



**Your Safety is
Our Policy**



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.

TRUST AND EXCELLENCE REACHES A NEW HEIGHT

www.uiic.co.in



United India steps into its 78th year of dedicated services

As we step into our 78th year of protecting the nation from unforeseen risks, we owe our accomplishments to the trust of our customers and the dedication of our employees. Surging ahead, we are committed to broaden the boundaries of Non-life insurance.

Thank you customers



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BOARD OF DIRECTORS



MILIND KHARAT
Chairman-cum-Managing Director



ALOK TANDON
Director



KISHORE KUMAR SANSI
Director



ASHA NAIR
Director & General Manager



DIRECTORS AND EXECUTIVES

Chairman-cum-Managing Director
Milind Kharat

Directors

Alok Tandon (from 5-6-2014)
Kishore Kumar Sansi (from 13-5-2015)
Priya Kumar (upto 4-6-2014)
T.M. Bhasin (upto 31-03-2015)
A. Thrivikraman Thampi (upto 24-8-2014)
Asha Nair
M. Vasantha Krishna (upto 14-1-2015)

Executives

Chairman-cum-Managing Director
Milind Kharat

General Managers

Asha Nair
A.V. Girija Kumar (from 22-1-2015)
M. Vasantha Krishna (upto 14-1-2015)
R.K. Deka (upto 14-1-2015)
M.V.V. Chalam
A. Hoda
V.E. Kaimal
T.L. Alamelu
Ramma Bhasin (upto 13-6-2014)
Ish Kumar
P. Hemamalini (from 30-5-2014)

Chief Financial Officer

V.E. Kaimal

Chief Vigilance Officer

Kunnel Prem

Deputy General Managers

S. Sivaraman
R. Shivakumar
V. Sajan
R. Hariharan
P.V.S. Laxmi Prasad
K. Govindarajan
K.B. Vijay Srinivas
N. Pauly Sukumar
V. Srinath
Usha Ramaswamy
B.B. Dash

V.K. Ramchander
K.K. Panda
CH. Narasimha Rao
M.P. Jairam
Soumya Mukherjee
Ravi Rai
K.L. Kunjilwar
G. Yesudasu
S. Ramadoss

Company Secretary

S. Venkataraman

Auditors

M/s. Brahmayya & Co.
M/s. Maharaj N R Suresh & Co.
M/s. Padmanabhan Ramani & Ramanujam

Key Managerial Personnel

Milind Kharat, CMD
V.E. Kaimal, CFO
S. Venkataraman, Company Secretary

Chief Grievance Officer

A.V. Girija Kumar, General Manager

Principal Compliance Officer (Anti-Money Laundering)

V.K. Ramchander, Deputy General Manager

Chief Underwriter

M.P. Jairam, 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 and Company Secretary

Chief Public Information Officer

L. Rangarajan, Chief Manager

RECOGNITION FOR THE COMPANY AWARDS & ACCOLADES

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

- “Consistent All Round Performer” Award received by CMD from Dalal Street Investment Journal
- Indian Insurance Award, 2014 under the following categories :
 - a) E - Business Leader
 - b) Bancassurance Leader
 - c) Best Non-Urban coverage
- SKOCH Merit Certificate 2014 - “Order of Merit” for “India’s Best Financial Inclusion and Financial Deepening Projects - 2014”
- IOD - “Golden Peacock Award” for “Excellence in micro insurance”
- “CEO with HR orientation” presented to CMD and “40 Most Talented HR leaders” for GM (HR) - Asia Pacific HRM Congress Awards, 2014
- ABP News Brand Excellence (B.E.) Award in “Non-life insurance (Public Sector)”
- Certificate of Appreciation - “Best Practices Award” by Hon’ble CM of Tamil Nadu - for 2014 - for excellent contribution towards award winning TNCMCHIS scheme
- Outlook Money Award 2014 - “Best Health Insurer” Award - RUNNER UP
- Dalal Street Investment Journal - 6th DSIJ PSU Awards - “Most Consistent Performer” General Insurance of the year



NOTICE

NOTICE is hereby given that the SEVENTY-SEVENTH ANNUAL GENERAL MEETING of the Members of the Company will be held on MONDAY the 29th JUNE 2015 at the Registered Office of the Company at 24, Whites Road, Chennai - 600 014, at 12.30 p.m., to transact the following business:

- (1) To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st March 2015.
- (2) To declare dividend on Equity Shares.
- (3) To authorise the Board of Directors to fix the remuneration of Auditors, to be appointed by the C&AG, for the year 2015-16.

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

Place : Chennai
Date : 23 June 2015

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



A.V. GIRIJA KUMAR
General Manager



M.V.V. CHALAM
General Manager



A. HODA
General Manager



V.E. KAIMAL
General Manager & Financial Advisor



T.L. ALAMELU
General Manager



ISH KUMAR
General Manager



P. HEMAMALINI
General Manager



KUNNEL PREM
Chief Vigilance Officer



S. VENKATARAMAN
Company Secretary

CORPORATE MANAGEMENT (2014-15)



M. ELANGO
Dy. General Manager



S. SIVARAMAN
Dy. General Manager



R. SIVAKUMAR
Dy. General Manager



R. HARIHARAN
Dy. General Manager



K. GOVINDARAJAN
Dy. General Manager



N. PAULY SUKUMAR
Dy. General Manager



V. SRINATH
Dy. General Manager



CH. NARASIMHA RAO
Dy. General Manager



S. RAMADOSS
Dy. General Manager



M.P. JAIRAM
Dy. General Manager



G. YESUDAS
Dy. General Manager



V.K. RAMCHANDER
Dy. General Manager

REGIONAL INCHARGES (2014-15)

Northern Zone



K.L. KUNJILWAR, DGM
Jaipur RO



RAM NIWAS, DGM
New Delhi RO-2



NEEL GARG, DGM
New Delhi RO-1



RAVI RAI, CRM
Chandigarh RO



M.K. GUPTA, CRM
Ludhiana RO



S.N. SAXENA, CRM
Lucknow RO



RAMESH AIYAR, CRM
Dehradun RO

Eastern Zone



S.M. CHURA, DGM
Kolkata RO



SANJEEV KUMAR, CRM
Bhubaneswar RO



WANSILA KHARKONGOR, CRM
Guwahati RO



AJAI KUMAR, CRM
Patna RO

REGIONAL INCHARGES (2014-15)

Western Zone



B.B. DASH, DGM
Bhopal RO



SOUMYA MUKHERJEE, DGM
Mumbai RO-2



K.K. PANDA, DGM
Pune RO



Dr. ANIL RAJMANE, DGM
Mumbai RO-1



A.N. RAI, CRM
Ahmedabad RO



R.P. MITTAL, CRM
Vadodara RO



RAJESH KUMAR, CRM
Nagpur RO



Dr. PRADIP SARKAR, CRM
Raipur RO

Southern Zone



V. SAJAN, DGM
Kochi RO



USHA RAMASWAMY, 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



Dr. ABDUL AZEEZ, CRM
Coimbatore RO

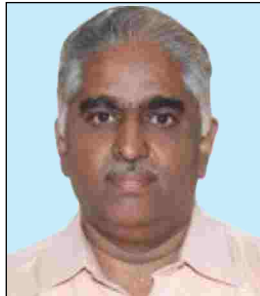


A. PADMANATHAN, CRM
Puducherry RO

LARGE CORPORATE & BROKERS CELL INCHARGES (2014 - 15)



BASUDEV SATAPATHY
LCB Mumbai



S.P. NATHAN
LCB Chennai



ASHIM KUMAR MUKHERJEE
LCB Delhi



Dr. K.A. KRISHNA
LCB Bangalore



A.R.K. REDDY
LCB Hyderabad



Dr. P.M. KULKARNI
LCB Pune



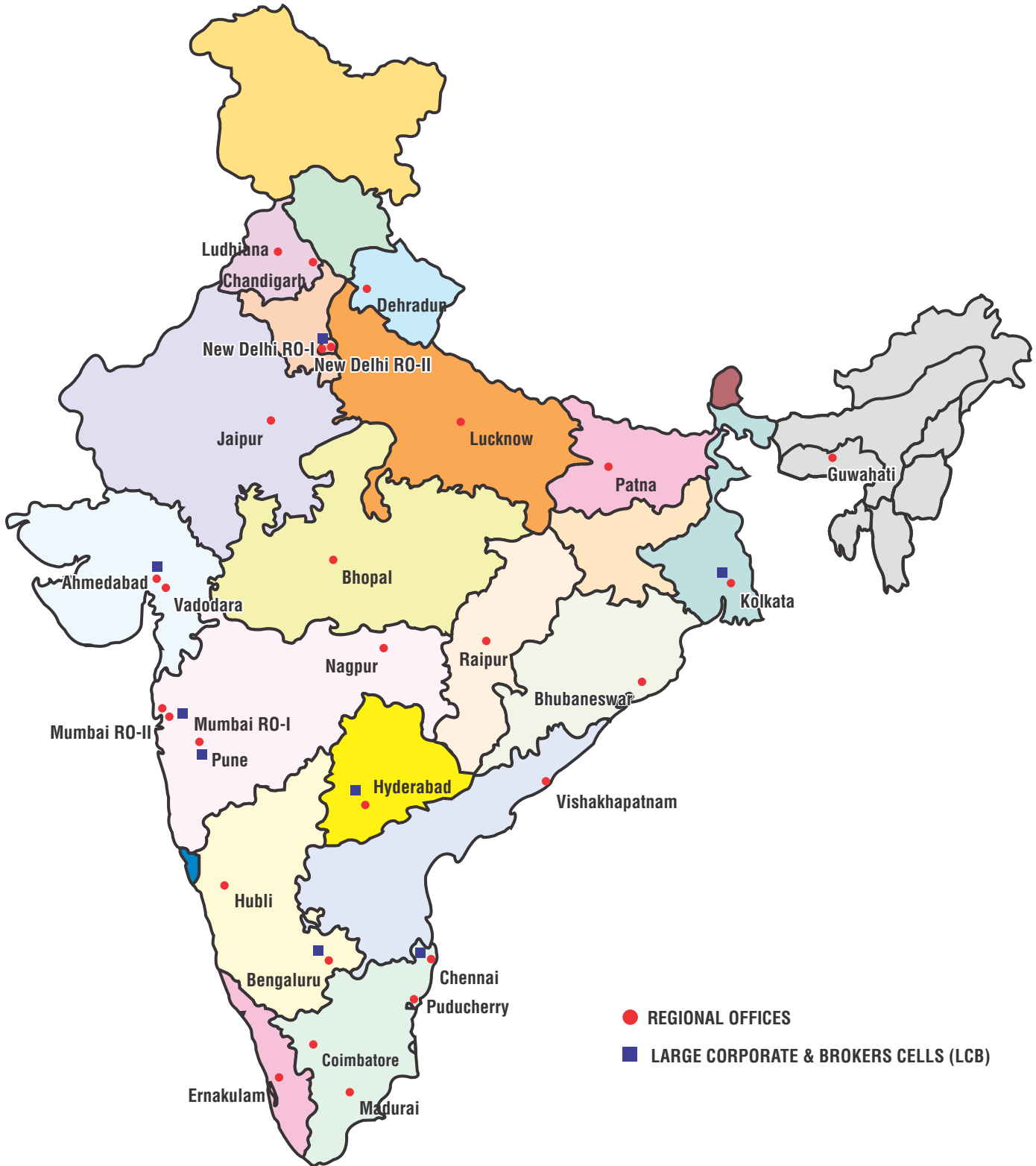
JAIDEEP SINHA
LCB Kolkata



RAJENDRA B. JOSHI
LCB Ahmedabad



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







From the CMD's Desk...

The General Insurance Industry posted a growth last year at 10.80%. Inline with the same, the company grew at 10.12% to touch ₹10,692 Crores, with an accretion of ₹983 Crores. The claims ratio was impacted due to the unprecedented catastrophic floods in J&K state and Hudhud cyclone losses, which affected coastal districts of Andhra Pradesh, the like of which was not seen in the last 100 years. The company was reported over 5000 claims from both the catastrophes amounting to ₹1,200 Crores. Despite this, the company, through efficient claims management, was able to post a increased claims ratio of 84.42%, which is 1.86% more than the earlier year. The management expenses was ₹2,649 Crores,

which included AS 15 provision of ₹549 Crores and wage revision provision of ₹215 Crores. The combined ratio has consequently moved up to 120%.

Last year was a watershed one for the General Insurance Industry in India. Insurance Laws (Amendment) Act, 2015 was enacted and the FDI cap for companies in the sector raised to 49%. While the former devolves more powers to the Regulator for better development of the Industry, the latter will bring in more capital into the sector, with more companies set to enter the market and thereby intensifying the already acute competition. While this is a challenge, there are opportunities galore for the growth of the sector which has an abysmally low penetration at 0.80% and a density of USD 11. The Government at the center is decisively pushing ahead with the reform process for rapid infrastructure development and further liberalization through game changing initiatives like 'Make In India', PMJDY, etc. All these, will push the Indian economy to a higher growth trajectory with its spin-off benefits on the growth of the General Insurance Industry in India. The company is well positioned to leverage the opportunities.

During the year, the company will focus on retail, MSME and rural sectors. Motor and Health will be the growth engines for the company. The company will also focus on customer service parameters and look at various ways and means to better the customer experience with the company.

United India is a great company with a wonderful legacy of 77 years vintage. Our business is more streamlined, more focused and in far better shape to compete strongly in an increasingly competitive landscape. We have the talent, strategy and determination to take our company forward to cross the premium target of ₹12,345 Crores for the current year.

In closing, I wish to place on record, my sincere appreciation and gratitude to the Board of Directors and the IRDAI for their guidance and support extended to the company. I also wish to place on record my gratitude to our customers, employees, business intermediaries and vendors for their continued support. All these facilitated our company to deliver credible operational performance, under challenging circumstances, as also deliver excellence in customer service. I look forward to future success with real optimism.

MILIND KHARAT

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

1. Highlights and Department-wise performance

- 1.1 Brief on Independent Auditors' Report
- 1.2 Highlights of Financial Performance of the Company
 - 1.2.1 Share Capital
 - 1.2.2 Reserves
 - 1.2.3 Dividend
 - 1.2.4 Solvency Margin
 - 1.2.5 Compliance with Section 40C
- 1.3 Business Review and Summary of Operations
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 - 1.3.2 Unisurge Initiative
 - 1.3.2.1 Agency Vertical
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 - 1.3.2.3 Motor Dealer
 - 1.3.2.4 Large Corporate Broker Cells
 - 1.3.2.5 Small and Medium Enterprises initiatives
 - 1.3.2.6 Service Hubs
 - 1.3.2.7 Third Party Claims Hubs
 - 1.3.3 Actuarial activities
 - 1.3.4 Customer Care Services
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 - 1.3.6 Official Language Implementation
 - 1.3.7 Corporate Communication
 - 1.3.8 Information Technology
 - 1.3.9 Human Resources Development and Personnel
 - 1.3.9.1 Organisational Network
 - 1.3.9.2 Human Capital Management
 - 1.3.9.3 Performance Management System
 - 1.3.9.4 Break-up of number of employees
 - 1.3.9.5 Recruitment
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- 1.4 Measures taken to enhance credibility of internal controls and financial reporting
 - 1.4.1 Internal Audit
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 - 1.4.3 Vigil Mechanism
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 - 1.4.4 Anti-money Laundering
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 - 1.4.7.1 Mega Lok Adalat
 - 1.4.7.2 J & K Flood
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- 2.2 Operating Performance

- 2.2.1 Segmental Performance
- 2.2.2 Summary
- 2.2.3 Capital & Funds
- 2.2.4 Performance Review
- 2.2.5 Key Accounting Ratios
- 2.2.6 Contribution to National Ex-chequer
- 2.3 Corporate Social Responsibility
 - 2.3.1 Village Adoption, School Literacy Programme, Swachh Bharath Kosh:
 - 2.3.2 Financial Inclusion
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 - 2.3.5 Agriculture Insurance
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 - 2.3.8 Rashtriya Swasthya Bima Yojana (RSBY)
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- 2.4 Donations
- 2.5 Recognition for the Company- Awards and Accolades
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 - 3.2 Meeting Details
 - 3.2.1 Board Meetings
 - 3.2.2 Investment Committee
 - 3.2.3 Audit Committee
 - 3.2.4 Risk Management Committee
 - 3.2.5 Policyholders' Protection Committee
 - 3.2.6 Corporate Social Responsibility Committee
 - 3.2.7 Information Technology Committee
 - 3.2.8 Remuneration Committee
 - 3.2.9 Property Review Committee
 - 3.2.10 Human Resources Committee
 - 3.3 Secretarial Audit
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 - 3.5 Conservation of Energy, Technology Absorption
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 - 3.8 Statutory Auditors
 - 3.9 Directors' Responsibility Statement
 - 3.10 Placing of Annual Report before The Parliament
 - 3.11 Plans/Outlook of Industry and Company for 2015-16
 - 3.12 Acknowledgements
 - 3.13 Profile of the Board of Directors
 - 3.14 Certification for Compliance of the Corporate Governance Guidelines
 - 3.15 Disclosure under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013
- 4. **Annexures**
 - 4.1 Extract of Annual Return in Form-MGT 9
 - 4.2 Secretarial Audit Report
 - 4.3 Format for the Annual Report on CSR Activities
 - 4.4 Performance in Health, Rural and Social lines in the past five years

Performance Highlights for 2014-15

GROSS DIRECT
PREMIUM
₹ 10691.73
CRORES

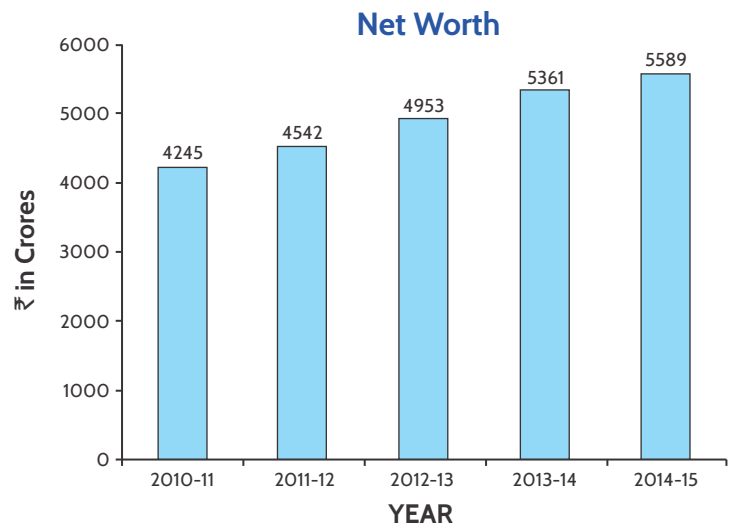
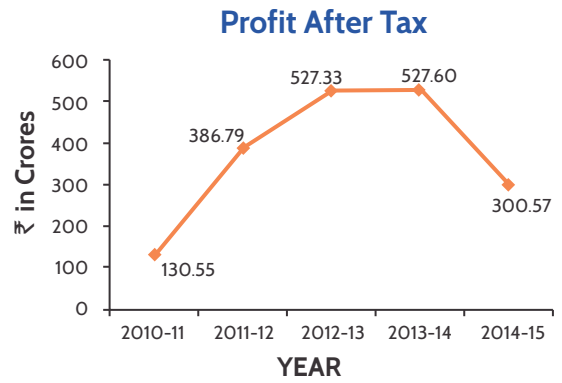
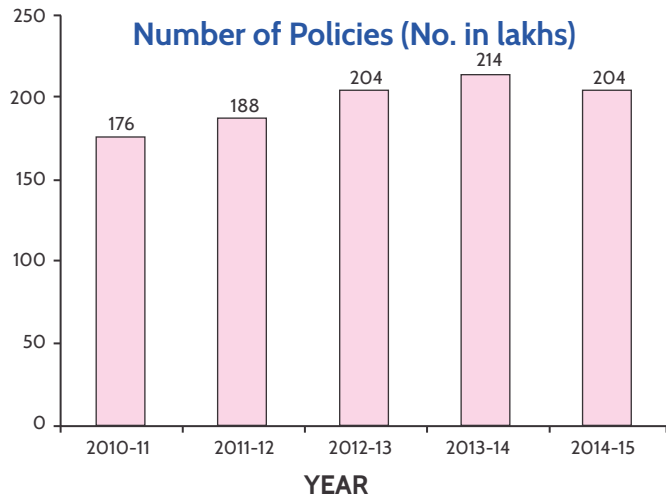
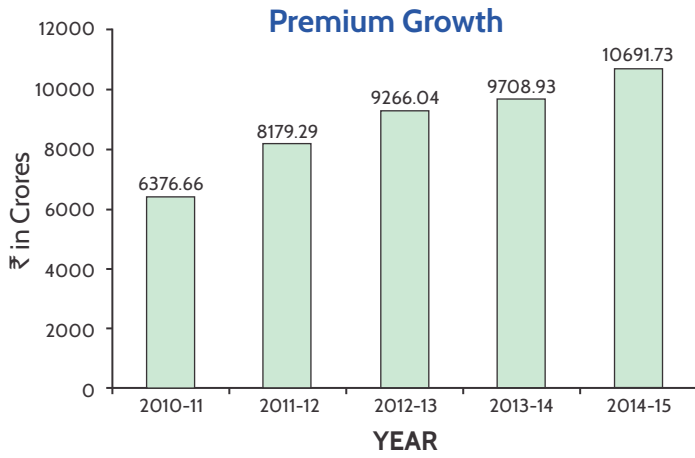
NET EARNED
PREMIUM
₹ 8816.23
CRORES

PROFIT
BEFORE TAX
₹ 319.24
CRORES

SOLVENCY
MARGIN
2.36

PROFIT
AFTER TAX
₹ 300.57
CRORES

NET
WORTH
₹ 5589.03
CRORES



1. REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS

The Directors have pleasure in presenting the Seventy-seventh Annual Report of the Company together with the Audited Statement of Accounts and Balance Sheet for the year ended March 31, 2015.

consecutively for the seventh time, confirming again the strength of the quality of accounts. The financial results were finalized and placed before the Board on 15th May 2015.

1.1) 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 2014-15,

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 | 13th June 2014 |
| 2014-15 | Nil | Nil | 15th May 2015 | TO BE HELD |

1.2) Financial Performance

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

| Particulars | Current Year 2014-15 | Previous Year 2013-14 |
|---------------------------|----------------------|-----------------------|
| Gross Premium Income | 10691.73 | 9708.93 |
| Net Premium | 9326.02 | 8291.39 |
| Net Earned Premium | 8816.23 | 7603.30 |
| Claims Incurred | 7443.03 | 6277.38 |
| Commission | 531.29 | 438.83 |
| Operating Expenses | 2648.57 | 2111.23 |
| Other Income/(Expenses) | -16.02 | -109.98 |
| Investment Income (Gross) | 2141.92 | 1967.18 |
| Profit Before Tax | 319.24 | 633.06 |
| Provision for Taxation | 18.67 | 105.46 |
| Profit After Tax | 300.57 | 527.60 |

1.2.1) 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 2015.

1.2.2) Reserves

An amount of ₹227.39 crores was transferred to General Reserves in the year 2014-15. The transfer represents 75.65% of the profit after tax.

(₹ in crores)

| | 2014-15 | 2013-14 |
|----------------------|---------|---------|
| Paid Up Capital | 150.00 | 150.00 |
| Reserves and Surplus | 5439.03 | 5210.53 |

1.2.3) Dividend

The Directors recommend a dividend of 41% on the paid-up capital for the year ended 31st March 2015. Total outgo in the form of dividend, including taxes, will be ₹73.17 crores.

1.2.4) Solvency Margin

(₹ in crores)

- Required Solvency Margin under IRDAI Regulations 2373.50
- Available Solvency Margin 5599.00

The solvency ratio as on 31-03-2015 was 2.36 as against 2.54 as on 31-03-2014.

1.2.5) Compliance with Section 40C

| | 2014-15 | 2013-14 |
|--|---------|---------|
| Percentage of expenses prescribed under the Act | 19.75% | 19.70% |
| Company's actual percentage of expenses | 23.53% | 20.53% |
| Percentage of expenses including Commission prescribed under the Act | 28.92% | 28.78% |
| Company's actual percentage of expenses including Commission | 30.88% | 27.93% |

The above percentages are calculated on Gross Direct Premium.

1.3) Business review and summary of operations

1.3.1) Reinsurance

The J&K floods and Hudhud cyclone had impacted the Company's gross incurred claims which effect on the Balance sheet was absorbed by the Excess of Loss covers taken. Due to these two major catastrophic events, the cost of renewal of non-proportional covers has gone up. The deductible in Risk XL has gone up from INR 20 crores to INR 25 crores.

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

In 2015-16 the Obligatory session to GIC Re continues to be at 5% with a capping.

1.3.2) Unisurge Initiative

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

1.3.2.1) Agency Vertical:

The Umex Agency vertical which represents active individual agents completed a premium of ₹5316 crores in 2014-15 with an accretion of ₹609 crores and registering a growth rate of 13%. The number of active agents as on 31-03-2015 is 74,183 as against last year strength of 66,488. Agents portal was a major success story in 2014-15. 8,301 Agents are issuing Motor policies online through portal. ₹455.67 crores was booked on Agents' portal in 2014-15 as against ₹256.43 crores in the previous year. Total number of policies issued on Agents' portal was 24.25 lakhs as against 15.15 lakhs in previous year.

1.3.2.2) Bancassurance:

Bancassurance vertical premium in 2014-15 is ₹647.57 crores as against ₹695.02 crores of last year.

1.3.2.3) Motor Dealer:

The tie ups with the Motor Vehicles manufacturers and Dealers continue to perform well. The premium from various Motor Dealer Offices and Cells and OEM tie-ups have brought in ₹387.49 crores as against last year's ₹360.14 crores. The premium includes ₹154.56 crores from OEM tie-ups with Toyota and ₹10.70 crores from TATA Commercial vehicles. 1,184 Dealers are issuing Motor policies online through portal.

1.3.2.4) Large Corporate Broker Cells:

The 8 Large Corporate & Broker Offices have completed a premium of ₹1158 crores with an accretion of ₹156 crores at a growth rate of 16%.

1.3.2.5) Small and Medium Enterprises Initiatives

The SME initiative has taken off well in current year. The premium from this segment has reached ₹372.10 crores recording a growth rate of 80.11%.

1.3.2.6) Service Hubs:

We continue to monitor the service delivery through Hubs. Our 26 Service Hubs have settled 55,129 claims (including 368 theft claims) achieved a TAT of 30 days (intimation to settlement) and disposal Ratio of 92.98%

1.3.2.7) Third Party Claims Hubs:

31 TP Hubs settled 19,353 claims in 2014-15 and achieved a claim settlement ratio of 37% during the year. 5,638 claims were settled through conciliation by the TP Hub.

To revitalize the activities, the Company is planning to go for a second wave of transformation project. The Company is also poised to open Company's foreign operations thus fulfilling the corporate vision of the Company.

1.3.3) Actuarial Activities

Actuarial Science deals with assessing risks in Insurance and Finance and is fast attaining prominence in General Insurance business. Actuaries assist Companies by providing suitable inputs to improve their profitability and overall financial health.

The Corporate Actuarial Department is involved in core Actuarial functions which includes estimation of Incurred But Not Reported (IBNR) claims reserves, preparation of the Financial Condition Report, Economic Capital calculation and Asset Liability Management, which are important tools to analyse the Company's business performance and sustainability. In addition, the department provides pricing support to Technical Departments.

The department is also responsible for co-ordination, collection and providing information to top management and external bodies like IRDAI, Ministry and GI Council. Detailed analysis reports on business performance, claims settlement and incurred losses are furnished to various departments periodically.

Further, the department provides regular reports on developments in Market and analysis of Industry performance through periodicals like "Matrix" and "Convergence".

1.3.4) Customer Care Services

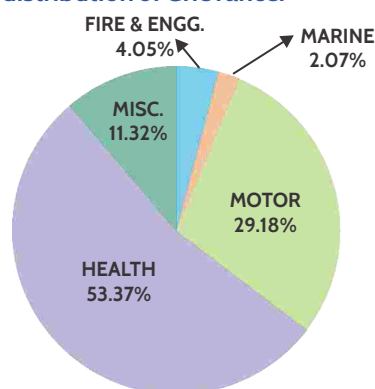
In today's competitive market scenario, Customer Service delivery is one of the important differentiating factors. Over the years the department's role has evolved from a transactional role of handling of customer grievances into a transformational role of identifying customer expectations, analysing the issues involved at various stages of insurance transactions and enabling the human resources of the Company in fulfilling them with continued training support.

In line with the IRDAI's guidelines on Grievance Redressal, the Company has a Board approved Customer Grievance Redressal Policy duly filed with IRDAI. The Online Grievance Redressal Portal (UGMS) is integrated to IRDAI's Grievance Management System on real time basis.

Data on Customer Grievances - 2014-15 Vs 2013-14

| Complaint Source | Opening Balance | | Grievances Registered | | Grievances Disposed | | Grievances Pending | | Disposal Ratio (%) | |
|-------------------|-----------------|------------|-----------------------|-------------|---------------------|-------------|--------------------|------------|--------------------|-----------|
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| IRDAI | 39 | 103 | 1126 | 1282 | 1150 | 1346 | 15 | 39 | 98 | 97 |
| DPG/ Ministry | 6 | 10 | 103 | 120 | 103 | 124 | 6 | 6 | 95 | 95 |
| Direct by UIIC | 64 | 147 | 4693 | 4793 | 4723 | 4876 | 34 | 64 | 99 | 98 |
| Total | 109 | 260 | 5922 | 6195 | 5976 | 6346 | 55 | 109 | 99 | 98 |

LOB-wise distribution of Grievance: -



| LOB | Grievances received |
|--------------|---------------------|
| FIRE & ENGG | 244 |
| MARINE | 125 |
| MOTOR | 1760 |
| HEALTH | 3219 |
| MISC. | 683 |
| TOTAL | 6031 |

TAT Analysis on Grievances Disposal

During the year, the Company recorded all-time high disposal ratio of 99%. The Age-wise Analysis of Grievances Disposal in 2014-15 vis-à-vis 2013-14 is given below :

| TAT Duration (No. of days) | Grievances Disposed | Percentage of disposal 2014-15 | Percentage of disposal 2013-14 |
|----------------------------|---------------------|--------------------------------|--------------------------------|
| 1-15 days | 3352 | 56 | 50 |
| 15-30 days | 971 | 16 | 18 |
| 30 and above | 1653 | 27 | 30 |
| Total | 5976 | 99 | 98 |
| Average TAT | | 29 DAYS | 37 DAYS |

Earnest efforts are made towards speedy resolution of grievances so as to comply with IRDAI's guidelines on Grievance Redressal. The importance of adhering to IRDAI mandated TAT of acknowledging a grievance within 3 days and resolving the same within 15 days was stressed upon during the Annual Nodal Customer Care Officers meet held at Varanasi on 8-10-2014.

On a further analysis it is observed that as much as 73% of the complaints are resolved either fully or partially in favour of the complainant which reveals the Company's openness/willingness to review their decision upon representation from the insured / beneficiary.

Data on ombudsman complaints 2014-15 Vs 2013-14

| Year | OP Balance | Complaints Received | Complaints Disposed | Pending as on 31/03 |
|---------|------------|---------------------|---------------------|---------------------|
| 2014-15 | 735 | 1134 | 1469 | 400 |
| 2013-14 | 1039 | 1573 | 1877 | 735 |

Various Customer Care Initiatives of the Company in 2014-15

Sensitization of Frontline officers on “Achieving Excellence in Customer Service”

Training of Frontline officers on “Achieving Excellence in Customer Service” was imparted to nominated Frontline officers of 14 Regional offices across the country. The training aimed at enlightening the participants on better practices to be adopted while dealing with the customers in their day-to-day functions. A unified module was developed covering important aspects of customer service delivery and Regulatory obligations.

Consumer Education through Web:

A unique approach of spreading awareness to insuring public about our products and processes was initiated during 2014-15. Key Information about retail products, documentary requirements at every stage of insurance transactions i.e., proposal, policy, renewal, claims etc. are being displayed under the link <http://uiic.co.in/customer-care/consumer-education>. The count of hits registered in the page indicates that the information is being accessed by number of users.

Root cause analysis of Grievance

One of the important functions of the department is analysing the grievances registered in UGMS portal on quarterly basis to identify the predominant causes which give rise to repetitive complaints, advice HO Departments and the respective Regional office to initiate suitable remedial measures so as to avoid recurrence of complaints out of same cause.

1.3.5) Right to Information Act

Right to Information department was formed at Head office immediately after enactment of the Act

in 2005. The Right to Information Act was enacted to promote openness, transparency and accountability in the administration of every Public authority. 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.

We conducted eight workshops in various Regional Centres viz. R.O. I Mumbai, R.O. II Mumbai, Patna, DRO I, Chandigarh, Ludhiana, Bhubaneswar and Madurai with a view to sensitise the Divisional in-charges / Department heads of the respective Regional Offices.

Besides conducting workshops, five Regions viz. Ludhiana, Chandigarh, Pune, Patna and Vadodara were visited to oversee RTI disposals and also to give guidance for timely disposal of all applications/ appeals received by the respective R.Os.

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

To commemorate the tenth year of the enactment of the RTI Act, RTI Day was celebrated at H.O and at R.Os. by conducting an essay competition.

The department has released two bulletins i.e. Unisandesh. The first bulletin of this Financial year was released in the month of July and the second bulletin was released by Prof. Sridhar M Acharyulu, Chief Information Commissioner, CIC during the All India Appellate Authority’s Seminar held at Chennai. The bulletin aims at creating awareness among employees on RTI matters and also updating on the

latest trends and importance of Act provisions. 8 special bulletins were also released in our Company's intranet to spread awareness about the department's activities.

Performance for the year 2014-15

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 2014-15 are as shown below.

Details of applications and appeals (for company as a whole and H.O. alone) disposed in the financial year 2014-15 are as shown below.

Applications /Appeals:

| | For Company as a whole | | Received at Head Office alone | |
|---|------------------------|---------|-------------------------------|---------|
| | Application | Appeals | Application | Appeals |
| Opening Balance | 45 | 14 | 6 | 7 |
| Number of applications/appeals received | 1861 | 206 | 399 | 73 |
| Number of applications/appeals disposed | 1854 | 210 | 372 | 77 |
| Number pending | 52 | 10 | 23 | 3 |
| Disposal rate | 97.27% | 95.45% | 94.32% | 96.25% |

- 90% of the applications were replied without taking any exemptions under Sec. 8(1) of the RTI Act.
- As per the provisions of the RTI Act, we have taken steps for maximum dissemination of information to the applicants.
- Ministry letters and applications transferred by them and other Public Authorities were promptly responded to.
- It is noteworthy that a few of the appeals were dismissed in favour of our Company with the CPIO's intervention while presenting the case during the hearings. All CIC orders were complied within the period specified in the order.
- To commemorate the 10th year of the powerful legislation of RTI Day was celebrated in H.O. and R.Os. by conducting an essay competition. Participants were felicitated by our CMD on 17-10-2014.
- The TAT of all R.Os. are regularly monitored through the online KRA register.

As a proactive measure for reducing the number of applications, a root cause analysis has been done to initiate necessary remedial measures to reduce the number of RTI applications.

1.3.6) 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) World Hindi Divas

United India Insurance Co. Ltd. and Tamil Nadu Hindi Sahitya Academy, jointly organized World Hindi Day and The Third International Literature Conference and Award function at Nalanda, Learning Centre on 10th January 2015.

Smt. Mridula Sinha, Hon'ble Governor of Goa was the Chief Guest. Sri Ish Kumar, General Manager, Smt. P.Hemamalini, General Manager and

Sri R. Hariharan, DGM of our company shared the dais with Governor of Goa and exchanged their views of importance of Hindi and its propagation.

Smt. Mridula Sinha, Hon'ble Governor of Goa honored Hindi Writers, Poets, Foreign Writers with shield and certificates and Life Time Achievement award was also given to the eminent personalities who contributed for the development of Hindi Language through their works.

2) Accolades

Kanpur DO-II (Lucknow), Kannur DO (Kochi), Amaravati DO (Nagpur), Bhilai DO (Raipur) and Regional Offices of Bhopal, Kochi, Dehra Dun were honoured by their respective TOLICs with Commendation certificate and shield for the best performance in official language implementation during the year.

3) Town Official Language Implementation Committee (TOLIC) Activities

- (a) **COMPETITIONS:** Five employees of Head Office were nominated for “**Hindi Essay Competition**”, **Hindi Noting and Drafting Competition**, **Hindi Oratorical Competition** and **Hindi Anthakshari Competition** conducted by TOLIC, Chennai on various dates and all the nominated employees won prizes.
- (b) Many employees of various offices won prizes in the competitions conducted by local TOLICs and added feathers to our cap.
- **Hindi Drama Competition:-** Head Office participated in Hindi Drama Competition organised by TOLIC, Chennai and won prize among 20 teams comprising of various Central Government Departments/Offices and Public Sector Undertaking.

4) Parliamentary Committee on Official Language

- a) The Third Sub-Committee of Committee of Parliament on Official Language visited **Ooty Divisional Office under Coimbatore Region** on 9th February 2015 under the chairmanship of **Sri Hukum Dev Narayan Yadav, M.P.** to review the

progress made in Official language Implementation in our company. Sri Ish Kumar, General Manager, Head Office and Officers of Head Office and Coimbatore Regional Office and Ministry officials attended the meeting. The Committee appreciated the efforts taken in our company for the successful implementation of Official Language.

- b) **The Parliamentary Committee on Noting & Drafting and Oral Evidence** had discussion with DGM, Regional Office, New Delhi - II on 9th January 2015 at New Delhi and suggestions were given for the progressive use of Hindi.

5) Meetings /Conference & Seminars:

- a) **All India Hindi Officers' Conference - Lucknow - 22 and 23 January 2015.**

All India Hindi Officers' Conference was organised on 22 and 23 January 2015 at Lucknow with an object to review the progress made in Official Language and apprise the various latest amendments made by Ministry in Official Language Implementation . The Conference was inaugurated by Sri Milind Kharat, CMD. Sri.Ish Kumar, General Manager; Sri R. Hariharan, DGM, Head Office, Sri.S.N. Saxena, CRM of Lucknow, Sri Rajiv Kumar, ED, HAL and Chairman of TOLIC, Lucknow were present in the conference.

CMD in his address listed the achievements of our company in the field of Official Language Implementation and insurance business. He added that in the present environment Customer Care is the foremost important tool of our industry and necessary steps should be taken to fulfil the expectations of a customer. Hindi personnels should take interest in progressive use of Hindi and language of the customer, as our main business is Insurance and customer service. He highlighted the suggestions made by the Parliamentary Committee on Official Language to make a good progress in Official Language Implementation.

Regional Offices' performance was reviewed and Regional Offices who performed the best in Official language Implementation were honoured with Shield by Sri Milind Kharat, CMD. The First Prize was bagged by Kochi, the Second Prize was awarded to

New Delhi – II, Bhopal was honoured with the Third Prize and the Special Prizes were bestowed to Jaipur and Nagpur Regional offices.

It was resolved to carry forward the implementation of official language more effectively in the coming years by creating awareness through Hindi Workshops, Inspections, Seminars and many programmes through Hindi.

b) Joint Hindi Seminars at Chennai and Mangalore :

Head Office organised a seminar on 6th July 2014 at Learning Centre, Chennai and **Bangalore Regional Office jointly with Hubli Regional Office** organised a Hindi Seminar on 12 December 2014 at Mangalore. Head Office was represented by Sri R. Hariharan, DGM and Sri N. Gopi, Dy. Manager. In the said seminars officers nominated as Official Language Co-ordinators at Head Office and Divisional Offices were given training on usage of UNICODE software, expectations of Parliamentary Committees and importance of compliance of Official Language regulations as per Ministry guidelines.

6) Advertisements in Hindi under special Radio Campaign

Several insurance products were advertised in Hindi, through Radio bits in various Radio channels as a part of Radio Campaign.

7) Hindi Workshops and Unicode Training

(a) **Head Office** - Head Office organised a workshop on 16th December 2014 at Learning Centre. The object was to apprise the participants about their role and responsibilities. The workshop was inaugurated by Sri Ish Kumar, G.M. and Sri R. Hariharan, D.G.M. addressed the gathering. Dr. D.N. Singh, Member Secretary, TOLIC, Chennai delivered a lecture on TOLIC activities.

b) **UNICODE Training** - Employees of Head Office, were given training on the usage of Hindi Software UNICODE regularly.

All Regional Offices conducted Hindi workshops and UNICODE workshops as per the action plan issued by Head Office.

c) **HINDI DAY /WEEK/ MONTH** was celebrated in Head Office and in all offices of the company during the month of September 2014. Prizes were awarded to the winners of the competitions conducted on this occasion. Cultural programmes were a part of the celebrations.

d) **Release of Hindi News Letter:** Head Office released Hindi News Letter **UNIRAJBASHA** on the occasion of Hindi Day / Week Celebrations.

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.

1.3.7) Corporate Communication

Corporate Communications at Head Office carries out all communication related activities of our Company in tune with the vision of our Company to be the most preferred insurer in India and a trusted brand admired by all stakeholders. The objective is to build and reinforce the brand image of the Company by carrying out publicity in a fair and ethical way. The department displayed an energetic and aggressive disposition towards publicity activities with the object of continued visibility and creation of a strong brand image for United India among the public. The activities were focused mainly to create awareness of our policies where our presence is low and educate the masses the need to avail the insurance products as a risk mitigation measure.

The task of building a relevant brand that customer could trust was the underlying tone of the publicity plan for the year by ensuring uniformity of content while permitting diversified approaches suited to local environment and to achieve media mix to maximise value for money.

The Company's advertising plan encompassed various media including Press, Television, Radio, Outdoor Hoardings etc. Outdoor media continued to be the dominant channel for our expression. The range included Hoardings, Neon signs, Bus shelters, Full Bus-body paintings, Trolleys at Airports etc.

The department was also involved in the designing and printing of newsletter of various departments at Head Office like Unisurge, Matrix, Unicustomer Care, Project Cell, RTI etc., and in the preparation of agency kits for Umex agency department. Further the printing and designing of Calendars, Diaries were carried out in addition to the printing of Policy Pamphlets and Annual Report for the year 2014-15.

Euphoria associated with the FIFA World Cup 2014 and the Cricket World Cup 2015 were utilised by us by carrying out advertisement in leading dailies across the length and breadth of our country to derive publicity mileage for our Company. Also topical advertisement congratulating ISRO scientist on their successful launch of the Mangalyan into Mars was carried out.

Judicious mix of popular and niche channels were considered to advertise various products to reach all types of viewers across the country. The Bancassurance tie-up co-branded campaign was also carried out in FM stations across the country.

Our Company continued to be the sponsor for the tenth year in succession of the Chennai Open Aircel Tennis tournament, the only International ATP Tennis Tournament in South Asia as the platinum sponsor.

1.3.8) Information Technology

United India is riding the crest of Information Technology-driven growth and IT has contributed its mite to make growth possible in a highly competitive and discount driven market. Efforts include increased use of technology, focused training, streamlining of processes and new initiatives through responsible project planning. IT processes have been streamlined, and we have shown that we can improve insurance services and bring down turn-around time to achieve greater Customer Satisfaction. With a slew of online services, focus is kept on customer self-service with ease of operation over the internet and empowering the intermediaries to offer best customer service in addition to being point of sale. We are building IT Infrastructure to support the planned growth and to efficiently manage our resources, and deliver services effectively.

CORE INSURANCE SOLUTION, the centralized software solution comprising Insurance application, and SAP FICO and HCM modules was implemented in nearly 80% of the offices having connectivity and it is planned to complete implementation in the remaining offices mainly micro offices, in the first quarter 2015-16. All 12 Lines of Businesses (LOBs) have got rolled out in CORE SOLUTION. Intermediary portals are working in CORE platform and have products of Motor, Health, PA, Overseas Mediclaim, Fire and Burglary. 1,184 Dealers and 8,301 Agents are issuing policies online 24 X 7 through the portals and the premium booked by portals amounted to 10% of Motor premium booked in the offices. Web services integration has been successfully done between UIIC'S CORE SOLUTION with Yamaha and Chevrolet OEMs for proposal validations and policy issuance online from dealer network. Claims processing and settlement and reports in CORE are enabled and working in 26 OD Claims Hubs and 31 Third Party (TP) Claims Hubs.

