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INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY

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Chairman

बीमा विनियामक और विकास प्राधिकरण
INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY

पारगमन पत्र

सचिव,
आर्थिक कार्य विभाग,
वित्त मंत्रालय,
नार्थ ब्लाक,
नई दिल्ली 110 001

10 दिसंबर, 2008

श्रीमान,

हम बीमा विनियामक और विकास प्राधिकरण अधिनियम,1999 की धारा 20 के उपबन्धों के अनुसार, 31 मार्च, 2008 को समाप्त हुए वर्ष के लिए प्राधिकरण की वार्षिक रिर्पोट की एक प्रति को भारत के राजपत्र असाधारण,भाग 2 खंड उपखण्ड (ii) में दिनांक 14 जून, 2002 को अधिसूचित बी.वि.वि.प्रा. (वार्षिक रिर्पोट-विवरणियों, विवरणों और अन्य विशिष्टियों का प्रस्तुत किया जाना) विनियम, 2000 में विहित प्रारूप में भेज रहें हैं।

भवदीय

(जे. हरिनारायण)

Letter of Transmittal

December 10, 2008

To
The Secretary
Department of Financial Services
Ministry of Finance
3rd Floor, Jeevandeep Building
Parliament Street
New Delhi – 110 001

Sir,

In accordance with the provisions of Section 20 of the Insurance Regulatory and Development Authority Act, 1999, we are sending herewith a copy of the Annual Report of the Authority for the financial year ended 31st March, 2008 in the format prescribed in the IRDA (Annual Report – Furnishing of returns, statements and other particulars) Rules, 2000, notified on 14th June, 2000 in Part II of Section 3, Sub Section (ii) of the Gazette of India, Extraordinary.

Yours faithfully,

(J. HARI NARAYAN)

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MISSION STATEMENT

- ✓ To protect the interest of and secure fair treatment to policyholders;
- ✓ To bring about speedy and orderly growth of the insurance industry (including annuity and superannuation payments), for the benefit of the common man, and to provide long term funds for accelerating growth of the economy.
- ✓ To set, promote, monitor and enforce high standards of integrity, financial soundness, fair dealing and competence of those it regulates;
- ✓ To ensure speedy settlement of genuine claims, to prevent insurance frauds and other malpractices and put in place effective grievance redressal machinery;
- ✓ To promote fairness, transparency and orderly conduct in financial markets dealing with insurance and build a reliable management information system to enforce high standards of financial soundness amongst market players;
- ✓ To take action where such standards are inadequate or ineffectively enforced;
- ✓ To bring about optimum amount of self-regulation in day to day working of the industry consistent with the requirements of prudential regulation.

TEAM AT IRDA
Year 2007-08

CHAIRMAN

C.S. RAO
(up to 14th May, 2008)

J. HARI NARAYAN
(from 12th June, 2008)

MEMBERS

C.R. Muralidharan

G. Prabhakara

K.K. Srinivasan

Dr. R. Kannan

PART-TIME MEMBERS

Shri Vijay Mahajan (from Oct 7, 2005)

Shri Ved Jain (from Feb 6, 2008)

Shri Pradeep Kumar
(from Nov 27, 2007 to April 8, 2008)

Shri Sunil Talati (from Feb 5, 2007 to Feb 5 2008)

Smt. Ela R Bhatt (from Feb 27, 2007)

Ms. Sushma Nath (from April 9, 2008)

Dr Sanjiv Misra
(from Mar 2, 2007 to 26 Nov 2007)

DIRECTOR GENERAL (RESEARCH & DEVELOPMENT)

Dr. D.V.S. Sastry

EXECUTIVE DIRECTORS

Prabodh Chander

V. Vedakumari

K. Subrahmanyam

CONSULTANT & SPECIAL OFFICER

Kunnel Prem

Name of the Officer / Staff

A Keshava Rao
A Krishnan
A R Nithiayanantham
A Rama Sudheer
A V Rao
Anil Kumar Arora
B Padmaja
B Aruna
B Raghavan
B Someswara Rao
B S Venkatesh
D P Joshi
D Srinivasa Murthy
D V S Ramesh
Deepak Khanna
Deepak Kumar Gaikwad
DNKLNK Chakravarty
G R Surya Kumar
Hari
J Anita
Jyoti Bhagat
Kamal Chowla
Kanthisree
KGPL Rama Devi
Lekshmi Pillai
M L Soujanya
Mahesh Agarwal
Mamta Suri
Manju Arora
Mathangi Saritha
MBVN Murthy
Mukesh Sharma
Nimisha Srivastava
P Majumder
Prabat Kumar Maiti
R C Sharma
R Kumar
R Sangeetha

R Uma Maheswari
Raj Kumar Sharma
Rakesh K Bajaj
Randip Singh Jagpal
Rashmi Jagdeep Abhichandani
S Karthikeya Sarma
S N Jayasimhan
S P Chakraborthy
Sanjay Kumar Verma
Sanjeev Kumar Jain
Shardul Suresh Admane
Shashi Pal
Shiksha Shaha
Shyam Sundar Mohakud
Sudipta Bhattacharya
Sunitha L V S
Suresh Mathur
Suresh Nair
Susan Ittyerah
Sush Pal
T S Naik

On Contract

U Jawaharlal

Officers on deputation to other organisations

Arup Chatterjee
J Meena Kumari
K K Chaudhary
Sonia Singh

OVERVIEW

The Indian economy continued to exhibit robust growth even though global economy experienced many uncertainties. The real GDP growth emanating from the industry and services sector declined slightly during 2007-08. However, improvement in the performance of the agriculture sector in India not only contained inflationary pressures on some agricultural commodities but also supported the growth momentum in the economy. The continued acceleration in saving and investment rates and sustained productive growth were the underpinnings of the growth momentum in the Indian economy during 2007-08. The real GDP growth in 2007-08 though high at 9 per cent was lower than the 9.6 per cent recorded in 2006-07. Services sector continued to grow at double digit level. The deceleration in the industry sector was also reflected in the Index of Industrial Production. The growth in the Index of Industrial Production during 2007-08 was 8.5 per cent (as against 11.5 per cent observed in 2006-07).

Gross domestic savings as per cent of GDP at current market prices increased from 34.3 per cent in 2005-06 to 34.8 per cent in 2006-07 contributed mainly by increase in the savings of private corporate sector and the public sector. The gross domestic capital formation rate at the economy level increased from 35.5 per cent in 2005-06 to 35.9 per cent in 2006-07. The saving preference of the households had slightly shifted away from the bank deposits in 2007-08 from that of 2006-07. According to the preliminary estimates released by RBI on household financial savings for 2007-08, insurance funds constituted 17.5 per cent of the total gross financial savings of the households in 2007-08. This has resulted in an increase in the share of insurance funds in the total household savings. A similar increase was observed in mutual funds also. The above shift in the preferences towards insurance sector was mainly on account of the households preferring to invest in Unit Linked Insurance Products (ULIPs) of life insurers in the back ground of bullish stock market as the returns of a part of ULIPs depend on the behaviour of the stock market. A similar observation can be made about the investments in mutual funds. It may be noted that during 2007-08, the BSE Sensex has shown abnormally high levels and the gains were across all sectors of the index. The fiscal position of both central and states improved during 2007-08 even though there were higher outflows on account of high interest payments, subsidies and extra budgetary liabilities. Exports and imports accelerated during 2007-08 reflecting India's diversified foreign trade. Capital inflows on a sustained basis were observed in 2007-08 and net surplus on invisibles in the Balance of Payments was buoyant offsetting a significant part of the merchandise deficit. The current account deficit as a per cent of GDP was 1.5 per cent in 2007-08 higher than 1.1 per cent observed in 2006-07.

Supply side pressures on key agricultural products, pass through of international crude oil prices, continued demand pressures have pushed the inflation rate as measured by movements in wholesale price index to a higher level of 7.7 per cent at end March 2008 as against 5.6 per cent recorded at end March 2007. However, on an average basis, it was lower at 4.7 per cent during 2007-08 than 5.4 per cent in 2006-07. The growth in consumer price index for industrial workers was also high at 7.9 per cent in March 2008 as against 6.7 per cent a year ago. On an average basis, during 2007-08, it was 6.2 per cent as against 6.7 per cent in 2006-07.

During 2007-08 many policies regarding broadening and deepening of the financial markets, capital markets and bond markets were undertaken by the respective regulators. The Government on its part has helped in this process by allowing changes in the legal framework. The policies undertaken in the financial markets will help the insurance companies in managing their assets in a prudent and profitable way. Insurance companies are now allowed to access the negotiated dealing system – order matching using the constituents' subsidiary general ledger route. This will help the insurance companies in participating in the negotiated dealing system for parking their excess funds. The SEBI has undertaken many initiatives in making the operations of mutual funds more transparent and investor friendly. The SEBI mandates FIIs to provide AAA rated foreign government securities as collaterals for margins against transactions in the derivatives segment.

Several measures were also initiated to develop the private corporate debt market. The Union Budget 2007-08 has announced measures to develop bond, currency and derivatives market including launching of exchange traded currency and interest rate features and developing a transparent credit derivatives market with appropriate safeguards. Government Securities Regulations 2007 has come into force with effect from December 1, 2007. All the above measures undertaken by the various regulators will open opportunities for the insurance companies to park their funds in a profitable way. However, they may have to improve their skills in dealing with such complex exotic financial instruments.

