



CONSISTENT GROWTH RATE
OUTSTANDING REPUTATION MUCH
NEEDED PEACE OF MIND UNSURPASSED
INTEGRITY UNIQUE INSTITUTION
IMPLICIT TRUST CONTINUOUS SUCCESS
ROBUST SOLVENCY MARGIN BRINGING
UTMOST JOY STRONG AND INHERENT
FUNDAMENTALS USHERING IN NEW
WAVE UNISURGE HUGE WORK FORCE
ONE OF LARGEST PUBLIC GENERAL
INSURANCE COMPANY SHAPING
FUTURE TOP-UP ENCOMIUMS SUPER
TOP-UP TRANSLUCENT TECHNIQUES
ASIA INSURANCE INDUSTRY AWARDS
FRONTRUNNER COMMUNITY BASED
INSURANCE CLOSE GUARDING
IMMACULATE PRECISION CONTINUED
THRUST IN RETAIL, MSME AND RURAL
INSURANCE SEGMENTS CUSTOMER-
FRIENDLY UNEQUALLED EXPERTISE
INSTRUMENTAL IN NATION'S GROWTH
CONSTANTLY RAISING THE BAR HIGH
PREMIUM INCOME FINDING NEW
AVENUES ALL-ROUND PROTECTION
UNITED WE WIN EXHAUSTIVE RANGE OF
INSURANCE PRODUCTS UNDISPUTED
CHOICE IN INSURANCE SECTOR
SERVICE - THE GATEWAY TO GROWTH
AT UNITED INDIA, IT'S ALWAYS U BEFORE I

The growth streak that traverse
every sphere of life



युनाइटेड इंडिया इंश्यूरेन्स कंपनी लिमिटेड
UNITED INDIA INSURANCE COMPANY LTD.



OUR VISION

We, The Company, will be

- the most preferred insurer in India, with global footprint & recognition.
- a trusted brand admired by all stakeholders.
- the best-in-class customer service provider leveraging technology & multiple channels.
- the provider of a broad range of innovative products to meet the needs of all customer segments.
- a great place to work with highly motivated and empowered employees.
- recognised for its contribution to the society.

MOVING AHEAD INTO THE FUTURE
WITH YOU IN MIND.



United India enters its 77th year of dedicated services >>

With an exhaustive range of products and services, United India successfully steps into its 77th year. Over the years, millions of Indians have felt safe and secure, even during the most unexpected circumstances, thanks to the cover provided by UI. The journey continues, with renewed visions, goals and enthusiasm.

— Awards & Accolades —



Best
Health Insurance Provider



Ethical Company in Insurance:
Property & Casualty



Best Insurance Company
in Public Sector

Insurance is the subject matter of solicitation



UNITED INDIA INSURANCE COMPANY LTD.

Registered & Head Office : 24, Whites Road, Chennai 600 014

At **U**nited **I**ndia, it's always **U** before **I**

INDEX

Report of the Board of Directors	18
Auditors' Report	52
Review of Accounts by the Comptroller & Auditor General of India	55
Fire Insurance Revenue Account	60
Marine Insurance Revenue Account	61
Miscellaneous Insurance Revenue Account	62
Profit and Loss Account	63
Balance Sheet	64
Schedules (No. 1 to 15)	65
Segmental Report	72
Cash Flow Statement	102
Significant Accounting Policies	104
Notes Forming Part of the Accounts	109
Accounting Ratios	120
Summary of Financial Statements	125
Management Report	126
Ageing of Claims	128
Unclaimed amount of the Policyholders - Age-wise Analysis	134
Balance Sheet Abstract	135
Statement of Interest in the Subsidiary Company	137
Annual Report and Accounts of the Subsidiary Company	141
Zenith Accounts - Balance Sheet Abstract	170

BOARD OF DIRECTORS



MILIND KHARAT
Chairman-cum-Managing Director



PRIYA KUMAR
Director



T.M. BHASIN
Director



A. THRIVIKRAMAN THAMPI
Director



ASHA NAIR
Director & General Manager

DIRECTORS & EXECUTIVES

Chairman-cum-Managing Director

Milind Kharat

Directors

Priya Kumar

T.M. Bhasin

A. Thri vikraman Thampi

S. Surenther (upto 31-10-2013)

Asha Nair

Executives

Chairman-cum-Managing Director

Milind Kharat

General Managers

S. Surenther (upto 31-10-2013)

Asha Nair

B. Krishnamurthy (upto 31-10-2013)

M.V.V. Chalam

A. Hoda

V.E. Kaimal

T.L. Alamelu

Ramma Bhasin (from 31-05-2013)

Ish Kumar (from 1-11-2013)

Financial Advisor

S. Surenther (upto 31-10-2013)

V.E. Kaimal (from 1-11-2013)

Chief Vigilance Officer

Rajasekharan (upto 21-3-2014)

Kunnel Prem (from 15-4-2014)

Deputy General Managers

M. Elango

S. Sivaraman

Ram Niwas

R. Shivakumar

P. Hemamalini

V. Sajan

A. Balasubramanian

M. Sashikala

Mohd. Zafir Alam

R. Hariharan

P.V.S. Laxmi Prasad

P.K. Mahapatra

K. Govindarajan

K.B. Vijay Srinivas

N. Pauly Sukumar

V. Srinath

Usha Ramaswamy

B.B. Dash

S.M. Chura

Neel Garg

V.K. Ramchander

K.K. Panda

A.N. Rajmane

CH. Narasimha Rao

Company Secretary

S. Venkataraman

Auditors

M/s. Manohar Chowdhry & Associates

M/s. Kalyanasundaram & Co.

M/s. Brahmayya & Co.

Chief Grievance Officer

Ramma Bhasin, General Manager

Principal Compliance Officer

(Anti-Money Laundering)

P. Hemamalini, Deputy General Manager

Chief Underwriter

P.K. Mahapatra, Deputy General Manager

Chief Risk Officer

K. Govindarajan, Deputy General Manager

Chief Compliance Officer

CH. Narasimha Rao, Deputy General Manager

Compliance Officer – Corporate Governance Guidelines

S. Venkataraman,

Chief Manager & Company Secretary

Chief Public Information Officer

L. Rangarajan, Chief Manager



RECOGNITION FOR THE COMPANY AWARDS & ACCOLADES



- RSBY – U.P. Govt. Award for Best Performance
- National Vigilance Excellence Award 2013 – for case study on “Punitive Vigilance”
- Best Principal – L.C. – from World HR Congress
- Indian Insurance Awards 2013
 - ❖ Best Non-Urban Coverage
 - ❖ Commercial lines Growth Leadership
- IPE – BFSI Award – “Best Insurance Company in Public Sector”
- SKOCH Digital Inclusion Award 2013 for “Implementation of Crop Insurance through Web Portal – “India’s Best Projects – 2013”
- “CEO with HR orientation” and “30 Best HR leaders in PSUs” received by CMD & GM (P) in Asia Pacific HRM Congress by IPE at Bangalore
- Award for Best Training initiative for Insurance Sector 2013 by Asian Training & Development Awards, Dubai
- World CSR Congress – IPE Corporate Excellence Awards – “India’s Most Ethical Company Awards 2013” – “Property & Casualty” and “Super Boss Award 2013” to CMD
- SKOCH Renaissance Award and Order of Merit for Innovation concept – “Insurance Awareness – Catch them young”
- Outlook Money “Best Health Insurance Provider” Award
- ABP-BFSI Award – “Best Insurance Company in Public Sector”
- Sustainable Business Award – by IBJ (Indian Business Journal) – IBJ Business Excellence Awards, 2013



Your Trust - Our Performance

A winning combination!



Shri. Milind Kharat, CMD receiving the award from Shri. Jaswant Singh,
Hon'ble Member of Parliament



United India Insurance has been adjudged as the
'Best Health Insurance Provider'
at OUTLOOK MONEY AWARDS 2013



Insurance is the subject matter of solicitation



युनाइटेड इंडिया इंश्यूरेंस कंपनी लिमिटेड

UNITED INDIA INSURANCE COMPANY LTD.

Registered & Head Office : 24, Whites Road, Chennai - 600 014

At United India, it's always U before I

Why Choose **UNITED INDIA** AS YOUR **INSURANCE PARTNER?**

WHOLLY OWNED BY GOVT. OF INDIA

iAAA RATING BY ICRA FOR HIGHEST CLAIMS PAYING ABILITY

EXCELLENT SOLVENCY MARGIN OF 2.54

76 YEARS OF EXPERIENCE IN HANDLING INSURANCE

AWARDED "BEST HEALTH INSURANCE PROVIDER" BY OUTLOOK MONEY AWARDS-2013

AWARDED ETHICAL COMPANY IN INSURANCE : PROPERTY & CASUALTY AWARD BY WORLD FEDERATION OF CSR

AWARDED AS ONE AMONG THE TOP THREE GENERAL INSURANCE COMPANIES IN ASIA BY "ASIA INSURANCE REVIEW"

PROFIT OF ₹ 451 CRORES AND NETWORTH OF ₹ 5,407 CRORES

AWARDED AS CONSISTENT "ALL-ROUND PERFORMER OF THE YEAR" FROM DALAL STREET INSURANCE JOURNAL

WIDE NETWORK OF 1,593 OFFICES WITH 16,637 WORKFORCE

STUPENDOUS GROWTH - ₹9,709 CRORES PREMIUM INCOME - 2013-14

B++ (Positive) RATING BY AM BEST

"SUSTAINABLE BUSINESS AWARD" FROM IBJ BUSINESS EXCELLENCE AWARDS 2013

Insurance is the subject matter of solicitation

As at 31-03-2014



युनाइटेड इंडिया इंश्यूरेंस कंपनी लिमिटेड **UNITED INDIA INSURANCE COMPANY LTD.**

Registered & Head Office : 24, Whites Road, Chennai - 600 014

At **United India**, it's always **U** before **I**



Notice

NOTICE is hereby given that the SEVENTY-SIXTH ANNUAL GENERAL MEETING of the Members of the Company will be held on FRIDAY the 13th JUNE 2014 at the Registered Office of the Company at 24, Whites Road, Chennai - 600 014 at 11.30 a.m. to transact the following business:

- (1) To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st March, 2014.
- (2) To declare dividend on Equity Shares.
- (3) To appoint a Director in place of Shri. T.M. Bhasin (holding DIN 03091429) who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To authorise the Board of Directors to fix the remuneration of Auditors, to be appointed by the C&AG, for the year 2014-15.

(By Order of the Board)
for United India Insurance Company Limited

Place : Chennai
Date : 6th June 2014

S. VENKATARAMAN
COMPANY SECRETARY

Encl.: Proxy Form

Notes:

1. Any member, entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member.
2. The Proxy Form duly stamped and executed, should be deposited at the registered office of the company not less than forty-eight hours before the time fixed for the commencement of the meeting.

CORPORATE MANAGEMENT



MILIND KHARAT
Chairman-cum-Managing Director



ASHA NAIR
Director & General Manager



M.V.V. CHALAM
General Manager



A. HODA
General Manager



V.E. KAIMAL
General Manager & Financial Advisor



T.L. ALAMELU
General Manager



RAMMA BHASIN
General Manager



ISH KUMAR
General Manager



KUNNEL PREM
Chief Vigilance Officer



S. VENKATARAMAN
Company Secretary

CORPORATE MANAGEMENT



M. ELANGO
Dy. General Manager



S. SIVARAMAN
Dy. General Manager



R. SIVAKUMAR
Dy. General Manager



P. HEMAMALINI
Dy. General Manager



A. BALASUBRAMANIAN
Dy. General Manager



M. SASHIKALA
Dy. General Manager



R. HARIHARAN
Dy. General Manager



P.K. MAHAPATRA
Dy. General Manager



K. GOVINDARAJAN
Dy. General Manager



N. PAULY SUKUMAR
Dy. General Manager



V. SRINATH
Dy. General Manager



USHA RAMASWAMY
Dy. General Manager



CH. NARASIMHA RAO
Dy. General Manager

REGIONAL INCHARGES

Northern Zone



R.S. SINGHAL, DGM
Jaipur RO



RAM NIWAS, DGM
New Delhi RO-2



NEEL GARG, DGM
New Delhi RO-1



S.P. AGARWAL, CRM
Chandigarh RO



M.K. GUPTA, CRM
Ludhiana RO



R.K. AGARWAL, CRM
Lucknow RO



S.N. SAXENA, CRM
Dehradun RO

Eastern Zone



S.M. CHURA, DGM
Kolkata RO



SANJEEV KUMAR, CRM
Bhubaneswar RO



M.N. SONOWAL, CRM
Guwahati RO



AJAI KUMAR, CRM
Patna RO

REGIONAL INCHARGES

Western Zone



B.B. DASH, DGM
Bhopal RO



V.K. RAMACHANDER, DGM
Mumbai RO-2



K.K. PANDA, DGM
Pune RO



Dr. ANIL RAJMANE, DGM
Mumbai RO-1



A.N. RAI, CRM
Ahmedabad RO



RAVI RAI, CRM
Vadodara RO



G. YESUDAS, CRM
Nagpur RO

Southern Zone



V. SAJAN, DGM
Kochi RO



MOHD. ZAFIR ALAM, DGM
Bangalore RO



P.V.S. LAXMI PRASAD, DGM
Hyderabad RO



K.B. VIJAY SRINIVAS, DGM
Chennai RO



V. RAGHUNATHAN, CRM
Madurai RO



Dr. D. DHANVANTARI, CRM
Vizag RO



T.K. HARIDASAN, CRM
Hubli RO

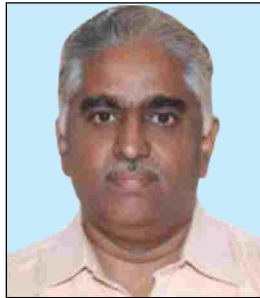


ABDUL AZEEZ, CRM
Coimbatore RO

LARGE CORPORATE & BROKERS CELL INCHARGES



BASUDEV SATAPATHY
LCB Mumbai



S.P. NATHAN
LCB Chennai



VIJAY SHARMA
LCB Delhi



Dr. K.A. KRISHNA
LCB Bangalore



A.R.K. REDDY
LCB Hyderabad



Dr. P.M. KULKARNI
LCB Pune



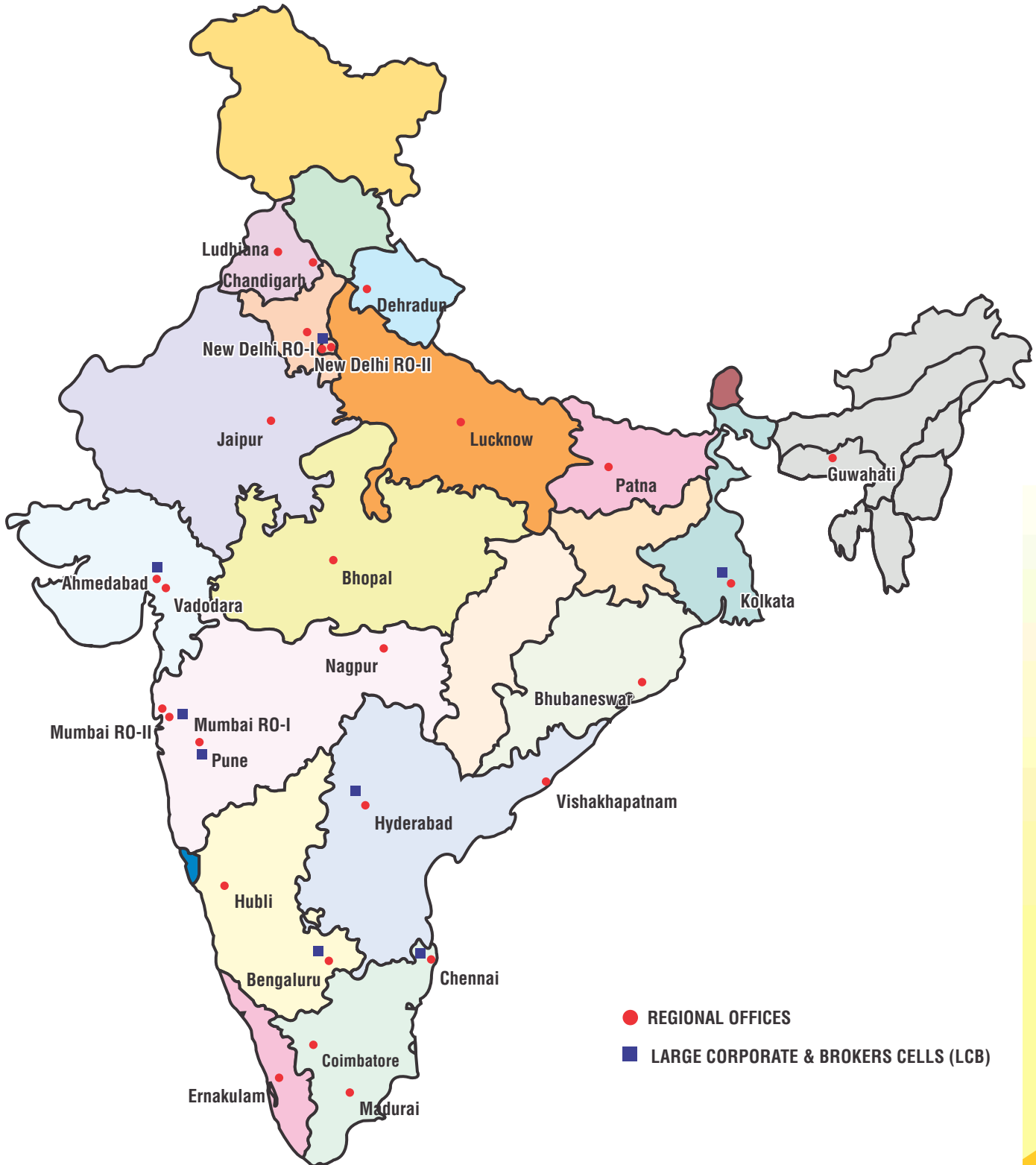
ASHIM KUMAR MUKHERJEE
LCB Kolkata



RAJEEV KUMAR SAXENA
LCB Ahmedabad



List of Regional Offices and Large Corporate & Brokers Cells (LCB)



List of Regional Offices and Large Corporate & Brokers Cells (LCB)



From the CMD's Desk...

At the outset, I wish to place on record my sincere appreciation to the Board of Directors and IRDA for their guidance and goodwill extended to the Company. I also wish to place on record my gratitude to the employees, intermediaries, vendors and our esteemed customers for their continued support to the Company, in all its endeavours during the year. All this made the Company stand in a good stead and deliver superior operational performance and excellence in customer service.

In line with the muted growth of the industry, estimated at 9%, the growth rate of the Company was subdued at 5%, with an accretion of ₹ 443 Crs. to reach ₹ 9709 Crs. The Company could reduce the claims ratio by over 2% to 82.56%, thanks to better underwriting practices and claims control measures deployed. The management expenses was ₹ 2111 Crs, which included terminal benefits provision of ₹ 300 Crs. and wage revision provision of ₹ 100 Crs. The combined ratio was reduced to 116%. The Company has finalized a strategy to ramp up the premium growth rate, reduce combined ratio and providing better customer service.

It is a fact that general insurance penetration in India is abysmally low at 0.78% with a density of USD 10.50. The Country is bestowed with highly favourable demographics, increasing level of insurance awareness, rising disposable incomes across consumer segments and, to top it all, is expected to have a stable and decisive Government at the Centre which would push for rapid infrastructure development and the next generation of reforms. All these factors would engender huge potential for the growth of the general insurance industry in India. The Company has geared itself up, to leverage on these growth opportunities and thereby serve the cause of insurance inclusion in the Country.

During the year, the Company plans to capitalize on the recently introduced CSC (Common Service Centre) model to reach the vast uninsured population in peri-urban and rural hinterlands. To provide an enhanced customer experience, cashless facility has been extended to motor OD customers, in all the major cities. Motor and Health will be the growth drivers of the market. Going forward, we will be introducing innovative products in these two segments to meet the evolving requirements of the customers.

The Company would continue its thrust on the retail, MSME and rural sectors. Necessary strategies towards this have been incubated and are being implemented. The immediate challenge during the year is to regain our market position, for which the Company has the necessary wherewithal in terms of a large and talented workforce, strong fundamentals and the passion of all the United Indians. We all have to "think big and act innovatively" so as to scale greater heights in performance and customer service delivery and thus retrieve our market position, which rightly belongs to us.

MILIND KHARAT

Performance Highlights for 2013-14

GROSS DIRECT
PREMIUM
₹ 9708.93
CRORES

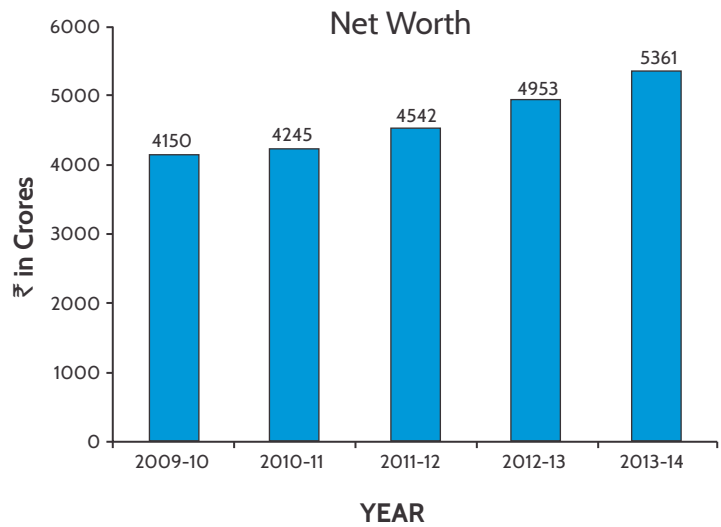
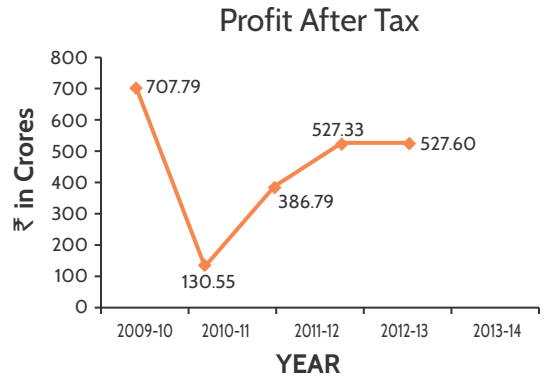
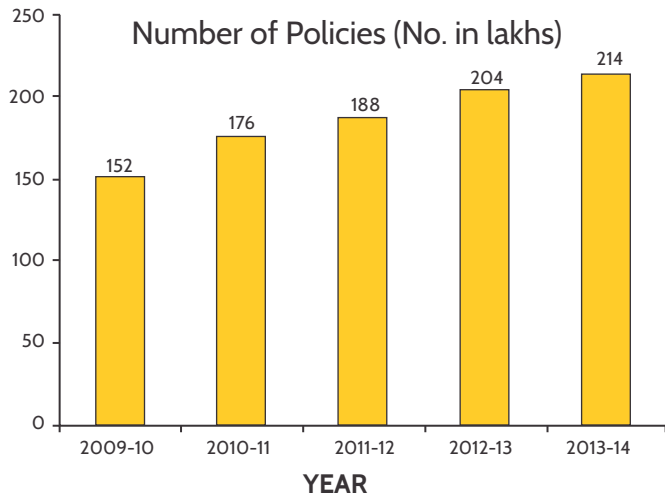
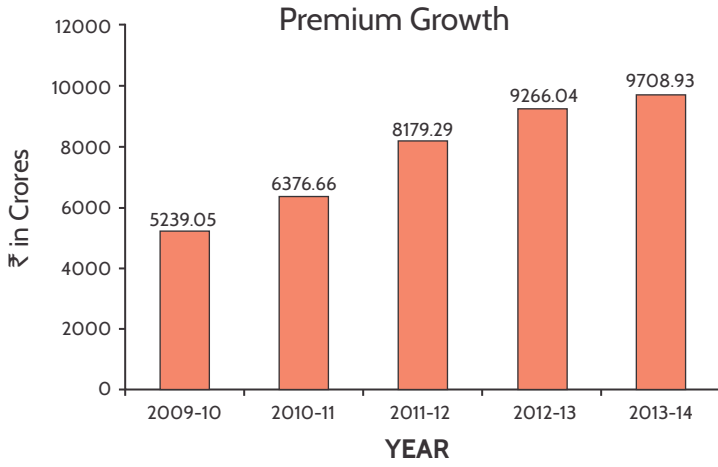
NET EARNED
PREMIUM
₹ 7603.30
CRORES

PROFIT
BEFORE TAX
₹ 633.06
CRORES

PROFIT
AFTER TAX
₹ 527.60
CRORES

SOLVENCY
MARGIN
2.54

NET
WORTH
₹ 5361
CRORES



I. REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

The Directors have pleasure in presenting the Seventy-sixth Annual Report of the Company together with the Audited Statement of Accounts and Balance Sheet for the year ended March 31, 2014.

1. STATUTORY AUDITORS' REPORT

We have great pleasure in informing you that your Company's accounts has been certified by the statutory auditors of the company without any qualification in their audit report for the year 2013-14 consecutively for the sixth time confirming again the

strength of the quality of accounts. The financial results were finalized and placed before the Board on 23rd April 2014 well ahead of almost all players in the industry and also the first amongst public sector insurance companies showing the strength of the internal resources.

The Company's performance in adoption of accounts by the Board and the completion of Annual General Meeting well in advance as given in the table below proves your Company's consistent and qualitative submission of accounts.

Year	Statutory Audit Comments	CAG Comments on the Annual Accounts	Date of Board Meeting	Date of AGM
2008-09	Nil	Nil	30th April 2009	8th July 2009
2009-10	Nil	Nil	30th April 2010	31st May 2010
2010-11	Nil	Nil	28th April 2011	2nd June 2011
2011-12	Nil	Nil	28th April 2012	31st May 2012
2012-13	Nil	Nil	26th April 2013	24th May 2013
2013-14	Nil	Nil	23rd April 2014	TO BE HELD

2. FINANCIAL PERFORMANCE

We are also pleased to report on business performance and operating results of the Company. (₹ in crores)

Particulars	Current Year 2013-14	Previous Year 2012-13
Gross Premium Income	9708.93	9266.04
Net Premium	8291.39	7489.08
Net Earned Premium	7603.30	7250.94
Claims Incurred	6277.38	6134.92
Commission	438.83	308.08
Operating Expenses	2111.23	2001.62
Other Income/(Expenses)	-109.98	-42.27
Investment Income (Gross)	1967.18	1853.80
Profit Before Tax	633.06	617.85
Provision for Taxation	105.46	90.52
Profit After Tax	527.60	527.33

3. BUSINESS REVIEW AND SUMMARY OF OPERATIONS

a) Reinsurance

The Uttarakhand flood Losses had impacted the Company's gross Incurred Claims but the actual Loss on the Balance Sheet was minimal due to the Excess of Loss Covers taken. Due to increase in the cover limit for 2014-15, Uttarakhand flood losses and few major risk losses that occurred in 2013-14, the cost of renewal of non-proportional treaties have gone up. The Company has purchased a protection for the Oil & Energy with a view to expand its book in this portfolio for 2014-15.

The Company has successfully placed all its treaties with reinsurers who comply with the standards set by IRDA.

The obligatory cession to GIC Re continues to be at 5% with a capping on the line of business for 2014-15.

b) Performance of Unisurge Verticals

The performance details of various business verticals which were established under the Transformation Project UNISURGE are as under:

● Agency Vertical:

The UMEX Agency Vertical which represents active and working individual Agents completed a premium income of ₹ 4743 crores in 2013-14 as against a premium income of ₹ 4123 crores in 2012-13, registering a net accretion of ₹ 620 crores at a growth rate of 15%. The strength of UMEX Agents went up to 66,488 as on 31-03-2014, from 56,705 as on 31-03-2013. The usage of Agents Portal in 2013-14 was a major success story with 5,618 Agents having issued 15.15 lakh policies - booking a premium income of ₹ 256.43 crores through Agents Portal.

The composition of Agency business as a percentage of the Company's total business jumped up by 5% i.e. from 44% in 2012-13 to 49% in 2013-14, as can be seen from the table shown below:

	Agency (in crs.)	Total Premium (in crs.)	Agency as a % of total business
2012-13	4122	9266	44%
2013-14	4743	9708	49%

● Bancassurance:

Our BA vertical procured a premium of ₹ 695.02 crores in 2013-14 as against last year premium of ₹ 552.22 crores registering a growth rate of 25.86%. This premium of ₹ 695.02 crores includes ₹ 54.6 crores from Corporate Agents (Non-Banks) and a premium of ₹ 14.54 crores from non tie-up banks.

● Motor Dealer Vertical:

Motor dealer vertical booked a premium income of ₹ 360.14 crores in 2013-14 as against ₹ 357.36 crores in last year. The current year premium includes ₹ 154.56 crores from OEM tie-up with Toyota and ₹ 10.71 crores from Tata commercial vehicles.

● LCBs:

The LCB (Large Corporate & Broker Offices) crossed ₹ 1000 crores premium landmark in 2013-14, as against ₹ 968.72 crores of premium income booked in the previous year.

● Service Hub:

19 Service Hubs which were started as part of the Transformation Project for settling Motor claims achieved an impressive claims disposal ratio of 96.24% and brought down TAT to 31 days (intimation to settlement).

● TP Hub:

27 TP Hubs settled 18,946 claims in 2013-14 and achieved a claim settlement ratio of 36.06% during the year. 5,249 claims were settled through conciliation by the TP Hub.

c) Share Capital

Authorised Share Capital of the Company is ₹ 200 crores. The Paid Up Capital of the Company is ₹ 150 crores as on 31st March, 2014.

d) Reserves

An amount of ₹ 403.60 crores was transferred to General Reserves in the year 2013-14. The transfer represents 76.50% of the profit after tax.

(₹ in crores)

	2013-14	2012-13
Paid Up Capital	150.00	150.00
Reserves and Surplus	5210.53	4802.63

e) Dividend

The Directors recommend a dividend of 70.67% on the paid-up capital for the year ended 31st March 2014. Total outgo in the form of dividend, including taxes, will be ₹ 124 crores.

f) Solvency Margin

(₹ in crores)

- Required Solvency Margin under IRDA Regulations 1970.51
- Available Solvency Margin 5004.95

The solvency ratio as on 31-03-2014 was 2.54 as against 2.52 as on 31-03-2013.

g) Compliance with Section 40C

	2013-14	2012-13
Percentage of expenses prescribed under the Act	19.70%	19.68%
Company's actual percentage of expenses	20.53%	21.59%
Percentage of expenses including Commission prescribed under the Act	28.78%	25.04%
Company's actual percentage of expenses including Commission	27.93%	27.26%

The above percentages are calculated on Gross Direct Premium.

h) Claims Management

The Company's focus to better customer service is evidenced from its performance in the area of claims management. The claim settlement ratio for suit and non-suit claims for the year 2013-14 stands at 35% and 91% respectively. The introduction of TP hubs and Service hubs have contributed to faster claims settlements.

STATUS OF CLAIMS SETTLEMENT

	No. of o/s claims as on 01-04-2013	No. of claims intimated during 2013-14	No. of claims settled during 2013-14	No. of claims o/s as on 31-3-2014	Claims Settlement Ratio 2013-14
Suit	192239	89175	97626	183788	35%
Non-Suit	215313	1383435	1448491	150257	91%
Total	407552	1472610	1546117	334045	82%

The age-wise claims outstanding for the year 2013-14 is as follows –

AGE-WISE ANALYSIS OF PENDING CLAIMS

Pending for	Suit	Non-Suit	Total
Less than 6 months	17561	92252	109813
More than 6 months	166227	58005	224232
Total	183788	150257	334045

i) a) Mega Lok Adalat:

On the basis of the directions from the Chief Justice of India and Patron in Chief, National Legal Services Authority, and Ministry of Finance, the Company participated in Mega Lok Adalat convened during the year to ensure speedy settlement of Motor Third Party Claims. A total of 10,665 cases with a total amount of ₹ 165 crores were settled through compromise settlement, comprising of 2,121 cases relating to death, 8,528 cases relating to injury cases and 16 Third Party property damage cases.

b) Uttarakhand Losses:

The Company settled 135 out of 157 claims relating to the Uttarakhand floods.

j) Plans/Outlook of Industry and Company for 2014-15

Our Company continued to report improved performance with an impressive Profit Before Tax of ₹ 633 Crores and a Profit After Tax of ₹ 528 Crores. The Company has focused on its customer service and looks forward for increasing the market share in the year 2014-15. The Company maintains a robust solvency margin, which displays its strong and inherent fundamentals and continues to be in a premier position in rural and social sector thereby contributing to the insurance inclusion in the country. The Company would continue to deliver excellence in customer service by launching various initiatives to promote insurance awareness and CRM software tools.

During the current year, the Company has set a goal to reach ₹ 11000 Crores premium income. It has plans to open two new Regional Offices, one in the State of Chattisgarh and the other in the Union Territory of Puducherry. The Company remains

focused to attain the marked “Customer Delight” through state-of-the-art customer services.

Post Election scenario 2014-15 : With stable Government at centre, we foresee an all-round growth in the country with the special emphasis on infrastructure projects – roads, ports and power. During the period of economic turmoil in the world, India has shown better results as compared to some of its neighbouring countries by arresting the trend of trade deficit and keeping a GDP of more than 4.5% during 2013-14.

With a sizeable middle income group in India with rising disposable income, we saw the penetration of General Insurance in India improve to approx. 0.78%. It is expected that with moderate growth in Motor and significant increase of premium in Health Sector, the General Insurance industry will grow exponentially. Although there has been a slow down in automobile sector, it is likely to pick up in the current financial year, with a vast scope of growth in motor segment. To cater to the specific needs of our Motor customers, the Company introduced “Nil Depreciation” add-on in Motor Department and new products like “Return to Invoice”, “Engine Protect” under Motor portfolio would be introduced in current year. During the year, the Company also extended cashless service to its Motor customers by tying up with various automobile workshops across the country. The Company will launch the redesigned Family Medicare Policy soon, which is compliant with the revised regulations. The Company is focused to have a better market share in Health segment and is working on new health products like health insurance for HNIs. The Company also has a large number of hospitals under its Preferred Provider Network model, to offer cashless services to its health insurance customers. The Company will shortly be launching an insurance

product exclusively for the MSME Sector, which would be the first of its kind in the industry.

IT initiatives of the Company are in full swing and they are paying dividends. Web Marketing Portal, like agents, brokers and motor dealers apart from Kiosks, M-Power are areas of focus to cater to the needs of the customers.

The Company as part of its Corporate Social Responsibility has adopted 20 villages Pan India and provides various social and educational infrastructure to them. Apart from this, the Company is also creating insurance awareness among the students of select schools in various locations.