We have leveraged IT to strengthen our Bancassurance tie-ups through online bancassurance portals for Banks such as Indian Bank and Bank of Maharashtra for customized co-branded Bancassurance Health and Personal Accident Insurance products. Online issue of Fire, Burglary, Unihomocare, Health and Personal Accident Policies for Canara Bank & Indian Bank under Bancassurance has been further strengthened.

TP (Third Party) Claims portal was launched for M/s. Tata & Toyota OEM tie-ups. Through this, UIIC nodal offices can register and process the TP claims on policies issued under the tie-up and the data can be directly taken into the OEM database for further processing.

Addressing the growing trend of online buying & renewal of policies, a plethora of products such as Motor, Health, PA, OMP, Householder, Shopkeeper has been offered in the Customer Portal with a link from the Company Website. Product information updates to Customers is an ongoing process through FAQs, Dos & Donts, Policy Terms & Conditions published on the Website. SMS and E-mail alerts for renewals and policy issuance and claims approvals are sent to Customers and Intermediaries. We have designed and implemented new theme for Company

website with a combination of attractive visual presentation along with excellent customer service features that will boost our online presence and bring on board more online customers. With ease of navigation and faster page loading customers will have delightful experience browsing the newly themed website.

Our Human Capital Management (HCM) system has been further consolidated and with majority of the modules rolled out most of the HR processes have been automated which is a commendable achievement.

We have upgraded Operating Offices MPLS bandwidth and internet bandwidth for the online portals which has enhanced the access to business application to a great extent. A robust e-mail-solution with rich features from IBM has been implemented ensuring hassle-free secured e-mail communication in the Company. The Centralized Desktop Management Solution (CDMS) which is in the implementation phase will go a long way in providing the desired information security cover for all the computing assets in the Company.

1.3.9) Human Resources Development and Personnel

1.3.9.1) Organizational Network:

As on 31-03-2015, the Company has 1,992 offices:

| | |
|---------------------------------|--------------|
| Regional Offices | 28 |
| Large Corporate & Brokers' Cell | 8 |
| Divisional Offices | 406 |
| Branch Offices* | 666 |
| Micro Offices | 884 |
| Total | 1,992 |

* including a virtual office.

1.3.9.2) Human Capital Management:

The SAP-HCM (System Application and Products – Human Capital Management) is under use in all offices pan-India based covering the following:

Personnel Administration (PA), Organization Management (OM), Deputation Module, Class 1 Promotion Policy (C1PP), Training and Event Management Module, Reservation and Roster Management. Disciplinary Module has been signed off.

In addition, Online Property Returns on SAP HCM is being used by all the Class I Officers to submit their Property Returns for the past three years. As in the last year, the Online APAR (Annual Performance Appraisal Report) for all the Class I Officers is continued to be used and all officers' performance appraisals are done through online.

1.3.9.3) Performance Management System (PMS):

Continuing the PMS process for the year 2014-15, Key Result Area (KRA) based Targets were finalized for all the Operating Groups and individual Executives. The sixth year of implementation of the PMS process in the Company witnessed an increased awareness about the Profit Linked Lumpsum Incentive (PLLI) 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 2014-15 was completed for ROs & LCBs. For the other groups and individual Executives it is under process.

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 2014-15, like last year.

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.

During the year 2014-15 software for PMS Department has been developed and it is in the final process of testing.

1.3.9.4) Break-up of Number of Employees:

The Company has 16,366 employees with the following class-wise break up:

| Class | No. of Employees |
|--|------------------|
| Class I | 6,776 |
| Class II Marketing - 846 Administration - 336 | 1,182 |
| Class III | 6,471 |
| Class IV | 1,937 |
| Total | 16,366 |

1.3.9.5) Recruitment:

During the year 2014-15, 269 officers have been recruited into the Scale I cadre. Besides, 9 officers with PGDM qualification have been recruited from National Insurance Academy (NIA), Pune campus. The recruitment of young talented officers in Scale I cadre is continued in the current year also to supplement existing experienced manpower to meet the requirements.

As in the last year, company has taken up the recruitment of Assistants in the current year also. Accordingly, process for the recruitment of Assistants to fill up 684 posts has been initiated.

1.3.9.6) Training:

In order to equip our workforce to face the challenges coming up in the domestic and global environment training at all levels is being conducted by various training centres to improve personal and organisational effectiveness for higher productivity. All India Personnel Officers' Meet was organized at Lonawala, Pune on 11-12-2014 and 12-12-2014. The Regional training teams, Learning Centre and the Corporate Training Department met in All India Trainers' Meet conducted at Mysore on 8th and 9th of January 2015. Best RTC Awards which is unique in our Company for the past 5 years were presented to the

winning RO teams. Annual Report on Training is published by Corporate Training Department, HO and Learning Centre every year.

Our Corporate Training Centre 'Nalanda' at Chennai and Twenty-six Regional Training Centres attached to our Regional Offices publish and circulate their Training Calendars well in advance and conduct trainings as per requirement of the Training Needs of the Company. Training Advisory Group with four General Managers and three Deputy General Managers conducted two 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 at various Indian Institutes of Management.
- Induction Training was conducted at Corporate Learning Centre for 232 newly recruited Administrative Officers in 4 batches. A training on Career Planning in two batches is conducted for young officers every year. A special management training programme for selected 89 Scale IV officers, 'United Leadership Enhancement Programme' was conducted at NIA in three batches.

Details of Training Programmes attended by our employees during the year 2014-15 is given below :

| Name of Training Centre | No. of Programmes | Participant Employees |
|--|-------------------|-----------------------|
| Workshops and Training by HO Departments | 20 | 635 |
| Corporate Learning Centre, HO | 49 | 1,685 |
| Regional Training Centres | 778 | 10,323 |
| National Insurance Academy | 130 | 993 |
| Other External Institutes | 26 | 56 |
| Total | 1,003 | 13,692 |



Apart from the above, Regional Offices conducted customer seminars wherein number of participants were 12,953.

The total number of Agents trained in various Regional Training Centres is 10,300 and 187 brokers were trained at Learning Centre in 8 programmes.

993 officers trained at NIA is the highest ever in the company in a year. All promotee Scale V Officers of the year attended 'Top Middle Level Management Training' held at LC and all Scale IV promotees of the year were imparted the training, 'Overcoming Challenges'. Our CMD was awarded 'CEO with HR Orientation' and GM (HR) as one of 40 most talented HR Leaders at Asia Pacific HRM Congress held at Bangalore.

1.3.9.7) Welfare of SC/ST/OBC/PwD/ 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 personnel, concessions related to Person with Disabilities. 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 7-11-2014 and 8-11-2014 at Udaipur. Ms. Anuradha Godkhande, Assistant Director, National Commission for Scheduled Castes, Ahmedabad has given an elaborate lecture in regard to the Reservation Policy. For the first time, the office-bearers of SC/ST and OBC Welfare Groups from all ROs have been given training on Reservation policy and implementation of various provisions and guidelines connected thereto.

Study tour of Parliamentary Committee on Welfare of SC/ST employees, visited Chennai met our CMD along with our Senior Executives on 20-10-2014, discussed various matters relating to SC/ST employees.

Out of 1,685 officers who were trained at Learning Centre, 714 officers were from SC/ST category. Similarly, out of 993 Officers trained at NIA, Pune, the number of SC/ST officers were 385. Further 3,333 SC/ST employees were trained at Regional Training Centres and thereby adequate participation of SC/ST employees were ensured.

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

1.3.9.8) Sports Activities

It is a well known maxim that 'Health is wealth' and Sport is considered to be a preserver of health. It is said that "a healthy mind resides in a healthy body". Sports is popular among all classes of people; the reason is that sports influence a man physically and mentally as well as morally. Playing games and sports has important advantages in a way that it socializes our lives. The popular perception is that the intelligence and skill can function at the peak of their capacity only when the body is healthy and strong. Sports facilitates the soothing of the mind and is nature's stress busters.

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 sport 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 as they instill in the player a spirit of self-confidence, self-reliance, discipline, justice, fair play and sense of belonging to the Company. During the financial year 2014-15, the 7th All India Carrom Tournament was successfully conducted at Visakhapatnam. The Regional and Zonal selections were initiated for the All India Shuttle Tournament.

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

1.4) Measures taken to enhance credibility of internal controls and financial reporting

1.4.1) Internal Audit

Internal Audit & Inspection Department, as management function, contributes towards good corporate governance of the Company by timely reporting to top Management as and when deviations are observed and ensure that the organization functions as per norms and various existing regulations. By reporting in an impartial manner, the department enables the Company to achieve its corporate vision. As an extended arm of Corporate Management, trained team of auditors not only report the deviations found, but they also educate the operating offices on the various procedures to be strictly adhered to so that effective transparency is brought in the operations and thereby contributes its share in the performance of the Company.

Working closely with Regional Management, several pending audit queries are resolved by having structured meetings with Regional Chiefs by the IAI Cells bi-monthly. At HO level, all major observations are presented to top Management based on which corrective measures have been initiated and reported to Audit Committee. Frequent interactions with various departments in HO, especially Vigilance Department has brought about welcome improvement in the working of the Company. By conducting RACC meetings in all the Regional Offices where all Divisional In-charges are present, culture of audit compliance is thrust upon for the health of the Company by highlighting the required improvements at various levels so as to bring an effective Internal Control besides resolving issues together.

Total recovery of ₹1,22,94,507/- from various segments such as Clients, Employees and Intermediaries has been effected during FY 2014-15, showing the effectiveness of the Internal Audit Department. All Regional Offices, LCBs, Hubs, DOs, BOs and MOs have been audited besides 9 Special Audits during the financial year.

1.4.2) Audit Compliance

The Audit Compliance Department ensures timely compliance of queries raised by CAG Auditors and Internal Auditors of the Company. 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.

Regular interactions direct and through video conferencing with the Regional Heads, and Regional Audit Compliance Officers have helped improve compliance levels.

Committees consisting of GMs and DGMs have been constituted with delegated authority to consider cases for waiver of Inspection, Personal and Agency Commission as per directions of the Audit Committee of the Board. Queries relating to reports issued prior to 2006-07, identified by the Regional Offices are being placed before the Committees for their review after ensuring that these amounts cannot be recovered. During the year, the Committees considered various queries for waiver based on the recommendations of the ROs.

The department also has regular interactions with the CAG Auditors. An Audit Committee meeting was held with the CAG Auditors in February 2015 during which 33 queries were dropped out of the total 35 discussed. The department also facilitates submission of Action Taken Notes in respect of printed paras based on which the Office of the C&AG has considered 5 paras as dropped during 2014-15.

The department also places Action Taken Reports before the Audit Sub-Committee to report the progress of Audit Compliance.

1.4.3) Vigil Mechanism

1.4.3.1) Vigilance

Vigilance is part of the overall risk management mechanism of the company and vigilance activity in financial institutions is an integral part of the managerial function. The vigilance function should not be seen as an impeding factor in the decision making process in any institution. It should be viewed as an internal

litmus test to identify the bona fide decisions taken in the institution, irrespective of the fact whether the decision taken has resulted in loss to the institution or not. Therefore, Vigilance Administration in the Company is vital for “Promoting Good Governance”. The Vigilance department has been striving to:

- a) Spread awareness among all stakeholders
- b) Encourage good practices
- c) Build up preventive vigilance measures.

Vigilance Awareness

Vigilance Awareness Week was conducted from 27-10-2014 to 01-11-2014 all over India and the Theme of this year was ‘COMBATING CORRUPTION – TECHNOLOGY AS AN ENABLER’. Inaugural function was held at Head Office on 27-10-2014. CMD administered the pledge to all the employees on that day. Posters and Banners were widely displayed during the period.

Vigilance department compiled a booklet ‘GOOD PRACTICES’ which comprised of certain healthy practices to be adopted by all Operating Offices and copies were distributed to all Regional Offices/Operating Offices in the country. The booklet was printed in English and Hindi and the offices were also advised to get it translated into vernacular language as per the requirement.

Various activities like Elocution / Essay Writing Competition for the students of Schools were conducted across the country by HO Vigilance Department at Chennai during the week. Essay writing competition for Head Office employees was also conducted on 30-10-2014 and prizes for the same were distributed.

Leveraging IT

Mode of video conferencing was effectively used to interact with Vigilance Officers across the country and review progress in Key Result Areas. To bring in better control over the activities as well as for robust record keeping including generation of MIS, efforts were put in with the co-ordination of IT department to develop a SAP based Vigilance Portal. The testing of the portal is under progress and the stage is set for rolling out the portal. In the first phase, Vigilance Department,

HO will be the user and it is proposed to extend it to all vigilance officers across the country in the subsequent phase.

Vigilance Administration

There has been extensive activity by HO Vigilance Department as well as by Vigilance Officers in ROs to strengthen vigilance administration. The following initiatives have been taken:

- For the first time, it has been decided that team from HO, Vigilance Department will inspect ROs and LCBs during the year. The objective was to not only look at deficiencies in the working of operational offices but also enable the vigilance team to have a first-hand account of the functioning of these offices. While highlighting preventive measures, the inspections enabled Vigilance Department to point out activities that could lead to vigilance angle while also giving feedback to corporate management on the necessity of making interventions through timely guidelines and better oversight on the lower tier offices. In all, 12 offices were inspected by the HO Vigilance Department during the year and important findings were shared with top management.
- Chief Vigilance Officer (CVO) attended meeting of Regional-in-charges held at Ooty in April 2014 and in Kolkata in November 2014 and gave a presentation about Preventive Vigilance Aspects. Presentations were made in the Corporate Learning Centre on Vigilance awareness to three different groups. CVO participated in the deliberations of the Vigilance Study Circle, Hyderabad on 07-07-2014.
- Presentation was jointly made by CVO with CMD in the Annual Sectoral Review Meeting held on 24-7-2014 at CVC's Office.
- A fresh pool of 31 Officers has been identified as Inquiry Officer / Presenting Officer (IO/PO) to whom training was given on 2-3-2015 and 3-3-2015 at IO/PO Training at Learning Centre, Chennai. On 3-3-2015, CVO had a open house session with them.
- Five structured meetings were held with CMD during the year.

Training

One of the Officer at HO, Vigilance Department attended Seminar organized by Institute of Public Enterprises, Hyderabad in June 2014. All the Vigilance Officers and Desk Officers at HO, Vigilance Department were subject to a 3-day training session from 12-8-2014 to 14-8-2014 on Conduct of Inquiries, Investigation Techniques, Key Result Areas etc. at Kochi. CVO attended a Training session conducted by IMA, New Delhi from 25-8-2014 to 26-8-2014 on Containing frauds, Malpractices, Deficit in Governance as well as a training session conducted by CVC for CVOs at New Delhi from 10th to 13th February 2015.

One Officer from HO-Administration Department and one Officer from HO-IT department were nominated for Training conducted by Transparency International for a session on Public Procurement Process during the month of December, 2014.

1.4.3.2) Fraud Risk Management Policy and Whistle Blower Policy:

- The Company has in place a Fraud Risk Management Policy and a Whistle Blower Policy, duly approved by Risk Management Committee and Board. Both the policies are posted in the 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.

1.4.4) Anti Money Laundering

The Prevention of Money-Laundering Act (PMLA), 2002, is implemented in our company since it has been made applicable to Insurance Companies. IRDAI have been issuing amendments through circulars from time to time which have been regularly adopted by the Board of the Company and the same have been circulated to our Regional Offices for strict compliance.

Compliance

Anti Money Laundering is headed by the Principal Compliance Officer at Corporate Office and Nodal

Officer at the Regional Offices. The Principal Compliance Officer would ensure that the Board approved AML program is being implemented effectively, including monitoring compliance by the company's insurance agents with their obligations under the program; the compliance of AML guidelines at operating offices is monitored closely.

Creation of awareness

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.

For the sake of ready reference and to sensitize all concerned, Company's AML policy has been posted in our official Website.

"Know Your Customer" (KYC)

It is essential to determine the true identity of all customers through "Know Your Customer" (KYC) norms, at the settlement stage where claim payout / premium refund crosses the threshold of One lakh rupees per claim / premium refund, considering the potential threat of the usage of the financial services by money launderers.

Suspicious transactions

In the event of any suspicious transactions (including suspicious cash transactions) it is essential to report to Financial Intelligence Unit-India (FIU-IND) set up by Government of India. No suspicious transaction is reported in our company since the implementation of the programme.

Record Keeping

Insurance companies shall retain the records of those contracts, which have been settled by claim / surrender or cancellation/records of investigations, customer account files and business correspondence for a period of five years.

1.4.5) 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) dt.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 2014-15, an amount of ₹9.30 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 31-03-2015 is ₹568.49 crores.

1.4.6) New Products

The company has introduced the following new products during the year 2014-15 :

1. New Add on cover “Return to Invoice” under Standard Motor Package Policy

This add on cover is applicable to all classes of vehicle upto 3 years of age from the date of original invoice except Class E,F,G of Indian Motor Tariff 2002. Endorsement UIIC - 9 is attached to the Standard Motor Package Policy, if this add on cover is provided on payment of additional premium.

2. Long Term Liability Policy for Two-Wheelers

The company launched two variants of Long Term Liability Policy for Two-Wheelers, one for two years duration and another for three years duration.

3. Revised Nil Depreciation Add on cover without add on excess under Motor Own Damage Policy

The company has launched a revised version of the “Nil depreciation Add on cover without add on excess cover” under Motor Own Damage Policy in tune with the market requirement. This add on cover provides cover to all classes of vehicles except vehicles classified under Section E, F & G of IMT 2002. The cover is on indemnity basis but deduction for depreciation is being waived on parts for partial loss

claims (Total loss and Constructive Total Loss will be settled on the basis of IDV).

1.4.7) Claims Management

The claim settlement ratio for suit and non-suit claims for the year 2014-15 stands at 37% and 91% respectively. The Company’s initiative by introduction of Service hubs and TP hubs have contributed for focused and quick claim settlements. The focus has been to improve customer service in the competitive environment in which we operate today.

1.4.7.1) 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 13263 cases with a total amount of ₹242 crores were settled through compromise settlement, comprising of 10343 cases relating to death, 2839 cases relating to injury and 81 Third Party Property Damage cases.

1.4.7.2) J&K flood losses:

The Company settled 3828 out of 3866 claims relating to J&K floods, achieving a settlement ratio of 99%.

1.4.7.3) HudHud Cyclone claims :

The Company settled 282 claims out of 287 claims relating to HudHud cyclone, achieving a claim settlement ratio of 94%.

1.4.8) 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 31-03-2015, 3 claims were still outstanding.

Statement of run-off operations in Hong Kong Agency for the year ended 31-03-2015 :

(₹ in crores)

| Details | Fire | | Miscellaneous | | Total | |
|----------------------------|--------------|---------------|---------------|---------------|--------------|---------------|
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| Net Premium | 0 | 0 | 0 | 0 | 0 | 0 |
| Incurred Claims | 0 | 0 | 0.0992 | 0.2191 | 0.0992 | 0.2191 |
| Expenses of Management | | | | | 0.2753 | 0.3043 |
| Other Income & Outgo | | | | | 0 | 0 |
| Underwriting Profit / Loss | | | | | 0.3745 | 0.2920 |
| Investment Income | | | | | 0.2363 | 0.2548 |
| Net Profit / Loss | | | | | -0.1382 | 0.3414 |

Details of foreign exchange earnings and outgo for the year ended 31-03-2015:

| | |
|---------------------------|---------------|
| Foreign Exchange earnings | 222.36 crores |
| Foreign Exchange outgo | 462.01 crores |

1.4.9) Enterprise Risk Management

Enterprise Risk Management helps company to identify its risks and the interaction between risks within the enterprise and take initiatives to safeguard the upside in order to protect stakeholders' value.

Risk Management Committee: The Company constituted Risk Management Committee of the Board, nominated a Chief Risk Officer to drive the initiative and formed ERM department. The Committee met four times during the year and deliberated on various issues relating to risk management.

ERM Consultant: The Company appointed a Consultant, along with other two GIPSA Companies (National and Oriental), to prepare the ERM Framework for the Company. This would encompass preparing an ERM Policy of the Company, identifying, assessing and classifying the risks, preparing the risk

mitigation plans, Risk Appetite statement for the Company and assist in finalizing a risk management software.

Types of Risks: The ERM department identified the following types of risks in the Company:

- Underwriting Risk
- Reserving Risk
- Regulatory Risk
- Market Risk
- Liquidity Risk
- Credit Risks
- Strategic Risk
- Operational Risk



- Technology Risk
- People Risk
- Fraud Risk

ERM initiatives: The ERM department has taken the following initiatives during the year:

- Promotion & Sensitization of risk culture across the organization
- Shared the updated internal operating procedures with operating offices
- Implementation of Fraud Risk Management & Whistle Blower Policies
- Developed manual red flags for fraud detection & prevention in claims and shared with domain departments
- Conducted periodical meetings of Management Committee on ERM and Fraud Risk Management Committee
- Provided ERM Advisories as part of risk communication exercise
- Prepared and shared Risk dash boards for major operating departments
- Reported to Risk Management Committee of the Board on various ERM activities

2. MANAGEMENT DISCUSSION AND ANALYSIS

2.1) Economic conditions, Insurance Market vis-à-vis Performance of United India

The non-life insurance industry recorded a growth of 10.80% in 2014-15. Subdued new premium growth due to poor auto sales and lack of new projects has dented the General Insurance Industry business expansion in financial year 2014-15. Insurance penetration and density are on the decline, premium growth is still muted and claims are on the rise. While every industry takes its own time to reach to its pinnacle, lack of awareness and complexity of products are providing major hindrances for the insurance sector.

The Government of India has taken a number of initiatives to boost the insurance industry. Some of them are as follows:

- Amendment in Insurance Act, permitting 49 per cent composite foreign equity investment (FDI) in insurance companies will attract many foreign giants' insurers and Re-insurers.
- A broad agreement has also been achieved with the states on most of the issues concerning the implementation of the single goods and services tax (GST), which is scheduled to be rolled out from April 1, 2016.
- With the Government committed to spend trillions of Rupees in the infrastructure sector,

transformation of Railways, Power Sector, Mega projects, Coal and in transport, non-life insurance sector is bound to witness rapid growth.

- Higher growth trajectory in state government health schemes will also provide ample opportunities for premium growth.
- The Government of India plans to launch a new insurance scheme to protect farmers and their incomes against production and price risks.
- Under the Pradhan Mantri Jan Dhan Yojana, it has been decided that even those accounts which had been opened prior to August 28, 2014 and have zero balance will get ₹100,000 (US\$ 1,612.55) insurance cover.
- Ambitious implementation of Pradhan Mantri Suraksha Bima Yojana (PMSBY).
- Special Drive launched by IRDAI for bringing un-insured vehicles specially two-wheelers under insurance coverage.

The company grew at a rate of 10.12% during the year completing ₹10692 Crores with a market share of 13.24% out of a total premium of ₹80696 Crores accounted by the general insurance industry. The company registered a PAT of ₹301 Crores. The market value of investment went up to ₹25385 Crores and net worth to ₹5589 Crores.

2.2. OPERATING PERFORMANCE

2.2.1) Segmental Performance :

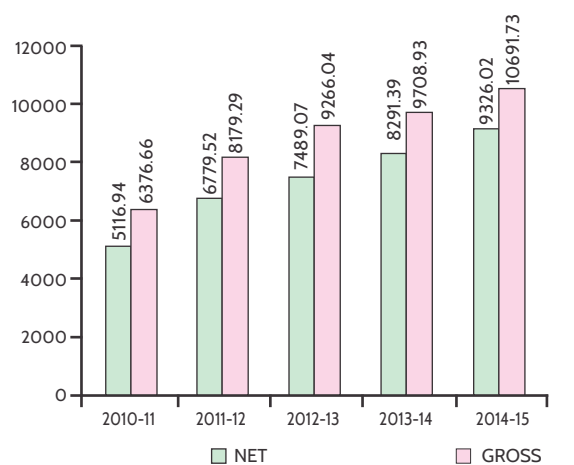
Class-wise Performance Summary

(₹ in crores)

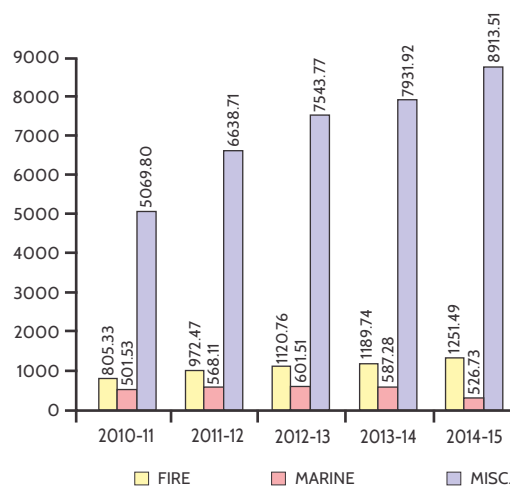
| | | Year | Fire | Marine | Misc. | Total | |
|---|---------------------------|----------|---------|---------|---------|----------|---------|
| Gross Direct Premium Percentage Growth | In India | 2014-15 | 1251.49 | 526.73 | 8913.51 | 10691.73 | |
| | | | 5.19% | -10.31% | 12.38% | 10.12% | |
| | | 2013-14 | 1189.74 | 587.28 | 7931.92 | 9708.93 | |
| | | | 6.15% | -2.36% | 5.15% | 4.78% | |
| | Outside India | 2014-15 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | | | 0.00% | 0.00% | 0.00% | 0.00% | |
| | | 2013-14 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | | | 0.00% | 0.00% | 0.00% | 0.00% | |
| | Total | 2014-15 | 1251.49 | 526.73 | 8913.51 | 10691.73 | |
| | | | 5.19% | -10.31% | 12.38% | 10.12% | |
| 2013-14 | | 1189.74 | 587.28 | 7931.92 | 9708.93 | | |
| | | 6.15% | -2.36% | 5.15% | 4.78% | | |
| Reinsurance Premium Accepted | In India | 2014-15 | 89.89 | 19.76 | 133.45 | 243.10 | |
| | | 2013-14 | 73.94 | 14.87 | 166.91 | 255.72 | |
| | Outside India | 2014-15 | 14.26 | 0.94 | 6.14 | 21.34 | |
| | | 2013-14 | 17.92 | 8.99 | 10.58 | 37.49 | |
| | Total | 2014-15 | 104.15 | 20.70 | 139.59 | 264.45 | |
| | | 2013-14 | 91.86 | 23.86 | 177.48 | 293.21 | |
| | Reinsurance Premium Ceded | In India | 2014-15 | 337.70 | -56.78 | 986.65 | 1267.57 |
| | | | 2013-14 | 254.71 | 13.51 | 722.07 | 990.29 |
| Outside India | | 2014-15 | 258.10 | 307.81 | -203.33 | 362.59 | |
| | | 2013-14 | 185.85 | 286.45 | 248.15 | 720.46 | |
| Total | | 2014-15 | 595.81 | 251.04 | 783.32 | 1630.16 | |
| | | 2013-14 | 440.57 | 299.96 | 970.22 | 1710.75 | |

| | | | | | | |
|---|---------------|---------|---------|---------|----------|---------|
| Net Premium Percentage Increase over previous year Percentage to Gross Premium | In India | 2014-15 | 1003.68 | 603.27 | 8060.31 | 9667.27 |
| | | | -0.52% | 2.49% | 9.27% | 7.72% |
| | | | 80.20% | 114.53% | 90.43% | 90.42% |
| | | 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% |
| | Outside India | 2014-15 | -243.85 | -306.87 | 209.47 | -341.25 |
| | | | 45.21% | 10.60% | -188.17% | -50.03% |
| | | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | 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% |
| Total | 2014-15 | 759.84 | 296.40 | 8269.78 | 9326.02 | |
| | | -9.65% | -4.75% | 15.84% | 12.48% | |
| | | 60.71% | 56.27% | 92.78% | 87.23% | |
| | 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% | |
| Increase in Unexpired Risk Reserves Percentage to Net Premium | | 2014-15 | -46.56 | -8.14 | 564.50 | 509.79 |
| | | -6.13% | -2.75% | 6.83% | 5.47% | |
| | | 2013-14 | 32.17 | 11.16 | 644.76 | 688.09 |
| | | 3.82% | 3.59% | 9.03% | 8.30% | |
| Net Premium Earned | | 2014-15 | 806.40 | 304.54 | 7705.29 | 8816.23 |
| | | 2013-14 | 808.87 | 300.02 | 6494.42 | 7603.30 |
| Net Incurred Claims Percentage to Net Premium | | 2014-15 | 606.51 | 258.65 | 6577.86 | 7443.03 |
| | | | 79.82% | 87.27% | 79.54% | 79.81% |
| | 2013-14 | 582.43 | 215.02 | 5479.93 | 6277.38 | |
| | | 69.25% | 69.10% | 76.76% | 75.71% | |
| Net Commission Percentage to Net Premium | | 2014-15 | 57.73 | 29.15 | 444.42 | 531.29 |
| | | | 7.60% | 9.84% | 5.37% | 5.70% |
| | 2013-14 | 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 | 2014-15 | 329.47 43.36% | 100.10 33.77% | 2219.00 26.83% | 2648.57 28.40% |
| | 2013-14 | 275.53 32.76% | 97.84 31.44% | 1737.86 24.34% | 2111.23 25.46% |
| Underwriting Results Percentage to Net Premium | 2014-15 | -187.31 -24.65% | -83.36 -28.12% | -1535.99 -18.57% | -1806.66 -19.37% |
| | 2013-14 | -77.66 -9.23% | -41.35 -13.29% | -1105.14 -15.48% | -1224.15 -14.76% |
| Investment Income Apportioned, including Profit on realisation of Investments (Net of Provision for Non-Performing Assets) Percentage to Net Premium | 2014-15 | 180.23 23.72% | 59.18 19.97% | 1270.06 15.36% | 1509.47 16.19% |
| | 2013-14 | 120.63 14.34% | 57.30 18.41% | 1149.03 16.09% | 1326.96 16.00% |
| Other Income / Outgo Percentage to Net Premium | 2014-15 | -1.35 -0.18% | -0.52 -0.18% | -10.10 -0.12% | -11.98 -0.13% |
| | 2013-14 | -1.98 -0.24% | -0.93 -0.30% | -19.05 -0.27% | -21.96 -0.26% |
| Operating Results in Policyholders' Account Percentage to Net Premium | 2014-15 | -8.43 -1.11% | -24.71 -8.34% | -276.03 -3.34% | -309.17 -3.32% |
| | 2013-14 | 40.99 4.87% | 15.02 4.83% | 24.84 0.35% | 80.86 0.98% |



PREMIUM ANALYSIS - GLOBAL (₹ in Crores)



GROSS DIRECT PREMIUM IN INDIA (₹ in Crores)

2.2.2) Summary :

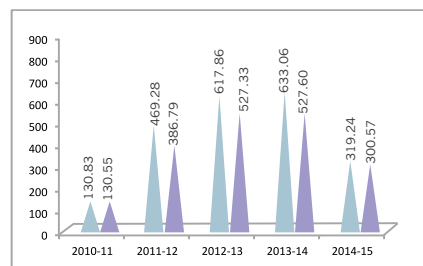
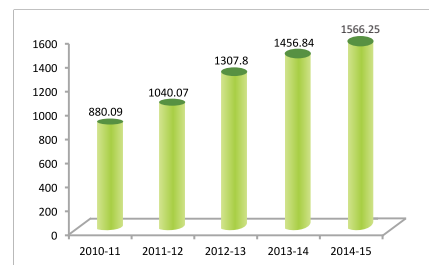
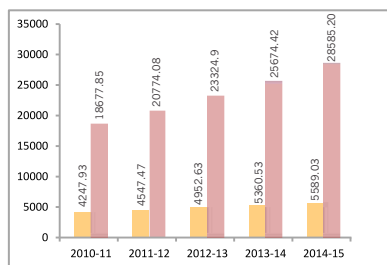
(₹ in crores)

| Details | 2014-15 | 2013-14 |
|--|---------|---------|
| Operating Results in Policyholders' Account | -309.17 | 80.86 |
| Investment Income Apportioned, including Profit on realization of Investments (Net of Provision for Non-Performing Assets) - Shareholders' Account | 619.44 | 557.93 |
| Other Income & Outgo | 8.97 | -5.73 |
| Profit Before Tax | 319.24 | 633.06 |
| Provision for Tax | 18.14 | 105.50 |
| Add: Tax Adjustments | 0.53 | -0.05 |
| Net Profit after Tax | 300.57 | 527.60 |
| Less: Amount transferred to/from General Reserve | 227.39 | 403.60 |
| Amount transferred to Contingency Reserve | 0.00 | 0.00 |
| Balance proposed for Dividend | 61.00 | 106.00 |
| Corporate Dividend Tax | 12.17 | 18.00 |

2.2.3) Capital & Funds :

(₹ in crores)

| Details | As on 31-03-2015 | As on 31-03-2014 |
|--------------------------------------|------------------|------------------|
| Paid-up Capital | 150.00 | 150.00 |
| Capital Reserve | 1.36 | 1.36 |
| General Reserve | 5425.05 | 5197.66 |
| Contingency Reserve | 0.00 | 0.00 |
| Investment Reserve | 0.86 | 0.86 |
| Foreign Currency Translation Reserve | 11.76 | 10.65 |
| Total | 5589.03 | 5360.53 |



(₹ in crores)

2.2.4) Performance Review:

| | 2014-15 | 2013-14 |
|--------------------------------------|-----------------|----------------|
| Gross Direct Premium | 10691.73 | 9708.93 |
| Percentage change over previous year | 10.12% | 4.78% |

The Company recorded a growth rate of 10.12% as against 4.78% in the previous year.

| | 2014-15 | 2013-14 |
|--------------------------------------|----------------|----------------|
| Net Premium | 9326.02 | 8291.39 |
| Percentage change over previous year | 12.48% | 10.71% |

The net premium grew by ₹1034.63 crores to ₹9326.02 crores in the year 2014-15. The retention ratio stands at 85.12% as compared to 82.90% in the previous year.

| | | |
|--|----------------|----------------|
| Change in Unexpired Risk Reserves | 509.79 | 688.09 |
| Percentage to Net Premium | 5.47% | 8.30% |
| Incurred Claims (Net) | 7443.03 | 6277.38 |
| Percentage to Net Premium | 79.81 % | 75.71 % |
| Commission (Net) | 531.29 | 438.83 |
| Percentage to Net Premium | 5.70 % | 5.29 % |

Operating expenses relating to Insurance Business

| | | |
|---|----------------|----------------|
| (including Exchange Loss / Gain) | 2648.57 | 2111.23 |
| Percentage to Net Premium | 28.40% | 25.46% |

| | | |
|--|----------------|----------------|
| Investment Income (Net of provisions) | 2128.91 | 1884.89 |
|--|----------------|----------------|

| | | |
|--------------|-------|--------|
| Other Income | -3.01 | -27.69 |
|--------------|-------|--------|

| | | |
|--------------|---------|---------|
| Total Income | 2125.90 | 1857.20 |
|--------------|---------|---------|

| | | |
|------------------------------|---------|---------|
| Apportioned to Policyholders | 1497.49 | 1305.00 |
|------------------------------|---------|---------|

| | | |
|-----------------------------|--------|--------|
| Apportioned to Shareholders | 628.41 | 552.20 |
|-----------------------------|--------|--------|

- Investment income on net basis increased by ₹244.02 Crores in 2014-15 as compared to ₹107.55 Crores in 2013-14. The mean yield on Investments (including Profit on Sale and Other Income) is 11.61% as compared to 11.25% in 2013-14. The Company followed the IRDAI 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 0.09% as on 31-03-2015 as against 0.10% as on 31-03-2014.
- Book Value of total investments as at 31st March 2015 aggregated to ₹19097.56 Crores from ₹17579.16 Crores in the previous year and the net accretion during the year amounted to ₹1518.40 Crores as against ₹1640.71 Crores in 2013-14.

(₹ in crores)

| | 2014-15 | 2013-14 |
|--|-----------------|-----------------|
| Total Assets | 28585.20 | 25674.42 |
| Investment Assets (at Book Value) | 19097.56 | 17579.16 |

- The Market Value of our Equity Portfolio as at 31st March 2015 stood at ₹10296.60 Crores as compared to Book Value of ₹4417.50 Crores. The corresponding value for the previous year was ₹7995.29 Crores and ₹ 3703.07 Crores respectively.

Compliance with IRDAI Regulations:

As on 31st March 2015, the Company has complied with IRDAI Regulations on Investments including investments in Infrastructure as under:

| Category | Investment as on 31-3-2015 (₹ in crores) | % to total Investments | Prescribed Limit |
|--|--|------------------------|-------------------|
| Central Government, State Government and Other Approved Securities | 6333.99 | 33.17% | Not less than 30% |
| Housing and Loans to State Govt. Housing and Fire Fighting | 1874.05 | 9.81% | Not less than 5% |
| Investment in Infrastructure | 3469.63 | 18.17% | Not less than 10% |

2.2.5) Key Accounting Ratios

| Particulars | 2014-15 (%) | 2013-14 (%) |
|-------------------------|-------------|-------------|
| Technical Reserve Ratio | 147.08 | 152.26 |
| Net Retention Ratio | 85.12 | 82.90 |
| Operating Profit Ratio | -3.51 | 1.06 |
| Net Earning Ratio | 3.22 | 6.36 |
| Return on Networth | 5.38 | 9.84 |
| Reinsurance Ratio | 15.25 | 17.62 |

2.2.6) Contribution to National Ex-Chequer

The Company has contributed to National Ex-Chequer towards payment of various taxes and dividend amounting to ₹1488.81 Crores in the year 2014-15 as against ₹1302.06 Crores in the year 2013-14.

(₹ in crores)

| Particulars | 2014-15 | 2013-14 |
|------------------------|----------------|----------------|
| Corporate Tax | 125.00 | 126.00 |
| Wealth Tax | 0.81 | 0.71 |
| Dividend to Government | 61.00 | 106.00 |
| Dividend Tax | 12.17 | 18.00 |
| Service Tax | 1239.00 | 1051.35 |
| Total | 1437.98 | 1302.06 |

2.3) Corporate Social Responsibility (CSR)

The CSR report required under Section 135 of the Companies Act is provided under Annexure at 4.3.

2.3.1) Village Adoption, School Literacy Programme, Swachh Bharath Kosh:

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 35 villages all over India till date. For the last financial year, we have adopted 10 villages in various parts of the Country as detailed below:

| Sl. No. | Village | State | Regional Office |
|---------|---------------|----------------|-----------------|
| 1 | KUDANNOOR | TAMILNADU | COIMBATORE |
| 2 | EDAIYARPAKKAM | TAMILNADU | CHENNAI |
| 3 | BENJNI | CHANDIGARH | CHANDIGARH |
| 4 | NALAWADEWADI | MAHARASHTRA | PUNE |
| 5 | PILAPUR | PUDUCHERRY | PUDUCHERRY |
| 6 | NAGALWADI | MAHARASHTRA | NAGPUR |
| 7 | KUPPANHALLI | KARNATAKA | BANGALORE |
| 8 | GANDHI NAGAR | KERALA | KOCHI |
| 9 | GANESHPURA | RAJASTHAN | JAIPUR |
| 10* | CHINTAMADAKA | ANDHRA PRADESH | HYDERABAD |

*Approved but yet to be inaugurated.

School Literacy Programme:

We conducted Insurance Literacy Programme in 52 Schools across the country to create Insurance and safety awareness among the young minds in the year 2014-15.

Swachh Bharath Kosh:

On the basis of the announcement by our Hon'ble Prime Minister made on 15th August, 2014 that all schools in the country should have toilets, we contributed ₹ 1.5 crores towards Swachh Bharath Kosh (PM Relief Fund).

We also contributed towards construction of School Building to Shoshit Seva Sang-Bihar for the welfare of tribal children and their education.

2.3.2) Financial Inclusion

The Company strives to address the non-life insurance penetration in the country by opening Micro Offices in Tier IV and Tier V towns. The Company believes that the Micro Offices would be able to provide risk protection to those population who are deprived of the benefits of such insurance products. During the year, the Company has opened 162 Micro Offices taking the total Micro Offices of the Company to 1,276.

2.3.3) Micro Insurance

Micro Insurance is a valuable tool to reduce the vulnerability of the poor and protect them against specific risks. The Company has opened 15 Micro Insurance Cells across the country to promote Micro insurance business.

The Company procured a premium of ₹244.39 Crores under Micro & Rural insurance for the year 2014-15.

2.3.4) New Initiatives

a) Common Service Centres

Another initiative of Company is to market specially designed products in rural areas through CSCs.

b) Others:

The Company covered 5,69,74,548 lives in Social Sector as against 4,78,78,445 in the previous year, achieving a growth rate of 18.99%. The Rural Sector premium saw a growth of 6.34% when it completed ₹1,504.80 crores in the year 2014-15. The Company continued to be a major player in National Livestock Insurance Programme.

2.3.5) Agriculture Insurance

We ventured into Crop Insurance in the year 2012-13 on a tie-up basis with Agriculture Insurance Company to bring the Non-Loanee farmers under the Crop Insurance blanket in Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana.

We have further extended the MoU to the AIC In-House products like Coffee, Rubber, Pulpwood, Cardamom & Potato. In the year 2014-15, we started to procure premium in Coffee Insurance in Kerala and Karnataka. We have also ventured into Sericulture insurance.

We have procured a premium of ₹28.3 Crores covering 82,683 farmers and paid claims of ₹16 Crores in the year 2014-15.

2.3.6) Rural and Social Sector Insurance

The Company has always consistently focused on Rural, Social Sector and Micro Insurance. It has been complying with the IRDAI obligations on Rural and Social Sector business during the previous years and in the current year as well. The Company is the leader in Rural and Social Sector insurance, primarily catering to the vulnerable, poor and BPL sections of the population, who have been outside the ambit of insurance coverage for a long time.

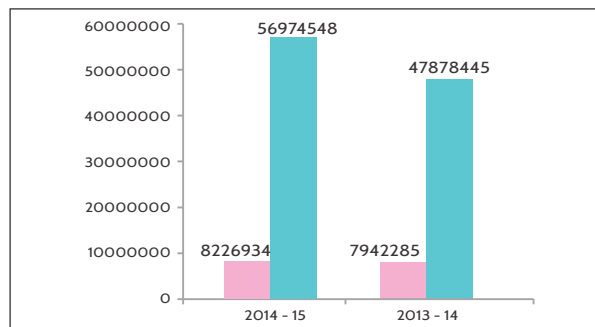
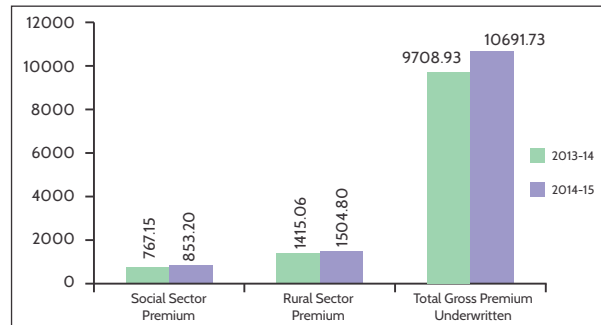
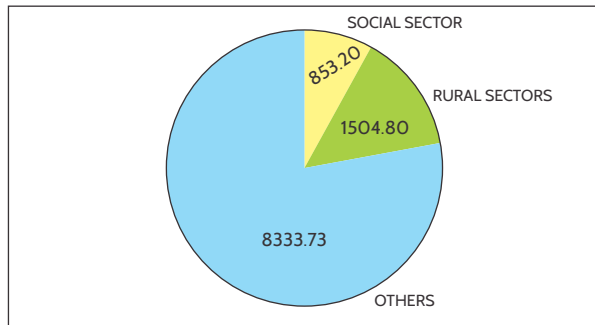
Publicity campaigns were undertaken in various parts of the country through mass contact programmes, TV advertisements, Cattle health camps etc. so as to increase the awareness of rural insurance products.