The CSO has placed the real GDP growth originating in Agriculture, Industry and services during the first quarter of 2008-09 at 3.0 per cent, 5.2 per cent and 10.2 per cent respectively. Accordingly, the real GDP growth in the economy worked out 7.9 per cent for the first quarter as against 9.2 per cent recorded in the first quarter of the previous year. Inflation, measured by variations in the wholesale price index (WPI) on a year-on-year basis, increased to 11.4 per cent as on October 4, 2008 from 7.8 per cent as at end-March 2008 and 3.2 per cent a year ago. At a disaggregated level, prices of primary articles and manufactured products rose by 12.7 per cent and 9.7 per cent, respectively, as compared with 5.0 per cent and 4.5 per cent a year ago. Inflation, based on the consumer price index (CPI) for industrial workers, showed a sharp increase to 9.0 per cent on a year-on-year basis in August 2008 from 7.3 per cent a year ago.

The interest rates (both deposit and lending rates) rose significantly during the first two quarters of 2008-09. Deposit rates offered by the banks for various maturities increased by 50-175 basis points and the benchmark prime lending rates of Public Sector Banks increased by 125-150 basis points during the same period.

The weighted average yield of Central Government securities were higher at 8.81 per cent as compared with 8.12 per cent. The yields on Government securities with one-year residual maturity increased from 7.49 per cent at end-March 2008 to a high of 9.25 per cent. The overnight rates in the call market, market repo (outside the LAF) and collateralised borrowing and lending obligation (CBLO) hardened across the spectrum on account of tighter liquidity consequent upon gradual increases in the CRR during April-August 2008. The weighted average discount rate of Certificates of Deposit increased from 10.00 per cent at the end of March 2008 to 11.56 per cent by end-September 2008.

The outlook for the emerging economies remains positive, but uncertainties about their resilience to the global shocks have increased. Industrial production and export volumes have slowed down. While equity markets have fallen sharply in tandem with those in advanced economies, bond spreads have widened. The international financial system is gripped by extreme risk aversion in the wake of spectacular failures of among the world's largest financial institutions.

With buoyancy in stock markets, while investors are willing to take risks and prepared to bear investment risks by opting for ULIPs, with the financial crises across the globe and melt down in the stock markets, the sentiments of the investors may turn the other way and many would like to invest their surpluses in safe and traditional financial instruments rather than take risks. As such, the preference will be shifted away from ULIPs and life insurers may have to design traditional products with good incentives. As such, the growth in life insurance business in near future may not be as robust as it was so far. Further, as insurance companies are closely monitored by their solvency margins, they have to inject additional capital to maintain the regulatory requirement. Under the present position in the financial markets, it is difficult to raise funds from the capital markets and promoters may find it difficult even to divest their own investments in a bearish stock market.

In the recent past, insurance companies have gone aggressively on branch expansion and added technical manpower. The associated costs due to those are high and companies may find it difficult to sustain with high costs and low premiums. With slow down in the economic growth, the personal disposable incomes will be lower thus affecting the savings and investment. The slow down in the industry, and lower investments in the private corporate sector leads to lower asset formation. This together with lower merchandise trade affects the non-life insurance market. With slump in the stock markets, the investment income for the non-life insurance

companies would also come down thus affecting the profits, because the investment income has been offsetting the underwriting lossess of the insurers so far.

Performance in the first quarter of 2008-09

(i) Life insurance:

The life insurers underwrote a premium of Rs.14320.20 crore during the first quarter in the current financial year as against Rs.12511.80 crore in the comparable period of last year recording a growth of 14.45 per cent. Of the total premium underwritten, LIC accounted for Rs.7524.56 crore and the private insurers accounted for Rs. 6795.64 crore. The premium underwritten by LIC declined by 12.31 per cent while, that of private insurers increased by 72.88 per cent, over the corresponding period in the previous year. The number of policies written at the industry level declined by 7.78 per cent. While the number of policies written by LIC declined by 23.36 per cent, in the case of private insurers they grew by 44.00 per cent. Of the total premium underwritten, individual business accounted for Rs.10995.90 crore and group business for Rs. 3324.30 crore. In respect of LIC, individual business was Rs. 5275.71 crore and group business was Rs.2248.85 crore. In the case of private insurers, they were Rs.5720.19 crore and Rs.1075.45 crore respectively. The market share of LIC was 52.55 per cent in the total premium collection and 63.88 per cent in number of polices underwritten, lower than 68.58 per cent and 76.87 per cent respectively reported in the previous year. Under the group scheme 56.13 lakh lives were covered recording a growth of 8.51 per cent over the previous period. Of the total lives covered under the group scheme, LIC accounted for 38.96 lakh and private insurers 12.77 lakh. The life insurers covered 12.50 lakh lives in the social sector with a premium of Rs.17.10 crore and underwrote 13.53 lakh policies with a premium of Rs.1275.78 crore in the rural sector.

(ii) Non-Life Insurers

During the first quarter of current financial year, the non-life insurers underwrote a premium of Rs.8778.18 crore recording a growth of 17.85 per cent over Rs.7448.74 crore underwritten in the same period of last year. The private non-life insures witnessed higher growth of 22.43 per cent by underwriting premium to the tune of Rs.3541.78 crore as against Rs.2892.89 crore underwritten in the same quarter of the last year. The public non-life insurers underwrote a premium of Rs.5236.40 crore, higher by 14.94 per cent in the first quarter of 2007-08. The market shares of public and private insurers were 59.65 and 40.35 per cent respectively. ECGC underwrote credit insurance of Rs.164.70 crore as against Rs.88.09 crore in the previous year resulting in a significant growth of 86.98 per cent.

Segment-wise, the premium underwritten in the Fire, Marine, Motor, Health and Miscellaneous segments by the non-life insurers were Rs.1208.15 crore, Rs.572.99 crore, Rs.3624.23 crore, Rs.1772.57 crore and Rs.1600.24 crore respectively. The Health segment recorded the highest growth (49.67 per cent) in the first quarter of the current financial year over the corresponding quarter of 2007-08. The Fire segment witnessed negative growth (-13.80 per cent) over in the same period.

In terms of number of policies, Fire and Marine, recorded negative growth rates (-5.14 per cent and -4.37 per cent respectively) over the one year period. In the Motor segment, the public insurers witnessed positive growth rate (23.09 per cent) in the premium underwritten despite issuing lesser number of policies. The premium underwritten in the Motor segment in the first quarter of the current financial year was Rs.3624.23, constituting 41.29 per cent in the total premium underwritten. The contribution from the Public and Private life-insurers in the total Motor premium was Rs.2151.19 crore (59.36 per cent) and Rs.1473.04 crore (40.64 per cent) respectively.

The premium collection in the Health segment went up to Rs.1772.57 in the first quarter of the current year, constituting for 20.19 per cent in the total premium. The number of policies, issued in this quarter, as a ratio of total number of policies worked out to 12.20 per cent. The shares of public and private non-life insurers in the Health segment remained similar to the Motor segment, which constituted 58.72 per cent (Public) and 41.28 per cent (Private) respectively in the first quarter of the current financial year. In terms of number of policies issued Health segment recorded a growth of 12.95 per cent. This growth was sharper in the public insurers with 20 per cent.

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PART I
POLICIES AND PROGRAMMES

A. GENERAL ECONOMIC ENVIRONMENT

India's macroeconomic performance in 2007-08 as measured by growth in real gross domestic product (GDP) was high at 9 per cent. This growth was observed over and above a growth of 9.6 per cent in 2006-07 and 9.4 per cent in 2005-06. With this high growth, the average real GDP growth during the period 2003-2008 worked out to 8.8 per cent, much higher than 5.4 per cent in the preceding quinquennium. Services sector continues to grow at double digit level, 10.7 per cent in 2007-08. GDP growth originating from 'Agriculture' sector in 2007-08 was 4.5 per cent as against 3.8 per cent recorded in 2006-07. The acceleration in the agriculture sector may be seen from the increased food grains production in 2007-08 to a record level of 230.7 million tonnes higher than 217.3 million tonnes recorded in 2006-07. Real GDP growth originating from 'Industry sector' was lower at 8.1 per cent in 2007-08 than 10.6 per cent observed in 2006-07. The deceleration was mainly on account of decline in manufacturing activities from a growth of 12 per cent in 2006-07 to 8.8 per cent in 2007-08. While there has been a marginal increase in the growth of 'electricity, gas and water supply', there has been a decline in the 'Mining and quarrying' segment. The deceleration in the GDP originating from 'industry' sector was also reflected in the movement of index of industrial production (IIP). The industrial growth, in terms of IIP, moderated to 8.5 per cent during 2007-08 from 11.5 per cent in 2006-07. The manufacturing sector with a weight of 79.4 per cent in the total IIP, recorded a growth rate of 9.0 per cent in 2007-08 much lower than 12.5 per cent observed in 2006-07. In terms of use-based classification, deceleration was observed in all the segments; more so in consumer durables which recorded a negative growth of 1 per cent in 2007-08 as against 9.2 per cent in 2006-07.

The Infrastructure sector which gained momentum during 2006-07 decelerated significantly during 2007-08. The sector, with a weight of 26.7 per cent in IIP, recorded a growth of 5.6 per cent in 2007-08 as compared with 9.3 per cent during 2006-07. All the segments of the infrastructure sector, barring coal, recorded decelerated growth during 2007-08. The micro and small enterprises (MSE) continues to play an important role in India's industrial growth and exports, besides providing substantial employment opportunities. In the recent years, the MSE sector has consistently registered higher growth in comparison with the overall industrial growth. The MSE sector contributed about 40 per cent to the gross industrial value added in the economy and accounted for 47 per cent of the total manufactured exports.