4. ACTIVITIES OF ACTUARIAL DEPARTMENT

Actuarial Science is gaining increasing recognition in General Insurance business, primarily in improving the Company's bottom-line and to provide the strategic edge against competitors.

Due to changing business environment, core actuarial functions including Financial Condition Report (FCR), calculating the Incurred But Not Reported Claims Reserves (IBNR), Economic Capital and Asset Liability Management are vital diagnostic tools to analyze the Company's business performance and sustainability. The Head Office Actuarial Department is actively involved in the preparation of the above reports.

The department also serves as a nerve centre collecting and disseminating information from operating offices to the top management through Management Information System reports. Furthermore the report requirements of IRDA, GIPSA, Ministry and GI Council are being met by the department.

In addition, the department provides strategic insights and analytical reports for top management. The periodically released bulletin 'Matrix' and Industry analysis report 'Convergence' are apt testimonials.

5. MEASURES TAKEN TO ENHANCE CREDIBILITY OF INTERNAL CONTROLS AND FINANCIAL REPORTING

a) Internal Audit

The current economic scenario and the way business is being done in the General Insurance Industry had a great impact on Internal Audit approach, responsibility and areas of operation. Internal audit understands the market dynamics and at the same time aids the Management in ensuring effective corporate governance, and plays a constructive role by reporting on major areas of lapses in various departments which were well taken by top management.

In order to resolve issues raised during the last audit reports, continuous monitoring is done with operating offices to ensure that lapses pointed out are rectified, culminating in holding Regional Audit Compliance meetings in all twenty-six Regions. Such meetings have strengthened internal control mechanism.

The effectiveness of the department was felt when it could resolve not only pending queries but by making cash recovery of INR 88,98,490/- from Inspection queries, INR 63,90,079/- from employees and INR 50,61,208/- from various Agents and Brokers.

Internal Audit was completed in 363 DOs, 8 LCBs, 43 Motor OD and TP Hubs, 350 BOs, 465 MOs besides 25 ROs, 16 Departments of HO and 7 Special Audit during the year.

b) Audit Compliance

Your Company has a separate department to ensure timely compliance of queries raised by Internal Auditors of the Company, Statutory Auditors and CAG Auditors. Regional Compliance Officers identified in each of the ROs co-ordinate effectively with the Internal Audit Cells to make certain that the audit reports are responded to in time by the

operating offices thereby ensuring faster compliance of audit queries.

During the year, zonal level meetings were held with the Regional Audit Compliance Officers to review the performance of the Regional Offices. Additional, regular interactions through video conferencing with Regional Heads, Auditors and Compliance Officers have helped to create awareness for the need for timely compliance of Audit observations down the line.

The Audit Compliance Department also has regular interactions with the CAG Auditors. Meetings held with the CAG Auditors one at Chennai and another at Bangalore during the year have helped in showing a notable improvement in the compliance of CAG paras.

The department functions under the supervision of Audit Sub-Committee. It places before the Sub-Committee the ATR every quarter. ATN is also submitted to the Ministry for considerations, advises and onward transmission to CAG.

c) Vigilance

Vigilance Administration in the Company was ably backed by Board and Corporate Management with Special Focus on “Promoting Good Governance” as was emphasised by Central Vigilance Commission. The knowledge and experience gained/gathered during the year was shared with the Vigilance Officers and Staff of Operating Offices/ROs.

- **Vigilance Awareness:**

Vigilance Awareness was spread across the ROs/LCBs/DOs/BOs/MOs through release of 5th and 6th Issue of our Vigilance Newsletter “UNI VigNews” during the year. As per the advice given by Central Vigilance Commission, Vigilance Awareness Week was celebrated with gusto and enthusiasm throughout the Company for the period 28-10-2013 to 02-11-2013 and the thrust was to spread the

CVC message of “Promoting Good Governance – Positive Contribution of Vigilance”.

- **Leveraging IT:**

Online Vigilance Complaint Portal : Whistle Blower Policy and Fraud Risk Management Policy were launched by the Company and we are the first PSIC to implement the said initiatives.

- **Vigilance Administration:**

As part of 10th Anniversary Celebrations, Vigilance Study Circle, Hyderabad invited Entries/Case Study from CVOs of PSU Companies and we are very proud that the ‘Case Study’ submitted by our CVO was selected as one of the Best 8 Case Studies and our Company was awarded the “National Vigilance Excellence Award 2013” by VSC, Hyderabad during the celebrations held at Hyderabad on 06-07-2013 by Shri. Srikumar, Vigilance Commissioner, CVC.

- **Training:**

We organised Exclusive Training Program for Desk Officers of HO and Vigilance Officers of all ROs at National Insurance Academy, Pune during which our CMD Shri Milind Kharat had presided over the Inaugural Function which was inaugurated by Shri J.M. Garg, Vigilance Commissioner, Central Vigilance Commission, New Delhi. We organised Two Days IO/PO Training Program to train the Officers of East/West/South Zone for appointment as IO/PO. We also organised Annual Conference of Vigilance Officers/Desk Officers.

6. ENTERPRISE RISK MANAGEMENT

As per IRDA guidelines on Corporate Governance, a Risk Management Committee of the Board was formed and a Chief Risk Officer was nominated. A Management Committee on ERM was constituted to carry forward the ERM initiatives. United India wishes to expand ERM program beyond compliance and create value for the stakeholders. During 2013-14, the Company has taken various initiatives in respect of Enterprise Risk Management.

Sensitization of Risk Management initiatives and practices on Pan India basis:

- To create awareness about risks and risk management among the employees, ERM department has conducted lecture meetings in various places for various groups, where a presentation on 'ERM – Fundamentals', 'Fraud Risk Management Policy and Whistle Blower Policy' was made. An interactive question-answers session was also held.
- Various articles appearing in magazines or information that comes to the knowledge of the department are analysed from Risk management perspective and ERM advisories are shared with HO departments/ ROs/ LCBs.
- Two issues of ERM newsletters were released to communicate with the 17,000 employees of the Company, about the ERM concepts and practices as well as the initiatives being implemented.

Updation of internal manuals:

The internal manuals of all the Head Office departments were reviewed on peer review basis and the updated manuals will be shared with operating offices.

Fraud Risk Management Policy and Whistle Blower Policy:

- A Fraud Risk Management Policy for our Company, as per IRDA guidelines on 'Insurance Fraud Monitoring Framework' and a Whistle Blower Policy for our Company, as per IRDA's guidelines on Corporate Governance were prepared and duly approved by Risk Management Committee and Board. Our Company is the first PSU General Insurance Company to put in place both these policies.
- Both the policies are uploaded in our Company's intranet and website.
- A Fraud Risk Management Committee (FRMC) is constituted and a Nodal Officer is nominated, for implementation of Fraud Risk Management Policy and Whistle Blower Policy.

- Various trigger points to identify suspected frauds/ abuse in Fire, Health and Motor Insurance claims are developed to integrate with IT system to red flag frauds.

7. ANTI-MONEY LAUNDERING

Company's Anti-Money Laundering policy is based on IRDA's Guidelines on Anti-Money Laundering Programme for Insurers. The AML policy was approved by our Company's Board and the same was circulated to all the offices of our Company for compliance.

Considering the vulnerability of general insurance products to threats of money laundering at the claims stage, general insurance companies are required to carry out KYC norms at the settlement stage where claim payout/premium refund crosses the threshold of One lakh rupees per claim/premium refund.

The following amendments made by IRDA has been incorporated in our Company's AML policy and circulated to all offices:

- In cases where payments are made to third party service providers such as hospitals / garages/ repairers etc., the KYC norms shall apply on the customers on whose behalf service providers act.
- The hitherto, exempt standalone health/medi-claim policies have also been brought under the purview of AML/CFT requirements based on the assessed risks associated with each of the product profile.
- Premium collected from various customers and remitted by intermediaries is however, excluded from the **Monitoring and Reporting of Cash Transactions** reporting requirements.
- Insurance Companies shall retain the records of those contracts, which have been settled by claim (maturity or death), surrender or cancellation / records of investigations, customer account files and business correspondence **for a period of at least 5 years (earlier ten years).**

Creation of Awareness :

All India AML Nodal Officers workshop was conducted at Hyderabad on 26th August 2013 wherein the officers were apprised regarding the amendments made by IRDA. In the workshop, emphasis was given to ensure the due diligence in compliance and effective implementation of Company's AML policy, timely submission of statistics, propagation of AML policy through regular inspection of offices, workshop and training programmes. For the sake of ready reference and to sensitize all concerned, Company's AML policy is posted in the website.

A session on Anti-Money Laundering is included in all the training programmes organised in our Corporate Learning Centre and in all the Regional Training Centres to create awareness among employees, agents, etc. about the programme.

Compliance :

The compliance of AML guidelines at operating offices is monitored closely by the Principal Compliance Officer at Corporate Office and Compliance Officer at the Regional Offices.

No suspicious transactions has been reported in our company since the implementation of the programme.

8. RIGHT TO INFORMATION ACT

Our Company has formed Right to Information department at Head Office and at all Regional Offices and LCBs to lay down the foundation for a better governance immediately after enactment of the Act in 2005. The preamble of the Right to Information Act highlights weeding out corruption, improving transparency and making servants accountable by empowering citizens to get information.

In order to provide speedy information, our Company took a step further and formed a RTI department in each Regional Office, nominating a CPIO at each R.O. as well as LCBs. To make the entire mechanism work smoothly, Divisional Managers/Branch Managers and Micro In-charges were nominated as APIOs.

The disposals of appeals were also decentralised in the year 2012 and the Regional-in-charges / LCB

Chiefs were designated as Appellate Authority in order to dispose-off the appeals at the earliest providing maximum information.

We conducted six seminars in various Regional Centres viz. Hubli, Coimbatore, Bhuvaneshwar, Kolkata, Pune and Chennai with a view to sensitise the Divisional-in-charges / Department heads of the respective Regional Offices. Department Officials visited three Regions viz. Lucknow, Ludhiana, Chandigarh to oversee RTI disposals.

Apart from sensitising/conducting Workshops, HO RTI Team has also organised one All India CPIO Meet at Goa and one All India Meet for Appellate Authorities.

The department has released two bulletins i.e., 'Unisandesh'. The first bulletin of this financial year was released by the Central Information Commissioner, Smt. Deepak Sandhu in the All India Appellate Authority's Meet and the second bulletin was released by our Chairman-cum-Managing Director, during the month of December 2013. The bulletins aim at creating awareness among employees on RTI matters and also updating on the latest trends and importance of Act provisions.

Performance for the year 2013-14 :

Applications/appeals are to be disposed off within thirty days from the date of receipt of the same as per the statute. However, wherever possible, they are being disposed even faster. CIC orders are complied with as per the time schedule indicated in the order. Details of applications and appeals (for Company as a whole) disposed in the financial year 2013-14 are as shown below :

• Applications (for Company as a whole) :

Opening Balance	50
Number of applications received	2,063
Number of applications disposed	2,068
Number pending	45
Disposal rate	97.87%

• Appeals (for Company as a whole):

Opening Balance	12
Number of appeals received	249
Number of appeals disposed	247
Number pending	14
Disposal rate	94.64%

9. CUSTOMER CARE SERVICES

The Customer Care Department strives to raise the standards of Customer Service every year. It plays a significant role in ensuring compliance with the guidelines of IRDA on Grievance Redressal and Turn Around Time (TAT) for Service delivery. The

Department ensures that the complaints are resolved to the satisfaction of the customers or, if the customer is not satisfied, he / she is advised to approach the Insurance Ombudsman or Consumer Forums for redressal of his / her grievance.

The Online Portal for Grievance Redressal (UGMS) developed by the Company is web integrated to IRDA's Grievance Management System (IGMS). UGMS is a repository of complaints received from the policy holders throughout the country on various issues relating to policy and claims servicing.

The performance of the department during 2013-14 as compared to 2012-13 is given below:

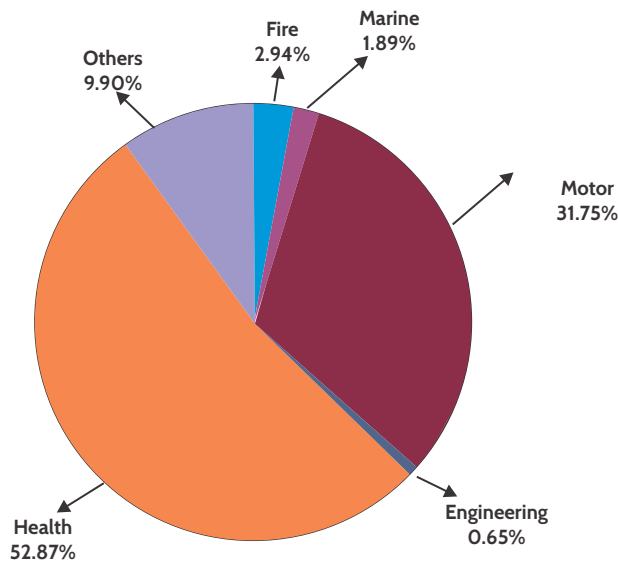
SOURCE-WISE STATUS OF GRIEVANCES REGISTERED FOR THE YEAR 2013-14

Complaint Source	Opening Balance		Grievances Registered		Grievances Disposed		Grievances Pending		Disposal Ratio	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
IRDA	103	178	1,282	1,582	1,346	1,657	39	103	97.18	94
DPG/ Ministry	10	7	120	97	124	94	6	10	95.38	90
Other Sources	147	151	4,793	5,527	4,876	5,531	64	147	98.7	97
Total	260	336	6,195	7,206	6,346	7,282	109	260	98.31	96

The TAT for acknowledging of grievances within 3 days is monitored scrupulously by the department.

The Nodal Officers are sensitized on the need to comply with the timelines for acknowledging the grievance within 3 days and disposing the same within 15 days.

COMPOSITION OF GRIEVANCES



As part of sensitization process, the department has conducted the following programme during the year :

1. All India Seminar for Customer Care Nodal Officers.
2. Training in 9 Regions to the DO/BO frontline officers on Customer Sensitivity & Soft Skills.
3. Training in 2 Regions to the U-Mex Agents on Customer Service.

Besides the above, training on UGMS is being imparted to the DO/BO nominated Customer Care Officers by the respective ROs in the Regional Centres across the country. Customer Service and Effective Grievance Management is included as one of the subject in the training module of the Corporate Learning Centre.

As a pro-active measure for reducing the customer dis-satisfaction / grievance, root causes of grievance analysis was done and initiated necessary remedial measures to rectify the systemic issues.

10. OFFICIAL LANGUAGE IMPLEMENTATION

United India is progressing well in implementation of Official Language Policy as per the Annual Programme on O.L. Implementation of Govt. of India. Some of the noteworthy achievements in the period under review in Official Language Implementation include :

1) Accolades

Head Office was honoured with Commendation Certificate and shield for the Best Performance in Official Language Implementation by TOLIC, Chennai in the meeting held on 28th October 2013, at Chennai.

2) Meetings /Conference & Seminars

All India Hindi Officers' Conference and Joint Hindi Seminars were conducted during the year. The Top

Performing Regional Offices were honoured at the meeting.

3) Parliamentary Committee on Official Language:

- a) The Third Sub-Committee of Committee of Parliament on Official Language visited Head Office on 24th September 2013 under the chairmanship of Prof. Alka Balram Kshatriya, M.P. to review the progress made in official language implementation in our company. CMD, Senior Executives of our company and Ministry officials attended the meeting. The Committee appreciated the efforts taken in our company for the successful implementation of Official Language.

In addition to this, the committee under the chairmanship of Prof. Alka Balram Kshatriya, M.P. also visited Pithoragarh Divisional Office (Dehra Dun Region) on 20th June 2013, and Jhansi Divisional Office (Lucknow Region) on 25th October 2013. The committee expressed their happiness over the progress made in the said offices.

- b) The Parliamentary Committee on Noting & Drafting and Oral Evidence had discussion with Divisional Office, Rohtak (Chandigarh Regional Office) on 10th January 2014 at Rohtak and suggestions were given for the progressive use of Hindi.

4) TOLIC Activities :

- (a) **Competitions** : Two employees of Head Office were nominated for " Conversation Competition" conducted by TOLIC, Chennai on 11th March 2014 and won the first prize among 30 teams represented by various Central Government and Public Sector organizations.

- (b) Many employees of various offices under our control won prizes in the competitions conducted

by local TOLICs and added feathers to our cap.

- (c) Head Office conducted “**Essay Competition**” on the occasion of Hindi Day / Week Celebrations for member offices of TOLIC, Chennai under the auspices of local TOLIC. This was highly appreciated by officials of the Ministry of Home Affairs.

- 5) **Marketing of Insurance Products through official language in Electronic Media** : Our Company has taken a new initiative of propagating insurance products through Electronic Media in Hindi. On these lines, a discussion on “Health Insurance” was undertaken in the month of January 2014 in **All India Radio**, Chennai. The programme earned the appreciation of all listeners and they found it useful.

- 6) **Advertisements in Hindi under Special Radio Campaign** : Several insurance products were advertised in Hindi, through Radio bits in MY FM and BIG FM Hindi Channels as a part of Radio Campaign.

7) **Hindi Workshops and Unicode Training** :

- a) **Official Language Co-ordinators at Head Office** : Head Office organised a workshop for Co-ordinators nominated from each of Head Office departments for handling Official Language Implementation at their respective departments on 12th August 2013 at Learning Centre. The object was to apprise the participants about their role and responsibilities. The workshop was inaugurated by Shri V.E. Kaimal, G.M. and Shri. R. Hariharan, D.G.M. addressed the gathering. Smt. Maheswari Ranganathan, Member Secretary, TOLIC, Chennai delivered a lecture on TOLIC activities.

- b) **Hindi Workshop for Hindi Officers**: Two-day workshop was organised for Hindi Officers at Learning Centre on 21st and 22nd November 2013 to apprise the latest amendments, new directions

and recommendations of Parliamentary Committee routed through Ministry, under the guidance of Shri. Ish Kumar, G.M., Shri R. Hariharan, D.G.M. and Smt. Maheswari Ranganathan, Member Secretary, TOLIC, Chennai. A training session on installation and usage of UNICODE software was conducted.

- c) **UNICODE Workshop** : UNICODE workshop was conducted on 28th March 2014 at Head Office for the employees of Head Office, was addressed by Sri Ish Kumar, G.M. and Shri R. Hariharan, D.G.M. The participants were given training on the usage of Hindi Software UNICODE.

- d) **UNICODE training to new recruits** : 200 new recruits were given training on usage of UNICODE software at Learning Centre on 21st November 2013 and 17th March 2014.

- 8) **Hindi Day /Week/ Month** was celebrated in Head Office and in all offices of the Company during the month of September 2013. Cultural programmes were a part of the celebrations.

- 9) **Compliance of Official Language Regulations** : Publication of Hindi house magazine by Head Office (two issues) and Regional Offices, inspection of offices, supply of bilingual software ‘UNICODE’, training of employees and awarding incentives on passing examinations were in accordance with Annual Programme.

11. **RECOGNITION FOR THE COMPANY- AWARDS & ACCOLADES**

During the year, the Company received the following prestigious awards :

1. RSBY – U.P. Govt. Award for Best Performance
2. National Vigilance Excellence Award 2013 – for case study on “Punitive Vigilance”
3. Best Principal – L.C. – from World HR Congress

4. Indian Insurance Awards 2013
 - a) Best Non-Urban Coverage
 - b) Commercial lines Growth Leadership
5. IPE – BFSI Award – “Best Insurance Company in Public Sector”
6. SKOCH Digital Inclusion Award 2013 for “Implementation of Crop Insurance through Web Portal – “India’s Best Projects – 2013”
7. “CEO with HR orientation” and “30 Best HR leaders in PSUs” received by CMD & GM (P) in Asia Pacific HRM Congress by IPE at Bangalore
8. Award for Best Training initiative for insurance Sector 2013 by Asian Training & Development Awards, Dubai
9. World CSR Congress – IPE Corporate Excellence Awards – “India’s Most Ethical Company Awards 2013” – “Property & Casualty” and “Super Boss Award 2013” to CMD
10. SKOCH Renaissance Award and Order of Merit for Innovation concept – “Insurance Awareness – Catch them young”
11. Outlook Money “Best Health Insurance Provider” Award
12. ABP-BFSI Award – “Best Insurance Company in Public Sector”
13. Sustainable Business Award – by IBJ (Indian Business Journal) – IBJ Business Excellence Awards, 2013

12. CORPORATE COMMUNICATION

In a world that is increasingly becoming one small global village, companies cannot help but take

advantage of the various media created to advertise their products and services. With the explosion of telecommunication and information services, today’s customer is far better informed than his contemporary of yesteryears and organizations have a duty to manage publicity so that it is fair, ethical and truthful.

The main objectives of Publicity department are : increasing the sale of certain products, creating new customers, increasing brand recognition and launch of new products. The focus of the department is to ensure that the products of the company become well entrenched in the minds of the public, ensuring continued visibility, enlightening and to generate high level of awareness and need among the insured to avail insurance products as a risk mitigation measure, especially in the rural segments and to communicate the strong ethics and philosophy of the company far and wide by reinforcing the brand image of the company.

The Communications department played an active role to facilitate information sharing and providing updates within the company by printing newsletters, carried out advertisement campaign in Print, Television, Radio, online and outdoor media on a regular basis. The department released topical advertisements during Sachin Tendulkar’s Farewell and when Viswanathan Anand was defending his world title. Advertisements were taken up in bus shelters, traffic umbrellas, with glow sign board in retail petrol bunk outlets, railway stations including metro stations across the country. The company also sponsored Chennai Open ATP Tennis Tournament for the ninth year in succession and Chess World Championship between Magnus Carlson of Norway and Viswanathan Anand in Chennai. The Department successfully carried out distribution of Platinum Jubilee mementoes to the employees and installation of 2,500 display boards across the State of Tamilnadu in connection with the implementation of Tamilnadu Chief Minister’s Comprehensive Health Insurance Scheme.

13. ENVIRONMENT RELIEF FUND

The Company has been appointed as the Fund Manager under Clause 4 of Environment Relief Fund Scheme 2008 as per Notification of Ministry of Environment and Forests GSR 768(E) dated 4th November 2008, constituted under Sec.7A of the Public Liability Insurance Act 1991. The Company has been authorized to receive contribution from all General Insurance Companies and keep invested the same in Fixed Deposits as prescribed in the Scheme. During the year 2013-14, an amount of ₹ 10.50 crores was received towards contribution from General Insurers and the same has been credited to the Fund. The total amount lying in Fixed Deposits as on 31-03-2014 is ₹ 508.87 crores.

14. COMPANY'S INNOVATIONS/BEST PRACTICES

Information Technology

Keeping customer centricity as its core value - the cornerstone of NeGP, as a driving force for the organization's growth and competitiveness, its initiatives in the fiscal, inter-alia centered on positioning superior technology for information, communications, protection of customer information and data through emerging technologies such as centralized management of security policies and creating the right infrastructure for secure delivery channels. The Company had also undertaken several techno-marketing initiatives to enhance channel business and customer connect.

CORE INSURANCE SOLUTION is the flagship project of United India Insurance Company, enabling it to leverage cutting-edge Information technology tools for delivering highest standards of Customer Service and to cater to the aspirations of our business intermediaries and offices.

An array of software ranging from Insurance application software to accounting, reports and Human Capital Management have been customized to the specific requirements of our Company and the software modules are being implemented in operating offices across the country.

CORE Insurance application software has been implemented in the specialized Motor Claims Servicing offices. Servicing offices are enabled to

register claims, appoint surveyors, process and disburse claims on behalf of Policy Issuing Offices ensuring speedy settlement of claims.

Customised Reports are generated at the central level, catering to the requirements of all stakeholders including Actuary, Intermediaries and business users.

The Company focused on delivering a stronger value proposition by converging products, services and distribution strategies around key trends of service delivery mechanisms. Accordingly it has enabled:

- Agents and Brokers to issue Policies online.
- Dealers to issue Motor Policies online.
- Travel Agents to issue Overseas Mediciclaim Policies (OMP) online.
- Bancassurance Partners to issue online Fire, Burglary, Uni Home Care, Health and Personal Accident Policies.
- Customers to avail of Policies from the comfort of their home and make payment through the payment gateway, as a 24x7 facility, for Personal Accident, Overseas Mediciclaim, Health Policies Motor Insurance Policies, Householder's and Shopkeeper's Policies.
- Customers to issue marine certificates from their office under Marine Open Cover Policies.
- It is also possible for the customers to renew their Motor, PA and Health Policies through GPRS-enabled mobile devices.

In one of the key initiatives, we had launched online issue of Arogya Raksha Policies, Janata Personal Accident Policies, Hut Insurance Policies for Indian Bank under financial inclusion in Tier III / IV Cities of Tamil Nadu and had configured about 3,716 Canara Bank Branches in our portal enabling the channel partner to underwrite policies online - like Uni Home Care, Uni Griha Mitra, Can Mediciclaim, Fire & Burglary and PA Policies and Kisan Credit Card Policy in their premises - bringing substantial premium income and increased growth.

The Company launched new portals for Crop Insurance, Householder Insurance, Shopkeeper's Insurance & Pravesi Bhartiya Bhima Yojana. These additions and the host of customer centric capabilities made a powerful and positive impact on sustaining enduring relationships.

A host of features have been put in place for achieving Customer delight. Policy renewal alerts are sent by way of SMS and e-mails to Customers and intermediaries. SMS alerts are also sent to customers intimating NEFT claim payment approvals and fees payment intimations to claims intermediaries.

Reaffirming its insatiable commitment to customer through innovation, UI Mobisite was launched which provides a quick and easy access of our strengths to the vast majority of populace using mobile phones. The Mobisite flaunts a simple and easy outline of all online UI products & enables the customers to choose from the range of products / renew their policies and buy on the fly with just few finger strokes on their mobiles.

The map and direction in the Mobisite also serves the users/customers to swiftly find UI's business locations across the country with very useful details on the Customer Care Contacts and PPN Network Hospitals.

15. FOREIGN OPERATIONS

Underwriting operations at Hong Kong ceased with effect from 01-04-2012 and New India Assurance Company Limited, Hong Kong looks after the Run-off Portfolio since then. As on 31-03-2014, 3 claims were still outstanding.

Statement of run-off operations in Hong Kong Agency for the year ended 31-03-2014 :

		(₹ in crores)		
Details		Fire	Miscellaneous	Total
Net Premium	Current Year	0	0	0
	Previous Year	(0)	(0)	(0)
Incurred Claims	Current Year	0	0.2191	0.2191
	Previous Year	(0)	(-0.4486)	(-0.4486)
Expenses of Management	Current Year			0.3043
	Previous Year			(0.2445)
Other Income & Outgo	Current Year			0
	Previous Year			(0)
Underwriting Profit/Loss	Current Year			0.2920
	Previous Year			(0.2041)
Investment Income	Current Year			0.2548
	Previous Year			(0.2359)
Net Profit/Loss	Current Year			0.3414
	Previous Year			(0.4400)

Note : Previous year's figures have been shown in brackets.

Details of foreign exchange earnings & outgo:

Foreign Exchange earnings	750.92 crores
Foreign Exchange outgo	739.91 crores

II. MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMIC CONDITIONS, INSURANCE MARKET VIS-À-VIS PERFORMANCE OF UNITED INDIA

The non-life insurance industry recorded a growth of 9% in 2013-14. The year was marked by subdued automobile sales which impacted the business of the General Insurance Industry. The economic downturn also contributed to the slow pace of growth recorded during the year. The rupee depreciated sharply and industrial performance was inline with factory production.

The year witnessed volatility in the movement of stock indices due to tapering of Quantitative Easing implemented in phases in the US. The Reserve Bank of India continued its hawkish stand on interest rates and the yields on Government Bonds remained at relatively higher levels throughout the year. The deceleration in the Industrial production, major projects continuing to be stalled in the infrastructure sector, had significant impact on the business growth in the non-life insurance industry. However, the Government's initiative in respect of creating a positive environment helped revival in the overall economy. There were concerted efforts to contain the current account deficit as well as the fiscal

deficits and to propel the GDP growth of the overall economy.

With the Government committed to spend around US \$ 1 trillion in the infrastructure sector in the Twelfth Plan period, the non-life insurance sector is bound to witness rapid growth in the years to come. The Government allowed various sops in the interim budget in February 2014 for automobile sector to help improve the sales. Many State Governments may also replicate the success of Health Insurance schemes for BPL families implemented in the country. The retail insurance segment and deployment of growing technology for delivery of services would push the business growth of the non-life insurance industry in India to a higher growth trajectory.

The Company grew at a rate of 4.78% during the year completing ₹ 9709 crores with a market share of 13.33% out of a total premium of ₹ 77000 crores accounted by the general insurance industry. The Company registered a PAT of ₹ 528 crores. The Market value of investments went upto ₹ 21545 crores and the net-worth to ₹ 5361 crores.

2. OPERATING PERFORMANCE

a) SEGMENTAL PERFORMANCE :

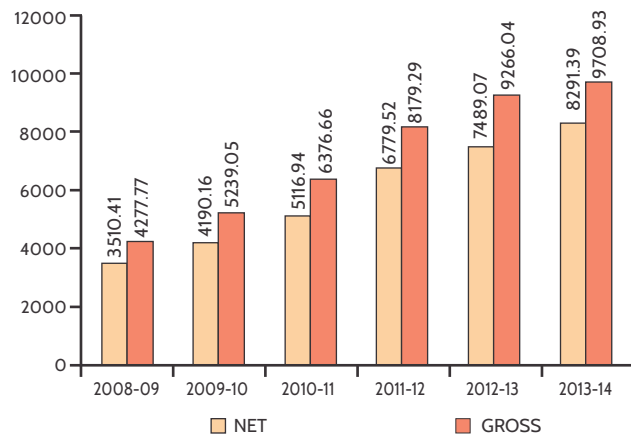
CLASS-WISE PERFORMANCE SUMMARY

(₹ in crores)

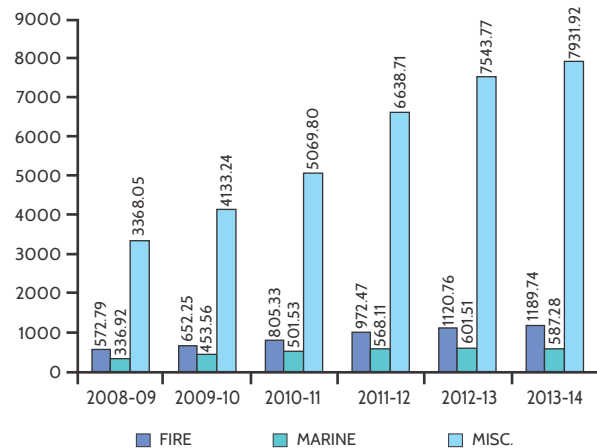
		Year	Fire	Marine	Misc.	Total	
Gross Direct Premium Percentage Growth	In India	2013-14	1189.74	587.28	7931.92	9708.93	
			6.15%	-2.36%	5.15%	4.78%	
		2012-13	1120.76	601.51	7543.77	9266.04	
			15.25%	5.88%	13.63%	13.29%	
		Outside India	2013-14	0.00	0.00	0.00	0.00
				0.00%	0.00%	0.00%	0.00%
	2012-13	0.00	0.00	0.00	0.00		
		0.00%	0.00%	0.00%	0.00%		
	Total	2013-14	1189.74	587.28	7931.92	9708.93	
			6.15%	-2.36%	5.15%	4.78%	
2012-13	1120.76	601.51	7543.77	9266.04			
	15.25%	5.88%	13.63%	13.29%			
Reinsurance Premium Accepted	In India	2013-14	73.94	14.87	166.91	255.72	
			2012-13	98.96	9.12	232.03	340.11
	Outside India	2013-14	17.92	8.99	10.58	37.49	
			2012-13	29.45	5.75	16.40	51.61
	Total	2013-14	91.86	23.86	177.48	293.21	
			2012-13	128.41	14.88	248.43	391.72
Reinsurance Premium Ceded	In India	2013-14	254.71	13.51	722.07	990.29	
			2012-13	294.10	41.03	1058.96	1394.09
	Outside India	2013-14	185.85	286.45	248.15	720.46	
			2012-13	159.79	272.77	342.03	774.60
	Total	2013-14	440.57	299.96	970.22	1710.75	
			2012-13	453.89	313.80	1400.99	2168.68

Net Premium Percentage Increase over previous year Percentage to Gross Premium	In India	2013-14	1008.96	588.64	7376.75	8974.36
			9.00%	3.34%	9.82%	9.28%
			84.81%	100.23%	93.00%	92.43%
		2012-13	925.63	569.60	6716.84	8212.06
			19.24%	12.92%	13.23%	13.86%
			82.59%	94.70%	89.04%	88.63%
	Outside India	2013-14	-167.93	-277.46	-237.58	-682.97
			28.84%	3.91%	-27.04%	-5.54%
			0.00%	0.00%	0.00%	0.00%
		2012-13	-130.34	-267.01	-325.63	-722.99
			21.12%	17.39%	231.92%	66.91%
			0.00%	0.00%	0.00%	0.00%
Total	2013-14	841.04	311.18	7139.18	8291.39	
		5.75%	2.84%	11.70%	10.71%	
		70.69%	52.99%	90.01%	85.40%	
	2012-13	795.28	302.58	6391.21	7489.07	
		18.94%	9.24%	9.55%	10.47%	
		70.96%	50.30%	84.72%	80.82%	
Increase in Unexpired Risk Reserves Percentage to Net Premium		2013-14	32.17	11.16	644.76	688.09
			3.82%	3.59%	9.03%	8.30%
		2012-13	60.51	17.71	159.92	238.13
			7.61%	5.85%	2.50%	3.18%
Net Premium Earned		2013-14	808.87	300.02	6494.42	7603.30
			734.77	284.88	6231.29	7250.94
		2012-13	582.43	215.02	5479.93	6277.38
			69.25%	69.10%	76.76%	75.71%
Net Incurred Claims Percentage to Net Premium		2013-14	551.51	217.48	5365.92	6134.92
			69.35%	71.88%	83.96%	81.92%
		2012-13	28.57	28.51	381.76	438.83
			3.40%	9.16%	5.35%	5.29%
Net Commission Percentage to Net Premium		2013-14	24.40	31.12	252.55	308.08
			3.07%	10.29%	3.95%	4.11%
		2012-13	28.57	28.51	381.76	438.83
			3.40%	9.16%	5.35%	5.29%

Operating Expenses Related to Insurance business including Foreign Taxes & Exchange Gain / Loss Percentage to Net Premium	2013-14	275.53 32.76%	97.84 31.44%	1737.86 24.34%	2111.23 25.46%
	2012-13	246.29 30.97%	99.07 32.74%	1656.26 25.91%	2001.62 26.73%
Underwriting Results Percentage to Net Premium	2013-14	-77.66 -9.23%	-41.35 -13.29%	-1105.14 -15.48%	-1224.15 -14.76%
	2012-13	-87.43 -10.99%	-62.80 -20.75%	-1043.45 -16.33%	-1193.67 -15.94%
Investment Income Apportioned, including Profit on realisation of Investments (Net of Provision for Non-Performing Assets) Percentage to Net Premium	2013-14	120.63 14.34%	57.30 18.41%	1149.03 16.09%	1326.96 16.00%
	2012-13	134.91 16.96%	49.55 16.38%	1060.79 16.60%	1245.25 16.63%
Other Income / Outgo Percentage to Net Premium	2013-14	-1.98 -0.24%	-0.93 -0.30%	-19.05 -0.27%	-21.96 -0.26%
	2012-13	2.15 0.27%	1.00 0.33%	20.38 0.32%	23.53 0.31%
Operating Results in Policy Holders' Account Percentage to Net Premium	2013-14	40.99 4.87%	15.02 4.83%	24.84 0.35%	80.86 0.98%
	2012-13	49.64 6.24%	-12.25 -4.05%	37.73 0.59%	75.12 1.00%



PREMIUM ANALYSIS - GLOBAL (₹ in Crores)



GROSS DIRECT PREMIUM IN INDIA (₹ in Crores)

b) SUMMARY :

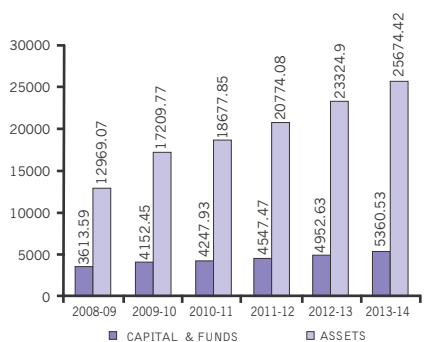
(₹ in crores)

Details	2013-14	2012-13
Operating Results in Policyholders' Account	80.86	75.12
Investment Income Apportioned, including Profit on realization of Investments (Net of Provision for Non-Performing Assets) – Shareholders' Account	557.93	532.09
Other Income & Outgo	-5.73	10.65
Profit Before Tax	633.06	617.86
Provision for Tax	105.50	91.14
Add: Tax Adjustments	-0.05	-0.62
Net Profit after Tax	527.60	527.33
Less: Amount transferred to/from General Reserve	403.60	177.69
Amount transferred to Contingency Reserve	0.00	225.65
Balance proposed for Dividend	106.00	106.00
Corporate Dividend Tax	18.00	18.00

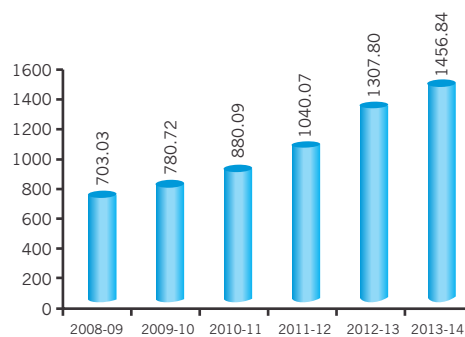
c) CAPITAL & FUNDS :

(₹ in crores)

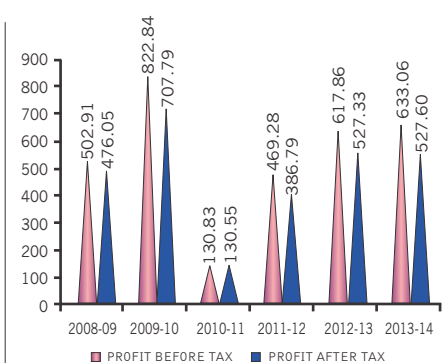
Details	As on 31-03-2014	As on 31-03-2013
Paid-up Capital	150.00	150.00
Capital Reserve	1.36	1.36
General Reserve	5197.66	4568.41
Contingency Reserve	0.00	225.65
Investment Reserve	0.86	0.86
Foreign Currency Translation Reserve	10.65	6.35
Total	5360.53	4952.63



CAPITAL & FUNDS AND TOTAL ASSETS (₹ in Crores)



INTEREST, DIVIDEND AND RENT (₹ in Crores)



PROFIT ANALYSIS (₹ in Crores)

(₹ in crores)

3. PERFORMANCE REVIEW:

	2013-14	2012-13
Gross Direct Premium	9708.93	9266.04
Percentage change over previous year	4.78%	13.29%

The Company recorded a growth rate of 4.78% as against 13.29% in the previous year. The reduction in growth rate is due to the general slowdown in the economy and sluggishness in the motor vehicle sales during the year. However, the Company maintained its market share of over 13% in the current year as well.

