be applicable.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The fees and expenses relating to the Offer shall be shared in the proportion mutually agreed between our Company and the Selling Shareholder, except certain expenses to be borne by intermediaries as per the terms of their appointment. For details, see "*Objects of the Offer*" and "*Other Regulatory and Statutory Disclosures*" on pages 112 and 513, respectively.

Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Offer shall be subject to the provisions of, *inter-alia*, our Memorandum and Articles of Association, the Companies Act, the Insurance Act, the IRDAI Act and the rules and regulations made thereunder, including the IRDAI Issuance of Capital Regulations, the SEBI ICDR Regulations, SCRA read with the SCRR, and shall rank *pari passu* in all respects with the existing Equity Shares including right to receive dividend. The Allottees, upon Allotment, will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For details, see "*Dividend Policy*" and "*Main Provisions of our Articles of Association*" on pages 226 and 600, respectively.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, our Memorandum and Articles of Association and provisions of the Listing Regulations. For details, see "*Dividend Policy*" and "*Main Provisions of our Articles of Association*" on pages 226 and 600, respectively.

Face value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 5 and the Offer Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] and the Cap Price is ₹ [●].

The Price Band, Employee Discount and the minimum Bid Lot will be decided by our Company and the Selling Shareholder in consultation with the BRLMs and will be advertised in all editions of [●], all editions of [●] and [●] edition of [●] (Which are English, Hindi and Marathi newspapers, Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and such advertisement shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

At any given point of time, there shall be only one denomination for the Equity Shares, subject to applicable laws.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI and the IRDAI from time to time.

Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, our Shareholders shall have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting rights, unless prohibited by law;
- right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- right to receive offers for purchasing rights shares and be allotted bonus shares, if announced;
- right to receive surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- right of free transferability of Equity Shares, subject to applicable laws including any rules and regulations prescribed by the IRDAI or the RBI; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Regulations, and our Memorandum and Articles of Association.

In accordance with Section 11(2) of the Insurance Act, every insurer shall keep separate accounts relating to funds of shareholders and policy-holders and hence the funds attributed to policy-holders cannot be utilised by shareholders. Further, in accordance with Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015, as amended, the claims of preference shareholders and equity shareholders shall be subordinate to the interests of the policyholders, subordinated debt holders and all other creditors.

For details on the main provisions of our Articles of Association including those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see "*Main Provisions of our Articles of Association*" on page 600.

Option to receive Equity Shares in Dematerialised Form

In terms of Section 29 of the Companies Act, 2013 the Allotment to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment in physical form. As per the SEBI ICDR Regulations, the trading of Equity Shares shall only be in the dematerialised form. In this context, two agreements have been executed among our Company, the respective Depositories and the Registrar to the Offer as set out below:

- Tripartite agreement dated [●] entered into amongst NSDL, our Company and the Registrar to the Offer; and
- Tripartite agreement dated [●] entered into amongst CDSL, our Company and the Registrar to the Offer.

As on the date of this Draft Red Herring Prospectus, our company has not entered into agreements with depositories for dematerialisation of Equity Shares issued by our Company, as required under Regulation 4(c) of the SEBI ICDR Regulations. In this regard, our Company is in the process of submitting a letter to SEBI, requiring exemption under Regulation 113(1)(c) of the SEBI ICDR Regulations.

Market lot and trading lot

Since trading of the Equity Shares will be in dematerialised form, the tradable lot is one Equity Share. Allotment will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares.

Nomination facility to the Bidder

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, along with other joint Bidders, may nominate any one person to whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and Share Transfer Agent of our Company.

Any person who becomes a nominee in accordance with Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by our Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to register himself or herself as a Shareholder, or to transfer the Equity Shares, and if the notice is not complied with within the period stipulated in the Articles of Association from the date of such notice, our Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the Bidders require changing of their nomination, they are requested to inform their respective depository participants.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Withdrawal of the Offer

Our Company and the Selling Shareholder, in consultation with the BRLMs, reserve the right not to proceed with the Offer, in whole or any part thereof, for any reason and at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. In such an event the BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company and the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue and/or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC and any other approvals as may be required including from the IRDAI.

Offer Programme

OFFER OPENS ON	**[●]**
OFFER CLOSES ON	**[●]**[(1)]

[(1)]Our Company and the Selling Shareholder, may in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholder or the BRLMs. While our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms that it shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Bids:

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 A.M. and 5.00 P.M. (IST)
Bid/Offer Closing Date	
Submission and revision in Bids	Only between 10.00 A.M. and 3.00 P.M. (IST)

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 P.M. IST in case of Bids by QIBs, Non-Institutional Investors; and

(ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors and Eligible Employees bidding under the Employee Reservation Portion.

On the Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Investors after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 3.00 P.M. IST on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on business days, *i.e.*, from Monday to Friday (excluding any public/bank holiday). Our Company, or the Selling Shareholder or the members of Syndicate are not liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is IST.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the details of the Bid file received from Stock Exchanges may be taken as final data for the purposes of Allotment.

Our Company and the Selling Shareholder, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, *i.e.*, the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of any revision to the Price Band, the Bid/Offer Period shall be extended by at least three additional Working Days after such revision to the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision to the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the other members of the Syndicate Member. The requirements for minimum subscription are not applicable in case of the Offer for Sale.

Minimum subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations. However, if our Company does not make the minimum Allotment specified under terms of Rule 19(2)(b)(iii) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholder shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholder shall pay interest prescribed under the applicable law.

The application monies to be refunded shall be credited only to the bank account from which the subscription was remitted.

Further, the Selling Shareholder and our Company and shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA

Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholder and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only, the market lot for our Equity Shares will be one and there are no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, the minimum promoter's contribution as detailed in "*Capital Structure*" on page 101 and except as provided in the Insurance Act, the IRDAI Transfer Regulations and our Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Risk Factors*", "*Key Regulations and Policies*" and "*Main Provisions of the Articles of Association*" on page 20, 179 and 600, respectively.

The Insurance Act requires prior approval from the IRDAI where the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of the group, or body corporate under the same management, jointly or severally exceeds one per cent of the paid-up Equity Share capital of our Company.

The Insurance Act prohibits an insurance company from registering any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed five per cent of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, it is the responsibility of each Bidder to seek IRDAI approval, if the Bids submitted by such Bidder, results in the Bidder, holding five per cent or more of the post Offer paid-up share capital of our Company.

Additionally, IRDAI on August 5, 2016 has issued the Listed Indian Insurance Companies Guidelines. These guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to one per cent or more, but less than five per cent, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person intends to acquire such number of equity shares which will or is likely to result in the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to five per cent or more of the paid up equity share capital of the insurer or the total voting rights of the insurer such person is required to obtain prior approval of the IRDAI. Further, any person who has already obtained prior approval of IRDAI pursuant to this requirement, would be required to obtain a fresh prior approval of IRDAI in case of any subsequent acquisition which results in the aggregate holding of such person along with persons acting in concert exceeding 10 per cent of paid up equity share capital or voting rights of the concerned insurer. For details, see "*Key Regulations and Policies*" on page 179.

Accordingly, prospective Bidders should note the following:

(c) in the event any Bidder places a Bid amounting to one percent or more, but less than five percent of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit self-certification of 'fit and proper' criteria, as set out in "*Offer Procedure*" on page 546;

(d) in the event any Bidder places a Bid for such number of Equity Shares, as may result in the shareholding of a Bidder amounting to five percent or more of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit a copy of the prior approval obtained from the IRDAI with the Registrar to the Offer, at least one Working Day prior to the finalization of the Basis of the Allotment. The

Basis of Allotment is expected to be finalized on or around [●]. In case of failure by such Bidder to submit the prior approval obtained from the IRDAI within the above time period, our Company shall Allot maximum number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Issue, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the resultant aggregate shareholding of the Bidder to less than five percent of the post-Offer paid-up equity share capital of our Company.

A clearly legible copy of the aforementioned IRDAI approval together with the application submitted by such Bidder with the IRDAI for obtaining such prior approval must be submitted by the Bidders along with a copy of the Bid cum Application Form, with the Registrar to the Offer at least one Working Day prior to the finalisation of the Basis of Allotment as stated above. The IRDAI application should clearly mention the name(s) of the entities which propose to Bid in the Offer, the aggregate shareholding of the Bidder in the pre-Issue paid-up share capital of our Company and the maximum permitted holding of Equity Shares by such Bidder, in accordance with the above requirements.

OFFER STRUCTURE

The Offer of up to 120,000,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] Equity Share), aggregating up to ₹ [●] million consisting of a Fresh Issue of up to 24,000,000 Equity Shares aggregating up to ₹ [●] million and an Offer for Sale of up to 96,000,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholder. The Offer shall constitute 14.56% of the fully diluted post-Offer paid-up equity share capital of our Company. The Offer includes an Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ **[●]** million, for subscription by Eligible Employees. The Net Offer shall constitute at least 10 % of the fully diluted post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	**QIBs**	**Non-Institutional Investors**	**Retail Individual Investors**+++	**Eligible Employees**#+++
Number of Equity Shares available for Allotment/allocation(1)###	Not more than [●] Equity Shares	Not less than [●] Equity Shares or the Net Offer less to QIB Bidders and Retail Individual Investors shall be available for allocation	Not less than [●] Equity Shares or the Net Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation	Up to [●] Equity Shares
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Net Offer However, up to 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund reservation will be added to the QIB Portion	Not less than 15% of the Net Offer or the Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than 35% of the Net Offer or Offer less allocation to QIB Bidders and Non Institutional Investors	[●] % of the Offer. The Employee Reservation Portion comprises approximately [●] % of our Company's post Offer paid up Equity Share capital
Basis of Allotment/allocation if respective category is oversubscribed(1)	Proportionate as follows: (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and	Proportionate.	The allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a	Proportionate

Particulars	**QIBs**	**Non-Institutional Investors**	**Retail Individual Investors+++**	**Eligible Employees#+++**
	(b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.		proportionate basis.	
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares not exceeding the Net Offer subject to applicable limits to the Bidder.	Such number of Equity Shares not exceeding the Net Offer subject to applicable limits to the Bidder.	Such number of Equity Shares such that the Bid Amount does not exceed ₹ 200,000 net of Retail Discount.	Such number of Equity Shares such that the Bid Amount does not exceed ₹ 500,000 net of Employee Discount(4)#+++
Mode of Bidding	Through ASBA process	Through ASBA process only	Through ASBA process only	Through ASBA process only
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share.			
Trading lot	One Equity Share.	One Equity Share.	One Equity Share.	One Equity Share.
Who can apply++	Public financial institutions specified in Section 2(72) of the Companies Act, 2013, FPIs (other than Category III Foreign Portfolio Investors), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial	Resident Indian individuals, Eligible NRIs, HUF (in the name of *Karta*), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals.	Resident Indian Individuals, Eligible NRIs and HUF (in the name of *Karta*).	Eligible Employees.

Particulars	**QIBs**	**Non-Institutional Investors**	**Retail Individual Investors+++**	**Eligible Employees#++++**
	development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, systemically important non-banking financial companies, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.			
Terms of Payment@	The entire Bid Amount shall be blocked in the ASBA Account by the SCSBs at the time of submission of Bid cum Application Form.	The entire Bid Amount shall be blocked in the ASBA Account by the SCSBs at the time of submission of Bid cum Application Form.	The entire Bid Amount shall be blocked in the ASBA Account by the SCSBs at the time of submission of Bid cum Application Form.	The entire Bid Amount shall be blocked in the ASBA Account by the SCSBs at the time of submission of Bid cum Application Form.

(1) Assuming full subscription in the Offer.

 # Subject to receipt of necessary approvals from the GoI, up to [●] Equity Shares may be reserved for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion. The Employee Reservation Portion, if any, shall not exceed 5% of the post-Offer capital of our Company, subject to the Net Offer constituting at least 10% of the post-Offer paid-up Equity Share capital of our Company, or increase the size of the Offer by more than 20%. Since the retention of the Employee Reservation Portion is subject to receipt of necessary approvals from the GoI, the allocation and Allotment of Equity Shares under various portions mentioned in the table above (i.e., under the QIB Portion, Non-Institutional

Portion and the Retail Portion) are in respect of the Offer. If the Employee Reservation Portion is offered, the allocation mentioned in the table above should be read to be in respect of the Net Offer.

Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion, shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

#+++ *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹ 200,000), shall be added to the Net Offer. In the event of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be allowed from the Employee Reservation Portion. Subject to valid Bids being received at or above the Offer Price, under-subscription (if any) in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis.*

(4)# *Eligible Employees Bidding in the Employee Reservation portion (if any) can Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion (if any) can also Bid under the Net Offer and such Bids will not be treated as multiple Bids.*

@ *In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the Bid cum Application Form.*

++ *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹ 200,000), shall be added to the Net Offer.*

+++ *Our Company and the Selling Shareholder, in consultation with the BRLMs, may offer a discount of up to [●]% (equivalent to up to ₹ [●]) on the Offer Price to the Retail Individual Bidders and the Eligible Employees Bidding under the Employee Reservation Portion (if any), respectively. The amount of Retail Discount and Employee Discount, as applicable, will be advertised in all newspapers wherein the Pre-Offer Advertisement will be published. For details, see "Offer Procedure" on page 546.*

The Offer is being made through the Book Building Process, in reliance of Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIB**"). 5% of the QIB Portion will be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion will be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer will be available for allocation on a proportionate basis to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Additional Equity Shares would be allocated to the remaining Bidders in the category to which the Bidder belonged for further allocation on a proportionate basis. For details, see "*Offer Procedure – Basis of Allocation*" and "*Main Provisions of Articles of Association*" on pages 585 and 600, respectively.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other categories or contribution of categories at the discretion of our Company and the Selling Shareholder, in consultation with the BRLMs and the Designated Stock Exchange. Any unsubscribed Equity Shares in the Employee Reservation Portion shall be added to the Net Offer.

Restriction on transfer and transmission of shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, the minimum promoter's contribution as detailed in "*Capital Structure*" on page 101 and except as provided in the Insurance Act, the IRDAI Transfer Regulations and our Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Risk Factors*", "*Key Regulations and Policies*" and "*Main Provisions of the Articles of Association*" on page 20, 179 and 600, respectively.

The Insurance Act requires prior approval from the IRDAI where the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of the group, or body corporate under the same management, jointly or severally exceeds one per cent of the paid-up Equity Share capital of our Company.

The Insurance Act prohibits an insurance company from registering any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed five per cent of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, it is the responsibility of each Bidder to seek IRDAI approval, if the Bids submitted by such Bidder, results in the Bidder, holding five per cent or more of the post Offer paid-up share capital of our Company.

Additionally, IRDAI on August 5, 2016 has issued the Listed Indian Insurance Companies Guidelines. These guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to one per cent or more, but less than five per cent, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person intends to acquire such number of equity shares which will or is likely to result in the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to five per cent or more of the paid up equity share capital of the insurer or the total voting rights of the insurer such person is required to obtain prior approval of the IRDAI. Further, any person who has already obtained prior approval of IRDAI pursuant to this requirement, would be required to obtain a fresh prior approval of IRDAI in case of any subsequent acquisition which results in the aggregate holding of such person along with persons acting in concert exceeding 10 per cent of paid up equity share capital or voting rights of the concerned insurer. For details, see "*Key Regulations and Policies*" on page 179.

Accordingly, prospective Bidders should note the following:

(e) in the event any Bidder places a Bid amounting to one percent or more, but less than five percent of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit self-certification of 'fit and proper' criteria, as set out in "*Offer Procedure*" on page 546;

(f) in the event any Bidder places a Bid for such number of Equity Shares, as may result in the shareholding of a Bidder amounting to five percent or more of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit a copy of the prior approval obtained from the IRDAI with the

Registrar to the Offer, at least one Working Day prior to the finalization of the Basis of the Allotment. The Basis of Allotment is expected to be finalized on or around [●]. In case of failure by such Bidder to submit the prior approval obtained from the IRDAI within the above time period, our Company shall Allot maximum number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Issue, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the resultant aggregate shareholding of the Bidder to less than five percent of the post-Offer paid-up equity share capital of our Company.

A clearly legible copy of the aforementioned IRDAI approval together with the application submitted by such Bidder with the IRDAI for obtaining such prior approval must be submitted by the Bidders along with a copy of the Bid cum Application Form, with the Registrar to the Offer at least one Working Day prior to the finalisation of the Basis of Allotment as stated above. The IRDAI application should clearly mention the name(s) of the entities which propose to Bid in the Offer, the aggregate shareholding of the Bidder in the pre-Issue paid-up share capital of our Company and the maximum permitted holding of Equity Shares by such Bidder, in accordance with the above requirements.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 and CIR/CFD/POLICYCELL/11/2015 notified by SEBI (the "General Information Document") read with SEBI circular bearing number CIR/CFD/POLICYCELL/11/ 2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under the section "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general and in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA process mandatory for all Bidders, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.

Please note that all Bidders can participate in the Offer only through the ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to non-ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Investors are required to make payment of the full Bid Amount along with the Bid cum Application Form. In case of ASBA Investors, an amount equivalent to the full Bid Amount will be blocked by the SCSBs.

ASBA Bidders may submit ASBA Bids to a Designated Branch (a list of such branches is available on the website of the SEBI (www.sebi.gov.in) or to the Syndicate at the Specified Locations, a list of which is available at the website of the SEBI (www.sebi.gov.in) and updated from time to time or to the Registered Brokers at the Broker Centres. Non-ASBA Bidders are required to submit Bids to the Syndicate, only on a Bid cum Application Form bearing the stamp of a member of the Syndicate or the Registered Broker.

Our Company, the Selling Shareholder and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process, in reliance on Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIB**"). 5% of the QIB Portion will be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion will be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer will be available for allocation on a proportionate basis to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, the Insurance Act prohibits any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, unless a prior approval has been obtained by the insurer from the IRDAI, in this regard. For details, see "*Other Regulatory and Statutory Disclosures - Restriction on transfer and transmission of shares*" and "*Key Regulations and Policies*" on pages 513 and 179, respectively. [•] Equity Shares aggregating up to ₹ [●] million shall be made available for allocation on a proportionate basis to the Eligible Employees bidding in the Eligible Employees Reservation Portion, subject to valid bids being received on or above the Offer Price, provided that the allotment amount to any Eligible Employee shall not exceed ₹ 200,000 (net of Employee Discount, if any).

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholder and the BRLMs and the Designated Stock Exchange. Any unsubscribed portion in Employee Reservation Portion shall be added to the Net Offer. In case of under subscription in the Net Offer category, spill-over to the extent of under-subscription shall be permitted from the reserved category to the Net Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, will be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form/ ASBA Forms

Please note that all the Bidders shall mandatorily apply in the Offer through ASBA process only.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres and Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date. Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount that can be blocked by the SCSB at the time of submitting the Bid.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the concerned Designated Intermediary, submitted at the Bidding centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	**Colour of Bid cum Application Form[1]**
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-residents including Eligible NRIs, FVCIs or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Eligible Employees applying under the Employee Reservation Portion	Pink

(1) *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs), shall submit/deliver the ASBA Forms to the respective SCSB, where the bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Restriction on transfer and transmission of shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, the minimum promoter's contribution as detailed in "*Capital Structure*" on page 101 and except as provided in the Insurance Act, the IRDAI Transfer Regulations and our Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Risk Factors*", "*Key Regulations and Policies*" and "*Main Provisions of the Articles of Association*" on page 20, 179 and 600, respectively.

The Insurance Act requires prior approval from the IRDAI where the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of the group, or body corporate under the same management, jointly or severally exceeds one per cent of the paid-up Equity Share capital of our Company.

The Insurance Act prohibits an insurance company from registering any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed five per cent of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, it is the responsibility of each Bidder to seek IRDAI approval, if the Bids submitted by such Bidder, results in the Bidder, holding five per cent or more of the post Offer paid-up share capital of our Company.

Additionally, IRDAI on August 5, 2016 has issued the Listed Indian Insurance Companies Guidelines. These guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to one per cent or more, but less than five per cent, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person intends to acquire such number of equity shares which will or is likely to result in the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to five per cent or more of the paid up equity share capital of the insurer or the total voting rights of the insurer such person is required to obtain prior approval of the IRDAI. Further, any person who has already obtained prior approval of IRDAI pursuant to this requirement, would be required to obtain a fresh prior approval of IRDAI in case of any subsequent acquisition which results in the aggregate holding of such person along with persons acting in concert exceeding 10 per cent of paid up equity share capital or voting rights of the concerned insurer. For details, see "*Key Regulations and Policies*" on page 179.

Accordingly, prospective Bidders should note the following:

(g) in the event any Bidder places a Bid amounting to one percent or more, but less than five percent of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit self-certification of 'fit and proper' criteria, as set out in "*Offer Procedure*" on page 546;

(h) in the event any Bidder places a Bid for such number of Equity Shares, as may result in the shareholding of a Bidder amounting to five percent or more of the post-Offer paid-up share capital of our Company, such Bidders would be required to submit a copy of the prior approval obtained from the IRDAI with the Registrar to the Offer, at least one Working Day prior to the finalization of the Basis of the Allotment. The Basis of Allotment is expected to be finalized on or around [●]. In case of failure by such Bidder to submit the prior approval obtained from the IRDAI within the above time period, our Company shall Allot maximum number of Equity Shares, as adjusted for the Bid Lot (and in case of over-subscription in the Issue, after making applicable proportionate allocation for the Equity Shares Bid for), that will limit the resultant aggregate shareholding of the Bidder to less than five percent of the post-Offer paid-up equity share capital of our Company.

A clearly legible copy of the aforementioned IRDAI approval together with the application submitted by such Bidder with the IRDAI for obtaining such prior approval must be submitted by the Bidders along with a copy of the Bid cum Application Form, with the Registrar to the Offer at least one Working Day prior to the finalisation of the Basis of Allotment as stated above. The IRDAI application should clearly mention the name(s) of the entities which propose to Bid in the Offer, the aggregate shareholding of the Bidder in the pre-Issue paid-up share capital of our Company and the maximum permitted holding of Equity Shares by such Bidder, in accordance with the above requirements.

Who can Bid?

In addition to the category of Bidders set forth under the section "*General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 565, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares; and

- Any other persons eligible to Bid in this Offer under the laws, rules, regulations, guidelines and policies applicable to them.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being issued and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in reliance on the exemption from registration requirements of the Securities Act provided by Rule 144A, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company

If any Bidder makes a Bid for Equity Shares representing 1% or more but less than 5% of the post-Offer paid up equity share capital of our Company, such Bidder will be required to attach a self certification with the Bid cum Application Form, confirming and certifying that such Bidder is a 'fit and proper person'. To be a 'fit and proper person' the Bidder must be:

1. Either:

    a. an intermediary registered (or deemed to be registered) with the Securities and Exchange Board of India ("SEBI") in terms of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended; or

    b. an entity carrying out business which is regulated in India by the Reserve Bank of India, the SEBI, the Insurance Regulatory and Development Authority of India, the Pension Fund Regulatory and Development Authority or outside India by any financial services, capital markets or banking regulatory authorities including the U.S. Securities and Exchange Commission, the (U.K.) Prudential Regulation Authority, Monetary Authority of Singapore and Hong Kong Monetary Authority; or

c. a subsidiary of an entity falling under a and b above; or

d. a sovereign wealth fund or an investment company which is controlled by a sovereign wealth fund, either directly or indirectly; or

e. a person who or whose affiliates (including the investment companies of such Bidder) is the promoter of a company in the top 100 listed companies in India. The top 100 listed companies will be on the basis of their respective market capitalisation. The market capitalisation shall be the product of the "weighted average number of total shares" of such company and the "volume weighted average market price" of such shares for the preceding quarter. (The terms "weighted average number of total shares" and "volume weighted average market price" have the meaning assigned to them in the Takeover Regulations. The preceding quarter in relation to the Offer, is the period from April 1, 2017 until June 30, 2017 (inclusive of both days). Additionally, the "volume weighted average market price" will be adjusted for corporate actions such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of extraordinary dividend (50% higher than the dividend per share paid during the preceding three financial years), de-mergers and reduction of capital, where the record date for effecting such corporate actions falls within the preceding quarter).

2. Is eligible to hold, subscribe and deal with the Equity Shares under the applicable laws; and

3. The aggregate of the existing shareholding of the Bidder in the Offer, if any, and the Equity Shares for which the Bidder's Bid has been made do not exceed 5% of the post-Offer paid up equity share capital of our Company.

Bidders submitting Bid for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company should satisfy the 'fit and proper person' criteria as set out hereinabove. Bidder not qualifying the above criteria may submit the self-certification highlighting the '*fit and proper person*', as their application, for our consideration. Based on the self-certification submitted by the Bidder, our Company shall determine whether the Bidder is '*fit and proper*' to acquire 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company. Failing this, our Company reserves the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof. The aforementioned '*fit and proper person*' criteria has been noted by our Board.

Participation by associates and affiliates of the BRLMs and the Syndicate Member

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of Bidders, including associates or affiliates of the BRLMs and Syndicate Members, will be treated equally for the purpose of allocation to be made on a proportionate basis.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund should individually own more than 5% and under all its schemes should own more than 10% of our Company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and Eligible NRI Bidders bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary ("**NRO**") accounts the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPIs

On January 7, 2014, SEBI notified the FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' were subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. On March 13, 2014, the RBI amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the FPI Regulations, the issue of Equity Shares to a single FPI and / or to an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is required to be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by our Shareholders and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the FPI Regulations, an FPI, other than Category III foreign portfolio investors and unregulated broad based funds, which are classified as Category II foreign portfolio investors by virtue of their investment manager being appropriately regulated, may issue, subscribe or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying assets) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms, and (iii) such offshore derivatives investments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by residents Indian or NRIs. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Bids by SEBI registered VCFs, AIFs and FVCIs

The FVCI Regulations and the AIF Regulations *inter alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offer of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the AIF Regulations.