According to the revised estimates released by the Central Statistical Organization (CSO), real GDP growth originated for the services sector moderated from 11.2 per cent in 2006-07 to 10.7 per cent in 2007-08 due to deceleration in 'financing, insurance, real estate and business services' and 'construction' sub-sectors. 'Financing, insurance, real estate and business services' recorded a growth of 11.8 per cent in 2007-08 compared to 13.9 per cent in 2006-07. However, the sector's share in real GDP has marginally increased from 14.3 per cent in 2006-07 to 14.7 per cent in 2007-08. Latest estimates on gross domestic product emanating from sub-sector are available for 2006-07. As per the estimates, banking and insurance constituted 6.68 per cent of real GDP in 2006-07 as against 6.12 per cent in 2005-06. This sub-sector has recorded a growth of 19.71 per cent in 2006-07. While 'banking' showed a growth of 17 per cent, insurance recorded a growth of 34.5 per cent in 2006-07 over 2005-06. The share of insurance sector in real GDP increased to 1.1 per cent in 2006-07 from 0.9 per cent in 2005-06.

Saving and Capital Formation

The CSO released estimates for GDP at the economy level and also at sectoral level for 2007-08. But estimates of saving and capital formation are available with lag of one year; as such, the latest estimates released by CSO relates to 2006-07. However, the gross financial savings of the household sector, as estimated by Reserve Bank of India (RBI), are available for 2007-08. As such the review pertains to savings and capital formation for 2006-07 and gross financial assets for 2007-08.

Gross domestic savings as a per cent of GDP at current market prices increased from 34.3 per cent in 2005-06 to 34.8 per cent in 2006-07 as a result of increase in the savings of private corporate sector and savings of the public sector. While there has been no change in the saving rate in the form of physical assets for the household sector at 12.5 per cent, a marginal decline in the form of financial savings from 11.8 per cent in 2005-06 to 11.3 per cent in 2006-07 was observed. Thus the household saving rate has declined to 23.8 per cent in 2006-07 from 24.2 per cent in 2005-06. The saving rate of the private corporate sector had increased from 3.4 per cent in 2001-02 to 7.5 per cent in 2005-06 and further to 7.8 per cent in 2006-07. Public sector savings further improved from 2.6 per cent of GDP in 2005-06 to 3.2 per cent in 2006-07 due to higher savings of non-departmental as well as departmental enterprises. While the gross domestic saving rate at the economy level increased by 5 percentage points in 2006-07, the gross domestic capital formation rate increased by 4 percentage points from 35.5 per cent in 2005-06 to 35.9 per cent in 2006-07. A marginal decline in net capital inflows from 1.2 per cent in 2005-06 to 1.1 per cent in 2006-07 was recorded.

Preliminary estimates of household financial savings released by RBI revealed a change in the pattern of the household savings in 2007-08 from that of 2006-07 reflecting the households preferences in a growing economy. As a percentage of GDP, while savings in the form of currency and investments in shares increased in 2007-08, savings in the form of bank deposits has declined. Gross financial savings of the household sector comprised of 11 per cent in the form of currency, 56.5 per cent in the form of deposits. The share of insurance funds in household savings increased from 14.9 per cent in 2006-07 to 17.5 per cent in 2007-08 reflecting households' need for insurance and availability of innovative products customized to different segments of the households. Savings in the form of life insurance funds increased to 16.9 per cent in 2007-08 from 14.4 per cent in 2006-07, which could be due to the success of ULIPs in 2007-08. Postal insurance has marginally increased from 0.3 per cent in 2006-07 to 0.4 per cent in 2007-08. A similar increase was observed in the investments in Mutual Funds. Their share has increased from 5.2 per cent in 2006-07 to 7.7 per cent in 2007-08.

Price Situation

Inflation across many countries firmed up during 2007-08, mainly due to higher food and fuel prices as well as strong demand conditions. Increase in oil prices to record high levels caused concern over inflation risks and demand-supply imbalances. The above conditions impacted the inflation level in India also. Inflation as measured by the movements in the Whole Price Index (WPI) increased to 7.7 per cent at end-March 2008 from 5.9 per cent a year ago. Among primary articles group both food and non-food, exerted upward pressures on inflation during 2007-08, reflecting lower domestic production of some commodities as well as firm international prices. Various supply side measures to improve domestic availability of rice and wheat undertaken by the Government contained the high inflation. Within food articles, rice, wheat and milk prices increased, on an year-on-year, by 9.1 per cent, 5.1 per cent and 8.7 per cent, respectively in 2007-08 as compared with 5.7 per cent, 7.3 per cent and 8.4 per cent, respectively a year ago. Within non-food primary articles, oil seeds and raw cotton prices increased by 20.3 per cent and 14.0 per cent respectively on top of 31.6 per cent and 21.9 per cent increase a year ago. Overall, primary articles inflation, on an year-on-year basis was 9.7 per cent at end March 2008 as compared with 10.7 per cent a year ago.

Fuel group inflation, which was negative during June-November 2007, reflecting the base effect as well as reduction in petrol and diesel prices in November 2006 and February 2007, turned positive from mid-November 2007 and reached 6.8 per cent on March 29, 2008 as against 1.0 per cent a year ago. The increase in fuel group inflation beginning November 2007 was due to continuous increase in the prices of non-administered petroleum products as well as upward revision in the domestic prices of petrol and diesel. International crude oil (Indian basket) prices increased by almost 75 per cent from US Dollar 56.6 barrel in February 2007 to US Dollar 99.3 a barrel in March 2008.

During 2007-08 inflation in manufactured products was the main driver of overall inflation. Inflation in the manufactured products increased to 7.3 per cent at end March 2008 as against 6.1 per cent a year ago. With a weight of 63.8 per cent, manufactured products contributed 52.8 per cent to the

overall inflation as on March 29, 2008, followed by primary articles at 28.2 per cent and the fuel group at 18.9 per cent.

On an average basis (average of 52 weeks), the wholesale price inflation was lower at 4.7 per cent in 2007-08 when compared to 5.4 per cent in 2006-07. Consumer price inflation for industrial workers was higher than WPI inflation upto January 2008. With increase in food prices, the gap has reduced to some extent CPI inflation for industrial workers for March 2008 stood at 7.9 per cent as against 6.7 per cent observed in March 2007. On average basis (average of 12 months) CPI inflation during 2007-08 worked to 6.2 per cent as against 6.7 per cent in 2006-07.

DOMESTIC FINANCIAL MARKETS

Global financial markets remained turbulent due to surge in liquidity demand because of turmoil in the US sub-prime mortgage market. However, the financial markets in India remained relatively unaffected except for equity markets and for brief spells in the money market. Policy interventions by the RBI helped the markets to come back to normalcy.

Money Market

The money market remained largely orderly during 2007-08, barring occasional spells of volatility on account of volatility in capital flows and large changes in cash balances of the Central Government with the Reserve Bank. The policy intervention by the RBI under the liquidity adjustment facility (LAF) caused some tightening in the money market and subsequent withdrawal of this policy imposition helped the Call/notice rates to lie within the corridor of repo and reverse repo rates. Over the year as a whole, the call rate averaged 6.07 per cent, 115 basis points lower than that in 2006-07. Interest rates in the collateralised segments of the money market – the market repo (outside the LAF) and the collateralised borrowing and lending obligation (CBLO) – moved in tandem with call rates. The collateralised market is now the predominant segment of the money market in India accounting for nearly 80 per cent of the total volume during 2007-08. During 2007-08, interest rates averaged around 5.20 per cent in CBLO, 5.50 per cent in market repo and 6.07 per cent in the call/notice money market. A year ago the interest rates for the above segments were 6.24 per cent, 6.34 per cent and 7.22 per cent respectively. The weighted average rate of the above three money market segments worked out to 5.48 per cent during 2007-08 compared with 6.57 per cent a year ago. In other segments of the money market, the weighted average discount rate for certificates of deposit (CDs) was 10 per cent at end March 2008 as compared with 10.75 per cent at end March 2007. In the commercial paper market, the weighted average discount rate declined from 11.33 per cent on March 31, 2007 7.65 per cent at end October 2007 and hardened to 10.38 per cent as on March 31, 2008.

Foreign Exchange Market

The Indian rupee generally exhibited two-way movements in the range of Rs.39.26 to 43.15 per US Dollar during 2007-08. At the beginning of the year, tight liquidity conditions in the domestic money market and US Dollar sales by banks led the rupee to appreciate from its level of Rs. 43.60 per US Dollar at end-March 2007 to Rs. 40.46 per US Dollar as on May 29, 2007. Foreign institutional investment (FII) outflows, bearish conditions in the Indian equity market and concerns over the sub-prime mortgage crisis in the US resulted in depreciation of the Indian rupee during the first half of August 2007 to Rs.41.58 per US Dollar The exchange rate of the rupee appreciated thereafter on account of large capital inflows, interest rate cut by the US Fed, weakening of the US Dollar *vis-à-vis* other major currencies. During October 2007 to January 2008 the rupee moved in the range of Rs.39.26 to Rs.39.84 per US Dollar. At the beginning of February 2008, on account of FII outflows (rising crude oil prices and heavy Dollar demand by oil companies), the rupee started depreciating and at the end March 2008 it was Rs.39.99 per US Dollar. Between end March 2007 and end March 2008 the exchange rate of the rupee appreciated by 9.0 per cent against the US Dollar. Over the same period, the rupee appreciated by 7.6 per cent against the Pound Sterling, while it depreciated by 7.8 per cent against the Euro, 7.6 per cent against the Japanese Yen. The conditions in the spot foreign exchange market and generally comfortable liquidity conditions in the domestic money markets kept forward premia on the US Dollar low during 2007-08. Capital inflows during the year were significantly higher than the current account deficit. India's foreign exchange reserve during 2007-08 comprising

foreign currency assets, gold, SDRs and the reserves tranche with IMF, increased to US Dollar 309.7 billion at end March 2008 as compared with US Dollar 199.2 billion at end March 2007.