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

| Particulars | 2014-15 | 2013-14 |
|---|-------------|-------------|
| Total Gross Premium underwritten | 10,691.73 | 9,708.93 |
| Rural Sector Premium | 1,504.80 | 1,415.06 |
| No. of Policies underwritten (Rural Sector) | 82,26,934 | 79,42,285 |
| Social Sector Premium | 853.20 | 767.15 |
| No. of lives covered in Social Sector | 5,69,74,548 | 4,78,78,445 |

(₹ in crores)

Growth in Rural and Social Sector



■ No. of Policies Underwritten (Rural Sector) ■ No. of Lives covered in Social Sector

Growth in Rural and Social Sector

2.3.7) Health Insurance Scheme For BPL Families

The Company has put in place community based insurance solutions as an innovative method of delivering insurance service, for which, United India has tie-up with IFAD (International Fund for Agricultural Development) assisted Post Tsunami Sustainable Livelihood Programme implemented by the Tamil Nadu Govt. It is implemented in the Coastal Area of the Tsunami Affected people in Tamil Nadu by providing Health Insurance, Fire Insurance, Personal Accident Insurance & Cattle Insurance. The Programme runs in 6 Coastal Districts of Tamil Nadu, viz. Nagapattinam, Kanyakumari, Villupuram, Cuddalore, Thiruvallur and Kancheepuram.

2.3.8) Rashtriya Swasthya Bima Yojana (RSBY)

RSBY is a major Health Insurance Scheme for the Below Poverty Line population (unorganised sector) of the Country, conceived and implemented by the Ministry of Labour and Employment, Government of India and the State Governments. UIIC is a leading player in the RSBY health insurance scheme covering 42.36 lakhs families consisting of 1.38 Crores lives across the country. During this year, UIIC has implemented RSBY in 91 Districts of 6 States.

Apart from RSBY, we have also implemented Bhagat Puran Singh Sehat Bima Yojana in 11 districts of Punjab for blue card holders of Atta Dhal Scheme, Bhaighanya Sehat Seva Scheme in Punjab and Sanjeevani Swasthya Bima Yojana in the Union Territory of Dadar and Nagar Haveli and Diu and Daman with Health and PA Cover.

2.3.9) Other Government Health Insurance Schemes

Tamilnadu Chief Minister's Comprehensive Health Insurance Scheme (TNCMCHIS)

- Our Company was awarded the Chief Minister's Comprehensive Health Insurance Scheme by the Govt. of Tamil Nadu. This scheme came into

operation on 11th January 2012 for a period of 4 years and with an option for extension by one year on mutual consent.

- The objective of the scheme is to provide free medical and surgical treatment in government and private hospitals to the members of any family whose annual family income is less than ₹72,000/- as certified by the Village Administrative Officer (VAO).
- As on date, the scheme covers 1.40 crore families including newly enrolled families.
- The sum insured is ₹ 1 lakh floater per family with the provision to pay up to ₹1.5 lakhs for specified procedures.
- 1,016 procedures including 113 follow-up procedures with 23 diagnostic procedures have been introduced for the first time in the country.
- The scheme is being administered through 3 TPAs for different clusters of the state.
- The processing of pre-authorisations and claims is cashless through smart card with biometric and photographs. The processing of claims is paperless through online. On an average about 1,200 pre-authorisations are received in a day for which approvals are given as per the agreed TAT.
- Every empanelled hospital has a liaison officer to cater to the requirements of the beneficiaries for enquiries and availing treatment under the scheme.
- District kiosks are established in the collectorates for the enrolment of new members.
- Health camps are conducted by the private hospitals on a monthly basis.

- Grievance redressal mechanism is in place at the district level and at the state level in addition to the jurisdiction of civil courts.
- 24 hour toll free call center (1800 425 3993) is available to cater to the requirements of the beneficiaries.
- Official website of TNCMCHIS is www.cmchistn.com
- Medical audit and vigilance in addition to Empanelment and Disciplinary Committee and Mortality and Morbidity Committee are in place to check against irregularities.
- Publicity : Scheme advertisements, exhibitions in stalls, printing of pamphlets, information boards are installed in prominent places across the state of Tamilnadu.
- About ₹650 crores is received as premium per annum with about 3,50,000 claims per annum are settled to the beneficiaries.

2.4) Donations

Company has made the following Donations during the period 1-4-2014 to 31-3-2015:

1. Chief Minister's Public Relief Fund, Jammu & Kashmir ₹1,00,00,000/- (One crore).
2. Chief Minister's Public Relief Fund, Andhra Pradesh ₹1,00,00,000/- (One crore).

2.5) Recognition for the Company - Awards & Accolades

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

1. "Consistent All Round Performer" Award received by CMD from Dalal Street Investment Journal
2. Indian Insurance Award, 2014 under the following categories:
 - a) E - Business Leader
 - b) Bancassurance Leader
 - c) Best Non-Urban coverage
3. SKOCH Merit Certificate 2014 - "Order of Merit" for "India's Best Financial Inclusion and Financial Deepening Projects - 2014"
4. IOD - "Golden Peacock Award" for "Excellence in micro insurance"
5. "CEO with HR orientation" presented to CMD and "40 Most Talented HR leaders" for GM (HR) - Asia Pacific HRM Congress Awards, 2014
6. ABP News Brand Excellence (B.E.) Award in "Non-life insurance (Public sector)"
7. Certificate of Appreciation - "Best Practices Award" by Hon'ble CM of Tamil Nadu - for 2014 - for excellent contribution towards award winning TNCMCHIS scheme
8. Outlook Money Award 2014 - "Best Health Insurer" Award - RUNNER UP
9. Dalal Street Investment Journal - 6th DSIJ PSU Awards - "Most Consistent Performer" General Insurance of the year

3. REPORT ON CORPORATE GOVERNANCE

The Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasizes 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, fair play 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:

3.2) Meeting Details

3.2.1) Board Meetings

Five meetings of the Board were held during the year i.e. on 7th April 2014, 23rd April 2014, 2nd August 2014, 21st October 2014 and 28th January 2015.

| Director | No. of Meetings held during his/her tenure | No. of Meetings Attended |
|----------------------------|--|--------------------------|
| Shri Milind Kharat | 5 | 5 |
| Shri Alok Tandon | 3 | 3 |
| Smt. Priya Kumar | 2 | 2 |
| Shri T M Bhasin | 5 | 3 |
| Shri A Thrivikraman Thampi | 3 | 3 |
| Smt Asha Nair | 5 | 5 |
| Shri M Vasantha Krishna | 1 | 1 |

3.2.2) Investment Committee:

Four meetings of the Investment Committee were held during the year i.e. on 23rd April 2014, 2nd August 2014, 21st October 2014 and 28th January 2015. 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 Alok Tandon | 2 | 2 |
| Shri T M Bhasin | 4 | 3 |
| Shri A Thrivikraman Thampi | 2 | 2 |
| Shri M V V Chalam | 4 | 3 |
| Shri V Easwara Kaimal | 4 | 4 |

3.1) Board of Directors and Key Managerial Personnel

Shri Alok Tandon and Shri M. Vasantha Krishna were appointed as Directors with effect from 5-6-2014 and 20-8-2014 respectively.

Smt. Priya Kumar, Shri A. Thrivikraman Thampi, Shri M. Vasantha Krishna and Shri T.M. Bhasin ceased to be Directors with effect from 5-6-2014, 24-8-2014, 15-1-2015 and 1-4-2015 respectively. Board placed on record its appreciation of the valuable services rendered by Smt. Priya Kumar, Shri. A.Thrivikraman Thampi and Shri M. Vasantha Krishna as Directors of the Company.

Shri V.E.Kaimal, General Manager was appointed as Chief Financial Officer on 21-10-2014 in terms of Section 203(1) of the Companies Act, 2013.

3.2.3) Audit Committee :

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.

Four meetings of the Audit Committee were held during the year i.e. on 23rd April 2014, 2nd August 2014, 21st October 2014 and 28th January 2015.

| Director | No. of Meetings held during his/her tenure | No. of Meetings attended |
|----------------------------|--|--------------------------|
| Shri Alok Tandon | 3 | 3 |
| Smt. Priya Kumar | 1 | 1 |
| Shri T M Bhasin | 4 | 3 |
| Shri A Thrivikraman Thampi | 2 | 2 |
| Smt. Asha Nair | 4 | 4 |

3.2.4) Risk Management Committee :

Four meetings were held during the year i.e. on 23rd April 2014, 2nd August 2014, 21st October 2014 and 28th January 2015.

| Director | No. of Meetings held during his/her tenure | No. of Meetings attended |
|--------------------------|--|--------------------------|
| Shri Milind Kharat | 4 | 4 |
| Shri Alok Tandon | 3 | 3 |
| Smt. Priya Kumar | 1 | 1 |
| Smt. Asha Nair | 4 | 4 |
| *Shri M Vasantha Krishna | - | - |

*Shri M. Vasantha Krishna was inducted into the Committee on 21st October 2014.

*Shri M. Vasantha Krishna ceased to be a Director on 15-1-2015.

3.2.5) Policyholders Protection Committee :

Four meetings were held during the year i.e. on 23rd April 2014, 2nd August 2014, 21st October 2014 and 28th January 2015.

| Director | No. of Meetings held during his/her tenure | No. of Meetings attended |
|--------------------|--|--------------------------|
| Shri Milind Kharat | 4 | 4 |
| Shri Alok Tandon | 3 | 3 |
| Smt. Priya Kumar | 1 | 1 |
| Shri T M Bhasin | 4 | 3 |
| Smt. Asha Nair | 4 | 4 |

3.2.6) Corporate Social Responsibility Committee (CSR):

Corporate Social Responsibility Committee has been constituted as per Section 135 of Companies Act, 2013. Four meetings were held during the year i.e. on 7th April 2014, 2nd August 2014, 21st October 2014 and 28th January 2015.

| Director | No. of Meetings held during his/her tenure | No. of Meetings attended |
|--------------------|--|--------------------------|
| Shri Milind Kharat | 4 | 4 |
| Shri Alok Tandon | 3 | 3 |
| Smt. Priya Kumar | 1 | 1 |
| Shri T M Bhasin | 4 | 2 |
| Smt. Asha Nair | 4 | 4 |

3.2.7) Information Technology Committee:

Four meetings were held during the year i.e. on 23rd April 2014, 15th July 2014, 21st October 2014 and 28th January 2015.

| Director | No. of Meetings held during his/her tenure | No. of Meetings attended |
|----------------------------|--|--------------------------|
| Shri A Thrivikraman Thampi | 2 | 2 |
| Shri Alok Tandon | 3 | 2 |
| Shri T M Bhasin | 4 | 2 |
| Smt. Asha Nair | 4 | 4 |

3.2.8) Remuneration Committee:

Only one meeting held during the year i.e. on 28th April 2014.

| 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 | - |

3.2.9) Property Review Committee:

Only one meeting held during the year i.e. on 7th April 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 A Thrivikraman Thampi | 1 | 1 |
| Smt. Asha Nair | - | - |
| Shri M Vasantha Krishna | - | - |

Smt. Asha Nair and Shri M Vasantha Krishna were inducted into the Committee on 21st October 2014 and Shri M. Vasantha Krishna ceased to be a Director on 15-1-2015.

3.2.10) Human Resources Committee:

Human Resources Committee has been constituted as per the new CDA Rules, 2014 and as there were no issues referred to it, no meetings were held during the year.

Members of the Committee

1. Shri Alok Tandon
2. Shri T M Bhasin
3. Shri A Thrivikraman Thampi

3.3) Secretarial Audit

As provided under Section 204 of the Companies Act, 2013, your company has appointed M/s. Lakshmmi Subramanian & Associates, a firm of Company Secretaries to carry out the Secretarial Audit of the Company and their report for the year 2014-15 is enclosed in Annexure at 4.2.

3.4) Extract of Annual Return:

The Extract of Annual Return pursuant to Section 92 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2013 in the prescribed Form MGT-9 is attached with this report in Annexure at 4.1 and forms part of this report.

3.5) Conservation of Energy, Technology Absorption:

Considering the nature of operations of your Company, the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to information to be furnished on conservation of energy and technology absorption are not applicable.

3.6) Related Party Transactions:

Related Party Transactions with the following are given in the Financial Report:

- a) M/s. Zenith Securities and Investments Limited
- b) M/s. India International Insurance Pte. Ltd., Singapore
- c) M/s. Ken India Assurance Co. Ltd., Kenya
- d) M/s. Health Insurance TPA of India Ltd., India
- e) Key Management Personnel

3.7) None of the employees of the company had salary exceeding ₹60 lakhs warranting reporting under Section 196 and Rule 5 (2) of the Act & Rules thereunder.

3.8) Statutory Auditors

M/s. Brahmayya & Co, M/s. Maharaj N R Suresh & Co. and M/s. Padmanabhan Ramani & Ramanujam, 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.

3.9) Directors' Responsibility Statement

Pursuant to the requirement under Section 134 of Companies Act, 2013 [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 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- a) 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;
- b) 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;
- c) the Directors have prepared the annual accounts for the financial year ended 31st March 2015, on a going concern basis; and
- d) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

3.10) Placing of Annual Report before The Parliament

For the 11th consecutive year (upto 2013-14), The Comptroller and Auditor General of India, under Section 619(4) of the Companies Act, 1956 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 31-03-2014 was placed under Section 619-A read with 619-B of the Companies Act, 1956 on 05-12-2014 and 09-12-2014 on the tables of Lok Sabha and Rajya Sabha respectively.



3.11) Plans / Outlook of Industry and Company for 2015-16

The company has set-up the goal of achieving more than ₹12000 Crores premium in the current financial year. We opened RO Raipur and RO Puducherry in 2014-15 and plan to add two more Regional Offices in this financial year.

The company continues to enjoy strong fundamentals with a solvency ratio of 2.36 as against the regulatory requirement of 1.50. ICRA has accorded iAAA rating for the 12th successive year to the company, indicating its highest claim paying credentials. The company secured a financial strength rating of B++ (Positive) for the last four years from AM Best an international rating agency. The company introduces the revised family Medicare Policy with various customer friendly features. In Motor portfolio, it introduced a new add-on cover namely “Nil depreciation without excess”, “Long term Liability policy for two wheelers” and “Return to Invoice”.

MSME sector is projected as the growth driver of the India economy. Similarly, rural economy will have an enhanced role in the economic growth trajectory of the country. In view of this, the company would continue its thrust on the retail, MSME and rural insurance segment. The company is efficiently managing the mammoth TN Chief Minister’s Health Scheme for BPL families. The company also secured the mandate to implement the TN Government Pensioners Health Insurance Scheme during the year covering more than 6 Lakhs pensioners.

The company is in the process of recruiting 1,050 employees to service the growing business and customer needs. The company is rolling out CORE insurance solution across all offices and all LOBs to be completed by 30th September this year.

The company plans to launch initiatives to further the insurance inclusion in the country by opening more

Micro Offices in tier 4 towns and below during the year.

The company adopted a Corporate Social Responsibility (CSR) programme in terms of adopting villages to improve their social and educational infrastructure and spreading insurance awareness amongst students in the identified schools. The company adopted 10 villages and plans to adopt 52 more villages. Insurance awareness was spread in 52 identified schools and 56 schools will be brought under the ambit of insurance awareness programme. The company gave ₹1.5 Crores to Swach Bharat Kosh and Rs. 1 Cr. each to J&K and Andhra Pradesh Chief Minister’s Relief Fund on account of unprecedented floods in J&K and cyclone HudHud respectively in the year 2014-15.

The company has online customer portals in respect of 8 retail insurance products (Motor, Health, PA, OMP, House holders, Shopkeeper, Crop Insurance and Marine Insurance Open cover) and extended online portal facilities to 1,184 motor dealers and 8,301 agents. More than 25 Lakhs policies were issued through the portals. The Company has a secure mobile insurance application to facilitate easy access “anytime – anywhere” for buying insurance by the customers. The visibility of the company has grown immensely thanks to the various accolades and awards conferred on it over the years, with 9 awards conferred during 2014-15.

3.12) 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
15th May 2015

3.13) 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. |
| Alok Tandon, IAS | B.Tech, IIT-Kanpur Diploma, AIMA Management P.G. Princeton University Public Policy Economics | Engineering | 1. Director, ICICI Bank 2. Director, SIDBI 3. Director, IFCI 4. Director, NHB |
| Kishore Kumar Sansi | M.Sc, M.Phil, M.Tech, CISA | Banking | MD & CEO, Vijaya Bank |
| Asha Nair | M.A., FIII | Insurance | Director, Agriculture Insurance Co. of India Ltd. |

3.14) 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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Grievance Committee for Women has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary and Trainee) are covered under this Policy.

The following is the summary of Sexual Harassment complaints received and disposed off during the year 2014-15:

| | | |
|--------------------------------|---|-----|
| No. of complaints received | - | NIL |
| No. of complaints disposed off | - | NIL |



4. ANNEXURES

4.1 Annexure - Extract of Annual Return

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31-3-2015

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

I. Registration and other details:

| | |
|---|---|
| I) CIN | U93090TN1938GOI000108 |
| II) Registration Date | 18th February 1938 |
| III) Name of the Company | United India Insurance Company Ltd. |
| IV) Category / Sub-Category of the Company | Company limited by shares Union Government Company |
| V) Address of the Registered Office and contact details | 24 Whites Road, Chennai - 600 014 |
| VI) Whether listed company | Yes / No No |
| VII) Name, Address and contact details of Registrar and Transfer Agent, if any: | Not Applicable |

II. Principal business activities of the Company

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

| Sl. No. | Name and Description of main products/services | NIC Code of the product/service | % to total turnover of the Company |
|---------|--|---------------------------------|------------------------------------|
| 1 | Non-life Insurance | 6512 | 100% |

III. Particulars of holding, subsidiary and associate Companies -

| S. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|--------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1 | ZENITH SECURITIES AND INVESTMENTS LIMITED, Mehta House, Samachar Marg, Mumbai-400 023. | U66010MH1916GOI000432 | Subsidiary | 69.45% | 2(87) |
| 2 | HEALTH INSURANCE TPA OF INDIA LIMITED, 3rd Floor, A-Wing, IFCI Tower, 61, Nehru Place, New Delhi-110 019. | U85100DL2013PLC256581 | Associate | 23.75% | 2(6) |
| 3 | INDIA INTERNATIONAL INSURANCE PTE LTD, 64, Cecil Street, #04-02, IOB Building, Singapore 049711. | FOREIGN COMPANY | Associate | 20.00% | 2(6) |

IV. Share Holding Pattern (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|-----------|-----------|-------------------|---|-----------|-----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | Nil | 150000000 | 150000000 | 100 | Nil | 150000000 | 150000000 | 100% | No Change |
| a) Individual/HUF | Nil | 30 | 30 | - | Nil | 30 | 30 | | No Change |
| b) Central Govt. | Nil | 149999970 | 149999970 | 100 | Nil | 149999970 | 149999970 | 100% | No Change |
| c) State Govts. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Banks/FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Any Other | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-Total (A) (1):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (2) Foreign | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| a) NRIs - Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Other - Individuals | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| e) Any Other | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-Total (A) (2):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total shareholding of Promoter (A) = (A) (1)+(A)(2) | Nil | 150000000 | 150000000 | 100 | Nil | 150000000 | 150000000 | 100 | No change |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Banks / FI | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Central Govt. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| d) State Govts. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (e) Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| f) Insurance Companies | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| g) FIs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| h) Foreign Venture Capital Funds | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Others (specify) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Sub-Total (B)(1):- | | | | | | | | | |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| i) Indian | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| ii) Overseas | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

| | | | | | | | | | |
|--|-----|-----------|-----------|-----|-----|-----------|-----------|-----|-----------|
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹1 lakh | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) Others (specify) | | | | | | | | | |
| Sub-Total (B)(2):- | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| C. Shares held by Custodian for GDRs & ADRs | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Grand Total (A+B+C) | Nil | 150000000 | 150000000 | 100 | Nil | 150000000 | 150000000 | 100 | No Change |

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|---------|---------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total shares of the Company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/encumbered to total shares | |
| 1 | Government of India | 149999970 | 100 | Nil | 149999970 | 100 | Nil | No Change |
| 2 | Nominees of India | 30 | - | Nil | 30 | - | Nil | No Change |
| 3 | Total | 150000000 | 100 | Nil | 150000000 | 100 | Nil | No change |

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 150000000 | 100 | 150000000 | 100 |
| | Date-wise Increase / Decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus /sweat equity etc) | NIL | Nil | Nil | Nil |
| | At the End of the year | 150000000 | 100 | 150000000 | 100 |

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

| Sl. No. | For each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | Nil | Nil | Nil | Nil |
| | Date-wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | Nil | Nil | Nil | Nil |
| | At the end of the year (or on the date of separation, if separated during the year) | Nil | Nil | Nil | Nil |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year (as nominees of GOI) | 6 | - | 6 | - |
| | Date-wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 6 | - | 6 | - |

V. Indebtedness

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

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

VI. Remuneration of Directors and Key Managerial Personnel

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

(₹ in lakhs)

| Sl No. | Particulars of Remuneration | Name of MD/WTD/Manager | | Total Amount |
|--------|---|------------------------|------------------|----------------|
| | | Milind Kharat CMD | Asha Nair WTD | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 23.74 | 15.69 | 39.43 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | Nil | 1.36 | 1.36 |
| | (c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961 | Nil | Nil | Nil |
| 2. | Stock Option | Nil | Nil | Nil |
| 3. | Sweat Option | Nil | Nil | Nil |
| 4. | Commission | | | |
| | - as % of profit | Nil | Nil | Nil |
| | - others-Incentive as per Statement of Intent with the GOI | | | |
| 5. | Others, please specify | Nil | Nil | Nil |
| | Total (A) | 23.74 | 17.05 | 40.79 |
| | Ceiling as per the Act | | | 3311.00 |

B. Remuneration to other Directors:

(₹ in lakhs)

| Sl. No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|---|---------------------|--|----------------|
| | | Thrivikraman Thampi | | |
| 1. | Independent Directors | | | |
| | ● Fee for attending Board / Committee Meetings | 0.75 | | 0.75 |
| | ● Commission | Nil | | Nil |
| | ● Others, please specify | Nil | | Nil |
| | Total (1) | 0.75 | | 0.75 |
| 2. | Other Non-Executive Directors. | | | |
| | ● Fee for attending Board / Committee Meetings. | Nil | | Nil |
| | ● Commissions | Nil | | Nil |
| | ● Others, please specify | Nil | | Nil |
| | Total (2) | Nil | | Nil |
| | Total (B) = (1+2) | 0.75 | | 0.75 |
| | Total Managerial Remuneration | | | 44.25 |
| | Overall Ceiling as per the Act | | | 3311.00 |

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

(₹ In lakhs)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|---------|---|--------------------------|--------------|--------------|
| | | Company Secretary | CFO | Total |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of The Income-tax Act, 1961 | 12.66 | 15.96 | 28.62 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 1.32 | 0.32 | 1.64 |
| | (c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961 | Nil | Nil | Nil |
| 2. | Stock Option | Nil | Nil | Nil |
| 3. | Sweat Equity | Nil | Nil | Nil |
| 4. | Commission | | | |
| | - as % of profit | Nil | Nil | Nil |
| | - others, specify | Nil | Nil | Nil |
| 5. | Others - Declared other Income | 0.20 | Nil | 0.20 |
| | Total | 14.18 | 16.28 | 30.46 |

VII. Penalties/Punishment/Compounding of offences:

There were no penalties/ punishment/ compounding of offences for breach of any section of the Companies Act against the Company or its Directors or other officers in default, if any, during the year.



4.2 Annexure - Secretarial Audit Report

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st March, 2015

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

To

The Members,
United India Insurance Company Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by United India Insurance Company Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- (iii) Other applicable Acts,
 - a) General Insurance Business (Nationalisation) Act, 1972 ("GIBNA").
 - b) Insurance Act, 1938 and its Rules & Regulation.
 - c) The Payment of Bonus Act, 1965 and The Payment of Bonus Rules, 1975.
 - d) The Maternity Benefit Act, 1961 and The Tamil Nadu Maternity Benefit Rules, 1967.
 - e) Employment Exchange (Compulsory Notification of Vacancy) Act.
 - f) Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976.

We further report that, during the audit period, the Secretarial Standards was not notified.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above except to the extent as mentioned below:



1. As the Company is a Public Sector Insurance Company, it is governed by the GIBNA Act, so the appointment of all officers and employees of the Company which include its Director are undertaken by the Central Government only as per GIBNA and the Article of Association.

For the third and the fourth quarter there was a vacancy on the Board in place of an Independent Director which was filled in by the Central Government during the 1st Quarter of the succeeding Financial year.

We further report that there were adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliance with applicable laws including general laws, competition law, and environmental laws, however a few updation are required to the labour law compliances.

We further report that, the compliance by the Company of applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except the remark made above in the point Number - 1 above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

For Lakshmmi Subramanian & Associates

Place : Chennai

Date : 15 May 2015

Swetha Subramanian

ACS: 33222

CP No: 12512

**“Annexure”**

(To the Secretarial Audit Report of M/s. United India Insurance Company Ltd.
for the financial year ended 31-03-2015)

To

The Members
United India Insurance Company Ltd.

Our Secretarial Audit Report for the financial year ended 31-3-2015 is to be read along with this Annexure.

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

For Lakshmmi Subramanian & Associates

Place : Chennai
Date : 15 May 2015

Swetha Subramanian
ACS: 33222
CP No: 12512



4.3) Annexure - Format for the Annual Report on CSR Activities

Format for the Annual Report on CSR Activities to be included in the Board's Report

| | | | | | | | | |
|---------------|--|---|--|---|---|---|---|--------|
| 1. | A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs | The Company has been implementing programs like village adoption in order to achieve the objectives of Financial Inclusion and to increase Non-life insurance penetration in the country. The Company's CSR Policy includes various plans for implementing the CSR activities, including village adoption, Construction of Toilets and also in the fields of education and Health | | | | | | |
| 2. | The Composition of the CSR Committee. | The CSR Committee comprises of the following directors : Shri Milind Kharat – Chairman Shri Alok Tandon – Member Shri Kishore Kumar Sansi- Member Smt. Asha Nair – Member | | | | | | |
| 3. | Average net profit of the Company for last three financial years | ₹432 Crores | | | | | | |
| 4. | Percentage CSR Expenditure (two per cent. of the amount as in item 3 above) | ₹8.64 Crores | | | | | | |
| 5. | Details of CSR spent during the financial year. (a) Total amount to be spent for the financial year: (b) Amount unspent, if any: (c) Manner in which the amount spent during the financial year is detailed below | ₹2.62 Crores ₹9.58 Crores ₹6.96 Crores | | | | | | |
| S. No. | CSR Project or Activity Identified | Sector in which the Project is Covered | Projects or Programs (1) Local Area or Other (2) Specify the State and District where Projects or Programs was undertaken | Amount Outlay (Budget) Project or Program-wise | Actual Amount Spent (Project-wise breakup) Direct Expense Indirect Expense | Cumulative Expenditure upto the reporting Period | Amount Spent : Direct or Through Implementing Agency | |
| i) | Village Adoption | Rural Development Project | Adopted 10 Villages | 50,00,000 | 50,00,000 | Nil | Nil | Direct |
| ii) | School Literacy Program | Education Literacy | Insurance Programs in 52 Schools | 52,00,000 | 52,00,000 | Nil | Nil | Direct |
| iii) | Shoshit Seva Sangh-Bihar (Construction of School Building) | Education | Bihar | 10,00,000 | 10,00,000 | Nil | Nil | Direct |
| iv) | Swachh Bharath Kosh | Contributed to PM's fund under Swachh Vidhyalaya Campaign | Amount Paid to Swachh Bharath Kosh through URL No.CITIN14485349971 dated 07.11.2014 | 1.5 Crs | 1.5 Crs | Nil | 1.5 Crs | Direct |
| 6. | In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. | Being the first year of implementation CSR, we could identify few projects for implementing the CSR initiatives. In 2014-15 an action plan has been drawn up which will be implemented, if suitable projects are identified. | | | | | | |
| 7. | A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company | The CSR Committee of the Board affirms that the implementation and monitoring of the CSR Policy is the responsibility of the CSR Committee and confirms that the initiatives implemented by the Company are in compliance with the CSR objectives and policy of the Company. | | | | | | |

4.4) Annexure - 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) | 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 |
| | 2014-15 | 1199957 | 18645917 | 281577.43 | 1268733 | 306623.21 | 1064926 | 293453.61 | 109.00 |

SOCIAL AND RURAL SECTOR - A GLIMPSE

| | | | | | | | | | |
|------------------------------------|---------|---------|---------|----------|-------|---------|-------|---------|--------|
| Jan Arogya | 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 |
| | 2014-15 | 1278 | 2992 | 11.69 | 469 | 18.15 | 490 | 19.05 | 155.24 |
| Janata Personal Accident Policy | 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 |
| | 2014-15 | 47266 | 1269436 | 2748.98 | 2877 | 2454.44 | 2809 | 2185.66 | 89.29 |
| Universal Health Insurance | 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 |
| | 2014-15 | 5659 | 41449 | 75.48 | 3100 | 255.46 | 3295 | 271.07 | 338.44 |
| Cattle Insurance | 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 |
| | 2014-15 | 161483 | 365089 | 9593.40 | 52813 | 8090.30 | 53710 | 8337.59 | 84.33 |

SHAREHOLDERS' AND POLICYHOLDERS' FUNDS - 2014-15

SHAREHOLDERS' FUNDS

(₹ in '000)

| | Balance as on 31-03-2015 | Percentage | Balance as on 31-03-2014 | Percentage |
|----------------------------------|-----------------------------|--------------|-----------------------------|--------------|
| SHARE CAPITAL | 1500000 | | 1500000 | |
| CAPITAL RESERVE | 13589 | | 13589 | |
| GENERAL RESERVES | 54250507 | | 51976594 | |
| MISCELLANEOUS / SPECIAL RESERVES | 126247 | | 115097 | |
| TOTAL SHAREHOLDERS' FUNDS | 55890343 | 28.95 | 53605280 | 29.81 |

POLICYHOLDERS' FUNDS

(₹ in '000)

| | Reserve for Unexpired Risks as on 31-03-2015 | Estimated Liab. for O/s. Claims 31-03-2015 | Total Reserves as on 31-03-2015 | Perce- ntage | Reserve for Unexpired Risks as on 31-03-2014 | Estimated Liab. for O/s. Claims 31-03-2014 | Total Reserves as on 31-03-2014 | Perce- ntage |
|---------------------------------------|--|---|--|-----------------|--|---|--|-----------------|
| FIRE | 4011751 | 8119619 | 12131370 | | 4477385 | 6825352 | 11302737 | |
| MARINE | 1800163 | 3693026 | 5493189 | | 1881562 | 3263653 | 5145215 | |
| MISCELLANEOUS | 41396902 | 78145154 | 119542056 | | 35751937 | 74041262 | 109793199 | |
| TOTAL POLICYHOLDERS' FUNDS | 47208816 | 89957799 | 137166615 | 71.05 | 42110884 | 84130267 | 126241151 | 70.19 |
| TOTAL FUNDS | | | 193056958 | 100.00 | | | 179846431 | 100.00 |

The balance as on 01-04-2014 are used as basis for apportionment of investment income of 2014-15 between Policyholders and Shareholders.

Average Shareholders' Funds - ₹ 54747812

Average Policyholders' Funds - ₹ 131703883

Why Choose
UNITED INDIA
AS YOUR
INSURANCE
PARTNER?

WHOLLY OWNED BY GOVT. OF INDIA

78 YEARS OF EXPERIENCE IN HANDLING INSURANCE

EXCELLENT SOLVENCY MARGIN OF 2.36

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

iAAA RATING BY ICRA FOR HIGHEST CLAIMS PAYING ABILITY

AWARDED RUNNER UP- "BEST HEALTH INSURANCE PROVIDER" BY OUTLOOK MONEY AWARDS-2014

PROFIT OF ₹ 301 CRORES AND NETWORTH OF ₹ 5,589 CRORES

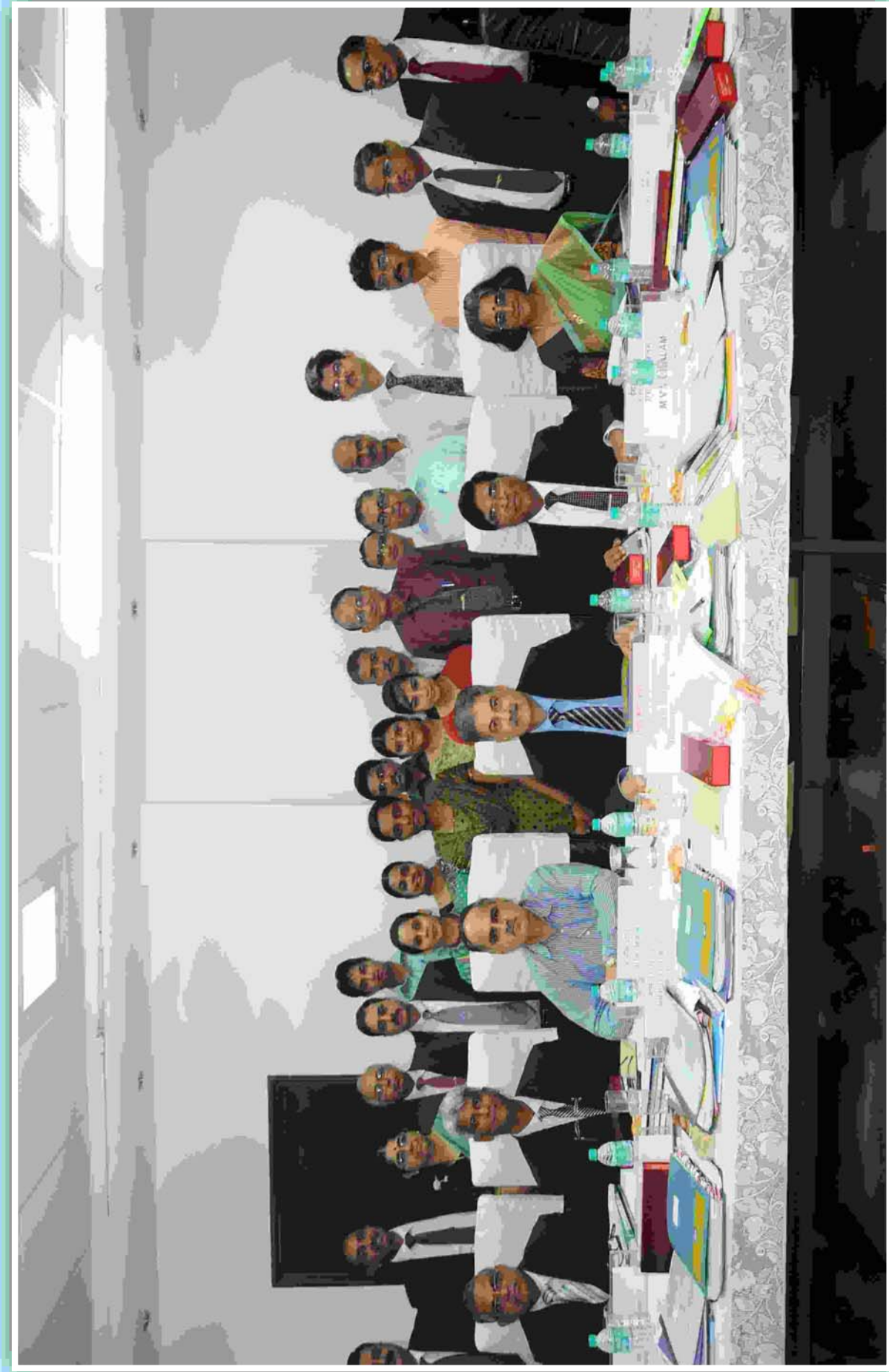
CONFERRED WITH E-BUSINESS LEADER, BANCASSURANCE LEADER & BEST NON-URBAN COVERAGE AWARDS BY INDIAN INSURANCE AWARDS-2014

WIDE NETWORK OF 1,992 OFFICES WITH 16,366 WORKFORCE

STUPENDOUS GROWTH - ₹ 10,692 CRORES PREMIUM INCOME - 2014-15

B++ (Positive) RATING BY AM BEST

Insurance is the subject matter of solicitation



Jubilant Accounts team with Board of Directors



**STANDALONE FINANCIAL STATEMENTS AND
SCHEDULES FOR THE YEAR ENDED 31st MARCH 2015**

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of United India Insurance Company Limited ("the Company"), which comprise of Balance Sheet as at March 31, 2015, the Fire, Marine and Miscellaneous Revenue Accounts, the Profit and Loss Account and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information incorporated in these financial statements are the returns of the 28 Regional Offices (in which are incorporated the Returns of 406 Divisional Offices), 8 Large Corporate and Broker Cells and an overseas run-off operations ("other offices") audited by other auditors.

Management's Responsibility for the Standalone Financial Statements

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

view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the afore-

said standalone financial statements give the information as required by the Insurance Act, 1938, the Regulation and the Act 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 March 31, 2015;
- b) in the case of the Revenue Accounts, of the deficit for the year ended March 31, 2015;
- c) in the case of Profit and Loss Account, of the profit for the year ended March 31, 2015; and
- d) in the case of the Cash Flow Statement, of the cash flows for the year ended March 31, 2015.

Emphasis of Matters

We draw attention to the following matters in the notes to the Financial Statements:

Note No.27 to the financial statements, which describes the charge 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) 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 of India ("the Authority") vide Circular No. IRDA/F&A/CIR/ACT/069/04/2011 dated 18 April 2011.

Our opinion is not modified in respect of above matter.

Other Matter

We did not audit the financial statements/information of 28 Regional Offices (in which are incorporated the Returns of 406 Divisional Offices) 8 Large Corporate and Broker Cells and an Overseas run-off operations included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of ₹755,97,87 (₹ 000) as at 31st March, 2015 and total Premium income of ₹ 10641,95,83 (₹ 000) and other revenues of ₹ 11,15,77 (₹ 000) for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of these other offices are audited by the auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these other offices, is based solely on the report of such other offices' auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory requirements

- A) The standalone financial statements have been drawn up in accordance with the requirements of the Insurance Act, 1938 and the Regulation read with Section 133 of the Companies Act read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and in the manner so required.
- B) As required by the Regulation, we report that:
 1. We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit and found them satisfactory;
 2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 3. In our opinion proper returns and report on the accounts of other offices which were not visited by us, have been received and these were considered adequate for the purpose of audit;
 4. The Balance Sheet, Revenue Accounts, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from other offices which were not visited by us;
 5. 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 authority and Actuarial Society of India in concurrence with the authority. We have relied on the appointed actuary's certificate in this regard;
 6. The Company has valued its investments in accordance with provisions of the Regulation;
 7. In our opinion, the financial statements and the Accounting Policies of the Company comply with the accounting principles as prescribed by the Regulation and with the



Accounting Standards specified under Section 133 of the Companies Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and in the manner so required;

8. We have reviewed the Management Report and there is no apparent mistake or material inconsistency with the standalone financial statements;
 9. The Company has complied with the terms and conditions of the registration stipulated by the authority;
 10. 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;
 11. 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; and
 12. 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 - relating to the application and investments of the Policyholders' Fund.
- C) As required by Section 143 (3) of the Companies Act, we report that:
1. We have sought and obtained all the information and explanations which to the

best of our knowledge and belief were necessary for the purposes of our audit.

2. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 3. The provisions of Section 164 (2) of the Companies Act are not applicable to the directors of the Company in view of Company Law Board General circular No. 8/2002 dated 22 March 2002 and;
 4. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- D) As required by Comptroller and Auditor General of India in terms of sub-section(5) of Section 143 of the Act, we give in the Annexure a statement on the directions issued.

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

CA Jitendra Kumar K
Partner
Membership No.201825

Place : Chennai
Date : 15th May, 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N.R. Suresh
Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani
Partner
Membership No.022438

Annexure to the Independent Auditors' Report

(referred to in Paragraph D under "Other Legal and Regulatory requirements section of our Report of even date to the members of United India Insurance Company Ltd.)

Part - A

| S.No. | Directions | Reply |
|-------|---|--|
| 1. | If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process. | Not Applicable |
| 2. | Please report whether there are any cases of waiver/write off of debts/loans/interest etc., If yes, the reasons therefor and the amount involved. | Premium recoverable from Dabhol Power Corporation Ltd. amounting to ₹68,274 thousand has been written off during the year and netted under the head 'Sundry Balance Written Back (Net)' based on the compromise settlement and the same is not recoverable. |
| 3. | Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities. | Not Applicable |
| 4. | A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence/effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given. | These cases are pending at various stages like filing of written statements, evidences etc. The company has in place an effective monitoring mechanism of expenditure relating to legal cases based on schedule for legal fees, delegation of Financial powers and guidelines issued from time to time. During the year, the company has participated in various Lok Adalats including Mega Lok Adalats. |

| Period | No. of Cases |
|---|--------------|
| Pending for 30 days or less | 2,172 |
| Pending for 3 months or less but more than 30 days | 6,124 |
| Pending for 6 months or less but more than 3 months | 8,386 |
| Pending for 1 year or less but more than 6 months | 17,529 |
| Pending for 3 years or less but more than 1 year | 31,033 |
| Pending for 5 years or less but more than 3 years | 18,969 |
| Pending for more than 5 years | 59,877 |

Part - B

| S.No. | Sub-Direction | Reply |
|-------|--|---|
| 1. | Number of cases where the amount of equity investments depicted in the Company's books has not been arrived at with reference to year end last quoted price in NSE and stock not listed in NSE valued at last quoted price in BSE, may be verified and discrepancy found may be suitably reported | NIL |
| 2. | Number of titles of ownership in respect of CGS/SGS/Bonds/Debentures etc. available in physical/demat form and out of these number of cases which are not in agreement with the respective amounts shown in the Company's books of accounts may be verified and discrepancy found may be suitably reported | There are 3 cases of Short in the reconciliation between the physical/demat form confirmed by the custodian (SHCIL) when compared with the amounts shown in Company's books of account and the same have been reported in the Notes forming part of accounts (Note No. 11). |

| S.No. | Sub- Direction | Reply |
|--------|---|--|
| 3. (a) | Statutory auditor may verify | |
| (i) | Total number of outstanding claims provided by the Company. | 3,08,093 |
| (ii) | The number of cases test checked by statutory auditor at HO and by the branch auditor at RO/DO/BO level. | 34,422 - Checked by Auditors at RO/DO level. |
| (iii) | The number of cases where adequate provisions have not been made on the basis of amounts estimated in preliminary loss advices, interim/final survey reports etc. | 552 |
| (iv) | The amount of short provisioning of claims and the percentage of sample selected may be reported. | ₹3,49,900 thousand. This short provisioning has been rectified at Regional/Head Office |
| 3(b) | Whether there is an assurance that provision for employees liabilities such as pension fund, leave encashment, gratuity etc. and provision for IBNR & IBNER claims are as per actuarial valuation. Whether accurate & complete data was provided by the PSU to the Actuary and the benchmark used by Actuary for assumptions such as discount rate, inflation rate etc. were appropriate. | YES |
| 4. (a) | Statutory auditor may verify: | |
| (i) | The total number of cases of unconfirmed co-insurance balances in respect of premium/claims due to and due from other insurance companies. | Due To-176, Due From-139 Confirmation for the unconfirmed balances has been sought by the company |
| (ii) | The number of cases test checked by statutory auditor at HO and by the branch auditor at RO/DO/BO level | 1,576- Checked by Auditors at RO/DO level |
| (iii) | The number of cases where discrepancy was observed with reference to co-insurance agreements and/or correspondences with insured etc. | NIL |
| (iv) | The impact of such discrepancy on the revenue account and the percentage of sample selected may be reported | NIL |
| 4.(b) | Statutory auditor may verify | |
| (i) | Total number of preliminary loss advices and claim loss advices sent to the reinsurers in respect of reinsurance ceded business. | Preliminary loss advices - 962 Claim loss advices - 6,723 |
| (ii) | Total number of preliminary loss advices and claim loss advices received by the company in respect of reinsurance inward acceptances | Preliminary loss advices - 45 Claim loss advices - 60 |
| (iii) | The number of cases mentioned in (i) and (ii) above test checked by statutory auditor. | Preliminary loss advices - 435 Claim loss advices - 1,835 |
| (iv) | The number of cases where discrepancy was observed with reference to reinsurance agreements and/or correspondences with reinsurers/ brokers etc. | In respect of Tamilnadu Chief Minister's Health Scheme, the reinsurance Broker could not finalise the Facultative reinsurance arrangement. |
| (v) | The impact of such discrepancy on the revenue account and the percentage of sample selected may be reported. | The Premium, Claims and Commission have been reversed as per Note No. 22. |



| S.No. | Sub-Direction | Reply |
|-------|---|--|
| 5. | Whether the Company has provided in its accounts the Reserve for unexpired Risk based on actual days of policy in operation in the relevant accounting year. If the same is provided on average basis then comparative data of both methods may be obtained from the company for suitable disclosure/ report. | The Reserve for Unexpired risk is provided based on Fixed percentage basis as per company's significant accounting policy. We are informed by the company that IRDAI has clarified that status quo on URR requirement may be maintained. Since the necessary systems are not in place, the calculation of Unexpired risk reserve on the basis of actual no. of days of policy in operation could not be ascertained. |

In respect of all the above matters, there is no further impact in the Accounts and Financial statements of the company.