	2013-14	2012-13
Net Premium	8291.39	7489.07
Percentage change over previous year	10.71%	10.47%

The net premium grew by ₹ 802.32 crores to ₹ 8291.39 crores in the year 2013-14. The retention ratio stands at 82.90% as compared to 77.54% in the previous year.

Change in Unexpired Risk Reserves	688.09	238.13
Percentage to Net Premium	8.30%	3.18%
Incurred Claims (Net)	6277.38	6134.92
Percentage to Net Premium	75.71 %	81.92 %
Commission (Net)	438.83	308.08
Percentage to Net Premium	5.29%	4.11%

Operating expenses relating to Insurance Business

(including Exchange Loss / Gain)	2111.23	2001.62
Percentage to Net Premium	25.46%	26.73%

Investment Income (Net of provisions)	1884.89	1777.34
Other Income	-27.69	34.18
Total Income	1857.20	1811.52
Apportioned to Policyholders	1305.00	1268.78
Apportioned to Shareholders	552.20	542.74

- Investment income on net basis increased by ₹ 107.55 crores in 2013-14 as compared to 177.25 crores in 2012-13. The mean yield on investments (including profit on sale and other income) is 11.25% as compared to 12.17% in 2012-13. The Company followed the IRDA norms/related RBI guidelines relating to classification of loans and debentures and provision for Non-Performing Assets. The net NPA as percentage to Total Investments stood at 0.10% as on 31-03-2014 as against 0.17% as on 31-03-2013.
- Book Value of total investments as at 31st March 2014 aggregated to ₹ 17579.16 crores from ₹ 15938.45 crores in the previous year and the net accretion during the year amounted to ₹ 1640.71 crores as against ₹ 2669.11 crores in 2012-13.

	(₹ in crores)	
	2013-14	2012-13
Total Assets	25674.42	23324.90
Investment Assets (at Book Value)	17579.16	15938.45

- The Market Value of our Equity Portfolio as at 31st March 2014 stood at ₹ 7995.29 crores as compared to Book Value of ₹ 3703.07 crores. The corresponding value for the previous year was ₹ 6970.07 crores and ₹ 3223.09 crores respectively.

Compliance with IRDA Regulations:

As on 31st March 2014, the Company has complied with IRDA Regulations on Investments including investment in Infrastructure as under:

Category	Investment as on 31-3-2014 (₹ in crores)	% to total Investments	Prescribed Limit
Central Government, State Government and Other Approved Securities	5710.58	32.48%	Not less than 30%
Housing and Loans to State Govt. Housing and Fire Fighting	1713.16	9.75%	Not less than 5%
Investment in Infrastructure	3343.26	19.02%	Not less than 10%

4. Key Accounting Ratios

Particulars	2013-14 (%)	2012-13 (%)
Technical Reserve Ratio	152.26	157.10
Net Retention Ratio*	82.90	77.54
Operating Profit Ratio*	1.06	1.04
Net Earning Ratio	6.36	7.04
Return on Networth	9.84	10.65
Reinsurance Ratio	17.62	23.40

*Note: Current year ratio has been worked out as per extant guidelines and accordingly previous year ratios are reworked.

5. Contribution to National Ex-Chequer

The Company has contributed to National Ex-Chequer towards payment of various taxes and dividend amounting to ₹ 1302.06 crores in the year 2013-14 as against ₹ 1237.20 crores in the year 2012-13.

(₹ in crores)

Particulars	2013-14	2012-13
Corporate Tax	126.00	112.16
Wealth Tax	0.71	0.76
Dividend to Government	106.00	78.00
Dividend Tax	18.00	12.64
Service Tax	1051.35	1033.62
Total	1302.06	1237.20

6. HUMAN RESOURCES DEVELOPMENT AND PERSONNEL

a) Organizational Network:

As on 31-03-2014, the Company has 1,831 offices:

Regional Offices	26
Large Corporate & Brokers' Cell	8
Divisional Offices	396
Branch Offices*	679
Micro Offices	722
Total	1,831

* including a virtual office.

b) Human Capital Management:

The Company implemented a new state-of-the-art platform with modules to capture the personnel administration, Promotion Policy, Training, reservation and roster management and online property returns from the employees. Annual Performance Appraisal Reporting was successfully rolled out on Pan-India basis wherein around 5,700 officers could submit their appraisal and review is done by around 2,700 officers within 3 weeks time.

c) Performance Management System (PMS):

Continuing the PMS process for the year 2013-14, Key Result Area (KRA) based Targets were finalized for all the Operating Groups and individual Executives. The fifth year of implementation of the PMS process in the Company witnessed an increased awareness about the PLI Scheme, among the employees, which resulted in an enhanced level of motivation and productivity which to a large extent contributed to the all-round good performance of the Company.

The KRA performance appraisal process for the year 2013-14 was completed for all the Groups and individual Executives.

Individual KRA Targets for Managers (Scale IV) and Chief Managers (Scale V) would be integrated into the performance appraisal process relevant to them for the year 2013-14.

It is expected that the KRAs and the PLI Scheme would continue to encourage a healthy competition among

the offices in the Company to improve productivity and to facilitate the Company to achieve its objectives year on year.

d) Break-up of Number of Employees:

The Company has 16,902 employees with the following class-wise break up:-

Class	No. of Employees
Class I	6,436
Class II Marketing - 972 Administration - 477	1,449
Class III	7,012
Class IV	1,926
PTE	79
Total	16,902

e) Recruitment:

During the year 2013-14, 407 officers have been inducted into the Scale I cadre (besides, 6 officers with PGDM qualification have been recruited from NIA, Pune campus). For management of fast growing Health portfolio, 4 Doctors have been recruited as Scale I officers. Thus, the recruitment of young talented officers in Scale I cadre has been made in the current year also to supplement existing experienced man- power to meet the requirements.

For the first time in about 18 years, we have recruited 577 Assistants, from the common recruitment exercise conducted by "National Insurance Company Limited".

f) Training:

The prime role of HR Department is reflected in the Organizational development especially towards the accomplishment of the Company's Vision and Mission. In view of this, Training at all levels is being conducted by various training centres. All India Personnel Officers' Meeting and Corporate Training Department and Regional Training Teams Meetings were held and Best RTC awards were distributed.

Our Corporate Training Centre 'Nalanda' at Chennai and Twenty-four Regional Training Centres attached

to our Regional Offices publish and circulate their Training Calendars in the beginning of the year and conduct trainings as per requirement of the Training Needs of the Company. Training Advisory Group with three General Managers and three Deputy General Managers conducted 4 meetings with the Corporate Training team and Learning Centre to guide and advise on training related issues. Besides, sixty-four Agents' Training Centres are also operating throughout the country.

National Insurance Academy at Pune co-promoted by the Company along with its Public Sector Counterparts and LIC, imparts Insurance training on

specialized insurance topics to our officers. The Academy also offers research facilities on insurance related subjects.

Officers have been trained at various External Training Institutions like College of Insurance, Institute of Public Enterprises, ASSOCHAM, MDI, Industrial Management Academy and Indian Institute of Management.

Induction Training was conducted at Corporate Learning Centre for 311 newly recruited Administrative Officers in 3 batches and one batch of 95 direct recruit officers were trained by College of Insurance, Mumbai.

Details of Training Programmes attended by employees during the year 2013-14:

Name of Training Centre	No. of Programmes	Participant Employees
Workshops and Training by HO Departments	21	827
Corporate Learning Centre, HO	53	1,512
Regional Training Centres	835	13,183
National Insurance Academy	111	933
Other External Institutes	16	66
Overseas Programme	5	10
Total	1,041	16,531

Apart from the above, 8,083 employees participated in customer seminars conducted by Regional Offices.

The total number of Agents trained in various Regional Training Centres is 12,677 and 121 brokers were trained at "Nalanda" in 6 programmes.

933 number of officers trained at NIA, is the highest ever in the Company in a year. The overall training in the Company is 98.12% ensuring at least 80% of all classes of employees attended at least one programme during the year. All promotee Scale V Officers of the year were imparted 'Top Middle Level Management Training' held at Learning Centre. Almost all Scale IV promotees attended training programmes during 2013-14. The year is remarkable as our Company was awarded Best HR Award, Best Training Initiatives Award in Insurance sector and Best Principal Award for the Principal of Learning Centre.

g) Welfare of SC/ST/OBC/PH/Ex-servicemen

The Company complies with the guidelines of Government on extending reservation of posts, relaxations of age in recruitment and reservation of posts in promotion for SC/ST. The Company also adheres to the guidelines issued by the Government on reservation for OBC categories in recruitment as well as those governing Physically Handicapped personnel concessions. Incentives and financial support are being extended from Dr. Ambedkar Welfare Trust to the SC/ST and OBC employees.

The Company conducted a Workshop for Liaison Officers on Reservation Policy on 30th December 2013 at Bhubaneswar. Shri R.K. Mishra, Ex-Regional Head, National Commission for Scheduled Tribes, Bhubaneswar took a session with regard to the Reservation Policy in detail. Another session was

taken by Dr. Mrs. Suchitra Paul, Ph.D., Asst. Professor in XIM BBSR, in the areas of “Communication and Leadership”.

Study Tour of Parliamentary Committee on Welfare of OBC employees, visited Chennai, met our CMD along with our Senior Executives on 12-11-2013, and discussed various matters relating to OBC employees.

Parliamentary Committee on Welfare of SCs/STs held a meeting with MoF officials and three Public Sector Insurance Companies including our Company on 06-01-2014 at New Delhi, discussed various issues relating to SCs and STs.

Out of 1,512 Officers who were trained at Learning Centre, the number of SC/ST and OBC Officers were 440 and 335 respectively. Similarly, out of 933 Officers trained at NIA, Pune, the number of officers participated in various training programmes in SC and ST category were 257 and 134 respectively. Also our Regional Training Centres have trained 13,183 employees, in which adequate participation of SC, ST employees were ensured.

During the year 2013-14, promotion exercise, SCs STs employees, eligible for promotion to the next cadre, were all given training at our various Regional Training Centres.

Adequate representation is also being given in the allotment of Staff Quarters as per reservation guidelines.

h) Sports Activities

It is said that “a healthy mind resides in a healthy body”.

Physical fitness is not only one of the most important keys to a healthy body, but is the basis of dynamic and creative intellectual activity. The relationship between the soundness of the body and the activities of the mind is subtle and complex. Intelligence and skill can

function at the peak of their capacity only when the body is healthy and strong. It is sports which builds self esteem and self confidence.

Based on this vision, the Central Sports Committee has committed itself to promote sports activities amongst the employees so as to facilitate the participation of the employees in various sports events according to their interests and to channelize their mental and physical energy in a more positive manner.

Various events are conducted regularly on an All-India basis to develop sportsmanship attitude among the employees. During the year 2013-14, the 7th All India Table Tennis Tournament, the 9th All India Cricket Tournament and the 8th All India Chess Tournament were organized at Vadodara, Bangalore and Yelagiri respectively.

Employees were also nominated to various outside tournaments including the National Level tournaments, apart from Regional level tournaments.

7. FINANCIAL INCLUSION

The company believes that non-life insurance penetration could be achieved through reaching out to the population who are deprived of the benefits of the insurance products. Towards that end coupled with the Government's initiative in achieving financial inclusion objectives, the company identified places across the country and opened Micro Offices in 1,114 locations at Tier IV and Tier V towns during the year, out of which in 392 offices necessary infrastructure are being arranged for going live. The Micro Office is a unique concept introduced by the company a few years ago to cater not only the micro insurance products but whole range of the products of the company with the aim to reach out to the masses as a risk protection measure as well as to achieve the objective on financial inclusion to extend the policies of non-life insurance to the deprived population in the hinterlands of the country.

8. CORPORATE SOCIAL RESPONSIBILITY

a) Corporate Social Responsibility Initiatives

“The soul of India lives in its villages” - M. K. Gandhi

Our growth and development cannot be complete without our Villages being a part of it. Realising the importance of inclusive growth, our Company has adopted villages as part of insurance inclusion, envisaging development of health, hygiene and educational infrastructure of the village and also spread the message of insurance to everyone in the village. Towards this, UIIC had adopted so far 20 villages all over India. For the current financial year, we have adopted three villages as detailed below and the preparatory work has been completed in respect of 5 villages during the year.

Village	District	State	UIIC Regional Office
Sherpur	Nalanda	Bihar	Patna
Komali	Guntur	Andhra Pradesh	Vizag
Kalkadambur	Erode	Tamil Nadu	Coimbatore

b) Micro Insurance :

Micro Insurance as a powerful risk management tool for low income and vulnerable groups by preventing them from falling into the poverty trap. It caters to the needs of low income people especially in rural areas who have been largely bypassed by the formal insurance system.

We have 10 Micro Insurance Cells across the country to promote Micro Insurance business. It has been proposed to open 5 more Micro Insurance cells in Coimbatore, Patna, Raipur, Hubli and Bhubaneshwar.

The Company procured a premium of ₹ 273.05 crores under Micro Insurance for the year 2013-14 as against ₹ 611.12 crores in the previous year.

c) New Initiative: Common Service Centres :

Another initiative of the Company is to market specially designed products in rural areas through CSCs. We have signed MoU with CSC-SPV & Sahaj e-Village Ltd. for distributing our Insurance products in the remote areas.

d) Others :

The Company has covered 4,78,78,445 lives in Social Sector as against 4,13,89,624 in the previous year,

achieving a growth rate of 15.68%. The Rural Sector premium saw a growth of 8.97% with ₹ 1415.06 crores in the year 2013-14. The Company continued to be a major player in National Livestock Insurance Programme.

e) Agriculture Insurance

We ventured into Crop Insurance in the year 2012-13 on a tie-up basis with AIC to bring the non-loanee farmers under the Crop Insurance blanket. Besides the four southern states of Kerala, Karnataka, AP & Tamil Nadu, in the year 2013-14 few districts of Rajasthan was also allotted to us.

We have further extended the MoU to the AIC In-House products like coffee, tea, rubber, pulpwood, cardamom & potato. We are planning to have tie-up with Tea, Coffee, Rubber, Cardamom Boards.

We have introduced Agency portal for underwriting Crop business. For this initiative, we received SKOCH Award.

We have procured a premium of ₹ 10.3 crores covering 37,246 farmers and paid claims to the tune of ₹ 4.9 crores in the year 2013-14.

f) Rural Sector, Social Sector and Micro Insurance :

United India is pioneer in Rural and Social Sector. We have 24 developed micro insurance products to cater to the needs of rural people. We have complying with IRDA norms in the previous years and the current year as well.

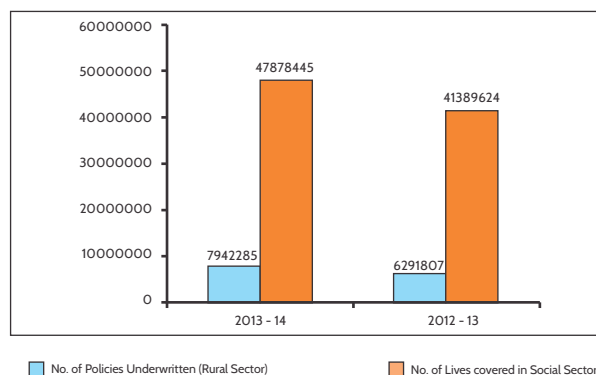
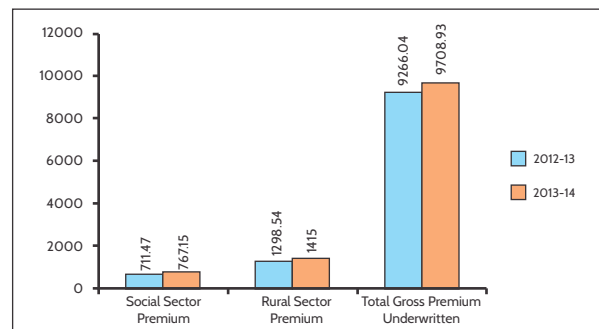
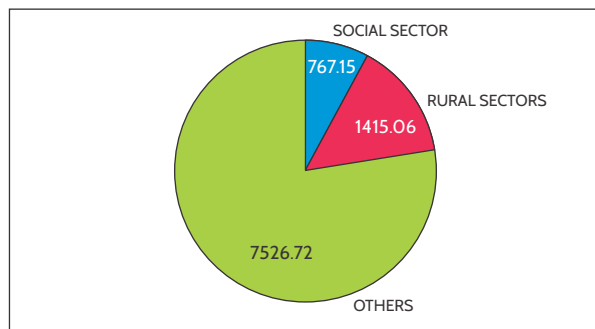
Publicity campaigns were undertaken in various parts of the country through mass contact programmes, TV advertisements, Cattle health camps etc. so as to increase the awareness of rural insurance products.

The share of Rural and Social Sector Premium in the Gross Premium underwritten by the Company is as under :

(₹ in crores)

Particulars	2013-14	2012-13
Total Gross Premium underwritten	9,708.93	9,266.04
Rural Sector Premium	1,415.06	1,298.54
No. of Policies underwritten (Rural Sector)	79,42,285	62,91,807
Social Sector Premium	767.15	711.47
No. of lives covered in Social Sector	4,78,78,445	4,13,89,624

GROWTH IN RURAL AND SOCIAL SECTOR



Growth in Rural and Social Sector

Rural Sector - Premium - 8.97%
 Social Sector - No. of lives - 15.68%



9. RASHTRIYA SWASTHYA BIMA YOJANA (RSBY)

Rashtriya Swasthya Bima Yojana is a mass health insurance scheme implemented through Central and State Governments for Below Poverty Line population (unorganised sector). It provides for cashless insurance for hospitalisation in public as well private hospitals.

We are implementing the Scheme in 61 districts across 8 states serving 119 Million individuals across the country. We have covered 16.89 lakh families consisting of 90 lakhs lives during 2013-14.

10. Other Govt. Health Insurance Schemes

We are also implementing the following health schemes of various State Govts:

Bhai Ganhya Sehat Seva Scheme in the State of Punjab for Co-op. Society members.

Bhagat Puran Singh Sehat Bima Yojana in the State of Punjab for BPL population enrolled under Atta-dal scheme.

Sanjeevani Swasthya Bima Scheme in the U.T. of Diu & Daman, Dadra & Nagar Haveli.

11. DONATIONS

Company has made a donation amounting to ₹ 1.00 crore to Chief Minister's Public Relief Fund, Uttarakhand. The Board of Directors place on record their appreciation to the employees of the Company who also contributed ₹42.59 lacs towards the above noble cause.

Performance in Health, Rural and Social Lines in the past five years

(₹ in Lakhs)

Policy Details	Year	No. of Policies issued	No. of persons Insured	Amount of Premium collected	No. of claims reported	Incurred claims amount	No. of claims settled	Claims settled amount	Incurred claims ratio %
MEDICLAIM POLICIES									
Mediclaim (Individual+Group)	2009-10	954765	6051624	123437.41	596312	141673.68	536245	143463.46	114.77
	2010-11	986082	8828139	155833.34	732937	157806.68	698819	154861.92	101.00
	2011-12	1278706	10358867	193861.12	759521	177071.36	718008	180718.64	91.00
	2012-13	1139956	12653608	196913.50	775713	175569.84	729624	177000.95	89.10
	2013-14	1169594	14374592	230593.69	842648	231475.52	769143	227301.02	100.38
SOCIAL AND RURAL SECTOR - A GLIMPSE									
Jan Arogya	2009-10	38205	74583	41.00	844	53.97	1349	55.50	132.05
	2010-11	27862	54391	30.00	580	44.63	851	44.61	149.26
	2011-12	6670	68405	37.73	991	37.44	991	37.54	99.22
	2012-13	34984	81902	45.19	805	42.57	806	42.26	94.20
	2013-14	5937	119902	66.16	993	54.88	994	54.95	82.95
Janata Personal Accident Policy	2009-10	4823956	5170051	3257.13	3598	3777.93	7211	4326.63	115.99
	2010-11	4623141	4954829	3121.54	2711	3021.68	4212	3135.55	96.80
	2011-12	180541	5650782	3560.00	4877	3281.88	4770	3123.27	92.19
	2012-13	155066	4164652	3305.42	3434	2534.81	3373	2248.65	76.69
	2013-14	136177	3559132	2825.06	2800	2520.29	2815	2342.64	89.21
Universal Health Insurance	2009-10	378785	1453630	3067.65	19719	1690.23	10100	1764.66	55.10
	2010-11	229266	879835	1856.75	13676	1336.52	12781	1298.96	71.98
	2011-12	35583	652928	1377.90	9083	1408.88	9212	1389.55	102.24
	2012-13	27069	198263	564.25	7433	681.16	7368	745.25	120.72
	2013-14	19755	123926	352.68	6647	425.53	6692	460.34	120.66
Cattle Insurance	2009-10	2695868	5391736	7660.42	55824	5484.16	94184	5651.03	71.59
	2010-11	3007495	6014989	8545.92	61213	7076.14	75142	7002.11	82.80
	2011-12	231324	7242977	10290.61	43440	7230.35	42141	6981.12	70.26
	2012-13	2765254	6251821	9976.28	39240	7555.03	38123	7304.40	76.73
	2013-14	175037	6019202	9605.07	42632	8765.08	42867	8656.33	91.25

III. REPORT ON CORPORATE GOVERNANCE

The Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. Through the governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fairplay and independence in its decision making.

As regards the Insurance sector, the emphasis is on aspects like protection of the interests of the policyholders, maintenance of solvency, sound long

term investment policy and assumption of underwriting risks on a prudential basis and evaluation of overall risk management across the structure of the organization.

The details of the Board and its Sub-committees are given below:

BOARD OF DIRECTORS

- Shri S. Surenther ceased to be Director w.e.f. 1-11-2013. The Board placed on record its appreciation of the valuable services rendered by Shri S. Surenther as Director of the Company.

1. Board Meeting Details

Six meetings of the Board were held during the year i.e. on 2nd April 2013, 26th April 2013, 19th July 2013, 1st August 2013, 25th October 2013 and 30th January 2014.

Director	No. of Meetings held during his/her tenure	No. of Meetings Attended
Shri. Milind Kharat	6	6
Smt. Priya Kumar	6	6
Shri. T.M. Bhasin	6	6
Shri. A. Thrivikraman Thampi	6	6
Shri. S. Surenther	5	5
Smt. Asha Nair	6	5

2. Investment Committee Meeting Details:

Four meetings of the Investment Committee were held during the year i.e. on 26th April 2013, 1st August 2013, 25th October 2013 and 30th January 2014. The Investment Committee monitors the implementation of the Investment Policy as approved by the Board apart from monitoring the Investment functions.

Director	No. of Meetings held during his/her tenure	No. of Meetings Attended
Shri. Milind Kharat	4	4
Shri. T.M. Bhasin	4	4
Shri. A. Thrivikraman Thampi	4	4
Shri. S. Surenther	3	3
Shri. M.V.V. Chalam	4	4
Shri. V. Easwara Kaimal	1	1

3. Audit Committee Meeting Details :

The Audit Committee reviews accounting policies and also the structure, efficacy and process of the internal control systems prevailing in the Company. The committee deliberates on the Financial Statement of the Company before placing the same before the Board of Directors for adoption.

The Committee dealt with major observations by Internal Audit, queries raised by the C&AG and also the matters related to Concurrent audit of Investment Department. The Committee played a pro-active role in reviewing the status of the Internal Audit in the Company and also suggested improvements in the same.

Director	No. of Meetings held during his/her tenure	No. of Meetings attended
Smt. Priya Kumar	4	4
Shri. T.M. Bhasin	4	4
Shri. A. Thrikraman Thampi	4	4
Smt. Asha Nair	4	3

Four meetings of the Audit Committee were held during the year i.e. on 26th April 2013, 1st August 2013, 25th October 2013 and 30th January 2014.

4. Risk Management Committee Meeting Details :

Four meetings held during the year i.e. on 2nd April 2013, 19th July 2013, 25th October 2013 and 30th January 2014.

Director	No. of Meetings held during his/her tenure	No. of Meetings attended
Shri. Milind Kharat	4	4
Smt. Priya Kumar	4	4
Shri. S. Surenter	3	3
Smt. Asha Nair	1	0

5. Policyholders Protection Committee Meeting Details :

Four meetings held during the year i.e. on 2nd April 2013, 19th July 2013, 25th October 2013 and 30th January 2014.

Director	No. of Meetings held during his/her tenure	No. of Meetings attended
Shri. Milind Kharat	4	4
Smt. Priya Kumar	4	4
Shri. T.M. Bhasin	4	4
Smt. Asha Nair	4	3

6. Remuneration Committee Meeting Details:

Only one meeting held during the year i.e. on 19th July 2013.

Director	No. of Meetings held during his/her tenure	No. of Meetings attended
Smt. Priya Kumar	1	1
Shri. T.M. Bhasin	1	1
Shri. A. Thrivikraman Thampi	1	1

7. Information Technology Committee Meeting Details:

Three meetings held during the year i.e. on 19th July 2013, 25th October 2013 and 30th January 2014.

Director	No. of Meetings held during his/her tenure	No. of Meetings attended
Shri. A. Thrivikraman Thampi	3	3
Shri. T.M. Bhasin	3	3
Shri. S. Surenter	2	2
Smt. Asha Nair	3	2

8. Corporate Social Responsibility Committee Meeting Details:

Corporate Social Responsibility Committee has been constituted as per Section 135 of Companies Act, 2013. During the current year, only one meeting was held on 30th January 2014.

Director	No. of Meetings held during his/her tenure	No. of Meetings attended
Shri. Milind Kharat	1	1
Smt. Priya Kumar	1	1
Shri. T.M. Bhasin	1	1
Shri. A. Thrivikraman Thampi	1	1
Smt. Asha Nair	1	0

9. Property Review Committee Meeting:

No meeting of the Committee was held during the year 2013-14.

Present Members of the Committee

Shri. Milind Kharat

Smt. Priya Kumar

Shri A. Thrivikraman Thampi

10. Statutory Auditors

M/s. Manohar Chowdhry & Associates, M/s. Kalyanasundaram & Co. and M/s. Brahmayya & Co., Chartered Accountants were appointed for the period under review, as Statutory Auditors by the Comptroller & Auditor General of India under Section 619 of the Companies Act 1956, in addition to the auditors appointed for various Regional and Divisional Offices.

11. Particulars of Employees u/s 217 (2A) of the Companies Act, 1956

During the year under review, none of the employees were paid remuneration in excess of the limit specified u/s 217 (2A) of the Companies Act, 1956.

12. Expenses of Management during the year on Entertainment, Foreign Tours and Publicity and Advertisement are as follows:

Entertainment	₹ 3,88,757.00
Foreign Tours	₹ 59,60,979.75
Publicity and Advertisement	₹ 23,44,52,012.75

13. Directors' Responsibility Statement

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

In the preparation of the annual accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting

records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- the Directors have prepared the annual accounts for the financial year ended 31st March 2014, on a going concern basis.

14. Placing of Annual Report before The Parliament

For the 10th consecutive year (upto 2012-13), The Comptroller and Auditor General of India, under Section 619(4) of the Companies Act, has cleared the accounts of the Company without any comments.

The Annual Report of the Company along with the Directors' Report for the year ending 31-03-2013 was placed under Section 619-A read with 619-B of the Companies Act 1956 on 13-12-2013 and 17-12-2013 on the tables of Lok Sabha and Rajya Sabha respectively.

15. Acknowledgements

The Board of Directors conveys its sincere thanks to all clients for their continued patronage. Board also places on record its appreciation for the good work done by employees and agents, brokers and other intermediaries of the Company. The Board also thanks the Appointed Actuary, Consulting Actuary, Statutory Auditors, Insurance Division of the Ministry of Finance, Insurance Regulatory and Development Authority, General Insurers' (Public Sector) Association and Member-Audit Board for their guidance and support.

For and on behalf of the Board

MILIND KHARAT
Chairman-cum-Managing Director

Chennai
23rd April 2014

Profile of the Board of Directors

Name (S/Shri/Smt)	Qualification	Field of Specialization	Status of Directorship
Milind Kharat	M.A., LLB, FIII	Insurance	1. Director, GIC Housing Finance Limited 2. Director, Kenindia Assurance Company Limited, Kenya 3. Director, Central Insurance Repository Limited 4. Director, Health Insurance TPA of India Ltd.
Priya Kumar, IIS	B.A. (Hons.) Economics, M.A.Economics, MBA	Finance	Director, Bharatiya Mahila Bank Ltd.
T.M. Bhasin	M.Sc., MBA, LLB., CAIIB	Banking	1. CMD, Indian Bank. 2. Chairman, Institute of Banking Personnel Selection 3. Member of Governing Board, National Institute of Bank Management. 4. Member of Governing Board, Institute of Banking Personnel Selection.
A. Thri vikraman Thampi	B.A., LLB.	Advocate	Nil
Asha Nair	M.A., FIII	Insurance	1. Director, VST Industries Ltd. 2. Director, Agriculture Insurance Co. of India Ltd.

Certification for Compliance of the Corporate Governance Guidelines

I, S. Venkataraman, hereby certify that the Company has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

S.VENKATARAMAN
COMPANY SECRETARY

SHAREHOLDERS' AND POLICYHOLDERS' FUNDS – 2013-14

SHAREHOLDERS' FUNDS

		₹ in '000		₹ in '000	
		Balance as on 31-03-2014	Percentage	Balance as on 31-03-2013	Percentage
SHARE CAPITAL		1500000		1500000	
CAPITAL RESERVE		13589		13589	
GENERAL RESERVES		51976594		45684073	
MISCELLANEOUS / SPECIAL RESERVES		115097		72160	
TOTAL SHAREHOLDERS' FUNDS		53605280	29.81	47269822	28.66

POLICYHOLDERS' FUNDS

		₹ in '000			₹ in '000			
	Unexpired Risks Reserves as on 31-03-2014	Outstanding Claims Reserves as on 31-03-2014	Total Reserves as on 31-03-2014	Percentage	Unexpired Risks Reserves as on 31-03-2013	Outstanding Claims Reserves as on 31-03-2013	Total Reserves as on 31-03-2013	Percentage
FIRE	4477384.98	-10213583.17	-5736198.20		4155696	6533538	10689234	
MARINE	1881561.59	3263652.94	5145214.54		1769956	3307774	5077730	
MISCELLANEOUS	35751937.24	91080197.08	126832134.32		29304310	72585363	101889673	
TOTAL POLICYHOLDERS' FUNDS	42110883.81	84130266.85	126241150.66	70.19	35229962	82426675	117656637	71.34
TOTAL FUNDS			179846430.66				164926459	

The balance as on 01-04-2013 are used as basis for apportionment of investment income of 2013-14 between Policyholders and Shareholders.