Government Securities Market

Yields in the government securities market hardened somewhat during the first quarter of 2007-08, partially reflecting global trends and also due to certain policy actions of RBI. Yields on 10 year security reached an intra-year peak of 8.32 per cent on June 11, 2007. With easy liquidity conditions thereafter the yields softened. Yields were largely range bound during August-December 2007 and thereafter. The 10-year yield, moved in a range of 7.42-8.32 per cent during 2007-08. As on March 31, 2008, the yield was 7.93 per cent, 4 basis points lower than that of end-March 2007. The spread between 1-year and 10-year yields was 45 basis points at end-March 2008 as compared with 42 basis points at end-March 2007. At the longer end, the spread between 10 year and 30 year increased to 47 basis points at end-March 2008 from 37 basis points at end March 2007. The yield spread of 5-year AAA-rated corporate bonds over 5 year government securities increased to 161 basis points at end-March 2008 from 142 basis points of end March 2007.

Primary Market

Resources raised from primary market through public issues increased to Rs 83707 crore during 2007-08 from Rs. 32382 crore during 2006-07 recording a high growth of 158.5 per cent over the previous year. As the number of issues remained unchanged at 119, the average size of public issue increased from Rs 272 crore in 2006-07 to Rs 703 crore in 2007-08. Barring three debt issues, all public issues during 2007-08 were in the form of equity. Out of 119 issues, 82 issues were initial public offerings (IPOs), accounting for 47.7 per cent of total resources mobilisation. Mobilisation of resources through private placement increased by 45.7 per cent to Rs.212568 crore during 2007-08 over Rs. 145894 crore in 2006-07. Indian corporates also raised resources from American Depository Receipts (ADRs) and Global Depository Receipts (GDRs) to the extent of Rs. 26,556 crore during 2007-08. During 2006-07 such resource mobilization was Rs 17005 crore.

The net resources mobilized by Mutual Funds increased by 63.6 per cent to Rs 1, 53,802 crore in 2007-08 from Rs.93985 crore in the previous year. Net assets managed by Mutual Funds also increased significantly by 54.82 per cent to Rs. 505152 crore by March 2008 over Rs. 326292 crore by March 2007. About 67.5 per cent of net mobilisation of funds by Mutual Funds during 2007-08 was under income/debt market-oriented schemes. Growth-oriented schemes accounted for only 30.5 per cent of net resource mobilisation during 2007-08.

Secondary Market

The gains in domestic stock market during 2007-08 were spread across various sectors. Most of the sectoral indices recorded higher gains between end-March 2007 and January 8, 2008 but incurred higher losses thereafter. BSE sensex reached all-time high of 20873 on January 8, 2008. Subsequently the domestic stock markets witnessed higher volatility due to increased concerns over the severe impact of sub-prime lending crises in the US and its spillover to other market segments and in other countries. The market sentiment was affected to liquidity squeeze in the secondary market in the wake of initial public offerings (IPOs), heavy sales by FIIs in short-term capital gains tax hike from 10 per cent to 15 per cent, increase in domestic inflation rate, rise in crude oil prices, and decline in ADR prices in the US market. BSE sensex closed at 15644 on March 31st 2008 registering a gain of 19 per cent over March end 2007. The market capitalization of BSE increased sharply by 44.9 per cent to Rs. 5138015 crore by end-March 2008. Market capitalization to GDP ratio improved from 85.5 per cent at end-March 2007 to 156.7 per cent on January 8, 2008 before declining to 109.5 per cent by end-March 2008. The combined turnover of BSE and NSE in the cash segment during 2007-08 was higher by 76.8 per cent than that during 2006-07.

EXTERNAL SECTOR

The merchandise trade deficit, after fluctuating around 3-4 per cent of GDP between the mid-1990s and 2003-04, widened sharply to 6.9 per cent of GDP in 2006-07 and 7.7 per cent of GDP in 2007-08 on account of higher non-oil imports, particularly, import of capital goods and higher crude oil prices. However the sustained increase in invisible surplus during 2007-

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08 continued to cushion the impact of widening of merchandise trade deficit. As a result the current account deficit, as proportion of GDP was 1.5 per cent in 2007-08 higher than that of last year at 1.1 per cent. Favourable domestic financial and economic conditions, further liberalisation of capital account, sustained growth momentum of India resulted in a surge of capital inflows to India during 2007-08. The net capital flows (inflows minus outflows) at US Dollar 108 billion constituted 9.2 per cent of GDP in 2007-08 and was 2.4 times higher than that of 2006-07. India emerged as second most favoured FDI destination after China. Net FDI flows amounted to US Dollar 15.5 billion in 2007-08 as compared with US Dollar 8.5 billion in 2006-07. Most of FDI flows were in the form of equity while portfolio flows comprised investments by FIIs. India received external assistance (net) of US Dollar 2.1 billion during 2007-08 as compared with US Dollar 1.8 billion during 2006-07 . India contributed US Dollar 451 million to other countries in the form of grants and loans, with Bhutan, Nepal and Bangladesh being the major beneficiaries

First Quarter Review

The global economy has continued to slow down during 2008 so far mainly due to low growth in advanced economies. According to International Monetary Fund (IMF), the global GDP is expected to decelerate from 5 per cent in 2007 to 4.1 per cent in 2008. Though the growth process in the developing economies has not so far affected, the global financial market turbulence may have an impact in the financial systems and economic activity of the developing countries. Industrial production growth in India during April-June 2008 was lower at 5.2 per cent compared with 10.3 per cent recorded in the same period of last year. This was mainly on account of slowdown in the manufacturing growth from 11.1 per cent, a year ago to 5.6 per cent in the current year. The growth in the electricity sector was at 2 per cent compared with 8.3 per cent a year ago. In terms of use-based classification, the slowdown was reflected in all the sectors. The capital goods sector recorded a much lower growth of 6.5 per cent during April-June 2008 from 19.1 per cent observed in April to June 2007. During April-June 2008, the growth of core infrastructure industries was placed at 3.5 per cent as compared with 6.3 per cent a year ago. The overall inflation firmed up in the current financial year to 12.6 per cent on August 9, 2008 reflecting the upward revision in the prices of administered petroleum products, intermittent but sharp increases in the basic metals prices, and primary articles.

The Indian financial market up to August 2008 remained largely orderly. Brief spells of volatility were observed in the money market. Interest rates in the collateralized segment of the over night money market remained below the call rate. In the foreign exchange market the Indian rupee depreciated against the US Dollars. Yields in the government securities market hardened. The Indian equity markets witnessed correction amidst high volatility. Growth in merchantised exports accelerated while imports showed moderation during the first quarter of 2007-08. Capital flows have been volatile and net capital inflows during 2008-09 so far were lower than those in the corresponding period of 2007-08 mainly on account of outflows by FIIs. As on August 15, 2008, foreign exchange reserves declined by US Dollar 13.5 billion over the end March 2008 level. Considering all the factors the outlook for the Indian economy is contingent upon unfolding of domestic risks in the wake of global risks. The economic activity in industry and services sector had moderated and the prices of food items heavily depend on agriculture production. Unlike the global economy, the Indian economy is likely to witness a moderation of the growth with increased inflation risks.

B. APPRAISAL OF INSURANCE MARKET

TABLE 1
KEY MARKET INDICATORS

Life and non-life market in India (Total Premium)	Rs. 2,29,175 crore US Dollar 54.375 billion*
Global insurance market	US Dollar 4061 billion
Inflation adjusted growth in total premium in India:	13.0 per cent (35.0 per cent in 2006-07)
Growth in premium (world) underwritten 2007-08	Life: 5.4 per cent Non-life: 0.7 per cent
Geographical restriction for new players	None
Equity restriction	Foreign promoter can hold up to 26 per cent of the equity
Registration restriction	Composite registration not available