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

CA Jitendra Kumar K
Partner
Membership No.201825

Place : Chennai
Date : 15th May, 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh
Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani
Partner
Membership No.022438



COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF UNITED INDIA INSURANCE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2015.

The preparation of financial statements of United India Insurance Company Limited for the year ended 31 March 2015 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, 2013 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of United India Insurance Company Limited for the year ended 31 March 2015. 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.

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
Date : 23 June 2015.



UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014
FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | Schedule | Current Year (₹ '000) | Previous Year (₹ '000) |
|--|----------|--------------------------|---------------------------|
| Premium Earned (Net) | 1 | 8064022 | 8088665 |
| Profit/Loss on sale/redemption of Investments (Net) | | 362098 | 326619 |
| Sundry Balances written back (Net) | | -3563 | 2590 |
| Exchange Loss/Gain | | -857 | 349 |
| Interest, Dividend & Rent - Gross | | 1448385 | 932376 |
| TOTAL (A) | | 9870085 | 9350599 |
| Claims Incurred (Net) | 2 | 6065130 | 5824283 |
| Commission | 3 | 577260 | 285700 |
| Operating Expenses related to Insurance Business | 4 | 3294699 | 2755288 |
| Others | | | |
| Expenses relating to Investments | | 1903 | 1507 |
| Amortisation of Premium on Investments | | 11342 | 14003 |
| Amount written off in respect of depreciated investments | | 35067 | 36339 |
| Provision for Bad and Doubtful Debts | | 9125 | 22742 |
| Provision for diminution in the value of other than actively traded Equities | | -40131 | 818 |
| TOTAL (B) | | 9954395 | 8940680 |
| Operating Profit / (Loss) C = (A-B) | | -84310 | 409919 |
| APPROPRIATIONS | | | |
| Transfer to Shareholders' Account | | -84310 | 409919 |
| Transfer to Catastrophe Reserve | | | |
| Transfer to Other Reserves | | | |
| TOTAL (C) | | -84310 | 409919 |

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

Kishore Kumar Sansi
Alok Tandon
Asha Nair



Directors

Vide our report of date attached

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

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | Schedule | Current Year (₹ '000) | Previous Year (₹ '000) |
|--|----------|--------------------------|---------------------------|
| Premium Earned (Net) | 1 | 3045389 | 3000175 |
| Profit/Loss on sale/redemption of Investments (Net) | | 164643 | 155144 |
| Sundry Balances written back (Net) | | -1078 | 928 |
| Exchange Loss/Gain | | 2 | 564 |
| Interest, Dividend & Rent - Gross | | 430840 | 442879 |
| TOTAL (A) | | 3639796 | 3599690 |
| Claims Incurred (Net) | 2 | 2586531 | 2150172 |
| Commission | 3 | 291512 | 285056 |
| Operating Expenses related to Insurance Business | 4 | 1000958 | 978443 |
| Others | | | |
| Expenses relating to Investments | | 865 | 716 |
| Amortisation of Premium on Investments | | 5157 | 6652 |
| Amount written off in respect of depreciated investments | | 15945 | 17261 |
| Provision for Bad and Doubtful Debts | | 4149 | 10802 |
| Provision for diminution in the value of other than actively traded Equities | | -18247 | 389 |
| TOTAL (B) | | 3886870 | 3449491 |
| Operating Profit / (Loss) C = (A-B) | | -247074 | 150199 |
| APPROPRIATIONS | | | |
| Transfer to Shareholders' Account | | -247074 | 150199 |
| Transfer to Catastrophe Reserve | | | |
| Transfer to Other Reserves | | | |
| TOTAL (C) | | -247074 | 150199 |

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 DirectorV.E. KAIMAL
Financial AdvisorS. VENKATARAMAN
Company SecretaryKishore Kumar Sansi
Alok Tandon
Asha Nair

Directors

Vide our report of date attached

For Brahmaya & Co.
Chartered Accountants
FRN : 000511SCA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015For Maharaj N. R. Suresh and Co.
Chartered Accountants
FRN : 01931SCA N. R. Suresh, Partner
Membership No.021661For Padmanabhan Ramani & Ramanujam
Chartered Accountants
FRN : 02510SCA N. Ramani, Partner
Membership No.022438



UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014
MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | Schedule | Current Year (₹ '000) | Previous Year (₹ '000) |
|--|----------|--------------------------|---------------------------|
| Premium Earned (Net) | 1 | 77052878 | 64944151 |
| Profit/Loss on sale/redemption of Investments (Net) | | 3516787 | 3111048 |
| Sundry Balances written back (Net) | | -23886 | 16386 |
| Transfer fees, etc. | | 11479 | 9773 |
| Interest, Dividend & Rent - Gross | | 9263303 | 8880885 |
| TOTAL (A) | | 89820561 | 76962243 |
| Claims Incurred (Net) | 2 | 65778618 | 54799326 |
| Commission | 3 | 4444155 | 3817583 |
| Operating Expenses related to Insurance Business | 4 | 22190048 | 17378616 |
| Others | | | |
| Expenses relating to Investments | | 18484 | 14355 |
| Amortisation of Premium on Investments | | 110159 | 133384 |
| Amount written off in respect of depreciated investments | | 340584 | 346126 |
| Provision for Bad and Doubtful Debts | | 88620 | 216614 |
| Provision for diminution in the value of other than actively traded Equities | | -389767 | 7794 |
| TOTAL (B) | | 92580901 | 76713798 |
| Operating Profit / (Loss) C = (A-B) | | -2760340 | 248445 |
| APPROPRIATIONS | | | |
| Transfer to Shareholders' Account | | -2760340 | 248445 |
| Transfer to Catastrophe Reserve | | | |
| Transfer to Other Reserves | | | |
| TOTAL (C) | | -2760340 | 248445 |

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

Kishore Kumar Sansi
Alok Tandon
Asha Nair

} Directors

Vide our report of date attached

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

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438



UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | Schedule | Current Year (₹ '000) | Previous Year (₹ '000) |
|--|----------|--------------------------|---------------------------|
| OPERATING PROFIT/(LOSS) | | | |
| Fire Insurance | | -84310 | 409919 |
| Marine Insurance | | -247074 | 150199 |
| Miscellaneous Insurance | | -2760340 | 248445 |
| INCOME FROM INVESTMENTS | | | |
| Interest, Dividend & Rent – Gross | | 4519942 | 4312241 |
| Profit on sale of investments | | 1713203 | 1510829 |
| Less : Loss on sale of investments | | 0 | -215 |
| OTHER INCOME | | | |
| Profit/Loss on sale of assets and other incomes | | 133359 | 47921 |
| TOTAL (A) | | 3274780 | 6679339 |
| PROVISIONS (Other than taxation) | | | |
| For diminution in the value of investments | | -189875 | 3785 |
| For doubtful debts | | 43171 | 105180 |
| Others | | 500 | 0 |
| OTHER EXPENSES | | | |
| Expenses other than those related to Insurance Business | | 9005 | 6970 |
| Bad Debts written off | | 0 | 0 |
| Amortisation of Premium on Investments | | 53664 | 64766 |
| Amount written off in respect of depreciated investments | | 165915 | 168067 |
| TOTAL (B) | | 82380 | 348768 |
| Profit Before Tax (C) = (A - B) | | 3192400 | 6330571 |
| Provision for Taxation | | 181400 | 1055000 |
| Taxation relating to earlier years | | 5346 | -469 |
| Profit After Tax (D) | | 3005654 | 5276040 |
| Appropriations | | | |
| Proposed final dividend | | 610000 | 1060000 |
| Dividend distribution tax | | 121742 | 180005 |
| Transferred to General Reserve | | 2273912 | 4036035 |
| Balance carried forward to Balance Sheet | | - | - |
| Basic and diluted earnings per share (₹) | | 20.04 | 35.17 |

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Kishore Kumar Sansi
Alok Tandon
Asha Nair

} Directors

Vide our report of date attached

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

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438



UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014
BALANCE SHEET AS AT 31ST MARCH 2015

| Particulars | Schedule | Current Year (₹ '000) | Previous Year (₹ '000) |
|--|----------|--------------------------|---------------------------|
| SOURCES OF FUNDS | | | |
| SHARE CAPITAL | 5 | 1500000 | 1500000 |
| RESERVES AND SURPLUS | 6 | 54390343 | 52105280 |
| FAIR VALUE CHANGE ACCOUNT | | 58872972 | 42922835 |
| BORROWINGS | 7 | 0 | 0 |
| TOTAL | | 114763315 | 96528115 |
| APPLICATION OF FUNDS | | | |
| INVESTMENTS | 8 | 241543745 | 209287988 |
| LOANS | 9 | 3115101 | 3268229 |
| FIXED ASSETS | 10 | 1404437 | 1145135 |
| CURRENT ASSETS | | | |
| CASH AND BANK BALANCES | 11 | 16175882 | 15608144 |
| ADVANCES AND OTHER ASSETS | 12 | 25027885 | 27434671 |
| SUB-TOTAL (A) | | 41203767 | 43042815 |
| CURRENT LIABILITIES | 13 | 116433031 | 110573484 |
| PROVISIONS | 14 | 56070704 | 49642568 |
| SUB-TOTAL (B) | | 172503735 | 160216052 |
| NET CURRENT ASSETS (C) = (A-B) | | -131299968 | -117173237 |
| MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted) | 15 | | |
| DEBIT BALANCE IN PROFIT & LOSS ACCOUNT | | | |
| TOTAL | | 114763315 | 96528115 |

Kishore Kumar Sansi
Alok Tandon
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 Brahmayya & Co.
Chartered Accountants
FRN : 000511S

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For Maharaj N. R. Suresh and Co.
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For Padmanabhan Ramani & Ramanujam
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

CONTINGENT LIABILITIES

As on 31-03-2015

| Sl. No. | Particulars | Current Year (₹ '000) | Previous Year (₹ '000) |
|---------|--|--------------------------|---------------------------|
| 1 | On Partly Paid shares | NIL | NIL |
| 2 | Claims other than those under policies, not acknowledged as debts | 734728 | 1145224 |
| 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 | 4388701 | 6032821 |
| 6 | Reinsurance obligations to the extent not provided for in accounts | NIL | NIL |
| 7 | Others (to be specified) | NIL | NIL |
| | Total | 5123429 | 7178045 |

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1 - PREMIUM EARNED (NET)

For the period ended 31-03-2015 (₹ '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 | 12514935 | 11897358 | 5267302 | 5872809 | 89135095 | 79319166 | 106917332 | 97089333 |
| Add : Reinsurance accepted | 1041505 | 918648 | 207046 | 238616 | 1395909 | 1774847 | 2644460 | 2932111 |
| Less : Reinsurance ceded | 5958052 | 4405652 | 2510358 | 2999644 | 7833161 | 9702234 | 16301571 | 17107530 |
| Net Premium | 7598388 | 8410354 | 2963990 | 3111781 | 82697843 | 71391779 | 93260221 | 82913914 |
| Adjustment for change in reserve for unexpired risks | 465634 | -321689 | 81399 | -111606 | -5644965 | -6447628 | -5097932 | -6880923 |
| Premium Earned (Net) | 8064022 | 8088665 | 3045389 | 3000175 | 77052878 | 64944151 | 88162289 | 76032991 |

SCHEDULE - 2 - CLAIMS INCURRED (NET)

For the period ended 31-03-2015 (₹ '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 | 7682587 | 7137310 | 3276248 | 5787379 | 66114284 | 55473724 | 77073119 | 68398413 |
| Add: Reinsurance accepted | 446140 | 702125 | 95993 | 160353 | 1163900 | 4196306 | 1706033 | 5058784 |
| Less : Reinsurance ceded | 3357864 | 2306966 | 1215082 | 3753439 | 5603460 | 6326602 | 10176406 | 12387007 |
| Net Claims Paid | 4770863 | 5532469 | 2157159 | 2194293 | 61674724 | 53343428 | 68602746 | 61070190 |
| Add: Claims outstanding at the end of the year-Direct | 17394821 | 17038935 | 7206167 | 7437854 | 96658762 | 87035673 | 121259750 | 111512462 |
| Add: Claims outstanding at the end of the year-RI Accepted | 932733 | 798599 | 328125 | 379944 | 1409135 | 1373053 | 2669993 | 2551596 |
| Less: Claims outstanding at the end of the year-RI Ceded | 10207935 | 11012182 | 3841267 | 4554147 | 19922742 | 14367464 | 33971944 | 29933793 |
| Add: Claims outstanding at the end of the Year-Net | 8119619 | 6825352 | 3693025 | 3263651 | 78145155 | 74041262 | 89957799 | 84130265 |
| Less: Outstanding claims at the beginning of the year - Direct | 17038935 | 12156864 | 7437856 | 9533182 | 87035672 | 80446117 | 111512463 | 102136163 |
| Less: Claims outstanding at the beginning of the year - RI Accepted | 798599 | 846734 | 379944 | 389201 | 1373053 | 1140147 | 2551596 | 2376082 |
| Add: Claims outstanding at the beginning of the year - RI Ceded | 11012182 | 6470060 | 4554147 | 6614611 | 14367464 | 9000900 | 29933793 | 22085571 |
| Less: Claims outstanding at the beginning of the year - Net | 6825352 | 6533538 | 3263653 | 3307772 | 74041261 | 72585364 | 84130266 | 82426674 |
| Claims Incurred (Net) | 6065130 | 5824283 | 2586531 | 2150172 | 65778618 | 54799326 | 74430279 | 62773781 |

SCHEDULE - 3 - COMMISSION

For the period ended 31-03-2015 (₹ '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 | 881426 | 798959 | 393708 | 409774 | 5258247 | 4806088 | 6533381 | 6014821 |
| TOTAL (A) | 881426 | 798959 | 393708 | 409774 | 5258247 | 4806088 | 6533381 | 6014821 |
| Add : Commission on Reinsurance Accepted | 148803 | 141514 | 26891 | 51975 | 154849 | 312835 | 330543 | 506324 |
| Less : Commission on Reinsurance Ceded | 452969 | 654773 | 129087 | 176693 | 968941 | 1301340 | 1550997 | 2132806 |
| Commission (Net) | 577260 | 285700 | 291512 | 285056 | 4444155 | 3817583 | 5312927 | 4388339 |

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

| | | | | | | | | |
|------------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|
| Agents | 440448 | 384583 | 215598 | 232185 | 3306521 | 3123877 | 3962567 | 3740645 |
| Brokers | 287444 | 281046 | 160462 | 175294 | 1083530 | 1361125 | 1531436 | 1817465 |
| Corporate Agency | 153534 | 133330 | 17648 | 2295 | 868196 | 321086 | 1039378 | 456711 |
| Referral | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL (B) | 881426 | 798959 | 393708 | 409774 | 5258247 | 4806088 | 6533381 | 6014821 |

SCHEDULE - 4 - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS For the period ended 31-03-2015
(₹ '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 | 2457746 | 2052744 | 743817 | 735264 | 16476149 | 12990191 | 19677712 | 15778199 |
| Travel, conveyance and vehicle running expenses | 74379 | 79516 | 22510 | 28480 | 498621 | 503184 | 595510 | 611180 |
| Training expenses | 8402 | 8451 | 2542 | 3027 | 56323 | 53479 | 67267 | 64957 |
| Rents, rates & taxes | 105821 | 74954 | 32026 | 26848 | 709400 | 474325 | 847247 | 576127 |
| Repairs | 24388 | 25420 | 7381 | 9105 | 163492 | 160865 | 195261 | 195390 |
| Printing and Stationery | 27729 | 25952 | 8392 | 9296 | 185889 | 164233 | 222010 | 199481 |
| Communication | 33755 | 39110 | 10216 | 14009 | 226288 | 247496 | 270259 | 300615 |
| Legal and Professional charges | 12660 | 7492 | 3832 | 2684 | 84871 | 47414 | 101363 | 57590 |
| Auditors' fees, expenses etc. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| a) as Auditor | 4388 | 4777 | 1328 | 1712 | 29414 | 30232 | 35130 | 36721 |
| 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 | 305 | 249 | 92 | 89 | 2045 | 1573 | 2442 | 1911 |
| Advertisement and publicity | 49337 | 36854 | 14931 | 13200 | 330745 | 233220 | 395013 | 283274 |
| Interest and Bank Charges | 5531 | 4208 | 1674 | 1507 | 37077 | 26631 | 44282 | 32346 |
| Service Tax on Premium A/c | 3 | 0 | 1 | 0 | 22 | 0 | 26 | 0 |
| Depreciation | 65631 | 48807 | 19862 | 17483 | 439974 | 308863 | 525467 | 375153 |
| Outsourcing Expenses | 165024 | 152787 | 49944 | 54726 | 1106284 | 966868 | 1321252 | 1174381 |
| Others | 259600 | 193967 | 82410 | 61013 | 1843454 | 1170042 | 2185464 | 1425022 |
| Total | 3294699 | 2755288 | 1000958 | 978443 | 22190048 | 17378616 | 26485705 | 21112347 |

SCHEDULE - 5 - SHARE CAPITAL

As on 31-03-2015 (₹ '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 31-03-2015 (₹ '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 31-03-2015 (₹ '000)

| Particulars | Current Year | Previous Year |
|---|-----------------|-----------------|
| Capital Reserve | 13589 | 13589 |
| Capital Redemption Reserve | 0 | 0 |
| Share Premium | 0 | 0 |
| General Reserve (Opening) | 51976595 | 45684073 |
| Add : Transfer from Profit & Loss Account | 2273912 | 4036035 |
| Add: Contingency Reserve for Unexpired Risks transferred to General Reserve | 0 | 2256487 |
| Closing Balance | 54250507 | 51976595 |
| Contingency Reserve (Opening) | 0 | 2256487 |
| Add: Contingency Reserve for Unexpired Risks transferred from P & L | 0 | 0 |
| Less: Transferred to General Reserve | 0 | 2256487 |
| Closing Balance | 0 | 0 |
| 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) | 106468 | 63532 |
| Additions during the year | 11151 | 42936 |
| Closing Balance | 117619 | 106468 |
| Balance of Profit in Profit & Loss Account | 0 | 0 |
| Total | 54390343 | 52105280 |

SCHEDULE - 7 - BORROWINGS

As on 31-03-2015 (₹ '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 31-03-2015 (₹ '000)

| Particulars | Current Year | Previous Year |
|--|--------------|---------------|
| INVESTMENTS | | |
| LONG TERM INVESTMENTS | | |
| Government securities and Government guaranteed bonds including Treasury Bills | 57763951 | 54986438 |
| Other Approved Securities | 10475 | 10475 |
| Other Investments | | |
| (a) Shares | | |
| (aa) Equity | 87259939 | 68520628 |
| (ab) Preference | 5076 | 5076 |
| (b) Mutual Funds | 0 | 0 |

| Particulars | Current Year | Previous Year |
|--|------------------|------------------|
| (c) Derivative Instruments | 0 | 0 |
| (d) Debentures and Bonds | 22474691 | 22130974 |
| (e) Other Securities | 0 | 0 |
| (f) Subsidiaries | 762 | 762 |
| (g) Investment Properties - Real Estates | 0 | 0 |
| | 109740468 | 90657440 |
| Investments in Infrastructure and Social Sector | 51784113 | 49081375 |
| Other than Approved Investments | 8990300 | 7717434 |
| SUB-TOTAL | 228289307 | 202453162 |
| SHORT TERM INVESTMENTS | | |
| Government Securities and Government guaranteed bonds including Treasury Bills | 5442266 | 1985000 |
| Other Approved Securities | 0 | 0 |
| Other Investments | | |
| (a) Shares | | |
| (aa) Equity | 0 | 0 |
| (ab) Preference | 0 | 0 |
| (b) Mutual Funds | 1691574 | 1011195 |
| (c) Derivative Instruments | 0 | 0 |
| (d) Debentures and Bonds | 1349168 | 1606736 |
| (e) Other Securities | 0 | 0 |
| (f) Subsidiaries | 0 | 0 |
| (g) Investment Properties - Real Estates | 0 | 0 |
| | 3040742 | 2617931 |
| Investments in Infrastructure and Social Sector | 4190977 | 1804954 |
| Other than Approved Investments | 580453 | 426941 |
| SUB-TOTAL | 13254438 | 6834826 |
| TOTAL | 241543745 | 209287988 |
| NOTE : | | |
| Aggregate amount of Company's Investment other than listed equity securities and derivative instruments. | | |
| Book Value | 137656281 | 129877581 |
| Market Value | 141492293 | 126771482 |

Note: Other than Approved Investments comprises of Infrastructure Investment of ₹4176904.45 thousands (Long term) and ₹529452.23 thousands (Short term); Investment in Housing - NIL

SCHEDULE - 9 - LOANS

As on 31-03-2015 (₹ '000)

| Particulars | Current Year | Previous Year |
|--|----------------|----------------|
| LOANS | | |
| SECURITY-WISE CLASSIFICATION | | |
| Secured | | |
| (a) On mortgage of Property | | |
| (aa) In India | 1870710 | 1870050 |
| (ab) Outside India | 0 | 0 |
| (b) On Shares, Bonds, Govt. Securities | | |
| (c) On Others (Govt. Guaranteed Loans) | 1059926 | 1211564 |
| Unsecured | 184466 | 186616 |
| TOTAL | 3115102 | 3268229 |
| BORROWER-WISE CLASSIFICATION | | |
| (a) Central and State Governments | 1059926 | 1211564 |
| (b) Banks and Financial Institutions | 0 | 0 |
| (c) Subsidiaries | 0 | 0 |
| (d) Industrial Undertakings | 459557 | 468343 |
| (e) Others-Loans to HUDCO | 0 | 0 |
| (f) Others-Employees Housing Loan | 1595619 | 1588323 |
| TOTAL | 3115102 | 3268229 |

| Particulars | Current Year | Previous Year |
|--|----------------|----------------|
| PERFORMANCE-WISE CLASSIFICATION | | |
| (a) Loans classified as standard | | |
| (aa) In India | 2940046 | 3103990 |
| (ab) Outside India | 0 | 0 |
| (b) Non-performing loans | | |
| (ba) In India* | 175056 | 164239 |
| (bb) Outside India | 0 | 0 |
| TOTAL | 3115102 | 3268229 |
| MATURITY-WISE CLASSIFICATION | | |
| (a) Short Term | 148333 | 111209 |
| (b) Long Term | 2966769 | 3157020 |
| TOTAL | 3115102 | 3268229 |

Note: * Provision of ₹ 180285 (previous year ₹ 163239) against non-performing loans is grouped under Provision for Bad & Doubtful Debts in Schedule 14.

1) Provision against non-performing loans is ₹ 175056.

2) Loans considered doubtful and loss assets are ₹ 175056 and amount of provision created against such loans is ₹ 175056.

SCHEDULE - 10 - FIXED ASSETS

As on 31-03-2015 (₹ '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 | 429676 | 161470 | 0 | 591146 | 358255 | 77184 | 0 | 435439 | 155707 | 71421 |
| Land-Freehold | 3694 | 39761 | 0 | 43455 | 0 | 0 | 0 | 0 | 43455 | 3694 |
| Land-Leasehold | 2642 | 0 | 0 | 2642 | 779 | 24 | 0 | 803 | 1839 | 1863 |
| Leasehold Properties | 113871 | 0 | 0 | 113871 | 53635 | 1670 | 0 | 55305 | 58566 | 60236 |
| Building | 590953 | 0 | 0 | 590953 | 392323 | 11525 | 0 | 403848 | 187105 | 198630 |
| Furniture & Fittings | 314885 | 27197 | 11601 | 330481 | 258516 | 19391 | 11435 | 266472 | 64009 | 56369 |
| Information Technology Equipment | 2080551 | 305339 | 23665 | 2362225 | 1977313 | 157015 | 23534 | 2110794 | 251431 | 103231* |
| Vehicles | 701881 | 173648 | 125441 | 750088 | 278810 | 156957 | 84960 | 350807 | 399281 | 423074* |
| Office Equipment | 116747 | 9084 | 2380 | 123451 | 83539 | 22885 | 2165 | 104259 | 19192 | 33507* |
| Others - Electrical Equipments | 456698 | 90500 | 2599 | 544599 | 314615 | 66784 | 4777 | 376622 | 167977 | 141726* |
| Other Assets | 149296 | 19377 | 2976 | 165697 | 97974 | 12031 | 183 | 109822 | 55875 | 51384* |
| Total | 4960894 | 826376 | 168662 | 5618608 | 3815759 | 525466 | 127054 | 4214171 | 1404437 | 1145135 |
| Work-in-Progress | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 4960894 | 826376 | 168662 | 5618608 | 3815759 | 525466 | 127054 | 4214171 | 1404437 | 1145135 |
| Previous Year | 4653920 | 450815 | 143841 | 4960894 | 3543628 | 375153 | 103023 | 3815759 | 1145135 | 1110292 |

Note:- * Previous Year Figures have been regrouped due to the reclassification of Assets as per The Companies Act, 2013. The reclassification has been done as under:

(₹ '000)

| Asset Name | Earlier Classification | New Classification | Amount |
|-------------|----------------------------------|----------------------------------|--------|
| IP Phones | Information Technology Equipment | Office Equipment | 2402 |
| Amplifiers | Office Equipment | Information Technology Equipment | 80 |
| Air Coolers | Office Equipment | Electrical Fittings | 2319 |
| Bicycles | Others Assets | Vehicles | 3 |

SCHEDULE - 11 - CASH AND BANK BALANCES

As on 31-03-2015 (₹ '000)

| Particulars | Current Year | Previous Year |
|---|-----------------|-----------------|
| Cash (including cheques, drafts and stamps) | 1747865 | 1651650 |
| Bank Balances | | |
| Deposits Accounts | | |
| Short-term (due within 12 months) | 8163432 | 8115816 |
| Others | | |
| Current Accounts | 5789187 | 4978806 |
| Others - Remittance in transit | 125912 | 113113 |
| Money at Call and Short Notice | 0 | 0 |
| With other Institutions | 349486 | 748759 |
| Total | 16175882 | 15608144 |
| Balances with non-scheduled banks included in Bank Balances | 4663 | 35947 |

SCHEDULE - 12 - ADVANCES AND OTHER ASSETS

As on 31-03-2015 (₹ '000)

| Particulars | Current Year | Previous Year |
|--|-----------------|-----------------|
| ADVANCES | | |
| Reserve Deposits with ceding companies | 3314502 | 5161308 |
| Application money for investments | 5160 | 0 |
| Prepayments | 53620 | 55281 |
| Advances to Directors/Officers | 399 | 442 |
| Advance tax paid and Taxes deducted at Source (Net of provision for taxation) | 1314614 | 231194 |
| Others | 0 | 0 |
| Staff Advances and Loans (₹ 1262 considered doubtful) | 315490 | 321705 |
| TOTAL (A) | 5003785 | 5769930 |
| OTHER ASSETS | | |
| Income accrued on investments | 5199398 | 5204603 |
| Outstanding Premiums (₹ 434 considered doubtful) | 525262 | 544473 |
| Agents' Balances (₹ 523 considered doubtful) | 11576 | 6271 |
| Due from other entities carrying on insurance business (including reinsurers) (₹ 752451 considered doubtful) | 8248909 | 10019547 |
| Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938) | 123206 | 123844 |
| Others | | |
| Deposits, Advances & Other Accounts (₹ 37512 considered doubtful) | 5915007 | 5766003 |
| Inter Office Adjustments (Net) | 742 | 0 |
| TOTAL (B) | 20024100 | 21664741 |
| TOTAL (A + B) | 25027885 | 27434671 |

SCHEDULE - 13 - CURRENT LIABILITIES

As on 31-03-2015 (₹ '000)

| Particulars | Current Year | Previous Year |
|---|------------------|------------------|
| Agents' Balances | 1526152 | 1332888 |
| Balances due to other insurance companies | 6330430 | 9840587 |
| Deposits held on re-insurance ceded | 56502 | 86774 |
| Premiums received in advance | 1946817 | 857492 |
| Unallocated Premium | 0 | 0 |
| Sundry Creditors | 15194445 | 12849705 |
| Due to subsidiaries / holding companies | 0 | 0 |
| Claims Outstanding | 89957799 | 84130267 |
| 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 | 404786 | 352376 |
| Cheques issued but not encashed by Insured/Policyholder | 1014770 | 1122065 |
| TOTAL | 116433031 | 110573484 |

SCHEDULE - 14 - PROVISIONS

As on 31-03-2015 (₹ '000)

| Particulars | Current Year | Previous Year |
|--|-----------------|-----------------|
| Reserve for Unexpired Risk | 47208816 | 42110884 |
| For proposed dividends | 610000 | 1060000 |
| For dividend distribution tax | 121742 | 180005 |
| Provision for diminution in value of other than actively traded Equities | 128619 | 766640 |
| Provision for Group Mediclaim Policy | 25000 | 0 |
| For Leave Encashment | 2220000 | 2070000 |
| Provision for Employee Short term Benefits | 67500 | 67500 |
| For Wage Arrears | 3726500 | 1572500 |
| For Loans, Investments and Other Assets | 1962527 | 1815039 |
| TOTAL | 56070704 | 49642568 |

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

As on 31-03-2015 (₹' 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 IRDAI : 25th February 2014

SEGMENTAL REPORT - BREAKUP FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Fire | |
|--|----------------|----------------|
| | Current Year | Previous Year |
| PREMIUM FROM | | |
| Direct Business | 12514935 | 11897358 |
| Add: Reinsurance accepted | 1041505 | 918648 |
| Less: Reinsurance ceded | 5958052 | 4405652 |
| Net Premium | 7598388 | 8410354 |
| Adjustment for change in reserve for unexpired risks | 465634 | -321689 |
| PREMIUM EARNED (NET) | 8064022 | 8088665 |
| CLAIMS PAID | | |
| Direct Business | 7682587 | 7137310 |
| Add: Reinsurance accepted | 446140 | 702125 |
| Less: Reinsurance ceded | 3357864 | 2306966 |
| Net Claims paid | 4770863 | 5532469 |
| Add: Claims Outstanding at the end of the year - Direct | 17394821 | 17038935 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 932733 | 798599 |
| Less: Claims Outstanding at the end of the year - RI Ceded | 10207935 | 11012182 |
| Add: Claims Outstanding at the end of the year - Net | 8119619 | 6825352 |
| Less: Outstanding claims at the beginning of the year - Direct | 17038935 | 12156864 |
| Less: Claims Outstanding at the beginning of the year - RI Accepted | 798599 | 846734 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 11012182 | 6470060 |
| Less: Claims Outstanding at the beginning of the year - Net | 6825352 | 6533538 |
| Claims Incurred (Net) | 6065130 | 5824283 |
| COMMISSION | | |
| Direct Business | 881426 | 798959 |
| TOTAL (A) | 881426 | 798959 |
| Add: Commission on Reinsurance Accepted | 148803 | 141514 |
| Less: Commission on Reinsurance Ceded | 452969 | 654773 |
| COMMISSION (NET) | 577260 | 285700 |
| Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below: | | |
| Agents | 440448 | 384583 |
| Brokers | 287444 | 281046 |
| Corporate Agency | 153534 | 133330 |
| TOTAL (B) | 881426 | 798959 |

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 |
| 2821435 | 3070473 | 2445867 | 2802336 | 5267302 | 5872809 | 89135095 | 79319166 |
| 7120 | 25340 | 199926 | 213276 | 207046 | 238616 | 1395909 | 1774847 |
| 500901 | 635375 | 2009457 | 2364269 | 2510358 | 2999644 | 7833161 | 9702234 |
| 2327654 | 2460438 | 636336 | 651343 | 2963990 | 3111781 | 82697843 | 71391779 |
| 66392 | 25651 | 15007 | -137257 | 81399 | -111606 | -5644965 | -6447628 |
| 2394046 | 2486089 | 651343 | 514086 | 3045389 | 3000175 | 77052878 | 64944151 |
| 2121760 | 1917667 | 1154488 | 3869712 | 3276248 | 5787379 | 66114284 | 55473724 |
| 20918 | 9096 | 75075 | 151257 | 95993 | 160353 | 1163900 | 4196306 |
| 379494 | 272601 | 835588 | 3480838 | 1215082 | 3753439 | 5603460 | 6326602 |
| 1763184 | 1654162 | 393975 | 540131 | 2157159 | 2194293 | 61674724 | 53343428 |
| 3603676 | 3444396 | 3602491 | 3993458 | 7206167 | 7437854 | 96658762 | 87035673 |
| 50938 | 35330 | 277187 | 344614 | 328125 | 379944 | 1409135 | 1373053 |
| 1071869 | 1207242 | 2769398 | 3346905 | 3841267 | 4554147 | 19922742 | 14367464 |
| 2582745 | 2272484 | 1110280 | 991167 | 3693025 | 3263651 | 78145155 | 74041262 |
| 3444397 | 3373901 | 3993459 | 6159281 | 7437856 | 9533182 | 87035672 | 80446117 |
| 35330 | 41120 | 344614 | 348081 | 379944 | 389201 | 1373053 | 1140147 |
| 1207242 | 1418016 | 3346905 | 5196595 | 4554147 | 6614611 | 14367464 | 9000900 |
| 2272485 | 1997005 | 991168 | 1310767 | 3263653 | 3307772 | 74041261 | 72585364 |
| 2073444 | 1929641 | 513087 | 220531 | 2586531 | 2150172 | 65778618 | 54799326 |
| 352820 | 378368 | 40888 | 31406 | 393708 | 409774 | 5258247 | 4806088 |
| 352820 | 378368 | 40888 | 31406 | 393708 | 409774 | 5258247 | 4806088 |
| 1347 | 6541 | 25544 | 45434 | 26891 | 51975 | 154849 | 312835 |
| 32324 | 34513 | 96763 | 142180 | 129087 | 176693 | 968941 | 1301340 |
| 321843 | 350396 | -30331 | -65340 | 291512 | 285056 | 4444155 | 3817583 |
| 201587 | 219331 | 14011 | 12854 | 215598 | 232185 | 3306521 | 3123877 |
| 138392 | 157862 | 22070 | 17432 | 160462 | 175294 | 1083530 | 1361125 |
| 12841 | 1175 | 4807 | 1120 | 17648 | 2295 | 868196 | 321086 |
| 352820 | 378368 | 40888 | 31406 | 393708 | 409774 | 5258247 | 4806088 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

SEGMENTAL REPORT - BREAKUP FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Motor OD | |
|--|-----------------|-----------------|
| | Current Year | Previous Year |
| PREMIUM FROM | | |
| Direct Business | 16736400 | 15965997 |
| Add: Reinsurance accepted | 0 | 0 |
| Less: Reinsurance ceded | 839801 | 801142 |
| Net Premium | 15896599 | 15164855 |
| Adjustment for change in reserve for unexpired risks | -365873 | -458002 |
| PREMIUM EARNED (NET) | 15530726 | 14706853 |
| CLAIMS PAID | | |
| Direct Business | 9102776 | 7899264 |
| Add: Reinsurance accepted | 0 | 0 |
| Less: Reinsurance ceded | 828154 | 649269 |
| Net Claims paid | 8274622 | 7249995 |
| Add: Claims Outstanding at the end of the year - Direct | 3685213 | 3107542 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 0 | 4754 |
| Less: Claims Outstanding at the end of the year - RI Ceded | 288751 | 238390 |
| Add: Claims Outstanding at the end of the year - Net | 3396462 | 2873906 |
| Less: Outstanding claims at the beginning of the year - Direct | 3107542 | 3525946 |
| Less: Claims Outstanding at the beginning of the year - RI Accepted | 4754 | 4754 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 238390 | 332745 |
| Less: Claims Outstanding at the beginning of the year - Net | 2873906 | 3197955 |
| Claims Incurred (Net) | 8797178 | 6925946 |
| COMMISSION | | |
| Direct Business | 1478968 | 1434117 |
| TOTAL (A) | 1478968 | 1434117 |
| Add: Commission on Reinsurance Accepted | 0 | 0 |
| Less: Commission on Reinsurance Ceded | 125525 | 120171 |
| COMMISSION (NET) | 1353443 | 1313946 |
| Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below: | | |
| Agents | 1245415 | 1243197 |
| Brokers | 182952 | 117774 |
| Corporate Agency | 50601 | 73146 |
| TOTAL (B) | 1478968 | 1434117 |

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 |
| 24234423 | 20342063 | 720851 | 790394 | 0 | 0 | 41691674 | 37098454 | 924850 | 894576 |
| 0 | 2977 | 0 | 0 | 0 | 0 | 0 | 2977 | 0 | 0 |
| 1229122 | 1069218 | 576681 | 632316 | 0 | 0 | 2645604 | 2502676 | 46242 | 44793 |
| 23005301 | 19275822 | 144170 | 158078 | 0 | 0 | 39046070 | 34598755 | 878608 | 849783 |
| -1864739 | -1825698 | 6954 | -10064 | 0 | 0 | -2223658 | -2293764 | -14412 | -31001 |
| 21140562 | 17450124 | 151124 | 148014 | 0 | 0 | 36822412 | 32304991 | 864196 | 818782 |
| 10468599 | 7989823 | 174486 | 84243 | 5565535 | 6105411 | 25311396 | 22078741 | 171520 | 176755 |
| 453 | 9680 | 0 | 0 | 0 | 2994127 | 453 | 3003807 | 0 | 0 |
| 1230906 | 1098752 | 139589 | 67395 | 0 | 0 | 2198649 | 1815416 | 17366 | 18369 |
| 9238146 | 6900751 | 34897 | 16848 | 5565535 | 9099538 | 23113200 | 23267132 | 154154 | 158386 |
| 38019552 | 30877883 | 3833191 | 3022827 | 27397183 | 32962718 | 72935139 | 69970970 | 375356 | 333426 |
| 6771 | 1134 | 0 | 0 | 0 | 0 | 6771 | 5888 | 0 | 0 |
| 4289843 | 4162644 | 3066553 | 2418261 | 0 | 0 | 7645147 | 6819295 | 29131 | 25685 |
| 33736480 | 26716373 | 766638 | 604566 | 27397183 | 32962718 | 65296763 | 63157563 | 346225 | 307741 |
| 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 |
| 16258253 | 13040052 | 196969 | 421634 | 0 | 3504127 | 25252400 | 23891759 | 192638 | 29933 |
| -101 | 405 | 0 | 0 | 0 | 0 | 1478867 | 1434522 | 97744 | 86313 |
| -101 | 405 | 0 | 0 | 0 | 0 | 1478867 | 1434522 | 97744 | 86313 |
| 0 | 1116 | 0 | 0 | 0 | 1 | 0 | 1117 | 0 | 0 |
| 88395 | 50919 | 0 | 0 | 0 | 0 | 213920 | 171090 | 6936 | 6719 |
| -88496 | -49398 | 0 | 0 | 0 | 1 | 1264947 | 1264549 | 90808 | 79594 |
| -101 | 405 | 0 | 0 | 0 | 0 | 1245314 | 1243602 | 80954 | 74079 |
| 0 | 0 | 0 | 0 | 0 | 0 | 182952 | 117774 | 13982 | 11681 |
| 0 | 0 | 0 | 0 | 0 | 0 | 50601 | 73146 | 2808 | 553 |
| -101 | 405 | 0 | 0 | 0 | 0 | 1478867 | 1434522 | 97744 | 86313 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

SEGMENTAL REPORT - BREAKUP FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Personal Accident | |
|---|-------------------|----------------|
| | Current Year | Previous Year |
| PREMIUM FROM | | |
| Direct Business | 2320095 | 2085250 |
| Add: Reinsurance accepted | 14370 | 11040 |
| Less: Reinsurance ceded | 436539 | 413577 |
| Net Premium | 1897926 | 1682713 |
| Adjustment for change in reserve for unexpired risks | -107606 | -108290 |
| PREMIUM EARNED (NET) | 1790320 | 1574423 |
| CLAIMS PAID | | |
| Direct Business | 1449858 | 1207369 |
| Add: Reinsurance accepted | 11332 | 9174 |
| Less: Reinsurance ceded | 314371 | 266482 |
| Net Claims paid | 1146819 | 950061 |
| Add: Claims Outstanding at the end of the year - Direct | 1009518 | 962587 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 1066 | 1437 |
| Less: Claims Outstanding at the end of the year - RI Ceded | 236220 | 183991 |
| Add: Claims Outstanding at the end of the year - Net | 774364 | 780033 |
| Less: Outstanding claims at the beginning of the year - Direct | 962586 | 903666 |
| Less: Claims Outstanding at the beginning of the year - RI Accepted | 1437 | 12555 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 183991 | 177968 |
| Less: Claims Outstanding at the beginning of the year - Net | 780032 | 738253 |
| Claims Incurred (Net) | 1141151 | 991841 |
| COMMISSION | | |
| Direct Business | 279046 | 257560 |
| TOTAL (A) | 279046 | 257560 |
| Add: Commission on Reinsurance Accepted | 3449 | 3312 |
| Less: Commission on Reinsurance Ceded | 112369 | 115352 |
| COMMISSION (NET) | 170126 | 145520 |
| Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below: | | |
| Agents | 155244 | 157116 |
| Brokers | 83878 | 67427 |
| Corporate Agency | 39924 | 33017 |
| TOTAL (B) | 279046 | 257560 |