Average Shareholders' Funds - ₹ 50437551.00

Average Policyholders' Funds - ₹ 121948893.83

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNITED INDIA INSURANCE COMPANY LIMITED

Report on Financial Statements

We have audited the accompanying Financial Statements of United India Insurance Company Limited ("the Company"), which comprise of Balance Sheet as at 31st March, 2014, the Fire, Marine and Miscellaneous Revenue Accounts, the Profit & Loss Account and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information annexed thereto, in which the accounts and returns of 26 Regional Offices, 8 Large Corporate and Broker Cells (LCBs) and 396 Divisional Offices and an Overseas run-off operations are incorporated.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the Financial Statements that give a true and fair view of the financial position, financial performance and Cash flows of the Company in accordance with the Insurance Act, 1938, Insurance Regulatory and Development Authority Act, 1999, Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, read with Section 211 of the Companies Act, 1956 to the extent applicable and in the manner so required. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information as required by the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the Companies Act, 1956, to the extent applicable and in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Revenue Accounts, of the surplus for the year ended 31st March, 2014;
- c) in the case of Profit & Loss Account, of the profit for the year ended 31st March, 2014; and
- d) in the case of the Cash Flow Statement, of the receipts and payments for the year ended 31st March, 2014.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following Notes:

- a) Note No. 30 to the financial statements, which describes deferment of the liability on account of

pay revision and enhancement in the limit for gratuity under "Payment of Gratuity Act, 1972" by the Company to the extent of ₹ 282000 (₹ 000's) pursuant to the exercise of the option for the accounting treatment for the same prescribed under paragraph "i" of the Insurance Regulatory and Development Authority vide Circular No. IRDA/F&A/CIR/ACT/O69/O4/2011 dated 18th April, 2011;

- b) Note No.22 to the Financial Statements, which describes the deferment of the liability on dismantling of the Indian Motor Third Party Insurance Pool by the Company to the extent of ₹ 2994127 (₹ 000's) 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/MTPP/O70/O3-2012 dated 22nd March, 2012.

Other Matter

We have not audited the Financial Statements of Regional Offices, Divisional Offices, LCBs and Overseas run-off operations for the year ended 31st March 2014. These Financial Statements have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory requirements

As required by Section 227(3) of the Companies Act, 1956, and the Insurance Regulatory and Development Authority Act, 1999, and the Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002:

We report that:

- a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and found them to be satisfactory;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) In our opinion, proper returns and reports on the accounts of Regional Offices, Divisional Offices, LCBs and Overseas run-off operations, which

were not visited by us, have been received and those were considered adequate for the purpose of audit;

- d) The Balance Sheet, Revenue Accounts, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts and with the returns received from Regional Offices, Divisional Offices, LCBs and Overseas run-off operations, which were not visited by us;
- e) In our opinion, the Financial Statements and the Accounting Policies of the Company comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable and with the accounting principles as prescribed by the Insurance Regulatory and Development Authority Act, 1999 and IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002;
- f) The provisions of Section 274(1) (g) of the Companies Act, 1956 are not applicable to the directors of the Company in view of Company Law Board General Circular No.8/2002 dated 22nd March 2002;
- g) The Company has valued its investments in accordance with the provisions of the Insurance Regulatory and Development Authority Act, 1999, IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002;
- h) The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR) and Claims Incurred But Not Enough Reported (IBNER) has been duly certified by the appointed actuary. The appointed actuary has certified to the Company that the assumptions used for such valuation are appropriate and are in accordance with the requirement of the IRDA and Actuarial Society of India in concurrence with IRDA. We have relied on the appointed actuary's certificate in this regard.

Further, we certify that:

- a) We have reviewed the Management Reports and there is no apparent mistake or material inconsistency with the financial statements;



- b) The Company has complied with the terms and conditions of the registration stipulated by the IRDA;
- c) To the best of our information and explanations given to us and representations made by the Company, the Company is not the trustee of any trust;
- d) We have verified the cash and bank balances, investments and securities relating to loans by actual inspection or by production of certificates and other documentary evidences except in the case of investment referred to in Note number 11;
- e) The Company has complied with the instructions issued by the IRDA in relation to the business transacted on account of Indian Motor Third Party Insurance Pool and Indian Motor Third Party Declined Risk Insurance Pool for Commercial Vehicles and the investment of funds from these pools;
- f) To the best of our information and explanations given to us and representation made by the Company, no part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 (4 of 1938) relating to the application and investments of the Policyholders' Funds.

For **Manohar Chowdhry & Associates**
Chartered Accountants
ICAI FRN:001997S

CA K.S.B. Subramanyam
Partner
Membership No.208981

Place : Chennai
Date : 23rd April, 2014

For **Kalyanasundaram & Co.**
Chartered Accountants
ICAI FRN:001676S

CA T.S. Ravichandran
Partner
Membership No.023809

For **Brahmayya & Co.**
Chartered Accountants
ICAI FRN : 000511S

CA Jitendra Kumar
Partner
Membership No.201825



Comments of the Comptroller & Auditor General of India under Section 619(4) of the Companies Act, 1956 on the accounts of United India Insurance Company Limited, Chennai, for the year ended 31st March 2014.

The preparation of financial statements of United India Insurance Company Limited for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Insurance Act, 1938 read with the Insurance Regulatory & Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and the Companies Act, 1956, is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956, are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956, based on independent audit in accordance with the Standards on Auditing prescribed by their professional body, The Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 23 April 2014.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3)(b) of the Companies Act, 1956 of the financial statements of United India Insurance Company Limited for the year ended 31 March 2014. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 619(4) of the Companies Act, 1956.

For and on behalf of the
Comptroller & Auditor General of India

G. Sudharmini
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board, Chennai

Place : Chennai - 600 034
Date : 06-06-2014

A success built on strong ethical values



The World CSR Congress 2013 has conferred us with the award of the most ethical insurance company of India in the property and casualty category. Among the many other awards we won in various categories, we are now immensely happy to win a recognition for our ethical and honest practices.

Endorsed by



युनाइटेड इंडिया इंश्योरेंस कंपनी लिमिटेड
UNITED INDIA INSURANCE COMPANY LTD.

Registered & Head Office : 24, Whites Road, Chennai - 600 014

At United India, it's always U before I

Board Meeting Moments



“Jubilant Accounts team with Board of Directors”



**FINANCIAL STATEMENTS AND SCHEDULES
FOR THE YEAR ENDED 31st MARCH 2014**



UNITED INDIA INSURANCE COMPANY LIMITED
Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Schedule	Current Year (₹ '000)	Previous Year (₹ '000)
Premium Earned (Net)	1	8088665	7347748
Profit/Loss on sale/redemption of Investments (Net)		326619	319409
Sundry Balances written back (Net)		2590	6751
Exchange Loss/Gain		349	266
Interest, Dividend & Rent - Gross		932376	1074454
TOTAL (A)		9350599	8748628
Claims Incurred (Net)	2	5824283	5515123
Commission	3	285700	244003
Operating Expenses related to Insurance Business	4	2755288	2462885
Premium Deficiency			
Others			
Expenses relating to Investments		1507	1350
Amortisation of Premium on Investments		14003	12439
Amount written off in respect of depreciated investments		36339	3702
Provision for Bad and Doubtful Debts		22742	-14481
Provision for diminution in the value of other than actively traded Equities		818	27234
TOTAL (B)		8940680	8252255
Operating Profit / (Loss) C = (A-B)		409919	496373
APPROPRIATIONS			
Transfer to Shareholders' Account		409919	496373
Transfer to Catastrophe Reserve			
Transfer to Other Reserves			
TOTAL (C)		409919	496373

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that to the best of our knowledge and belief, 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.

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Priya Kumar
T.M. Bhasin
A. Thrivikraman Thampi
Asha Nair



Directors

Vide our report of date attached

For Kalyanasundaram & Co.
ICAI FRN:001676S
Chartered Accountants

CA T.S. Ravichandran, Partner
Membership No.023809

Chennai
23rd April 2014

For Manohar Chowdhry & Associates
ICAI FRN:001997S
Chartered Accountants

CA K.S.B. Subramanyam, Partner
Membership No.208981

For Brahmayya & Co.
ICAI FRN:000511S
Chartered Accountants

CA Jitendra Kumar, Partner
Membership No.201825

UNITED INDIA INSURANCE COMPANY LIMITED
Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Schedule	Current Year (₹ '000)	Previous Year (₹ '000)
Premium Earned (Net)	1	3000175	2848766
Profit/Loss on sale/redemption of Investments (Net)		155144	158886
Sundry Balances written back (Net)		928	2718
Exchange Loss/Gain		564	96
Interest, Dividend & Rent - Gross		442879	358843
TOTAL (A)		3599690	3369309
Claims Incurred (Net)	2	2150172	2174815
Commission	3	285056	311250
Operating Expenses related to Insurance Business	4	978443	990665
Premium Deficiency			
Others			
Expenses relating to Investments		716	672
Amortisation of Premium on Investments		6652	6188
Amount written off in respect of depreciated investments		17261	1841
Provision for Bad and Doubtful Debts		10802	-7204
Provision for diminution in the value of other than actively traded Equities		389	13547
TOTAL (B)		3449491	3491774
Operating Profit / (Loss) C = (A-B)		150199	-122465
APPROPRIATIONS			
Transfer to Shareholders' Account		150199	-122465
Transfer to Catastrophe Reserve			
Transfer to Other Reserves			
TOTAL (C)		150199	-122465

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that to the best of our knowledge and belief, 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.

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Priya Kumar
T.M. Bhasin
A. Thrivikraman Thampi
Asha Nair



Directors

Vide our report of date attached

For Kalyanasundaram & Co.
ICAI FRN:001676S
Chartered Accountants

CA T.S. Ravichandran, Partner
Membership No.023809
Chennai
23rd April 2014

For Manohar Chowdhry & Associates
ICAI FRN:001997S
Chartered Accountants

CA K.S.B. Subramanyam, Partner
Membership No.208981

For Brahmayya & Co.
ICAI FRN:000511S
Chartered Accountants

CA Jitendra Kumar, Partner
Membership No.201825



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Schedule	Current Year (₹ '000)	Previous Year (₹ '000)
Premium Earned (Net)	1	64944151	62312924
Profit/Loss on sale/redemption of Investments (Net)		3111048	3275443
Sundry Balances written back (Net)		16386	45325
Transfer fees, etc.		9773	9997
Interest, Dividend & Rent - Gross		8880885	7791117
TOTAL (A)		76962243	73434806
Claims Incurred (Net)	2	54799326	53659228
Commission	3	3817583	2525541
Operating Expenses related to Insurance Business	4	17378616	16562630
Premium Deficiency			
Others			
Expenses relating to Investments		14355	13848
Amortisation of Premium on Investments		133384	127559
Amount written off in respect of depreciated investments		346126	37959
Provision for Bad and Doubtful Debts		216614	-148498
Provision for diminution in the value of other than actively traded Equities		7794	279272
TOTAL (B)		76713798	73057539
Operating Profit / (Loss) C = (A-B)		248445	377267
APPROPRIATIONS			
Transfer to Shareholders' Account		248445	377267
Transfer to Catastrophe Reserve			
Transfer to Other Reserves			
TOTAL (C)		248445	377267

As required by Section 40C(2) of the Insurance Act, 1938, we hereby certify that to the best of our knowledge and belief, 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.

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Priya Kumar
T.M. Bhasin
A. Thrivikraman Thampi
Asha Nair

} Directors

Vide our report of date attached

For Kalyanasundaram & Co.
ICAI FRN:001676S
Chartered Accountants

CA T.S. Ravichandran, Partner
Membership No.023809
Chennai
23rd April 2014

For Manohar Chowdhry & Associates
ICAI FRN:001997S
Chartered Accountants

CA K.S.B. Subramanyam, Partner
Membership No.208981

For Brahmayya & Co.
ICAI FRN:000511S
Chartered Accountants

CA Jitendra Kumar, Partner
Membership No.201825

UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	Schedule	Current Year (₹ '000)	Previous Year (₹ '000)
OPERATING PROFIT/(LOSS)			
Fire Insurance		409919	496373
Marine Insurance		150199	-122465
Miscellaneous Insurance		248445	377267
INCOME FROM INVESTMENTS			
Interest, Dividend & Rent - Gross		4312241	3853556
Profit on sale of investments		1510829	1707238
Less : Loss on sale of investments		-215	-994
OTHER INCOME			
Profit/Loss on sale of assets and other incomes		47921	29149
TOTAL (A)		6679339	6340124
PROVISIONS (Other than taxation)			
For diminution in the value of investments		3785	145479
For doubtful debts		105180	-77356
OTHER EXPENSES			
Expenses other than those related to Insurance Business		6970	7214
Bad Debts written off		0	0
Amortisation of Premium on Investments		64766	66448
Amount written off in respect of depreciated investments		168067	19773
TOTAL (B)		348768	161558
Profit Before Tax (C) = (A - B)		6330571	6178566
Provision for Taxation		1055000	911400
Taxation relating to earlier years		-469	-6180
Profit After Tax (D)		5276040	5273346
Appropriations			
Proposed final dividend		1060000	1060000
Dividend distribution tax		180005	180005
Transferred to General Reserve		4036035	1776854
Transfer to Contingency Reserve for unexpired risks		0	2256487
Balance carried forward to Balance Sheet		-	-
Basic and diluted earnings per share (₹)		35.17	35.15

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Priya Kumar
T.M. Bhasin
A. Thrivikraman Thampi
Asha Nair

} Directors

Vide our report of date attached

For Kalyanasundaram & Co.
ICAI FRN:001676S
Chartered Accountants

CA T.S. Ravichandran, Partner
Membership No.023809
Chennai
23rd April 2014

For Manohar Chowdhry & Associates
ICAI FRN:001997S
Chartered Accountants

CA K.S.B. Subramanyam, Partner
Membership No.208981

For Brahmayya & Co.
ICAI FRN:000511S
Chartered Accountants

CA Jitendra Kumar, Partner
Membership No.201825



UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
 BALANCE SHEET AS AT 31ST MARCH 2014

Particulars	Schedule	Current Year (₹ '000)	Previous Year (₹ '000)
SOURCES OF FUNDS			
SHARE CAPITAL	5	1500000	1500000
RESERVES AND SURPLUS	6	52105280	48026309
FAIR VALUE CHANGE ACCOUNT		42922835	37469837
BORROWINGS	7	0	0
TOTAL		96528115	86996146
APPLICATION OF FUNDS			
INVESTMENTS	8	209287988	187662793
LOANS	9	3268229	3337534
FIXED ASSETS	10	1145135	1110292
CURRENT ASSETS			
CASH AND BANK BALANCES	11	15608144	13323534
ADVANCES AND OTHER ASSETS	12	27434671	27814860
SUB-TOTAL (A)		43042815	41138394
CURRENT LIABILITIES	13	110573484	104998571
PROVISIONS	14	49642568	41254295
SUB-TOTAL (B)		160216052	146252866
NET CURRENT ASSETS (C) = (A-B)		-117173237	-105114472
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15		
DEBIT BALANCE IN PROFIT & LOSS ACCOUNT			
TOTAL		96528115	86996146

For and on behalf of Board

MILIND KHARAT
 Chairman-cum-Managing Director

V.E. KAIMAL
 Financial Advisor

S. VENKATARAMAN
 Company Secretary

Priya Kumar
 T.M. Bhasin
 A. Thrivikraman Thampi
 Asha Nair

} Directors

Vide our report of date attached

For Kalyanasundaram & Co.
 ICAI FRN:001676S
 Chartered Accountants

CA T.S. Ravichandran, Partner
 Membership No.023809
 Chennai
 23rd April 2014

For Manohar Chowdhry & Associates
 ICAI FRN:001997S
 Chartered Accountants

CA K.S.B. Subramanyam, Partner
 Membership No.208981

For Brahmayya & Co.
 ICAI FRN:000511S
 Chartered Accountants

CA Jitendra Kumar, Partner
 Membership No.201825

CONTINGENT LIABILITIES

As on 31-03-2014

Sl. No.	Particulars	Current Year (₹ '000)	Previous Year (₹ '000)
1	Partly Paid-up Investments	NIL	8309
2	Claims other than those under policies, not acknowledged as debts	1145224	1060615
3	Underwriting commitments outstanding (in respect of Shares and Securities)	NIL	NIL
4	Guarantees given by or on behalf of the Company	NIL	NIL
5	Statutory demands / liabilities in dispute, not provided for	6032821	4459022
6	Reinsurance obligations to the extent not provided for	NIL	NIL
7	Letters of credit given on behalf of the Company	NIL	NIL
	Total	7178045	5527946

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1 - PREMIUM EARNED (NET)

For the year ended 31-03-2014 (₹ '000)

Particulars	Fire		Marine		Misc.		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Premium from Direct business	11897358	11207643	5872809	6015062	79319166	75437671	97089333	92660376
Add : Reinsurance accepted	918648	1284134	238616	148758	1774847	2484325	2932111	3917217
Less : Reinsurance ceded	4405652	4538937	2999644	3137993	9702234	14009913	17107530	21686843
Net Premium	8410354	7952840	3111781	3025827	71391779	63912083	82913914	74890750
Adjustment for change in reserve for unexpired risks	-321689	-605092	-111606	-177061	-6447628	-1599159	-6880923	-2381312
Premium Earned (Net)	8088665	7347748	3000175	2848766	64944151	62312924	76032991	72509438

SCHEDULE - 2 - CLAIMS INCURRED (NET)

For the year ended 31-03-2014 (₹ '000)

Particulars	Fire		Marine		Misc.		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
CLAIMS PAID								
Direct Business	7137310	4743263	5787379	2353368	55473724	47544116	68398413	54640747
Add: Reinsurance accepted	702125	900783	160353	88791	4196306	10723185	5058784	11712759
Less : Reinsurance ceded	2306966	1714596	3753439	927448	6326602	17684042	12387007	20326086
Net Claims Paid	5532469	3929450	2194293	1514711	53343428	40583259	61070190	46027420
Add: Claims outstanding at the end of the year-Direct	17038935	12156864	7437854	9533182	87035673	80446117	111512462	102136163
Add: Claims outstanding at the end of the year-RI Accepted	798599	846734	379944	389201	1373053	1140147	2551596	2376082
Less: Claims outstanding at the end of the year-RI Ceded	11012182	6470060	4554147	6614610	14367464	9000900	29933793	22085570
Add: Claims outstanding at the end of the Year-Net	6825352	6533538	3263651	3307773	74041262	72585364	84130265	82426675
Less: Outstanding claims at the beginning of the year - Direct	12156864	9857792	9533182	6842324	80446117	77991969	102136163	94692085
Less: Claims outstanding at the beginning of the year - RI Accepted	846734	587608	389201	387943	1140147	970749	2376082	1946300
Add: Claims outstanding at the beginning of the year - RI Ceded	6470060	5497535	6614611	4582598	9000900	19453323	22085571	29533456
Less: Claims outstanding at the beginning of the year - Net	6533538	4947865	3307772	2647669	72585364	59509395	82426674	67104929
Claims Incurred (Net)	5824283	5515123	2150172	2174815	54799326	53659228	62773781	61349166

SCHEDULE - 3 - COMMISSION (NET)

For the year ended 31-03-2014 (₹ '000)

Particulars	Fire		Marine		Misc.		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
COMMISSION								
Direct Business	798959	645602	409774	498290	4806088	4108135	6014821	5252027
TOTAL (A)	798959	645602	409774	498290	4806088	4108135	6014821	5252027
Add : Commission on Reinsurance Accepted	141514	183026	51975	31475	312835	365477	506324	579978
Less : Commission on Reinsurance Ceded	654773	584625	176693	218515	1301340	1948071	2132806	2751211
Commission (Net)	285700	244003	285056	311250	3817583	2525541	4388339	3080794

Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below :

Agents	384583	371223	232185	229629	3123877	2882721	3740645	3483573
Brokers	281046	153546	175294	266022	1361125	964017	1817466	1383585
Corporate Agency	133330	120833	2295	2642	321086	265535	456710	389010
Referral	0	0	0	-3	0	-4138	0	-4141
TOTAL (B)	798959	645602	409774	498290	4806088	4108135	6014821	5252027

SCHEDULE - 4 - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS For the year ended 31-03-2014
(₹ '000)

Particulars	Fire		Marine		Misc.		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Employees' remuneration and welfare benefits	2052744	1849562	735264	744629	12990191	12418486	15778199	15012677
Travel, conveyance and vehicle running expenses	79516	66136	28480	26627	503184	444057	611180	536820
Training expenses	8451	4259	3027	1715	53479	28598	64957	34572
Rents, rates & taxes	74954	63884	26848	25719	474325	428933	576127	518536
Repairs	25420	19495	9105	7848	160865	130894	195390	158237
Printing and Stationery	25952	19952	9296	8033	164233	133967	199481	161952
Communication	39110	29760	14009	11981	247496	199814	300615	241555
Legal and Professional charges	7492	9940	2684	4002	47414	66738	57590	80680
Auditors' fees, expenses etc.	0	0	0	0	0	0	0	0
a) as Auditor	4777	3544	1712	1427	30232	23798	36721	28769
b) as Advisor or in any other capacity, in respect of	0	0	0	0	0	0	0	0
i) Taxation matters	0	0	0	0	0	0	0	0
ii) Insurance matters	0	0	0	0	0	0	0	0
iii) Management services; and	0	0	0	0	0	0	0	0
c) Any other capacity	249	351	89	141	1573	2354	1911	2846
Advertisement and publicity	36854	61286	13200	24674	233220	411494	283274	497454
Interest and Bank Charges	4208	4688	1507	1887	26631	31473	32346	38048
Depreciation	48807	45269	17483	18225	308863	303947	375153	367441
Service Tax on Premium A/c	0	379	0	152	0	2545	0	3076
Outsourcing Expenses	152787	114349	54726	47125	966868	828556	1174381	990030
Others	193967	170031	61013	66480	1170042	1106976	1425022	1343487
Total	2755288	2462885	978443	990665	17378616	16562630	21112347	20016180

SCHEDULE - 5 - SHARE CAPITAL

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
Authorised Capital 20000000 Equity Shares of ₹ 10/- each	2000000	2000000
Issued Capital 15000000 Equity Shares of ₹ 10/- each (includes 14,63,74,857 Equity Shares of ₹ 10/- each issued as Bonus Shares by Capitalisation of General Reserve and Share Premium Account)	1500000	1500000
Subscribed Capital 15000000 Equity Shares of ₹ 10/- each (includes 14,63,74,857 Equity Shares of ₹ 10/- each issued as Bonus Shares by Capitalisation of General Reserve and Share Premium Account)	1500000	1500000
Called up Capital 15000000 Equity Shares of ₹ 10/- each (includes 14,63,74,857 Equity Shares of ₹ 10/- each issued as Bonus Shares by Capitalisation of General Reserve and Share Premium Account)	1500000	1500000
Less : Calls unpaid	0	0
Add : Equity Shares forfeited (Amount originally paid up)	0	0
Less : Par Value of Equity Shares bought back	0	0
Less : Preliminary Expenses	0	0
Less : Expenses including commission or brokerage on Underwriting or subscription of Shares	0	0
Total	1500000	1500000

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

As on 31-03-2014 (₹ '000)

Particulars	Current Year		Previous Year	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Promoters				
Indian				
Government of India	149999970	100%	149999970	100%
Nominees of Govt. of India	30	100%	30	100%
Total	150000000		150000000	

SCHEDULE - 6 - RESERVES & SURPLUS

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
Capital Reserve	13589	13589
Capital Redemption Reserve	0	0
Share Premium	0	0
General Reserve (Opening)	45684073	42386855
Add : Transfer from Profit & Loss Account	4036035	1776854
Add: Contingency Reserve for Unexpired Risks transferred to General Reserve	2256487	1520364
Closing Balance	51976595	45684073
Contingency Reserve (Opening)	2256487	1520364
Add: Contingency Reserve for Unexpired Risks transferred from P & L	0	2256487
Less: Transferred to General Reserve	2256487	1520364
Closing Balance	0	2256487
Catastrophe Reserve	0	0
Other Reserves - Investment Reserve (Opening)	8628	8628
Additions during the year	0	0
Closing Balance	8628	8628
Foreign Currency Translation Reserve (Opening)	63532	45279
Additions during the year	42936	18253
Closing Balance	106468	63532
Balance of Profit in Profit & Loss Account	0	0
Total	52105280	48026309

SCHEDULE - 7 - BORROWINGS

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
Debentures / Bonds	0	0
Banks	0	0
Financial Institutions	0	0
Others (to be specified)	0	0
Total	0	0

SCHEDULE - 8 - INVESTMENTS

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
INVESTMENTS		
LONG TERM INVESTMENTS		
Government securities and Government guaranteed bonds including Treasury Bills	54986438	47827033
Other Approved Securities	10475	10475
Other Investments		
(a) Shares		
(aa) Equity	68520628	59888936
(bb) Preference	5076	5076
(b) Mutual Funds	0	0

Particulars	Current Year	Previous Year
(c) Derivative Instruments	0	0
(d) Debentures and Bonds	22130974	24073828
(e) Other Securities	0	0
(f) Subsidiaries	762	762
(g) Investment Properties - Real Estates	0	0
	90657440	83968602
Investments in Infrastructure and Social Sector	49081375	40698851
Other than Approved Investments	7717434	7072801
SUB-TOTAL	202453162	179577762
SHORT TERM INVESTMENTS		
Government Securities and Government guaranteed bonds including Treasury Bills	1985000	2151461
Other Approved Securities		
Other Investments		
(a) Shares		
(aa) Equity	0	0
(bb) Preference	0	0
(b) Mutual Funds	1011195	758939
(c) Derivative Instruments	0	0
(d) Debentures and Bonds	1606736	1481935
(e) Other Securities - Commercial Papers	0	0
(f) Subsidiaries	0	0
(g) Investment Properties - Real Estates	0	0
	2617931	2240874
Investments in Infrastructure and Social Sector	1804954	3081261
Other than Approved Investments	426941	611435
SUB-TOTAL	6834826	8085031
TOTAL	209287988	187662793
NOTE :		
Aggregate amount of Company's Investment other than listed equity securities and derivative instruments.		
Book Value	129877581	118581873
Market Value	126771482	119734490

SCHEDULE - 9 - LOANS

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
LOANS		
SECURITY-WISE CLASSIFICATION		
Secured		
(a) On mortgage of Property		
(aa) In India	1870050	1823038
(bb) Outside India		
(b) On Shares, Bonds, Govt. Securities		
(c) On Others (Govt. Guaranteed Loans)	1211564	1326560
Unsecured	186616	187936
TOTAL	3268229	3337534
BORROWER-WISE CLASSIFICATION		
(a) Central and State Governments	1211564	1326560
(b) Banks and Financial Institutions	0	0
(c) Subsidiaries	0	0
(d) Industrial Undertakings	468343	470011
(e) Others-Loans to HUDCO	0	0
(f) Others-Employees Housing Loan	1588323	1540961
TOTAL	3268229	3337534

Particulars	Current Year	Previous Year
PERFORMANCE-WISE CLASSIFICATION		
(a) Loans classified as standard		
(aa) In India	3103990	3172575
(bb) Outside India		
(b) Non-performing loans		
(aa) In India*	164239	164959
(bb) Outside India		
TOTAL	3268229	3337534
MATURITY-WISE CLASSIFICATION		
(a) Short Term	111209	165648
(b) Long Term	3157020	3171885
TOTAL	3268229	3337534

Note: * Provision of ₹ 163239 (previous year ₹ 164959) against non-performing loans is grouped under Provision for Bad & Doubtful Debts in Schedule 14.

1) Provision against non-performing loans - ₹ 164239

2) Loans considered doubtful and loss assets are ₹ 164239 and amount of provision created against such loans ₹ 164239.

SCHEDULE - 10 - FIXED ASSETS

As on 31-03-2014 (₹ '000)

Particulars	COST / GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening	Additions/ Transfers	Deductions/ Transfers	Closing	Upto last year	For the year	On sales/ adjustments	To date	As at year end	Previous Year
Goodwill										
Intangibles	378150	51526	0	429676	315588	42667	0	358255	71421	62562
Land-Freehold	3694	0	0	3694	0	0	0	0	3694	3694
Land-Leasehold	2642	0	0	2642	717	62	0	779	1863	1925
Leasehold Properties	113871	0	0	113871	51965	1670	0	53635	60236	61906
Building	590936	17	0	590953	380538	11785	0	392323	198630	210398
Furniture & Fittings	290023	26674	1812	314885	246736	13525	1745	258516	56369	43287
Information Technology Equipment	1995189	125934	27959	2093164	1881880	135170	27037	1990013	103151	113309
Vehicles	616027	187175	101321	701881	209915	131621	62726	278810	423071	406112
Office Equipment	110035	11330	5794	115571	78532	6343	5213	79662	35909	31503
Others - Electrical Equipments	425392	35266	3960	456698	293956	24344	3685	314615	142083	131436
Other Assets	127961	12893	2995	137859	83802	7966	2617	89151	48708	44159
Total	4653920	450815	143841	4960894	3543628	375153	103023	3815759	1145135	1110292
Work-in-Progress	0	0	0	0	0	0	0	0	0	0
Grand Total	4653920	450815	143841	4960894	3543628	375153	103023	3815759	1145135	1110292
Previous Year	4318067	489561	153708	4653920	3283617	367441	107430	3543628	1110292	1034451

SCHEDULE - 11 - CASH AND BANK BALANCES

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
Cash (including cheques, drafts and stamps)	1651650	1130113
Bank Balances		
Deposits Accounts		
Short-term (due within 12 months)	8115816	7892359
Others		
Current Accounts	4978806	3649008
Others - Remittance in transit	113113	302276
Money at Call and Short Notice		
With Bank	0	0
With other Institutions	748759	349778
Total	15608144	13323534
Balances with non-scheduled banks included in Bank Balances	35947	45642

SCHEDULE - 12 - ADVANCES AND OTHER ASSETS

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
ADVANCES		
Reserve Deposits with ceding companies	5161308	4285643
Application money for investments	0	0
Prepayments	55281	71233
Advances to Directors/Officers	442	465
Advance tax paid and Taxes deducted at Source (Net of provision for taxation)	231194	823881
Others	0	0
Staff Advances and Loans (₹ 1287 considered doubtful)	321705	257893
TOTAL (A)	5769930	5439115
OTHER ASSETS		
Income accrued on investments	5204603	4809396
Outstanding Premiums (₹ 228 considered doubtful)	544473	521117
Agents' Balances (₹ 552 considered doubtful)	6271	934
Due from other entities carrying on insurance business (including reinsurers) (₹ 766897 considered doubtful)	10019547	11458760
Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938)	123844	124483
Others		
Deposits, Advances & Other Accounts (₹ 26359 considered doubtful)	5766003	5461055
Inter Office Adjustments (Net)	0	0
TOTAL (B)	21664741	22375745
TOTAL (A + B)	27434671	27814860

SCHEDULE - 13 - CURRENT LIABILITIES

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
Agents' Balances	1332888	1026861
Balances due to other insurance companies	9840587	6743111
Deposits held on re-insurance ceded	86774	130763
Premiums received in advance	857492	869160
Unallocated Premium	0	0
Sundry Creditors	12849705	12523935
Due to subsidiaries / holding companies	0	0
Claims Outstanding	84130267	82426675
Due to Officers/Directors	0	0
Others		
Former Shareholders' Fund	1330	1330
Inter Office Adjustments (Net)	0	0
Excess Collection / Refund Premium/ST Refundable not refunded	352376	291343
Cheques issued but not encashed by Insured/Policyholder	1122065	985393
TOTAL	110573484	104998571

SCHEDULE - 14 - PROVISIONS

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
Reserve for Unexpired Risk	42110884	35229962
For proposed dividends	1060000	1060000
For dividend distribution tax	180005	180005
Provision for diminution in value of other than actively traded equities	766640	753854
For Leave Encashment	2070000	1950000
Provision for Employee Short term benefits	67500	67500
For Wage Arrears	1572500	560000
For Loans, Investments and Other Assets	1815039	1452974
TOTAL	49642568	41254295

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

As on 31-03-2014 (₹ '000)

Particulars	Current Year	Previous Year
Discount allowed in issue of shares/debentures	0	0
Others (to be specified)	0	0
TOTAL	0	0



UNITED INDIA INSURANCE COMPANY LIMITED
Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
SEGMENTAL REPORT - BREAK-UP FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Fire	
	Current Year	Previous Year
PREMIUM FROM		
Direct Business	11897358	11207643
Add: Reinsurance accepted	918648	1284134
Less: Reinsurance ceded	4405652	4538937
Net Premium	8410354	7952840
Adjustment for change in reserve for unexpired risks	-321689	-605092
PREMIUM EARNED (NET)	8088665	7347748
CLAIMS PAID		
Direct Business	7137310	4743263
Add: Reinsurance accepted	702125	900783
Less: Reinsurance ceded	2306966	1714596
Net Claims paid	5532469	3929450
Add: Claims Outstanding at the end of the year - Direct	17038935	12156864
Add: Claims Outstanding at the end of the year - RI Accepted	798599	846734
Less: Claims Outstanding at the end of the year - RI Ceded	11012182	6470060
Add: Claims Outstanding at the end of the year - Net	6825352	6533538
Less: Outstanding claims at the beginning of the year - Direct	12156864	9857792
Less: Claims Outstanding at the beginning of the year - RI Accepted	846734	587608
Add: Claims Outstanding at the beginning of the year - RI Ceded	6470060	5497535
Less: Claims Outstanding at the beginning of the year - Net	6533538	4947865
Claims Incurred (Net)	5824283	5515123
COMMISSION		
Direct Business	798959	645602
TOTAL (A)	798959	645602
Add: Commission on Reinsurance Accepted	141514	183026
Less: Commission on Reinsurance Ceded	654773	584625
COMMISSION (NET)	285700	244003
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:		
Agents	384583	371223
Brokers	281046	153546
Corporate Agency	133330	120833
Referral	0	0
TOTAL (B)	798959	645602