Source: Swiss Re

* US Dollar 40.334 billion in 2006-07

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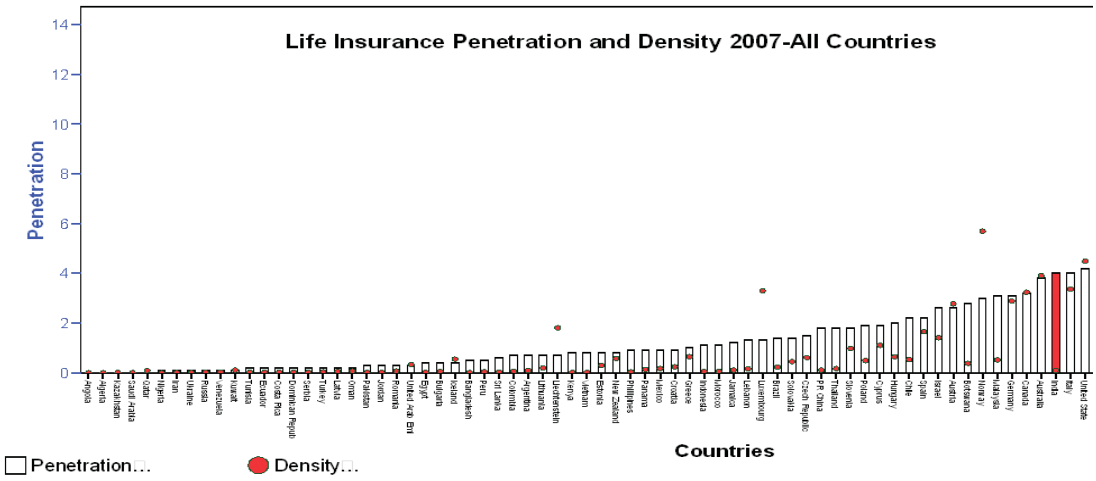
Life Insurance Penetration and Density 2007-All Countries
Penetration
Countries
Penetration...
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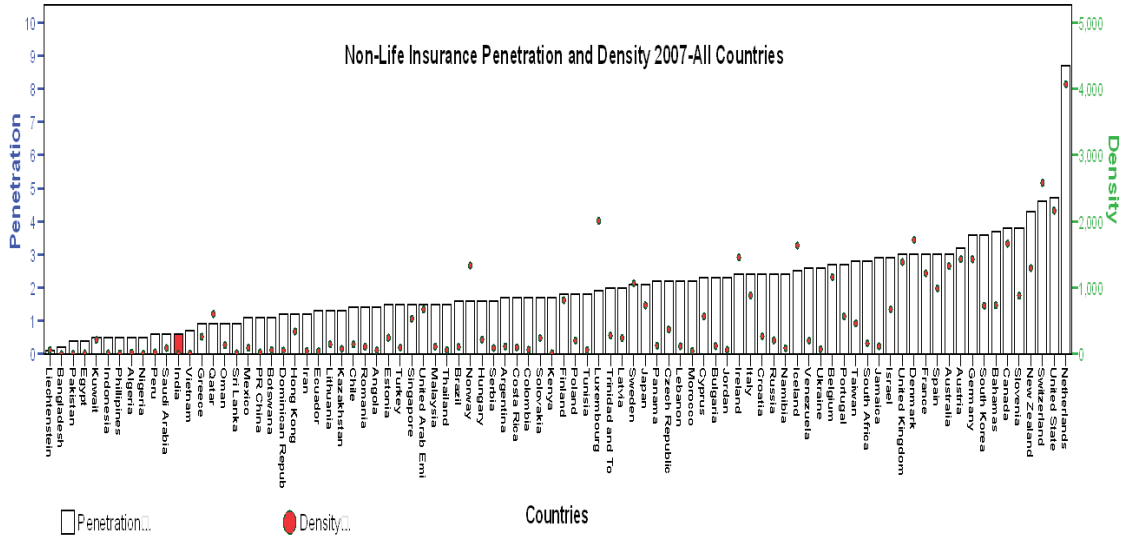
Non-Life Insurance Penetration and Density 2007-All Countries
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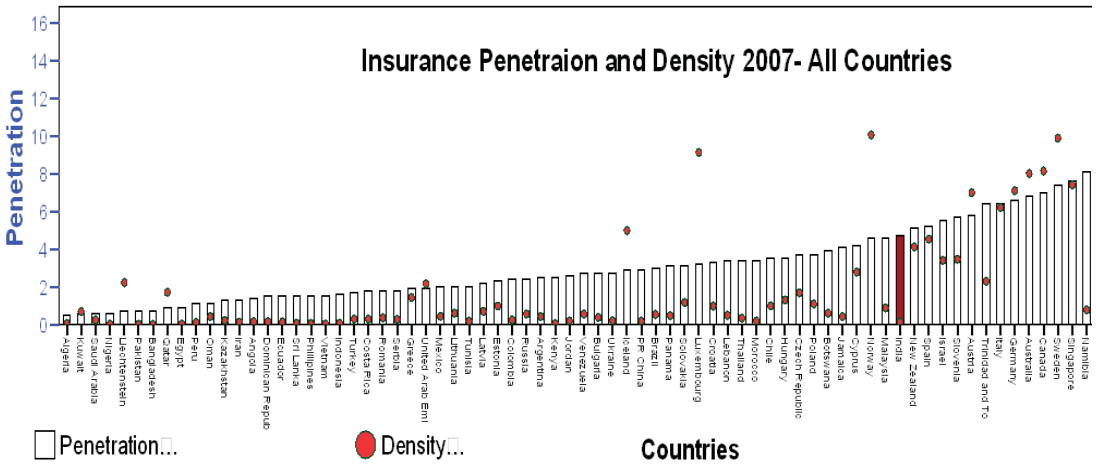
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By the end of March 2008, there were eighteen life insurance companies operating in India. Subsequently, Aegon Religare life insurance company limited and canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd., DLF Pramerica life insurance company limited were given Certificate of Registration by the Authority. With these two new companies the total number of life insurance companies operating in India rose to 21.

TABLE 2
REGISTERED INSURERS IN INDIA

Type of business	Public Sector	Private Sector	Total
Life Insurance	1	20	21
General Insurance	6*	14**	20
Re-insurance	1	0	01
Total	**8**	**34**	**42**

* Includes specialized insurance companies - ECGC and AIC

** Includes two Standalone Health Insurance Companies – Star Health & Allied Insurance Co. and Apollo DKV Health Insurance Co.

At the end March 2008, 19 general insurance companies were operating in India. Subsequently, Bharti Axa general insurance company limited was granted the Certificate of Registration. With this, the total number of general insurance companies increased to 20.

Expansion of Offices

The number of offices of the life insurers has increased dramatically in the year 2007-08 from 5373 at the beginning of the year to 8913 by the end of the year, showing a growth of over 65 per cent. A major portion of this expansion was in the private sector whose offices more than doubled from 3072 to 6391. LIC's offices increased at a more modest 10 per cent from 2301 offices to 2522.

TABLE 3
LIFE INSURANCE OFFICES * AS ON MARCH 31, 2008

Insurer	2001	2002	2003	2004	2005	2006	2007	2008
Private Insurers	13	116	254	416	804	1645	3072	6391
LIC	2186	2190	2191	2196	2197	2220	2301	2522
Industry Total	**2199**	**2306**	**2445**	**2612**	**3001**	**3865**	**5373**	**8913**

Note: 1) Data collected from life insurers through a special return
2) Office as defined under Section 64 VC of the Insurance Act, 1938

* Offices opened after seeking approal of the Authority.

Significantly, the number of offices of private life insurers in semi-urban and smaller locations put together increased the highest, by over 140 per cent, from 1908 to 4592 in 2007-08.

TABLE 4
DISTRIBUTION OF OFFICES * OF LIFE INSURERS AS ON MARCH 31, 2008

Insurer	Metro	Urban	Semi-urban	Others	Total
Private total	628	1169	2692	1902	6391
LIC	311	468	848	895	2522
Industry total	**939**	**1637**	**3540**	**2797**	**8913**

Note : 1) Data collected from life insurers through a special return.
2) Based on the HRA classification of places done by the Ministry of Finance.
Metro : Delhi, Mumbai, Chennai, Kolkata, Hyderabad and Bangalore.
Urban : A, B-1 and B-2 class cities of the HRA classification.
Semi-urban : C class cities of the HRA classification.
Others : Places not listed in the HRA classification.

* Offices opened after seeking approal of the Authority.

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i) World Insurance Scenario

The macroeconomic environment in 2007 across the globe was characterized by marginally slower economic growth and rising inflation driven by a steep increase in food and energy prices. Key interest rates diverged, but were generally low. Though strong at the end of 2007, stock markets fell in early 2008. In this backdrop worldwide insurance premium amounted to US Dollar 4061 billion in 2007 as against US Dollar 3723 billion in 2006. Of the total premium, life insurance premium amounted to US Dollar 2393 billion and the remaining US Dollar 1668 billion by general insurance business. At this level, the global total premium increased by 3.3 per cent in real terms in 2007 compared to 5.0 per cent in 2006.

The growth in life insurance premium was about 5.4 per cent. While the premium grew by 4.7 per cent in industrialized countries, it grew by 13.1 per cent in emerging market economies. The continued expansion of life insurance business in industrialized countries was through pension and annuities products driven by an aging population and reductions in state social security benefits. In the case of emerging economies, strong economic growth, relatively young population and an expanding middle class contributed to higher insurance sales. In emerging markets, the growth in life insurance was 13.1per cent during 2007 as against 21.1 per cent in 2006. The profitability of life business continued to improve in many countries as costs were cut, guaranteed interest rates were reduced and profit participations was adjusted to reflect the low interest rate environment.

The global non-life business grew by 0.7 per cent in 2007 as against 1.5 per cent in 2006. The global growth performance in non-life business varied between industrialized countries and emerging markets. While industrialized countries showed a negative growth of 0.3 per cent, the emerging markets exhibited a robust growth of 10.2 per cent in the non-life insurance business on account of strong economic developments and introduction of mandatory cover in areas such as motor, third party liability and health.

India and China reported strong performance in both life and non-life business. China reported 19 per cent of growth in its life-insurance premium and 20 per cent in non-life insurance premium. Strong economic growth, consequent increase in household disposable income, penetration of insurance companies to uncovered markets, and introduction of compulsory motor third-party liability are the major contributing factors for the strong performance of Chinese insurance industry.

Life insurance business in India grew by 14.2 per cent in US Dollar terms, while non-life insurance business grew by 5.6 per cent. Introduction of new products and channels of distribution and penetration of private insurance companies in uncovered markets are the major contributing factors. However, profitability of insurance companies in the non-life business was affected due to detariffication and consequent reduction in premium rates.

The global outlook for 2008 remains grim for both life and non-life insurance business. While uncertainty in capital and stock market is likely to moderate, lower demand for unit-linked life insurance products, slow down in economic activities are expected to dampen the premium growth in non-life market. As such 2008 will be a challenging year for non-life insurance given the soft market. With sustained pressure on rates and slowdown in economic activity, premium growth in the non-life market at best is expected to stagnate. In the industrialized economies, premiums are expected to decline, while in the emerging economies, growth is expected to slow. Underwriting results (profits/losses) are expected to deteriorate further. A strong rise in inflation would have a severe, negative impact on the technical reserves of liability insurance and other long-tail business lines.

The outlook remains positive for life insurance in the medium term. As economic environment and capital markets are expected to stabilize in medium term, life insurance is projected to resume its strong performance. In the industrialized countries, the need for old-age provision will continue to fuel sales of pension and annuity products. In many emerging markets, the potential for significant market expansion in tandem with higher disposable income and a relatively young population, will drive sales for both savings and protection products in the years to come.