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 |
| 569936 | 684218 | 5410084 | 5710180 | 5735646 | 5566449 | 714180 | 680629 | 31768630 | 26599410 |
| 37372 | 38672 | 470725 | 630992 | 861872 | 1073932 | 11570 | 17234 | 0 | 0 |
| 559945 | 682075 | 3071048 | 2843366 | 950157 | 955814 | 144835 | 139179 | -21209 | 2120754 |
| 47363 | 40815 | 2809761 | 3497806 | 5647361 | 5684567 | 580915 | 558684 | 31789839 | 24478656 |
| -3275 | 22747 | 352090 | -142273 | 18603 | -141574 | -11115 | -24997 | -3655592 | -3728476 |
| 44088 | 63562 | 3161851 | 3355533 | 5665964 | 5542993 | 569800 | 533687 | 28134247 | 20750180 |
| 166079 | 94498 | 2202202 | 2510914 | 3139591 | 2446723 | 117769 | 360100 | 33555869 | 26598624 |
| 4897 | 16157 | 185541 | 259620 | 956607 | 907478 | 5070 | 70 | 0 | 0 |
| 97642 | 44648 | 1012822 | 1110396 | 1209397 | 108580 | 13224 | 114535 | 739989 | 2848176 |
| 73334 | 66007 | 1374921 | 1660138 | 2886801 | 3245621 | 109615 | 245635 | 32815880 | 23750448 |
| 451353 | 209449 | 12079932 | 8377830 | 3525818 | 3148378 | 1156270 | 711135 | 5125376 | 3321898 |
| 64715 | 65329 | 758697 | 640719 | 564384 | 638279 | 13502 | 21401 | 0 | 0 |
| 363634 | 141486 | 9371199 | 5704234 | 1641303 | 1223313 | 326744 | 114874 | 309364 | 154586 |
| 152434 | 133292 | 3467430 | 3314315 | 2448899 | 2563344 | 843028 | 617662 | 4816012 | 3167312 |
| 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 |
| 92476 | 94940 | 1528036 | 2258598 | 2772356 | 3561663 | 334981 | 260786 | 34464580 | 23709806 |
| 13407 | 13028 | 355596 | 368049 | 349778 | 671065 | 91540 | 85909 | 2592269 | 1889642 |
| 13407 | 13028 | 355596 | 368049 | 349778 | 671065 | 91540 | 85909 | 2592269 | 1889642 |
| 3737 | 5893 | 45401 | 143465 | 101535 | 157325 | 727 | 1723 | 0 | 0 |
| 19088 | 38736 | 390213 | 481406 | 151088 | 247400 | 7975 | 7756 | 67352 | 232881 |
| -1944 | -19815 | 10784 | 30108 | 300225 | 580990 | 84292 | 79876 | 2524917 | 1656761 |
| 3086 | 3181 | 109711 | 127710 | 441288 | 418027 | 49020 | 42959 | 1221904 | 1057203 |
| 8793 | 9835 | 225350 | 237381 | -234426 | 113332 | 37903 | 38496 | 765098 | 765199 |
| 1528 | 12 | 20535 | 2958 | 142916 | 139706 | 4617 | 4358 | 605267 | 67336 |
| 13407 | 13028 | 355596 | 368049 | 349778 | 671065 | 91540 | 85909 | 2592269 | 1889642 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Fire | |
|--|----------------|----------------|
| | Current Year | Previous Year |
| PREMIUM FROM | | |
| Direct Business | 12514935 | 11897358 |
| Direct - In India | 12514935 | 11897358 |
| Add: Reinsurance Accepted | 1041505 | 918648 |
| Add: Reinsurance Accepted - In India | 898920 | 739409 |
| Add: Reinsurance Accepted - Outside India | 142585 | 179239 |
| Less: Reinsurance Ceded | 5958052 | 4405652 |
| Less: Reinsurance Ceded - In India | 3377011 | 2547122 |
| Less: Reinsurance Ceded - Outside India | 2581041 | 1858530 |
| Net Premium | 7598388 | 8410354 |
| Net Premium - In India | 10036844 | 10089644 |
| Net Premium - Outside India | -2438455 | -1679290 |
| Adjustment for change in reserve for unexpired risks | 465634 | -321689 |
| Premium Earned (Net) | 8064022 | 8088665 |

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 |
| | | | | | |
| 2821435 | 3070473 | 2445867 | 2802336 | 5267302 | 5872809 |
| 2821435 | 3070473 | 2445867 | 2802336 | 5267302 | 5872809 |
| 7120 | 25340 | 199926 | 213276 | 207046 | 238615 |
| 2914 | 17152 | 194691 | 131540 | 197605 | 148691 |
| 4206 | 8188 | 5235 | 81736 | 9441 | 89924 |
| 500901 | 635375 | 2009457 | 2364269 | 2510358 | 2999644 |
| 221211 | 259700 | -789001 | -124605 | -567790 | 135096 |
| 279690 | 375675 | 2798458 | 2488874 | 3078148 | 2864548 |
| 2327654 | 2460438 | 636336 | 651343 | 2963990 | 3111780 |
| 2603138 | 2827925 | 3429559 | 3058480 | 6032698 | 5886405 |
| -275484 | -367487 | -2793223 | -2407137 | -3068708 | -2774625 |
| 66392 | 25651 | 15007 | -137257 | 81399 | -111605 |
| 2394046 | 2486089 | 651343 | 514086 | 3045389 | 3000175 |

Milind Kharat
Chairman-cum-Managing Director

**UNITED INDIA INSURANCE COMPANY LIMITED**Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Motor OD | |
|--|-----------------|-----------------|
| | Current Year | Previous Year |
| PREMIUM FROM | | |
| Direct Business | 16736400 | 15965997 |
| Direct - In India | 16736400 | 15965997 |
| Add: Reinsurance Accepted | 0 | 0 |
| Add: Reinsurance Accepted - In India | 0 | 0 |
| Add: Reinsurance Accepted - Outside India | 0 | 0 |
| Less: Reinsurance Ceded | 839801 | 801142 |
| Less: Reinsurance Ceded - In India | 838021 | 801142 |
| Less: Reinsurance Ceded - Outside India | 1780 | 0 |
| Net Premium | 15896599 | 15164855 |
| Net Premium - In India | 15898380 | 15164855 |
| Net Premium - Outside India | -1781 | 0 |
| Adjustment for change in reserve for unexpired risks | -365873 | -458002 |
| Premium Earned (Net) | 15530726 | 14706853 |

S. Venkataraman
Company SecretaryV.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 |
| 24234423 | 20342063 | 720851 | 790394 | 0 | 0 | 41691674 | 37098454 |
| 24234423 | 20342063 | 720851 | 790394 | 0 | 0 | 41691674 | 37098454 |
| 0 | 2977 | 0 | 0 | 0 | 0 | 0 | 2977 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 2977 | 0 | 0 | 0 | 0 | 0 | 2977 |
| 1229122 | 1069218 | 576681 | 632316 | 0 | 0 | 2645604 | 2502676 |
| 1218693 | 1042053 | 576681 | 632316 | 0 | 0 | 2633394 | 2475511 |
| 10429 | 27165 | 0 | 0 | 0 | 0 | 12210 | 27165 |
| 23005301 | 19275822 | 144170 | 158078 | 0 | 0 | 39046070 | 34598755 |
| 23015730 | 19300011 | 144170 | 158078 | 0 | 0 | 39058280 | 34622944 |
| -10429 | -24189 | 0 | 0 | 0 | 0 | -12210 | -24189 |
| -1864739 | -1825698 | 6954 | -10064 | 0 | 0 | -2223658 | -2293764 |
| 21140562 | 17450124 | 151124 | 148014 | 0 | 0 | 36822412 | 32304991 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Workmen Comp. | |
|--|---------------|---------------|
| | Current Year | Previous Year |
| PREMIUM FROM | | |
| Direct Business | 924850 | 894576 |
| Direct - In India | 924850 | 894576 |
| Add: Reinsurance Accepted | 0 | 0 |
| Add: Reinsurance Accepted - In India | 0 | 0 |
| Add: Reinsurance Accepted - Outside India | 0 | 0 |
| Less: Reinsurance Ceded | 46242 | 44793 |
| Less: Reinsurance Ceded - In India | 46242 | 44793 |
| Less: Reinsurance Ceded - Outside India | 0 | 0 |
| Net Premium | 878608 | 849783 |
| Net Premium - In India | 878608 | 849783 |
| Net Premium - Outside India | 0 | 0 |
| Adjustment for change in reserve for unexpired risks | -14412 | -31001 |
| Premium Earned (Net) | 864196 | 818782 |

S. Venkataraman
Company SecretaryV.E. Kaimal
Financial Advisor

(₹ '000)

| Personal Accident | | Aviation | | Engineering | |
|-------------------|----------------|--------------|---------------|----------------|----------------|
| Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| | | | | | |
| 2320095 | 2085250 | 569936 | 684218 | 5410084 | 5710180 |
| 2320095 | 2085250 | 569936 | 684218 | 5410084 | 5710180 |
| 14370 | 11040 | 37372 | 38672 | 470725 | 630992 |
| 14370 | 11040 | 28413 | 18811 | 468225 | 620697 |
| 0 | 0 | 8959 | 19861 | 2500 | 10295 |
| 436539 | 413577 | 559945 | 682075 | 3071048 | 2843366 |
| 378193 | 343393 | 381289 | 520092 | 1850344 | 1826692 |
| 58346 | 70184 | 178656 | 161983 | 1220704 | 1016674 |
| 1897926 | 1682713 | 47363 | 40815 | 2809761 | 3497806 |
| 1956272 | 1752896 | 217061 | 182937 | 4027965 | 4504185 |
| -58346 | -70183 | -169697 | -142122 | -1218205 | -1006379 |
| -107606 | -108290 | -3275 | 22747 | 352090 | -142273 |
| 1790320 | 1574423 | 44088 | 63562 | 3161851 | 3355533 |

Milind Kharat
Chairman-cum-Managing Director

**UNITED INDIA INSURANCE COMPANY LIMITED**Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Other Misc. | |
|--|----------------|----------------|
| | Current Year | Previous Year |
| PREMIUM FROM | | |
| Direct Business | 5735646 | 5566449 |
| Direct - In India | 5735646 | 5566449 |
| Add: Reinsurance Accepted | 861872 | 1073932 |
| Add: Reinsurance Accepted - In India | 811922 | 1001282 |
| Add: Reinsurance Accepted - Outside India | 49950 | 72650 |
| Less: Reinsurance Ceded | 950157 | 955814 |
| Less: Reinsurance Ceded - In India | 717367 | 533094 |
| Less: Reinsurance Ceded - Outside India | 232790 | 422720 |
| Net Premium | 5647361 | 5684567 |
| Net Premium - In India | 5830202 | 6034638 |
| Net Premium - Outside India | -182841 | -350071 |
| Adjustment for change in reserve for unexpired risks | 18603 | -141574 |
| Premium Earned (Net) | 5665964 | 5542993 |

S. Venkataraman
Company SecretaryV.E. Kaimal
Financial Advisor

(₹ '000)

| Liability | | Health & Hosp. | | Total Misc. | |
|---------------|---------------|-----------------|-----------------|-----------------|-----------------|
| Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| | | | | | |
| 714180 | 680629 | 31768630 | 26599410 | 89135095 | 79319166 |
| 714180 | 680629 | 31768630 | 26599410 | 89135095 | 79319166 |
| 11570 | 17234 | 0 | 0 | 1395909 | 1774847 |
| 11570 | 17234 | 0 | 0 | 1334500 | 1669065 |
| 0 | 0 | 0 | 0 | 61409 | 105782 |
| 144835 | 139179 | -21209 | 2120754 | 7833161 | 9702234 |
| 98600 | 112389 | 3761023 | 1364735 | 9866452 | 7220701 |
| 46235 | 26790 | -3782232 | 756019 | -2033291 | 2481533 |
| 580915 | 558684 | 31789839 | 24478656 | 82697843 | 71391779 |
| 627150 | 585474 | 28007606 | 25234674 | 80603144 | 73767529 |
| -46235 | -26790 | 3782232 | -756018 | 2094699 | -2375750 |
| -11115 | -24997 | -3655592 | -3728476 | -5644965 | -6447628 |
| 569800 | 533687 | 28134247 | 20750180 | 77052878 | 64944151 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Fire | |
|---|----------------|----------------|
| | Current Year | Previous Year |
| CLAIMS PAID | | |
| Direct Business | 7682587 | 7137310 |
| Direct - In India | 7682587 | 7137310 |
| Direct - Outside India | 0 | 0 |
| Add: Reinsurance Accepted | 446140 | 702125 |
| Add: Reinsurance Accepted - In India | 326518 | 320496 |
| Add: Reinsurance Accepted - Outside India | 119622 | 381629 |
| Less: Reinsurance Ceded | 3357864 | 2306966 |
| Less: Reinsurance Ceded - In India | 1842028 | 1529275 |
| Less: Reinsurance Ceded - Outside India | 1515836 | 777691 |
| Net Claims paid | 4770863 | 5532469 |
| Net Claims paid - In India | 6167076 | 5928530 |
| Net Claims paid - Outside India | -1396213 | -396062 |
| Add: Claims Outstanding at the end of the year | 8119619 | 6825352 |
| Add: Claims Outstanding Closing - Direct - In India | 17394821 | 17038935 |
| Add: Claims Outstanding Closing - Direct - Outside India | 0 | 0 |
| Add: Claims Outstanding at the end of the year - Direct | 17394821 | 17038935 |
| Add: Claims Outstanding Closing - RI Accepted - In India | 737393 | 507040 |
| Add: Claims Outstanding Closing - RI Accepted - Outside India | 195340 | 291559 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 932733 | 798599 |
| Less: Claims Outstanding Closing - RI Ceded - In India | 6213411 | 7208842 |
| Less: Claims Outstanding Closing - RI Ceded - Outside India | 3994524 | 3803340 |
| Less: Claims outstanding at the end of the year - RI Ceded | 10207935 | 11012182 |
| Add: Claims Outstanding at the end of the year - Net | 8119619 | 6825352 |
| Less: Claims Outstanding at the beginning | 6825352 | 6533538 |
| Less: Claims Outstanding Opening - Direct - In India | 17038935 | 12156864 |
| Less: Claims Outstanding Opening - Direct - Outside India | 0 | 0 |
| Less: Outstanding claims at the beginning of the year - Direct | 17038935 | 12156864 |
| Less: Claims Outstanding Opening - RI Accepted - In India | 507040 | 440298 |
| Less: Claims Outstanding Opening - RI Accepted - Outside India | 291559 | 406436 |
| Less: Claims Outstanding at the beginning of the year - RI Accepted | 798599 | 846734 |
| Add: Claims Outstanding Opening - RI Ceded - In India | 7208842 | 4685607 |
| Add: Claims Outstanding Opening - RI Ceded - Outside India | 3803340 | 1784453 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 11012182 | 6470060 |
| Less: Claims Outstanding at the beginning of the year - Net | 6825352 | 6533538 |
| Claims Incurred (Net) | 6065130 | 5824283 |

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

| Marine Cargo | | Marine Hull | | Marine Tool | |
|----------------|----------------|----------------|----------------|----------------|----------------|
| Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| 2121760 | 1917667 | 1154488 | 3869712 | 3276248 | 5787379 |
| 2121760 | 1917667 | 1154488 | 3869712 | 3276248 | 5787379 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 20918 | 9096 | 75075 | 151257 | 95993 | 160353 |
| 2256 | 1096 | 64800 | 92286 | 67056 | 93382 |
| 18662 | 8000 | 10275 | 58971 | 28937 | 66971 |
| 379494 | 272601 | 835588 | 3480838 | 1215082 | 3753439 |
| 211672 | 189558 | -69865 | -1882203 | 141807 | -1692646 |
| 167822 | 83043 | 905453 | 5363041 | 1073275 | 5446085 |
| 1763184 | 1654162 | 393975 | 540131 | 2157159 | 2194293 |
| 1912344 | 1729205 | 1289153 | 5844202 | 3201496 | 7573407 |
| -149159 | -75044 | -895178 | -5304070 | -1044338 | -5379114 |
| 2582745 | 2272485 | 1110280 | 991168 | 3693026 | 3263654 |
| 3603676 | 3444396 | 3602491 | 3993458 | 7206167 | 7437856 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 3603676 | 3444396 | 3602491 | 3993458 | 7206167 | 7437856 |
| 40017 | 25131 | 224179 | 252125 | 264195 | 277256 |
| 10921 | 10199 | 53008 | 92489 | 63930 | 102688 |
| 50938 | 35330 | 277187 | 344614 | 328125 | 379944 |
| -39372 | -5536 | 540402 | 939844 | 501030 | 934308 |
| 1111241 | 1212778 | 2228996 | 2407061 | 3340237 | 3619839 |
| 1071869 | 1207242 | 2769398 | 3346905 | 3841267 | 4554147 |
| 2582745 | 2272484 | 1110280 | 991167 | 3693025 | 3263651 |
| 2272485 | 1997006 | 991168 | 1310768 | 3263653 | 3307774 |
| 3444397 | 3373901 | 3993459 | 6159281 | 7437856 | 9533182 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 3444397 | 3373901 | 3993459 | 6159281 | 7437856 | 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 | 1299056 | 2407061 | 4108451 | 3619839 | 5407508 |
| 1207242 | 1418016 | 3346905 | 5196595 | 4554147 | 6614611 |
| 2272485 | 1997005 | 991168 | 1310767 | 3263653 | 3307772 |
| 2073444 | 1929641 | 513087 | 220531 | 2586531 | 2150172 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Motor OD | |
|---|----------------|----------------|
| | Current Year | Previous Year |
| CLAIMS PAID | | |
| Direct Business | 9102776 | 7899264 |
| Direct - In India | 9102776 | 7899264 |
| 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 | 828154 | 649269 |
| Less: Reinsurance Ceded - In India | 828154 | 649269 |
| Less: Reinsurance Ceded - Outside India | 0 | 0 |
| Net Claims paid | 8274622 | 7249995 |
| Net Claims paid - In India | 8274622 | 7249995 |
| Net Claims paid - Outside India | 0 | 0 |
| Add: Claims Outstanding at the end of the year | 3396462 | 2873906 |
| Add: Claims Outstanding Closing - Direct - In India | 3685213 | 3107542 |
| Add: Claims Outstanding Closing - Direct - Outside India | 0 | 0 |
| Add: Claims Outstanding at the end of the year - Direct | 3685213 | 3107542 |
| Add: Claims Outstanding Closing - RI Accepted - In India | 0 | 4754 |
| Add: Claims Outstanding Closing - RI Accepted - Outside India | 0 | 0 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 0 | 4754 |
| Less: Claims Outstanding Closing - RI Ceded - In India | 271154 | 238390 |
| Less: Claims Outstanding Closing - RI Ceded - Outside India | 17597 | 0 |
| Less: Claims Outstanding at the end of the year - RI Ceded | 288751 | 238390 |
| Add: Claims Outstanding at the end of the Year - Net | 3396462 | 2873906 |
| Less: Claims Outstanding at the beginning | 2873906 | 3197955 |
| Less: Claims Outstanding Opening - Direct - In India | 3107542 | 3525946 |
| Less: Claims Outstanding Opening - Direct - Outside India | 0 | 0 |
| Less: Outstanding claims at the beginning of the year - Direct | 3107542 | 3525946 |
| 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 | 238390 | 332745 |
| Add: Claims Outstanding Opening - RI Ceded - Outside India | 0 | 0 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 238390 | 332745 |
| Less: Claims Outstanding at the beginning of the year - Net | 2873906 | 3197955 |
| Claims Incurred (Net) | 8797178 | 6925946 |

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 |
| 10468599 | 7989823 | 174486 | 84243 | 5565535 | 6105411 | 25311397 | 22078741 |
| 10468462 | 7989520 | 174486 | 84243 | 5565535 | 6105411 | 25311260 | 22078438 |
| 137 | 303 | 0 | 0 | 0 | 0 | 137 | 303 |
| 453 | 9680 | 0 | 0 | 0 | 2994127 | 454 | 3003807 |
| 453 | 9680 | 0 | 0 | 0 | 2994127 | 454 | 3003807 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1230906 | 1098752 | 139589 | 67395 | 0 | 0 | 2198650 | 1815416 |
| 1230228 | 1098752 | 139589 | 67395 | 0 | 0 | 2197972 | 1815416 |
| 678 | 0 | 0 | 0 | 0 | 0 | 678 | 0 |
| 9238146 | 6900751 | 34897 | 16848 | 5565535 | 9099538 | 23113201 | 23267132 |
| 9238687 | 6900448 | 34897 | 16849 | 5565535 | 9099538 | 23113741 | 23266828 |
| -541 | 303 | 0 | 0 | 0 | 0 | -541 | 303 |
| 33736481 | 26716374 | 766638 | 604566 | 27397183 | 32962718 | 65296764 | 63157563 |
| 38007537 | 30866273 | 3833191 | 3022827 | 27397183 | 32962718 | 72923124 | 69959360 |
| 12015 | 11610 | 0 | 0 | 0 | 0 | 12015 | 11610 |
| 38019552 | 30877883 | 3833191 | 3022827 | 27397183 | 32962718 | 72935139 | 69970970 |
| 5771 | 1034 | 0 | 0 | 0 | 0 | 5771 | 5789 |
| 1000 | 100 | 0 | 0 | 0 | 0 | 1000 | 100 |
| 6771 | 1134 | 0 | 0 | 0 | 0 | 6771 | 5889 |
| 4288360 | 4161160 | 3066553 | 2418261 | 0 | 0 | 7626067 | 6817811 |
| 1483 | 1484 | 0 | 0 | 0 | 0 | 19080 | 1484 |
| 4289843 | 4162644 | 3066553 | 2418261 | 0 | 0 | 7645147 | 6819295 |
| 33736481 | 26716373 | 766638 | 604566 | 27397183 | 32962718 | 65296764 | 63157563 |
| 26716374 | 20577072 | 604565 | 199780 | 32962718 | 38558129 | 63157564 | 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 |
| 0 | 0 | 0 | 0 | 0 | 0 | 4754 | 4754 |
| 1134 | 1364 | 0 | 0 | 0 | 0 | 1134 | 1364 |
| 1134 | 1364 | 0 | 0 | 0 | 0 | 5888 | 6118 |
| 4161160 | 3651389 | 2418261 | 799119 | 0 | 0 | 6817811 | 4783253 |
| 1484 | 1483 | 0 | 0 | 0 | 0 | 1483 | 1483 |
| 4162644 | 3652872 | 2418261 | 799119 | 0 | 0 | 6819294 | 4784736 |
| 26716374 | 20577072 | 604566 | 199780 | 32962718 | 38558129 | 63157564 | 62532936 |
| 16258253 | 13040052 | 196969 | 421634 | 0 | 3504127 | 25252401 | 23891759 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Workmen Comp. | |
|---|---------------|---------------|
| | Current Year | Previous Year |
| CLAIMS PAID | | |
| Direct Business | 171520 | 176755 |
| Direct - In India | 171520 | 177326 |
| Direct - Outside India | 0 | -571 |
| Add: Reinsurance Accepted | 0 | 0 |
| Add: Reinsurance Accepted - In India | 0 | 0 |
| Add: Reinsurance Accepted - Outside India | 0 | 0 |
| Less: Reinsurance Ceded | 17366 | 18369 |
| Less: Reinsurance Ceded - In India | 17366 | 18369 |
| Less: Reinsurance Ceded - Outside India | 0 | 0 |
| Net Claims paid | 154154 | 158386 |
| Net Claims paid - In India | 154154 | 158957 |
| Net Claims paid - Outside India | 0 | -571 |
| Add: Claims Outstanding at the end of the year | 346225 | 307741 |
| Add: Claims Outstanding Closing - Direct - In India | 365263 | 323674 |
| Add: Claims Outstanding Closing - Direct - Outside India | 10093 | 9752 |
| Add: Claims Outstanding at the end of the year - Direct | 375356 | 333426 |
| 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 | 29131 | 25685 |
| Less: Claims Outstanding Closing - RI Ceded - Outside India | 0 | 0 |
| Less: Claims Outstanding at the end of the year - RI Ceded | 29131 | 25685 |
| Add: Claims Outstanding at the end of the Year - Net | 346225 | 307741 |
| Less: Claims Outstanding at the beginning | 307741 | 436194 |
| Less: Claims Outstanding Opening - Direct - In India | 323674 | 453922 |
| Less: Claims Outstanding Opening - Direct - Outside India | 9752 | 6990 |
| Less: Outstanding claims at the beginning of the year - Direct | 333426 | 460912 |
| 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 | 25685 | 24718 |
| Add: Claims Outstanding Opening - RI Ceded - Outside India | 0 | 0 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 25685 | 24718 |
| Less: Claims Outstanding at the beginning of the year - Net | 307741 | 436194 |
| Claims Incurred (Net) | 192638 | 29933 |

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 |
| | | | | | |
| 1449858 | 1207369 | 166079 | 94498 | 2202202 | 2510914 |
| 1449858 | 1207369 | 166079 | 94498 | 2202202 | 2510914 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 11332 | 9174 | 4897 | 16157 | 185541 | 259620 |
| 11332 | 9174 | 4897 | 10782 | 176311 | 248576 |
| 0 | 0 | 0 | 5375 | 9230 | 11044 |
| 314371 | 266482 | 97642 | 44648 | 1012822 | 1110396 |
| 261419 | 225945 | 48393 | 41001 | 680741 | 782550 |
| 52952 | 40537 | 49249 | 3647 | 332081 | 327846 |
| 1146819 | 950061 | 73334 | 66007 | 1374921 | 1660138 |
| 1199770 | 990598 | 122584 | 64280 | 1697772 | 1976941 |
| -52952 | -40537 | -49249 | 1728 | -322851 | -316802 |
| 774364 | 780032 | 152434 | 133292 | 3467430 | 3314314 |
| 1009518 | 962586 | 451353 | 209449 | 12079932 | 8377830 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 1009518 | 962586 | 451353 | 209449 | 12079932 | 8377830 |
| 1066 | 1437 | 48392 | 49327 | 733620 | 628968 |
| 0 | 0 | 16323 | 16002 | 25077 | 11751 |
| 1066 | 1437 | 64715 | 65329 | 758697 | 640719 |
| 193534 | 155594 | 331984 | 109061 | 5672945 | 3473110 |
| 42686 | 28397 | 31650 | 32425 | 3698254 | 2231124 |
| 236220 | 183991 | 363634 | 141486 | 9371199 | 5704234 |
| 774364 | 780033 | 152434 | 133292 | 3467430 | 3314315 |
| 780032 | 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 | 25932 | 628968 | 517703 |
| 0 | 0 | 16002 | 20700 | 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 |
| 780032 | 738253 | 133292 | 104359 | 3314315 | 2715855 |
| 1141151 | 991841 | 92476 | 94940 | 1528036 | 2258598 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Other Misc. | |
|---|----------------|----------------|
| | Current Year | Previous Year |
| CLAIMS PAID | | |
| Direct Business | 3139591 | 2446723 |
| Direct - In India | 3139591 | 2446723 |
| Direct - Outside India | 0 | 0 |
| Add: Reinsurance Accepted | 956607 | 907478 |
| Add: Reinsurance Accepted - In India | 760180 | 708057 |
| Add: Reinsurance Accepted - Outside India | 196427 | 199421 |
| Less: Reinsurance Ceded | 1209397 | 108580 |
| Less: Reinsurance Ceded - In India | 655825 | -688779 |
| Less: Reinsurance Ceded - Outside India | 553572 | 797359 |
| Net Claims Paid | 2886801 | 3245621 |
| Net Claims Paid - In India | 3243946 | 3843559 |
| Net Claims Paid - Outside India | -357145 | -597938 |
| Add: Claims Outstanding at the end of the year | 2448898 | 2563344 |
| Add: Claims Outstanding Closing - Direct - In India | 3525818 | 3148378 |
| Add: Claims Outstanding Closing - Direct - Outside India | 0 | 0 |
| Add: Claims Outstanding at the end of the year - Direct | 3525818 | 3148378 |
| Add: Claims Outstanding Closing - RI Accepted - In India | 428855 | 375673 |
| Add: Claims Outstanding Closing - RI Accepted - Outside India | 135529 | 262606 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 564384 | 638279 |
| Less: Claims Outstanding Closing - RI Ceded - In India | 1268926 | 799862 |
| Less: Claims Outstanding Closing - RI Ceded - Outside India | 372377 | 423451 |
| Less: Claims Outstanding at the end of the year - RI Ceded | 1641303 | 1223313 |
| Add: Claims Outstanding at the end of the year - Net | 2448899 | 2563344 |
| Less: Claims Outstanding at the beginning | 2563344 | 2247302 |
| Less: Claims Outstanding Opening - Direct - In India | 3148378 | 2495748 |
| Less: Claims Outstanding Opening - Direct - Outside India | 0 | 0 |
| Less: Outstanding claims at the beginning of the year - Direct | 3148378 | 2495748 |
| Less: Claims Outstanding Opening - RI Accepted - In India | 375673 | 254590 |
| Less: Claims Outstanding Opening - RI Accepted - Outside India | 262606 | 284254 |
| Less: Claims Outstanding at the beginning of the year - RI Accepted | 638279 | 538844 |
| Add: Claims Outstanding Opening - RI Ceded - In India | 799862 | 677377 |
| Add: Claims Outstanding Opening - RI Ceded - Outside India | 423451 | 109913 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 1223313 | 787290 |
| Less: Claims Outstanding at the beginning of the year - Net | 2563344 | 2247302 |
| Claims Incurred (Net) | 2772356 | 3561663 |

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 |
| | | | | | |
| 117769 | 360100 | 33555869 | 26598624 | 66114284 | 55473724 |
| 117769 | 360100 | 33555869 | 26598624 | 66114147 | 55473992 |
| 0 | 0 | 0 | 0 | 137 | -268 |
| 5070 | 70 | 0 | 0 | 1163900 | 4196306 |
| 5070 | 70 | 0 | 0 | 958243 | 3980467 |
| 0 | 0 | 0 | 0 | 205657 | 215839 |
| 13224 | 114535 | 739988 | 2848176 | 5603460 | 6326602 |
| 13224 | 114535 | 4370525 | 2006238 | 8245465 | 4315276 |
| 0 | 0 | -3630537 | 841938 | -2642005 | 2011326 |
| 109615 | 245635 | 32815881 | 23750448 | 61674724 | 53343428 |
| 109615 | 245635 | 29185344 | 24592386 | 58826926 | 55139183 |
| 0 | 0 | 3630537 | -841938 | 2847798 | -1795756 |
| 843028 | 617662 | 4816012 | 3167312 | 78145154 | 74041262 |
| 1156270 | 711135 | 5125376 | 3321898 | 96636654 | 87014309 |
| 0 | 0 | 0 | 0 | 22108 | 21364 |
| 1156270 | 711135 | 5125376 | 3321898 | 96658762 | 87035673 |
| 13502 | 21401 | 0 | 0 | 1231206 | 1082595 |
| 0 | 0 | 0 | 0 | 177929 | 290458 |
| 13502 | 21401 | 0 | 0 | 1409135 | 1373053 |
| 326744 | 114874 | 303088 | 154586 | 15752419 | 11650583 |
| 0 | 0 | 6276 | 0 | 4170323 | 2716881 |
| 326744 | 114874 | 309364 | 154586 | 19922742 | 14367464 |
| 843028 | 617662 | 4816012 | 3167312 | 78145155 | 74041262 |
| 617662 | 602511 | 3167312 | 3207954 | 74041262 | 72585363 |
| 711135 | 751406 | 3321898 | 3681741 | 87014309 | 80427942 |
| 0 | 0 | 0 | 0 | 21363 | 18175 |
| 711135 | 751406 | 3321898 | 3681741 | 87035672 | 80446117 |
| 21401 | 8465 | 0 | 0 | 1081560 | 823999 |
| 0 | 0 | 0 | 0 | 291493 | 316148 |
| 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 | 74041261 | 72585364 |
| 334981 | 260786 | 34464581 | 23709806 | 65778618 | 54799326 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Fire | |
|--|---------------|---------------|
| | Current Year | Previous Year |
| COMMISSION | | |
| Direct Business | 881426 | 798959 |
| TOTAL (A) | 881426 | 798959 |
| Add: Commission on Reinsurance Accepted | 148803 | 141514 |
| Add: Commission on Reinsurance Accepted - In India | 110138 | 79589 |
| Add: Commission on Reinsurance Accepted -Outside India | 38665 | 61925 |
| Less: Commission on Reinsurance Ceded | 452969 | 654773 |
| Less: Commission on Reinsurance Ceded - In India | 288477 | 477631 |
| Less: Commission on Reinsurance Ceded - Outside India | 164492 | 177142 |
| Commission (Net) | 577260 | 285700 |
| Commission (Net) - In India | 703087 | 400917 |
| Commission (Net) - Outside India | -125827 | -115217 |
| Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below: | | |
| Agents - In India | 440448 | 384583 |
| Agents | 440448 | 384583 |
| Brokers | 287444 | 281046 |
| Corporate Agency | 153534 | 133330 |
| TOTAL (B) | 881426 | 798959 |

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 |
| 352820 | 378368 | 40888 | 31406 | 393708 | 409774 |
| 352820 | 378368 | 40888 | 31406 | 393708 | 409774 |
| 1347 | 6541 | 25544 | 45434 | 26891 | 51975 |
| 59 | 3829 | 24566 | 22397 | 24625 | 26226 |
| 1288 | 2712 | 978 | 23037 | 2266 | 25749 |
| 32324 | 34513 | 96763 | 142180 | 129087 | 176693 |
| 20662 | 22704 | 12607 | 47400 | 33268 | 70104 |
| 11662 | 11809 | 84156 | 94780 | 95819 | 106589 |
| 321843 | 350396 | -30331 | -65340 | 291512 | 285056 |
| 332217 | 359493 | 52847 | 6403 | 385064 | 365896 |
| -10374 | -9097 | -83178 | -71743 | -93553 | -80840 |
| 201587 | 219331 | 14011 | 12854 | 215598 | 232186 |
| 201587 | 219331 | 14011 | 12854 | 215598 | 232186 |
| 138392 | 157862 | 22070 | 17432 | 160462 | 175294 |
| 12841 | 1175 | 4807 | 1120 | 17648 | 2294 |
| 352820 | 378368 | 40888 | 31406 | 393708 | 409774 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Motor OD | |
|--|----------------|----------------|
| | Current Year | Previous Year |
| COMMISSION | | |
| Direct Business | 1478968 | 1434117 |
| TOTAL (A) | 1478968 | 1434117 |
| 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 | 125525 | 120171 |
| Less: Commission on Reinsurance Ceded - In India | 125525 | 120171 |
| Less: Commission on Reinsurance Ceded - Outside India | 0 | 0 |
| Commission (Net) | 1353443 | 1313946 |
| Commission (Net) - In India | 1353443 | 1313946 |
| 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 | 1245415 | 1243197 |
| Agents | 1245415 | 1243197 |
| Brokers | 182952 | 117774 |
| Corporate Agency | 50601 | 73146 |
| TOTAL (B) | 1478968 | 1434117 |

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 |
| -101 | 405 | 0 | 0 | 0 | 0 | 1478867 | 1434523 |
| -101 | 405 | | | | | 1478867 | 1434523 |
| 0 | 1116 | 0 | 0 | 0 | 1 | 0 | 1116 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 1116 | 0 | 0 | 0 | 0 | | 1116 |
| 88395 | 50919 | 0 | 0 | 0 | 0 | 213920 | 171090 |
| 88395 | 50919 | 0 | 0 | 0 | 0 | 213920 | 171090 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| -88496 | -49398 | 0 | 0 | 0 | 1 | 1264947 | 1264549 |
| -88496 | -50513 | 0 | 0 | 0 | 0 | 1264947 | 1263433 |
| 0 | 1116 | 0 | 0 | 0 | 0 | 0 | 1116 |
| | | | | | | | |
| -101 | 405 | 0 | 0 | 0 | 1 | 1245314 | 1243603 |
| -101 | 405 | 0 | 0 | 0 | 1 | 1245314 | 1243603 |
| 0 | 0 | 0 | 0 | 0 | 0 | 182952 | 117774 |
| 0 | 0 | 0 | 0 | 0 | 0 | 50601 | 73146 |
| -101 | 405 | 0 | 0 | 0 | 1 | 1478867 | 1434523 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Workmen Comp. | |
|--|---------------|---------------|
| | Current Year | Previous Year |
| COMMISSION | | |
| Direct Business | 97744 | 86313 |
| TOTAL (A) | 97744 | 86313 |
| 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 | 6936 | 6719 |
| Less: Commission on Reinsurance Ceded - In India | 6936 | 6719 |
| Less: Commission on Reinsurance Ceded - Outside India | 0 | 0 |
| Commission (Net) | 90808 | 79594 |
| Commission (Net) - In India | 90808 | 79594 |
| 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 | 80954 | 74079 |
| Agents | 80954 | 74079 |
| Brokers | 13982 | 11681 |
| Corporate Agency | 2808 | 553 |
| TOTAL (B) | 97744 | 86313 |

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 |
| 279046 | 257560 | 13407 | 13028 | 355596 | 368049 |
| 279046 | 257560 | 13407 | 13028 | 355596 | 368049 |
| 3449 | 3312 | 3737 | 5893 | 45401 | 143465 |
| 3449 | 3312 | 1413 | 1169 | 44622 | 139546 |
| 0 | 0 | 2324 | 4724 | 779 | 3919 |
| 112369 | 115352 | 19088 | 38736 | 390213 | 481406 |
| 95461 | 90829 | 17827 | 37518 | 229329 | 299874 |
| 16908 | 24523 | 1261 | 1218 | 160884 | 181532 |
| 170126 | 145520 | -1944 | -19815 | 10784 | 30108 |
| 187034 | 170043 | -3007 | -23321 | 170888 | 207721 |
| -16908 | -24523 | 1063 | 3506 | -160104 | -177613 |
| 155244 | 157116 | 3086 | 3181 | 109711 | 127710 |
| 155244 | 157116 | 3086 | 3181 | 109711 | 127710 |
| 83878 | 67427 | 8793 | 9835 | 225350 | 237381 |
| 39924 | 33017 | 1528 | 12 | 20535 | 2958 |
| 279046 | 257560 | 13407 | 13028 | 355596 | 368049 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Other Misc. | |
|--|---------------|---------------|
| | Current Year | Previous Year |
| COMMISSION | | |
| Direct Business | 349778 | 671065 |
| TOTAL (A) | 349778 | 671065 |
| Add: Commission on Reinsurance Accepted | 101535 | 157325 |
| Add: Commission on Reinsurance Accepted - In India | 101422 | 155879 |
| Add: Commission on Reinsurance Accepted - Outside India | 113 | 1446 |
| Less: Commission on Reinsurance Ceded | 151088 | 247400 |
| Less: Commission on Reinsurance Ceded - In India | 125798 | 107270 |
| Less: Commission on Reinsurance Ceded - Outside India | 25290 | 140130 |
| Commission (Net) | 300225 | 580990 |
| Commission (Net) - In India | 325403 | 719672 |
| Commission (Net) - Outside India | -25178 | -138683 |
| Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below: | | |
| Agents - In India | 441288 | 418027 |
| Agents | 441288 | 418027 |
| Brokers | -234426 | 113332 |
| Corporate Agency | 142916 | 139706 |
| TOTAL (B) | 349778 | 671065 |

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 |
| 91540 | 85909 | 2592269 | 1889642 | 5258247 | 4806088 |
| 91540 | 85909 | 2592269 | 1889642 | 5258247 | 4806088 |
| 727 | 1723 | 0 | 0 | 154849 | 312835 |
| 727 | 1723 | 0 | 0 | 151633 | 301628 |
| 0 | 0 | 0 | 0 | 3216 | 11207 |
| 7975 | 7756 | 67352 | 232881 | 968941 | 1301340 |
| 7761 | 7756 | 396262 | 157279 | 1093293 | 878336 |
| 214 | 0 | -328910 | 75602 | -124352 | 423004 |
| 84292 | 79876 | 2524917 | 1656761 | 4444155 | 3817583 |
| 84506 | 79876 | 2196007 | 1732363 | 4316587 | 4229381 |
| -214 | 0 | 328910 | -75602 | 127569 | -411799 |
| 49020 | 42959 | 1221904 | 1057203 | 3306521 | 3123878 |
| 49020 | 42959 | 1221904 | 1057203 | 3306521 | 3123878 |
| 37903 | 38496 | 765098 | 765199 | 1083530 | 1361125 |
| 4617 | 4454 | 605267 | 67240 | 868196 | 321086 |
| 91540 | 85909 | 2592269 | 1889642 | 5258247 | 4806089 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(₹ '000)

| Particulars | Current Year 31-03-2015 | Previous Year 31-03-2014 |
|---|----------------------------|-----------------------------|
| I. Cash Flow from Operating Activities | | |
| Premium received from policyholders, including advance receipts, net of coinsurance | 116181638 | 105628182 |
| Other Receipts | 150675 | 167393 |
| Payments to reinsurers, net of commission and claims | -2056553 | -1220418 |
| Payments to coinsurers, net of claims recovery | -10534351 | -6407194 |
| Payments of claims | -77073118 | -68398412 |
| Payments of commission and brokerage | -6345422 | -5877465 |
| Payments of other operating expenses | -22459184 | -20691947 |
| Deposits, advances and staff loans | -5105 | -61287 |
| Income taxes paid/refund (net) | -1263772 | -1124955 |
| Service tax paid/refund (net) | -954777 | 198081 |
| Other payments/collections (net) | 2938689 | -10179 |
| Gain/Loss on Foreign Exchange Fluctuations | 103601 | -12402 |
| Cash flow before extraordinary activities | -1317680 | 2189398 |
| Extraordinary Activities | 0 | 0 |
| Cash flow after Extraordinary Activities | -1317680 | 2189398 |
| Net Cash Flow from the Operating Activities | -1317680 | 2189398 |
| II. Cash Flow from the Investing Activities | | |
| Purchase of fixed assets | -736266 | -450815 |
| Proceeds from sale of fixed assets | 38959 | 699 |
| Purchase of investments (net) | -204306167 | -260181970 |
| Sale Value of Investments | 193211919 | 248735374 |
| Rents/Interests/Dividends received | 14915965 | 13222211 |

| | | |
|--|-----------------|-----------------|
| Expenses relating to investments | -31673 | -25661 |
| Other payments/collections (net) | 32687 | 35379 |
| Net Cash Flow from the Investing Activities | 3125423 | 1335216 |
| 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 | -1240005 |
| Net Cash Flow from the Financing Activities | -1240005 | -1240005 |
| IV. Effect of foreign exchange rates on cash and cash equivalents (net) | 0 | 0 |
| Net increase in Cash and Cash Equivalents | 567738 | 2284610 |
| Cash and Cash Equivalents at the beginning of the year | 15608144 | 13323534 |
| Cash and Cash Equivalents at the end of the year | 16175881 | 15608144 |

Kishore Kumar Sansi
Alok Tandon
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 Brahmayya & Co.
Chartered Accountants
FRN : 000511S

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For Maharaj N. R. Suresh and Co.
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For Padmanabhan Ramani & Ramanujam
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

Significant Accounting Policies and Notes forming part of Financial Statements as on 31st March 2015

I. Significant Accounting Policies

1. Accounting Convention:

The financial statements are prepared under the historical cost convention in accordance with the accounting principles prescribed by The Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002, the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, Orders / Circulars / Notifications issued by IRDAI from time to time, the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

2. Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from estimates and assumptions used in preparing these financial statements.

3. Shareholders/Policyholders' Funds:

- 3.1. Shareholders funds consists of Share Capital, General Reserve, Capital Reserve and Miscellaneous/Special Reserves.
- 3.2. Policyholders funds consists of technical reserves i.e. Unexpired Risk Reserves plus estimated liability for outstanding claims.

4. Premium:

4.1 Direct Business:

- 4.1.1 Premium income is recognised on assumption of risk and adjusted for

increase or decrease in reserve for unearned premium, calculated as per 4.3 below.

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

4.2 Reinsurance:

- 4.2.1 Premium income is recognized based on the returns received from foreign reinsurance companies received upto 31st March.

- 4.2.2 Premium Income in respect of Indian Reinsurers is recognized based on returns received upto finalization of accounts of the relevant accounting year. Wherever returns are not received upto finalization of accounts, the same has been estimated.

- 4.2.3 Premium on cessions are recognized on the basis of the premium underwritten by the operating offices. Wherever full particulars are not available, reinsurance cessions are estimated on the basis of information available.

- 4.2.4 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.

4.3 Reserve for Unexpired Risk:

Reserve for unexpired risk is made on the amount representing that part of net premium written which is attributable to, and allocated to the succeeding accounting periods at 50% of net premium, except in the case of Marine Hull

business and Terrorism, where it is made at 100% of net premium.

5. Claims:

5.1 Direct Business:

- a) Claims are recognized as and when intimated.
- b) All expenses directly attributable to claims including exchange fluctuations gains / losses are accounted as part of claims.
- c) Outstanding claims at the year-end:
 - Estimated Liability for outstanding claims at the year end are provided on the basis of survey reports, advices of Leaders, past experience, other applicable laws, information provided by clients and other sources upto the date of finalization of accounts.
 - 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.

5.2 Reinsurance:

- a) Claims are recognized as and when intimated.
- b) Liability for outstanding claims in respect of Indian Inward Acceptances is based on returns received up to finalization of accounts. Wherever returns are not received upto finalization of accounts, the same has been estimated on actuarial valuation.
- c) Liability for outstanding claims in respect of Foreign Inward Acceptances is based on Actuarial Valuation and returns received up to finalisation of accounts.