All non-resident investors should note that dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholder reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies in financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is less. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks)

Directions, 2016.

Bids by Eligible Employees applying under the Employee Reservation Portion

The Bid must be for a minimum of [●] Equity Shares so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 on a net basis. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price. Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form (*i.e.*, pink colour form).

(b) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 on a net basis. The maximum Bid in this category by an Eligible Employee cannot exceed ₹ 500,000 on a net basis
.

(c) Allotment to an Eligible Employee in the Employee Reservation Portion will exceed ₹ 200,000 (which will be less Employee Discount) only in the event of an under-subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount).

(d) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form.

(e) The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee.

(f) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.

(g) Only those Bids, which are received at or above the Offer Price, would be considered for Allotment under this category.

(h) Eligible Employees can apply at Cut-off Price.

(i) Bid by Eligible Employees can be made also in the "Net Offer to the Public" and such Bids shall not be treated as multiple Bids.

(j) If the aggregate demand in this category is less than or equal to 1,000,000 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(k) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Offer constituting [●] % of the post-Offer share capital of our Company.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, see "*Offer Procedure – Allotment Procedure and Basis of Allotment*" on page 587.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the

Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended, are broadly set forth below:

(a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector to which the investee company belongs: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) and (c) above, as the case may be.

The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of **₹** 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of **₹** 500,000 million or more but less than **₹** 2,500,000 million.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. Such SCSBs are required to ensure that for making applications on their own account, using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such application.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

General Instructions:

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have a Bid within the Price Band;

3. Read all the instructions carefully and complete the applicable Bid cum Application Form in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that the Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centres, within the prescribed time;

6. Ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms; Ensure that the name given in the Bid cum Application Form is exactly the same as the name in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

8. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediary. Instruct your respective banks not to release the funds blocked in the ASBA Account under the ASBA process until six Working Days from the date of closing the Bids;

9. Ensure that you Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment slip;

10. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the

securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same; and (c) all other applications in which PAN is not mentioned, will be considered rejected.;

11. Ensure that the demographic details are updated, true and correct in all respects;

12. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

13. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

14. Ensure that the category and the investor status is indicated;

15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, *etc*., relevant documents are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. Ensure that the depository account is active, the correct DP ID, the Client ID and the PAN are mentioned in the Bid cum Application Form and that the name of the Bidder, the DP ID, the Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the Designated Intermediary, as applicable, match with the name, DP ID, Client ID and PAN available in the Depository database;

18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

19. Ensure that you tick the correct investor category, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the online IPO system of the Stock Exchanges;

20. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;

21. Ensure while bidding through a Designated Intermediary that the Bid cum Application Form is submitted to a Designated Intermediary only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit Bid cum Application Forms(a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries);

22. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;

23. Ensure that you have correctly signed the authorization/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA

Account equivalent to the Bid Amount mentioned in the ASBA Form;

24. Ensure that you receive an acknowledgement from Designated Branch of the concerned Designated Intermediary for the submission of your Bid cum Application Form;

25. In terms of the Listed Indian Insurance Companies Guidelines, Bidders submitting Bid for Equity Shares representing one per cent or more and less than five per cent of the post-Offer paid up equity capital of our Company should satisfy the '*fit and proper*' criteria set out by our Company, through a self certification process. For details of the '*fit and proper*' criteria set out by our Company, see, "*Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company*" on page 549;

26. Bidders should note that in the event the acquisition of Equity Shares results in the Bidder holding 5% or more of the post-Offer paid up equity capital of our Company, the approval of the IRDAI in this regard will have to be affixed along with the Bid cum Application Form. For details, see "*Other Regulatory and Statutory Disclosures - Restriction on transfer and transmission of shares*" on page 513; and

27. Bids are on proportionate basis and have been in the names of the individuals, or in the names of Eligible NRIs, FPIs, QFIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs and QFIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not submit revised Bid at a price less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Designated Intermediary;

4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

5. For ASBA, payment of the Bid Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted under the ASBA process;

6. Do not send Bid cum Application Forms by post; instead submit the same to a Designated Intermediary only;

7. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

9. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);

10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

11. Do not instruct your respective banks to release the funds blocked in your ASBA Account;

12. Do not submit the General Index Register number instead of the PAN;

13. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;

14. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

16. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per demographic details provided by the Depository);

18. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;

19. Do not submit Bids to a Designated Intermediary at a location other than specified locations; and

20. Do not submit Bids to a Designated Intermediary unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Designated Intermediary to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●], each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

1. Our Company, the Selling Shareholder and the Syndicate Members intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

2. After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then is termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

(b) ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

(c) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes that:

- if our Company and/or the Selling Shareholder do not proceed with the Offer after the Bid/Offer Closing Date, but prior to the Allotment, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers in which the pre-Offer advertisement was published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- the Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations;

- it shall not have recourse to the proceeds of the Offer until final listing and trading approvals have been received from the Stock Exchanges;

- if our Company and the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company and / or any Selling Shareholder subsequently decides to proceed with the Offer;

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of Bid/Offer Closing Date or such other period as may be prescribed shall be taken;

- If the Allotment is not made, application monies will be unblocked in the ASBA Accounts within the time as prescribed under applicable law, failing which interest will be due to be paid to the Bidders as per applicable laws;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time as prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;

- That the certificates of the securities or refund intimation to Eligible NRI Bidders shall be despatched within specified time;

- That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time; and

- except as disclosed in this Draft Red Herring Prospectus, no further issue of the Equity Shares shall be made till the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in ASBA Account on account of non-listing, under-subscription, *etc*.; and

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.

Undertakings by the Selling Shareholder

The Selling Shareholder undertakes the following:

- If the Selling Shareholder and/or our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre-Offer Advertisements were published. The Stock Exchanges shall also be informed promptly;

- It shall deposit the Offered Shares in an escrow account opened with the Registrar to the Offer at least one Working Day prior to the Bid/ Offer Opening Date;

- It is the legal and beneficial holder of the Offered Shares and have valid and full title to the Offered Shares;

- That the Offered Shares (a) have been held by it for a continuous period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI; and (b) are free and clear of any pledge and it shall not create any lien, charge or encumbrance on the Offered Shares; and (c) shall be in dematerialised form at the time of transfer and shall transfer valid and marketable title to the Bidder free from any charges, lien, encumbrances and any transfer restrictions of any kind whatsoever;

- It shall take all steps and provide all assistance to our Company and the BRLMs, as may be required for the completion of the necessary formalities for listing and commencement of trading at the Stock exchanges within six Working Days from the Bid/ Offer Closing Date, failing which it shall forthwith repay the monies received from Bidders. In case of delay, interest as per applicable law shall be paid by the Selling Shareholder if transfer of the Offered Shares has not been made or refund orders have not been dispatched within the aforesaid dates;

- Funds required for making refunds to unsuccessful applicants as per the mode disclosed in the Red Herring Prospectus and the Prospectus shall be made available to the Registrar to the Offer, in accordance with applicable law.

- It shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges is obtained;

- It shall not offer, lend, sell, transfer, charge, pledge or otherwise encumbrance or transfer (to the extent applicable) the Offered Shares until the earlier of (i) the Equity Shares which will be offered through the Red Herring Prospectus being listed or until the Bid Amounts are refunded on account of non-listing, under-subscription, *etc*. pursuant to the Offer; or (ii) the Offer being postponed, withdrawn or abandoned as per the terms of the agreement(s) between the Selling Shareholder, our Company and the BRLMs;

- It has authorised our Company Secretary and Chief Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offered Shares and it shall provide such reasonable support and extend reasonable cooperation as may be required by our Company and the BRLMs in the regard; and

- It shall comply with all applicable laws, including but not limited to, the SEBI ICDR Regulations, SEBI Act, SCRA, SCRR, the listing rules of (and agreements with) the Stock Exchanges, and guidelines, instructions, rules, communications, circulars and regulations issued by the GoI, the RoC, SEBI, the RBI, the Stock Exchanges and under the FEMA or by any other governmental or statutory authority, and the Companies Act, 2013 and the rules and regulations made thereunder, each as amended.

The decisions with respect to the Price Band, the minimum Bid lot, reservations in the Offer, rupee amount of the Retail Discount and Employee Discount, as applicable, revision of Price Band, Offer Price, will be taken by the Selling Shareholder and our Company, in consultation with the BRLMs.

Utilisation of Offer Proceeds

The Selling Shareholder along with our Company declare that all monies received out of this Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Offers

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**SEBI Regulations**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants see "*Glossary and Abbreviations*".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer. Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter alia* required to comply with the eligibility requirements in terms of Regulation 26/Regulation 27 of the SEBI Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI Regulations, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI Regulations, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

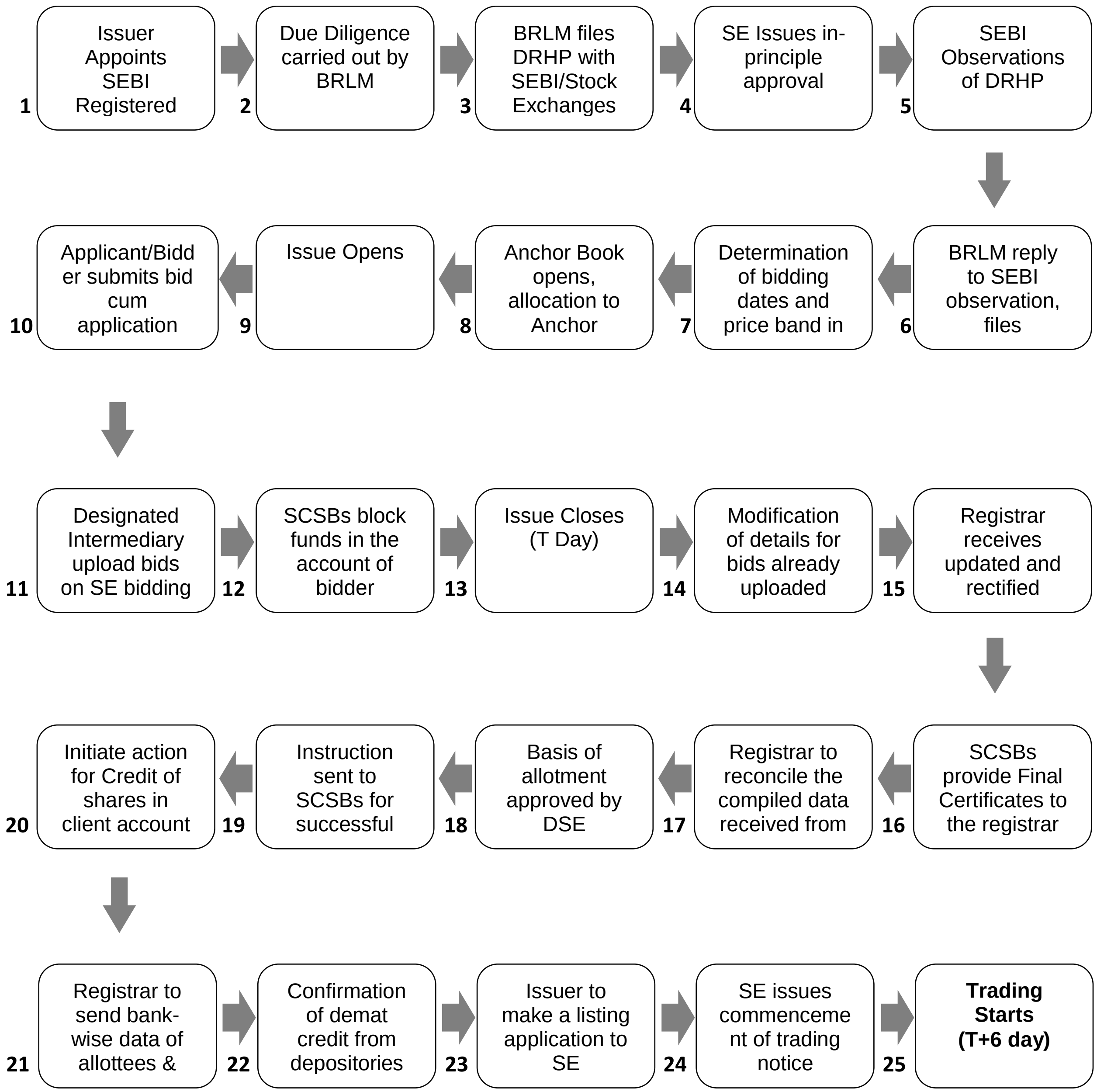
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  i. Step 7 : Determination of Issue Date and Price

  ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries and Anchor Investor Application Forms with BRLMs.