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Marine Cargo		Marine Hull		Marine Total		Misc. Total	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
3070473	3213020	2802336	2802042	5872809	6015062	79319166	75437671
25340	13251	213276	135507	238616	148758	1774847	2484325
635375	714530	2364269	2423463	2999644	3137993	9702234	14009913
2460438	2511741	651343	514086	3111781	3025827	71391779	63912083
25651	-78976	-137257	-98085	-111606	-177061	-6447628	-1599159
2486089	2432765	514086	416001	3000175	2848766	64944151	62312924
1917667	1821863	3869712	531505	5787379	2353368	55473724	47544116
9096	19766	151257	69025	160353	88791	4196306	10723185
272601	487738	3480838	439710	3753439	927448	6326602	17684042
1654162	1353891	540131	160820	2194293	1514711	53343428	40583259
3444396	3373901	3993458	6159281	7437854	9533182	87035673	80446117
35330	41120	344614	348081	379944	389201	1373053	1140147
1207242	1418015	3346905	5196595	4554147	6614610	14367464	9000900
2272484	1997006	991167	1310767	3263651	3307773	74041262	72585364
3373901	3731779	6159281	3110545	9533182	6842324	80446117	77991969
41120	30106	348081	357837	389201	387943	1140147	970749
1418016	1895744	5196595	2686854	6614611	4582598	9000900	19453323
1997005	1866141	1310767	781528	3307772	2647669	72585364	59509395
1929641	1484756	220531	690059	2150172	2174815	54799326	53659228
378368	460192	31406	38098	409774	498290	4806088	4108135
378368	460192	31406	38098	409774	498290	4806088	4108135
6541	3883	45434	27592	51975	31475	312835	365477
34513	61505	142180	157010	176693	218515	1301340	1948071
350396	402570	-65340	-91320	285056	311250	3817583	2525541
219331	212051	12854	17578	232185	229629	3123877	2882721
157862	246892	17432	19130	175294	266022	1361125	964017
1175	1252	1120	1390	2295	2642	321086	265535
0	-3	0	0	0	-3	0	-4138
378368	460192	31406	38098	409774	498290	4806088	4108135

Milind Kharat
 Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

SEGMENTAL REPORT - BREAK-UP FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Motor OD	
	Current Year	Previous Year
PREMIUM FROM		
Direct Business	15965997	15832040
Add: Reinsurance accepted	0	0
Less: Reinsurance ceded	801142	1583189
Net Premium	15164855	14248851
Adjustment for change in reserve for unexpired risks	-458002	-814982
PREMIUM EARNED (NET)	14706853	13433869
CLAIMS PAID		
Direct Business	7899264	6584726
Add: Reinsurance accepted	0	0
Less: Reinsurance ceded	649269	661193
Net Claims paid	7249995	5923533
Add: Claims Outstanding at the end of the year - Direct	3107542	3525946
Add: Claims Outstanding at the end of the year - RI Accepted	4754	4754
Less: Claims Outstanding at the end of the year - RI Ceded	238390	332745
Add: Claims Outstanding at the end of the year - Net	2873906	3197955
Less: Outstanding claims at the beginning of the year - Direct	3525946	2805995
Less: Claims Outstanding at the beginning of the year - RI Accepted	4754	4754
Add: Claims Outstanding at the beginning of the year - RI Ceded	332745	267095
Less: Claims Outstanding at the beginning of the year - Net	3197955	2543654
Claims Incurred (Net)	6925946	6577834
COMMISSION		
Direct Business	1434117	1431700
TOTAL (A)	1434117	1431700
Add: Commission on Reinsurance Accepted	0	0
Less: Commission on Reinsurance Ceded	120171	237478
COMMISSION (NET)	1313946	1194222
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:		
Agents	1243197	1235716
Brokers	117774	132661
Corporate Agency	73146	64839
Referral	0	-1516
TOTAL (B)	1434117	1431700

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Motor TP		Motor DR Pool		Motor TP Pool		Motor Total		WC/Emp. Liab.	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
20342063	17376915	790394	689758	0	0	37098454	33898713	894576	875311
2977	7979	0	0	0	763135	2977	771114	0	0
1069218	1760467	632316	551807	0	0	2502676	3895463	44793	87531
19275822	15624427	158078	137951	0	763135	34598755	30774364	849783	787780
-1825698	-5252254	-10064	-68976	0	4273785	-2293764	-1862427	-31001	-28039
17450124	10372173	148014	68975	0	5036920	32304991	28911937	818782	759741
7989823	6614523	84243	1251	6105411	4578126	22078741	17778626	176755	157369
9680	13818	0	0	2994127	10046726	3003807	10060544	0	0
1098752	1061641	67395	1001	0	10946732	1815416	12670567	18369	17381
6900751	5566700	16848	250	9099538	3678120	23267132	15168603	158386	139988
30877883	24228580	3022827	998899	32962718	38558129	69970970	67311554	333426	460912
1134	1364	0	0	0	0	5888	6118	0	0
4162644	3652872	2418261	799119	0	0	6819295	4784736	25685	24718
26716373	20577072	604566	199780	32962718	38558129	63157563	62532936	307741	436194
24228580	20570183	998899	0	38558129	43136255	67311554	66512433	460912	321896
1364	1316	0	0	0	0	6118	6070	0	0
3652872	3781826	799119	0	0	10946732	4784736	14995653	24718	25511
20577072	16789673	199780	0	38558129	32189523	62532936	51522850	436194	296385
13040052	9354099	421634	200030	3504127	10046725	23891759	26178689	29933	279797
405	-514	0	0	0	1	1434522	1431187	86313	84358
405	-514	0	0	0	1	1434522	1431187	86313	84358
1116	2744	0	0	1	5172	1117	7916	0	0
50919	260653	0	0	0	0	171090	498131	6719	13130
-49398	-258423	0	0	1	5173	1264549	940972	79594	71228
405	-109	0	0	0	1	1243602	1235607	74079	72898
0	-405	0	0	0	0	117774	132256	11681	11047
0	0	0	0	0	0	73146	64839	553	413
0	0	0	0	0	0	0	-1516	0	0
405	-514	0	0	0	1	1434522	1431187	86313	84358



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

SEGMENTAL REPORT - BREAK-UP FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Personal Accident	
	Current Year	Previous Year
PREMIUM FROM		
Direct Business	2085250	1909325
Add: Reinsurance accepted	11040	13893
Less: Reinsurance ceded	413577	457085
Net Premium	1682713	1466133
Adjustment for change in reserve for unexpired risks	-108290	-11593
PREMIUM EARNED (NET)	1574423	1454540
CLAIMS PAID		
Direct Business	1207369	1066820
Add: Reinsurance accepted	9174	13600
Less: Reinsurance ceded	266482	272130
Net Claims paid	950061	808290
Add: Claims Outstanding at the end of the year - Direct	962587	903666
Add: Claims Outstanding at the end of the year - RI Accepted	1437	12555
Less: Claims Outstanding at the end of the year - RI Ceded	183991	177968
Add: Claims Outstanding at the end of the year - Net	780033	738253
Less: Outstanding claims at the beginning of the year - Direct	903666	750249
Less: Claims Outstanding at the beginning of the year - RI Accepted	12555	4177
Add: Claims Outstanding at the beginning of the year - RI Ceded	177968	190735
Less: Claims Outstanding at the beginning of the year - Net	738253	563691
Claims Incurred (Net)	991841	982852
COMMISSION		
Direct Business	257560	221498
TOTAL (A)	257560	221498
Add: Commission on Reinsurance Accepted	3312	4168
Less: Commission on Reinsurance Ceded	115352	111933
COMMISSION (NET)	145520	113733
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:		
Agents	157116	143688
Brokers	67427	48842
Corporate Agency	33017	28919
Referral	0	49
TOTAL (B)	257560	221498

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Aviation		Engineering		Other Misc.		Liability		Health & Hosp.	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
684218	639470	5710180	5637459	5566449	5448219	680629	601084	26599410	26428090
38672	62535	630992	457033	1073932	1161198	17234	18552	0	0
682075	615696	2843366	2879107	955814	1207999	139179	110946	2120754	4756086
40815	86309	3497806	3215385	5684567	5401418	558684	508690	24478656	21672004
22747	-9058	-142273	190810	-141574	136938	-24997	-27745	-3728476	11955
63562	77251	3355533	3406195	5542993	5538356	533687	480945	20750180	21683959
94498	130627	2510914	1457027	2446723	2002064	360100	144265	26598624	24807318
16157	39567	259620	8634	907478	589993	70	10847	0	0
44648	115718	1110396	476511	108580	362284	114535	28485	2848176	3740966
66007	54476	1660138	989150	3245621	2229773	245635	126627	23750448	21066352
209449	203419	8377830	4637671	3148378	2495748	711135	751406	3321898	3681741
65329	46632	640719	527533	638279	538844	21401	8465	0	0
141486	145692	5704234	2449349	1223313	787290	114874	157360	154586	473787
133292	104359	3314315	2715855	2563344	2247302	617662	602511	3167312	3207954
203419	160613	4637671	4836545	2495748	2026526	751406	417442	3681741	2966265
46632	89401	527533	523085	538844	316066	8465	31950	0	0
145692	143121	2449349	3034787	787290	713789	157360	108832	473787	240895
104359	106893	2715855	2324843	2247302	1628803	602511	340560	3207954	2725370
94940	51942	2258598	1380162	3561663	2848272	260786	388578	23709806	21548936
13028	12895	368049	328669	671065	636808	85909	74544	1889642	1318177
13028	12895	368049	328669	671065	636808	85909	74544	1889642	1318177
5893	7160	143465	120907	157325	223477	1723	1849	0	0
38736	26872	481406	629381	247400	197410	7756	6500	232881	464715
-19815	-6817	30108	-179805	580990	662875	79876	69893	1656761	853462
3181	2581	127710	124463	418027	416310	42959	38920	1057203	848254
9835	10255	237381	201378	113332	106228	38496	33230	765199	420782
12	59	2958	3301	139706	116508	4358	2401	67336	49095
0	0	0	-473	0	-2238	96	-7	-96	46
13028	12895	368049	328669	671065	636808	85909	74544	1889642	1318177

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

(₹ '000)

Particulars	Fire	
	Current Year	Previous Year
PREMIUM FROM		
Direct Business	11897358	11207643
Direct - In India	11897358	11207643
Add: Reinsurance Accepted	918648	1284134
Add: Reinsurance Accepted - In India	739409	989612
Add: Reinsurance Accepted - Outside India	179239	294522
Less: Reinsurance Ceded	4405652	4538937
Less: Reinsurance Ceded - In India	2547122	2940989
Less: Reinsurance Ceded - Outside India	1858530	1597948
Net Premium	8410354	7952840
Net Premium - In India	10089645	9256266
Net Premium - Outside India	-1679291	-1303426
Adjustment for change in reserve for unexpired risks	-321689	-605092
Premium Earned (Net)	8088665	7347748

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Marine Cargo		Marine Hull		Marine Total	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
3070473	3213020	2802336	2802042	5872809	6015062
3070473	3213020	2802336	2802042	5872809	6015062
25340	13251	213276	135507	238616	148758
17153	985	131540	90226	148693	91211
8187	12266	81736	45281	89923	57547
635375	714530	2364269	2423463	2999644	3137993
259700	349006	-124604	61292	135096	410298
375675	365524	2488873	2362171	2864548	2727695
2460438	2511741	651343	514086	3111781	3025827
2827926	2864999	3058480	2830976	5886406	5695975
-367488	-353258	-2407137	-2316890	-2774625	-2670148
25651	-78976	-137257	-98085	-111606	-177061
2486089	2432765	514086	416001	3000175	2848766

Milind Kharat
 Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

(₹ '000)

Particulars	Motor OD	
	Current Year	Previous Year
PREMIUM FROM		
Direct Business	15965997	15832040
Direct - In India	15965997	15832040
Add: Reinsurance Accepted	0	0
Add: Reinsurance Accepted - In India	0	0
Add: Reinsurance Accepted - Outside India	0	0
Less: Reinsurance Ceded	801142	1583189
Less: Reinsurance Ceded - In India	801142	1583189
Less: Reinsurance Ceded - Outside India	0	0
Net Premium	15164855	14248851
Net Premium - In India	15164855	14248851
Net Premium - Outside India	0	0
Adjustment for change in reserve for unexpired risks	-458002	-814982
Premium Earned (Net)	14706853	13433869

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Motor TP		Motor DR Pool		Motor TP Pool		Motor Total	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
20342063	17376915	790394	689758	0	0	37098454	33898713
20342063	17376915	790394	689758	0	0	37098454	33898713
2977	7979	0	0	0	763135	2977	771114
0	0	0	0	0	763135	0	763135
2977	7979	0	0	0	0	2977	7979
1069218	1760467	632316	551807	0	0	2502676	3895463
1042053	1749078	632316	551807	0	0	2475511	3884074
27165	11389	0	0	0	0	27165	11389
19275822	15624427	158078	137951	0	763135	34598755	30774364
19300011	15627837	158078	137951	0	763135	34622944	30777774
-24189	-3410	0	0	0	0	-24189	-3410
-1825698	-5252254	-10064	-68976	0	4273785	-2293764	-1862427
17450124	10372173	148014	68975	0	5036920	32304991	28911937

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

(₹ '000)

Particulars	Workmen Comp.	
	Current Year	Previous Year
PREMIUM FROM		
Direct Business	894576	875311
Direct - In India	894576	875311
Add: Reinsurance Accepted	0	0
Add: Reinsurance Accepted - In India	0	0
Add: Reinsurance Accepted - Outside India	0	0
Less: Reinsurance Ceded	44793	87531
Less: Reinsurance Ceded - In India	44793	87531
Less: Reinsurance Ceded - Outside India	0	0
Net Premium	849783	787780
Net Premium - In India	849783	787780
Net Premium - Outside India	0	0
Adjustment for change in reserve for unexpired risks	-31001	-28039
Premium Earned (Net)	818782	759741

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Personal Accident		Aviation		Engineering	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
2085250	1909325	684218	639470	5710180	5637459
2085250	1909325	684218	639470	5710180	5637459
11040	13893	38672	62535	630992	457033
11040	13893	18811	35971	620697	439286
0	0	19861	26564	10295	17747
413577	457085	682075	615696	2843366	2879107
343394	377024	520092	486193	1826693	1981221
70183	80061	161983	129503	1016673	897886
1682713	1466133	40815	86309	3497806	3215385
1752896	1546194	182937	189249	4504185	4095523
-70183	-80061	-142122	-102940	-1006379	-880138
-108290	-11593	22747	-9058	-142273	190810
1574423	1454540	63562	77251	3355533	3406195

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

(₹ '000)

Particulars	Other Misc.	
	Current Year	Previous Year
PREMIUM FROM		
Direct Business	5566449	5448219
Direct - In India	5566449	5448219
Add: Reinsurance Accepted	1073932	1161198
Add: Reinsurance Accepted - In India	1001281	1049441
Add: Reinsurance Accepted - Outside India	72651	111757
Less: Reinsurance Ceded	955814	1207999
Less: Reinsurance Ceded - In India	533094	1006602
Less: Reinsurance Ceded - Outside India	422720	201397
Net Premium	5684567	5401418
Net Premium - In India	6034637	5491059
Net Premium - Outside India	-350070	-89641
Adjustment for change in reserve for unexpired risks	-141574	136938
Premium Earned (Net)	5542993	5538356

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Liability		Health & Hosp.		Total Misc.	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
680629	601084	26599410	26428090	79319166	75437671
680629	601084	26599410	26428090	79319166	75437671
17234	18552	0	0	1774847	2484325
17234	18552	0	0	1669064	2320278
0	0	0	0	105783	164047
139179	110946	2120754	4756086	9702234	14009913
112389	103251	1364735	2663680	7220701	10589576
26790	7695	756019	2092406	2481533	3420337
558684	508690	24478656	21672004	71391779	63912083
585474	516385	25234675	23764410	73767528	67168373
-26790	-7695	-756019	-2092406	-2375749	-3256290
-24997	-27745	-3728476	11955	-6447628	-1599159
533687	480945	20750180	21683959	64944151	62312924

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

Particulars	Fire	
	Current Year	Previous Year
CLAIMS PAID		
Direct Business	7137310	4743263
Direct - In India	7137310	4743263
Direct - Outside India	0	0
Add: Reinsurance Accepted	702125	900783
Add: Reinsurance Accepted - In India	320496	613896
Add: Reinsurance Accepted - Outside India	381629	286887
Less: Reinsurance Ceded	2306966	1714596
Less: Reinsurance Ceded - In India	1529276	1015693
Less: Reinsurance Ceded - Outside India	777690	698903
Net Claims paid	5532469	3929450
Net Claims paid - In India	5928531	4341465
Net Claims paid - Outside India	-396062	-412015
Add: Claims Outstanding at the end of the year	6825352	6533538
Add: Claims Outstanding Closing - Direct - In India	17038935	12156864
Add: Claims Outstanding Closing - Direct - Outside India	0	0
Add: Claims Outstanding at the end of the year - Direct	17038935	12156864
Add: Claims Outstanding Closing - RI Accepted - In India	507040	440298
Add: Claims Outstanding Closing - RI Accepted - Outside India	291559	406436
Add: Claims Outstanding at the end of the year - RI Accepted	798599	846734
Less: Claims Outstanding Closing - RI Ceded - In India	7208842	4685607
Less: Claims Outstanding Closing - RI Ceded - Outside India	3803340	1784453
Less: Claims outstanding at the end of the year - RI Ceded	11012182	6470060
Add: Claims Outstanding at the end of the year - Net	6825352	6533538
Less: Claims Outstanding at the beginning	6533538	4947865
Less: Claims Outstanding Opening - Direct - In India	12156864	9857792
Less: Claims Outstanding Opening - Direct - Outside India	0	0
Less: Outstanding claims at the beginning of the year - Direct	12156864	9857792
Less: Claims Outstanding Opening - RI Accepted - In India	440298	389906
Less: Claims Outstanding Opening - RI Accepted - Outside India	406436	197702
Less: Claims Outstanding at the beginning of the year - RI Accepted	846734	587608
Add: Claims Outstanding Opening - RI Ceded - In India	4685607	3818734
Add: Claims Outstanding Opening - RI Ceded - Outside India	1784453	1678801
Add: Claims Outstanding at the beginning of the year - RI Ceded	6470060	5497535
Less: Claims Outstanding at the beginning of the year - Net	6533538	4947865
Claims Incurred (Net)	5824283	5515123

(₹ '000)

Marine Cargo		Marine Hull		Marine Tool	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1917667	1821863	3869712	531505	5787379	2353368
1917667	1821863	3869712	531505	5787379	2353368
0	0	0	0	0	0
9096	19766	151257	69025	160353	88791
1096	13364	92286	44698	93382	58062
8000	6402	58971	24327	66971	30729
272601	487738	3480838	439710	3753439	927448
189557	308530	-1882203	288792	-1692646	597322
83044	179208	5363041	150918	5446085	330126
1654162	1353890	540131	160820	2194293	1514711
1729205	1526697	5844202	287411	7573407	1814108
-75043	-172807	-5304071	-126591	-5379114	-299397
2272485	1997006	991167	1310768	3263652	3307774
3444396	3373901	3993458	6159281	7437854	9533182
0	0	0	0	0	0
3444396	3373901	3993458	6159281	7437854	9533182
25131	32288	252125	299291	277256	331579
10199	8832	92489	48790	102688	57622
35330	41120	344614	348081	379944	389201
-5536	118958	939844	1088144	934308	1207102
1212778	1299057	2407061	4108451	3619839	5407508
1207242	1418015	3346905	5196595	4554147	6614610
2272484	1997006	991167	1310767	3263651	3307773
1997005	1866141	1310767	781528	3307772	2647669
3373901	3731779	6159281	3110545	9533182	6842324
0	0	0	0	0	0
3373901	3731779	6159281	3110545	9533182	6842324
32288	21736	299291	345917	331579	367653
8832	8370	48790	11920	57622	20290
41120	30106	348081	357837	389201	387943
118958	308779	1088144	634303	1207102	943082
1299058	1586965	4108451	2052551	5407509	3639516
1418016	1895744	5196595	2686854	6614611	4582598
1997005	1866141	1310767	781528	3307772	2647669
1929641	1484756	220531	690059	2150172	2174815

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

Particulars	Motor OD	
	Current Year	Previous Year
CLAIMS PAID		
Direct Business	7899264	6584726
Direct - In India	7899264	6584726
Direct - Outside India	0	0
Add: Reinsurance Accepted	0	0
Add: Reinsurance Accepted - In India	0	0
Add: Reinsurance Accepted - Outside India	0	0
Less: Reinsurance Ceded	649269	661193
Less: Reinsurance Ceded - In India	649269	661193
Less: Reinsurance Ceded - Outside India	0	0
Net Claims paid	7249995	5923533
Net Claims paid - In India	7249995	5923533
Net Claims paid - Outside India	0	0
Add: Claims Outstanding at the end of the year	2873906	3197955
Add: Claims Outstanding Closing - Direct - In India	3107542	3525946
Add: Claims Outstanding Closing - Direct - Outside India	0	0
Add: Claims Outstanding at the end of the year - Direct	3107542	3525946
Add: Claims Outstanding Closing - RI Accepted - In India	4754	4754
Add: Claims Outstanding Closing - RI Accepted - Outside India	0	0
Add: Claims Outstanding at the end of the year - RI Accepted	4754	4754
Less: Claims Outstanding Closing - RI Ceded - In India	238390	332745
Less: Claims Outstanding Closing - RI Ceded - Outside India	0	0
Less: Claims Outstanding at the end of the year - RI Ceded	238390	332745
Add: Claims Outstanding at the end of the Year - Net	2873906	3197955
Less: Claims Outstanding at the beginning	3197955	2543654
Less: Claims Outstanding Opening - Direct - In India	3525946	2805995
Less: Claims Outstanding Opening - Direct - Outside India	0	0
Less: Outstanding claims at the beginning of the year - Direct	3525946	2805995
Less: Claims Outstanding Opening - RI Accepted - In India	4754	4754
Less: Claims Outstanding Opening - RI Accepted - Outside India	0	0
Less: Claims Outstanding at the beginning of the year - RI Accepted	4754	4754
Add: Claims Outstanding Opening - RI Ceded - In India	332745	267095
Add: Claims Outstanding Opening - RI Ceded - Outside India	0	0
Add: Claims Outstanding at the beginning of the year - RI Ceded	332745	267095
Less: Claims Outstanding at the beginning of the year - Net	3197955	2543654
Claims Incurred (Net)	6925946	6577834

(₹ '000)

Motor TP		Motor DR Pool		Motor TP Pool		Motor Total	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
7989823	6614523	84243	1251	6105411	4578126	22078741	17778626
7989520	6614781	84243	1251	6105411	4578126	22078438	17778884
303	-258	0	0	0	0	303	-258
9680	13818	0	0	2994127	10046726	3003807	10060544
9680	13818	0	0	2994127	10046726	3003807	10060544
0	0	0	0	0	0	0	0
1098752	1061641	67395	1001	0	10946732	1815416	12670567
1098752	1061191	67395	1001	0	10946732	1815416	12670117
0	450	0	0	0	0	0	450
6900751	5566700	16848	250	9099538	3678120	23267132	15168603
6900448	5567408	16848	250	9099538	3678120	23266830	15169311
303	-708	0	0	0	0	302	-708
26716374	20577072	604565	199780	32962718	38558129	63157563	62532936
30866273	24217396	3022827	998899	32962718	38558129	69959360	67300370
11610	11184	0	0	0	0	11610	11184
30877883	24228580	3022827	998899	32962718	38558129	69970970	67311554
1034	1264	0	0	0	0	5788	6018
100	100	0	0	0	0	100	100
1134	1364	0	0	0	0	5888	6118
4161161	3651389	2418261	799119	0	0	6817812	4783253
1483	1483	0	0	0	0	1483	1483
4162644	3652872	2418261	799119	0	0	6819295	4784736
26716373	20577072	604566	199780	32962718	38558129	63157563	62532936
20577072	16789673	199780	0	38558129	32189523	62532936	51522850
24217396	20559703	998899	0	38558129	43136255	67300370	66501953
11184	10480	0	0	0	0	11184	10480
24228580	20570183	998899	0	38558129	43136255	67311554	66512433
0	0	0	0	0	0	4754	4754
1364	1316	0	0	0	0	1364	1316
1364	1316	0	0	0	0	6118	6070
3651389	3780343	799119	0	0	10946732	4783253	14994170
1483	1483	0	0	0	0	1483	1483
3652872	3781826	799119	0	0	10946732	4784736	14995653
20577072	16789673	199780	0	38558129	32189523	62532936	51522850
13040052	9354099	421634	200030	3504127	10046725	23891759	26178689

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31ST MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

Particulars	Workmen Comp.	
	Current Year	Previous Year
CLAIMS PAID		
Direct Business	176755	157369
Direct - In India	177326	156191
Direct - Outside India	-571	1178
Add: Reinsurance Accepted	0	0
Add: Reinsurance Accepted - In India	0	0
Add: Reinsurance Accepted - Outside India	0	0
Less: Reinsurance Ceded	18369	17381
Less: Reinsurance Ceded - In India	18369	17381
Less: Reinsurance Ceded - Outside India	0	0
Net Claims paid	158386	139988
Net Claims paid - In India	158957	138810
Net Claims paid - Outside India	-571	1178
Add: Claims Outstanding at the end of the year	307741	436194
Add: Claims Outstanding Closing - Direct - In India	323674	453922
Add: Claims Outstanding Closing - Direct - Outside India	9752	6990
Add: Claims Outstanding at the end of the year - Direct	333426	460912
Add: Claims Outstanding Closing - RI Accepted - In India	0	0
Add: Claims Outstanding Closing - RI Accepted - Outside India	0	0
Add: Claims Outstanding at the end of the year - RI Accepted	0	0
Less: Claims Outstanding Closing - RI Ceded - In India	25685	24718
Less: Claims Outstanding Closing - RI Ceded - Outside India	0	0
Less: Claims Outstanding at the end of the year - RI Ceded	25685	24718
Add: Claims Outstanding at the end of the Year - Net	307741	436194
Less: Claims Outstanding at the beginning	436194	296385
Less: Claims Outstanding Opening - Direct - In India	453922	308796
Less: Claims Outstanding Opening - Direct - Outside India	6990	13100
Less: Outstanding claims at the beginning of the year - Direct	460912	321896
Less: Claims Outstanding Opening - RI Accepted - In India	0	0
Less: Claims Outstanding Opening - RI Accepted - Outside India	0	0
Less: Claims Outstanding at the beginning of the year - RI Accepted	0	0
Add: Claims Outstanding Opening - RI Ceded - In India	24718	25511
Add: Claims Outstanding Opening - RI Ceded - Outside India	0	0
Add: Claims Outstanding at the beginning of the year - RI Ceded	24718	25511
Less: Claims Outstanding at the beginning of the year - Net	436194	296385
Claims Incurred (Net)	29933	279797

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Personal Accident		Aviation		Engineering	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1207369	1066820	94498	130627	2510914	1457027
1207369	1066820	94498	130627	2510914	1457027
0	0	0	0	0	0
9174	13600	16157	39567	259620	8634
9174	13600	10782	30494	248577	-1809
0	0	5375	9073	11043	10443
266482	272130	44648	115718	1110396	476511
225945	200377	41001	94279	782550	368296
40537	71753	3647	21439	327846	108215
950061	808290	66007	54476	1660138	989150
990598	880043	64280	66842	1976941	1086921
-40537	-71753	1727	-12366	-316803	-97771
780033	738252	133292	104359	3314314	2715854
962586	903666	209449	203419	8377830	4637671
0	0	0	0	0	0
962586	903666	209449	203419	8377830	4637671
1437	12555	49327	25931	628968	517703
0	0	16002	20701	11751	9830
1437	12555	65329	46632	640719	527533
155594	146066	109061	113163	3473110	1799449
28397	31902	32425	32529	2231124	649900
183991	177968	141486	145692	5704234	2449349
780033	738253	133292	104359	3314315	2715855
738253	563691	104359	106893	2715855	2324843
903666	750249	203419	160613	4637671	4836545
0	0	0	0	0	0
903666	750249	203419	160613	4637671	4836545
12555	4177	25931	70877	517703	496174
0	0	20701	18524	9830	26911
12555	4177	46632	89401	527533	523085
146066	125064	113163	103081	1799449	1659394
31902	65671	32529	40040	649900	1375393
177968	190735	145692	143121	2449349	3034787
738252	563691	104359	106893	2715855	2324843
991841	982852	94940	51942	2258598	1380162

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA**

Particulars	Other Misc.	
	Current Year	Previous Year
CLAIMS PAID		
Direct Business	2446723	2002064
Direct - In India	2446723	2002064
Direct - Outside India	0	0
Add: Reinsurance Accepted	907478	589993
Add: Reinsurance Accepted - In India	708057	523671
Add: Reinsurance Accepted - Outside India	199421	66322
Less: Reinsurance Ceded	108580	362284
Less: Reinsurance Ceded - In India	-688779	352058
Less: Reinsurance Ceded - Outside India	797359	10226
Net Claims Paid	3245621	2229773
Net Claims Paid - In India	3843559	2173678
Net Claims Paid - Outside India	-597938	56095
Add: Claims Outstanding at the end of the year	2563344	2247302
Add: Claims Outstanding Closing - Direct - In India	3148378	2495748
Add: Claims Outstanding Closing - Direct - Outside India	0	0
Add: Claims Outstanding at the end of the year - Direct	3148378	2495748
Add: Claims Outstanding Closing - RI Accepted - In India	375673	254590
Add: Claims Outstanding Closing - RI Accepted - Outside India	262606	284254
Add: Claims Outstanding at the end of the year - RI Accepted	638279	538844
Less: Claims Outstanding Closing - RI Ceded - In India	799862	677377
Less: Claims Outstanding Closing - RI Ceded - Outside India	423451	109913
Less: Claims Outstanding at the end of the year - RI Ceded	1223313	787290
Add: Claims Outstanding at the end of the year - Net	2563344	2247302
Less: Claims Outstanding at the beginning	2247302	1628803
Less: Claims Outstanding Opening - Direct - In India	2495748	2026526
Less: Claims Outstanding Opening - Direct - Outside India	0	0
Less: Outstanding claims at the beginning of the year - Direct	2495748	2026526
Less: Claims Outstanding Opening - RI Accepted - In India	254590	195190
Less: Claims Outstanding Opening - RI Accepted - Outside India	284254	120876
Less: Claims Outstanding at the beginning of the year - RI Accepted	538844	316066
Add: Claims Outstanding Opening - RI Ceded - In India	677377	599230
Add: Claims Outstanding Opening - RI Ceded - Outside India	109913	114559
Add: Claims Outstanding at the beginning of the year - RI Ceded	787290	713789
Less: Claims Outstanding at the beginning of the year - Net	2247302	1628803
Claims Incurred (Net)	3561663	2848272

(₹ '000)

Liability		Health & Hosp.		Total Misc.	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
360100	144265	26598624	24807318	55473724	47544116
360100	144265	26598624	24807318	55473992	47543196
0	0	0	0	-268	920
70	10847	0	0	4196306	10723185
70	10847	0	0	3980467	10637347
0	0	0	0	215839	85838
114535	28485	2848176	3740966	6326602	17684042
114535	28485	2006238	2090066	4315275	15821059
0	0	841938	1650900	2011327	1862983
245635	126627	23750448	21066352	53343428	40583259
245635	126627	24592386	22717251	55139183	42359483
0	0	-841938	-1650899	-1795755	-1776224
617662	602510	3167312	3207954	74041262	72585363
711135	751406	3321898	3681741	87014309	80427942
0	0	0	0	21364	18175
711135	751406	3321898	3681741	87035673	80446117
21401	8465	0	0	1082595	825263
0	0	0	0	290458	314884
21401	8465	0	0	1373053	1140147
114874	157360	154586	464645	11650583	8166031
0	0	0	9142	2716881	834869
114874	157360	154586	473787	14367464	9000900
617662	602511	3167312	3207954	74041262	72585364
602511	340560	3207954	2725370	72585364	59509395
751406	417442	3681741	2966265	80427942	77968390
0	0	0	0	18175	23579
751406	417442	3681741	2966265	80446117	77991969
8465	31950	0	0	823999	803122
0	0	0	0	316148	167627
8465	31950	0	0	1140147	970749
157360	108832	464645	240895	8166031	17856176
0	0	9142	0	834869	1597147
157360	108832	473787	240895	9000900	19453323
602511	340560	3207954	2725370	72585364	59509395
260786	388578	23709806	21548936	54799326	53659228

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA

(₹ '000)

Particulars	Fire	
	Current Year	Previous Year
COMMISSION		
Direct Business	798959	645602
TOTAL (A)	798959	645602
Add: Commission on Reinsurance Accepted	141514	183026
Add: Commission on Reinsurance Accepted - In India	79589	89120
Add: Commission on Reinsurance Accepted -Outside India	61925	93906
Less: Commission on Reinsurance Ceded	654773	584625
Less: Commission on Reinsurance Ceded - In India	477631	442540
Less: Commission on Reinsurance Ceded - Outside India	177142	142085
Commission (Net)	285700	244003
Commission (Net) - In India	400917	292183
Commission (Net) - Outside India	115217	-48180
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:		
Agents - In India	384583	371223
Agents	384583	371223
Brokers	281046	153546
Corporate Agency	133330	120833
Referral	0	0
TOTAL (B)	798959	645602

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Marine Cargo		Marine Hull		Marine Total	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
378368	460192	31406	38098	409774	498290
378368	460192	31406	38098	409774	498290
6541	3883	45434	27592	51975	31475
3829	60	22397	16735	26226	16795
2712	3823	23037	10857	25749	14680
34513	61505	142180	157010	176693	218515
22704	44373	47400	58946	70104	103319
11809	17132	94780	98064	106589	115196
350396	402570	-65340	-91320	285056	311250
359493	415879	6403	-4113	365896	411766
-9097	-13309	-71743	-87207	-80840	-100516
219331	212051	12854	17578	232185	229629
219331	212051	12854	17578	232185	229629
157862	246892	17432	19130	175294	266022
1175	1252	1120	1390	2295	2642
0	-3	0	0	0	-3
378368	460192	31406	38098	409774	498290

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED
Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA

(₹ '000)

Particulars	Motor OD	
	Current Year	Previous Year
COMMISSION		
Direct Business	1434117	1431700
TOTAL (A)	1434117	1431700
Add: Commission on Reinsurance Accepted	0	0
Add: Commission on Reinsurance Accepted - In India	0	0
Add: Commission on Reinsurance Accepted -Outside India	0	0
Less: Commission on Reinsurance Ceded	120171	237478
Less: Commission on Reinsurance Ceded - In India	120171	237478
Less: Commission on Reinsurance Ceded - Outside India	0	0
Commission (Net)	1313946	1194222
Commission (Net) - In India	1313946	1194221
Commission (Net) - Outside India	0	1
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:		
Agents - In India	1243197	1235716
Agents	1243197	1235716
Brokers	117774	132661
Corporate Agency	73146	64839
Referral	0	-1516
TOTAL (B)	1434117	1431700