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ii) INDIAN INSURANCE INDUSTRY

Insurance is a big opportunity in a country like India with a large population and untapped potential. The life insurance business (measured in the context of first year premium) registered a growth of 23.88 per cent in 2007-08, (94.96 per cent achieved in 2006-07). The general insurance business (gross direct premium) has registered a growth of 11.72 per cent in 2007-08 (3.52 per cent achieved in 2006-07). This has resulted in increasing insurance penetration in the country. Insurance penetration or premium volume as a ratio of GDP, for the year 2007 stood at 4.00 per cent for life insurance and 0.60 per cent for non-life insurance. The level of penetration, particularly in life insurance, tends to rise as income levels increase. India, with its huge middle class households, has exhibited growth potential for the insurance industry. Saturation of markets in many developed economies has made the Indian market even more attractive for global insurance majors. The insurance market in India has witnessed dynamic changes including entry of a number of global insurers in both life and non-life segment.

Most of the private insurance companies are joint ventures with recognized foreign players across the globe. Over the last eight years, consumer awareness has improved. Competition has brought more product innovation and better customer servicing. This made a positive impact on the economy in income generation and creating employment opportunities in this sector.

I) Life Insurance

The total capital of the life insurers at end March 2008 stood at Rs.12296.42 crore. The additional capital brought in by the existing private insurers during 2007-08 was Rs.3787.01 crore and the two new entrants, brought in equity of Rs.385 crore making the total additional capital brought in 2007-08 by the private insurers to Rs. 4172.01 crore. Of this, the domestic and the foreign joint venture partners added Rs.3160.12 crore and Rs.1011.88 crore respectively.

TABLE 5

PAID UP CAPITAL : LIFE INSURERS

(Rs. Crore)

INSURER	March 31, 2007	Additions during 2007-08	March 31, 2008
LIC	5.00	0.00	5.00
Private Sector	8119.41	4172.01	12291.42
TOTAL	**8124.41**	**4172.01**	**12296.42**

There has been no infusion of capital in the case of LIC which stood at Rs.5 crore.

Innovations in products

Growth in insurance industry has been spurred by product innovation, vibrant distribution channels coupled with targeted publicity and promotional campaigns by the insurers. Innovations have come not only in the form of benefits attached to the products, but also in the delivery mechanism through various marketing tie-ups both within the realm of financial services and outside. All these efforts have brought life insurance closer to the customer as well as made it more relevant. The insurance companies are increasingly tapping the semi-urban and rural areas to take across the message of protection of life through insurance cover. The insurers have also introduced special products aimed at the rural markets.

The design of ULIP products addresses and overcomes several concerns that customers have had in the past like liquidity, flexibility and transparency. ULIPs are structured products and give choices to the policyholder. The Authority prescribed guidelines for Unit Linked products, stipulating minimum risk to be covered, minimum period of premium payment and several other requirements including NAV computation. With ULIP guidelines in place, there has been an enhanced transparency on the charges involved and associated risks. Fund-wise Net Asset Values (NAVs) and portfolio allocations are disclosed on a regular basis.

One of the most significant outcomes of the enhanced competition has been the reduction in the rates for pure protection plans. Over the last seven years, the rates have been revised downwards, and are significantly lower than those

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prevailing prior to opening up of the sector. The life insurance market has become competitive benefiting the policyholders. Simultaneously, insurance industry has been evolving and improving its underwriting and risk management abilities. The reduction of term rates has facilitated increase in the level of sum assured for policies. This higher level of protection implies that customers are more conscious of the need for risk mitigation, greater security, and about the future of their dependents. However, given the level of sum assured in the developed countries and other emerging economies, there is further scope to tap the need for additional cover even amongst the insured population.

Life insurance companies have also been quick to recognize the larger need for structured retirement plans and have leveraged their abilities for long-term fund management towards building this segment. Pension is recognized as a necessity and presents an opportunity for growth in the country, and forms a significant part of portfolio of life insurers. More recently, private life insurers with their expertise in long-term mortality and morbidity introduced annuities.

The growth in group insurance business has also been impressive. The superannuation and gratuity business has grown on the strength of professional fund-management and a host of value-added services. Given such scope for innovations, the life insurance sector in India is expected to maintain the growth momentum of new premium in future.

New Policies

New policies underwritten by the industry were 508.74 lakh in 2007-08 as against 461.52 lakh during 2006-07 showing an increase of 10.23 per cent. While the private insurers exhibited a growth of 67.40 per cent, (previous year 104.64 per cent), LIC showed a decline of 1.61 per cent as against a growth of 21.01 per cent in 2006-07

TABLE 6
NEW POLICIES ISSUED : LIFE INSURERS

Insurer	2006-07	2007-08
LIC	38229292	37612599
	(21.01)	(-1.61)
Private Sector	7922274	13261558
	(104.64)	(67.40)
Total	**46151566**	**50874157**

Note: Figure in brackets indicate growth rate (in per cent).

The market shares of private insurers and LIC, in terms of number of policies underwritten, were 26.07 per cent and 73.93 per cent as against 17.17 per cent and 82.83 per cent respectively in 2006-07.

Premium

Life insurance industry recorded a premium income of Rs.201351.41 crore during 2007-08 as against Rs.156075.85 crore in the previous financial year, recording a growth of 29.01 per cent. Regular premium, single premium and renewal premium in 2007-08 were Rs.54888.16 crore (27.26 per cent); Rs.38824.36 crore (19.28 per cent); and Rs.107638.89 crore (53.46 per cent), respectively. It may be recalled that in 2000-01, when the industry was opened up, the life insurance premium was Rs.34,898.48 crore which comprised of Rs.6966.95 crore (19.96 per cent) of regular premium, Rs.2740.45 crore (7.86 per cent) of single premium and Rs.25191.07 crore (72.18 per cent) of renewal premium.

The first year premium (comprising of single premium and regular premium) amounted to Rs.93712.52 in 2007-08 as against Rs.75649.21 crore in 2006-07 recording a growth of 23.88 per cent as against a growth of 94.96 per cent in 2006-07. The first year premium growth in 2007-08 over a higher growth in 2006-07 has been on account of continued popularity of unit linked products. It is observed that LIC too has shifted its marketing strategy in favour of unit linked products since 2006-07 though LIC's performance has slowed down in 2007-08. While at the industry level, there has been a growth because of slow down in the premium underwritten by LIC the growth levels in 2007-08 were lower than 2006-07. LIC reported growth of 24.17 per cent in single premium individual policies and decline of 6.48 per cent in non-single premium individual policies. LIC reported a growth of 9.11 per cent in Group Single Premium. As against these, private insurance companies reported growth of 39.45 per cent and 69.93 per cent in individual single and non-single policies respectively. The growth in the number of policies underwritten in the Group Single and Non-single segments by the private insurers stood at 54 and 1 per cent respectively. A shift in the shares of first year premium and renewal premium to the total premium was observed in 2007-08. In 2007-08 renewal premium accounted for 53.46 per cent of the total premium underwritten slightly higher than 51.53 per cent in 2006-07.

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Box Item 1

TRENDS IN LIFE INSURANCE BUSINESS—UNIT LINKED INSURANCE PLANS

It wasn't too long back when the good old endowment plan was the preferred way to insure oneself against an eventuality and to set aside some savings to meet one's financial objectives. The traditional endowment policies were investing funds mainly in fixed interest Government securities and other safe investments to ensure the safety of capital. Thus the traditional emphasis was always on security of capital rather than yield. However, with the inflationary trend witnessed all over the world, it was observed that savings through life insurance were becoming unattractive and not meeting the aspirations of the policyholders.

The policyholder found that the sum assured guaranteed on maturity had really depreciated in real value because of the depreciation in the value of money. The investor was no longer content with the so called security of capital provided under a policy of life insurance and started showing a preference for higher rate of return on his investments as also for capital appreciation. It was, therefore found necessary for the insurance companies to think of a method whereby the expectation of the policyholders could be satisfied. The object was to provide a hedge against the inflation through a contract of insurance. Decline of assured return endowment plans and opening of the insurance sector saw the advent of ULIPs on the domestic insurance horizon. Today, the Indian life insurance market is riding high on the unit linked insurance plans.

ULIPs and its Features

Unit linked insurance plans (ULIPs) are insurance plans that combine the benefit of investment with insurance. They give the investor an option to put a part of their premium in various investment portfolios and derive the benefits depending upon the performance of the funds chosen by them. ULIPs were launched at an opportune time when stock markets had just taken off. Being market- linked, they were major beneficiaries of the secular rise in stock markets.

ULIPs have gained high acceptance due to the attractive features they offer. These include:

1. Flexibility
    1. Flexibility to choose Sum Assured.
    2. Flexibility to choose premium amount.
    3. Option to change level of Premium even after the plan has started (Top up facility).
    4. Flexibility to change asset allocation by switching between funds.
2. Transparency
    1. Changes in the plan & net amount invested are known to the customer.
    2. Convenience of tracking one's investment performance on a daily basis.
3. Liquidity
    1. Option to withdraw money after few years (comfort required in case of exigency).
    2. Low minimum tenure.
    3. Partial / Systematic withdrawal allowed
4. Fund Options
    1. A choice of funds (ranging from equity, debt, cash or a combination).
    2. Option to choose fund mix based on desired asset allocation.

Traditionally, endowment plans have invested in government securities, corporate bonds and the money market. ULIPs however, have a broader choice. They invest across the board in stocks, government securities, corporate bonds and money market instruments. Of course, within a ULIP there are options wherein equity investments are capped. The common types of funds available in ULIPs are Bond Fund, Protector Fund, Secure Fund, Balanced Fund, Growth Fund, Index Fund, and Enhancer Fund. Depending on one's risk appetite one can choose the fund. However the investment risk is borne by the investor.