1 Issuer Appoints SEBI Registered
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files
7 Determination of bidding dates and price band in
8 Anchor Book opens, allocation to Anchor
9 Issue Opens
10 Applicant/Bidder submits bid cum application
11 Designated Intermediary upload bids on SE bidding
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded
15 Registrar receives updated and rectified
16 SCSBs provide Final Certificates to the registrar
17 Registrar to reconcile the compiled data received from
18 Basis of allotment approved by DSE
19 Instruction sent to SCSBs for successful
20 Initiate action for Credit of shares in client account
21 Registrar to send bank-wise data of allottees &
22 Confirmation of demat credit from depositories
23 Issuer to make a listing application to SE
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Bidders, such as NRIs, FPIs, and FVCIs may not be allowed to Bid in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- Foreign individuals Bidding only under the Non Institutional Investor ("**NIIs**") category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Scientific and/or industrial research organisations authorized in India to invest in Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified ASBA Form (or in case of Anchor Investor, the Anchor Investor Application Form) bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated SCSB Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities Issued in an IPO can only be in dematerialised form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form for Residents

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : .... Contact Details: .... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

Application Form for Non-Residents

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : .... Contact Details: .... CIN No	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

- NRI — Non-Resident Indian(s) (Repatriation basis)
- FII — FII or Sub-account not a Corporate/Foreign Individual
- FIISA — FII Sub-account Corporate/Individual
- FVCI — Foreign Venture Capital Investor
- FPI — Foreign Portfolio Investors
- OTH — Others (Please Specify)________

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date : ________	3)	

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Impersonation: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"***Any person who:***

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(d) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids/ Applications by Bidders/ Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS DEPOSITORY ACCOUNT DETAILS

(a) Bidders/ Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/ Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected.

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

(c) Bidders/ Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form Application Form, the Bidder/ Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

(d) Bidders/ Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five

Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to (Section 5.6 (e)).

(c) **Cut-Off Price**: Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment**: The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

(b) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be at least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

4.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

(b) Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(c) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

(i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(d) The following Bids may not be treated as multiple Bids:

(i) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

(ii) Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iii) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

(iv) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.

(b) Up to 60 % of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with the SEBI Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI Regulations. For details of any reservations made in the Issue, Bidders may refer to the RHP/Prospectus.

(d) The SEBI Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs, and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based in the ASBA Account on the authorisation provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, *i.e.*, Bid price less Discount offered, if any.

(b) Bidders/Applicants who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) who have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for Anchor Investors:

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by RTGS or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 Payment instructions for ASBA Bidders

a) Bidders may submit the ASBA Form either:

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the ASBA Form, or

ii. in physical mode to any Designated Intermediary.

b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

f) Bidders should submit the Bid cum Application Form only at the Bidding Centres, *i.e.*, to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

g) Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified Locations. Bidders should also note that Bid cum Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

h) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

i) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

j) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.

k) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

l) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the stock exchange platform and such bids are liable to be rejected.

m) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

n) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

o) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 Unblocking of ASBA Account

a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder other than Anchor Investors to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account of the ASBA Bidders.

c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.3 Discount (if applicable)

a) The Discount is stated in absolute rupee terms.

b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

c) The Bidders entitled to the applicable Discount in the Issue may block an amount, *i.e.*, the Bid Amount less Discount (if applicable).

d) Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-

Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the ASBA Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

(c) The following details (as applicable) should be quoted while making any queries -

- full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application;
- name and address of the Designated Intermediary, where the Bid was submitted;
- In case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or
- In case of Anchor Investor bids, the unique transaction reference (UTR) number and the name of the relevant bank thereof.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their bids or withdraw their Bids till the Bid/Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/ Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same Designated Intermediary through which such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R
Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. /Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)								Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)										
									Bid Price			Retail Discount			Net Price			"Cut-off" (Please ✓ tick)
	8	7	6	5	4	3	2	1	3	2	1	3	2	1	3	2	1	
Option 1																		
(OR) Option 2																		
(OR) Option 3																		

OLD BID

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)								Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)										
									Bid Price			Retail Discount			Net Price			"Cut-off" (Please ✓ tick)
	8	7	6	5	4	3	2	1	3	2	1	3	2	1	3	2	1	
Option 1																		
(OR) Option 2																		
(OR) Option 3																		

REVISED BID

6. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			

Additional Amount Paid (₹)

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/ APPLICANTS, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (*i.e.*, original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, and RIIs who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

4.2.3 FIELD 6: PAYMENT DETAILS

(a) All Bidders/ Applicants are required to authorize that the full Bid Amount (less Discount (if applicable) is blocked at the time of submitting the Bid Revision Form. In case of Bidders/ Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, *i.e.,* Bid price less discount offered, if any.

(b) Bidder/ Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same

Designated Intermediary through whom such Bidder/ Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (*i.e.*, original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/ Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible may be adjusted downwards for the purpose of Allotment, such that additional amount is required to be blocked and the Bidder/ Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

(a) The Issuer may mention Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) Minimum Application Value and Bid Lot: The Issuer in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) Multiple Applications: An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

1. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

2. For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

(a) The categories of applicants identified as per the SEBI Regulations for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

(a) All Applicants (other than Anchor Investors) are required to only make use of ASBA for applying in the Issue.

(b) Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants:

Applicants should refer to instructions contained in paragraph 4.1.7.2.

4.3.5.2 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraph 4.1.7.2.1.

4.3.5.3 Discount (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.3.

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4.1 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM

Bidders/ Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Bid cum Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location (b) To the Designated Branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicants had placed the original Bid.

(b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicants will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of the SEBI Regulations. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, Bidders/ Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediary are given up to till 1 p.m. on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Managers at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on, upon or after finalisation of basis of allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the Designated Intermediaries,

ii. the Bids uploaded by the Designated Intermediaries,

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter alia, on the following grounds, which have been detailed at various placed in this GID:-

a) Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

b) Bids/Applications by OCBs;

c) In case of partnership firms, Bid for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

d) DP ID & Client ID not mentioned in the Bid cum Application Form;

e) In case of Bids under power of attorney or by limited companies, corporate, trust, *etc*., relevant documents are not being submitted along with the Bid cum Application Form;

f) Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

g) Bids by any person outside India if not in compliance with applicable foreign and Indian laws;

h) PAN not mentioned in the Bid cum Application Form except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

k) Bids at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

l) Bids at Cut-off Price by NIIs and QIBs;

m) The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;

n) Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

o) Submission of more than five Bid cum Application Forms through a single ASBA Account;

p) Bids/Applications for number of Equity Shares which are not in multiples as specified in the RHP;

q) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

r) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

s) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;

t) Bids not uploaded in the Stock Exchanges bidding system;

u) Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;

v) Where no confirmation is received from SCSB for blocking of funds;

w) Bids by Bidders (other than Anchor Investors) not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);

x) Bids submitted to a BRLM at locations other than the Specified Locations and Bid cum Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

y) Bids not uploaded on in the Stock Exchanges bidding system; and

z) Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Managers and the Designated Stock Exchange and in accordance with the SEBI Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.70%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.70%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, *i.e.*, ₹ 22.00 in the above example. The issuer, in consultation with the Book Running Lead Managers, may finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹ 22.00. All bids at or above the issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated SCSB Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("**ASBA Account**"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty percent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (*i.e.,* who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the

Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders may refer to the SEBI Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

1. In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

2. In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:

i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 100 million;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹ 2,500 million subject to minimum Allotment of ₹ 50 million per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof, subject to minimum Allotment of ₹ 50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹ 100 million in the Issue

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Issue Price is lower than the Anchor Investor Issue Price**: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, and within six Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/ Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of Bid/Issue Closing Date and repay without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a Fresh Issue and the Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI Regulations comes for an Issue under Regulation 26(2) of SEBI Regulations but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid and also for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors**: Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NACH**—National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**— Anchor Investors having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

(d) **Direct Credit**— Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account.

Please note that refunds through the above mentioned modes, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres, *etc*. Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at rates prescribed under applicable laws if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Issue Closing Date.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an ASBA Bidder as proof of registration of the ASBA Bid
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Fresh Issue and/or transfer of Equity Shares pursuant to the Offer for Sale to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchange
Allottee	An Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations and the Red Herring Prospectus
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the Book Running Lead Managers, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder
ASBA Bidder	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker to the Issue/ Escrow Collection Bank/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Accounts for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	Basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid /Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date

Term	Description
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI Regulations. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder should be construed to mean an Bidder
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under the SEBI Regulations, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Designated SCSB Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders in accordance with the SEBI Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under the SEBI Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details Bidder may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank and in whose favour the Anchor Investors may issue cheques, demand drafts or transfer money through NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank and the Refund Bank for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank	Refer to definition of Banker to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the erstwhile SEBI (Foreign Institutional Investors) Regulations, 1995
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under the SEBI Regulations, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to the Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price. The Issue Price may be decided by the Issuer in consultation with the Managers

Term	Description
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders, including FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs, and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under the SEBI Regulations
RTGS	Real Time Gross Settlement

Term	Description
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account	The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank	Refund bank as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders as provided under the SEBI Regulations
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000 (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis
Revision Form	The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries updated from time to time
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date

Term	Description
Working Day	All days other than second and fourth Saturdays of the month, Sundays or public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, shall mean all days, except Saturday, Sunday and public holidays on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned Ministry/ Department of the GoI and the RBI. Foreign investment in the insurance sector is also regulated by the Insurance Act, the IRDAI Act and the rules and regulations made thereunder and such laws are implemented by the IRDAI.

The Government has from time to time has made policy pronouncements on FDI through circulars, clarifications, press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular number D/o IPP F. No. 5(1)/2016-FC-1 Dated June 7, 2016 ("**FDI Policy**"), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases, circulars and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The FDI policy incorporates the changes made in the past year, including liberalisation of sectors such as construction, defence, broadcasting, Single Brand Retail Trading and LLPs. Additionally, pursuant to the FDI Policy, the sectoral cap for foreign investment in an insurance company is 49%. Further, the FDI Policy allows foreign investment (including by FPIs) of up to 49% under the automatic route subject to verification by the IRDAI.

The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until an updated circular is issued by the DIPP.

Further, the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000, provides for calculation of shareholding of foreign investors in an insurer to be the aggregate of the quantum of paid up equity share capital held by the foreign investors (including foreign venture capital investors) in the insurer and the proportion of the paid up equity share capital held or controlled by such foreign investor(s) either by itself or through its subsidiary companies in the Indian promoter(s) or Indian investor(s) of the insurer, unless the Indian promoter or investor is a banking company other than foreign bank (or a branch of a foreign bank, functioning in India as defined in Section 2(72) of the Companies Act, 2013) or a public financial institution.

Additionally, the Foreign Investment Rules also permit total foreign investment up to 49% of the paid up equity capital of Indian insurance companies, under the automatic route while ensuring that its ownership and control remains at all times in the hands of resident Indian entities as determined by Department of Financial Services, Government of India and the IRDAI. On March 30, 2016, the FEMA Regulations were also amended to reflect this change.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the concerned Ministry/Department of Government of India or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and the RBI.

The above information is given for the benefit of the Bidders / Applicants. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders / Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalised/defined terms herein have the same meaning given to them in our Articles. Subject to our Articles, any words or expression defined in the Companies Act shall, except so where the subject or context forbids; bear the same meaning in these Articles.

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

***ARTICLES OF ASSOCIATION**

OF
THE NEW INDIA ASSURANCE COMPANY LIMITED

1 TABLE "A" not to apply but Company to be governed by these Articles

The regulations contained in Table F in the First Schedule to the Companies Act, 2013, shall not apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013, be such as are contained in these Articles.

2 Interpretation clause

In The INTERPRETATION OF THE Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

2(1) **The Act" or "the said Act"**

"The Act" or "the said Act" means the Companies Act, 2013 and includes every statutory modification, replacement or re-enactment thereof, for the time being in force.

2(2) **"The Board" or "Board of Directors"**

"Board" or "Board of Directors" means the collective body of the directors of the company

2(3) **"The Company" or "This Company**

The Company" or "This Company" means "The New India Assurance Company Limited".

2(4) **Dividend**

"dividend" includes any interim dividend and bonus.

2(5) **Gender**

Words importing the masculine gender, also include the feminine gender

****New set of Articles of Association, in line with Companies Act, 2013, adopted vide Special Resolution passed at the Extra-ordinary General Meeting of the Members of the Company held on August 2, 2017.***

2(6) **Month**

“Month” means a calendar month.

2(7) **Office**

Office” means the Registered Office for the time being of the Company

2(8) **Persons**

“Persons” include corporations as well as individuals

2(9) **plural number**

Words importing the plural number, also include the singular number

2(10) **These Presents” or “Regulations**

These presents” or “Regulations” means these Articles of Association as originally framed or altered from time to time and include the Memorandum where the context so requires

2(11) **Seal**

Seal” means the Common Seal for the time being of the Company

2(12) **singular number**

Words importing the singular number include the pleural number

2(13) **Writing**

Writing” shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.

2(14) **Expression in the Articles to bear the same meaning in the Act**

Subject as aforesaid any words or expression defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles

2(15) **Marginal notes.**

The marginal notes hereto shall not affect the construction hereof.

PRELIMINARY

3 Copies of Memorandum and Articles to be given to members

Copies of the Memorandum and Articles of Association and other documents mentioned in Section 17 of the Act read with Rule 34 of Companies (Incorporation) Rules, 2014, shall be furnished by the Company to any member at his request within 7 days of the requirement subject to the payment of a fee of Re.1/-

4 Amount of Capital

The share Capital of the Company shall be Rupees Six Hundred Crores divided into One Hundred and Twenty Crore Equity shares of ₹ 5/- Each.