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Motor TP		Motor DR Pool		Motor TP Pool		Motor Total	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
405	-514	0	0	0	1	1434522	1431187
405	-514	0	0	0	1	1434522	1431187
1116	2744	0	0	1	5172	1117	7916
0	0	0	0	0	5172	0	5172
1116	2744	0	0	1	0	1117	2744
50919	260653	0	0	0	0	171090	498131
50919	260653	0	0	0	0	171090	498131
0	0	0	0	0	0	0	0
49398	-258423	0	0	1	5173	1264549	940972
-50513	-261166	0	0	1	5173	1263434	938228
1115	2743	0	0	0	0	1115	2744
405	-109	0	0	0	1	1243602	1235607
405	-109	0	0	0	1	1243602	1235607
0	-405	0	0	0	0	117774	132256
0	0	0	0	0	0	73146	64839
0	0	0	0	0	0	0	-1516
405	-514	0	0	0	1	1434522	1431187

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED
Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA

(₹ '000)

Particulars	Workmen Comp.	
	Current Year	Previous Year
COMMISSION		
Direct Business	86313	84358
TOTAL (A)	86313	84358
Add: Commission on Reinsurance Accepted	0	0
Add: Commission on Reinsurance Accepted - In India	0	0
Add: Commission on Reinsurance Accepted - Outside India	0	0
Less: Commission on Reinsurance Ceded	6719	13130
Less: Commission on Reinsurance Ceded - In India	6719	13130
Less: Commission on Reinsurance Ceded - Outside India	0	0
Commission (Net)	79594	71228
Commission (Net) - In India	79594	71228
Commission (Net) - Outside India	0	0
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:		
Agents - In India	74079	72898
Agents	74079	72898
Brokers	11681	11047
Corporate Agency	553	413
Referral	0	0
TOTAL (B)	86313	84358

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Personal Accident		Aviation		Engineering	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
257560	221498	13028	12895	368049	328669
257560	221498	13028	12895	368049	328669
3312	4168	5893	7160	143465	120907
3312	4168	1169	2467	139546	113822
0	0	4724	4693	3919	7085
115352	111933	38736	26872	481406	629381
90829	85808	37518	25883	299874	444530
24523	26125	1218	989	181532	184851
145520	113733	-19815	-6817	30108	-179805
170043	139858	-23321	-10522	207721	-2039
-24523	-26125	3506	3705	-177613	-177766
157116	143688	3181	2581	127710	124463
157116	143688	3181	2581	127710	124463
67427	48842	9835	10255	237381	201378
33017	28919	12	59	2958	3301
0	49	0	0	0	-473
257560	221498	13028	12895	368049	328669



UNITED INDIA INSURANCE COMPANY LIMITED
Registration No. : 545, Date of Renewal with IRDA : 8th February 2013
SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2014-
SEGMENTAL IN INDIA & OUTSIDE INDIA

(₹ '000)

Particulars	Other Misc.	
	Current Year	Previous Year
COMMISSION		
Direct Business	671065	636808
TOTAL (A)	671065	636808
Add: Commission on Reinsurance Accepted	157325	223477
Add: Commission on Reinsurance Accepted - In India	155879	217569
Add: Commission on Reinsurance Accepted - Outside India	1446	5908
Less: Commission on Reinsurance Ceded	247400	197410
Less: Commission on Reinsurance Ceded - In India	107270	169697
Less: Commission on Reinsurance Ceded - Outside India	140130	27713
Commission (Net)	580990	662875
Commission (Net) - In India	719673	684680
Commission (Net) - Outside India	-138683	-21805
Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:		
Agents - In India	418027	416310
Agents	418027	416310
Brokers	113332	106228
Corporate Agency	139706	116508
Referral	0	-2238
TOTAL (B)	671065	636808

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

Liability		Health & Hosp.		Total Misc.	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
85909	74544	1889642	1318177	4806088	4108135
85909	74544	1889642	1318177	4806088	4108135
1723	1849	0	0	312835	365477
1723	1849	0	0	301628	345045
0	0	0	0	11207	20432
7756	6500	232881	464715	1301340	1948071
7756	6500	157279	294727	878337	1538404
0	0	75602	169988	423003	409667
79876	69893	1656761	853462	3817583	2525541
79876	69893	1732363	1023450	4229382	2914775
0	0	-75602	-169988	-411799	-389234
42959	38920	1057203	848254	3123877	2882721
42959	38920	1057203	848254	3123877	2882721
38496	33230	765199	420782	1361125	964017
4358	2401	67336	49095	321086	2655345
96	-7	-96	46	0	-4138
85909	74544	1889642	1318177	4806088	4108135

Milind Kharat
 Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014

(₹ '000)

Particulars	Current Year	Previous Year
I. Cash Flow from Operating Activities		
Premium received from policyholders, including advance receipts, net of coinsurance	105628182	98021260
Other Receipts	167393	232922
Payments to reinsurers, net of commission and claims	-1220418	-3859498
Payments to coinsurers, net of claims recovery	-6407194	-6337256
Payments of claims	-68398412	-54640748
Payments of commission and brokerage	-5877465	-5085625
Payments of other operating expenses	-20691947	-16253333
Deposits, advances and staff loans	-61287	-21049
Income taxes paid/refund (net)	-1124955	-476861
Service tax paid/refund (net)	198081	-265139
Other payments/collections (net)	25200	-1578441
Gain/Loss on Foreign Exchange Fluctuations	-12402	-32185
Cash flow before extraordinary activities	2224777	9704047
Extraordinary Activities	0	0
Cash flow after Extraordinary Activities	2224777	9704047
Net Cash Flow from the Operating Activities	2224777	9704047
II. Cash Flow from the Investing Activities		
Purchase of fixed assets	-450815	-418447
Proceeds from sale of fixed assets	699	36159
Purchase of investments (net)	-260181970	-173182662
Sale Value of Investments	248735374	153254223
Rents/Interests/Dividends received	13222211	11164261

Expenses relating to investments	-25661	-25118
Net Cash Flow from the Investing Activities	1299838	-9171584
III. Cash Flow from the Financing Activities		
Proceeds from issuance of share capital	0	0
Proceeds from borrowing	0	0
Repayments of borrowing	0	0
Interest/Dividends paid	-1240005	-906423
Net Cash Flow from the Financing Activities	-1240005	-906423
IV. Effect of foreign exchange rates on cash and cash equivalents (net)	0	0
Net increase in Cash and Cash Equivalents	2284610	-373960
Cash and Cash Equivalents at the beginning of the year	13323534	13697494
Cash and Cash Equivalents at the end of the year	15608144	13323534

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Priya Kumar
T.M. Bhasin
A. Thrivikraman Thampi
Asha Nair

} Directors

Vide our report of date attached

For Kalyanasundaram & Co.
ICAI FRN:001676S
Chartered Accountants

For Manohar Chowdhry & Associates
ICAI FRN:001997S
Chartered Accountants

For Brahmayya & Co.
ICAI FRN:000511S
Chartered Accountants

CA T.S. Ravichandran, Partner
Membership No.023809

CA K.S.B. Subramanyam, Partner
Membership No.208981

CA Jitendra Kumar, Partner
Membership No.201825

Chennai
23rd April 2014

Significant Accounting Policies and Notes forming part of Financial Statements as on 31st March 2014

I. Significant Accounting Policies

1. ACCOUNTING CONVENTION:

The Balance Sheet, the Profit and Loss Account, Revenue Accounts, Schedules and Cash Flow Statement are drawn in accordance with the provisions of Section 11 (1A) of the Insurance Act, 1938, read with provisions of sub-section (5) of Section 227 of the Companies Act, 1956 and the Insurance Regulatory and Development Authority (IRDA) Act, 1999 along with the instructions issued by IRDA from time to time. The said statements are prepared on historical cost convention and on accrual basis of accounting, comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 to the extent applicable, and also with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and conform to the practices prevailing in the General Insurance Industry in India 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. PREMIUM:

3.1 Direct Business:

3.1.1 Premium income is recognised 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 unexpired risk reserves.

3.1.2 Premium refunds are accounted on the basis of endorsements passed during the year.

3.2 Reinsurance:

3.2.1 The returns from foreign reinsurance companies to the extent received upto 31st March and the returns from Indian Reinsurers received upto finalisation of accounts of the relevant accounting year are incorporated.

3.2.2 Reinsurance cessions are made on the basis of advices / returns received from the operating offices. Wherever full particulars are not available, reinsurance cessions are estimated on the basis of information available.

3.2.3 Pool Cessions / Acceptances: Premium, Claims, Service charges, Investment income and expenses in respect of Terrorism Pool retro and Motor TP Pool / Declined Pool retro are accounted as per the statements received from GIC (Pool Administrator) upto finalisation of accounts. Premium, Claims, Service charges and expenses of our cessions in respect of Terrorism Pool / Motor TP Pool / Declined Pool are accounted upto 31st March.

3.3 Reserve for Unexpired Risk:

The Reserve for unexpired risk are made at 50% of net premium, except in the case of Marine Hull business and Terrorism, where it is made at 100% of net premium.

4. CLAIMS:

4.1 Direct Business:

- a) Estimated Liability for outstanding claims at the year end are based on survey reports, advices of Leaders, information provided by clients and other sources upto the date of finalisation of accounts, past experience and other applicable laws.
- b) All expenses directly attributable to claims including exchange fluctuations gains / losses are accounted as part of claims.
- c) In respect of unidentified motor third party claims outstanding for more than one year, provision is made at the rate of 100% of the estimated liability. In other cases, provision is made at the rate of 1/3rd of the estimated liability.

4.2 Reinsurance:

- a) Liability for outstanding claims in respect of Indian Inward Acceptances is based on returns received up to finalisation of accounts.
- b) Liability for outstanding claims in respect of Foreign Inward Acceptances is based on Actuarial Valuation and returns received upto finalisation of accounts.

- 4.3 Claims Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER) is made on the basis of actuarial valuation.

4.4 Salvage and Other Recoveries:

Recoveries under claims and disposal of salvage are accounted on realisation and are credited to claims.

5. EXPENSES OF MANAGEMENT:

5.1 Apportionment of expenses:

Expenses of Management are apportioned to the Revenue Accounts on the basis of gross direct premium plus reinsurance accepted, giving weightage of 75% for Marine business and 100% for Fire and Miscellaneous business. Expenses relating to policy stamps and reinsurance are

directly taken to respective Revenue Accounts. Expenses relating to Investment, such as safe custody, collection of interest/dividend bank charges etc., are apportioned between Revenue Accounts and Profit and Loss Account based on policyholders' and shareholders' funds as at the beginning of the year.

5.2 Depreciation:

5.2.1 Depreciation on fixed assets (except Software considered under intangible assets) is charged on written down value method at the higher of the rates specified in the Income Tax Rules, 1962 and those specified in Schedule XIV to the Companies Act, 1956.

5.2.2 Depreciation is provided at 50% of the applicable rates on additions to fixed assets held for less than 180 days. No depreciation is provided on assets sold, discarded or destroyed during the year.

5.2.3 Depreciation is provided on Land and Building as a whole where separate costs are not ascertainable.

5.2.4 Assets whose actual cost does not exceed five thousand rupees are written off in the year of acquisition, by retaining ₹ 1 per asset as book value.

5.2.5 Cost of Lease Hold properties have been amortised over the period of Lease.

5.3 Employee Benefits:

The Company has adopted the policy of accounting employee benefits in accordance with Accounting Standard 15 (Revised) issued by Companies (Accounting Standards) Rules, 2006 as under:

5.3.1 Provident Fund:

Provident Fund is a defined contribution scheme as the company pays fixed monthly contribution at pre-determined rates to a separate trust. The obligation of the Company is limited to such fixed contribution.

5.3.2 Post-Employment Benefits

Pension and Gratuity liabilities are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of the financial year. The schemes are funded by the Company and are managed by separate Trusts.

5.3.3 Encashment of Earned Leave

Accumulated Earned Leave (EL), which is encashable at the time of retirement, is provided for based on actuarial valuation.

5.3.4 Short Term Benefits

Short term employee benefits which fall due wholly within twelve months after the end of the period in which the employees render the related service such as Leave Travel Subsidy (LTS), Medical Benefits, etc., are provided on the basis of estimates.

6. TRANSLATION/CONVERSION OF FOREIGN CURRENCIES:

6.1 Items of income and expenditure, Monetary items as at the Balance Sheet date of foreign branch and foreign currency transactions in Indian operations are translated as under:

6.1.1 Items of income and expenditure at the quarterly average rates.

6.1.2 Monetary items as at the Balance Sheet date are converted at the exchange rates prevailing at that date.

6.2 Exchange differences on account of translation of the balances relating to foreign branch (non-integral) is accumulated in a Foreign Currency Translation Reserve until the closure of the operation. On the closure of this non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred will be recognized as income or as expenses in the year of such closure.

6.3 The difference in translation arising out of foreign currency transaction in Indian operations is recognized in the relevant Revenue accounts / Profit and Loss Account as applicable.

7. LOANS & INVESTMENT:

7.1 Purchase and sale of shares, bonds & debentures are accounted for on the date of contract (trade date).

7.2 The cost of investment includes Securities Transaction Tax (wherever applicable), premium on acquisition and other direct expenses incurred for the acquisition of the investment and is net of commission/fee earned thereon.

7.3 Investments maturing within 12 months from the Balance Sheet date are classified as Short Term Investments except in respect of Equity Shares which are treated as Long Term Investments. All other investments are classified as Long Term Investments.

7.4 Money market instruments such as Certificate of Deposit, Commercial Papers and CBLO which are discounted at the time of contract, are accounted at their discounted value.

7.5 Investments in debt securities including Government Securities and redeemable Preference Shares are shown at cost subject to amortisation. The premium, based on weighted average cost is amortised over the residual period of maturity, including the years of investment and excluding the year of redemption, by considering put/call option.

7.6 Investments in Equity shares that are actively traded are valued at the last quoted closing price on NSE (Primary Exchange) as on the Balance Sheet date. However, in case of any stock not being listed in NSE, Equity shares will be valued based on last quoted closing price in BSE (Secondary Exchange) as on the Balance Sheet date. Investments in Equity shares of companies outside India that are quoted and actively traded are valued at last quoted price at London Stock Exchange as on the Balance Sheet date. The unrealised gains/losses are recognised in Fair Value Change account.

7.7 Investments in Unlisted/Thinly traded equity shares including shares held in companies incorporated outside India are valued at cost and provision is made for diminution in value of such investments when break-up value is lower than the cost. In case the break-up value is negative, provision is made at 100% of book value.

- 7.8 a) Investment in units of Mutual Funds, are valued at Net Asset Value as at the Balance Sheet date as declared by the funds and unrealized gains/ losses are recognized in Fair Value Change Account.
- b) Investments in Venture Capital Funds are valued at cost. Provision is made for diminution in value of such investments where Net Asset Value as at the Balance Sheet date is lower than cost. Wherever Net Asset Value as on Balance Sheet date is not available, latest available Net Asset Value is considered.
- 7.9 **Impairment**
- 7.9.1 Impairment is recognized in equity shares of companies which have been continuously incurring losses during three immediately preceding years and the capital of which has been partially or fully eroded, or where the audited annual accounts for the three immediately preceding years are not available.
- 7.9.2 Investments are written down as under:
- 1) Equity shares which are actively traded are written down to their market value.
 - 2) Equity shares other than actively traded, are written down to the break up value and where the break up value is negative, are written down to ₹1/- per company.
- 7.9.3 The Company follows the prudential norms prescribed by the Insurance Regulatory and Development Authority / related RBI guidelines as regards asset classification, recognition of income and provisioning pertaining to loans / advances / debentures.
- 7.9.4 In respect of preference shares other than those in the nature of advances, provision for permanent diminution is made to the extent of 100%. The permanent diminution is reckoned as follows:
- a) The preference dividend is not paid for three consecutive years (or)
 - b) The maturity proceeds have not been received for three consecutive years (or)
 - c) The Company has incurred losses in three immediately preceding years and the capital of which has been partially or fully eroded (or)
 - d) Where the audited annual accounts for the three immediately preceding years are not available.
- 7.10 Profit or Loss on realization/sale of investment is computed by taking weighted average book value of each investment.
- 7.11 Dividend income (other than interim dividend) is accounted for as income in the year of declaration. Interim dividends, dividend on Equity held outside India and dividend on Preference Shares are accounted on receipt basis. Income from shares and debentures, which are under objection / pending delivery, is accounted for on receipt basis.
- 7.12 Revenue with respect to Venture Capital Funds is recognised on Receipt basis.
- 7.13 Amounts received towards compensation for future loss of interest is recognized as income only to the extent attributable to the accounting year and the balance is kept in interest received in advance account for apportionment in the relevant years.
- 7.14 Investment income, profit/loss on sale/realisation of investment, expenditure relating to investments, amortisation of premium on investments, amount written off/written down in respect of depreciated investments, provision for non-performing investment/diminution in value are apportioned to Revenue accounts and Profit & Loss account on the basis of Policy-holders' Fund and Shareholders' Fund as at the beginning of the year.

8. a) FIXED ASSETS:

Fixed assets are assets held with the intention of being used for purpose of producing or providing goods and services and are not held for sale in the ordinary course of business. The cost of fixed assets comprise the purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost to bring the asset to the working condition for intended use. Further, any trade discounts and rebates are deducted in arriving at the cost.

Fixed assets are stated at cost less accumulated depreciation.

b) Intangible Assets:

Intangible Assets are stated at cost of development / acquisition less accumulated amortisation. The same is amortised over a period of three years on straightline 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.

9. TAXATION

9.1 Provision for taxation is made after due consideration of the applicable judicial pronouncements and opinions from the Company's counsel.

9.2 Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

10. PROVISIONS AND CONTINGENCIES

10.1 The Company creates provision based on a reliable estimate for the present obligation of a past event that might cause outflow of resources in future.

10.2 Disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may or may not require an outflow of resources.

10.3 Contingent assets are neither recognized nor disclosed in the financial statements.

II. Notes to Accounts

(Previous year's figures, wherever necessary, have been shown in brackets)

1. Contingent Liability :

(₹ in thousands)

Particulars	31-03-2014	31-03-2013
On partly paid shares	NIL	8309
Claims other than those under policies, not acknowledged as debts	1145224	1060615
Underwriting commitments outstanding (in respect of shares and securities)	0	0
Guarantees given by or on behalf of the Company	0	0
Statutory demands / liabilities in dispute, not provided for	6032821	4459022
Reinsurance obligations to the extent not provided for in accounts	0	0
Others (to be specified)	0	0

Note: Statutory demands include a sum of ₹ 5393572 thousands (₹ 4312315 thousands) in respect of income tax which is under dispute and contested by the Company before the appellate authority. The Income Tax authorities

have suo-moto adjusted the refund due to the Company amounting to ₹ 1367556 thousands (₹ 1054780 thousands).

2. (a) Encumbrances to Assets of the Company within and outside India :

(₹ in thousands)

Particulars	31-03-2014	31-03-2013
Deposits towards margin money for issue of letters of credit / bank guarantee	7000	7000
Deposits made in court as per orders / attachments of bank accounts for claims	11188	44685
Deposits made to comply with Overseas Statutory requirements	0	0

2. (b) Investments / Deposits made in accordance with statutory requirements :

(₹ in thousands)

Particulars	31-03-2014	31-03-2013
Deposit with Bombay Stock Exchange towards Margin Money for trading in Capital Market as per SEBI Circular dated 19.3.08 regarding Margin of Institutional Trades in the Cash Market	50000	50000
Deposit with National Stock Exchange towards Margin Money for trading in Capital Market as per SEBI Circular dated 19.3.08 regarding Margin of Institutional Trades in the Cash Market	100000	100000
10.70% GOI 2020 deposited with HDFC Bank in accordance with Section 7 of Insurance Act 1938, to adhere to minimum deposit requirement of Insurance Regulatory and Development Authority - FV ₹ 120010 thousands.	123844	124482
10.70% GOI 2020 deposited with Clearing Corporation of India for CBLO operation - FV ₹ 10000 thousands.	10319	10372
Margin money deposited with Clearing Corporation of India for CBLO operations	100	100

3. Commitments made and outstanding on account of loans, investments and fixed assets :

(₹ in thousands)

Particulars	31-03-2014	31-03-2013
Loans and Investment	423314	533512
Core Insurance Project - Software and Hardware	1093400	1129200
Commitments for Estates	333067	300350
Commitments for EDP	843638	384642
Stamp duty and Registration charges and Interest on properties in dispute and pending conveyance (estimated at)	4549	5852

4. Claims less reinsurance, paid to claimants in/outside India :

(₹ in thousands)

Business	In India	Outside India
Fire	5150839 (3642563)	381629 (286887)
Marine	2127332 (1483982)	66971 (30729)
Miscellaneous	53127857 (40496501)	215571 (86759)

4. (a) Actuarial assumptions for the determination of claim liabilities in the case of claims where the claim payment period exceed four years.

The Company has not issued any policy where claim payment period exceeds four years.

5. Age-wise outstanding claims statements for five years are enclosed.

6. Premium less reinsurance written from business in/outside India :

(₹ in thousands)

Business	In India	Outside India
Fire	8231115 (7658317)	179239 (294523)
Marine	3021857 (2968280)	89924 (57547)
Miscellaneous	71285994 (63748036)	105783 (164047)

7. Other income includes interest on income tax refund of ₹ 47717 thousands (₹ 53014 thousands) pertaining to various years.

8. In respect of Purchases of Investments, no deliveries are pending and in respect of sale of Investment, no payments are overdue as on 31-03-2014.

9. In accordance with the regulation prescribed by IRDA, unrealized gains (net) amounting to ₹ 42922834 thousands (₹ 37469837 thousands)

arising due to changes in the fair value of listed equity shares and mutual funds are taken to fair value change account. The historical cost of such investments amounted to ₹ 38041329 thousands (₹ 31611083 thousands). Pending realization, the credit balance in the fair value change account is not available for distribution.

Break up of Market value and historical costs of investments which have been valued on fair value basis is as follows :

(₹ in thousands)

Particulars	Market Value	Historical Cost	Fair value change
Equity Shares of PSU	18957119 (15698502)	15035297 (12187333)	3921822 (3511169)
Equity Shares of Companies in India other than PSU	60863658 (52399513)	21882406 (18462319)	38981252 (33937194)
Equity Shares outside India	132191 (21506)	113028 (32)	19163 (21474)
Mutual Fund	1011195 (961399)	1010598 (961399)	597 (0)
Total	80964163 (69080920)	38041329 (31611083)	42922834 (37469837)

10. Shares of the book value of ₹ 12 thousands (₹ 12 thousands) have not been registered in the name of the Company as they are under objection.

11. Unidentified Quantitative differences in Investments, arising out of reconciliation between the book figures and the year-end certificate received from SHCIL (Custodian of the Company's investments) are tabulated as under:

(₹ in thousands)

Particulars			31-03-2014	31-03-2013
Equity & Preference Shares	Short	Book Value	0	0
Debentures	Short	Book Value	4947	4947
Total	Short	Book Value	4947	4947
Equity & Preference Shares	Excess	Face Value	0	0

12. Out of the total investment assets of ₹ 175791610 thousands (₹ 159384488 thousands), ₹ 860178 thousands (₹ 666507 thousands) is considered as non-performing assets in terms of Insurance Regulatory and Development Authority guidelines. The aggregate amount of income not

recognized for the current accounting year on NPA (net of waiver/collections) as per related IRDA guidelines is ₹ 708805 thousands (₹ (-)1470217 thousands) and upto 31st March 2014 is ₹ 3562587 thousands (₹ 2853782 thousands).

13. Restructured Assets :

(₹ in thousands)

Sl. No.	Particulars	CDR restructuring	Other restructuring	Total
1.	Total amount of assets subjected to restructuring	320225 (10259)	13840 (90656)	334065 (100915)
2.	The amount of standard assets subjected to restructuring	320225 (10000)	NIL (NIL)	320225 (10000)
3.	The amount of Sub-Standard assets subjected to restructuring	NIL (NIL)	NIL (NIL)	NIL (NIL)
4.	The amount of Doubtful and other assets subjected to restructuring	NIL (259)	13840 (90656)	13840 (90915)

14. (i) As per Part I of Schedule B of IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002, Debt Securities shall be considered as 'Held to Maturity Securities' and shall be measured at historical costs subject to amortization.

The Company, in line with IRDA Regulations is also treating debt securities as 'Held to Maturity'. However, Amortization of premium is done over the remaining period of maturity

(including the year of investment and excluding the year of redemption) / up to the date of put/call option-where such option is available, consistently on a conservative basis.

(ii) The Company does not have Real Estate Investment Property.

15. In accordance with Circular No. IRDA/F&I/CIR/INV/250/12/2012 dated 4-12-2012, the details of exposure in Repo/Reverse Repo transactions are given below:

(₹ in thousands)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31st March
Securities Sold under Repo				
(i) Government Securities	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
(ii) Corporate Debt Securities	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Securities Purchased under Reverse Repo				
(iii) Government Securities	105565 (100006)	1982340 (1089513)	532640 (320346)	NIL (NIL)
(iv) Corporate Debt Securities	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)

16. In view of the change in Significant Accounting Policy No. 7.11 in respect of accounting of interim dividend there is a decrease of ₹ 86624 thousands in the dividend income for the financial year 2013-14.
17. Being a Government Company, the Company is exempted from computation of managerial remuneration in terms of Notification No. 235 dated 31st January 1978 u/s.620 of the Companies Act, 1956.
18. Barring disputed cases, no settled insurance claim remained unpaid for more than six months as on the Balance Sheet date.
19. Depreciation on Fixed Assets is provided as per the Accounting Policy of the Company at the following rates:-
- | | |
|---|--------|
| i) Furniture & Fixtures | 18.10% |
| ii) Motor Cars | 25.89% |
| iii) Computer & WAN Equipments | 60.00% |
| iv) Freehold Buildings-Office | 10.00% |
| v) Freehold Buildings-Residence | 5.00% |
| vi) Bicycles | 20.00% |
| vii) Electrical fittings, equipments etc. | 15.00% |
20. Fixed Assets include Land and House Properties valued at ₹ 50537 thousands (₹51590 thousands) which are pending Conveyance and Registration. This includes properties under dispute worth ₹ 920 thousands (₹ 920 thousands), properties purchased from LPA ₹ 49042 thousands (₹ 4719 thousands) and properties acquired from erstwhile insurance units ₹ 575 thousands (₹ 575 thousands).
21. Sundry Creditors include an amount of ₹ 1449060 thousands (₹ 1439888 thousands) being unencashed cheques issued from zero balance payment accounts.
22. Indian Motor Third Party Insurance Pool (IMTPIP):
- IMTPIP has been dismantled with effect from 01-04-2012 vide IRDA Circular No. IRDA/NL/ORD/MPL/276/12/2011 dated 23-12-2011. The total liabilities accounted during the year on account of IMTPIP is ₹ 2994127 thousands. Unrecognized and unamortized liability as on 31-03-2014 is NIL.
 - The Authority through its Order No. IRDA/F&A/ORD/MTPP/070/03-2012 dated 22-03-2012, issued guidelines on the recognition of transitional liabilities following the dismantling of IMTPIP. The Transitional liabilities recognized based on the above circular are detailed below :

Particulars	₹ in thousands
Total Liability as on 31-03-2012	15879645
Liability accounted in 2011-12	10752680
Unrecognized and unamortized liability as on 31-03-2012	5126965
Liability accounted in 2012-13	2563483
Unrecognized and unamortized liability as on 31-03-2013	2563482
Liability accounted in 2013-14*	2563482
Unrecognized and unamortized liability as on 31-03-2014	0

During the year, an additional liability on IMTPIP is accounted to the extent of ₹ 430644 thousands.*

* Had these liabilities been accounted in the year 2011-12, the profit of the Company for the year ended 31st March 2014 would have been higher by ₹ 2994127 thousands.

23. Indian Motor Third Party Declined Risk Insurance Pool (Declined Risk Pool)
- a) The IRDA vide its Circular No. IRDA/NL/ORD/MPL/277/12/2011 dated

23-12-2011 has announced the formation of Declined Risk pool for Commercial Vehicles falling under Class 'A', 'B' & 'C' for standalone Third Party liability insurance (Act only insurance) with effect from 01-04-2012. The Act only insurance of commercial vehicles which are declined as per the norms of IRDA and underwriting policy of the respective company are covered under the pool.

- b) The business transacted by the Company on account of Declined Risk Pool is as follows:

(₹ in thousands)

Particulars	Premium	Claims incurred *
Gross Direct under Motor DR Pool	790394 (689758)	1659828 (1000149)
Obligatory Cession at 5% (10%)	39520 (68976)	82991 (100015)
DR Pool Cession at 75% (70%)	592796 (482831)	1244871 (700104)

* Claims incurred have been accounted at 210% of the premium.

- c) During the year, the IBNR for motor DR Pool has been increased from 145% to 210% with effect from 2012-13 (IMPACT TABLE).
- d) The provisional cash settlement (net) received from the Declined Risk Pool up to 31-12-2013 amounts to ₹ 852736 thousands. This has been invested as per IRDA Regulations along with the regular investments of the Company.
24. Terrorism Pool retro figures received from GIC (Pool Administrator) accounted in 2013-14 includes figures for the 3 quarters of the current year.
25. The Company's Agency at Hong Kong ceased underwriting operations with effect from 01-04-2002 and the transactions relating to run off operations have been accounted. Pending final IBNR/IBNER report, the NIL provision based on the Actuary's report for the previous year has been considered for current year.
26. IRDA Circular No. IRDA/F&I/CIR/015/02/2011 dated February 2, 2011 has allowed the Company to create the reserve for unexpired risk under Health segment based on 1/365 method till 2012-13. As the

circular was not extended to this year, the Company has created Reserve for Unexpired Risks @ 50% of Net Premium instead of 1/365 method adopted in the previous year. This has resulted in decrease of profit by ₹ 1464041 thousands. Hence, creation of 'Contingency Reserve for Unexpired Risk' does not arise.

27. Reconciliation of Inter-Office accounts is in progress and in the opinion of the Company the effect of the same will not be material.
28. Confirmation has been received in respect of balances Due from / Due to other persons or bodies carrying on Insurance business, except in a few cases, where reconciliation is in progress.
- 28.(a) A sum of ₹ 1403557 thousands is recoverable from Central / State Government towards RSBY Premium.
29. a) Accounting Ratios as prescribed by IRDA are enclosed in Annexure I.
- b) Segmental reporting in the format prescribed by IRDA is given along with Schedules.
- c) A summary of financial statements for the last five years is attached.

30. **Gratuity**

Insurance Regulatory and Development Authority, vide its Circular No. IRDA/F&A/CIR/ACT/O69/O4/2011 dated 18-4-2011, had allowed amortization of additional gratuity liability

over a period of five years commencing from the year 2010-11. Accordingly, the Company had amortized one-fifth of the total liability of ₹ 1410000 thousands in each of the years commencing from 2010-11 as follows:

Particulars		(₹ in thousands)
Total gratuity liability		1410000
Amortized in year 2010-11	282000	
Amortized in year 2011-12	282000	
Amortized in year 2012-13	<u>282000</u>	<u>846000</u>
Unrecognized and unamortized gratuity liability as on 31-03-2013		<u>564000</u>
Amount amortized in 2013-14*		<u>282000</u>
Unrecognized and unamortized gratuity liability as on 31-03-2014		<u>282000</u>

* Had this been charged in the year 2010-11, the profit of the Company for the year ended 31st March 2014 would have been higher by ₹ 282000 thousands.

The unrecognized and unamortized liability of ₹ 282000 thousands does not include any amount relating to separated / retired employees.

31. In line with the accounting policy and as per the Accounting Standard AS-15 (Revised), the summarized position of post-employment benefits are recognized in the Profit & Loss account and Balance Sheet as under:

A. Changes in the defined benefit obligations :

(₹ in thousands)

Particulars	Pension (Funded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Present value of defined benefit obligation as at 1st April 2013	18400000	6400000	1950000
Interest Cost	1564000	544000	165800
Current service cost	544400	111500	81600
Past Service Cost (due to increase in gratuity ceiling and pay revision)	-	-	-
Less: Benefits paid	1602100	495500	0
Actuarial loss/ (gain) on obligations	2063700	190000	-127400
Present value of defined benefit obligation as at 31st March 2014	20970000	6750000	2070000

B. Changes in the Fair Value of Plan Assets :

(₹ in thousands)

Particulars	Pension (Funded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Fair Value of Plan Assets as at 1st April 2013	18400000	6400000	1950000
Expected return of Plan Assets	1564000	544000	0
Employer's Contribution (Regular)	0	0	120000
Less: Benefits paid	1602100	495500	0
Actuarial loss / (gain)	38100	-8500	0
Fair Value of Plan Assets as at 31st March 2014	18400000	6440000	2070000
Actual return on Plan Assets	38100	-8500	NA

C. Net Actuarial loss / (gain)

(₹ in thousands)

Particulars	Pension (Funded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Actuarial loss / (gain) on obligation (A)	2063700	190000	-127400
Actuarial loss / (gain) on Plan Assets (B)	38100	-8500	0
Net Actuarial loss / (gain) (A) + (B)	2025600	198500	-127400
Actuarial loss / (gain) recognized in the period	2025600	198500	-127400
Unrecognized actuarial loss / (gain) at the end of the year	0	0	0

D. Amount recognized in Balance Sheet

(₹ in thousands)

Particulars	Pension (Funded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Present value of defined benefit obligation as at 31st March 2014	20970000	6750000	2070000
Less: Fair Value of Plan Assets as at 31st March 2014	18400000	6440000	2070000
Funded in Advance	0	0	0
Unrecognized transitional liability	0	282000	0
Unfunded net liability / (asset) recognized in Balance Sheet	2570000	592000	0

E. Expenses recognized in the Profit & Loss Account

(₹ in thousands)

Particulars	Pension (Funded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current service cost	544400	111500	81600
Interest cost	1564000	544000	165800
Transitional liability recognized during the year	0	282000	0
Less: Expected return on plan assets & contribution	-1564000	-544000	0
Net Actuarial loss/(gain) recognized in the year	2025600	198500	-127400
Net benefit expense	2570000	592000	120000

F. Movements in the Liability recognized in the Balance Sheet

(₹ in thousands)

Particulars	Pension (Funded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Opening Net Liability	3382600	762800	0
Net Benefit Expense	2570000	592000	120000
Contribution paid	3382600	762800	0
Closing Net Liability	2570000	592000	0

G. Investment percentage maintained by the Trust

(in %)

Particulars	Pension (Funded)	Gratuity (Funded)
Central Government & State Government securities	55	55
Investment in Corporate Bonds	40	40
Other investments	5	5

H. Principal Actuarial assumption at the Balance Sheet date (expressed as weighted average) (in %)

Particulars	Pension (Funded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Discount rate	8.5	8.5	8.5
Expected rate of return on plan assets	8.5	8.5	8.5
Rate of escalation in salary	3.5	3.5	3.5
Employee turnover	NOT SIGNIFICANT		
Mortality	LIC (1994-96) TABLE OF MORTALITY RATES		
Method used	Projected Unit Credit Method		

I. Basis of Actuarial assumption considered

Particulars	Basis of assumption
Discount rate	Yield on 10 Year Government Securities
Expected rate of return on plan assets	One year Interest rate
Rate of escalation in salary	The estimate of future salary increase, considered in actuarial valuations takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.
Employee turnover	NOT SIGNIFICANT

32. The expenses incurred under the following heads are disclosed as per Regulatory requirement:

- i) Outsourcing expenses - ₹ 2031320 thousands (₹ 1389620 thousands)
- ii) Business Development - ₹ 1174381 thousands (₹ 990030 thousands)
- iii) Marketing Support - NIL (NIL)

33. Related party disclosures: AS 18

a) Name of the Related Party and their relationship with the Company:

- i) Subsidiary : M/s. Zenith Securities and Investments Limited
- ii) Associate Companies : M/s. India International Insurance Pvt. Ltd., Singapore
M/s. Ken India Assurance Co. Ltd., Kenya
- iii) Key Management Personnel : Sri Milind Kharat, Chairman cum Managing Director
Sri S. Surenter, Director & General Manager (upto 31st October 2013)
Smt. Asha Nair, Director & General Manager

b) Details of Transactions : (₹ in thousands)

Sl. No.	Particulars	M/s. India International Insurance Pvt. Ltd.	Ken India Assurance Co. Ltd.	Ken Managerial Personnel
1.	Transactions during the year :			
a)	Dividend received during the year	23364 (21598)	1969 (1691)	NIL (NIL)
b)	Reinsurance transactions:			
	- Due to Direct	49024 (78024)	NIL (NIL)	NIL (NIL)
	- Due from Direct	NIL (NIL)	NIL (NIL)	NIL (NIL)
c)	Director's Remuneration Received	NIL (NIL)	155.17 (146.1)	NIL (NIL)
d)	Salaries, Allowances and Contributions	NIL (NIL)	NIL (NIL)	4168 (5922)
2.	Balances as on 31-03-2014 Loans given	NIL (NIL)	NIL (NIL)	NIL (12)

Since the Company and its Subsidiary are State controlled, no disclosures are made pertaining to the transactions with other State controlled undertakings in accordance with the requirements of the Accounting Standard AS-18.