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

5.4 Salvage and Other Recoveries:

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

6. Expenses of Management:

6.1 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.

6.2 Depreciation:

- 6.2.1 Depreciation on fixed assets is charged on written down value method based on useful life of the Assets and considering residual value upto 5% of original cost as per Schedule II to the Companies Act, 2013.
- 6.2.2 Depreciation is provided on Land and Building as a whole where separate costs are not ascertainable.
- 6.2.3 Cost of Lease Hold properties have been amortised over the period of Lease.

6.3 Employee Benefits:

6.3.1 Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

6.3.2 Post-Employment Benefit Plans:

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the Profit and Loss account for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on straight-line basis over the average period until the benefits become vested.

7. Translation/Conversion of Foreign Currencies:

7.1 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:

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

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

7.2 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.

7.3 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.

8. Loans & Investment:

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

8.2 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.

8.3 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.

8.4 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.

8.5 As per Part I of Schedule B of IRDAI (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. 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 amortized for the period from the date of purchase of the instrument till the end of the financial year preceding the year of maturity/ redemption, by considering put/call option, if any.

8.6 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/ not traded 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.

8.7 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 @ 100% of book value.

8.8 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.

8.9 Impairment:

8.9.1 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.

8.9.2 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.

8.9.2.1 Any reversal of impairment loss, earlier recognized in Revenue/Profit & Loss account,

(a) in respect of Actively Traded Equity shares- shall be recognized in the Revenue/Profit & Loss account,

i) if the accumulated losses are completely wiped out and

ii) the company has shown net profit for three immediately preceding years.

And

(b) in respect of other than Actively Traded Equity shares, shall be recognized in the Revenue/Profit & Loss account, on realization.

8.9.3 The Company follows the prudential norms prescribed by the Insurance Regulatory and Development Authority of India / Related RBI guidelines as regards asset classification, recognition of income and provisioning pertaining to loans / advances / debentures.

8.9.4 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.

- 8.10 Profit or Loss on realization/sale of investment is computed by taking weighted average book value of each investment.
- 8.11 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.
- 8.12 Revenue with respect to Venture Capital Funds is recognised on Receipt basis.
- 8.13 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.
- 8.14 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 Policyholders' Fund and Shareholders' Fund as at the beginning of the year.
- 8.15 Considering the practical difficulties the company follows the policy of notionally allocating the investment between shareholders' and policyholders' funds in

the proportion of opening balances of shareholders' funds and policyholders' funds.

9. a) Fixed Assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation. Direct costs are capitalized till the assets are ready to be put to use. These costs include freight, installation costs, duties, taxes and other allocated expenses. Further any trade discounts and rebates are deducted in arriving at the cost.

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 straight-line basis. Software development / acquisition costs, except those which meet the recognition criteria as laid down in Accounting Standard 26 (AS 26), are charged to revenue.

10. Taxation :

- 10.1 Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted as on the balance sheet date.
- 10.2 Provision for current tax is made after due consideration of the applicable judicial pronouncements and opinions from the company's counsel.
- 10.3 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of



adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

- 10.4 Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. In the case of unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only to the extent there is virtual certainty that the deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date.

11. Lease charges:

Leases, where the lessor effectively retains substantially all the risks and benefits of

ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

12. Provisions and Contingencies (Claims other than those under Policies)

- 12.1 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.
- 12.2 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.
- 12.3 Contingent assets are neither recognized nor disclosed in the financial statements.

II. Notes to Accounts

1. Impact of change in Accounting Policies:

I. Investments

| Existing Policy | Revised Policy | Impact on Accounts |
|--|--|---|
| The present accounting policy is for impairment. Reversal of impairment is not recognized. | Any reversal of impairment loss, earlier recognized in Revenue/Profit & Loss account, (a) in respect of Actively Traded Equity shares- shall be recognized in the Revenue/Profit & Loss account - i) if the accumulated losses are completely wiped out and ii) the company has shown net profit for three immediately preceding years. b) in respect of other than Actively Traded Equity shares, shall be recognized in the Revenue/Profit & Loss account, on realization. | No Equity Scrip is eligible for write back and hence the financial impact is NIL. |

II. Reinsurance

| Existing Policy | Revised Policy | Impact on Accounts |
|---|--|--|
| The returns from foreign reinsurance companies to the extent received upto 31st March and the returns from Indian Reinsurers received upto finalization of accounts of the relevant accounting year are incorporated. | 1) Premium income is recognized based on the returns received from foreign reinsurance companies received upto 31st March. 2) Premium Income in respect of Indian Reinsurers is recognized based on returns received upto finalization of accounts of the relevant accounting year. Wherever returns are not received upto finalization of accounts, the same has been estimated. | As a result of change in accounting policy, Net Premium has gone up by ₹ 220123 thousands. Net Incurred Claims has gone up by ₹ 132127 thousands. |
| Liability for outstanding claims in respect of Indian Inward Acceptances is based on returns received up to finalization of accounts. | Liability for outstanding claims in respect of Indian Inward Acceptances is based on returns received up to finalization of accounts. Wherever returns are not received upto finalization of accounts, the same has been estimated on actuarial valuation. | And Profit of the company has decreased by ₹ 22066 thousands after taking into account reserve for unexpired risk. |

III. Depreciation

Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting period commencing after 1 April 2014, Depreciation on tangible fixed assets effective April 1, 2014, the company has adopted the "useful life" specified in Part C of Schedule II of the Companies Act, 2013. Accordingly, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life.

- Depreciation on assets whose remaining useful life as on 01-04-2014 is nil amounting to ₹ 25907 thousands has been charged to revenue/Profit & Loss account.
- As a result of the change, the depreciation charge for the year ended March 31, 2015 is lower by ₹ 8414 thousands,

2. (i) Contingent Liability :

(₹ in thousands)

| Particulars | 31-03-2015 | 31-03-2014 |
|--|------------|------------|
| On partly paid shares | NIL | NIL |
| Claims other than those under policies, not acknowledged as debts | 734728 | 1145224 |
| 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 | 4388701 | 6032821 |
| Reinsurance obligations to the extent not provided for in accounts | 0 | 0 |
| Others (to be specified) | 0 | 0 |

Note: The Income Tax authorities have suo-moto adjusted the refund due to the company amounting to ₹1367556 thousands (₹1367556 thousands).

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

(₹ in thousands)

| Particulars | 31-03-2015 | 31-03-2014 |
|--|------------|------------|
| 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 | 11934 | 11188 |
| Deposits made to comply with Overseas Statutory requirements | 0 | 0 |
| 10.70% GOI 2020 deposited with Clearing Corporation of India for CBLO operation – FV ₹ 10000 thousands | 10266 | 10319 |

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

10.70% GOI 2020 for ₹123206 thousands (Previous year ₹123844 thousands) (Face Value ₹120010 thousands) has been deposited with RBI in accordance with Section 7 of the Insurance Act, 1938 to adhere to minimum deposit requirement of Insurance Regulatory Development Authority of India.

2. (ii) (c) Advances and Deposits includes:

- ₹50000 thousands (Previous year ₹50000 thousands) deposited with Bombay Stock Exchange towards Margin Money for trading in Capital Market as per SEBI circular dated 19-03-2008 regarding Margin of Institutional Trades in the Cash Market.
- ₹100000 thousands (Previous year ₹100000 thousands) deposited with National Stock Exchange towards Margin Money for trading in Capital Market as per SEBI circular dated 19-03-2008 regarding Margin of Institutional Trades in the Cash Market.
- ₹100 thousands (Previous year ₹100 thousands) by way of margin money has been deposited with Clearing Corporation of India for CBLO operation.

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

(₹ in thousands)

| Particulars | 31-03-2015 | 31-03-2014 |
|---|------------|------------|
| Loans and Investment | 831806 | 423314 |
| Commitments for Estates | 23262 | 333067 |
| Commitments for EDP/Core Insurance Project | 1324215 | 1937038 |
| Stamp duty and Registration charges and Interest on properties in dispute and pending conveyance (estimated at) | 4549 | 4549 |

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

(₹ in thousands)

| Business | In India | | Outside India | |
|---------------|------------|------------|---------------|------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| Fire | 4651241 | 5150839 | 119622 | 381629 |
| Marine | 2128221 | 2127322 | 28937 | 66971 |
| Miscellaneous | 61468931 | 53127857 | 205793 | 215571 |

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 | |
|---------------|------------|------------|---------------|------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| Fire | 7455803 | 8231115 | 142586 | 179239 |
| Marine | 2954549 | 3021857 | 9441 | 89924 |
| Miscellaneous | 82636435 | 71285994 | 61409 | 105783 |

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

8. In respect of Purchases of Investments no deliveries are pending and in respect of sale of Investments, no payments are overdue as on 31-03-2015 (Previous year Nil).

9. In accordance with the regulation prescribed by IRDAI, unrealized gains (net) amounting to ₹58872971 thousands (₹42922834 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 ₹45784576 thousands (₹38041329 thousands). Pending realization, the credit balance in the fair value change account is not available for distribution.

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

(₹ in thousands)

| Particulars | Market Value | | Historical Cost | | Fair value change | |
|--|------------------|-----------------|-----------------|-----------------|-------------------|-----------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| Equity Shares of Public Sector Undertaking (PSU) | 26204856 | 18957119 | 19709412 | 15035297 | 6495444 | 3921822 |
| Equity Shares of Companies in India other than PSU | 76632623 | 60863658 | 24352639 | 21882406 | 52279984 | 38981252 |
| Equity Shares outside India | 128495 | 132191 | 113028 | 113028 | 15467 | 19163 |
| Mutual Fund | 1691574 | 1011195 | 1609498 | 1010598 | 82076 | 597 |
| Total | 104657548 | 80964163 | 45784577 | 38041329 | 58872971 | 42922834 |

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 | | | 31-03-2015 | 31-03-2014 |
|----------------------------|--------|------------|------------|------------|
| 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. Segregation of Investments into performing and non-performing assets:

(₹ in thousands)

| Particulars | 31-03-2015 | 31-03-2014 |
|-----------------------|------------------|------------------|
| Performing Assets | 189971854 | 174931432 |
| Non Performing Assets | 1003794 | 860178 |
| Total | 190975648 | 175791610 |

The aggregate amount of income not recognized for the current accounting year on NPA (net of waiver/collections) as per related IRDAI guidelines is ₹626295 thousands (₹708805 thousands) and upto 31st March 2015 is ₹4122915 thousands (₹3562587 thousands).

13. Restructured Assets :

(₹ in thousands)

| Sl. No. | Particulars | 31-03-2015 | 31-03-2014 |
|---------|--|------------|------------|
| 1. | Total amount of assets subjected to restructuring | 372846 | 380801 |
| 2. | The amount of standard assets subjected to restructuring | 296950 | 304185 |
| 3. | The amount of Sub-Standard assets subjected to restructuring | 0 | 0 |
| 4. | The amount of Doubtful and other assets subjected to restructuring | 75896 | 76616 |

14. 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 | |
|---|-------------------------------------|------------|-------------------------------------|------------|---|------------|-------------------|------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| 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 | 100049 | 105565 | 1266561 | 1982340 | 565227 | 532640 | NIL | NIL |
| (iv) Corporate Debt Securities | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

16. Managerial Remuneration is disclosed under Note No.30.
17. Barring disputed cases, no settled insurance claim remained unpaid for more than six months as on the Balance Sheet date.
18. **Fixed Assets include :-**
- A) Land freehold includes land acquired from IFCI Infrastructure Development Ltd. at Bangalore amounting to ₹39761 thousands on sub-lease-cum sale deed which will be registered in the name of the company on construction of office complex within the time limit specified therein.
- B) Land and House Properties valued at ₹50537 thousands (₹50537 thousands) which are pending Conveyance and Registration. This includes properties under dispute worth ₹920 thousands (₹920 thousands), properties purchased from LPA (Loss Prevention Association of India) ₹49042 thousands (₹49042 thousands) and properties acquired from erstwhile insurance units ₹575 thousands (₹575 thousands).
19. Sundry Creditors include an amount of ₹1415091 thousands (₹1449060 thousands) being cheques issued from zero balance payment accounts.
20. Indian Motor Third Party Declined Risk Insurance Pool (Declined Risk Pool):
- a) The IRDAI 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 IRDAI 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 * | |
|----------------------------------|------------|------------|-------------------|------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| Gross Direct under Motor DR Pool | 720851 | 790394 | 1261489 | 1659828 |
| Obligatory Cession at 5% | 36042 | 39520 | 63074 | 82991 |
| DR Pool Cession at 75% | 540638 | 592796 | 946116 | 1244871 |

*Claims incurred have been accounted at 175% of the premium.

- c) During the year, the IBNR for motor DR Pool has been amended from 210% to 175% with effect from 2013-14.
- d) The provisional cash settlement (net) received from the Declined Risk Pool upto 31-12-2014 amounts to ₹260161 thousands (₹852736 thousands). This has been invested as per IRDAI Regulations along with the regular investments of the Company.
21. Terrorism Pool retro figures received from GIC (Pool Administrator) accounted in 2014-15 includes figures for the 3 quarters of the current year.
22. Reinsurance program for Tamil Nadu Chief Minister's Health Scheme which commenced on 11th February 2012 did not materialize and consequently the Premium Ceded, commission Receivables and Claim Receivables recognized in the Financial Year 2012-13 and 2013-14 have been reversed during the year as under:

Reinsurance Premium Ceded - ₹1684326 thousands

₹ in thousands

Claims Recovery - ₹1470367 thousands

Commission Receivable - ₹151600 thousands

23. 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.

24. Reconciliation of Inter-Office accounts is in progress and in the opinion of the Company the effect of the same will not be material.

25. a) Balances Due from / Due to other persons or bodies carrying on Insurance business, are confirmed and settled periodically hence year end confirmation is not obtained.

b) In respect of Reinsurance, settlements are effected to brokers/reinsurers based on statement of accounts hence year end confirmation of balance is not obtained.

c) Sundry Debtors include a sum of ₹1291721 thousands (₹1403557 thousands) recoverable from Central/State Government towards RSBY Premium.

| | As on 31-03-2015 | As on 31-03-2014 |
|-------------------|---------------------|---------------------|
| Less than 1 year | 535602 | 234446 |
| 1 - 3 years | 514830 | 580384 |
| More than 3 years | 241289 | 588727 |
| Total | 1291721 | 1403557 |

26. a) Accounting Ratios as prescribed by IRDAI are enclosed in Annexure I.

b) Segmental reporting in the format prescribed by IRDAI is given along with Schedules.

c) A summary of financial statements for the last five years is attached.

27. Gratuity

Insurance Regulatory and Development Authority of India, vide its Circular No. IRDA/F&A/CIR/ACT/069/04/2011 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 | 282000 | |
| Amortized in year 2013-14 | 282000 | 1128000 |
| Unrecognized and unamortized gratuity liability as on 31-03-2014 | | 282000 |
| Amount amortized in 2014-15* | | 282000 |
| Unrecognized and unamortized gratuity liability as on 31-03-2015 | | 0 |

* Had this been charged in the year 2010-11, the profit of the Company for the year ended 31st March 2015 would have been higher by ₹282000 thousands.

28A. Retirement benefits to employees :

(i) Provident Fund

Eligible employees (employees not opted for pension plan) receive benefits from the provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the United India Insurance Employees' Provident Fund Trust equal to a specified percentage of the covered employee's salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the interest rate notified by the trust.

The Company recognized ₹115344 thousands (₹119338 thousands) for provident fund contribution in the Revenue Accounts and Profit and Loss account.

(ii) Gratuity

The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the company contributes all the ascertained liabilities to the United India Insurance Employees' Gratuity Fund Trust (the "Trust"). Trustees administer contributions made to the Trust and contributions are invested in specific investments as permitted by law.

(iii) (a) Superannuation/ Pension

The Company provides for monthly pension, a defined benefit retirement plan (the "Pension Plan")

covering eligible employees. The Pension Plan provides a monthly pension after retirement of the employees till death. The monthly pension is based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of ten years of service. The company pays the monthly pension by purchasing the annuity from Life Insurance Corporation of India. Liabilities with regard to the Pension Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the company contributes all the ascertained liabilities to the United India Insurance Employees' Pension Fund Trust (the "Trust"). Trustees administer contributions made to the Trust and contributions are invested in specific investments as permitted by law.

(iii) (b) New Superannuation/ New Pension

New Pension Scheme which is applicable to employees who joined the company on or after 1st April 2010 is a defined contribution scheme. The company pays fixed contribution at predetermined rate and the obligation of the company is limited to such fixed contribution.

The Company recognized ₹62834 thousands (₹35436 thousands) for pension contribution in the Revenue Accounts and Profit and Loss account.

(iv) Leave encashment

The employees of the Company are entitled to Leave Encashment. The employees can carry forward a portion of the unutilized accrued Leave Encashment and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued Leave Encashment for a maximum of 240 days. The company records an obligation for Leave Encashment in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of Leave Encashment as the additional amount that the company expects to

pay as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuation.

(v) Group Medical Benefit Scheme for Employees (Serving and Retired)

The company contributes to medical insurance of the retired employees as per scheme for employees

opted for the scheme. The Company has provided for ₹25000 thousands as liability towards Group Medical Benefit Scheme for employees (Serving and Retired) based on actuarial valuation.

The following table sets out the funded status of gratuity/pension plan and the amounts recognized in the company's financial statements as at March 31, 2015:

A. Reconciliation of opening and closing balances of Defined Benefit obligation:

(₹ in thousands)

| Particulars | Pension Fund | | Gratuity Fund | |
|---|--------------|----------|---------------|---------|
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| Defined benefit obligation at the beginning of the year | 20970000 | 18400000 | 6750000 | 6400000 |
| Current service cost | 659600 | 544400 | 93900 | 111500 |
| Interest cost | 1782450 | 1564000 | 573750 | 544000 |
| Actuarial (gain)/loss | 3711345 | 3405282 | 119761 | 190000 |
| Benefits paid | -2923395 | -2943682 | -627411 | -495500 |
| Defined benefit obligation at the end of the year | 24200000 | 20970000 | 6910000 | 6750000 |

B. Reconciliation of opening and closing balances of fair value of plan assets:

(₹ in thousands)

| Particulars | Pension Fund | | Gratuity Fund | |
|--|--------------|----------|---------------|---------|
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| Fair value of plan assets at the beginning of the year | 17415492 | 15017419 | 5876407 | 5073570 |
| Expected return on plan assets | 1934816 | 1586632 | 566551 | 535289 |
| Actuarial gain/(loss) | | | | |
| Received from other companies | | | 396 | 257 |
| Employer contribution | 4401250 | 3755123 | 592080 | 762800 |
| Benefits paid | -2923395 | -2943682 | -627411 | -495509 |
| Fair value of plan assets at the end of the year | 20828163 | 17415492 | 6408023 | 5876407 |

C. Reconciliation of fair value of assets and obligations:

(₹ in thousands)

| Particulars | Pension Fund | | Gratuity Fund | |
|---|--------------|----------|---------------|---------|
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| Fair value of plan assets as at the end of the year | 20828163 | 17415492 | 6408023 | 5876407 |
| Present value of obligations as at the end of the year | 24200000 | 20970000 | 6910000 | 6750000 |
| Unfunded liability/ (asset) recognized in the Balance Sheet | 3371837 | 3554508 | 501977 | 873593 |

D. Expense recognized in the Profit and Loss account:

(₹ in thousands)

| Particulars | Pension Fund | | Gratuity Fund | |
|--|--------------|----------|---------------|---------|
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| Current service cost | 659600 | 544400 | 93900 | 111500 |
| Interest cost | 1782450 | 1564000 | 573750 | 544000 |
| Expected return on plan assets | -1934816 | -1586632 | -566551 | -535289 |
| Net Actuarial (gain)/loss | 3711345 | 3405282 | 119761 | 190000 |
| Total expenses recognized in the Profit and Loss account | 4218579 | 3927050 | 220860 | 310211 |
| Actual return on plan assets | 1934816 | 1586632 | 566551 | 535289 |

E. Investment percentage maintained by the Trust

(In %)

| Particulars | Pension (Funded) | | Gratuity (Funded) | |
|--|------------------|---------|-------------------|---------|
| | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| Central Government & State Government securities | 68.84 | 69.70 | 26.09 | 44.83 |
| Other Debt Securities | 25.36 | 21.04 | 34.10 | 31.86 |
| Balance with bank | 0.07 | 0.33 | 0.07 | 1.32 |
| Balance with Life Insurance Corporation of India | 5.74 | 8.94 | 39.74 | 21.99 |

F. 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 | | |

G. Basis of Actuarial assumption considered

| Particulars | Basis of assumption |
|--|---|
| 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 valuation takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market |

H. (1) Amount recognized in current year and previous four years:

(₹ in thousands)

| Particulars (Pension) | Year Ended | | | | |
|--|------------|------------|------------|------------|------------|
| | 31-03-2011 | 31-03-2012 | 31-03-2013 | 31-03-2014 | 31-03-2015 |
| Defined Benefit Obligation | 14700000 | 15960000 | 18400000 | 20970000 | 24200000 |
| Plan Assets | 14700000 | 14936245 | 15017400 | 20970000 | 24200000 |
| Surplus/ (Deficit) | -2985000 | 534755 | -3226000 | 2025600 | 3384623 |
| Actuarial (gain)/loss on plan obligation | 2985000 | 941026 | 3100454 | 2063700 | 3405045 |
| Actuarial (gain)/loss on plan assets | 0 | -406271 | -125546 | 38100 | 20422 |

H. (2) Amount recognized in current year and previous four years:

(₹ in thousands)

| Particulars (Pension) | Year Ended | | | | |
|--|------------|------------|------------|------------|------------|
| | 31-03-2011 | 31-03-2012 | 31-03-2013 | 31-03-2014 | 31-03-2015 |
| Defined Benefit Obligation | 5370000 | 5940000 | 6400000 | 6750000 | 6910000 |
| Plan Assets | 4244000 | 5490439 | 5919200 | 6750000 | 6910000 |
| Surplus/ (Deficit) | -226600 | 293511 | -345800 | 198500 | 269023 |
| Actuarial (gain)/loss on plan obligation | 226600 | 229265 | 298457 | 190000 | 119761 |
| Actuarial (gain)/loss on plan assets | 0 | 64246 | -47343 | -8500 | -149262 |

28B. Short Term Benefits to employees

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.

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

(₹ in thousands)

| Particulars | 31-03-2015 | 31-03-2014 |
|----------------------|------------|------------|
| Outsourcing Expenses | 1877574 | 2031320 |
| Business Development | 1321252 | 1174381 |
| Marketing Support | Nil | Nil |

30. 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) Associates : M/s. India International Insurance Pte. Ltd., Singapore
M/s. Ken India Assurance Co. Ltd., Kenya
M/s. Health Insurance TPA of India Ltd., India
- iii) Key Management Personnel : Sri Milind Kharat, Chairman-cum-Managing Director
Smt. Asha Nair, Director & General Manager
Sri Vasantha Krishna M, Director & General Manager
(From 20-08-2014 to 31-01-2015)

b) Details of Transactions :

(₹ in thousands)

| Sl. No. | Particulars | M/s. India International Insurance Pte. Ltd. | | M/s. Ken India Assurance Co. Ltd. | | M/s. Health Insurance TPA of India Ltd. | | Ken Managerial Personnel | |
|---------|--|--|---------|-----------------------------------|---------|---|---------|--------------------------|---------|
| | | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| 1. | Transactions during the year | | | | | | | | |
| a) | Dividend received during the year | 35680 | 23364 | 3169 | 1969 | Nil | Nil | Nil | Nil |
| b) | Reinsurance transactions: | | | | | | | | |
| | - Due to Direct | 2080 | 49024 | Nil | Nil | Nil | Nil | Nil | Nil |
| | - Due from Direct | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| c) | Directors' Remuneration Received | Nil | Nil | 153.05 | 155.17 | Nil | Nil | Nil | Nil |
| d) | Salaries, Allowances and Contributions | Nil | Nil | Nil | Nil | Nil | Nil | 4736 | 4168 |
| 2. | Balance of loans given as on 31st March | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

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.

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

| Sl.No. | Particulars | 31-03-2015 | 31-03-2014 |
|--------|---|------------|------------|
| 1. | Net Profit attributable to Shareholders (₹ in thousands) | 3005654 | 5276041 |
| 2. | Weighted Average Number of Equity Shares issued (in Nos.) | 150000000 | 150000000 |
| 3. | Basic earnings per Share of ₹ 10/- each (₹) | 20.03 | 35.17 |

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

32. 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 ₹847247 thousands (₹565124 thousands).

33. Deferred Tax Assets has not been recognized as on 31-03-2015 in the absence of reasonable/virtual certainty of sufficient future taxable income.

34. 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.

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

| Particulars | 31-03-2015 | 31-03-2014 |
|-----------------------|------------|------------|
| Prior period income | 11684 | 11152 |
| Prior period expenses | 76914 | 16933 |

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

| Sl. No. | Particulars | 31-03-2015 | | 31-03-2014 | |
|---------|---|------------------|------------|-----------------|------------|
| | | Value | % | Value | % |
| 1. | Rural Sector [No. of Policies issued - (7942285)] | 15048036 | 14.07 | 14150653 | 14.58 |
| 2. | Social Sector [Lives covered - (47878445)] | 8532031 | 7.98 | 7671474 | 7.90 |
| 3. | Other Sector | 83337265 | 77.95 | 75267204 | 77.52 |
| | Total Business | 106917332 | 100 | 97089331 | 100 |

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

| Sl. No. | Particulars | 31-03-2015 | 31-03-2014 |
|---------|--------------------|------------|------------|
| 1. | Risk Retained (%) | 87.23 | 85.40 |
| 2. | Risk Reinsured (%) | 12.77 | 14.60 |

38. Details of Provisions (₹ in thousands)

| Particulars | Provision for Leave Encashment (Long Term) | | Provision for Bad and Doubtful Debts | |
|------------------------|--|----------------|--------------------------------------|----------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| Opening balance | 2070000 | 1950000 | 1815039 | 1452974 |
| Additions | 150000 | 120000 | 184408 | 368642 |
| Utilisation | 0 | 0 | 0 | 0 |
| Reversals | 0 | 0 | 36921 | 6577 |
| Closing balance | 2220000 | 2070000 | 1962526 | 1815039 |

39. 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 | |
|--------------------------|------------|------------|
| | 31-03-2015 | 31-03-2014 |
| DRPool | 19391 | 124050 |
| Aviation | 31079 | 30119 |
| Health & Hospitalization | 794857 | 0 |

40. The Company has estimated a liability of ₹2154000 thousands (₹1012500 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).
41. The Company was appointed as Fund Manager for “Environment Relief Fund” (ERF) vide Ministry of Environment and Forests’ Gazette Notification dated 4-11-2008 for a period of

five years and vide subsequent notification, the company’s position as Fund Manager was extended upto 30th June 2015. 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 recognized Fund Manager’s service charges to the tune of ₹8749 thousands (₹3456 thousands) as income during the year, based on the unaudited accounts of the Fund.

42. 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 | Due to Violation of IRDAI Regulation/ Guidelines/ Circular | 500 | 500 | 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, 2013 | | 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 | | 0 | 0 | 0 |

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

43. There is no Micro, Small & Medium enterprise to which the company owes dues, which are outstanding for more than 45 days as at 31st March 2015. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

Disclosures required under Sec.22 of MSMED Act, 2006 under the Chapter on Delayed Payments to Micro and Small Enterprises

| | 31-03-2015 | 31-03-2014 |
|--|------------|------------|
| Principal amount remaining unpaid to any supplier as at the end of the year | Nil | Nil |
| Interest due on the above amount | Nil | Nil |
| Amount of interest paid in terms of Section 16 of the MSMED Act, 2006 | Nil | Nil |
| Amount of payments made to the suppliers beyond the appointed day during the year | Nil | Nil |
| Amount of interest due and payable for the delay in making the payment but without adding the interest specified under Act | Nil | Nil |
| Amount of interest accrued and remaining unpaid at the end of the year | Nil | Nil |

44. Regrouping/reclassifying/rearranging of previous year figures has been done wherever necessary to conform to current year groupings/classifications.

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

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Kishore Kumar Sansi
Alok Tandon
Asha Nair

} Directors

Vide our report of date attached

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

CA Jitendra Kumar K, Partner
Membership No.201825

Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

United India Insurance Company Limited
Registration No. 545, Date of Renewal with IRDAI : 25th February 2014
Annexure I : Accounting Ratios

(₹ in '000)

| Particulars | For the year ended | | For the year ended | |
|---|----------------------------|--------------------|-------------------------|---------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| 1. Gross Direct Premium Growth Rate | Gross Premium | | Growth / Decline | |
| Fire | 12514935.15 | 11897358.35 | 5.19% | 6.15% |
| Marine Cargo | 2821435.25 | 3070473.37 | -8.11% | -4.44% |
| Marine Hull | 2445867.33 | 2802335.56 | -12.72% | 0.01% |
| Motor | 41691674.17 | 37098453.64 | 12.38% | 9.44% |
| W.C. | 924849.72 | 894575.89 | 3.38% | 2.20% |
| P.A. | 2320095.50 | 2085250.19 | 11.26% | 9.21% |
| Aviation | 569936.16 | 684217.93 | -16.70% | 7.00% |
| Engineering | 5410083.63 | 5710178.94 | -5.26% | 1.29% |
| Health | 31768629.78 | 26599409.50 | 19.43% | 0.65% |
| Liability | 714179.64 | 680629.19 | 4.93% | 13.23% |
| Other Misc. | 5735646.54 | 5566449.04 | 3.04% | 2.17% |
| Grand Total | 106917332.88 | 97089331.59 | 10.12% | 4.78% |
| 2. Gross Direct Premium to Shareholders' Funds | | | | |
| Gross Premium | 106917332.88 | 97089331.59 | | |
| Shareholders' Fund | 55890343.00 | 53605280.32 | | |
| Ratio | 191.30% | 181.12% | | |
| 3. Growth rate of Shareholders' Funds | | | | |
| At the end of the year | 55890343.00 | 53605280.32 | | |
| At the beginning of the year | 53605280.32 | 49526309.00 | | |
| Growth rate | 4.26% | 8.24% | | |
| 4. Net Retention Ratio | Net Written Premium | | Percentage | |
| 4. (i) Net Retention Ratio (Indian) | | | | |
| Fire | 7598388.19 | 8410354.29 | 56.05% | 65.62% |
| Marine Cargo | 2327654.22 | 2460438.22 | 82.29% | 79.48% |
| Marine Hull | 636335.70 | 651342.48 | 24.05% | 21.60% |
| Motor | 39046070.47 | 34598754.15 | 93.65% | 93.25% |
| W.C. | 878607.18 | 849782.59 | 95.00% | 94.99% |
| P.A. | 1897926.25 | 1682713.71 | 81.30% | 80.27% |
| Aviation | 47363.88 | 40814.46 | 7.80% | 5.65% |
| Engineering | 2809760.63 | 3497804.71 | 47.78% | 55.16% |
| Health | 31789838.53 | 24478655.54 | 100.07% | 92.03% |
| Liability | 580914.87 | 558684.10 | 80.04% | 80.06% |
| Other Misc. | 5647361.50 | 5684568.52 | 85.60% | 85.61% |
| Grand Total | 93260221.42 | 82913912.79 | 85.12% | 82.90% |

(₹ in '000)

| | For the year ended | | For the year ended | |
|--|--------------------|--------------------|--------------------|--------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| 4. (ii) Net Retention Ratio (Foreign) | Nil | | | |
| 5. Net Commission Ratio | Net Commission | | Percentage | |
| Fire | 577259.52 | 285700.06 | 7.60% | 3.40% |
| Marine Cargo | 321842.84 | 350396.40 | 13.83% | 14.24% |
| Marine Hull | -30330.92 | -65340.23 | -4.77% | -10.03% |
| Motor | 1264947.25 | 1264549.02 | 3.24% | 3.65% |
| W.C. | 90808.01 | 79594.61 | 10.34% | 9.37% |
| P.A. | 170125.99 | 145519.96 | 8.96% | 8.65% |
| Aviation | -1944.09 | -19815.18 | -4.10% | -48.55% |
| Engineering | 10784.38 | 30107.89 | 0.38% | 0.86% |
| Health | 2524916.84 | 1656760.91 | 7.94% | 6.77% |
| Liability | 84292.06 | 79876.14 | 14.51% | 14.30% |
| Other Misc. | 300225.40 | 580989.24 | 5.32% | 10.22% |
| Grand Total | 5312927.28 | 4388338.83 | 5.70% | 5.29% |
| 6. Expenses of Management to Gross Direct Premium Ratio | | | | |
| Direct Commission | 6533380.97 | 6014823.10 | | |
| Operating Expenses | 26485704.91 | 21112346.96 | | |
| Total | 33019085.88 | 27127170.06 | | |
| Gross Direct Premium | 106917332.88 | 97089331.59 | | |
| Ratio | 30.88% | 27.94% | | |
| 7. Expenses of Management to Net Written Premium Ratio | | | | |
| Direct Commission | 6533380.97 | 6014823.10 | | |
| Operating Expenses | 26485704.91 | 21112346.96 | | |
| Total | 33019085.88 | 27127170.06 | | |
| Net Written Premium | 93260221.42 | 82913912.79 | | |
| Ratio | 35.41% | 32.72% | | |

(₹ in '000)

| | For the year ended | | For the year ended | |
|---|-----------------------------------|---------------------|-------------------------|---------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| 8. Net Incurred Claims to Net Earned Premium | Net Incurred Claim | | Percentage | |
| Fire | 6065130.25 | 5824283.01 | 75.21% | 72.01% |
| Marine Cargo | 2073444.59 | 1929639.98 | 86.61% | 77.62% |
| Marine Hull | 513086.60 | 220532.43 | 78.77% | 42.90% |
| Motor | 25252400.43 | 23891758.50 | 68.58% | 73.96% |
| W.C. | 192637.58 | 29932.97 | 22.29% | 3.66% |
| P.A. | 1141150.31 | 991840.43 | 63.74% | 63.00% |
| Aviation | 92476.51 | 94940.41 | 209.75% | 149.37% |
| Engineering | 1528036.87 | 2258599.29 | 48.33% | 67.31% |
| Health | 34464579.50 | 23709805.31 | 122.50% | 114.26% |
| Liability | 334981.05 | 260786.92 | 58.79% | 48.87% |
| Other Misc. | 2772354.82 | 3561662.28 | 48.93% | 64.26% |
| Grand Total | 74430278.51 | 62773781.54 | 84.42% | 82.56% |
| 9. Combined Ratio * | | | | |
| Net Incurred Claims | 74430278.51 | 62773781.54 | | |
| Commission (Net) | 5312927.28 | 4388338.83 | | |
| Operating Expenses | 26485704.91 | 21112346.96 | | |
| Net Earned Premium | 88162289.26 | 76032991.34 | | |
| Net Written Premium | 93260221.42 | 82913912.79 | | |
| Ratio | 118.52% | 113.32% | | |
| 10. Technical Reserves to Net Premium Ratio | | | | |
| Reserve for Unexpired Risks | 47208815.00 | 42110883.00 | | |
| Premium Deficiency Reserve | 0.00 | 0.00 | | |
| Reserve for O/s Claims | 89957799.00 | 84130267.00 | | |
| Total | 137166614.00 | 126241150.00 | | |
| Net Written Premium | 93260221.42 | 82913912.79 | | |
| Ratio | 147.08% | 152.26% | | |
| 11. Underwriting Balance Ratio | Underwriting Profit / Loss | | Growth / Decline | |
| Fire | -1873067.24 | -776606.22 | -23.23% | -9.60% |
| Marine Cargo | -520179.99 | -289467.75 | -21.73% | -11.64% |
| Marine Hull | -313432.22 | -124028.19 | -48.12% | -24.13% |
| Motor | 74491.74 | -764462.51 | 0.20% | -2.37% |
| W.C. | 352980.49 | 518161.63 | 40.85% | 63.28% |
| P.A. | -93026.81 | -10218.58 | -5.20% | -0.65% |

(₹ in '000)

| Particulars | For the year ended | | For the Year ended | |
|--|-----------------------------------|---------------------|-------------------------|----------------|
| | 31-03-2015 | 31-03-2014 | 31-03-2015 | 31-03-2014 |
| 11. Underwriting Balance Ratio | Underwriting Profit / loss | | Growth / Decline | |
| Aviation | -194757.81 | -164857.28 | -441.74% | -259.37% |
| Engineering | 207778.08 | -293864.60 | 6.57% | -8.76% |
| Health | -16647061.13 | -10288252.39 | -59.17% | -49.58% |
| Liability | -26921.41 | 43930.58 | -4.72% | 8.23% |
| Other Misc. | 966574.86 | -91810.67 | 17.06% | -1.66% |
| Grand Total | -18066621.44 | -12241475.98 | -20.49% | -16.10% |
| 12. Operating Profit Ratio | | | | |
| Underwriting Profit | -18066621.44 | -12241475.98 | | |
| Investment Income | 15094693.98 | 13269606.98 | | |
| Others | -119796.42 | -219567.60 | | |
| Operating Profits | -3091723.89 | 808563.39 | | |
| Net Earned Premium | 88162289.26 | 76032991.34 | | |
| Ratio | -3.51% | 1.06% | | |
| 13. Liquid Assets to Liabilities Ratio | | | | |
| Liquid Assets * | 29578650.51 | 22554178.84 | | |
| Policyholders' Liabilities | 137166614.00 | 126241150.00 | | |
| Ratio | 21.56% | 17.87% | | |
| 14. Net Earnings Ratio | | | | |
| Profit after Tax | 3005654.10 | 5276040.72 | | |
| Net Written Premium | 93260221.42 | 82913912.79 | | |
| Ratio | 3.22% | 6.36% | | |
| 15. Return on Networth | | | | |
| Profit after Tax | 3005654.10 | 5276040.72 | | |
| Networth | 55890343.00 | 53605280.00 | | |
| Ratio | 5.38% | 9.84% | | |
| 16. Available Solvency Margin Ratio to Required Solvency Margin Ratio | | | | |
| Available Solvency Margin | 55991150.61 | 50049497.41 | | |
| Required Solvency Margin | 23734998.11 | 19705098.40 | | |
| Ratio | 2.36 | 2.54 | | |
| 17. NPA Ratio | | | | |
| Gross NPA Ratio | 0.43% | 0.49% | | |
| Net NPA Ratio | 0.09% | 0.10% | | |

*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 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11 |
|------------------------------|--|----------|----------|----------|----------|----------|
| OPERATING RESULTS | | | | | | |
| 1. | Gross Premiums Written | 10691.73 | 9708.93 | 9266.04 | 8179.29 | 6376.66 |
| 2. | Net Premium Income # | 9326.02 | 8291.39 | 7489.07 | 6779.52 | 5116.94 |
| 3. | Income from Investments (Net) @ | 1509.47 | 1326.96 | 1245.25 | 1011.58 | 1099.62 |
| 4. | Other Income / outgo (Pl. specify) | -11.98 | -21.96 | 23.53 | -3.05 | 18.27 |
| 5. | Total income | 10823.51 | 9596.40 | 8757.86 | 7788.05 | 6234.83 |
| 6. | Commissions (Net) | 531.29 | 438.83 | 308.08 | 356.92 | 271.54 |
| 7. | Brokerage | | | | | |
| 8. | Operating Expenses | 2648.57 | 2111.23 | 2001.62 | 1566.06 | 1725.38 |
| 9. | Claims, increase in Unexpired Risk Reserve and other outgoes | 7952.82 | 6965.47 | 6373.05 | 6079.23 | 4854.95 |
| 10. | Operating Profit / Loss | -309.17 | 80.86 | 75.12 | -214.15 | -617.04 |
| NON-OPERATING RESULTS | | | | | | |
| 11. | Total income under Shareholders' Account | 628.41 | 552.20 | 542.74 | 683.44 | 747.87 |
| 12. | Profit / (Loss) before tax | 319.24 | 633.06 | 617.86 | 469.28 | 130.83 |
| 13. | Provision for tax | 18.67 | 105.45 | 90.52 | 82.49 | 0.28 |
| 14. | Profit / Loss after tax | 300.57 | 527.60 | 527.33 | 386.79 | 130.54 |
| MISCELLANEOUS | | | | | | |
| 15. | Policyholders' Account :* | | | | | |
| | Total funds | 13716.66 | 12624.12 | 11765.66 | 9995.25 | 7301.16 |
| | Total investments | | | | | |
| | Yield on investments | | | | | |
| 16. | Shareholders' Account :* | | | | | |
| | Total funds | 5589.03 | 5360.53 | 4952.63 | 4547.47 | 4247.93 |
| | Total investments | | | | | |
| | Yield on investments | | | | | |
| 17. | Paid up equity capital | 150.00 | 150.00 | 150.00 | 150.00 | 150.00 |
| 18. | Net worth | 5589.03 | 5360.53 | 4944.92 | 4541.58 | 4245.45 |
| 19. | Total assets | 28726.70 | 25674.42 | 23324.90 | 20774.09 | 18677.84 |
| 20. | Yield on total investments | 9.35% | 11.88% | 10.67% | 8.48% | 10.15% |
| 21. | Earnings per Share (₹) | 20.04 | 35.17 | 35.15 | 25.79 | 8.70 |
| 22. | Book value per Share (₹) | 372.60 | 357.37 | 329.66 | 302.77 | 283.03 |
| 23. | Total Dividend | 61.00 | 106.00 | 106.00 | 78.00 | 30.00 |
| 24. | Dividend per Share (₹) | 4.07 | 7.07 | 7.07 | 5.20 | 2.00 |
| | # Net of reinsurance | | | | | |
| | @ Net of losses | | | | | |
| | *Points 15 & 16 may be given separately, if it is feasible. | | | | | |

**Management Report on Financial Statements as on 31-03-2015
prepared in accordance with the provisions of IRDAI
(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 of India (IRDAI) has been renewed and is valid as on 31st March 2015.
 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 outstanding, 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 31-03-2015, 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 ₹19097.56 Crores from ₹17579.16 Crores in the previous year. The Net accretion during the year amounted to ₹1518.40 Crores as against ₹1640.71 Crores in 2013-14.

The Investment Income is ₹1493.99 Crores as compared to ₹1372.65 Crores in the previous year. During the said period, the mean yield on Investment funds has been 8.15% as compared to 8.19% in the previous year. Profit on sale/redemption of Investments booked during the year is ₹ 575.67 Crores compared to ₹ 510.34 Crores.

12. The Net Non Performing Assets, as a percentage to total Investments is at 0.09% as on 31-03-2015 as against 0.10% as on 31-03-2014.