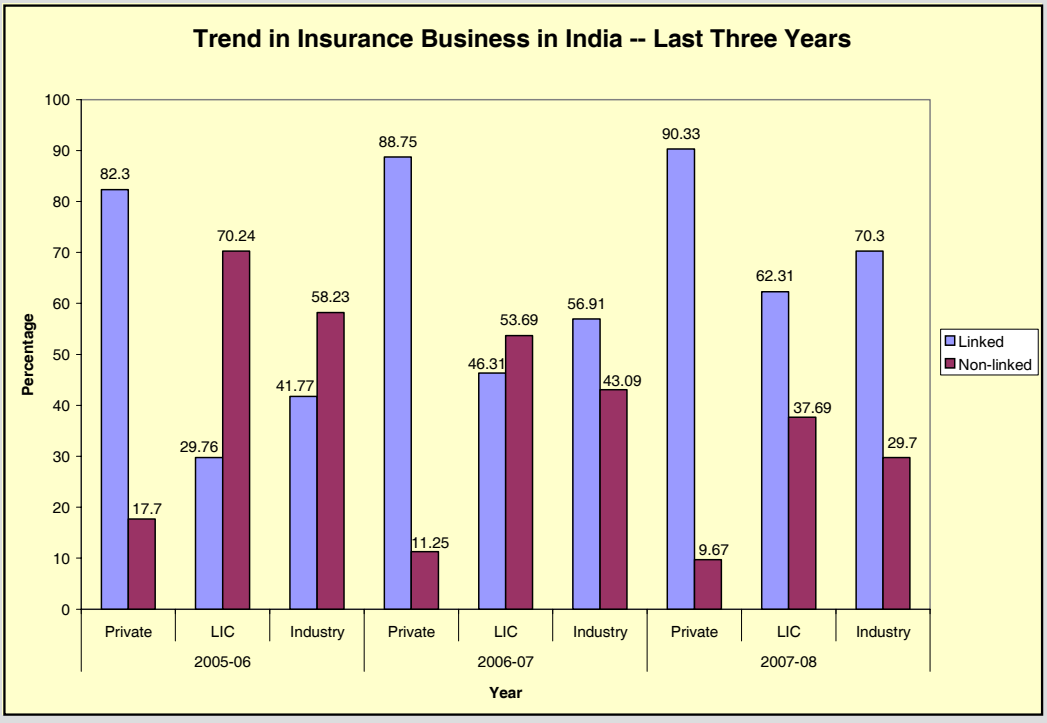
The common type of charges, fees and deductions in ULIPs are Premium allocation charges, Mortality charges, Fund management charges, Policy/administration charges, Surrender charges, Fund switching charges and Service tax.

Insurance companies are required to declare the NAV of various ULIPs on a daily basis. The movement of NAV enables the policy holder to assess the performance of his investment and accordingly make intervention in the form of switches, withdrawal and top-ups.

After opening up of the insurance sector, Unit-linked insurance policies (ULIPs) have become increasingly popular. Analysis of figures for the last three years indicates the growth pattern of unit linked business.

TRENDS IN LIFE INSURANCE BUSINESS—UNIT LINKED INSURANCE PLANS

	Unit Linked Business (%)			Non-linked Business (%)		
	2005-06	2006-07	2007-08	2005-06	2006-07	2007-08
Private	82.30	88.75	90.33	17.70	11.25	9.67
LIC	29.76	46.31	62.31	70.24	53.69	37.69
Industry	41.77	56.91	70.30	58.23	43.09	29.70



As reflected in the business figures and the above chart it is the unit linked business which is driving the growth of premiums over the last 2-3 years. While the private players have taken the lead in this segment, LIC has also made strong strides in the sale of ULIPs during the last three years. Despite the growing popularity of ULIPs it remains a fact that the policy holders rely heavily on the advice rendered by the distributors. The complicated design of the policies makes them less aware of the product features and chances of mis-selling by agents are high. To protect the interest of the customers, IRDA has taken the following initiatives.

- Issuance of comprehensive ULIP guidelines in 2005 which mandate minimum risk cover, three year lock-in, usage of simple language, proper disclosures, standard method of computing NAV etc
- Insurers to make projections of return as per the guidelines of Life Insurance Council.
- To ensure transparency, IRDA has directed the insurers to list all charges that the policyholder has to bear along with the amount available for investment in each year specific to each policy.
- IRDA has also stipulated that policyholders would have to sign a document stating that they have understood the terms and conditions of the policy before concluding the sale.
- The customer can also use 15 days free look period in case he is not satisfied with the terms and conditions of the policy.
- To remove complexity in unit linked products IRDA has advised the insurers to phase out some of the actuarially funded ULIPs.

World wide, Unit linked products have been seen as attractive- in view of the flexibility and investment options they offer to the customers and the capital efficiency to the companies. After the market crash of 2001, customers started looking for more security and guarantees in the unit linked products. Adding guarantees to unit linked products has been common in Europe, North America and Japan. The unit linked market though new in Asia is growing steadily in countries like Korea, Taiwan and South East Asia. Variable Annuity products are slowly emerging in these markets and from the customer point of view are quite attractive, especially when they provide guarantees on pension savings.

In India, the long-standing debate over the suitability of Unit Linked Insurance Plan (ULIP) and mutual funds can be resolved better with a proper understanding of the need of the investor. Mutual funds are essentially short to medium term products. ULIPs, in contrast, are positioned as long-term products with an element of life cover. It is pertinent to note that exposure of Indian households to capital markets is limited. It is important for an investor to understand his financial goals and horizon of investment in order to make an informed investment decision.

TABLE 7

PREMIUM UNDERWRITTEN BY LIFE INSURERS

(Rs. Crore)

Insurer	2006-07	2007-08
	Regular premium	
LIC	29886.35	26222.00
	(117.70)	(-12.26)
Private Sector	15474.83	28666.15
	(105.59)	(85.24)
Total	**45361.17**	**54888.16**
	(113.40)	(21.00)
	Single premium	
LIC	26337.22	33774.56
	(78.10)	(28.24)
Private Sector	3950.82	5049.80
	(44.04)	(27.82)
Total	**30288.04**	**38824.36**
	(72.60)	(28.18)
	First Year premium	
LIC	56223.56	59996.57
	(97.17)	(6.71)
Private Sector	19425.65	33715.95
	(89.08)	(73.56)
Total	**75649.21**	**93712.52**
	(94.96)	(23.88)
	Renewal premium	
LIC	71599.28	89793.42
	(14.97)	(25.41)
Private Sector	8827.36	17845.47
	(83.37)	(102.16)
Total	**80426.64**	**107638.89**
	(19.87)	(33.83)
	Total premium	
LIC	127822.84	149789.99
	(40.79)	(17.19)
Private Sector	28253.01	51561.42
	(87.31)	(82.50)
Total	**156075.86**	**201351.41**
	(47.38)	(29.01)

Note: Figure in brackets indicate the growth (in per cent)

The size of life insurance market increased on the strength of growth in the economy and concomitant increase in per capita income. This resulted in favourable growth in total premium for both LIC (17.19 per cent) and private insurers (82.50 per cent) in 2007-08. Private insurers have improved their market share from 18.10 per cent in 2006-07 to 25.61 per cent in 2007-08 in the total premium collected during the year.

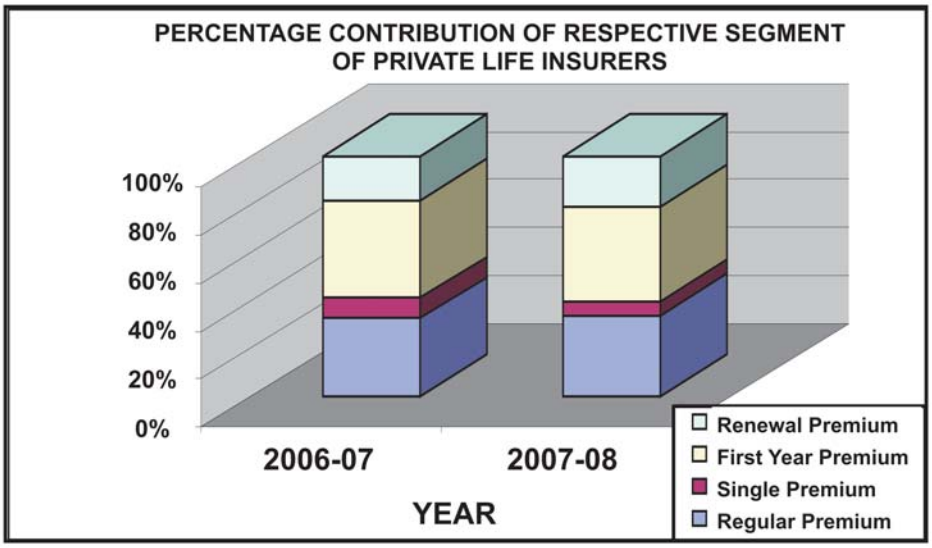
Segregation of the first year premium underwritten during 2007-08 indicates that Life, Annuity, Pension and Health contributed 59.54; 2.75; 37.61 and 0.10 per cent to the premium underwritten, as against 67.40; 2.62; 29.94 and 0.04 per cent respectively in the previous year. The shift in favour of pension products is visible for the third consecutive year.

Increase in the renewal premium is a good measure of the quality of business underwritten by the insurers. It reflects increase in persistency ratio and enables insurers to bring down the overall cost of doing business. The renewal premium underwritten by the life insurance industry, during 2007-08 grew by 33.83 per cent as against 19.87 per cent in 2006-07. Private insurers and LIC reported growth rates of 102.16 per cent and 25.41 per cent respectively during the year under review.