34. Disclosure as per AS-20 "Earnings Per Share"

Sl.No.	Particulars	31-03-2014	31-03-2013
1.	Net Profit attributable to Shareholders (₹ in thousands)	5276041	5273346
2.	Weighted Average Number of Equity Shares issued (in Nos.)	15,00,00,000	15,00,00,000
3.	Basic earnings per Share of ₹ 10/- each (₹)	35.17	35.15

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the Company remains the same.

35. The Company has taken various commercial premises and residential flats under cancelable operating leases. These lease agreements are normally renewed on expiry. Lease terms are based on individual agreements. Lease rental expense in respect of operating leases charged

to revenue account is ₹ 565124 thousands (₹ 518538 thousands).

36. Deferred Tax Assets has not been recognised as on 31-03-2014 in the absence of reasonable certainty of sufficient future taxable income.
37. In the opinion of the management, there is no impairment of assets of the Company that require any adjustment to be made in terms of Accounting Standard-28.

38. Prior period items have been included in the respective heads and consist of the following: (₹ in thousands)

Particulars	31-03-2014	31-03-2013
Prior period income	11152	5822
Prior period expenses	16933	17149

39. The sector-wise Gross Premium underwritten as certified by the Management is as follows: (₹ in thousands)

Sl. No.	Particulars	31-03-2014		31-03-2013	
		Value	%	Value	%
1.	Rural Sector [No. of Policies issued - 7942285 (6291807)]	14150653	14.58	12985412	14.01
2.	Social Sector [Lives covered - 47878445 (41389624)]	7671474	7.90	7114663	7.68
3.	Other Sector	75267204	77.52	72560301	78.31
	Total Business	97089331	100	92660376	100

40. The details for extent of risk retained and reinsured are as follows: (in %)

Sl. No.	Particulars	31-03-2014	31-03-2013
1.	Risk Retained (%)	85.40	80.82
2.	Risk Reinsured (%)	14.60	19.18

41. Details of Provisions

(₹ in thousands)

Particulars	Provision for Income Tax		Provision for Leave Encashment (Long Term)		Provision for Bad and Doubtful Debts	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013	31-03-2014	31-03-2013
Opening balance	1589328	1842249	1950000	1850000	1452974	1696564
Additions	1055000	911400	120000	100000	368642	8017
Utilisation	7136	7668	0	0	0	0
Reversals	97	1156653	0	0	6577	251607
Closing balance	2637095	1589328	2070000	1950000	1815039	1452974

42. **Premium Deficiency:** The Gross Direct unearned premium is arrived at 1/12 basis and the same is applied on Net Premium to arrive at Net Unearned Premium. The net premium is compared with the Net incurred claims (including claims related cost) and where the net incurred claims is more than 100%, the premium deficiency is calculated on the excess over 100% of Net Incurred Claims on Net Unearned Premium and the same is calculated for each portfolio and is recognized in the books only when there is an overall deficiency on all portfolios.

(₹ in thousands)

Segment	Deficiency	
	31-03-2014	31-03-2013
Marine Hull	0	72279
Motor DR Pool	124050	0
Aviation	30119	0

43. The Company has made a provision of ₹ 1012500 thousands (₹ 560000 thousands) towards wage revision which is effective from 1st August 2012 to its employees on the basis prescribed by General Insurance Public Sector Association (GIPSA).
44. The Company was appointed as Fund Manager for “Environment Relief Fund” (ERF) vide Ministry of Environment and Forest’s Gazette Notification dated 4-11-08 for a period of five years. Pending receipt of clarification regarding Constitution, method of calculation of fees, statutory requirements and other operational issues, the Company in terms of the said notification has recognised Fund Manager’s service charges to the tune of ₹ 3456 thousands (₹ 5997 thousands) as income during the year, based on the unaudited accounts of the Fund.

45. Details of penal actions taken by various Government Authorities:

(₹ in thousands)

Sl. No.	Authority	Non-Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty Waived / Reduced
1.	Insurance Regulatory and Development Authority		0	0	0
2.	Service Tax Authorities		0	0	0
3.	Income Tax Authorities		0	0	0
4.	Any other Tax Authorities		0	0	0
5.	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA		0	0	0
6.	Registrar of Companies / NCLT / CLB / Department of Corporate Affairs or any Authority under Companies Act, 1956		0	0	0
7.	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation		0	0	0
8.	Securities and Exchange Board of India		0	0	0
9.	Competition Commission of India		0	0	0
10.	Any other Central/State/Local Government/ Statutory Authority	Breach of tariff	0	0	0

No other penal action has been taken by any other Government Authority during the year.



46. The information as to amount due to suppliers under the Micro, Small and Medium Enterprises Development Act 2006 is not readily available with the Company and hence disclosure in respect of the amount payable to such Micro, Small and Medium Enterprises as at

31st March 2014 has not been made in the financial statements.

47. Figures in the narrative part of financial statements are in thousands of Rupees, conforming to IRDA norms.

Priya Kumar
T.M. Bhasin
A. Thrivikraman Thampi
Asha Nair

} Directors

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Vide our report of date attached

For Kalyanasundaram & Co.
ICAI FRN:001676S
Chartered Accountants

For Manohar Chowdhry & Associates
ICAI FRN:001997S
Chartered Accountants

For Brahmayya & Co.
ICAI FRN:000511S
Chartered Accountants

CA T.S. Ravichandran, Partner
Membership No.023809

CA K.S.B. Subramanyam, Partner
Membership No.208981

CA Jitendra Kumar, Partner
Membership No.201825

Chennai
23rd April 2014



United India Insurance Company Limited

Registration No. 545, Date of Renewal with IRDA : 8th February 2013

Annexure I : Accounting Ratios

(₹ in '000)

Particulars	For the year ended		For the Year ended	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
1. Gross Direct Premium Growth Rate	Gross Premium		Growth	
Fire	11897358.35	11207642.66	6.15%	15.25%
Marine Cargo	3070473.37	3213019.91	-4.44%	-3.14%
Marine Hull	2802335.56	2802042.32	0.01%	18.54%
Motor	37098453.64	33898712.44	9.44%	14.68%
W.C.	894575.89	875311.19	2.20%	7.66%
P.A.	2085250.19	1909325.12	9.21%	1.43%
Aviation	684217.93	639470.01	7.00%	38.48%
Engineering	5710178.94	5637457.96	1.29%	5.72%
Health	26599409.50	26428090.12	0.65%	18.42%
Liability	680629.19	601084.88	13.23%	10.53%
Other Misc.	5566449.04	5448219.12	2.17%	-0.53%
Grand Total	97089331.59	92660375.72	4.78%	13.29%
2. Gross Direct Premium to Shareholders' Funds				
Gross Premium	97089331.59	92660375.72		
Shareholders' Fund	53605280.32	49526309.00		
Ratio	181.12%	187.09%		
3. Growth rate of Shareholders' Funds				
At the end of the year	53605280.32	49526309.00		
At the beginning of the year	49526309.00	45474715.00		
Growth rate	8.24%	8.91%		
4. Net Retention Ratio	Net Written Premium	Net Written Premium	Growth	
4. (i) Net Retention Ratio (Indian)				
Fire	8410354.29	7952839.62	65.62%	63.66%
Marine Cargo	2460438.22	2511740.74	79.48%	77.85%
Marine Hull	651342.48	514085.90	21.60%	17.50%
Motor	34598754.15	30774364.01	93.25%	88.76%
W.C.	849782.59	787780.07	94.99%	90.00%
P.A.	1682713.71	1466133.00	80.27%	76.23%
Aviation	40814.46	86308.78	5.65%	12.29%
Engineering	3497804.71	3215383.90	55.16%	52.76%
Health	24478655.54	21672004.03	92.03%	82.00%

(₹ in '000)

Liability	558684.10	508690.90	80.06%	82.10%
Other Misc.	5684568.52	5401418.63	85.61%	81.72%
Grand Total	82913912.79	74890749.59	82.90%	77.54%
4. (ii) Net Retention Ratio (Foreign)	Nil			
5. Net Commission Ratio	Net Commission	Net Commission	For the Year ended 31-03-2014	For the Year ended 31-03-2013
Fire	285700.06	244003.49	3.40%	3.07%
Marine Cargo	350396.40	402569.76	14.24%	16.03%
Marine Hull	-65340.23	-91319.97	-10.03%	-17.76%
Motor	1264549.02	940971.05	3.65%	3.06%
W.C.	79594.61	71228.70	9.37%	9.04%
P.A.	145519.96	113733.01	8.65%	7.76%
Aviation	-19815.18	-6816.87	-48.55%	-7.90%
Engineering	30107.89	-179805.45	0.86%	-5.59%
Health	1656760.91	853461.32	6.77%	3.94%
Liability	79876.14	69894.15	14.30%	13.74%
Other Misc.	580989.24	662874.83	10.22%	12.27%
Grand Total	4388338.83	3080794.02	5.29%	4.11%
6. Expenses of Management to Gross Direct Premium Ratio	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Direct Commission	6014823.10	5252027.11		
Operating Expenses	21112346.96	20016179.23		
Total	27127170.06	25268206.34		
Gross Direct Premium	97089331.59	92660375.72		
Ratio	27.94%	27.27%		
7. Expenses of Management to Net Written Premium Ratio	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Direct Commission	6014823.10	5252027.11		
Operating Expenses	21112346.96	20016179.23		
Total	27127170.06	25268206.34		
Net Written Premium	82913912.79	74890749.59		
Ratio	32.72%	33.74%		



(₹ in '000)

8. Net Incurred Claims to Net Earned Premium	Net Incurred Claim	Net Incurred Claim	For the Year ended 31-03-2014	For the Year ended 31-03-2013
Fire	5824283.01	5515123.40	72.01%	75.06%
Marine Cargo	1929639.98	1484754.88	77.62%	61.03%
Marine Hull	220532.43	690060.11	42.90%	165.88%
Motor	23891758.50	26178689.49	73.96%	90.55%
W.C.	29932.97	279797.54	3.66%	36.83%
P.A.	991840.43	982851.92	63.00%	67.57%
Aviation	94940.41	51942.96	149.37%	67.24%
Engineering	2258599.29	1380161.92	67.31%	40.52%
Health	23709805.31	21548935.31	114.26%	99.38%
Liability	260786.92	388576.60	48.87%	80.79%
Other Misc.	3561662.28	2848271.96	64.26%	51.43%
Grand Total	62773781.54	61349166.08	82.56%	84.61%
9. Combined Ratio *	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Net Incurred Claims	62773781.54	61349166.08		
Commission (Net)	4388338.83	3080794.02		
Operating Expenses	21112346.96	20016179.23		
Net Earned Premium	76032991.34	72509437.70		
Net Written Premium	82913912.79	74890749.59		
Ratio	113.32%	115.45%		
10. Technical Reserves to Net Premium Ratio	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Reserve for Unexpired Risks	42110883	35229962		
Premium Deficiency Reserve	0.00	0.00		
Reserve for O/s Claims	84130267	82426674		
Total	126241150.00	117656636.00		
Net Written Premium	82913912.79	74890749.59		
Ratio	152.26%	157.10%		
11. Underwriting Balance Ratio	Underwriting Profit	Underwriting Profit	For the Year ended 31-03-2014	For the Year ended 31-03-2013
Fire	-776606.22	-874263.67	-9.60%	-11.90%
Marine Cargo	-289467.75	16136.44	-11.64%	0.66%
Marine Hull	-124028.19	-644099.71	-24.13%	-154.83%
Motor	-764462.51	-5654409.15	-2.37%	-19.56%
W.C.	518161.63	216978.61	63.28%	28.56%
P.A.	-10218.58	-61469.05	-0.65%	-4.23%

(₹ in '000)

Aviation	-164857.28	-107675.13	-259.37%	-139.38%
Engineering	-293864.60	975109.00	-8.76%	28.63%
Health	-10288252.39	-6472530.53	-49.58%	-29.85%
Liability	43930.58	-109343.59	8.23%	-22.74%
Other Misc.	-91810.67	778865.17	-1.66%	14.06%
Grand Total	-12241475.98	-11936701.62	-16.10%	-16.46%
12. Operating Profit Ratio	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Underwriting Profit	-12241475.98	-11936701.62		
Investment Income	13269606.98	12452542.51		
Others	-219567.60	235334.99		
Operating Profits	808563.39	751175.87		
Net Earned Premium	76032991.34	72509437.70		
Ratio	1.06%	1.04%		
13. Liquid Assets to Liabilities Ratio	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Liquid Assets	22554178.84	21574213.10		
Policyholders' Liabilities	126241150.00	117656636.00		
Ratio	17.87%	18.34%		
14. Net Earnings Ratio	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Profit after Tax	5276040.72	5273345.58		
Net Written Premium	82913912.79	74890749.59		
Ratio	6.36%	7.04%		
15. Return on Networth	For the Year ended 31-03-2014	For the Year ended 31-03-2013		
Profit after Tax	5276040.72	5273345.58		
Networth	53605280.32	49526308.73		
Ratio	9.84%	10.65%		
16. Available Solvency Margin Ratio to Required Solvency Margin Ratio				
Available Solvency Margin	5004.95	4615.82		
Required Solvency Margin	1970.51	1833.25		
Ratio	2.54	2.52		
17. NPA Ratio				
Gross NPA Ratio	0.49%	0.42%		
Net NPA Ratio	0.10%	0.17%		

*NOTE: In respect of Foreign operations, there is no premium income from Hong Kong Agency (run off), hence calculation of net combined ratio for foreign operation does not arise.

Summary of Financial Statements

(₹ in Crores)

S.No.	Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
OPERATING RESULTS						
1.	Gross Premiums Written	9708.93	9266.04	8179.29	6376.66	5239.05
2.	Net Premium Income #	8291.39	7489.07	6779.52	5116.94	4190.16
3.	Income from Investments (Net) @	1326.96	1245.25	1011.58	1099.62	999.89
4.	Other Income / outgo (Pl. specify)	-21.96	23.53	-3.05	18.27	61.81
5.	Total income	9596.40	8757.86	7788.05	6234.83	5251.85
6.	Commissions (Net)	438.83	308.08	356.92	271.54	232.95
7.	Brokerage					
8.	Operating Expenses	2111.23	2001.62	1566.06	1725.38	1156.99
9.	Claims, increase in Unexpired Risk Reserve and other outgoes	6965.47	6373.05	6079.23	4854.95	3681.20
10.	Operating Profit / Loss	80.86	75.12	-214.15	-617.04	180.71
NON-OPERATING RESULTS						
11.	Total income under Shareholders' Account	552.20	542.74	683.44	747.87	642.13
12.	Profit / (Loss) before tax	633.06	617.86	469.28	130.83	822.84
13.	Provision for tax	105.45	90.52	82.49	0.28	115.05
14.	Profit / Loss after tax	527.60	527.33	386.79	130.54	707.79
MISCELLANEOUS						
15.	Policyholders' Account :*					
	Total funds	12624.12	11765.66	9995.25	7301.16	6093.78
	Total investments					
	Yield on investments					
16.	Shareholders' Account :*					
	Total funds	5360.53	4952.63	4547.47	4247.93	4152.45
	Total investments					
	Yield on investments					
17.	Paid up equity capital	150.00	150.00	150.00	150.00	150.00
18.	Net worth	5360.53	4952.63	4541.58	4245.45	4149.75
19.	Total assets	25674.42	23324.90	20774.09	18677.84	17209.77
20.	Yield on total investments	11.88%	10.67%	8.48%	10.15%	8.86%
21.	Earnings per Share (₹)	35.17	35.15	25.79	8.70	47.19
22.	Book value per Share (₹)	357.37	329.66	302.77	283.03	276.65
23.	Total Dividend	106.00	106.00	78.00	30.00	142.00
24.	Dividend per Share (₹)	7.07	7.07	5.20	2.00	9.47
	# Net of reinsurance					
	@ Net of losses					
	*Points 15 & 16 may be given separately, if it is feasible.					

**Management Report on Financial Statements as on 31-03-2014
prepared in accordance with the provisions of IRDA
(Preparation of Financial Statements and Auditors' Report of
Insurance Companies Regulations, 2002)**

1. We confirm that the Registration Certificate granted under Section 3 of Insurance Act, 1938 by the Insurance Regulatory and Development Authority (IRDA) has been renewed and is valid as on 31st March 2014.
 2. We certify that all the undisputed dues payable to statutory authorities have been duly paid.
 3. We hereby confirm that the share holding pattern is in accordance with the statutory and regulatory requirements and there is no transfer of shares during the year.
 4. The Management hereby confirms and declares that the funds of the holders of policies issued in India have not been directly or indirectly invested outside India.
 5. We confirm that required solvency margin has been maintained.
 6. We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and necessary provisions made for diminution/decline in value of assets. The assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realisable or market value under the headings - Loans, Investments, Application Money for Investments, House property in India, Agents' balances, Outstanding Premium, Interest, Dividends and Rents accrued but not due, amounts due from persons or bodies carrying on insurance business, reserve deposits due from companies on account of reinsurance, sundry debtors, advance tax and other tax payments, cash, vehicle loans on contribution basis less recoveries (other than fixed assets which is stated at cost less depreciation).
 7. We confirm that the Company evaluates and monitors closely all risks underwritten under each portfolio for the risk exposure. Remedial action is initiated to mitigate the risks effectively. Reinsurance Programme is drawn keeping in view the risk exposure on every portfolio commensurate with the capacity of the Company. The risk exposure per risk/event for the net account is protected at appropriate levels on the adequate requirement of the Company on exposure to multiple perils.
 8. The Company's Hong Kong Agency has ceased underwriting operations with effect from close of business as of 31-03-2002. The revenue transactions and the assets and liabilities continue to be accounted in our books of accounts. The Company has no direct operation in any other foreign country.
 9. Agewise analysis of the claims for the preceding five years ending 31-03-2014, in terms of O67/IRDA/F & A/CIR/March '08 dated 28-03-2008, has been given in the Annexure.
 10. We certify that for the purpose of balance sheet, the investments other than actively traded equity shares and units of mutual funds (other than venture capital funds) which have declared NAVs have been shown at or below cost. Equity Shares that are actively traded in the market are valued at the last quoted closing price on NSE as on the balance sheet date and where any stock is not being listed in NSE, the Equity Shares are valued based on the last quoted closing price on BSE as on the balance sheet date. Units of Mutual Funds (other than venture capital funds) are valued at Net Asset Value as at the balance sheet date as declared by the funds. Investment in Venture Capital Funds are valued at cost and provision is made for diminution in value of such investment where net asset value as at the balance sheet date is lower than cost. Wherever Net Asset Value as on the balance sheet is not available, latest available Net Asset Value is considered.
- The unrealized gain/loss arising due to changes in fair value of actively traded equity shares and mutual fund investments are not taken to revenue but are taken to the fair value change account in accordance with the regulation. Pending realization, the balance in the fair value change account is not available for distribution.
- For the purpose of comparison of market value of investments, government securities and debt securities other than non-performing assets have been valued on the basis of FIMMDA guidelines.



All other instruments other than actively traded equity shares and units of Mutual Funds (other than Venture Capital Funds) which have declared NAV have been valued at cost less provisions made, if any.

11. Performance of Investment

Total Book Value of Investment including loans and deposits has increased to ₹ 17579.16 Crores from ₹ 15938.45 Crores in the previous year. The Net accretion during the year amounted to ₹ 1640.71 Crores as against ₹ 2669.11 Crores in 2012-13.

The Investment Income is ₹ 1372.66 Crores as compared to ₹ 1217.52 Crores in the previous year. During the said period, the mean yield on Investment funds has been 8.19% as compared to 8.34% in the previous year. Profit on sale / redemption of Investments booked during the year is ₹ 510.34 Crores compared to ₹ 546 Crores.

12. The Net Non-Performing Assets, as a percentage to total investments is at 0.10% as on 31-03-2014 as against 0.17% as on 31-03-2013.

13. It is hereby confirmed that -

a) in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable Accounting Standards, Principles and Policies have been followed

along with proper explanations relating to material departures;

b) the Management has selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;

c) the Management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Insurance Act, 1938 (4 of 1938)/Companies Act, 1956 (1 of 1956), for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Management has prepared the financial statements on a going concern basis; and

e) the Management has ensured that an Internal Audit System commensurate with the size and nature of the business is in place and is operating effectively.

14. The related party transactions are disclosed in the Notes forming part of accounts.

Milind Kharat
Chairman-cum-Managing Director

Priya Kumar
T.M. Bhasin
A. Thrivikraman Thampi
Asha Nair

} Directors

Chennai
23rd April 2014

Ageing of Claims as at 31-03-2014 (INDIAN BUSINESS)

Department	O/s for 30 days or less		O/s for 3 months or less but more than 30 days		O/s for 6 months or less but more than 3 months		O/s for 1 year or less but more than 6 months	
	(i)		(ii)		(iii)		(iv)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Fire	477	4156585	256	729781	564	1872250	833	4683929
Marine Cargo	627	292679	559	207211	727	562588	998	501027
Marine Hull	45	269302	34	46197	57	407755	54	291885
Motor OD	6392	479401	8391	407693	7262	300004	9176	402842
Motor TP Pending in MACT	1775	8617282	2949	816839	3077	1182855	6934	2331036
Motor TP Others	118	227368	77	-60663	348	295614	289	249079
Motor DR Pool	76	39308	235	30469	416	79180	248	1759768
Motor TP Pool	2422	19592718	3185	401768	2858	732003	4602	948989
Workmen Comp.	100	82379	118	13616	150	24911	213	44482
Personal Acc.	889	363992	823	97005	737	73131	1116	120566
Aviation	5	41490	0	0	5	5521	6	60655
Engineering	680	797604	526	465750	556	1200931	901	3658812
Other Misc.	2259	542006	1784	263398	1944	418116	2390	582701
Liabilities	60	26638	51	18463	71	85714	70	262079
Health & Hosp.	7711	2470863	1608	169541	1367	102658	1353	182163
Total	23636	40930624	20436	3588153	19774	7261874	29080	14223797

Ageing of Claims as at 31-03-2013 (INDIAN BUSINESS)

Department	O/s for 30 days or less		O/s for 3 months or less but more than 30 days		O/s for 6 months or less but more than 3 months		O/s for 1 year or less but more than 6 months	
	(i)		(ii)		(iii)		(iv)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Fire	372	795538	281	709293	458	2001440	748	3445897
Marine Cargo	635	559067	645	203556	820	340722	1416	468737
Marine Hull	47	164438	40	76982	46	3011128	78	143410
Motor OD	9318	635854	16541	502582	19002	614260	18411	1014751
Motor TP Pending in MACT	1082	4952051	1485	331738	3032	876490	6871	1124290
Motor TP Others	59	8513	65	17258	88	14714	117	121411
Motor DR Pool	212	959482	145	6450	274	28366	95	4602
Motor TP Pool	695	25472461	1549	371307	3061	795175	8606	2009343
Workmen Comp.	127	258056	105	24270	122	11768	209	36893
Personal Acc.	1017	380680	896	86805	796	71607	1040	136158
Aviation	2	47405	8	40658	7	25605	3	7790
Engineering	716	433925	525	263025	603	639574	942	800932
Other Misc.	2124	300397	2487	256903	2480	296319	3157	577525
Liabilities	28	112190	26	33975	36	7566	63	40023
Health & Hosp.	155128	2231100	3104	436134	1872	436191	2140	413486
Total	171367	37316805	27787	3353889	32461	9144713	43896	10345247

(₹ in '000)

O/s for 3 years or less but more than 1 year		O/s for 5 years or less but more than 3 years		O/s for more than 5 years		Total	
(v)		(vi)		(vii)			
No.	Amount	No.	Amount	No.	Amount	No.	Amount
647	3351198	97	411614	244	1833579	3118	17038935
1257	942415	238	278606	111	659871	4517	3444397
90	2826667	20	80991	26	70663	326	3993459
15301	613182	5431	372275	8708	532146	60661	3107542
21511	5261593	16344	2723035	55205	8515820	107795	29448459
404	375301	23	167512	59	163604	1318	1417814
145	1114102	0	0	0	0	1120	3022827
27101	6756526	16264	3568266	4846	962449	61278	32962718
443	95888	190	33288	267	29110	1481	323674
1696	171972	179	57798	170	78122	5610	962586
15	98358	3	3425	0	0	34	209449
1026	1602502	149	602874	61	49359	3899	8377830
2942	1019976	533	127248	1514	194933	13366	3148378
138	194744	134	55330	228	68167	752	711135
59500	372988	246	18724	118	4961	71903	3321898
132319	23722618	40011	8519897	71922	13244138	337178	111491101

(₹ in '000)

O/s for 3 years or less but more than 1 year		O/s for 5 years or less but more than 3 years		O/s for more than 5 years		Total	
(v)		(vi)		(vii)			
No.	Amount	No.	Amount	No.	Amount	No.	Amount
577	2874852	106	658288	273	1671556	2815	12156864
1131	887886	106	307054	105	606880	4858	3373901
112	629438	24	1422106	42	711779	389	6159281
8143	615117	957	112394	351	30987	72723	3525946
24902	4128257	20387	2829605	74813	9773423	132572	24015854
196	37787	11	1813	42	48	578	201543
0	0	0	0	0	0	726	998899
32350	6855909	15989	2863100	934	190836	63184	38558129
340	68288	202	27645	234	27002	1339	453922
959	111586	69	35072	145	81758	4922	903666
9	81961	0	0	0	0	29	203419
817	2126503	86	281796	56	91916	3745	4637671
2336	656187	451	133908	1827	274510	14862	2495748
177	259071	97	256003	214	42578	641	751406
1737	140338	269	10576	169	13917	164419	3681741
73981	19467530	38869	8946407	79441	13543399	467802	102117988

Ageing of Claims as at 31-03-2012 (INDIAN BUSINESS)

Department	O/s for 30 days or less		O/s for 3 months or less but more than 30 days		O/s for 6 months or less but more than 3 months		O/s for 1 year or less but more than 6 months	
	(i)		(ii)		(iii)		(iv)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Fire	432	759513	488	1394164	412	1099618	655	2452913
Marine Cargo	956	631291	567	216728	947	271307	1388	1227673
Marine Hull	45	304534	62	47214	27	157217	48	185105
Motor OD	14242	1079970.3	9244	493752	6212	461297	5400	423982
Motor TP Pending in MACT	2269	3330164.2	2236	462745	2763	611164	5612	1161066
Motor TP Others	682	135451	1895	313847	768	87409	1503	287866
Motor TP Pool	3273	33233101	3403	866207	4299	1037477	8999	2042040
Workmen Comp.	143	116128	107	20144	116	19842	190	36472
Personal Acc.	951	332118	647	67911	643	70464	781	73092
Aviation	2	34252	3	35626	2	1753	8	86555
Engineering	642	405635	488	540663	501	578890	752	861225
Other Misc.	2257	245140	3046	194988	2434	224727	2201	461267
Liabilities	22	62590	33	7226	41	95245	93	30650
Health & Hosp.	7306	1918871	2365	417238	1493	366807	1901	150611
Total	33222	42588758	24584	5078451	20658	5083218	29531	9480516

Ageing of Claims as at 31-03-2011 (INDIAN BUSINESS)

Department	O/s for 30 days or less		O/s for 3 months or less but more than 30 days		O/s for 6 months or less but more than 3 months		O/s for 1 year or less but more than 6 months	
	(i)		(ii)		(iii)		(iv)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Fire	342	2000727	253	514233	318	474971	617	1545717
Marine Cargo	550	565647	429	153122	520	240392	837	334444
Marine Hull	29	159988	21	42891	24	44949	43	211699
Motor OD	7732	482455	6331	327726	5374	282598	8390	455663
Motor TP Pending in MACT	1588	207035	1803	289844	2400	399952	5529	863656
Motor TP Others	305	2203808	313	39246	339	31342	866	158367
Motor TP Pool	1965	403581	2548	437549	3476	675846	7881	1470894
Workmen Comp.	100	125386	75	11423	99	14229	230	28826
Personal Acc.	773	322085	615	45999	575	46119	648	61784
Aviation	2	28158	1	4000	1	50	2	3600
Engineering	569	1111652	349	157977	386	500468	621	744547
Other Misc.	1378	339170	1119	138597	1183	222430	1405	349818
Liabilities	27	38366	26	4065	46	14206	73	31555
Health & Hosp.	8734	1559721	2462	161429	1754	436162	2342	184914
Total	24094	9547779	16345	2328101	16495	3383714	29484	6445483

(₹ in '000)

O/s for 3 years or less but more than 1 year		O/s for 5 years or less but more than 3 years		O/s for more than 5 years		Total	
(v)		(vi)		(vii)			
No.	Amount	No.	Amount	No.	Amount	No.	Amount
524	2454672	98	236237	277	1460675	2886	9857792
987	743317	142	72571	130	568892	5117	3731779
94	1664349	19	439355	50	312771	345	3110545
3488	276756	372	42733	245	27506	39203	2805995
20497	3082319	20223	3176197	45670	6292090	99270	18115744
2881	430697	3543	444006	5095	744684	16367	2443959
23178	4679631	6704	1277800	0	0	49856	43136255
396	63335	199	29622	217	23253	1368	308796
633	60001	131	29067	124	117596	3910	750249
3	2427	0	0	0	0	18	160613
684	1762225	79	125584	50	562324	3196	4836545
2268	498544	555	112897	2018	288963	14779	2026526
185	165050	125	15990	159	40691	658	417442
2200	89123	421	9712	123	13904	15809	2966265
58018	15972445	32611	6011771	54158	10453348	252782	94668505

(₹ in '000)

O/s for 3 years or less but more than 1 year		O/s for 5 years or less but more than 3 years		O/s for more than 5 years		Total	
(v)		(vi)		(vii)			
No.	Amount	No.	Amount	No.	Amount	No.	Amount
465	1956827	111	291086	259	1414926	2365	8198487
785	881326	188	56127	135	545315	3444	2776373
55	1266477	15	564717	50	99175	237	2389896
7777	482331	426	37378	352	42642	36382	2110793
26832	3539567	31735	3859042	66200	7489675	136087	16648772
4249	631500	5466	633348	8111	913749	19649	4611360
22677	3912549	1299	348484	0	0	39846	7248903
369	49589	150	18653	203	20875	1226	268981
1343	70857	109	86285	117	102297	4180	735425
1	2002	0	0	0	0	7	37810
512	713319	121	75160	56	53829	2614	3356952
1746	626704	1105	185068	1783	348583	9719	2210370
168	111266	132	13765	146	41146	618	254369
2062	96986	279	7971	55	24849	17688	2472032
69041	14341300	41136	6177084	77467	11097061	274062	53320523

Ageing of Claims as at 31-03-2010 (INDIAN BUSINESS)

Department	O/s for 30 days or less		O/s for 3 months or less but more than 30 days		O/s for 6 months or less but more than 3 months		O/s for 1 year or less but more than 6 months	
	(i)		(ii)		(iii)		(iv)	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Fire	379	1089274	281	437876	425	1221019	499	1284942
Marine Cargo	559	495220.1	290	100117.9	448	162220	678	1145210
Marine Hull	24	129888	17	22590	29	42435	28	1096389
Motor OD	7545	538887.8	5774	300168	4708	297352.5	4609	319118
Motor TP Pending in MACT	1785	2134124	2075	260588	3206	249428	8237	1068841
Motor TP Others	362	110765	322	46183	533	67415	1367	171525
Motor TP Pool	2097	359482	2497	383908	4077	704202	8175	1354688
Workmen Comp.	95	84148	134	23487	118	14238	163	17371
Personal Acc.	742	307217	572	44171	521	41432	802	51209
Aviation	1	105518	1	1061	1	1913	0	0
Engineering	556	534613	409	516787	422	326285	459	269385
Other Misc.	1163	209704	1044	288792	1135	252542	1292	437023
Liabilities	34	22167	34	5461	37	7635	83	170904
Health & Hosp.	7341	1702885	2440	110973	1254	92550	1379	59676
Total	22683	7823893	15890	2542163	16914	3480667	27771	7446281

(₹ in '000)

O/s for 3 years or less but more than 1 year		O/s for 5 years or less but more than 3 years		O/s for more than 5 years		Total	
(v)		(vi)		(vii)			
No.	Amount	No.	Amount	No.	Amount	No.	Amount
590	1224225	118	453314	221	1212798	2513	6923448
896	308607	114	53908	152	534863	3137	2800146
34	444803	24	242789	50	90244	206	2069138
2431	205280	275	27014	332	29617	25674	1717437
37310	4903387	33003	4098064	63440	7176704	149056	19891136
6596	843272	5746	655537	6609	745290	21535	2639987
11853	2090087	0	0	0	0	28699	4892367
377	54311	168	21965	194	17699	1249	233219
771	60358	105	248556	115	130685	3628	883628
4	2754	0	0	0	0	7	111246
566	388629	98	47608	66	525559	2576	2608866
1692	423586	1517	218749	1553	262773	9396	2093169
225	26933	104	14109	155	37443	672	284652
1453	84529	153	5728	62	10941	14082	2067282
64798	11060761	41425	6087341	72949	10774616	262430	49215721

United India Insurance Company Limited
Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

Statement showing the Age-wise Analysis of the
unclaimed amount of the Policyholders as on 31st March 2014

Annexure to Schedule 13

(₹ in '000s)

Particulars	AGE-WISE ANALYSIS							
	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 the policyholders / insureds due to any reasons except under litigation from the insured / policyholders		Not Available						
Sum due to the insured / policyholders on maturity or otherwise	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	352376	69582	26108	18536	28516	25191	21482	162960
Cheques issued but not encashed by the policyholder/ insured	1122065	769634	82663	57402	103138	50596	5227	53405

UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDA : 8th February 2013

BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :

Registration No.