Article 4 has been altered as above pursuant to a Special Resolution passed at the Annual General Meeting of the Company held on _________. Refer Annexure I on Page No. _______ for earlier amendments to this clause.

5 Shares under the control of the Directors

Subject to the provisions of the Act and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

6 Power of General Meeting to offer shares to such persons as the Company may resolve

In addition to and without derogating from the powers for the purpose conferred on the Directors under Article 5, the Company in the General Meeting may in accordance with the provisions of Section 62 of the Act determine that any shares (whether forming part of the original capital of the Company or not) shall be offered to such persons (whether Members or holders of Debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Section 53 of the Act) as such General Meeting shall determine.

7 Increase of Capital

(1) The Company may from time to time in General Meeting increase its share capital by the issue of new shares of such amount as it thinks expedient.

(2) Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed and if so direction be given, as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company and any Preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.

8 Right of equity shareholders to further issue of capital

Subject to the provisions of Section 62 and other applicable provisions (if any) of the Act, where it is proposed to increase the subscribed capital of the Company by the issue of new shares, then subject to any directions to the contrary which may be given by the Company in General Meeting as provided for by Article 6 hereof and subject only to those directions:-

a) Such new shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid-up on those shares at the date;

b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in Sub-Clause (b) shall contain a statement of this right;

d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.

9 Provision in case of redeemable Preference shares

On the issue of redeemable Preference shares under Article 8 the following provisions shall take –

(A) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

(B) No such shares shall be redeemed unless they are fully paid;

(C) The premium, if any, payable on redemption shall be provided for out of the profits of the Company or out of the Company's share premium account, before the shares are redeemed;

(D) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend be transferred to a Reserve Fund to be called "The Capital Redemption Reserve Fund", a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the share capital of accompany shall except as provided under Section 80 of the Act or herein apply as if the Capital Redemption Reserve Fund were paid up share capital of the Company.

(E) Subject to the provisions of Section 55 of the Act and this Article the redemption of Preference shares hereunder may be affected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

10 Same as Original Capital

Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the original ordinary capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

11 Restrictions on purchase by Company of its own shares.

(2) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 12 or in pursuance of Section 66 or Section 241 or other applicable provisions (if any) of the Act.

(3) Except to the extent permitted by Section 67 or other applicable provisions (if any) of the Act the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.

(4) Nothing in this Article shall affect the right of the Company to redeem any redeemable Preference shares issued under Article 7 or under Section 55 or other relevant provisions (if any) of the Act or of any previous Companies Law.

12 Reduction of Capital

Subject to the provision of Section 66 of the Act, the Company may from time to time, by special resolution, reduce its share capital in any way authorized by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may and if and so far as is necessary alter its Memorandum of Association by reducing the amount of its share capital and of its share accordingly.

13 Consolidation, division and sub-division

The Company may in General Meeting alter the conditions of its Memorandum as follows:-

(a) Consolidate and divide all and any of its share capital into shares of larger amount than its existing shares.

(b) Sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act and of these Articles.

(c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

14 Issue of further pari passu shares not to affect the right of shares already issued

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of the class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

15 No issue with disproportionate rights

The Company shall not issue any share (not being Preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being Preference shares).

MODIFICATION OF CLASS RIGHTS

16 Power to modify rights

If at any time the capital by reason of the issue of Preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Act, be modified, abrogated or dealt with subject to:

a) The consent of the holders of three-fourths of the issued shares of that class, or

b) The sanction of a resolution passed at a separate meeting of the holders of those shares and supported by the votes of the holders of three-fourths of those shares.

SHARES

17 Shares to be numbered progressively and no share to be sub divided

The shares in the capital of the Company shall be numbered progressively according to their several denominations, and, except in the manner hereinbefore mentioned, no share shall be sub-divided.

18 Directors may allot shares as fully pad-up

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property (including goodwill for any business) sold or transferred, or for services rendered to the Company in or about the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

19 Acceptance of shares

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a member.

20 Deposit and calls, *etc*., to be a debt payable immediately

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sums becomes payable.

21 Installments on shares to be duly paid

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

22 Liability of members

Every member, his executors, administrators, or other legal representatives shall pay to the Company the proportion of the capital represented by his share or shares, which may, for the time being, remain unpaid thereof, in such amounts, at such time or times, and in such manner as the Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

23 Company not bound to recognise any interest in shares other than that of the registered holders

Except as required by law no person shall be recognized by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way, to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles or as ordered by a Court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

UNDERWRITING AND BROKERAGE

24 Underwriting and brokerage

The Company may subject to the provisions of Section 40 and other applicable provisions (if any) of the Act at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debenture of the Company but so that the amount or rate of commission does not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of shares and in the case of debentures, two and half per cent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

CERTIFICATES

25 Certificate of shares

b) A certificate, issued under the common seal, if any, of the company and signed by two directors or by a director and the Company Secretary, wherever the company has appointed a Company Secretary of the company, specifying the shares held by any person, shall be prima facie evidence of the title of the person to such Shares.

26 Limitation of time for issue of certificates

The certificates of shares shall be completed and be ready for delivery within two months after the allotment of shares or within one month after the application for the registration of transfer or transmission or within such other period as per the conditions of issue."

And in case of debentures, within a period of six months from the date of allotment:

Provided that where the securities are dealt with in a depository, the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.

27 As to issue of new certificate in place of one defaced, lost or destroyed

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate, is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given.

Every certificate under this Article shall be issued on payment of not exceeding fifty rupees for each certificate.

These provisions shall mutatis mutandis apply to the debentures of the company.

28 Board may make calls

The Board of Directors my from time to time, but subject to the conditions hereinafter mentioned, make such calls as they think fit upon the members in respect of all monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable as fixed times and each member shall pay the amount of every call so made on him to the Company or where payable to a person other than the Company to the persons and at the times and places appointed by the Directors. A call may be made payable by installments.

29 Calls on shares of same class to be made on uniform basis

Where after the commencement of the Act, any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal valid on which different amounts have been paid up shall not be deemed to fall under the same class.

30 Notice of calls

Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meetings.

31 Call to date from Resolution

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.

32 Directors may extend time

The Directors may from time to time, at their discretion, extended the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem entitled to such extension, but no members shall be entitled to such extension save as a matter of grace and favour.

33 Amount payable at fixed time or by installments as calls

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

34 When interest on call or installment payable

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

35 Proof on trial of suit for money due on shares

Subject to the provisions of the Act and of these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matter aforesaid shall be conclusive evidence of the debt.

36 Payment in anticipation of calls may carry interest

The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

The Directors may at any time repay the amount so advanced upon giving to such Member one month's notice in writing; provided the Member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.

FORFEITURE, SURRENDER AND LIEN

37 If call or installment not paid notice must be given

If a member fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and all expenses (legal or otherwise) that may have been paid or incurred by the Company by reason of such non-payment.

38 Term of notice

The notice shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

39 In default of payment, shares to be forfeited

If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

40 Entry of forfeiture in Register of Members

When any share shall have been so forfeited, an entry of the forfeitures with the date thereof shall be made in the Register of Members.

41 Forfeited shares to be property of the Company and may be sold, *etc*.

Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Board shall think fit.

42 Power to annual forfeiture

At any time before a sale or disposal of any shares so forfeited, the Board may cancel the forfeiture on such terms as it thinks fit.

43 Member still liable to pay money owing at time of forfeiture and interest

Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses and other monies owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at such rate not exceeding nine per cent per annum as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so.

44 Effect of forfeiture

The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these presents are expressly saved.

45 Surrender of shares

The Directors may subject to the Act, accept a surrender of any share from or by any member desirous of surrendering on such terms as the Directors may think fit.

46 Company's lien on shares

The Company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien only for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares and on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company.

Any such lien shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

47 As to enforcing lien by sale

The company may sell, in such manner as the Board thinks fit, any shares in which the company has a lien.

To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

The purchaser shall be registered as the holder of the shares comprised in any such transfer.

The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount, in respect of which the lien exists is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

48 Application of proceeds of sale

The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable and the residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of sale.

49 Certificate of Forfeiture

A certificate in writing under the hands of two Directors, that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share.

50 Title of purchaser and allottee of forfeited shares

The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

The transferee shall thereupon be registered as the holder of the share; and The transferee shall not be bound to see the application of the purchase money, if any, not shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the same and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

TRANSFER AND TRANSMISSION OF SHARES

51 Register of Transfers

The company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

52 Form of Transfer

Shares in the Company shall be transferred by an instrument of transfer which shall be in writing in Form SH-4 as prescribed in the rules made under sub-section (1) of section 56 of the Act.

53 Application for transfer

1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.

Where the application is made by the transferor alone and relates to partly paid up shares, the transfer shall not be registered, unless the Company gives notice of the application, in such manner as may be prescribed in the rules made under sub-section (3) of section 56, to the transferee and the transferee gives no objection to the transfer within two weeks from the receipt of the notice.

For the purpose of sub-article (2), notice to the transferee shall not be deemed to have been duly given unless it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer, and if so dispatched shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

54 Transfer not to be registered except on production of instrument of transfer.

The Company shall not register a transfer of shares in the Company, unless in accordance with the provisions of Section 56 of The Act, a proper instrument of transfer duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit; provided further that nothing in this Article shall prejudice the power of the company to register, on receipt of an intimation of transmission of any right to any securities by operation of law from any person to whom such right has been transmitted.

55 Directors may refuse to register transfer

Subject to the provisions of Section 58 of the Act,

The Board may, subject to the right of appeal conferred by section 58 of the Act, decline to register:

- The transfer of share, not being a fully paid-up share, to a person of whom they do not approve; or
- Any transfer of shares on which the company has a lien.

Subject to the provisions of section 58 of the Act, the securities or other interest of any member of the company shall be freely transferable; provided that if the company without sufficient cause refuses to register the transfer of securities within a period of thirty days from the date on which the instrument of transfer or the intimation of transmission, as the case may be, is delivered to the company, the transferee may appeal to the Tribunal in the manner provided under the above mentioned section.

Provided that the registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

56 Notice of refusal to be given to transferor and transferee

If the Company refuses to register the transfer of any share or transmission of any rights therein, the Company shall within a period of thirty days from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 58 of the Act or any statutory modification thereof for the time being in force shall apply.

57 Transfer by legal representative

A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

58 Custody of transfer

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

59 Closure of transfer books

In accordance with section 91 and the rules made there under, the Board shall have the power to close the register of members or the register of debenture-holders or the register of other security holders for any period or periods not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any one time, subject to giving of previous notice of at least seven days or such lesser period as may be specified by SEBI in such manner as may be prescribed.

60 Title to shares of deceased member

The executor or administrator of a deceased member or a holder of Succession Certificate in respect of share of a deceased member where he was a sole or only surviving holder shall be the only person whom the Company shall be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executor or administrator unless such executor or administrator shall have first obtained Probate or Letters of Administration as the case may be, from a duly constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as to the Directors may deem fit and under the next article, register the name of any person whom claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

61 Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)

Subject to the provisions of the Act and these Articles, any person becoming entitled to any shares in consequence of the death, lunacy, bankruptcy or insolvency of any member or by the lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares: Provided nevertheless that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of such shares. This Clause is herein referred to as the Transmission Clause.

62 Refusal to register nominee

Subject to the provisions for the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

63 Board may require evidence of transmission

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

64 Company not liable for disregard of a notice prohibiting registration of transfer

The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest, or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

65 A common form of transfer shall be used. The instrument of transfer shall be in writing and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly compiled with in respect of all transfer of shares and registration thereof

66. The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any from of electronic medium. The Company shall be entitled to keep in any country outside India a branch Register of beneficial owners residing outside India.

67. Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the Securities with a depository. Such a person who is the beneficial owner of Securities can at any time opt out of a Depository, if permitted by law, in respect of any security and the Company shall, in the manner and within the time prescribed provided by the Depositories Act, 1996 issue to the beneficial owner the required Certificates of Securities.

If a person opts to hold his Securities with a depository, then notwithstanding anything to the contrary contained in the Act or in these Articles, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the Securities.

68. No transfer beyond the limits specified in Section 6A of the Insurance Act 1938 shall be registered without the prior approval of the Regulator; and any directions, issued by the Regulator in this regard.

CONVERSION OF SHARES INTO STOCK

69 Conversion of shares into stock and reconversion

The Company may, by ordinary resolution of the Company in General Meeting:-

(a) Convert any fully paid up shares into stock; and

(b) Re-convert any stock into fully paid-up shares of any denomination.

70 Transfer of stock

the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interest in the same manner and subject to the same regulations as and subject to which fully paid up shares in the Company's capital may be transferred or as near thereto as circumstances will admit.

71 Rights of stockholders

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profit, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except dividends, participation in profits, voting at meeting of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

72 Regulations

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stockholders” respectively.