13. It is hereby confirmed that -

a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, 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 except for change in accounting policy as disclosed vide Note No.1 Notes to Accounts 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, 2013, 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

Kishore Kumar Sansi
Alok Tandon
Asha Nair

} Directors

Chennai
15th May 2015

Ageing of Claims as at 31-03-2015 (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 | 331 | 147045 | 292 | 1525485 | 1595 | 5038568 | 1360 | 3416422 |
| Marine Cargo | 690 | 657225 | 544 | 336989 | 699 | 430049 | 1100 | 442656 |
| Marine Hull | 49 | 345567 | 46 | 196131 | 57 | 70986 | 71 | 192578 |
| Motor OD | 8080 | 1302780 | 10144 | 454721 | 8664 | 416243 | 9424 | 668688 |
| Motor TP Pending in MACT | 1213 | 8373855 | 3722 | 1467685 | 6149 | 2187023 | 11228 | 3482688 |
| Motor TP Others | 205 | 500525 | 157 | 44038 | 141 | 14358 | 405 | 280720 |
| Motor DR Pool | 160 | 3418235 | 379 | 58128 | 181 | 49169 | 423 | 108364 |
| Motor TP Pool | 312 | 14619756 | 642 | 207363 | 1020 | 350346 | 1685 | 536580 |
| Workmen Comp. | 97 | 85729 | 126 | 21907 | 131 | 19036 | 257 | 43802 |
| Personal Acc. | 740 | 93118 | 752 | 87532 | 938 | 93788 | 1780 | 326780 |
| Aviation | 3 | 233285 | 0 | 0 | 5 | 12665 | 5 | 117630 |
| Engineering | 555 | 927126 | 690 | 639250 | 1228 | 3109378 | 2106 | 2504120 |
| Other Misc. | 1894 | 219482 | 1550 | 329275 | 2364 | 595721 | 2164 | 528171 |
| Liabilities | 41 | 317693 | 71 | 217964 | 140 | 14269 | 223 | 97706 |
| Health & Hosp. | 11974 | 3297987 | 1662 | 453771 | 1446 | 616673 | 3383 | 366020 |
| Total | 26344 | 34539411 | 20777 | 6040238 | 24758 | 13018275 | 35614 | 13112924 |

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 |

(₹ 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 |
| 1048 | 4674675 | 145 | 592764 | 219 | 1999862 | 4990 | 17394822 |
| 1253 | 782468 | 300 | 204989 | 121 | 749299 | 4707 | 3603676 |
| 147 | 2660439 | 31 | 102123 | 35 | 34666 | 436 | 3602491 |
| 10147 | 425848 | 13462 | 304019 | 819 | 112913 | 60740 | 3685213 |
| 29494 | 7881696 | 18052 | 3548950 | 59473 | 9604285 | 129331 | 36546182 |
| 847 | 426898 | 229 | 56972 | 22 | 137845 | 2006 | 1461356 |
| 727 | 199294 | 0 | 0 | 0 | 0 | 1870 | 3833191 |
| 15897 | 4451254 | 20674 | 5107676 | 10017 | 2124208 | 50247 | 27397183 |
| 498 | 106216 | 217 | 51123 | 310 | 37450 | 1636 | 365263 |
| 2316 | 200366 | 588 | 84771 | 188 | 123162 | 7302 | 1009518 |
| 7 | 37980 | 3 | 30367 | 1 | 19426 | 24 | 451353 |
| 1819 | 4386119 | 204 | 306497 | 79 | 207443 | 6681 | 12079932 |
| 3573 | 1192597 | 669 | 401356 | 1546 | 259216 | 13760 | 3525818 |
| 345 | 375883 | 147 | 56982 | 247 | 75773 | 1214 | 1156270 |
| 4048 | 215585 | 472 | 175150 | 164 | 190 | 23149 | 5125376 |
| 72166 | 28017318 | 55193 | 11023738 | 73241 | 15485739 | 308093 | 121237642 |

(₹ 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 |

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 |

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 |

(₹ 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 |

(₹ 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 |

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 |
| 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 |

United India Insurance Company Limited
Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

Statement showing the Age-wise Analysis of the
unclaimed amount of the Policyholders as on 31st March 2015

Annexure to Schedule 13

(₹ in '000s)

| Particulars | AGE-WISE ANALYSIS | | | | | | |
|---|-------------------|-------------|--------------|--------------|--------------|--------------|------------------|
| | Total Amount | 4-12 months | 13-18 months | 19-24 months | 25-30 months | 31-36 months | Beyond 36 months |
| Claims settled but not paid to the policyholders / insured due to any reasons except under litigation from the insured / policyholders | | Nil | | | | | |
| Sum due to the insured / policyholders on maturity or otherwise | | 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 | 404786 | 99834 | 21977 | 25567 | 17864 | 27682 | 211862 |
| Cheques issued but not encashed by the policyholder/ insured | 1014770 | 770798 | 51913 | 93275 | 45758 | 4728 | 48298 |

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**CONSOLIDATED FINANCIAL STATEMENTS AND
SCHEDULES FOR THE YEAR ENDED 31st MARCH 2015**

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of United India Insurance Company Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and associates, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Fire, Marine and Miscellaneous Revenue Accounts, the Consolidated Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements

by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibilities

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2015, Consolidated Revenue Accounts of the Deficit for the year ended March 31, 2015 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the notes to the Financial Statements.

Note No.19 to the financial statements, which describes the charge 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 of India ("the Authority") vide Circular No: IRDA/F&A/CIR/ACT/O69/O4/2011 dated 18 April 2011.

Our opinion is not modified in respect of above matter.

Other Matters

(a) We did not audit the financial statements / financial information of a subsidiary, whose financial statements / financial information reflect total assets of ₹ 159356 (₹ 000's) as at 31st March, 2015, total revenues of ₹ 75218 (₹ 000's) and net cash flows amounting to ₹ 327 (₹ 000's) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of ₹ 325939 (₹ 000's) for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of two associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the

amounts and disclosures included in respect of these subsidiary and associates and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory requirements

- A) The Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act does not apply to the holding Company, being an insurance company vide provision of para 2(ii) of the said order and hence the same is considered not applicable to the consolidated Financial Statements.
- B) As required by Section 143 (3) of the Companies Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Revenue accounts, the Consolidated Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) The provisions of Section 164 (2) of the Companies Act are not applicable to the



directors of the Company in view of Company Law Board General circular No. 8/2002 dated 22 March 2002 and its subsidiary company and associate company incorporated in India.

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- l) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of

the Group and its associates Refer Note 3 to the consolidated financial statements.

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

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

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

CA Jitendra Kumar K
Partner
Membership No.201825

Place : Chennai
Date : 15th May, 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh
Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani
Partner
Membership No.022438



COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UNITED INDIA INSURANCE COMPANY LIMITED, CHENNAI, FOR THE YEAR ENDED 31 MARCH 2015.

The preparation of consolidated financial statements of United India Insurance Company Limited for the year ended 31 March 2015 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, 2013 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 15 May 2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) read with Section 129(4) of the Act of

the consolidated financial statements of United India Insurance Company Limited, for the year ended 31 March 2015. We conducted a supplementary audit of the financial statements of United India Insurance Company Limited and Zenith Securities and Investments Limited, but did not conduct supplementary audit of the financial statements of Health Insurance TPA of India Limited and India International Insurance Pte Ltd., for the year ended on that date. 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.

This supplementary audit would not cover India International Insurance Pte. Ltd., the associate company being a private entity.

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.

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
Date : 23 June 2015.



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

CONSOLIDATED FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Schedule | Amount (₹ '000) |
|--|----------|--------------------|
| Premium Earned (Net) | 1 | 8064022 |
| Profit/Loss on sale/redemption of Investments (Net) | | 362098 |
| Sundry Balances written back (Net) | | -3563 |
| Exchange Loss/Gain | | -857 |
| Interest, Dividend & Rent - Gross | | 1448385 |
| TOTAL (A) | | 9870085 |
| Claims Incurred (Net) | 2 | 6065130 |
| Commission | 3 | 577260 |
| Operating Expenses related to Insurance Business | 4 | 3294699 |
| Others | | |
| Expenses relating to Investments | | 1903 |
| Amortisation of Premium on Investments | | 11342 |
| Amount written off in respect of depreciated investments | | 35067 |
| Provision for Bad and Doubtful Debts | | 9125 |
| Provision for diminution in the value of other than actively traded Equities | | -40131 |
| TOTAL (B) | | 9954395 |
| Operating Profit / (Loss) C = (A-B) | | -84310 |
| APPROPRIATIONS | | |
| Transfer to Shareholders' Account | | -84310 |
| Transfer to Catastrophe Reserve | | |
| Transfer to Other Reserves | | |
| TOTAL (C) | | -84310 |

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

Kishore Kumar Sansi
Alok Tandon
Asha Nair



Directors

Vide our report of date attached

For Brahmaya & Co.
Chartered Accountants
FRN : 000511S

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For Maharaj N. R. Suresh and Co.
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For Padmanabhan Ramani & Ramanujam
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

UNITED INDIA INSURANCE COMPANY LIMITED
Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014
CONSOLIDATED MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

| Particulars | Schedule | Amount (₹ '000) |
|--|----------|--------------------|
| Premium Earned (Net) | 1 | 3045389 |
| Profit/Loss on sale/redemption of Investments (Net) | | 164643 |
| Sundry Balances written back (Net) | | -1078 |
| Exchange Loss/Gain | | 2 |
| Interest, Dividend & Rent – Gross | | 430840 |
| TOTAL (A) | | 3639796 |
| Claims Incurred (Net) | 2 | 2586531 |
| Commission | 3 | 291512 |
| Operating Expenses related to Insurance Business | 4 | 1000958 |
| Others | | |
| Expenses relating to Investments | | 865 |
| Amortisation of Premium on Investments | | 5157 |
| Amount written off in respect of depreciated investments | | 15945 |
| Provision for Bad and Doubtful Debts | | 4149 |
| Provision for diminution in the value of other than actively traded Equities | | -18247 |
| TOTAL (B) | | 3886870 |
| Operating Profit / (Loss) C = (A-B) | | -247074 |
| APPROPRIATIONS | | |
| Transfer to Shareholders' Account | | -247074 |
| Transfer to Catastrophe Reserve | | |
| Transfer to Other Reserves | | |
| TOTAL (C) | | -247074 |

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.

Kishore Kumar Sansi
Alok Tandon
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 **Brahmayya & Co.**
Chartered Accountants
FRN : 000511S

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

CONSOLIDATED MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Schedule | Amount (₹ '000) |
|--|----------|--------------------|
| Premium Earned (Net) | 1 | 77052878 |
| Profit/Loss on sale/redemption of Investments (Net) | | 3516787 |
| Sundry Balances written back (Net) | | -23886 |
| Transfer fees, etc. | | 11479 |
| Interest, Dividend & Rent - Gross | | 9263303 |
| TOTAL (A) | | 89820561 |
| Claims Incurred (Net) | 2 | 65778618 |
| Commission | 3 | 4444155 |
| Operating Expenses related to Insurance Business | 4 | 22190048 |
| Others | | |
| Expenses relating to Investments | | 18484 |
| Amortisation of Premium on Investments | | 110159 |
| Amount written off in respect of depreciated investments | | 340584 |
| Provision for Bad and Doubtful Debts | | 88620 |
| Provision for diminution in the value of other than actively traded Equities | | -389767 |
| TOTAL (B) | | 92580901 |
| Operating Profit / (Loss) C = (A-B) | | -2760340 |
| APPROPRIATIONS | | |
| Transfer to Shareholders' Account | | -2760340 |
| Transfer to Catastrophe Reserve | | |
| Transfer to Other Reserves | | |
| TOTAL (C) | | -2760340 |

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

Kishore Kumar Sansi
Alok Tandon
Asha Nair



Directors

Vide our report of date attached

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

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2015

| Particulars | Schedule | Amount (₹ '000) |
|---|----------|--------------------|
| OPERATING PROFIT/(LOSS) | | |
| Fire Insurance | | -84310 |
| Marine Insurance | | -247074 |
| Miscellaneous Insurance | | -2760340 |
| INCOME FROM INVESTMENTS | | |
| Interest, Dividend & Rent - Gross | | 4490946 |
| Profit on sale of investments | | 1780603 |
| Less : Loss on sale of investments | | -1032 |
| OTHER INCOME | | |
| Profit/Loss on sale of assets and other incomes | | 133382 |
| TOTAL (A) | | 3312176 |
| PROVISIONS (Other than taxation) | | |
| For diminution in the value of investments | | -213630 |
| For doubtful debts | | 43171 |
| Others | | 500 |
| OTHER EXPENSES | | |
| Expenses other than those related to Insurance Business | | 9905 |
| Bad Debts written off | | |
| Amortisation of Premium on Investments | | 53664 |
| Amount written off in respect of depreciated investments | | 165916 |
| TOTAL (B) | | 59526 |
| Profit Before Tax (C) = (A - B) | | 3252649 |
| Provision for Taxation | | 193900 |
| Less : MAT Credit | | -12500 |
| Deferred tax | | 3 |
| Taxation relating to earlier years | | 5346 |
| Profit after Taxation but before Minority Interest and Share of Profit of Associates (D) | | 3065901 |
| Add : Share of Profit / (Loss) of Associates | | 325939 |
| Less: Share of Minority Interest | | 22230 |
| Net Profit / (Loss) after Taxation, Minority Interest and Share of Profit of Associates | | |
| Profit for the year | | 3369610 |



| Particulars | Schedule | Amount (₹ '000) |
|--|----------|--------------------|
| Appropriations | | |
| Brought forward Surplus from Previous year | | 1979 |
| Proposed final dividend | | 610000 |
| Dividend distribution tax | | 121789 |
| Transferred to Statutory Reserve | | 14100 |
| Transferred to General Reserve | | 2625699 |
| Balance carried forward to Balance Sheet | | |

Kishore Kumar Sansi
Alok Tandon
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 **Brahmayya & Co.**
Chartered Accountants
FRN : 000511S

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438



UNITED INDIA INSURANCE COMPANY LIMITED
 Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2015

| Particulars | Schedule | Amount (₹ '000) |
|--|----------|--------------------|
| SOURCES OF FUNDS | | |
| SHARE CAPITAL | 5 | 1500000 |
| RESERVES AND SURPLUS | 6 | 57462775 |
| FAIR VALUE CHANGE ACCOUNT | | 59417697 |
| BORROWINGS | 7 | |
| MINORITY INTEREST | | 44444 |
| DEFERRED TAX LIABILITIES | | 10 |
| TOTAL | | 118424926 |
| APPLICATION OF FUNDS | | |
| INVESTMENTS | 8 | 245169821 |
| LOANS | 9 | 3115102 |
| FIXED ASSETS | 10 | 1404461 |
| CURRENT ASSETS | | |
| CASH AND BANK BALANCES | 11 | 16176885 |
| ADVANCES AND OTHER ASSETS | 12 | 25040396 |
| SUB-TOTAL (A) | | 41217280 |
| CURRENT LIABILITIES | 13 | 116433684 |
| PROVISIONS | 14 | 56048053 |
| SUB-TOTAL (B) | | 172481738 |
| NET CURRENT ASSETS (C) = (A-B) | | -131264457 |
| MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted) | 15 | |
| DEBIT BALANCE IN PROFIT & LOSS ACCOUNT | | |
| TOTAL | | 118424926 |

Vide our report of date attached

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Kishore Kumar Sansi
Alok Tandon
Asha Nair

} Directors

Vide our report of date attached

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

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

CONTINGENT LIABILITIES

As on 31-03-2015

| Sl. No. | Particulars | Amount (₹ '000) |
|---------|--|--------------------|
| 1 | On Partly Paid shares | NIL |
| 2 | Claims other than those under policies, not acknowledged as debts | 734728 |
| 3 | Underwriting commitments outstanding (in respect of Shares and Securities) | NIL |
| 4 | Guarantees given by or on behalf of the Company | NIL |
| 5 | Statutory demands / liabilities in dispute, not provided for | 4388708 |
| 6 | Reinsurance obligations to the extent not provided for in accounts | NIL |
| 7 | Others (to be specified) | NIL |
| | Total | 5123436 |

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE - 1 - PREMIUM EARNED (NET)

For the period ended 31-03-2015 (₹ '000)

| Particulars | Fire | Marine | Misc. | Total |
|--|----------------|----------------|-----------------|-----------------|
| | Amount | Amount | Amount | Amount |
| Premium from Direct business | 12514935 | 5267302 | 89135095 | 106917332 |
| Add : Reinsurance accepted | 1041505 | 207046 | 1395909 | 2644460 |
| Less : Reinsurance ceded | 5958052 | 2510358 | 7833161 | 16301571 |
| Net Premium | 7598388 | 2963990 | 82697843 | 93260221 |
| Adjustment for change in reserve for unexpired risks | 465634 | 81399 | -5644965 | -5097932 |
| Premium Earned (Net) | 8064022 | 3045389 | 77052878 | 88162289 |

SCHEDULE - 2 - CLAIMS INCURRED (NET)

For the period ended 31-03-2015 (₹ '000)

| Particulars | Fire | Marine | Misc. | Total |
|---|----------------|----------------|-----------------|-----------------|
| | Amount | Amount | Amount | Amount |
| CLAIMS PAID | | | | |
| Direct Business | 7682587 | 3276248 | 66114284 | 77073119 |
| Add: Reinsurance accepted | 446140 | 95993 | 1163900 | 1706033 |
| Less : Reinsurance ceded | 3357864 | 1215082 | 5603460 | 10176406 |
| Net Claims Paid | 4770863 | 2157159 | 61674724 | 68602746 |
| Add: Claims outstanding at the end of the year-Direct | 17394821 | 7206167 | 96658762 | 121259750 |
| Add: Claims outstanding at the end of the year-RI Accepted | 932733 | 328125 | 1409135 | 2669993 |
| Less: Claims outstanding at the end of the year-RI Ceded | 10207935 | 3841267 | 19922742 | 33971944 |
| Add: Claims outstanding at the end of the Year-Net | 8119619 | 3693025 | 78145155 | 89957799 |
| Less: Outstanding claims at the beginning of the year - Direct | 17038935 | 7437856 | 87035672 | 111512463 |
| Less: Claims outstanding at the beginning of the year - RI Accepted | 798599 | 379944 | 1373053 | 2551596 |
| Add: Claims outstanding at the beginning of the year - RI Ceded | 11012182 | 4554147 | 14367464 | 29933793 |
| Less: Claims outstanding at the beginning of the year - Net | 6825352 | 3263653 | 74041261 | 84130266 |
| Claims Incurred (Net) | 6065130 | 2586531 | 65778618 | 74430279 |

SCHEDULE - 3 - COMMISSION

For the period ended 31-03-2015 (₹ '000)

| Particulars | Fire | Marine | Misc. | Total |
|--|---------------|---------------|----------------|----------------|
| | Amount | Amount | Amount | Amount |
| COMMISSION | | | | |
| Direct Business | 881426 | 393708 | 5258247 | 6533381 |
| TOTAL (A) | 881426 | 393708 | 5258247 | 6533381 |
| Add : Commission on Reinsurance Accepted | 148803 | 26891 | 154849 | 330543 |
| Less : Commission on Reinsurance Ceded | 452969 | 129087 | 968941 | 1550997 |
| Commission (Net) | 577260 | 291512 | 4444155 | 5312927 |

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

| | | | | |
|------------------|---------------|---------------|----------------|----------------|
| Agents | 440448 | 215598 | 3306521 | 3962567 |
| Brokers | 287444 | 160462 | 1083530 | 1531436 |
| Corporate Agency | 153534 | 17648 | 868196 | 1039378 |
| Referral | 0 | 0 | 0 | 0 |
| TOTAL (B) | 881426 | 393708 | 5258247 | 6533381 |

SCHEDULE - 4 - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS For the period ended 31-03-2015
(₹ '000)

| Particulars | Fire | Marine | Misc. | Total |
|---|----------------|----------------|-----------------|-----------------|
| | Amount | Amount | Amount | Amount |
| Employees' remuneration and welfare benefits | 2457746 | 743817 | 16476149 | 19677712 |
| Travel, conveyance and vehicle running expenses | 74379 | 22510 | 498621 | 595510 |
| Training expenses | 8402 | 2542 | 56323 | 67267 |
| Rents, rates & taxes | 105821 | 32026 | 709400 | 847247 |
| Repairs | 24388 | 7381 | 163492 | 195261 |
| Printing and Stationery | 27729 | 8392 | 185889 | 222010 |
| Communication | 33755 | 10216 | 226288 | 270259 |
| Legal and Professional charges | 12660 | 3832 | 84871 | 101363 |
| Auditors' fees, expenses etc. | 0 | 0 | 0 | 0 |
| a) as Auditor | 4388 | 1328 | 29414 | 35130 |
| b) as Advisor or in any other capacity, in respect of | 0 | 0 | 0 | 0 |
| i) Taxation matters | 0 | 0 | 0 | 0 |
| ii) Insurance matters | 0 | 0 | 0 | 0 |
| iii) Management services; and | 0 | 0 | 0 | 0 |
| c) Any other capacity | 305 | 92 | 2045 | 2442 |
| Advertisement and publicity | 49337 | 14931 | 330745 | 395013 |
| Interest and Bank Charges | 5531 | 1674 | 37077 | 44282 |
| Service Tax on Premium A/c | 3 | 1 | 22 | 26 |
| Depreciation | 65631 | 19862 | 439974 | 525467 |
| Outsourcing Expenses | 165024 | 49944 | 1106284 | 1321252 |
| Others | 259600 | 82410 | 1843454 | 2185464 |
| Total | 3294699 | 1000958 | 22190048 | 26485705 |

SCHEDULE - 5 - SHARE CAPITAL

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|--|----------------|
| Authorised Capital 200000000 Equity Shares of ₹10/- each | 2000000 |
| Issued Capital 150000000 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 |
| Subscribed Capital 150000000 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 |
| Called up Capital 150000000 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 |
| Less : Calls unpaid | 0 |
| Add : Equity Shares forfeited (Amount originally paid up) | 0 |
| Less : Par Value of Equity Shares bought back | 0 |
| Less : Preliminary Expenses | 0 |
| Less : Expenses including commission or brokerage on Underwriting or subscription of Shares | 0 |
| Total | 1500000 |

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

As on 31-03-2015

| Particulars | No. of Shares | % of holding |
|----------------------------|------------------|--------------|
| Promoters | | |
| Indian | | |
| Government of India | 149999970 | 100% |
| Nominees of Govt. of India | 30 | 100% |
| Total | 150000000 | |

SCHEDULE - 6 - RESERVES & SURPLUS

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|---|-----------------|
| Capital Reserve | 14567 |
| Capital Redemption Reserve | 0 |
| Share Premium | 0 |
| General Reserve | 54663150 |
| Add : Transfer from Profit & Loss Account | 2625699 |
| Closing Balance | 57288849 |
| Catastrophe Reserve | 0 |
| Other Reserves - Investment Reserve | 8628 |
| Foreign Currency Translation Reserve | 117620 |
| Statutory Reserve - Reserve Fund created under Section 45-IC of the Reserve Bank of India Act, 1934 | 19012 |
| Add : Transfer from Profit & Loss Account | 14100 |
| Closing Balance | 33112 |
| Balance of Profit in Profit & Loss Account | 0 |
| Total | 57462775 |

SCHEDULE - 7 - BORROWINGS

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|--------------------------|----------|
| Debentures / Bonds | 0 |
| Banks | 0 |
| Financial Institutions | 0 |
| Others (to be specified) | 0 |
| Total | 0 |

SCHEDULE - 8 - INVESTMENTS

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|--|----------|
| INVESTMENTS | |
| LONG TERM INVESTMENTS | |
| Government securities and Government guaranteed bonds including Treasury Bills | 57763951 |
| Other Approved Securities | 10475 |
| Other Investments | |
| (a) Shares | |
| (aa) Equity - Associates | 65776 |
| Add : Share of post acquisition profit (net of losses) | 2947886 |
| (ab) Equity - Others | 87831246 |
| (ac) Preference | 5141 |
| (b) Mutual Funds | 41805 |



| Particulars | Amount |
|--|------------------|
| (c) Derivative Instruments | |
| (d) Debentures and Bonds | 22474691 |
| (e) Other Securities | 0 |
| | 113366545 |
| Investments in Infrastructure and Social Sector | 51784113 |
| Other than Approved Investments | 8990300 |
| SUB-TOTAL | 231915384 |
| SHORT TERM INVESTMENTS | |
| Government Securities and Government guaranteed bonds including Treasury Bills (Considered Doubtful) | 5442266 |
| Other Approved Securities | 0 |
| Other Investments | |
| (a) Shares | |
| (aa) Equity | 0 |
| (ab) Preference | 0 |
| (b) Mutual Funds | 1691574 |
| (c) Derivative Instruments | 0 |
| (d) Debentures and Bonds | 1349168 |
| (e) Other Securities | 0 |
| (f) Subsidiaries | 0 |
| (g) Investment Properties - Real Estates | 0 |
| | 3040742 |
| Investments in Infrastructure and Social Sector | 4190977 |
| Other than Approved Investments | 580453 |
| SUB-TOTAL | 13254438 |
| TOTAL | 245169822 |
| NOTE : | |
| Aggregate amount of Company's Investment other than listed equity securities and derivative instruments. | |
| Book Value | 137656281 |
| Market Value | 141492293 |

Note: Other than Approved Investments comprises of Infrastructure Investment of ₹4176904.45 thousands (Long term) and ₹529452.23 thousands (Short term); Investment in Housing - NIL.

SCHEDULE - 9 - LOANS

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|--|----------------|
| LOANS | |
| SECURITY-WISE CLASSIFICATION | |
| Secured | |
| (a) On mortgage of Property | |
| (aa) In India | 1870710 |
| (ab) Outside India | 0 |
| (b) On Shares, Bonds, Govt. Securities | 0 |
| (c) On Others (Govt. Guaranteed Loans) | 1059926 |
| Unsecured | 184466 |
| TOTAL | 3115102 |
| BORROWER-WISE CLASSIFICATION | |
| (a) Central and State Governments | 1059926 |
| (b) Banks and Financial Institutions | 0 |
| (c) Subsidiaries | 0 |
| (d) Industrial Undertakings | 459557 |
| (e) Others-Loans to HUDCO | 0 |
| (f) Others-Employees Housing Loan | 1595619 |
| TOTAL | 3115102 |

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|--|----------------|
| PERFORMANCE-WISE CLASSIFICATION | |
| (a) Loans classified as standard | |
| (aa) In India | 2940046 |
| (ab) Outside India | 0 |
| (b) Non-performing loans | |
| (ba) In India* | 175056 |
| (bb) Outside India | 0 |
| TOTAL | 3115102 |
| MATURITY-WISE CLASSIFICATION | |
| (a) Short Term | 148333 |
| (b) Long Term | 2966769 |
| TOTAL | 3115102 |

Note: * Provision of ₹180285 (previous year ₹163239) against non-performing loans is grouped under Provision for Bad & Doubtful Debts in Schedule 14.

1) Provision against non-performing loans is ₹175055.

2) Loans considered doubtful and loss assets are ₹175055 and amount of provision created against such loans.

SCHEDULE - 10 - FIXED ASSETS

As on 31-03-2015 (₹ '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 |
| Goodwill | | | | | | | | | |
| Intangibles | 429676 | 161470 | 0 | 591146 | 358255 | 77184 | 0 | 435439 | 155707 |
| Land-Freehold | 3694 | 39761 | 0 | 43455 | 0 | 0 | 0 | 0 | 43455 |
| Land-Leasehold | 2642 | 0 | 0 | 2642 | 779 | 24 | 0 | 803 | 1839 |
| Leasehold Properties | 113871 | 0 | 0 | 113871 | 53635 | 1670 | 0 | 55305 | 58566 |
| Building | 590953 | 0 | 0 | 590953 | 392323 | 11525 | 0 | 403848 | 187105 |
| Furniture & Fittings | 314885 | 27197 | 11601 | 330481 | 258516 | 19391 | 11435 | 266472 | 64009 |
| Information Technology Equipment | 2080551 | 305343 | 23665 | 2362225 | 1977327 | 157029 | 23534 | 2110822 | 251455 |
| Vehicles | 701881 | 173648 | 125441 | 750088 | 278810 | 156957 | 84960 | 350807 | 399281 |
| Office Equipment | 116747 | 9084 | 2380 | 123451 | 83539 | 22885 | 2165 | 104259 | 19192 |
| Others - Electrical Equipments | 456698 | 90500 | 2599 | 544599 | 314615 | 66784 | 4777 | 376622 | 167977 |
| Other Assets | 149296 | 19377 | 2976 | 165697 | 97974 | 12031 | 183 | 109822 | 55875 |
| Total | 4960894 | 826380 | 168662 | 5618608 | 3815773 | 525480 | 127054 | 4214199 | 1404461 |
| Work-in-Progress | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 4960894 | 826380 | 168662 | 5618608 | 3815773 | 525480 | 127054 | 4214199 | 1404461 |

SCHEDULE - 11 - CASH AND BANK BALANCES

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|---|-----------------|
| Cash (including cheques, drafts and stamps) | 1747873 |
| Bank Balances | |
| Deposits Accounts | |
| Short-term (due within 12 months) | 8163432 |
| Others | |
| Current Accounts | 5789774 |
| Others - Remittance in transit | 125912 |
| Unpaid dividend accounts | 408 |
| Money at Call and Short Notice | 0 |
| With other Institutions | 349486 |
| Total | 16176885 |
| Balances with non-scheduled banks included in Bank Balances | 4663 |

SCHEDULE - 12 - ADVANCES AND OTHER ASSETS

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|--|-----------------|
| ADVANCES | |
| Reserve Deposits with ceding companies | 3314502 |
| Application money for investments | 5160 |
| Prepayments | 53620 |
| Advances to Directors/Officers | 399 |
| Advance tax paid and Taxes deducted at Source (Net of provision for taxation) | 1314614 |
| Others | 0 |
| Staff Advances and Loans (₹1262 Considered doubtful) | 315490 |
| TOTAL (A) | 5003785 |
| OTHER ASSETS | |
| Income accrued on investments | 5199398 |
| Outstanding Premiums (₹434 Considered doubtful) | 525262 |
| Agents' Balances (₹523 Considered doubtful) | 11576 |
| Due from other entities carrying on insurance business (including reinsurers) (₹752451 Considered doubtful) | 8248909 |
| Deposit with Reserve Bank of India (Pursuant to Section 7 of Insurance Act, 1938) | 123206 |
| Others | 12500 |
| Deposits, Advances & Other Accounts (₹37512 Considered doubtful) | 5915018 |
| Inter Office Adjustments (Net) | 742 |
| TOTAL (B) | 20036611 |
| TOTAL (A + B) | 25040396 |

SCHEDULE - 13 - CURRENT LIABILITIES

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|---|------------------|
| Agents' Balances | 1526152 |
| Balances due to other insurance companies | 6330431 |
| Deposits held on re-insurance ceded | 56502 |
| Premiums received in advance | 1946817 |
| Unallocated Premium | 0 |
| Sundry Creditors | 15194690 |
| Due to subsidiaries / holding companies | 0 |
| Claims Outstanding | 89957799 |
| Due to Officers/Directors | 0 |
| Others | 408 |
| Former Shareholders' Fund | 1330 |
| Inter Office Adjustments (Net) | 0 |
| Excess Collection / Refund Premium/ST Refundable | 404786 |
| Cheques issued but not encashed by Insured/Policyholder | 1014770 |
| TOTAL | 116433684 |

SCHEDULE - 14 - PROVISIONS

As on 31-03-2015 (₹ '000)

| Particulars | Amount |
|--|-----------------|
| Reserve for Unexpired Risk | 47208816 |
| For proposed dividends | 610000 |
| For dividend distribution tax | 121742 |
| Provision for diminution in value of other than actively traded Equities | 105916 |
| Provision Tax | 53 |
| Provision for Group Mediciam Policy | 25000 |
| For Leave Encashment | 2220000 |
| Provision for Employee Short term Benefits | 67500 |
| For Wage Arrears | 3726500 |
| For Loans, Investments and Other Assets | 1962526 |
| TOTAL | 56048053 |

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

As on 31-03-2015 (₹' 000)

| Particulars | Amount |
|--|----------|
| Discount allowed in issue of shares/debentures | 0 |
| Others (to be specified) | 0 |
| TOTAL | 0 |



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA

| Particulars | Fire | Marine Cargo |
|--|----------------|----------------|
| PREMIUM FROM | | |
| Direct Business | 12514935 | 2821435 |
| Direct - In India | 12514935 | 2821435 |
| Add: Reinsurance Accepted | 1041505 | 7120 |
| Add: Reinsurance Accepted - In India | 898920 | 2914 |
| Add: Reinsurance Accepted - Outside India | 142585 | 4206 |
| Less: Reinsurance Ceded | 5958052 | 500901 |
| Less: Reinsurance Ceded - In India | 3377011 | 221211 |
| Less: Reinsurance Ceded - Outside India | 2581041 | 279690 |
| Net Premium | 7598388 | 2327654 |
| Net Premium - In India | 10036844 | 2603138 |
| Net Premium - Outside India | -2438455 | -275484 |
| Adjustment for change in reserve for unexpired risks | 465634 | 66392 |
| Premium Earned (Net) | 8064022 | 2394046 |

S. Venkataraman
Company SecretaryV.E. Kaimal
Financial Advisor

(₹ '000)

| Marine Hull | Marine Total | Motor OD | Motor TP | Motor DR Pool | Motor TP Pool | Motor Total |
|---------------|----------------|-----------------|-----------------|---------------|---------------|-----------------|
| | | | | | | |
| 2445867 | 5267302 | 16736400 | 24234423 | 720851 | 0 | 41691674 |
| 2445867 | 5267302 | 16736400 | 24234423 | 720851 | 0 | 41691674 |
| 199926 | 207046 | 0 | 0 | 0 | 0 | 0 |
| 194691 | 197605 | 0 | 0 | 0 | 0 | 0 |
| 5235 | 9441 | 0 | 0 | 0 | 0 | 0 |
| 2009457 | 2510358 | 839801 | 1229122 | 576681 | 0 | 2645604 |
| -789001 | -567790 | 838021 | 1218693 | 576681 | 0 | 2633394 |
| 2798458 | 3078148 | 1780 | 10429 | 0 | 0 | 12210 |
| 636336 | 2963990 | 15896599 | 23005301 | 144170 | 0 | 39046070 |
| 3429559 | 6032698 | 15898380 | 23015730 | 144170 | 0 | 39058280 |
| -2793223 | -3068708 | -1781 | -10429 | 0 | 0 | -12210 |
| 15007 | 81399 | -365873 | -1864739 | 6954 | 0 | -2223658 |
| 651343 | 3045389 | 15530726 | 21140562 | 151124 | 0 | 36822412 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 1- PREMIUM EARNED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Workmen Comp. | Personal Accident |
|--|---------------|-------------------|
| PREMIUM FROM | | |
| Direct Business | 924850 | 2320095 |
| Direct - In India | 924850 | 2320095 |
| Add: Reinsurance Accepted | 0 | 14370 |
| Add: Reinsurance Accepted - In India | 0 | 14370 |
| Add: Reinsurance Accepted - Outside India | 0 | 0 |
| Less: Reinsurance Ceded | 46242 | 436539 |
| Less: Reinsurance Ceded - In India | 46242 | 378193 |
| Less: Reinsurance Ceded - Outside India | 0 | 58346 |
| Net Premium | 878608 | 1897926 |
| Net Premium - In India | 878608 | 1956272 |
| Net Premium - Outside India | 0 | -58346 |
| Adjustment for change in reserve for unexpired risks | -14412 | -107606 |
| Premium Earned (Net) | 864196 | 1790320 |

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

| Aviation | Engineering | Other Misc. | Liability | Health & Hosp. | Total Misc. |
|--------------|----------------|----------------|---------------|-----------------|-----------------|
| | | | | | |
| 569936 | 5410084 | 5735646 | 714180 | 31768630 | 89135095 |
| 569936 | 5410084 | 5735646 | 714180 | 31768630 | 89135095 |
| 37372 | 470725 | 861872 | 11570 | 0 | 1395909 |
| 28413 | 468225 | 811922 | 11570 | 0 | 1334500 |
| 8959 | 2500 | 49950 | 0 | 0 | 61409 |
| 559945 | 3071048 | 950157 | 144835 | -21209 | 7833161 |
| 381289 | 1850344 | 717367 | 98600 | 3761023 | 9866452 |
| 178656 | 1220704 | 232790 | 46235 | -3782232 | -2033291 |
| 47363 | 2809761 | 5647361 | 580915 | 31789839 | 82697843 |
| 217061 | 4027965 | 5830202 | 627150 | 28007606 | 80603144 |
| -169697 | -1218205 | -182841 | -46235 | 3782232 | 2094699 |
| -3275 | 352090 | 18603 | -11115 | -3655592 | -5644965 |
| 44088 | 3161851 | 5665964 | 569800 | 28134247 | 77052878 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Fire | Marine Cargo |
|---|----------------|----------------|
| CLAIMS PAID | | |
| Direct Business | 7682587 | 2121760 |
| Direct - In India | 7682587 | 2121760 |
| Direct - Outside India | 0 | 0 |
| Add: Reinsurance Accepted | 446140 | 20918 |
| Add: Reinsurance Accepted - In India | 326518 | 2256 |
| Add: Reinsurance Accepted - Outside India | 119622 | 18662 |
| Less: Reinsurance Ceded | 3357864 | 379494 |
| Less: Reinsurance Ceded - In India | 1842028 | 211672 |
| Less: Reinsurance Ceded - Outside India | 1515836 | 167822 |
| Net Claims paid | 4770863 | 1763184 |
| Net Claims paid - In India | 6167076 | 1912344 |
| Net Claims paid - Outside India | -1396213 | -149159 |
| Add: Claims Outstanding at the end of the year | 8119619 | 2582745 |
| Add: Claims Outstanding Closing - Direct - In India | 17394821 | 3603676 |
| Add: Claims Outstanding Closing - Direct - Outside India | 0 | 0 |
| Add: Claims Outstanding at the end of the year - Direct | 17394821 | 3603676 |
| Add: Claims Outstanding Closing - RI Accepted - In India | 737393 | 40017 |
| Add: Claims Outstanding Closing - RI Accepted - Outside India | 195340 | 10921 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 932733 | 50938 |
| Less: Claims Outstanding Closing - RI Ceded - In India | 6213411 | -39372 |
| Less: Claims Outstanding Closing - RI Ceded - Outside India | 3994524 | 1111241 |
| Less: Claims outstanding at the end of the year - RI Ceded | 10207935 | 1071869 |
| Add: Claims Outstanding at the end of the year - Net | 8119619 | 2582745 |
| Less: Claims Outstanding at the beginning | 6825352 | 2272485 |
| Less: Claims Outstanding Opening - Direct - In India | 17038935 | 3444397 |
| Less: Claims Outstanding Opening - Direct - Outside India | 0 | 0 |
| Less: Outstanding claims at the beginning of the year - Direct | 17038935 | 3444397 |
| Less: Claims Outstanding Opening - RI Accepted - In India | 507040 | 25131 |
| Less: Claims Outstanding Opening - RI Accepted - Outside India | 291559 | 10199 |
| Less: Claims Outstanding at the beginning of the year - RI Accepted | 798599 | 35330 |
| Add: Claims Outstanding Opening - RI Ceded - In India | 7208842 | -5536 |
| Add: Claims Outstanding Opening - RI Ceded - Outside India | 3803340 | 1212778 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 11012182 | 1207242 |
| Less: Claims Outstanding at the beginning of the year - Net | 6825352 | 2272485 |
| Claims Incurred (Net) | 6065130 | 2073444 |

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

| Marine Hull | Marine Total | Motor OD | Motor TP | Motor DR Pool | Motor TP Pool | Motor Total |
|----------------|----------------|----------------|-----------------|---------------|-----------------|-----------------|
| | | | | | | |
| 1154488 | 3276248 | 9102776 | 10468599 | 174486 | 5565535 | 25311397 |
| 1154488 | 3276248 | 9102776 | 10468462 | 174486 | 5565535 | 25311260 |
| 0 | 0 | 0 | 137 | 0 | 0 | 137 |
| 75075 | 95993 | 0 | 453 | 0 | 0 | 454 |
| 64800 | 67056 | 0 | 453 | 0 | 0 | 454 |
| 10275 | 28937 | 0 | 0 | 0 | 0 | 0 |
| 835588 | 1215082 | 828154 | 1230906 | 139589 | 0 | 2198650 |
| -69865 | 141807 | 828154 | 1230228 | 139589 | 0 | 2197972 |
| 905453 | 1073275 | 0 | 678 | 0 | 0 | 678 |
| 393975 | 2157159 | 8274622 | 9238146 | 34897 | 5565535 | 23113201 |
| 1289153 | 3201496 | 8274622 | 9238687 | 34897 | 5565535 | 23113741 |
| -895178 | -1044338 | 0 | -541 | 0 | 0 | -541 |
| 1110280 | 3693026 | 3396462 | 33736481 | 766638 | 27397183 | 65296764 |
| 3602491 | 7206167 | 3685213 | 38007537 | 3833191 | 27397183 | 72923124 |
| 0 | 0 | 0 | 12015 | 0 | 0 | 12015 |
| 3602491 | 7206167 | 3685213 | 38019552 | 3833191 | 27397183 | 72935139 |
| 224179 | 264195 | 0 | 5771 | 0 | 0 | 5771 |
| 53008 | 63930 | 0 | 1000 | 0 | 0 | 1000 |
| 277187 | 328125 | 0 | 6771 | 0 | 0 | 6771 |
| 540402 | 501030 | 271154 | 4288360 | 3066553 | 0 | 7626067 |
| 2228996 | 3340237 | 17597 | 1483 | 0 | 0 | 19080 |
| 2769398 | 3841267 | 288751 | 4289843 | 3066553 | 0 | 7645147 |
| 1110280 | 3693025 | 3396462 | 33736481 | 766638 | 27397183 | 65296764 |
| 991168 | 3263653 | 2873906 | 26716374 | 604565 | 32962718 | 63157564 |
| 3993459 | 7437856 | 3107542 | 30866273 | 3022827 | 32962718 | 69959360 |
| 0 | 0 | 0 | 11610 | 0 | 0 | 11610 |
| 3993459 | 7437856 | 3107542 | 30877883 | 3022827 | 32962718 | 69970970 |
| 252125 | 277256 | 4754 | 0 | 0 | 0 | 4754 |
| 92489 | 102688 | 0 | 1134 | 0 | 0 | 1134 |
| 344614 | 379944 | 4754 | 1134 | 0 | 0 | 5888 |
| 939844 | 934308 | 238390 | 4161160 | 2418261 | 0 | 6817811 |
| 2407061 | 3619839 | 0 | 1484 | 0 | 0 | 1483 |
| 3346905 | 4554147 | 238390 | 4162644 | 2418261 | 0 | 6819294 |
| 991168 | 3263653 | 2873906 | 26716374 | 604566 | 32962718 | 63157564 |
| 513087 | 2586531 | 8797178 | 16258253 | 196969 | 0 | 25252401 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 2 - CLAIMS INCURRED (NET) FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Workmen Comp. | Personal Accident |
|---|---------------|-------------------|
| CLAIMS PAID | | |
| Direct Business | 171520 | 1449858 |
| Direct - In India | 171520 | 1449858 |
| Direct - Outside India | 0 | 0 |
| Add: Reinsurance Accepted | 0 | 11332 |
| Add: Reinsurance Accepted - In India | 0 | 11332 |
| Add: Reinsurance Accepted - Outside India | 0 | 0 |
| Less: Reinsurance Ceded | 17366 | 314371 |
| Less: Reinsurance Ceded - In India | 17366 | 261419 |
| Less: Reinsurance Ceded - Outside India | 0 | 52952 |
| Net Claims paid | 154154 | 1146819 |
| Net Claims paid - In India | 154154 | 1199770 |
| Net Claims paid - Outside India | 0 | -52952 |
| Add: Claims Outstanding at the end of the year | 346225 | 774364 |
| Add: Claims Outstanding Closing - Direct - In India | 365263 | 1009518 |
| Add: Claims Outstanding Closing - Direct - Outside India | 10093 | 0 |
| Add: Claims Outstanding at the end of the year - Direct | 375356 | 1009518 |
| Add: Claims Outstanding Closing - RI Accepted - In India | 0 | 1066 |
| Add: Claims Outstanding Closing - RI Accepted - Outside India | 0 | 0 |
| Add: Claims Outstanding at the end of the year - RI Accepted | 0 | 1066 |
| Less: Claims Outstanding Closing - RI Ceded - In India | 29131 | 193534 |
| Less: Claims Outstanding Closing - RI Ceded - Outside India | 0 | 42686 |
| Less: Claims Outstanding at the end of the year - RI Ceded | 29131 | 236220 |
| Add: Claims Outstanding at the end of the Year - Net | 346225 | 774364 |
| Less: Claims Outstanding at the beginning | 307741 | 780032 |
| Less: Claims Outstanding Opening - Direct - In India | 323674 | 962586 |
| Less: Claims Outstanding Opening - Direct - Outside India | 9752 | 0 |
| Less: Outstanding claims at the beginning of the year - Direct | 333426 | 962586 |
| Less: Claims Outstanding Opening - RI Accepted - In India | 0 | 1437 |
| Less: Claims Outstanding Opening - RI Accepted - Outside India | 0 | 0 |
| Less: Claims Outstanding at the beginning of the year - RI Accepted | 0 | 1437 |
| Add: Claims Outstanding Opening - RI Ceded - In India | 25685 | 155594 |
| Add: Claims Outstanding Opening - RI Ceded - Outside India | 0 | 28397 |
| Add: Claims Outstanding at the beginning of the year - RI Ceded | 25685 | 183991 |
| Less: Claims Outstanding at the beginning of the year - Net | 307741 | 780032 |
| Claims Incurred (Net) | 192638 | 1141151 |