State Code

(Refer Code List)

Balance Sheet
 Date Month Year

II. Capital Raised During the Year (₹ in Thousands)

Public Issue

Rights Issue

Bonus Issue

Private Placement

III. Position of Mobilisation and Deployment of Funds (₹ in Thousands)

Total Liabilities

Total Assets

Source of Funds

Paid-up Capital

Reserves & Surplus

Current Liabilities

Unexpired Risk Reserves and Provisions

Application of Funds

Net Fixed Assets

Investments

Net Current Assets

Loans

Accumulated Losses

Deferred Expenditure

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

A) The extent of the Company's interest in the subsidiary for the year ended 31st March 2014 :

Out of 20,000 shares of Zenith Securities & Investments Limited of ₹ 100/- each fully paid, the Company holds 13,890 shares (69.45%).

B) The net aggregate amount of Subsidiary's profit after deducting its losses or vice versa so far as it concerns Members of the Company and is not dealt with in the Company's accounts :

- i) for the year ended 31st March, 2014 :
Profit ₹ 15,185.70 thousands.
- ii) for the previous financial years of the Subsidiary since it became the Company's Subsidiary : Profit ₹ 55,583.13 thousands.

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

- i) for the year ended 31st March 2014 on the Subsidiary:
Nil
- ii) for the previous financial years of the Subsidiary since it became subsidiary:
Nil

The Directors of the Subsidiary Company have recommended a dividend of 60% on the Equity Shares for the year ended 31st March 2014 which as and when declared by the Subsidiary Company in its General Meeting will be credited in the accounts for the year ended 31st March 2014 in proportion to the Company's interest in the subsidiary.

Priya Kumar
T.M. Bhasin
A. Thri vikraman Thampi
Asha Nair

} Directors

Chennai
23rd April 2014

MILIND KHARAT
Chairman-cum-Managing Director



Shri. Milind Kharat, CMD, United India Insurance
receiving the Dalal Street Insurance Journal –
CONSISTENT ALL-ROUND PERFORMER of the year Award from
Shri. T.K.A. Nair, Advisor to Hon'ble Prime Minister, Govt. of India.



युनाइटेड इंडिया इश्यूरेन्स कंपनी लिमिटेड
UNITED INDIA INSURANCE COMPANY LTD.

Registered & Head Office : 24, Whites Road, Chennai - 600 014

At **United India**, it's always **U** before **I**



Central Finance & Accounts (CFAC) Team with Statutory Auditors



ZENITH SECURITIES AND INVESTMENTS LIMITED

Directors' Report to the Members for the year ended 31st March, 2014

The Directors have pleasure in presenting the Annual Report on the working of the Company for the year ended 31st March, 2014.

The Company continues to carry on investment activities. The Total Investments of the Company stood at ₹ 732 Lakhs (₹594 Lakhs for Previous Year) [Market Value of Quoted Investments stood at ₹5176.23 Lakhs - (Previous Year ₹4279.61 Lakhs) and Book Value of Unquoted Investments stood at ₹292.28 Lakhs - (Previous Year ₹292.28 Lakhs)], as against its Paid-up Capital of ₹20 Lakhs.

FINAL RESULTS:

Working of the Company for the Current Year was satisfactory which projected a Profit of ₹151.86 Lakhs. (Previous Year ₹54.77 Lakhs).

DIVIDEND:

The Directors are pleased to recommend the payment of Dividend at the rate of ₹60/- per share i.e. 60% (Previous Year ₹60/- per share i.e. 60%) amounting to ₹ 12.00 Lakhs on which Corporate Tax on distribution of Dividend @ 16.2225 comes to ₹ 2.04 Lakhs. Thus, total outgo will be ₹14.05 Lakhs.

DIRECTORS' RESPONSIBILITY STATEMENT :

- i) In the preparation of annual accounts, the applicable accounting standards have been followed.
- ii) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a fair view of the state of affairs

of the Company at the end of the Financial Year 2013-2014 and of the Profit of the Company for that period.

- iii) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) We have prepared the Annual Accounts on a going concern basis.

BOARD OF DIRECTORS :

Mr. Homi F. Mehta, a Director retires from the Board under the Scheme of Rotation and being eligible offers himself for re-election.

Mr. D.N. Shukla, a Director of the Company expired on 30-6-2013. It is proposed not to fill casual vacancy caused by the death of D.N. Shukla.

DISCLOSURE UNDER SECTION 217(2A):

There were no employees, who have been in receipt of remuneration of not more than ₹ 60,00,000/- per annum or not more than ₹ 5,00,000/- per month during the period under report.

The Company is not engaged in any manufacturing activity and therefore, no particulars are separately disclosed regarding energy conservation or technology absorption. There are no payments or receipts in foreign currency which are required to be disclosed under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.



AUDITORS:

M/s. Karia & Shah, Chartered Accountants, Mumbai, have been appointed by the Comptroller and Auditor General of India, as Auditors of the Company, for the period under review, under Section 619 of the Companies Act, 1956.

For the next financial year, Central Government of India has yet to appoint Auditors of the Company.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation for the active support and guidance received from the parent company, United India Insurance Co. Ltd., and Directors and Officers who have been associated with the Company in the past, without which the Company could not have grown to its present strong position.

Registered Office :

Mehta House,
79/91, Mumbai Samachar Marg,
Mumbai - 400 001.

Dated : 8th May 2014

By Order of the Board

CHAIRMAN

KARIA & SHAH CHARTERED ACCOUNTANTS

Late **B. B. Karia** (B.Com., FCA)
Sanjay Shah (B.Com., FCA, ISA)
Madhuri Khot (M.Com., FCA, ISA)
Hasan Fidvi (B.Com., FCA)
Sujata Subramanian (B.Com., FCA)

Off: 309, 3rd Floor, Rajgir Sadan,
 Opp, Sion Rly. Station, Laxmi Baug,
 Sion (W), Mumbai - 400 022.
 Tel: 24044828/24072650
 Fax: 24044828
 E-mail: kariashah@yahoo.com

Independent Auditor's Report

TO

**THE MEMBERS OF
ZENITH SECURITIES AND INVESTMENTS LTD.**

Report on the Financial Statements

We have audited the accompanying financial statements of ZENITH SECURITIES AND INVESTMENTS LTD. which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Profit and Loss Account, of the profit/loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For KARIA & SHAH
Chartered Accountants
FRN: 112203W

Sanjay Shah
Partner
Membership No.: 042529

Place : Mumbai
Date : 15 April, 2014

Annexure to the Auditor's Report

The Annexure referred to in paragraph 1 of Our Report of even date to the Members of ZENITH SECURITIES AND INVESTMENTS LTD. on the accounts of the Company for the year ended 31st March, 2014.

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

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
 2. The Company is in the business of Long Term Investment in Shares & Mutual Funds. The Shares & Mutual Funds are not held as Inventories. Hence, Inventories Schedule is not applicable.
 3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii (c) and iii (d) of the order are not applicable to the Company.
 - (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- Thus sub-clauses (f) & (g) are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of investments & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
 5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceed five lacs rupees in a financial year, therefore requirement of reasonableness of transactions does not arise.
 6. The Company has not accepted any deposits from the public covered under Section 58A and 58AA of the Companies Act, 1956.
 7. As per information & explanations given by the management, the Company do not have an internal audit system, the management is of the opinion that considering its size and the nature of its business no internal audit is required.
 8. As per information & explanations given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Act.
 9. (a) According to the records of the Company, it is regular in depositing undisputed statutory dues with the appropriate authorities except in the case of FBT payable and provided in the books of



accounts for the A.Y. 2006-07 ₹ 3000/-, A.Y. 2007-08 ₹ 1700/-, A.Y. 2008-09 ₹ 1200/- & A.Y. 2009-10 ₹ 1400/-, but same has not been paid and no Return of FBT has been filed with the Income Tax Authorities and any other statutory dues have generally been regularly deposited with the appropriate authorities.

- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
 12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 14. According to information and explanations given to us, the Company is investing in

Shares, Mutual Funds & other Investments. Proper records & timely entries have been maintained in this regard & further, the investments specified are held in their own name.

15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the Company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds, short-term or long-term, are raised during the year by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **KARIA & SHAH**
Chartered Accountants
FRN: 112203W

Sanjay Shah
Partner
Membership No.: 042529

Place : Mumbai
Date : 15 April, 2014



Comments of the Comptroller & Auditor General of India under Section 619(4) of the Companies Act, 1956 on the accounts of Zenith Securities and Investments Limited for the year ended 31st March, 2014.

The preparation of financial statements of Zenith Securities and Investments Limited for the year ended 31st March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956, is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in

accordance with the Standards on Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 15th April 2014.

I, on behalf of the Comptroller and Auditor General of India, have decided not to review the report of the Statutory Auditor on the accounts of Zenith Securities and Investments Limited for the year ended 31st March 2014 and as such have no comments to make under Section 619(4) of the Companies Act, 1956.

For and on behalf of the
Comptroller and Auditor General of India

Y. N. Thakare

Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-I, Mumbai.

Place : Mumbai
Date : 8-5-2014

ZENITH SECURITIES AND INVESTMENTS LIMITED
BALANCE SHEET AS AT 31st MARCH 2014

Particulars	Note No.	As at 31st March 2014		As at 31st March 2013	
		₹ ('00)	₹ ('00)	₹ ('00)	₹ ('00)
A) EQUITY AND LIABILITIES					
1) Shareholders' funds					
a) Share capital	3		20,000		20,000
b) Reserves and Surplus	4		711,819		574,001
c) Money received against share warrants			-		-
			731,819		594,001
2) Share application money pending allotment			-		-
3) Non-current liabilities					
a) Long-term borrowings			-		-
b) Deferred tax liabilities (net)	5		75		26
c) Other long-term liabilities			-		-
d) Long-term provisions			-		-
			75		26
4) Current liabilities					
a) Short-term borrowings			-		-
b) Trade payables	6		2,183		2,015
c) Other current liabilities	7		3,625		3,033
d) Short-term provisions	8		21,169		14,077
			26,977		19,125
TOTAL			758,869		613,152
B) ASSETS					
1) Non-current assets					
a) Fixed assets					
i) Tangible assets	9a		334		387
ii) Intangible assets			-		-
iii) Capital work-in-progress			-		-
iv) Intangible assets under development			-		-
b) Non-current investments	10		743,954		591,754
c) Deferred tax assets (net)			-		-
d) Long-term loans and advances	11		6,706		106

Particulars	Note No.	As at 31st March 2014		As at 31st March 2013	
		₹ ('00)	₹ ('00)	₹ ('00)	₹ ('00)
e) Other non-current assets			-		-
TOTAL			750,994		592,247
2) Current assets					
(a) Current investments			-		-
(b) Inventories			-		-
(c) Trade receivables			-		-
(d) Cash and cash equivalents	12		6,767		17,150
(e) Short-term loans and advances	13		11		12
(f) Other current assets	14		1,097		3,743
			7,875		20,905
TOTAL			758,869		613,152
Summary of Significant Accounting Policies	2.1				
The accompanying notes are an integral part of the Financial Statements.					

In terms of our report attached.
For KARIA & SHAH
 Firm Registration No : 112203W
 Chartered Accountants
CA Sanjay Shah
 Partner
 Membership No. 042529
 Place : Mumbai
 Date : 15-4-2014

For and on behalf of the Board of Directors

Homi F. Mehta
 Chairman

L.P. Mehta
 Director

ZENITH SECURITIES AND INVESTMENTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014

Particulars	Note No.	For the year ended 31st March 2014		For the year ended 31st March 2013	
		₹ ('00)	₹ ('00)	₹ ('00)	₹ ('00)
A) CONTINUING OPERATIONS					
1. Revenue from operations (gross)	15		152,430		72,538
Revenue from operations (net)			152,430		72,538
2. Other income	16		90		108
3. Total revenue (1+2)			152,520		72,646
4. Expenses					
a) Loss on Sale of Investments	17		38,941		-
b) Finance costs	18		120		142
c) Depreciation and amortisation expense	9b		52		52
d) Other expenses	19		-45,499		17,632
Total expenses			-6,386		17,826
5. Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)			158,906		54,821
6. Exceptional items			-		-
7. Profit / (Loss) before extraordinary items and tax (5 + 6)			158,906		54,821
8. Extraordinary items			-		-
9. Profit / (Loss) before tax (7 + 8)			158,906		54,821
10. Tax expense :					
a) Current tax expense for current year			7,000		35
b) (Less): MAT credit (where applicable)			-		-
c) Current tax expense relating to prior years			-		-
d) Net current tax expense			-		-
e) Deferred tax			49		12
11. Profit / (Loss) from continuing operations (9 +10)			151,857		54,774

Particulars	Note No.	For the year ended 31st March 2014		For the year ended 31st March 2013	
		₹ ('00)	₹ ('00)	₹ ('00)	₹ ('00)
B) DISCONTINUING OPERATIONS					
12. (i) Profit / (Loss) from discontinuing operations (before tax)			-		-
12. (ii) Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations			-		-
12. (iii) Add / (Less): Tax expense of discontinuing operations			-		-
a) on ordinary activities attributable to the discontinuing operations			-		-
b) on gain / (loss) on disposal of assets / settlement of liabilities			-		-
13. Profit / (Loss) from discontinuing operations [12 (i) + 12 (ii) + 12 (iii)]			-		-
C) TOTAL OPERATIONS			-		-
14. Profit / (Loss) for the year (11 + 13)			151,857		54,774
15. Earnings per equity share {nominal value of share ₹ 100/- (31 March 2013 : ₹ 100/-)}:					
(a) Basic					
i) Continuing operations	20a		8		3
ii) Total operations	20b		8		3
(b) Diluted					
i) Continuing operations	20c		8		3
ii) Total operations	20d		8		3
Summary of Significant Accounting Policies	2.1				

In terms of our report attached.
For KARIA & SHAH
 Firm Registration No : 112203W
 Chartered Accountants
CA Sanjay Shah
 Partner
 Membership No. 042529
 Place : Mumbai
 Date : 15-4-2014

For and on behalf of the Board of Directors

Homi F. Mehta
 Chairman

L.P. Mehta
 Director

ZENITH SECURITIES AND INVESTMENTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

Particulars	For the year ended 31st March 2014		For the year ended 31st March 2013	
	₹('00)	₹('00)	₹('00)	₹('00)
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		158,906		54,821
Adjustments for:				
Depreciation and amortisation	52		52	
Dividend income	(76,866)		(72,538)	
Provision for diminution of equity shares & mutual funds	(52,413)		12,363	
Profit on auction of shares	(90)		(108)	
Net (gain) / loss on sale of investments	(75,564)			
Advance Tax paid	(6,600)			
Adjustments to the carrying amount of investments				
Other non-cash charges (specify)				
Net unrealised exchange (gain) / loss		(211,481)		(60,231)
Operating profit / (loss) before working capital changes		(52,575)		(5,411)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Short-term loans and advances	1		2	
Other current assets	2,646		(473)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	168		163	
Short-term provisions				
Other current liabilities	729		1,062	
		3,544		754
Cash generated from operations		(49,031)		(4,657)
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		(49,031)		(4,657)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	0		(256)	
Purchase of investments (Net)				
- Equity Shares	(110,985)		(110,035)	
- Mutual Funds	(121,545)		(25,528)	
- Proceeds from sale of Investments	36,623		(25,828)	
Proceeds from redemption of Short-Term Mutual Funds	132,828		86,782	
Dividend received				
- Others	76,956		72,646	

Particulars	31-03-2014		31-03-2013	
	₹('00)	₹('00)	₹('00)	₹('00)
Net cash flow from / (used in) financing activities (B)		13,877		23,309
C. Cash flow from financing activities				
Dividends paid	(12,000)		(12,000)	
Tax on dividend	(2,039)		(1,946)	
Net cash flow from / (used in) financing activities (C)		(14,039)		(13,946)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(49,193)		4,707
Cash and cash equivalents at the beginning of the year		17,150		12,443
Cash and cash equivalents at the end of the year		(32,043)		17,150
Reconciliation of Cash and cash equivalents with the Balance Sheet				
Cash and cash equivalents as per Balance Sheet (Refer Note 12)				
Less: Bank balances not considered as Cash and cash equivalents as defined in AS3 Cash Flow Statements		6,989		17,150
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 12		6,989		17,150
Components of Cash and cash equivalents:				
(a) Cash on hand		-		-
(b) Cheques, drafts on hand				
(c) Balances with Banks				
i) In current accounts		3,196		14,206
ii) In EEFC accounts		-		-
iii) In deposit accounts with original maturity of less than 3 months		-		-
iv) In earmarked accounts (give details) [Refer Note (ii) below]	3,793		2,944	
(d) Others (specify nature)		-		-
(e) Current investments considered as part of Cash and cash equivalents		-		-
		6,989		17,150

Notes :

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

(ii) These earmarked account balances with Banks can be utilised only for the specific identified purposes.

Summary of Significant Accounting Policies 2.1.

In terms of our report attached.

For KARIA & SHAH

Firm Registration No : 112203W

Chartered Accountants

CA Sanjay Shah

Partner

Membership No. 042529

Place : Mumbai

Date : 15-4-2014

For and on behalf of the Board of Directors

Homi F. Mehta
Chairman

L.P. Mehta
Director

Notes forming part of Financial Statements as on 31st March, 2014

Note	Particulars
------	-------------

1. Corporate information

Zenith Securities & Investment Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is an investment company and the main business is of investing in short or long term investments. The main risk is on account of the market movements and performance of the company's shares and mutual funds in which investments have been made.

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared those financial statements to comply with all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year, except for the change in accounting policy explained below.

Significant accounting policies

2.1. Change in accounting policy:

Presentation and disclosure of financial statements:

The Company has reclassified the previous year figures in accordance with the requirements applicable in the year.

2.2 Basis of accounting and preparation of financial statements

These accounts are prepared on the historical cost basis.

2.3. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6. Depreciation

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

2.7. Revenue recognition

All Revenues are accounted on accrual basis except to the extent stated otherwise.

2.8. Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9. Sundry Expenses

Sundry Expenses includes an Amount of ₹ 28683/- towards Service Tax payment made by the Company VCES (Amnesty Scheme). This includes ₹ 25600/- towards Penalty for the late filing of Service Tax returns.

2.10. Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

2.11. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Regarding unquoted equity and preference shares, hundred percent provision made for the diminution in value and shown as a deduction from the investment.

Regarding quoted shares, whenever market value is less than cost price, the amount has been provided as diminution in the value.

Regarding following unquoted shares held by the Company, the cost of these investments is shown as zero.

Sl. No.	Name of the Scrip	Face Value (₹)	Number of Shares	Cost (₹)
(a)	Clive Mills Limited	10	450	-
(b)	Structural Engineering Works Limited	100	500	-

2.12. Leases

Operating Leases

For premises taken on lease, lease rental payable are charged to the revenue.

2.13. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are

deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.14. Taxes on income

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961.

Deferred tax resulting from timing difference between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the

extent there is a reasonable certainty that the deferred tax assets will be adjusted in future.

2.15. Impairment of assets

Carrying amount of assets is reviewed at each Balance Sheet date if there is indication of impairment based on the internal and external factors.

The assets are treated as impaired when the carrying amount of assets exceeds its recoverable amount and such impairment loss is charged to Profit & Loss account in the year in which such impairment is identified. The impairment loss recognised in prior accounting period(s) is reversed to the extent of decrease in the impairment loss.

2.16. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Note 3: SHARE CAPITAL

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Authorised 20,000 Equity Shares of ₹ 100 each (Previous Year 20,000 Equity Shares of ₹ 100 each)	20,000	20,000
	20,000	20,000
Issued & Subscribed 20,000 Equity Shares of ₹100 each (Previous Year 20,000 Equity Shares of ₹100 each)	20,000	20,000
	20,000	20,000
Paid Up 20,000 Equity Shares of ₹100 each (Previous Year 20,000 Equity Shares of ₹100 each)	20,000	20,000
Total	20,000	20,000

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Equity Shares		
At the beginning of the period {20,000 shares (Previous Year: 20,000 shares)}	20,000	20,000
Issued during the period	-	-
Outstanding at the end of the period { 20,000 shares (Previous Year: 20,000 shares)}	20,000	20,000

b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 100/- per share. Each share holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2014, the amount per share dividend recognized as distributions to equity shareholders was ₹ 60/- per share (31 March, 2013: ₹60/- per share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by the holding company:		
Out of equity shares issued by the Company, shares held by its holding company are as below:	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
United India Insurance Co. Ltd. - The holding company 13,890 (31 March 2013: 13,890) equity shares of ₹ 100/- each fully paid	13,890	13,890
d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:		
Equity shares allotted as fully paid bonus shares by capitalising General Reserve in the financial year 2005-06	10,000	10,000
e) Details of shareholders holding more than 5% shares in the Company:		
United India Insurance Co. Ltd. - The holding company {69.45% (31 March 2013: 69.45%)}	13,890	13,890
Homi Mehta & Sons Private Limited {7.99% (31 March 2013: 7.99%)}	1,598	1,598

Note 4 : RESERVES & SURPLUS

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
CAPITAL RESERVES		
As per last Balance Sheet	3,515	3,515
GENERAL RESERVE		
As per last Balance Sheet	251,271	236,271
ADD: Transfer from Profit and Loss account	38,000	15,000
	289,271	251,271
STATUTORY RESERVE		
[Created pursuant to Section 45IC of the RBI Act, 1934 as amended by the RBI (Amendment) Act, 1997]		
SPECIAL RESERVES		
As per last Balance Sheet	159,120	147,120
ADD: Transfer from Profit and Loss account	31,000	12,000
	190,120	159,120

PROFIT AND LOSS ACCOUNT		
Balance as per last financial statements	160,095	146,268
Profits for the year	151,857	54,774
Less: Appropriations		
Transfer to General Reserve	(38,000)	(15,000)
Transfer to Special Reserve	(31,000)	(12,000)
Proposed final dividend {amount per share ₹ 60/- (31 March 2013 ₹ 60/-)}	(12,000)	(12,000)
Tax on Proposed Dividend	(2,039)	(1,947)
Net Surplus in the statement of Profit & Loss	228,913	160,095
Total Reserves & Surplus	711,819	574,001

Note 5 : DEFERRED TAX LIABILITIES (NET)

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
Fixed Assets - WDV as per Books	334	386
Fixed Assets - WDV as per Income Tax	176	303
Difference	158	83
Tax @ 30%	47	25
Education Cess @ 3%	1	1
Total Deferred Tax Liability	49	26
ADD : Opening DTL	26	-
Total Deferred Tax Liability {Net}	75	26

Note 6: TRADE PAYABLES:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
Due to Related Parties	1,879	1,711
Others	304	304
Total	2,183	2,015

Note 7: OTHER CURRENT LIABILITIES:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
Unclaimed / Unpaid Dividends *	3,571	2,944
TDS payable on Professional Fees	54	89
Total	3,625	3,033

* There is no amount due and outstanding to be paid to the Investor Education and Protection Fund as at 31 March 2014. These amounts shall be paid to the fund as and when they become due.

Note 8: SHORT TERM PROVISIONS:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
Provision for Income Tax	7,057	57
Provision for Fringe Benefit Tax		
AY 2006-07	30	30
AY 2007-08	17	17
AY 2008-09	12	12
AY 2009-10	14	14
Proposed Dividend	12,000	12,000
Tax on Proposed Dividend	2,039	1,947
Total	21,169	14,077

Note 9a: FIXED ASSETS - TANGIBLE ASSETS

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
Office Equipments/Computer:		
Gross Block		
Balance as on 01-04-2013	477	219
Additions	-	258
Balance as on 31-03-2014	477	477

Accumulated depreciation and impairment		
Balance as on 01-04-2013	90	38
Depreciation / Amortisation expense for the year	53	52
Balance as on 31-03-2014	143	90
Net Block		
Balance as on 31-03-2014	334	387
Balance as on 31-03-2013	387	181

Note 9b: DEPRECIATION AND AMORTISATION RELATING TO CONTINUING OPERATIONS:

Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹ ('00)	₹ ('00)
Depreciation and amortisation for the year on tangible assets as per Note 9a	53	52
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to discontinuing operations	-	-
Total	53	52

Note 10: NON-CURRENT INVESTMENTS:

Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹ ('00)	₹ ('00)
Investments (At Cost)		
A. Trade Investment		
a) Investment in equity instruments:		
i) of other entities - Quoted	534,425	423,356
- Unquoted	3,842	3,842
b) Investment in Preference shares:		
i) of other entities - Quoted	-	-
- Unquoted	654	654
c) Investment in Mutual Funds:	215,545	226,828
Total	754,466	654,680
Less: Provision for diminution in value of investments:		
Quoted equity instruments	0	(32,730)
Unquoted equity instruments	(3,842)	(3,842)
Unquoted Preference shares	(654)	(654)
Mutual Funds	(6,016)	(25,700)
Total	743,954	591,754

Aggregate amount of quoted investments: (Equity & MF)		
Book Value	749,970	423,356
Market Value	5,176,234	4,279,605
Aggregate amount of unquoted investments - Book Value:	220,041	231,324
Aggregate provision for diminution in value of investments:	(10,512)	(62,926)

Note 11: LONG-TERM LOANS AND ADVANCES:

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
ADVANCE TAX	6,600	-
Security Deposits:		
Unsecured, considered good	106	106
Total	6,706	106

Note 12: CASH AND CASH EQUIVALENTS

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Balances with banks:		
on current accounts	3,068	14,151
on unpaid dividend accounts	3,571	2,944
Cash on hand	128	55
Total	6,767	17,150

Note 13: SHORT-TERM LOANS AND ADVANCES:

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Prepaid Expenses:		
Unsecured, considered good	11	12
Total	11	12

Note 14: OTHER CURRENT ASSETS

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Others		
Dividend due but not received	1,097	3,743
Total	1,097	3,743

Note 15: Revenue from operations

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Dividend income:		
from long-term investments - others	76,866	72,538
Long Term Capital Gain (Net) :		
Net Long Term Capital Gain on sale of shares	49,320	
Net Long Term Capital Gain on redemption of mutual fund	26,244	
Total	152,430	72,538

Note 16: Other Income

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Profit on auction of Shares	90	108
Total	90	108

Note 17: Loss on Sale of Investments

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Long Term Loss on Sale of Shares	19,799	-
Long Term Loss on Redemption of Mutual Fund	19,142	-
Total	38,941	-

Note 18: Finance Costs

Particulars	For the year ended 31 March, 2014 ₹ ('00)	For the year ended 31 March, 2013 ₹ ('00)
Interest expense on:		
Others		
- Interest on delayed / deferred payment of income tax & TDS (incl. Bank Charges)	120	142
Total	120	142

Note 19: Other Expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
Rent including lease rentals (Refer Para 2.11)	168	168
Rates & Taxes	-	-
Repairs & Maintenance - Machinery	15	8
Travelling and conveyance	108	12
Printing and Stationery	346	141
Legal and Professional Fees	3,385	3,395
Auditors' Remuneration - As Audit Fees	337	337
- Out of Pocket expenses	-	-
Directors' Sitting Fees	550	570
Directors' Conveyance Allowance	220	300
Professional Tax Penalty	-	3
Professional Tax	25	-
Provision for Diminution	-52,413	12,363
Share business exp. Inc. demat charges	873	-
Computer / Internet exp.	225	-
Miscellaneous expenses	662	335
Total	-45,499	17,632

Note 20: Earnings per Share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ ('00)	₹ ('00)
Basic		
a) Continuing Operations		
Net Profit /(loss) for the year from continuing operations	151,857	54,774

Less : Preference dividend and tax thereon	-	-
Net Profit /(loss) for the year from continuing operations attributable to the equity shareholders	151,857	54,774
Weighted average number of equity shares (in Nos.)	20,000	20,000
Par value per share (in actual ₹)	100	100
Earnings per share from continuing operations - Basic	8	3
Basic		
b) Total Operations		
Net Profit /(loss) for the year	151,857	54,774
Less: Preference dividend and tax thereon	-	-
Net Profit /(loss) for the year attributable to the equity shareholders	151,857	54,774
Weighted average number of equity shares (in Nos.)	20,000	20,000
Par value per share (in actual ₹)	100	100
Earnings per Share - Basic	8	3
Diluted		
c) Continuing Operations		
Net Profit /(loss) for the year from continuing operations	151,857	54,774
Less: Preference dividend and tax thereon	-	-
Net Profit /(loss) for the year from continuing operations attributable to the equity shareholders	151,857	54,774
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Net Profit /(loss) attributable to the equity shareholders from continuing operations (on dilution)	151,857	54,774
Weighted average number of equity shares for Basic EPS (in Nos.)	20,000	20,000
Add: Effects of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS (in Nos.)	20,000	20,000
Par value per share (in actual ₹)	100	100
Earnings per share from continuing operations - Diluted	8	3

Basic		
d) Total Operations		
Net Profit /(loss) for the year	151,857	54,774
Less: Preference dividend and tax thereon	-	-
Net Profit /(loss) for the year attributable to the equity shareholders	151,857	54,774
Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
Net Profit /(loss) attributable to the equity shareholders (on dilution)	151,857	54,774
Weighted average number of equity shares for Basic EPS (in Nos.)	20,000	20,000
Add: Effects of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS (in Nos.)	20,000	20,000
Par value per share (in actual ₹)	100	100
Earnings per share - Diluted	8	3

Note 21: Contingent Liabilities

21.1 Sundry creditors for Expenses includes ₹ 171,166/- amount payable since 01-02-2003. The landlord, Sir Homi Mehta Trust, had sent the notice for the eviction of the premises occupied by the Company and had also filed the suit in the Court of Small Causes mainly for the eviction. In the said suit, the landlord, had prayed for the interim relief of ₹ 110/- per Sq.ft. per month or at such rate as the Hon. Court may deem fit after enquiry under Order 20 Rule 12 (O.20 R.12) of the code of Civil Procedure.

The trial court decreed and ordered eviction from the suit premises. On appeal before the Small Causes Court the judgment of the Trial

Court was set aside in July 2008. However, thereafter landlord has filed a Civil Revisionary Application against this judgment in the Bombay High Court, which is pending.

The Small Causes Court had also ordered for an enquiry in terms of O.20 R.12 for manse profit, which is pending. In view of this the manse profit is not quantifiable at this stage and not provided for the same.

21.2 As per records, there is ₹ 6,977/- income tax dues payable for the Assessment year 2003-04 which is disputed and remain outstanding as on 31st March, 2014

Note 22: Related Parties Disclosure

Related party disclosure as required by Accounting Standard - 18 : 'Related Party Disclosures' issued by the Institute of

Chartered Accountants of India are : Name, Relationship and Transaction of related parties.

Sl. No.	Particulars and Related Party	Nature of transaction	Amount (₹) ('00)
(a)	Holding Company United India Insurance Co. Ltd.	Dividend	₹ 8,334/-
(b)	Key Management Personnel Mr. Homi F Mehta - Chairman	Meeting Fees Conveyance Dividend	₹ 150/- ₹ 100/- ₹ 41/-
(c)	Relative of Key Management Personnel Mrs. Zarine Chothia - Sister of Homi Mehta	Dividend	₹ 11/-
(d)	Associate Concern / Trust Sir Homi Mehta Trust	Rent	₹ 168/-

Note 23: Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to

correspond with the current year's classification / disclosure.

In terms of our report attached.

For KARIA & SHAH

Firm Registration No : 112203W

Chartered Accountants

CA Sanjay Shah

Partner

Membership No. 042529

Place : Mumbai

Date : 15-4-2014

For and on behalf of the Board of Directors

Homi F. Mehta
Chairman

L.P. Mehta
Director

IV. Performance of Company (₹ in Thousands)

Turnover

				1	5	2	5	2
--	--	--	--	---	---	---	---	---

Total Expenditure

						-	6	3	9
--	--	--	--	--	--	---	---	---	---

+ - Profit / Loss Before Tax

							1	5	8	9	1
--	--	--	--	--	--	--	---	---	---	---	---

+ - Profit / Loss After Tax

							1	5	1	8	6
--	--	--	--	--	--	--	---	---	---	---	---

Earning per Share in ₹

				7	5	9	.	2	9
--	--	--	--	---	---	---	---	---	---

Dividend at %

6	0
---	---

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No.(ITC Code)

												N	A
--	--	--	--	--	--	--	--	--	--	--	--	---	---

Product Description

													N	A
--	--	--	--	--	--	--	--	--	--	--	--	--	---	---

Note: For ITC Code of Products, please refer to the publication Indian Trade Classification based on harmonised commodity description and coding system by Ministry of Commerce, Directorate General of Commercial Intelligence & Statistics, Kolkata -700 001.

Board Meeting



Statutory Auditors handing over the Audit Report



Press Meet held at Chennai on 25th April 2014

The Stupendous Success Streak



"ICT Based Innovation 2013"
for M-Power
(Mobile Premium Payment Facility)



"Best Insurance Company
in Public Sector 2013"



"Best Non-Urban Coverage -
Public Sector" &
"Commercial Lines Growth Leadership"



"Ethical Company in Insurance -
Property & Casualty 2013"



"Best Health Insurer 2013"



"Consistent All-Round Performer
of The Year 2014"

Insurance is the subject matter of solicitation

Designed & Printed by MCS Communications Pvt. Ltd.