JOINT HOLDERS

73 Joint holders

Where to or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these articles:-

(a) The Company shall be entitled to decline to register more than six persons as the holders of any share

(b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

(c) On the death of any such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

(d) Any one of such joint holders may give effectual receipts of any dividends or other monies payable in respect of such share.

(e) Only the person whose name stands first in the register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 213) from the Company and any documents served on or sent to such person shall be deemed service on all the joint holders.

Any one of two or more joint holders may vote at any meeting either personally or by an attorney duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such share shall alone be entitled to vote in respect thereof, but the other or others of the joint holders shall be entitled to vote in respect to be present at the meeting: Provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by an attorney duly authorised under power of attorney or by proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member’s) sole name any share stands shall for the purposes of this Sub-Clause be deemed joint holders.

74 Power to borrow

Subject to the provisions of Sections 73, 179 and 180 the Act, the Board may, from time to time, at its discretion by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) exceed the aggregate of the paid-up share capital of the Company and its free reserves not being reserves set apart for any specific purpose), the consent of the members by way of Special Resolution shall be required.

75 Conditions on which money may be borrowed

Subject to the provisions of the Act and these Articles the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in the particular by the issue of bonds, perpetual or redeemable debentures or debenture stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company(both present and future) including its uncalled capital for the time being.

76 Bonds, debentures, *etc*. To be subject to control of Directors

Any bonds, debentures, debenture stock, or other securities issued or to be issued by the Company shall be under the control of Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

77 Securities may be assignable free from equities

Any debentures, debenture-stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, allotment of shares and attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting accorded by a Special Resolution.

78 Mortgage of uncalled capital.

If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or if permitted by the Act may by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' power or otherwise and shall be assignable if expressed so to be.

79 Indemnity may be given

Subject to the provisions of the Act and of these Articles if the directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

CONVENING MEETING

80 Annual General Meetings

The Company shall in each year hold, in addition to other meetings, a general meeting which shall be styled as its "Annual General Meeting" in accordance with the provisions of Section 96 of the Act.

Every annual general meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday and shall be held either at the registered office of the company or at some other place within the city, town or village in which the registered office of the company is situate: Registers, *etc*., to be evidence.

81 Extraordinary General Meeting

All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

82 Calling of extra ordinary general meeting Sec. 100

The Board of Directors may call an Extraordinary General Meeting whenever they think fit.

83 Calling of Extraordinary General Meeting on requisition

(1) The Board of Directors shall, on the requisition in regard to any matter of such number of members of the Company as hold at the date of deposit of the requisition not less than one-tench of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 100 of the Act (including the provisions below) shall be applicable.

(2) The requisition shall set out the maters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the Registered Office of the Company.

(3) The requisition may consist of several documents in like form each signed by one or more requisitionists.

(4) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (1) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled.

(5) If the Board of Directors does not, within twenty one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of such of the paid up share capital of the Company as is referred to in Sub-Clause (1) above whichever is less.

(6) A meeting called under Sub-Clause (5) above by the requisitionists or any of them shall be called in the same manner , as nearly as possible, as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.

(7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by of fees or other remuneration for their services to such of the Directors as were in default.

84 Notice of meeting

A General Meeting of the Company may be called by giving not less than clear twenty one days notice in writing or through electronic mode in such manner as may be prescribed in the rules made under the Act.

A General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five percent of the members entitled to vote at such meeting.

85 Contents of notice

(1) Every Notice of a meeting of the company shall clearly specify the nature of the meeting, place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting

(2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy, to attend and vote instead of himself, and that a proxy need not be a member of the Company.

86 Special Business

1) In the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—

(i) The consideration of financial statements and the reports of the Board of Directors and auditors;

(ii) The declaration of any dividend;

(iii) The appointment of directors in place of those retiring;

(iv) The appointment of, and the fixing of the remuneration of, the auditors; and

(2) In the case of any other meeting, all business shall be deemed to be special:

(3) where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent. of the paid-up share capital of that company, also be set out in the statement.

(4) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub-section (1).

87 Service of notice

Notice in writing of every meeting shall be given to every Member of the company including legal representative of any deceased member or assignee of an insolvent member.

Such Notice shall also be given to the Directors and Auditors of the company, to the Secretarial Auditor, to Debenture Trustees, if any, and, wherever applicable or so required, to other specified persons.

88 As to omission to give notice

The accidental omission to give notice of any meeting to or the non receipt of any notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

Where, by any provision contained in this Act or in the articles of a company, special notice is required of any resolution, notice of the intention to move such resolution shall be given to the company by such number of members holding not less than one percent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up and the company shall give its members notice of the resolution in such manner as may be prescribed

The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the meeting at least seven days before the meeting exclusive of the day on which notice is given and the day of the meeting.

Where it is not practicable to give the notice in the same manner as it gives notice of any general meetings, the notice shall be published in pursuance with the rules framed under section 114 of the Act.

PROCEEDINGS AT GENERAL MEETING

89 Quorum at General Meeting

The quorum for the general meetings shall be as provided in Section 103 of the Act.

Members need to be personally present at a Meeting to constitute the quorum and proxies shall be excluded for determining the quorum.

90 Proceedings when quorum not present

Any business shall be transacted at any general meeting only when the requisite quorum is present not only at the time of commencement of business but also while transacting the business.

If within half an hour after the time appointed for the holding of a General Meeting, a quorum is not present, the meeting if commenced on the requisition of shareholders shall be dissolved and, in any other case, shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such time and place as the Directors may determine. If at such adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the Members present shall be a quorum and may transact the business for which the meeting was called.

91 Business at adjourned meeting

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

92 Chairman of general meeting

The Chairman of the Board shall take the chair and conduct the Meeting. If the Chairman is not present within fifteen minutes after the time appointed for holding the Meeting, or if he is unwilling to act as Chairman of the Meeting, or if no Director has been so designated, the Directors present at the Meeting shall elect one of themselves to be the Chairman of the Meeting. If no Director is present within fifteen Minutes after the time appointed for holding the Meeting, or if no Director is willing to take the chair, the Members present shall elect, on a show of hands, one of the Directors to take the Chair. If no Director present be willing to take the Chair, the Members present shall elect, on a show of hands, one of themselves to be the Chairman of the Meeting.

93 Business confined to election of Chairman whilst chair vacant

No business shall be discussed at any General Meeting except the election of a Chairman whilst the chair is vacant.

94 Chairman with consent may adjourn meeting

The Chairman with the consent of any meeting at which a quorum is present, may adjourn any meeting from time to time and from place to place in Bombay.

95 Notice to be given where a meeting adjourned for 30 days or more

When the meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of adjournments or of the business to be transacted at an adjourned meeting.

96 What would be evidence of the passing of a resolution where poll not demanded

1) If the members of the company are less than one thousand, at any general meeting a resolution put to vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded in the manner hereinafter mentioned, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority, or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against the resolution.

(2) If the members of the company are one thousand or more, the company shall provide the facility of voting through electronic means in compliance with the provisions of Section 108 of the Act and the rules made there under, as amended from time to time.

Provided that the company may, irrespective of the number of its members, provide the facility of voting through electronic means as stated in sub-article (2) above, if it deems fit.

97 Demand for Poll

Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by at lest five members having the right to vote on the resolution and present in person or by proxy, or by any member or members present in person or by proxy and having not less than one-tenth of The total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company, conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all the shares conferring that right. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.

98 Time and manner of taking poll

A poll demanded on any question (other than the election of the Chairman or on a question of adjournment which shall be take forthwith) shall be taken at such place in Bombay and at such time not being m later than forty eight hours from the time when the demand was made, as the Chairman may direct. Subject to the provisions of the Act the Chairman of the meeting shall have the power to regulate the manner in which a poll shall be taken and the result of the poll shall be deemed to be decision of the meeting on the resolution on which the poll was taken.

99 Scrutinizers at poll

Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutinizer from office and to fill vacancies in the office of scrutinizers arising from such removal or from any other case. Of the two scrutinizers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.

100 Demand for poll not to prevent transaction of other business

The demand for a poll shall not prevent the continuance of a meeting for the transacting of any business other than the question on which the poll has been demanded.

101 Motion how decided in case of equality of votes

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

102 Reports, Statements and Registers to be laid on the table

At every annual general meeting of a company, the Board of Directors of the company shall lay before such meeting financial statements for the financial year.

103 Minutes of General Meetings

The Company shall cause minutes of all proceedings of General Meetings to be entered in books kept for that purpose. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. All appointments of officers made at any of the meetings shall be included in the minutes of the meeting. Any such minutes if purporting to be signed by the Chairman of the Meeting which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.

104 Inspection of minute books of General Meetings

The book containing the aforesaid minutes shall be kept at the registered office and be open during business hours for the inspection of any member without charge subject to such reasonable restrictions as the Company may by these Articles or in General Meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of the minutes on payment of thirty paise for every one hundred words or fractional part thereof required to be copies.

105 Publication of reports of proceedings of General meetings

No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118(9) of the Act to be contained in the minutes of the proceedings of such meeting.

VOTES OF MEMBERS

106 Votes may be given by proxy or attorney

Subject to the provisions of the Act and of these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate also by a representative duly authorised under Section 113 of the Act and Article 109.

107 Number of votes to which members entitled

Subject to the provisions of the Act and these Articles, upon a show of hands every member entitled to vote and present in person (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 113 of the Act and Article 106 or by Attorney or proxy) shall have one vote

Subject to the provisions of the Act and of these Articles, upon a poll every member entitled to vote and present in person (including a body corporate present as aforesaid) or by attorney or by proxy shall be entitled to vote and shall have the following voting right, namely, in respect of every ordinary share bears to the total paid up ordinary capital of the Company.

108 No voting by proxy on a show of hands

No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by Attorney or proxy or by a representative duly authorised under Section 113 of the Act in which case such attorney or proxy or representative may vote on a show of hands as if he were a member of the Company.

109 Votes in respect of shares of deceased or insolvent members

Any person entitled under the Transmission Clause (Article 63 hereof) to transfer any shares, may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty eight hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

110 No members to vote unless calls are paid up

No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

110 Right of member to use his votes differently

On a poll taken at a meeting of a company, a member entitled to more than one vote, or his proxy, where allowed, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

112 Proxies

Any member of a company entitled to attend and vote at a meeting of the company shall be entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf:

Provided that a proxy shall not have the right to speak at such meeting and shall not be entitled to vote except on a poll.

113 Appointment of proxy

Every proxy shall be appointed by an instrument in writing, or, if the appoint or is a body corporate, such an instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it.

114 Deposit of instrument of appointment

(1) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a materially certified copy thereof shall be deposited at the office of the Company not less than forty eight hours before the time for holding the meeting at which the

person named in the instrument proposes to vote, and in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting First held previously to the expiration of such time. An attorney shall not be entitled to vote unless the powers of attorney or other instrument appointing him or notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the members or the attorney given at least fourteen days before the meeting, require him to produce the original power of attorney or authority, and unless the same is thereon deposited with the Company not less than forty eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting, unless the Directors in their absolute discretion excuse such non-production and deposit.

(2) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved threat, shall be entitled, during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

115 Custody of the instrument

If any such instrument of appointment be confirmed to the object of appointing an attorney or proxy for voting at meeting of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

116 Validity of votes given by proxy notwithstanding death of member, *etc*.

A vote given in accordance with the terms of an instrument of proxy or a power of attorney shall be valid notwithstanding the previous death of the principal or revocation of the proxy or the power of attorney as the case may be or of the power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the meeting.

117 Time for objections votes

Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

118 Chairman of any meeting to be the Judge of Validity of any vote

Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole Judge of the validity of every vote tendered at such meeting, and subject s aforesaid the Chairman present at the taking of a poll shall be the sole Judge of the validity of every vote tendered at such poll.

DIRECTORS

119 Constitution of the Board of Directors

The Board of Directors shall consist of not less than four and not more than eleven Directors, including a whole-time Chairman-cum-Managing Director.

120 First Director

The first Directors of the Company were:-

1. Sir D.J. Tata, Kt. (Chairman)

2. Sir Sassoon David, Bart. (Vice-Chairman).

3. The Hon. Sir Fazulbhoy Currimbhoy, Kt.

4. Sir Henry Procter, Kt.

5. Sir Shapurji B. Broacha, Kt.

6. The Hon. Mr. Lalubhai Samaldas, C.I.E.

7. Rai Bahadur Jamnalal Bachhraj.

8. Mr. Ramnarain Harnadrai

9. Mr. B.J. Padshah.

10. The Hon. Mr. Phiroze C. Sethna.

11. The Hon. Mr. Purshotamdas Thakurdas, C.I.E.

12. Mr. A.J. Bilimoria.

13. Mr. F.E. Dinshaw

121 Appointment and term of office of Director, *etc*.

(1) The Directors and the whole-time Chairman-cum managing Director shall be appointed by the Central Government.

(2) The term of office of every Director shall be three years from the date of his appointment.