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

| Aviation | Engineering | Other Misc. | Liability | Health & Hosp. | Total Misc. |
|---------------|----------------|----------------|---------------|-----------------|-----------------|
| | | | | | |
| 166079 | 2202202 | 3139591 | 117769 | 33555869 | 66114284 |
| 166079 | 2202202 | 3139591 | 117769 | 33555869 | 66114147 |
| 0 | 0 | 0 | 0 | 0 | 137 |
| 4897 | 185541 | 956607 | 5070 | 0 | 1163900 |
| 4897 | 176311 | 760180 | 5070 | 0 | 958243 |
| 0 | 9230 | 196427 | 0 | 0 | 205657 |
| 97642 | 1012822 | 1209397 | 13224 | 739988 | 5603460 |
| 48393 | 680741 | 655825 | 13224 | 4370525 | 8245465 |
| 49249 | 332081 | 553572 | 0 | -3630537 | -2642005 |
| 73334 | 1374921 | 2886801 | 109615 | 32815881 | 61674724 |
| 122584 | 1697772 | 3243946 | 109615 | 29185344 | 58826926 |
| -49249 | -322851 | -357145 | 0 | 3630537 | 2847798 |
| 152434 | 3467430 | 2448898 | 843028 | 4816012 | 78145154 |
| 451353 | 12079932 | 3525818 | 1156270 | 5125376 | 96636654 |
| 0 | 0 | 0 | 0 | 0 | 22108 |
| 451353 | 12079932 | 3525818 | 1156270 | 5125376 | 96658762 |
| 48392 | 733620 | 428855 | 13502 | 0 | 1231206 |
| 16323 | 25077 | 135529 | 0 | 0 | 177929 |
| 64715 | 758697 | 564384 | 13502 | 0 | 1409135 |
| 331984 | 5672945 | 1268926 | 326744 | 303088 | 15752419 |
| 31650 | 3698254 | 372377 | 0 | 6276 | 4170323 |
| 363634 | 9371199 | 1641303 | 326744 | 309364 | 19922742 |
| 152434 | 3467430 | 2448899 | 843028 | 4816012 | 78145155 |
| 133292 | 3314314 | 2563344 | 617662 | 3167312 | 74041262 |
| 209449 | 8377830 | 3148378 | 711135 | 3321898 | 87014309 |
| 0 | 0 | 0 | 0 | 0 | 21363 |
| 209449 | 8377830 | 3148378 | 711135 | 3321898 | 87035672 |
| 49327 | 628968 | 375673 | 21401 | 0 | 1081560 |
| 16002 | 11751 | 262606 | 0 | 0 | 291493 |
| 65329 | 640719 | 638279 | 21401 | 0 | 1373053 |
| 109061 | 3473110 | 799862 | 114874 | 154586 | 11650583 |
| 32425 | 2231124 | 423451 | 0 | 0 | 2716881 |
| 141486 | 5704234 | 1223313 | 114874 | 154586 | 14367464 |
| 133292 | 3314315 | 2563344 | 617662 | 3167312 | 74041261 |
| 92476 | 1528036 | 2772356 | 334981 | 34464581 | 65778618 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Fire | Marine Cargo |
|--|---------------|---------------|
| COMMISSION | | |
| Direct Business | 881426 | 352820 |
| TOTAL (A) | 881426 | 352820 |
| Add: Commission on Reinsurance Accepted | 148803 | 1347 |
| Add: Commission on Reinsurance Accepted - In India | 110138 | 59 |
| Add: Commission on Reinsurance Accepted -Outside India | 38665 | 1288 |
| Less: Commission on Reinsurance Ceded | 452969 | 32324 |
| Less: Commission on Reinsurance Ceded - In India | 288477 | 20662 |
| Less: Commission on Reinsurance Ceded - Outside India | 164492 | 11662 |
| Commission (Net) | 577260 | 321843 |
| Commission (Net) - In India | 703087 | 332217 |
| Commission (Net) - Outside India | -125827 | -10374 |
| Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below: | | |
| Agents - In India | 440448 | 201587 |
| Agents | 440448 | 201587 |
| Brokers | 287444 | 138392 |
| Corporate Agency | 153534 | 12841 |
| TOTAL (B) | 881426 | 352820 |

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

| Marine Hull | Marine Total | Motor OD | Motor TP | Motor DR Pool | Motor TP Pool | Motor Total |
|---------------|---------------|----------------|---------------|---------------|---------------|----------------|
| | | | | | | |
| 40888 | 393708 | 1478968 | -101 | 0 | 0 | 1478867 |
| 40888 | 393708 | 1478968 | -101 | | | 1478867 |
| 25544 | 26891 | 0 | 0 | 0 | 0 | 0 |
| 24566 | 24625 | 0 | 0 | 0 | 0 | 0 |
| 978 | 2266 | 0 | 0 | 0 | 0 | 0 |
| 96763 | 129087 | 125525 | 88395 | 0 | 0 | 213920 |
| 12607 | 33268 | 125525 | 88395 | 0 | 0 | 213920 |
| 84156 | 95819 | 0 | 0 | 0 | 0 | 0 |
| -30331 | 291512 | 1353443 | -88496 | 0 | 0 | 1264947 |
| 52847 | 385064 | 1353443 | -88496 | 0 | 0 | 1264947 |
| -83178 | -93553 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | |
| 14011 | 215598 | 1245415 | -101 | 0 | 0 | 1245314 |
| 14011 | 215598 | 1245415 | -101 | 0 | 0 | 1245314 |
| 22070 | 160462 | 182952 | 0 | 0 | 0 | 182952 |
| 4807 | 17648 | 50601 | 0 | 0 | 0 | 50601 |
| 40888 | 393708 | 1478968 | -101 | 0 | 0 | 1478867 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

**SCHEDULE - 3 - COMMISSION FOR THE YEAR ENDED 31st MARCH 2015
SEGMENTAL IN INDIA & OUTSIDE INDIA**

| Particulars | Workmen Comp. | Personal Accident |
|--|---------------|-------------------|
| COMMISSION | | |
| Direct Business | 97744 | 279046 |
| TOTAL (A) | 97744 | 279046 |
| Add: Commission on Reinsurance Accepted | 0 | 3449 |
| Add: Commission on Reinsurance Accepted - In India | 0 | 3449 |
| Add: Commission on Reinsurance Accepted - Outside India | 0 | 0 |
| Less: Commission on Reinsurance Ceded | 6936 | 112369 |
| Less: Commission on Reinsurance Ceded - In India | 6936 | 95461 |
| Less: Commission on Reinsurance Ceded - Outside India | 0 | 16908 |
| Commission (Net) | 90808 | 170126 |
| Commission (Net) - In India | 90808 | 187034 |
| Commission (Net) - Outside India | 0 | -16908 |
| Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below: | | |
| Agents - In India | 80954 | 155244 |
| Agents | 80954 | 155244 |
| Brokers | 13982 | 83878 |
| Corporate Agency | 2808 | 39924 |
| TOTAL (B) | 97744 | 279046 |

S. Venkataraman
Company Secretary

V.E. Kaimal
Financial Advisor

(₹ '000)

| Aviation | Engineering | Other Misc. | Liability | Health & Hosp. | Total Misc. |
|--------------|---------------|---------------|--------------|----------------|----------------|
| | | | | | |
| 13407 | 355596 | 349778 | 91540 | 2592269 | 5258247 |
| 13407 | 355596 | 349778 | 91540 | 2592269 | 5258247 |
| 3737 | 45401 | 101535 | 727 | 0 | 154849 |
| 1413 | 44622 | 101422 | 727 | 0 | 151633 |
| 2324 | 779 | 113 | 0 | 0 | 3216 |
| 19088 | 390213 | 151088 | 7975 | 67352 | 968941 |
| 17827 | 229329 | 125798 | 7761 | 396262 | 1093293 |
| 1261 | 160884 | 25290 | 214 | -328910 | -124352 |
| -1944 | 10784 | 300225 | 84292 | 2524917 | 4444155 |
| -3007 | 170888 | 325403 | 84506 | 2196007 | 4316587 |
| 1063 | -160104 | -25178 | -214 | 328910 | 127569 |
| | | | | | |
| 3086 | 109711 | 441288 | 49020 | 1221904 | 3306521 |
| 3086 | 109711 | 441288 | 49020 | 1221904 | 3306521 |
| 8793 | 225350 | -234426 | 37903 | 765098 | 1083530 |
| 1528 | 20535 | 142916 | 4617 | 605267 | 868196 |
| 13407 | 355596 | 349778 | 91540 | 2592269 | 5258247 |

Milind Kharat
Chairman-cum-Managing Director



UNITED INDIA INSURANCE COMPANY LIMITED

Registration No. : 545, Date of Renewal with IRDAI : 25th February 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(₹ '000)

| Particulars | Amount |
|---|-----------------|
| I. Cash Flow from Operating Activities | |
| Premium received from policyholders, including advance receipts, net of coinsurance | 116181638 |
| Other Receipts | 150675 |
| Payments to reinsurers, net of commission and claims | -2056553 |
| Payments to coinsurers, net of claims recovery | -10534351 |
| Payments of claims | -77073118 |
| Payments of commission and brokerage | -6345422 |
| Payments of other operating expenses | -22459184 |
| Deposits, advances and staff loans | -5105 |
| Income taxes paid/refund (net) | -1276272 |
| Service tax paid/refund (net) | -954777 |
| Other payments/collections (net) | 2938689 |
| Gain/Loss on Foreign Exchange Fluctuations | 103601 |
| Cash flow before extraordinary activities | -1330180 |
| Extraordinary Activities | 0 |
| Cash flow after Extraordinary Activities | -1330180 |
| Net Cash Flow from the Operating Activities | -1330180 |
| II. Cash Flow from the Investing Activities | |
| Purchase of fixed assets | -736270 |
| Proceeds from sale of fixed assets | 38959 |
| Purchase of investments (net) | -204392282 |
| Sale Value of Investments | 193305643 |
| Rents/Interests/Dividends received | 14922759 |

| | |
|--|-----------------|
| Expenses relating to investments | -32537 |
| Other payments/collections (net) | 32687 |
| Net Cash Flow from the Investing Activities | 3138959 |
| III. Cash Flow from the Financing Activities | |
| Proceeds from issuance of share capital | 0 |
| Proceeds from borrowing | 0 |
| Repayments of borrowing | 0 |
| Interest/Dividends paid | -1240005 |
| Dividend paid to minority shareholders of subsidiary and dividend tax on dividend paid by subsidiary | -761 |
| Net Cash Flow from the Financing Activities | -1240766 |
| IV. Effect of foreign exchange rates on cash and cash equivalents (net) | |
| Net increase in Cash and Cash Equivalents | 568012 |
| Cash and Cash Equivalents at the beginning of the year | 15608463 |
| Cash and Cash Equivalents at the end of the year | 16176476 |

Kishore Kumar Sansi
Alok Tandon
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 Brahmayya & Co.
Chartered Accountants
FRN : 000511S

CA Jitendra Kumar K, Partner
Membership No.201825
Chennai
15th May 2015

For Maharaj N. R. Suresh and Co.
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For Padmanabhan Ramani & Ramanujam
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

Significant Accounting Policies and Notes forming part of Consolidated Financial Statements as on 31st March 2015

I. Significant Accounting Policies

1. Principles of consolidation

1.A. The consolidated financial statements relate to United India Insurance Company Limited, the holding company and its subsidiary company and associates (together referred as “the Company”). The consolidated financial statements have been prepared on the following basis:

1.A.1. The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - “Consolidated Financial Statements”.

1.A.2. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.

1.A.3. The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

1.A.4. Minority Interest’s share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

1.A.5. Minority Interest’s share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders.

1.A.6. Investment in Associate Companies has been accounted under the equity

method as per Accounting Standard (AS) 23 - “Accounting for Investments in Associates in Consolidated Financial Statements”.

1.A.7. The Company accounts for its share in change in net assets of the associates, post-acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates’ Profit or Loss through its reserves for the balance, based on available information.

1.A.8. The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

1.A.9. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements, except for the India International Insurance Pte. Ltd., an associate have been prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Singapore Companies Act, Cap. 50. As compared to Accounting policy of the company the material difference are with respect to:

(a) Reserves for unexpired risks, the accounting policy followed by Associate Reserves for unexpired risks comprises the sum of unearned premium reserves and premium deficiency reserves. Premium deficiency reserves are derived using

actuarial methods on loss statistics and are recognised when the expected value of claims and expenses attributable to the unexpired periods of policies in force at the balance sheet date for any line of business exceeds the unearned premium reserves.

The unearned premium reserves are computed on the following basis:

- (i) 365th method for all direct and facultative reinsurance classes of business other than marine cargo, for which 25% is applicable;
- (ii) in the case of all classes of treaty reinsurance business, other than marine cargo, 40% of the premiums and for marine cargo, 25% of the premiums; and
- (iii) the actual acquisition cost is taken into account in the computation in respect of direct and facultative reinsurance business, except for marine cargo.

b) Deferred acquisition costs

Commission and other acquisition costs incurred during the financial period that vary with and are related to securing new insurance contracts and/or renewing existing insurance contracts, but which relates to subsequent financial periods, are deferred to the extent that they are recoverable out of future revenue margins. Deferred acquisition costs ("DAC") are calculated using the 365th method on actual commission. All other acquisition costs are recognised as an expense when incurred.

An impairment review is performed at each reporting date and, if required, the carrying value is written down to the recoverable amount.

- 1.A.10. The financial statements of the subsidiary and associates used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2015, except for the India International Insurance Pte. Ltd., an associate for which financial statements as on reporting date are not available. These have been consolidated based on latest available financial statements.

- 1.B. The list of subsidiary company, and associates which are included in the consolidation and the company holdings therein are as under:

| Name of the Company | Ownership in % | Country of Incorporation |
|---|----------------|--------------------------|
| Subsidiary company | | |
| Zenith Securities and Investments Ltd. | 69.45% | India |
| Associates | | |
| India International Insurance Pte. Ltd. | 20.00% | Singapore |
| Health Insurance TPA of India Limited | 23.75% | India |

2. Accounting Convention:

The financial statements are prepared under the historical cost convention in accordance with the accounting principles prescribed by The Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999, Orders / Circulars / Notifications issued by IRDAI from time to time, the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

3. Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from estimates and assumptions used in preparing these financial statements.

4. Shareholders/Policyholders' Funds:

- 4.1. Shareholders' funds consists of Share Capital, General Reserve, Capital Reserve, and Miscellaneous/Special Reserves.

4.2. Policyholders' funds consists of technical reserves i.e. Unexpired Risk Reserves plus estimated liability for outstanding claims.

5. Premium:

5.1 Direct Business:

5.1.1 Premium income is recognised on assumption of risk and adjusted for a increase or decrease in reserve for unearned premium, calculated as per 5.3 below.

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

5.2 Reinsurance:

5.2.1 Premium income is recognized based on the returns received from foreign reinsurance companies received upto 31st March.

5.2.2 Premium Income in respect of Indian Reinsurers is recognized based on returns received upto finalization of accounts of the relevant accounting year. Wherever returns are not received upto finalization of accounts, the same has been estimated.

5.2.3 Premium on cessions are recognized on the basis of the premium underwritten by the operating offices. Wherever full particulars are not available, reinsurance cessions are estimated on the basis of information available.

5.2.4 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.

5.3 Reserve For Unexpired Risk:

Reserve for unexpired risk is made on the amount representing that part of net premium written which is attributable to, and allocated to the succeeding accounting periods determined at 50% of net premium, except in the case of Marine Hull business and Terrorism, where it is made at 100% of net premium.

6. Claims:

6.1 Direct Business:

- a) Claims are recognized as and when intimated.
- b) All expenses directly attributable to claims including exchange fluctuations gains / losses are accounted as part of claims.

c) Outstanding claims at the year-end:

- Estimated Liability for outstanding claims at the year-end are provided on the basis of survey reports, advices of Leaders, past experience, other applicable laws, information provided by clients and other sources upto the date of finalization of accounts.
- 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.

6.2 Reinsurance:

- a) Claims are recognized as and when intimated.
- b) Liability for outstanding claims in respect of Indian Inward Acceptances is based on returns received up to finalization of accounts. Wherever returns are not received upto finalization of accounts, the same has been estimated on actuarial valuation.
- c) Liability for outstanding claims in respect of Foreign Inward Acceptances is based on Actuarial Valuation and returns received up to finalisation of accounts.

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

6.4 Salvage and Other Recoveries:

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

7. Expenses of Management:

7.1 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.

7.2 Depreciation:

7.2.1 Depreciation on fixed assets is charged on written down value method based on useful life of the Assets and considering residual value upto 5% of original cost as per Schedule II to the Companies Act, 2013.

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

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

7.3 Employee Benefits:

7.3.1 Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in

exchange for the services rendered by employees is recognized during the period when the employee renders the service.

7.3.2 Post-Employment benefit Plans:

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the Profit and Loss account for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on straight-line basis over the average period until the benefits become vested.

8. Translation / Conversion of Foreign Currencies:

8.1 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:

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

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

8.2 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.

8.3 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.

9. Loans & Investment:

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

9.2 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.

9.3 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.

9.4 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.

9.5 As per Part I of Schedule-B of IRDAI (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. 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 amortized for the period from the date of purchase of the instrument till the end of the financial year preceding the year of maturity/redemption, by considering put/call option, if any.

9.6 Investments in Equity shares that are actively traded are valued at the last quoted closing price on NSE (Primary Exchange). However, in case of any stock not being listed/not traded 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.

9.7 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 @ 100% of book value.

9.8 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.

9.9 Impairment

9.9.1 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.

- 9.9.2 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.
- 9.9.2.1 Any reversal of impairment loss, earlier recognized in Revenue/Profit & Loss account,
- (a) in respect of Actively Traded Equity Shares- shall be recognized in the Revenue/Profit & Loss account
 - i) if the accumulated losses are completely wiped out and
 - ii) The company has shown net profit for three immediately preceding years.

And

 - (b) in respect of other than Actively Traded Equity Shares, shall be recognized in the Revenue/Profit & Loss account, on realization.
- 9.9.3 The Company follows the prudential norms prescribed by the Insurance Regulatory and Development Authority of India / Related RBI guidelines as regards asset classification, recognition of income and provisioning pertaining to loans / advances / debentures.
- 9.9.4 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.
- 9.10 Profit or Loss on realization/sale of investment is computed by taking weighted average book value of each investment.
- 9.11 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.
- 9.12 Revenue with respect to Venture Capital Funds is recognised on Receipt basis.
- 9.13 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.
- 9.14 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 Policyholders' Fund and Shareholders' Fund as at the beginning of the year.
- 9.15 Considering the practical difficulties the company follows the policy of notionally allocating the investment between shareholders' and policyholders' funds in the proportion of opening balances of shareholders' funds and policyholders' funds.

10. a) Fixed Assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation. Direct costs are capitalized till the assets are ready to be put to use. These costs include freight, installation costs, duties, taxes and other allocated expenses. Further, any trade discounts and rebates are deducted in arriving at the cost.

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 straight-line basis. Software development / acquisition costs, except those which meet the recognition criteria as laid down in Accounting Standard 26 (AS 26), are charged to revenue.

11. Taxation:

- 11.1 Income tax expense comprises current tax (i.e amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted as on the balance sheet date.
- 11.2 Provision for current tax is made after due consideration of the applicable judicial pronouncements and opinions from the company's counsel.
- 11.3 Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is

convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

- 11.4 Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. In the case of unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only to the extent there is virtual certainty that the deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date.

12. Lease Charges:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

13. Provisions and Contingencies (Claims other than those under Policies)

- 13.1 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.
- 13.2 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.
- 13.3 Contingent assets are neither recognized nor disclosed in the financial statements.

II. NOTES TO ACCOUNTS: CONSOLIDATED FINANCIAL STATEMENTS

1. List of entities consolidated and their respective share of Net Assets and Profit/Loss-

| Name of the entity | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | |
|--|--|----------------------------|---|----------------------------|
| | As % of consolidated net assets | Amount (₹ in thousands) | As % of consolidated profit or loss | Amount (₹ in thousands) |
| 1 | 2 | 3 | 4 | 5 |
| Parent: | | | | |
| United India Insurance Company Limited | 96.91% | 114765504 | 88.83% | 2993135 |
| Subsidiary: | | | | |
| Indian | | | | |
| 1. Zenith Securities and Investments Ltd. | 0.58% | 690204 | 2.16% | 72766 |
| Minority Interests in subsidiary | -0.04% | -44444 | -0.66% | -22230 |
| Associates (Investment as per the equity method) | | | | |
| Indian | | | | |
| 1. Health Insurance TPA of India Limited | 0.02% | 23033 | -0.37% | -12322 |
| Foreign | | | | |
| 1. India International Insurance Pte. Ltd. | 2.53% | 2990629 | 10.04% | 338261 |
| Total | 100.00% | 118424926 | 100.00% | 3369610 |

Consolidated profit for the year:

Profit attributable to:

(₹ in thousands)

| | |
|-----------------------|---------|
| Owners of the company | 3369610 |
| Minority Interests | 22230 |

2. Impact of change in Accounting Policies:

I. Investments

| Existing Policy | Revised Policy | Impact on Accounts |
|--|---|---|
| The present accounting policy is for impairment. Reversal of impairment is not recognized. | Any reversal of impairment loss, earlier recognized in Revenue/Profit & Loss account, (a) in respect of Actively Traded Equity shares- shall be recognized in the Revenue/Profit & Loss account i) if the accumulated losses are completely wiped out and ii) The company has shown net profit for three immediately preceding years b) in respect of other than Actively traded equity shares, shall be recognized in the Revenue/Profit & Loss account, on realization. | No Equity Scrip is eligible for write back and hence the financial impact is NIL. |

II. Reinsurance

| Existing Policy | Revised Policy | Impact on Accounts |
|---|--|---|
| The returns from foreign reinsurance companies to the extent received upto 31st March and the returns from Indian Reinsurers received upto finalization of accounts of the relevant accounting year are incorporated. | 1) Premium income is recognized based on the returns received from foreign reinsurance companies received upto 31st March. 2) Premium Income in respect of Indian Reinsurers is recognized based on returns received upto finalization of accounts of the relevant accounting year. Wherever returns are not received upto finalization of accounts, the same has been estimated. | As a result of change in accounting policy, Net Premium has gone up by ₹220123 thousands. Net Incurred Claims has gone up by ₹ 132127 thousands. |
| Liability for outstanding claims in respect of Indian Inward Acceptances is based on returns received up to finalization of accounts. | Liability for outstanding claims in respect of Indian Inward Acceptances is based on returns received up to finalization of accounts. Wherever returns are not received upto finalization of accounts, the same has been estimated on actuarial valuation. | And Profit of the company has decreased by ₹ 22066 thousands after taking into account reserve for unexpired risk. |

III. Depreciation

Consequent to the enactment of the Companies Act 2013 (the Act) and its applicability for accounting period commencing after 1 April 2014, Depreciation on tangible fixed assets effective April 1, 2014, the company has adopted the "useful life" specified in Part C of Schedule II of the Companies Act, 2013. Accordingly, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life.

- Depreciation on assets whose remaining useful life as on 01-04-2014 is nil amounting to ₹25907 thousand has been charged to Revenue/Profit and Loss account.
- As a result of the change, the depreciation charge for the year ended March 31, 2015 is lower by ₹8414 thousands.

3. Contingent Liability :

(₹ in thousands)

| Particulars | Amount |
|--|---------|
| On partly paid shares | NIL |
| Claims other than those under policies, not acknowledged as debts | 734728 |
| Underwriting commitments outstanding (in respect of shares and securities) | 0 |
| Guarantees given by or on behalf of the Company | 0 |
| Statutory demands / liabilities in dispute, not provided for | 4388708 |
| Reinsurance obligations to the extent not provided for in accounts | 0 |
| Others (to be specified) | 0 |

Note: The Income Tax authorities have suo-moto adjusted the refund due to the company amounting to ₹1367556 thousands.

Sundry Creditors for Expenses includes ₹ 205 thousands 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 subsidiary 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. feet per month or at such rates 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 judgement of the trial court was set aside in July 2008. However, thereafter landlord has filed a Civil Revisionary Application against the judgement in the Bombay High Court, which is pending.

The Small Causes Court has 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.

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

(₹ in thousands)

| Particulars | Amount |
|---|--------|
| Deposits towards margin money for issue of letters of credit / bank guarantee | 7000 |
| Deposits made in court as per orders / attachments of bank accounts for claims | 11934 |
| Deposits made to comply with Overseas Statutory requirements | 0 |
| 10.70% GOI 2020 deposited with Clearing Corporation of India for CBLO operation - FV ₹10000 thousands | 10266 |

10.70% GOI 2020 for ₹123206 thousands (Face Value ₹120010 thousands) has been deposited with RBI in accordance with Section 7 of the Insurance Act, 1938 to adhere to minimum deposit requirement of Insurance Regulatory Development Authority of India.

4.(b) Advances and Deposits includes:

- ₹50000 thousands deposited with Bombay Stock Exchange towards Margin Money for trading in Capital Market as per SEBI circular dated 19-03-2008 regarding Margin of Institutional Trades in the Cash Market.
- ₹100000 thousands deposited with National Stock Exchange towards Margin Money for trading in Capital Market as per SEBI circular dated 19-03-2008 regarding Margin of Institutional Trades in the Cash Market.
- ₹100 thousands by way of margin money has been deposited with Clearing Corporation of India for CBLO operation.

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

(₹ in thousands)

| Particulars | Amount |
|---|---------|
| Loans and Investment | 831806 |
| Commitments for Estates | 23262 |
| Commitments for EDP/Core Insurance Project | 1324215 |
| Stamp duty and Registration charges and Interest on properties in dispute and pending conveyance (estimated at) | 4549 |
| Estimated amount of contracts remaining to the executed (net of advances paid) and not provided for | 1938 |

6. Other income includes interest on income tax refund of NIL pertaining to various years.
7. In respect of Purchases of Investments no deliveries are pending and in respect of sale of Investments, no payments are overdue as on 31-03-2015.
8. In accordance with the regulation prescribed by IRDAI, unrealized gains (net) amounting to ₹59417696 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 ₹45918354 thousands. Pending realization, the credit balance in the fair value change Account is not available for distribution.
9. Segregation of Investments into performing and non-performing assets:

(₹ in thousands)

| Particulars | Amount |
|-----------------------|------------------|
| Performing Assets | 189971854 |
| Non Performing Assets | 1003794 |
| Total | 190975648 |

10. Restructured Assets :

(₹ in thousands)

| Sl. No. | Particulars | Amount |
|---------|--|--------|
| 1. | Total amount of assets subjected to restructuring | 372846 |
| 2. | The amount of standard assets subjected to restructuring | 296950 |
| 3. | The amount of Sub-Standard assets subjected to restructuring | 0 |
| 4. | The amount of Doubtful and other assets subjected to restructuring | 75896 |

11. The Company does not have Real Estate Investment Property.
12. 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 31-03-2015 |
|---|-------------------------------------|-------------------------------------|---|------------------------------|
| Securities Sold under Repo | | | | |
| (i) Government Securities | NIL | NIL | NIL | NIL |
| (ii) Corporate Debt Securities | NIL | NIL | NIL | NIL |
| Securities Purchased under Reverse Repo | | | | |
| (iii) Government Securities | 100049 | 1266561 | 565227 | NIL |
| (iv) Corporate Debt Securities | NIL | NIL | NIL | NIL |

13. Fixed Assets include:-

- A) Land freehold includes : land acquired from IFCI Infrastructure Development Ltd. at Bangalore amounting to ₹39761 thousands on sub-lease-cum sale deed which will be registered in the name of the company on construction of office complex within the time limit specified therein.
- B) Land and House Properties valued at ₹50537 thousands which are pending Conveyance and Registration. This includes properties under dispute worth ₹920 thousands, properties purchased from LPA (Loss Prevention Association of India) ₹49042 thousands and properties acquired from erstwhile insurance units ₹575 thousands.
14. Sundry Creditors include an amount of ₹1415091 thousands being cheques issued from zero balance payment accounts.
15. Reinsurance program for Tamil Nadu Chief Minister Health Scheme which commenced on 11th February 2012 did not materialize and consequently the Premium Ceded, commission Receivables and Claim Receivables recognized in the Financial Year 2012-13 and 2013-14 have been reversed during the year as under:

Reinsurance Premium Ceded - ₹1684326 thousands

Claims Recovery - ₹1470367 thousands

Commission Receivable - ₹151600 thousands

16. 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.

17. Reconciliation of Inter-Office accounts is in progress and in the opinion of the Company the effect of the same will not be material.
18. a) Balances Due from / Due to other persons or bodies carrying on Insurance business, are confirmed and settled periodically hence year end confirmation is not obtained.
- b) In respect of Reinsurance, settlements are effected to brokers/reinsurers based on statement of accounts hence year end confirmation of balance is not obtained.
- c) Sundry Debtors include a sum of ₹1291721 thousands recoverable from Central/State Government towards RSBY Premium.

₹ in thousands

| | As on 31-03-2015 |
|-------------------|---------------------|
| Less than 1 year | 535602 |
| 1 - 3 years | 514830 |
| More than 3 years | 241289 |
| Total | 1291721 |

19. Gratuity

Insurance Regulatory and Development Authority of India, vide its Circular No. IRDA/F&A/CIR/ACT/069/04/2011 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 | 282000 | |
| Amortized in year 2013-14 | 282000 | 1128000 |
| Unrecognized and unamortized gratuity liability as on 31-03-2014 | | 282000 |
| Amount amortized in 2014-15* | | 282000 |
| Unrecognized and unamortized gratuity liability as on 31-03-2015 | | 0 |

* Had this been charged in the year 2010-11, the profit of the Company for the year ended 31st March 2015 would have been higher by ₹282000 thousands.

20. Retirement benefits to employees

(i) Provident Fund

Eligible employees (employees not opted for pension plan) receive benefits from the provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the United India Insurance Employees' Provident Fund Trust equal to a specified percentage of the covered employee's salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the interest rate notified by the Trust.

The Company recognized ₹115344 thousands for provident fund contribution in the Revenue Accounts and Profit and Loss account.

(ii) Gratuity

The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the company contributes all the ascertained liabilities to the United India Insurance Employees' Gratuity Fund Trust (the "Trust"). Trustees administer contributions made to the Trust and contributions are invested in specific investments as permitted by law.

(iii) (a) Superannuation/ Pension

The Company provides for monthly pension, a defined benefit retirement plan (the "Pension Plan") covering eligible employees. The Pension Plan provides a monthly pension after retirement of the employees till death. The Monthly pension is based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of ten years of service. The company pays the monthly pension by purchasing the annuity from Life Insurance Corporation of India. Liabilities with regard to the Pension Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the company contributes all the ascertained liabilities to the United India Insurance Employees' Pension Fund Trust (the "Trust"). Trustees administer contributions made to the Trust and contributions are invested in specific investments as permitted by law.

(iii) (b) New Superannuation/ New Pension

New pension scheme which is applicable to employees who joined the company on or after 1st April 2010 is a defined contribution scheme. The company pays fixed contribution at predetermined rate and the obligation of the company is limited to such fixed contribution.

The Company recognized ₹62834 thousands for pension contribution in the Revenue Accounts and Profit and Loss account.

(iv) Leave encashment

The employees of the Company are entitled to Leave Encashment. The employees can carry forward a portion of the unutilized accrued Leave Encashment and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued Leave Encashment for a maximum of 240 days. The

company records an obligation for Leave Encashment in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of Leave Encashment as the additional amount that the company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuation.

(v) Group Medical Benefit Scheme for Employees (Serving and Retired)

The company contributes to medical insurance of the retired employees as per

scheme for employees opted for the scheme. The Company has provided for ₹25000 thousands as liability towards Group Medical Benefit Scheme for employees (Serving and Retired) based on actuarial valuation.

The following table sets out the funded status of gratuity/pension plan and the amounts recognized in the company's financial statements as at March 31, 2015.

A. Reconciliation of opening and closing balances of Defined Benefit obligation:

(₹ in thousands)

| Particulars | Pension Fund | Gratuity Fund |
|---|--------------|---------------|
| Defined benefit obligation at the beginning of the year | 20970000 | 6750000 |
| Current service cost | 659600 | 93900 |
| Interest cost | 1782450 | 573750 |
| Actuarial (gain)/loss | 3711345 | 119761 |
| Benefits paid | -2923395 | -627411 |
| Defined benefit obligation at the end of the year | 24200000 | 6910000 |

B. Reconciliation of opening and closing balances of fair value of plan assets:

(₹ in thousands)

| Particulars | Pension Fund | Gratuity Fund |
|--|--------------|---------------|
| Fair value of plan assets at the beginning of the year | 17415492 | 5876407 |
| Expected return on plan assets | 1934816 | 566551 |
| Actuarial gain/(loss) | 0 | 0 |
| Received from other companies | 0 | 396 |
| Employer contribution | 4401250 | 592080 |
| Benefits paid | -2923395 | -627411 |
| Fair value of plan assets at the end of the year | 20828163 | 6408023 |

C. Reconciliation of fair value of assets and obligations:

(₹ in thousands)

| Particulars | Pension Fund | Gratuity Fund |
|---|--------------|---------------|
| Fair value of plan assets as at the end of the year | 20828163 | 6408023 |
| Present value of obligations as at the end of the year | 24200000 | 6910000 |
| Unfunded liability/ (asset) recognized in the Balance Sheet | 3371837 | 501977 |

D. Expense recognized in the Profit and Loss account:

(₹ in thousands)

| Particulars | Pension Fund | Gratuity Fund |
|--|--------------|---------------|
| Current service cost | 659600 | 93900 |
| Interest cost | 1782450 | 573750 |
| Expected return on plan assets | -1934816 | -566551 |
| Net Actuarial (gain)/loss | 3711345 | 119761 |
| Total expenses recognized in the Profit and Loss account | 4218579 | 220860 |
| Actual return on plan assets | 1934816 | 566551 |

E. Investment percentage maintained by the Trust

(In %)

| Particulars | Pension (Funded) | Gratuity (Funded) |
|--|------------------|-------------------|
| Central Government & State Government securities | 68.84 | 26.09 |
| Other Debt Securities | 25.36 | 34.10 |
| Balance with Bank | 0.07 | 0.07 |
| Balance with Life Insurance Corporation of India | 5.74 | 39.74 |

F. 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 | | |

G. Basis of Actuarial assumption considered

| Particulars | Basis of assumption |
|--|--|
| 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 valuation takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market. |

H. (1) Amount recognized in current year and previous four years:

(₹ in thousands)

| Particulars (Pension) | Year Ended | | | | |
|--|------------|------------|------------|------------|------------|
| | 31-03-2011 | 31-03-2012 | 31-03-2013 | 31-03-2014 | 31-03-2015 |
| Defined Benefit Obligation | 14700000 | 15960000 | 18400000 | 20970000 | 24200000 |
| Plan Assets | 14700000 | 14936245 | 15017400 | 20970000 | 24200000 |
| Surplus/ (Deficit) | -2985000 | 534755 | -3226000 | 2025600 | 3384623 |
| Actuarial (gain)/loss on plan obligation | 2985000 | 941026 | 3100454 | 2063700 | 3405045 |
| Actuarial (gain)/loss on plan assets | 0 | -406271 | -125546 | 38100 | 20422 |

H.(2) Amount recognized in current year and previous four years:

(₹ in thousands)

| Particulars (Pension) | Year Ended | | | | |
|--|------------|------------|------------|------------|------------|
| | 31-03-2011 | 31-03-2012 | 31-03-2013 | 31-03-2014 | 31-03-2015 |
| Defined Benefit Obligation | 5370000 | 5940000 | 6400000 | 6750000 | 6910000 |
| Plan Assets | 4244000 | 5490439 | 5919200 | 6750000 | 6910000 |
| Surplus/ (Deficit) | -226600 | 293511 | -345800 | 198500 | 269023 |
| Actuarial (gain)/loss on plan obligation | 226600 | 229265 | 298457 | 190000 | 119761 |
| Actuarial (gain)/loss on plan assets | 0 | 64246 | -47343 | -8500 | -149262 |

21. Short Term Benefits to employees

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.

22. Related party disclosures: AS 18

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

- | | |
|------------------------------|--|
| i) Associates | : M/s. India International Insurance Pte. Ltd., Singapore M/s. Ken India Assurance Co. Ltd., Kenya M/s. Health Insurance TPA of India Ltd., India |
| ii) Key Management Personnel | : Sri Milind Kharat, Chairman-cum-Managing Director Smt. Asha Nair, Director & General Manager Sri Vasantha Krishna M, Director & General Manager (From 20-08-2014 to 31-01-2015) |

b) Details of Transactions :

(₹ in thousands)

| Sl. No. | Particulars | M/s. India International Insurance Pte. Ltd. | M/s. Ken India Assurance Co. Ltd. | M/s. Health Insurance TPA of India Ltd. | Ken Managerial Personnel |
|-----------|--|--|-----------------------------------|---|--------------------------|
| | | 2014-15 | 2014-15 | 2014-15 | 2014-15 |
| 1. | Transactions during the year | | | | |
| a) | Dividend received during the year | Nil | 3169 | Nil | Nil |
| b) | Reinsurance transactions: | | | | |
| | - Due to Direct | 2080 | Nil | Nil | Nil |
| | - Due from Direct | Nil | Nil | Nil | Nil |
| c) | Directors' Remuneration Received | Nil | 153.05 | Nil | Nil |
| d) | Salaries, Allowances and Contributions | Nil | Nil | Nil | 4736 |
| 2. | Balance of loans given as on 31st March | Nil | Nil | Nil | Nil |

Since the Company is 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.

23. As per Accounting Standard (AS) 21, Consolidated Financial Statements on the first occasion that consolidated financial statements are presented, comparative figures for the previous period need not be presented. Hence, the previous year figures have not been furnished.

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

| Sl.No. | Particulars | 31-03-2015 |
|--------|---|------------|
| 1. | Net Profit attributable to Shareholders (₹ in thousands) | 3369610 |
| 2. | Weighted Average Number of Equity Shares issued (in Nos.) | 150000000 |
| 3. | Basic earnings per Share of ₹ 10/- each (₹) | 22.46 |

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

25. 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 ₹ 847247 thousands.

26A. Deferred Tax Assets has not been recognized as on 31-03-2015 in the absence of reasonable/virtual certainty of sufficient future taxable income.

26B. Deferred Tax Liability on account of difference in carrying value of fixed assets as per books of account and income tax is ₹ 10 thousands.

27. 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.

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

| Particulars | Amount |
|-----------------------|--------|
| Prior period income | 11684 |
| Prior period expenses | 76914 |

29. Details of Provisions

(₹ in thousands)

| Particulars | Provision for Leave Encashment (Long Term) | Provision for Bad and Doubtful Debts |
|------------------------|--|--------------------------------------|
| Opening balance | 2070000 | 1815039 |
| Additions | 150000 | 184408 |
| Utilisation | 0 | 0 |
| Reversals | 0 | 36921 |
| Closing balance | 2220000 | 1962526 |

30. The Company has estimated a liability of ₹ 2154000 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).
31. The Company was appointed as Fund Manager for “Environment Relief Fund” (ERF) vide Ministry of Environment and Forest’s Gazette Notification dated 4-11-2008 for a period of five years and vide subsequent notification, the company’s position as Fund Manager was extended upto 30th June 2015. 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 recognized Fund Manager’s service charges to the tune of ₹8749 thousands as income during the year, based on the unaudited accounts of the Fund.
32. Disclosures required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 under the Chapter on Delayed Payments to Micro and Small Enterprises.

(₹ in thousands)

| | Amount |
|--|--------|
| Principal amount remaining unpaid to any supplier as at the end of the year | Nil |
| Interest due on the above amount | Nil |
| Amount of interest paid in terms of Section 16 of the MSMED Act, 2006 | Nil |
| Amount of payments made to the suppliers beyond the appointed day during the year | Nil |
| Amount of interest due and payable for the delay in making the payment but without adding the interest specified under Act | Nil |
| Amount of interest accrued and remaining unpaid at the end of the year | Nil |



The above information have been compiled to the extent such parties have been identified on the basis of information available with the company.

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

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Kishore Kumar Sansi
Alok Tandon
Asha Nair

} Directors

Vide our report of date attached

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

CA Jitendra Kumar K, Partner
Membership No.201825

Chennai
15th May 2015

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

CA N. R. Suresh, Partner
Membership No.021661

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA N. Ramani, Partner
Membership No.022438

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures
(₹ '000)

| | | |
|----|--|--|
| 1 | Sl. No. | 1 |
| 2 | Name of the subsidiary | ZENITH SECURITIES AND INVESTMENTS LTD. |
| 3 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | N.A. |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | N.A. |
| 5 | Share capital | 2000 |
| 6 | Reserves & surplus | 141560 |
| 7 | Total Assets | 159356 |
| 8 | Total Liabilities | 15796 |
| 9 | Investments | 132659 |
| 10 | Turnover | 75195 |
| 11 | Profit before taxation | 72769 |
| 12 | Provision for taxation | 3 |
| 13 | Profit after taxation | 72766 |
| 14 | Proposed Dividend | 1600 |
| 15 | % of shareholding | 69.45% |

Notes :

| | | |
|---|--|-----|
| 1 | Names of Subsidiaries which are yet to commence operations | NIL |
| 2 | Names of Subsidiaries which have been liquidated or sold during the year | NIL |

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

ASHA NAIR
Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Vide our report of date attached

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

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA Jitendra Kumar K, Partner
Membership No.201825

CA N. R. Suresh, Partner
Membership No.021661

CA N. Ramani, Partner
Membership No.022438

Chennai
15th May 2015

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ '000)

| Name of Associates / Joint Ventures | Health Insurance TPA of India Limited | India International Insurance Pte. Ltd., Singapore |
|--|---------------------------------------|--|
| 1. Latest audited Balance Sheet Date | 31-03-2015 | 31-12-2014 |
| 2. Shares of Associate/Joint Ventures held by the company on the year end | | |
| No. | 4750000* | 10000000 |
| Amount of Investment in Associates/Joint Venture | 47500 | 18276 |
| Extend of Holding % | 23.75% | 20% |
| 3. Description of how there is significant influence | By share holding | By share holding |
| 4. Reason why the associate/joint venture is not Consolidated | N.A. | N.A. |
| 5. Networth attributable to Shareholding as per latest audited Balance Sheet | 23033 | 3427697 |
| 6. Profit / Loss for the year | | |
| i) Considered in Consolidation | -12322 | 338261 |
| ii) Not considered in Consolidation | -39561 | 1353043 |

* (including one share held by Nominee Director)

Notes :

| | |
|---|---------------------------------------|
| 1. Names of Associates or joint ventures which are yet to commence operations | HEALTH INSURANCE TPA OF INDIA LIMITED |
| 2. Names of Associates or joint ventures which have been liquidated or sold during the year | NIL |

For and on behalf of Board

MILIND KHARAT
Chairman-cum-Managing Director

ASHA NAIR
Director

V.E. KAIMAL
Financial Advisor

S. VENKATARAMAN
Company Secretary

Vide our report of date attached

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

For **Maharaj N. R. Suresh and Co.**
Chartered Accountants
FRN : 01931S

For **Padmanabhan Ramani & Ramanujam**
Chartered Accountants
FRN : 02510S

CA Jitendra Kumar K, Partner
Membership No.201825

CA N. R. Suresh, Partner
Membership No.021661

CA N. Ramani, Partner
Membership No.022438

Chennai
15th May 2015

Recognizing the Relentless Pursuit of Innovation



Most Consistent Performer
of The Year 2014 -
General Insurance



Runner-up -
Best Health Insurer



E-Business Leader,
Bancassurance Leader
& Best Non-Urban Coverage