Provided the Central Government may extend the term of office of a Director by a further period not exceeding three years at a time:

Provided further that where a person being an employee of the Company has been appointed as a Director of the Company during the term of his office as Director ceases to be employee of the Company by reason of resignation, retirement or otherwise or is transferred to a post outside the Company, he shall cease to be such Director from the date on which he ceases to be n employee of the Company or as the case may be, from the date of his transfer.

(3) The period of appointment of Chairman cum Managing director shall be five Years or the date of superannuation, whichever is earlier. The executive will be eligible for fresh tenure beyond the period of five year up to superannuation.

(4) The Central Government may fill up any vacancy caused by death, resignation, retirement or otherwise of a Director.

(5) A Director appointed under Clause (4) shall hold office only for the remainder of the term of office of the Director in whose place he is appointed:

Provided that Central Government may extend the term of office of the Director appointed under Clause (4) by a further period not exceeding three years a time."

Article 126 has been altered as above pursuant to a special resolution passed at the Extra Ordinary General Meeting of the Company held on 11th April, 2008. Refer Annexure I on Pages 154 to 156 for earlier amendments to this Article.

122 Removal of Directors

If the Central Government considers it necessary, in the interests of the Company so to do, it may remove a Director from office before the expiry of term of his office as such Director

Provided that no Director shall be removed from his office unless he has been given a reasonable opportunity of showing cause against the proposed action.

123 Share Qualification

A Director shall not be required to hold any qualification shares.

124 Conditions of service, *etc*. of Directors

The conditions of service of, or the remuneration payable to a Director shall be such as may be fixed from time to time by the Central Government.

125 Directors may act notwithstanding vacancy

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company and for no other purpose.

126 When office of Director to be vacated

The office of a Director shall become vacant on the happening of any one of the events mentioned in Section 167 of the Act or if he resigns his office by a notice in writing addressed to the Company. The Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting of the Company.

127 Disclosure by Director of appointments

Every director or key managerial personnel shall, within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in the other associations which are required to be included in the register under that sub-section or such other information relating to himself as may be prescribed.

128 Disclosure of holdings

A Director shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 170 of the Act. If such notice be not given at a meeting of the Board, the Director shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of a Director's holding of shares and debentures as aforesaid in a register kept for that purpose in conformity with Section 170 of the Act.

129 Loans to Directors

The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 185 and other applicable provisions (if any) of the Act.

PROCEEDINGS OF BOARD OF DIRECTOR

130 Meetings of Directors

The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings and proceedings as they think fit; provided, however, that a meeting of the Board of Directors shall be held at such number of times and at such frequencies as may be prescribed in the Act, the rules made there under and the Secretarial Standards.

131 When meetings to be convened

The Managing Director or any of the Managing Directors or a Manager or a Secretary may at any time and at the request of three Directors shall convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

132 Quorum

The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

133 Adjournment of meeting for want of quorum

If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.

134 Who to preside at meetings of Board

All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same, the Vice-Chairman, if present, shall preside and if he be not present at such time then and in that case, the Directors shall choose one of the Directors then present at the meeting.

135 Questions at Board Meetings how decided

Resolutions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the meeting (whether the Chairman appointed by virtue of these Articles or the Director presiding at such meeting) shall have a second or casting vote.

136 Directors may appoint Committees

Subject to the provisions of Section 179 of the Act and Article 140, the Directors may delegate any of their powers, to Committees consisting of such member or members of their body, as they think fit and they may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes; but every Committee so formed shall, in the exercise of the powers so delegated confirm to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

137 Meetings of Committees how to be governed

The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

138 Resolution by circular

(1) A resolution passed by circular, without a meeting of the Board or a Committee of the Board appointed under Article 135 shall subject to the provisions of Sub-Clause 2 hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a Committee duly called and held.

(2) No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors including Interested Directors on the same day or to all the members of the Committee, as the case may be, at their addresses registered with the company in India by hand, or by speed post or by registered post or by courier, or by e-mail or by any other recognized electronic means.

Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

3) Subject to the provisions of the Act, a statement signed by a Director or other person authorised in that behalf by the Directors certifying the absence from India of any Director shall for the purpose of this Article be conclusive.

139 Acts of Board or Committees valid notwithstanding defect of appointment

Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

140 Minutes of proceedings of Board of Directors and Committees to be kept

The company shall keep minutes of all Board and Committee Meetings in a Minutes Book. A distinct Minutes Book shall be maintained for Meetings of the Board and each of its Committees.

The minutes shall contain –

(1) At the beginning the serial number and type of the Meeting, name of the company, day, date, venue and time of commencement and conclusion of the Meeting;

(2) The names of the Directors present physically or through Electronic Mode, the Company Secretary who is in attendance at the Meeting and Invitees, if any, including Invitees for specific items;

(3) A fair and correct summary of the proceedings at the meeting;

(4) All orders made by the Board and Committee of the Board and all appointments of Officers and Committees of Directors;

(5) In the case of each resolution passed at a meeting of the Board or Committee of the Board, the names of the Directors, if any, dissenting from, or not concurring in, the resolution.

141 By whom minutes to be signed and the effect of minutes recorded

All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be so singed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

POWERS OF DIRECTORS

142 General powers of Company vested in Directors

(1) Subject To The Provisions Of The Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do: Provided that the Board shall not exercise any power or do any act or things which is directed or required whether by the Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or any other Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in General Meeting.

(2) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

143 Consent of company necessary for the exercise of certain powers

The Board shall exercise the powers as specified in sub-section (1) of section 180 of the Act, only with the consent of the company by a special resolution.

144 Certain powers to be exercised by the Board only at meeting

The Board shall exercise the powers as specified in sub-section (3) of section 179 of the Act, on behalf of the company by means of resolutions passed at meetings of the Board.

Provided that the Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Chairman, the Managing Director, the Manager, the Whole-time Director or any other Officer of the company or in the case of a Branch office of the Company, the Principal Officer of the Branch office, the powers specified in sub-articles (3), (4) and (5) above on such conditions as it may specify.

145 Certain powers of the board

Without prejudice to the general powers conferred by these Articles but subject to the provisions of the Act, it is hereby expressly declared that the Directors shall have the following powers:

(1) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Section 40(6) of the Act and Article 25.

(2) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

(3) At their discretion and subject to the provisions of the Act, to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount as paid up thereon as may be agreed; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or part of the property of the Company and its uncalled capital or not so charged.

(4) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or conjointly.

(5) To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.

(6) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.

(7) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.

(8) To accept from any member, on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof, so far as may be permissible by law.

(9) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for Any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.

(10) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any dues, or of any claims or demands by or against the Company.

(11) To refer any claim or demand by or against the Company or any differences to arbitration and observe and perform any awards made thereon.

(12) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(13) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

(14) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.

(15) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof; upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, provided that save as permitted by Section 187 of the Act, all investments shall be made and held in the Company's own name.

(16) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such moorages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, provisions and agreements as shall be agreed on.

(17) To give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company.

(18) (a) To provide for the welfare of Directors, employees or ex-employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connection of such person by building or contributing to the building of houses, dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses or profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profit sharing or other schemes or trusts And by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.

(b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other institutions, objects or purposes, or for any exhibition.

(19) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper, for depreciation, to a Depreciation Fund, General Reserve, a Reserve Fund, Sinking Fund or any special or other fund or funds or account or accounts, to meet contingencies, to repay redeemable preference shares, debentures or debenture stock, for special dividends, for equalising dividends, for repairing, improving, extending and maintaining any part of property of the Company, and/or for such other purposes (including the purposes referred to in the last two preceding Sub-Clauses), as the Directors may, in their absolute discretion think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for the purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of redeemable preference shares, debentures or debenture stock and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

(20) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit. And to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any special locality in India in such manner as they think fit and the provisions contained in Sub-Clauses (22), (233), (24) and (25 following shall be without prejudice to the general powers conferred by this Sub-Clause.

(21) To comply with the requirements of any local law which, in their opinion, shall, in the interests of the Company be necessary or expedient to comply with.

(22) Subject to the provisions of Section 179 of the Act and Article 143 from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities and discretions for the time being vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation under Sub-Clause (22) of this Article may be made on such terms, and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annual or vary any such delegation.

23) At any time and from time to time by Power of Attorney to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any company, or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board of Directors and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board of Directors may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

(24) Generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions Vested in the Directors to any person, firm, company or fluctuating body of persons as aforesaid.

(25) Subject to the provisions of the Act and these Articles for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

REGISTERS, BOOKS AND DOCUMENTS

146 Registers, Books and Documents

1) THE Company shall maintain Registers, Books and Documents as required by the Act or the Insurance Act, 1938 or these Articles including the following namely:-

a) Register of Investment not in Company's name according to Section 187 of the Act.

b) Register of Mortgages, Debentures and Charges according to Section 85 of the Act.

c) Register of Members and an Index of Members according to Sections 88 and 92 of the Act

d) Register and Index of Debenture holders according to Section 88 of the Act.

e) Register of Contracts, companies and firms in which Directors are interested according to Section 189 of the Act.

f) Register of Directors and Managing Director, according to Section 170 of the Act.

g) Register of Directors' Shareholdings and Debenture holdings according to Section 170 of the Act.

h) Books of Account in accordance with the provisions of Section 128 of the Act.

i) Copies of Instruments creating any charge requiring registration according to Section 85 of the Act.

j) Copies of Annual Returns prepared under Section 92 of the Act together with the copies of Certificates required under Section 92 of the Act.

k) Register of Policies and Register of Claims in accordance with the provisions of Section 14 of the Insurance Act 1938.

(2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and the Insurance Act, 1938, and shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these Articles and extracts shall be supplied to the persons entitled thereto in accordance with the provisions of the Act or these Articles.

(3) The company may keep a Foreign Register of Members in accordance with Sections 88 of the Act. Subject to the provisions of Sections 88 of the Act, the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of Members and/or Debenture holders.

THE SEAL

147 Seal

The Board shall provide for the safe custody of the seal.the seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in this behalf, except in the presence of atleast two directors and of the Secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS

148 Division of profits

The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively:

provided always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared, shall unless the Directors otherwise determined, only entitled the holder of such share to an apportioned amount of such dividend as from the date of payment.

149 Capital paid up in advance at interest not to earn dividend

Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest, confer a right to dividend or to participate in profits.

150 Dividends in proportion to amount paid

The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.

151 The company in General Meeting may declare a dividend

The Company in Annual General Meeting may declare a dividend to be paid to the Members according to their respective rights and interests in the profits and may fix the time for payment.

152 Power of Directors to limit dividend

No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend, subject to the provisions of Section 123 of the Act, and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company in any year shall be conclusive.

153 Interim dividend

Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

154 Transfers of shares must be registered

A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

155 Dividend how remitted

Any dividend payable in cash may be paid by cheque or warrant sent through the post to the registered address of the Member or in case of joint holders to that one of them first named in the Register in respect of the joint holding or in any electronic mode.

Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible to any cheque or warrant lost in transit or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

156 Unclaimed Dividend

(1) If a dividend declared by the Company has not been paid or claimed within thirty days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, open a special account in that behalf in any Scheduled Bank called "The Unpaid Dividend Account of National Commodity & Derivatives Exchange Limited" and transfer the total amount of such dividend remaining unpaid or unclaimed, to such Account.

Explanation: In this Sub-Article, the expression “dividend which remains unpaid” means any dividend the warrant in respect of which has not been encashed or which has otherwise not been paid or claimed.

(2) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund established under the applicable law.

(3) That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

CAPITALISATION

157 Capitalisation

(1) The company in General Meeting may, upon the recommendation of the Board, resolve that any moneys, investments or other assets forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any capital assets of the Company, standing to the credit of the Reserve or Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the securities premium account be capitalised:

(a) by the issue and distribution of fully paid up shares, debentures, debenture-stock, bonds or other obligations of the Company, or

(b) by crediting shares of the Company which may have been issued to and are not fully paid up with the whole or any part of sum remaining unpaid thereon.

(2) Such issue and distribution under clause (a) of sub-article (1) of this Article and such payment to the credit of unpaid share capital under clause (b) of sub-article (1) of this Article shall be made to among and in favour of the Members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under clause (a) of sub-article (1) of this Article or payment under clause (b) of sub-article (1) of this Article shall be made on the footing that such Members become entitled thereto as capital.

(3) The Directors shall give effect to any such resolution and apply such portion of the profits of Reserve or Reserve Fund or any other Fund on account as aforesaid and may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under clause (a) of sub-article (1) of this Article or, as the case may be, for the purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under clause (b) of sub-article (1) of this Article; provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended, such distribution and payment shall be accepted by such Members as aforesaid in full satisfaction of their interest in the said capitalised sum.

(4) For the purpose of giving effect to any such resolution, the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and, in particular, they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any Members on the footing of the value so fixed and may vest any such cash shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the person entitled thereto as may seem expedient to the Directors and generally may make such arrangements for the acceptance, allotment and sale of

such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.

(5) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid up and others are partly paid up only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid up shares, and by crediting the partly paid up shares with the whole or part of the unpaid liability thereon but as between the holders of the fully paid-up shares, and the partly paid up shares, the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid up shares shall be so applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid up and partly paid up shares respectively.

(6) When deemed requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the holders of the shares of the Company which shall have been issued prior to such capitalisation and such appointment shall be effective.

ACCOUNTS

158 Books of Account to be kept

The Company shall keep at the Office or at such other place in India as the Board thinks fit proper Books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.

Where the Board decides to keep all or any of the Books of Account aforesaid at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

The books of account and other relevant books and papers may be maintained in electronic mode in compliance with the applicable provisions of the Act and rules made there under and shall remain accessible in India so as to be usable for subsequent reference. Provided that the back-up of the books of account and other books and papers of the company maintained in electronic mode, including at a place outside India, if any, shall be kept in servers physically located in India on a periodic basis.

The Company shall preserve in good order the Books of Account relating to a period of not less than eight financial years preceding a financial year together with the vouchers relevant to any entry in such Books of Account shall be kept in good order.

The Directors shall from to time, in accordance with Sections 129, 134, 137 and Schedule III of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by these sections.

A copy of the financial statements, including consolidated financial statements, if any, Auditors' Report and every other document required by law to be annexed or attached to the financial statements or salient features of such documents or such other documents, as may be prescribed, shall be sent to, and also be made available for inspection by, the members of the Company and other persons entitled, as required by law. Provided also that a company shall also place its financial statements including consolidated financial statement, if any, and all other documents required to be attached hereto, on its website, which is maintained by or on behalf of the Company.

159 Inspection by members of accounts and books of the company

The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.

160 Statement of Accounts to be furnished to General Meeting

The Board of Directors shall lay before each Annual General Meeting a Profit and Loss account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than nine months or such extended period as shall have been granted by the Registrar under the provisions of the Act.

161 Balance Sheet and Profit and Loss Account

(1) Subject to the provisions of Section 11 of the Insurance Act, 1938, every Balance Sheet of the Company shall be in the forms set forth in Part II of the first schedule of the Insurance Act and the Profit and Loss Account shall be in the forms set forth in Part II of the second schedule of the Insurance Act or as near thereto as circumstances admit.

(2) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 129 and other applicable provisions of the Act.

(3) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

162 Authentication of Balance Sheet and Profit and Loss Account

(1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Manager or Secretary (if any) and by not less than two Directors of the Company, one of whom shall be a managing Director, where there is one.

(2) Provided that when only one Director is for the time being in India the Balance Sheet and Profit and Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non-compliance with the provisions of Sub-Clause(1).

(3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they re signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditors for their report thereon.

163 Profit and Loss account to be annexed and auditors' Reports to be attached to the Balance Sheet

The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors' Report shall be attached thereto.

164 Board's report to be attached to Balance Sheet

(1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board of Directors with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any Reserve either in such Balance Sheet or in a subsequent Balance Sheet, and the amount, if any, which it recommends to be paid by way of dividend.

(2) The Report Shall, So Far As It Is Material For The Appreciation Of The State Of The Company's affairs by its members, and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.

(3) The Board shall also give the fullest information and explanations in its report or in cases falling under the proviso to Section 129 of the Act in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditors' report.

(4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of Sub-Clauses (1) and (2) of Article 174.

(5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-Clauses (1) to (3) of this Article are complied with.

165 Right of members to copies of balance Sheet and auditors' Report

The Company shall comply with the requirements of Section 136 of the Act.

ANNUAL RETURN

166 Annual Return

The Company shall make the requisite annual returns in accordance with Sections 92 of the Act and shall file with the Registrar three copies of the Balance Sheet and Profit and Loss Account in accordance with Section 137 of the Act. It shall also make requisite returns in accordance with Section 15 of the Insurance Act, to the Controller of Insurance.

AUDIT

167 Accounts to be audited

Once at least in every year the accounts of the Company shall be balanced and audited and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors.

168 Appointment of Auditor

The company shall endeavor to appoint Statutory Auditor(s) in terms of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time.

The eligibility, qualification and disqualifications of auditor(s) shall be governed as per the provisions of Section 141 of the Act and the rules made there under, as amended from time to time.

Where at any Annual General Meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.

Retiring Auditors shall, subject to the provisions of sub-section (9) of Section 139 of the Act, be re-appointed.

169 Audit of Branch Offices

The Company shall comply with the provisions of Section 143(8) of the Act in relation to the audit of the accounts of branch offices of the Company.

170 Auditors: their powers, duties, rights, remuneration and their Report

The rights, powers, duties remuneration and the report of the Auditor(s) of the Company shall be governed as per the provisions of Sections 141 to 146 of the Act and the rules made there under, as amended from time to time.

171 Account when audited and approved to be conclusive except as to errors discovered within three months

1) If it appears to the directors of a company that—

(a) The financial statement of the company; or

(b) The report of the Board,

do not comply with the provisions of section 129 or section 134 they may prepare revised financial statement or a revised report in respect of any of the three preceding financial years after obtaining approval of the Tribunal on an application made by the company in such form and manner as may be prescribed and a copy of the order passed by the Tribunal shall be filed with the Registrar.

DOCUMENTS AND SERVICE OF DOCUMENTS

172 How document is to be served on members

1) A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

(2) Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

173 Service on members having no registered address

If a member has no registered address in India and has not supplied to the Company and address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office Company shall be deemed to be duly served on him on the day on which the advertisement appears.

174 Service on persons acquiring shares on death or insolvency of members

A document may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had to occurred.

175 Persons entitled to notice of General Meetings

Subject to the provisions of the Act and these Articles notice of general meetings shall be given :-

(i) To members of the Company as provided by Article 86 in any manner authorised by Articles 175 as the case may be or as authorised by the Act;

(ii) To the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 176 or as authorised by the Act;

(iii) To the Auditor or Auditors for the time being of the Company, in any manner authorised by Article 175 or the Act in the case of any member or members of the Company.

176 Advertisement

Subject to the provisions of the Act any document required to be served or send by the Company on or to the members, or any of them, and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in one daily newspaper circulating in Bombay.

177 Members bound by document given to previous holders

Every person, who by operation of law, transfer, or other means whatsoever, shall become entitled to any share shall be bound by every document in respect of such share which, previously to his name and address being entered on the Register, shall be duly served on or sent to the person from whom he derives his title to such share.

178 Notice Valid

Subject to the provisions of the Act any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall, notwithstanding such member be then deceased and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other person by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such shares.

179 Notice by Company and signature thereto

Any notice to be given by the Managing Director, Manager or Secretary or such officer as the Directors may appoint and such signature may be written, printed or lithographed.

180 Service or notice by members

A document may be served or given by a member on or to the company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at the registered office or by means of such electronic or other mode as may be prescribed under the rules framed under sub-section (1) of section 20 of the Act.

<u>AUTHENTICATION OF DOCUMENTS</u>

181 Authentication of documents and proceedings

Save as otherwise expressly provided in the Act, or these Articles a document or proceedings requiring authentication by the Company may be signed by a Director or Secretary or any officer authorised by the Board of Directors in this regard and need not be under its seal, if any.

WINDING UP

182 Distribution of assets

1) If the Company shall be wound up and assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly may be, the losses shall be borne by the Members in proportion to the capital paid-up, or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively and if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital, at the commencement of the winding up, paid up or which ought to have been paid up on the shares held by them respectively; provided, however, nothing contained in this Article shall prejudice the rights of the holders of shares issued upon special terms and conditions.

183 Distribution in specie or kinds

(a) Subject to the provisions Chapter XX of the Act and rules made there under, the Liquidator on any winding-up (whether voluntary, under supervision of the court or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the Contributories as the Liquidator, with the like sanction, shall think fit.

(b) If thought expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and, in particular, any class may be given preference or special rights or may be excluded altogether or in part, but, in case any division otherwise than in accordance with the legal rights of the contributories shall be determined, any contributory, who would be prejudiced thereby, shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 319 of the Act.

(c) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within 10 days after the passing of the Special Resolution by notice in writing direct the liquidators to sell his portion and pay him the net proceeds and the liquidators shall, if practicable, act accordingly.

SECRECY CLAUSE

184 Secrecy Clause

No member shall be entitled to any information respecting any detail of the Company’s business, or any matter which is or may be in the nature of a business secret, which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interest of the Company to communicate to the public.

INDEMINITY AND RESPONSIBILITY

185 Directors' and others' right to indemnity

(a) Subject to the provisions of Section 197 of the Act every Director, Managing Director, Secretary and other officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Managing Director, officer or employee may incur or become liable to be reason of any contract entered in to or act or deed done by him as such Director, officer or servant or in any way in the discharge of his duties.

(b) Subject as aforesaid every Director, Managing Director, Secretary or other officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is given to him by the Court.

186 Not responsible for acts of others

Subject to the provisions of Section 197 of the Act no Director, Managing Director, other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person, company or corporation, with whom any moneys, Subject to the provisions of Section 197 of the Act no Director, Managing Director, other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his Part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

187. Notwithstanding anything contained in these Articles and in terms of the provision of the Guidelines for Corporate Governance for Insurers in India dated May 18, 2016 and subject to other Applicable laws, the ownership and control of the Company shall not lie with foreign entities but ultimately rest with resident Indian citizens, at all times.

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10:00 A.M. and 5:00 P.M. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated August 8, 2017 entered into amongst our Company, the Selling Shareholder and the BRLMs.

2. Registrar Agreement dated [●] entered into amongst our Company, the Selling Shareholder and the Registrar to the Offer

3. Public Offer Account Agreement dated [●] between our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, Public Offer Bank and the Refund Bank

4. Share Escrow Agreement dated [●] entered by the Selling Shareholder, our Company and the Share Escrow Agent

5. Syndicate Agreement dated [●] between our Company, the Selling Shareholder, the BRLMs, the Syndicate Members and the Registrar to the Offer

6. Underwriting Agreement dated [●] between our Company, the Selling Shareholder and the Underwriters

B. **Material Documents**

1. Certified copies of our Memorandum and Articles of Association, as amended from time to time.

2. Certificate of incorporation dated July 23, 1919.

3. Certificate for commencement of business dated October 14, 1919.

4. Letter dated July 26, 2017 issued by the IRDAI confirming our Company’s registration to undertake the business of general insurance.

5. Resolutions of our Board dated July 10, 2017 and August 4, 2017, respectively and the resolution passed by our Shareholders, dated August 2, 2017, in relation to the Offer.

6. The approval dated June 28, 2017 from IRDAI to undertake a public offer in accordance with the provisions of SEBI Regulations, under the provisions of the IRDAI Capital Regulations.

7. Copies of the annual reports of our Company for the Fiscals 2017, 2016, 2015, 2014 and 2013.

8. Consent letters from the Joint Statutory Auditors, for inclusion of their names as experts herein.

9. The examination report of the Joint Statutory Auditors dated August 4, 2017 in relation to Company’s Restated Financial Statements, included in this Draft Red Herring Prospectus.

10. The statement of tax benefits dated August 6, 2017 from the Joint Statutory Auditors.

11. Consent of the Directors, the BRLMs, Indian Legal Counsel to our Company, Indian Legal Counsel to the BRLMs, International Legal Counsel to the Offer, Bankers to our Company, Company Secretary and Chief Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

12. Letter from the Ministry of Finance, Government of India, dated August 4, 2017 approving the disinvestment and the Offer for Sale in relation to the Offer.

13. Certification dated August 6, 2017 by our Joint Auditors in relation to the statement of liabilities as required under the IRDAI Capital Regulations, including the manner of determination of the amount of liabilities (including the quantum of IBNR and IBNER) as per the IRDAI Assets, Liabilities and Solvency Margin of Insurers Regulations.

14. Due Diligence Certificate dated August 8, 2017 addressed to SEBI from the BRLMs.

15. Consent letter dated July 27, 2017 from CRISIL

16. In principle listing approvals dated [●] and [●] issued by the BSE and the NSE, respectively.

17. Tripartite agreement dated [●], 2017 entered into between our Company, NSDL and the Registrar to the Offer.

18. Tripartite agreement dated [●], 2017 entered into between our Company, CDSL and the Registrar to the Offer.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance with the provisions contained in the Companies Act and other relevant statutes and regulations.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the rules/guidelines/regulations issued by the Government of India, or the guidelines/regulations issued by the SEBI, established under section 3 of the SEBI Act, and IRDAI established under section 3 of the Insurance Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, the Insurance Act, 1938 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Mr. G. Srinivasan *Chairman cum Managing Director*	_________________________________
Mr. Mohammad Mustafa *Non-Executive and Government Nominee Director*	_________________________________
Mr. Hemant G. Rokade *Executive Director*	_________________________________
Mr. Anil Kumar *Executive Director*	_________________________________

SIGNED BY THE CHIEF FINANCIAL OFFICER

____
Ms. S. N. Rajeswari
Chief Financial Officer

SIGNED BY THE SELLING SHAREHOLDER

____
Name: Dr. N Srinivasa Rao
Designation: Economic Adviser
On behalf of the President of India
Acting through the Ministry of Finance
Government of India
Date: August 8, 2017
Place: _____________