TABLE 8
MARKET SHARE OF LIFE INSURERS

(Per cent)

Insurer	2006-07	2007-08
		Regular Premium)
LIC	65.89	47.77
Private Sector	34.11	52.23
Total	**100.00**	**100.00**
		Single Premium
LIC	86.96	86.99
Private Sector	13.04	13.01
Total	**100.00**	**100.00**
		First Year Premium
LIC	74.32	64.02
Private Sector	25.68	35.98
Total	**100.00**	**100.00**
		Renewal Premium
LIC	89.02	83.42
Private Sector	10.98	16.58
Total	**100.00**	**100.00**
		Total Premium
LIC	81.90	74.39
Private Sector	18.10	25.61
Total	**100.00**	**100.00**


PERCENTAGE CONTRIBUTION OF RESPECTIVE SEGMENT OF PRIVATE LIFE INSURERS
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Single Premium
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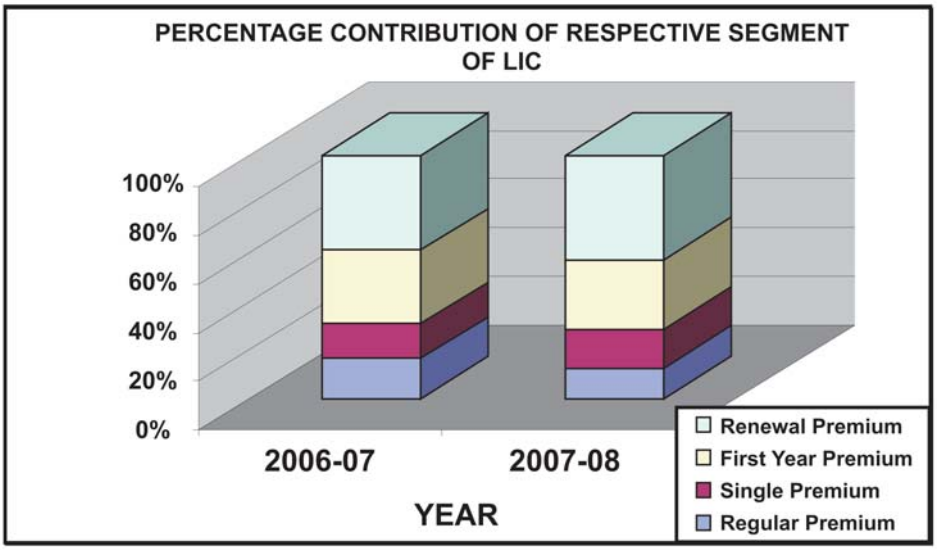
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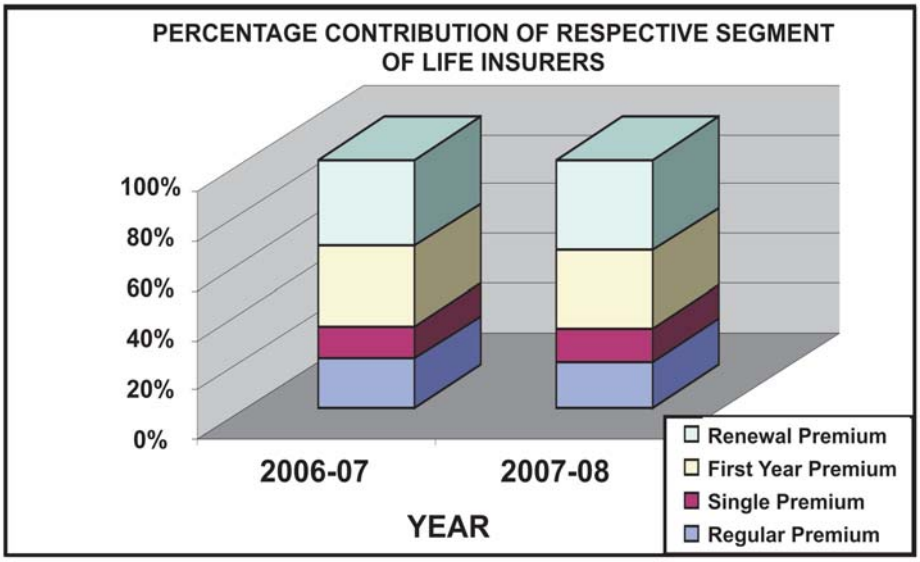
PERCENTAGE CONTRIBUTION OF RESPECTIVE SEGMENT OF LIFE INSURERS
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80%
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20%
0%
2006-07
2007-08
YEAR
Renewal Premium
First Year Premium
Single Premium
Regular Premium

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Segregation of first year premium (based on the monthly data of premium underwritten) into linked and non-linked components revealed consolidation towards linked products, with premium underwritten at Rs.70059.52 crore in 2007-08 as against Rs.42911.86 crore in 2006-07, a growth of 63.26 per cent. The non-linked premium was Rs.22929.19. crore as against Rs.32494.66 crore in 2006-07, i.e., a negative growth of 29.44 per cent. Linked and non-linked business accounted for 75.34 and 24.66 per cent of total business in 2007-08 as against 56.91 and 43.09 per cent respectively in 2006-07. The continued shift towards preference for linked products coincided with the sustained positive performance of the stock markets in the country in the first half of 2007-08. In the case of LIC, 65.84 per cent of the first year premium was from linked products while non-linked products contributed 34.16 per cent (46.31 and 53.69 per cent respectively in 2006-07). In the case of private insurers, these proportions were 91.97 and 8.03 per cent respectively in 2007-08 as against 87.34 and 12.66 per cent in 2006-07. Response to unit linked products in the last four years reflects the preference of the customer to such products and the life insurers have recognized the needs of the customers and are orienting towards ULIP products.

Expenses of the life insurers

Section 40 B of the Insurance Act, 1938 provides that no insurer shall in respect of life insurance business transacted in India, spend as expenses of management in excess of the prescribed limits. Expenses of management include all commission payments and operating expenses. The Insurance Rules, 1939 further lay down the manner of computation of the prescribed limits. A major expense head for the life insurers is commission paid to the intermediaries. As against the industry average of 16.25 per cent (16.59 per cent in 2006-07), LIC incurred an expense ratio of 17.01 per cent (16.03 per cent in 2006-07) towards commission on first year premium (excluding Single Premium). For the private insurers this ratio worked out to 15.56 per cent (17.68 per cent in 2006-07). The commissions paid by LIC towards the single premium was 1.49 per cent as against industry average of 1.43 per cent. The corresponding ratio for private insurers averaged to 1.0 per cent. The total commission paid by the life insurers in 2007-08 amounted to Rs.14704.30 crore as against Rs.12258.99 crore in 2006-07 (Table 9). It was observed that commissions paid by the life insurance companies for procurement of new business has increased compared to the previous year pointing to increased competition in the sector.

Management expenses of private insurers had stabilized in 2006-07. In 2007-08, six companies namely Bharti Axa, Aviva, ING Vysya, Reliance and new entrants - Future Generali, and IDBI Fortis exceeded the prescribed limits. Out of 18 companies which underwrote business during 2007-08, 12 companies complied with the stipulations on expenses of management. However, Bharti Axa which started business in 2006-07 exceeded the prescribed limits in the year 2007-08., In the case of Future Generali, IDBI Fortis and Bharti Axa, the excess was within the norms for the life insurance industry. In the case of LIC, the expenses of management continued to be within the allowable limits.

TABLE 9

COMMISSION EXPENSES OF LIFE INSURERS

(Rs. Crore)

Insurer	2006-07	2007-08
	Regular	
LIC	4789.74	4459.48
Private Sector	2735.70	4460.49
Total	**7525.43**	**8919.97**
	Single Premium	
LIC	414.05	504.33
Private Sector	42.51	50.65
Total	**456.57**	**554.98**
	First Year	
LIC	5203.79	4963.81
Private Sector	2778.21	4511.15
Total	**7982.00**	**9474.95**
	Renewal	
LIC	3969.79	4650.89
Private Sector	307.19	578.46
Total	**4276.99**	**5229.35**
	Total	
LIC	9173.58	9614.69
Private Sector	3085.40	5089.61
Total	**12258.99**	**14704.30**

The major expense heads for the private insurers were employee expenses at 39.08 per cent (37.93 per cent in 2006-07); advertisement and publicity at 8.92 per cent (8.89 in 2006-07); training expenses (including agents' training and seminars) at 5.96 per cent (6.92 per cent in 2006-07). Employee remuneration and welfare benefits accounted for 60.75 per cent of the operating expenses of LIC in 2007-08 as against 57.49 per cent in the previous year.

TABLE 10

COMMISSION EXPENSES RATIOS

(in per cent)

Insurer	2006-07	2007-08
	Regular	
LIC	16.03	17.01
Private Sector	17.68	15.56
Total	16.59	16.25
	Single Premium	
LIC	1.57	1.49
Private Sector	1.08	1.00
Total	1.51	1.43
	First Year	
LIC	9.26	8.27
Private Sector	14.30	13.38
Total	10.55	10.11
	Renewal	
LIC	5.54	5.18
Private Sector	3.48	3.24
Total	5.32	4.86
	Total	
LIC	7.18	6.42
Private Sector	10.92	9.87
Total	**7.85**	**7.30**

Note: Commission expenses ratio is the ratio between commission expenses and the premium underwritten by life insurers

As the private insurers have leaner organizational structures compared to LIC their average worked out to 47.93 per cent as against 48.11 per cent in 2006-07. Advertisement and publicity expenses of LIC accounted for 2.44 per cent of the total operating expenses (3.03 per cent in 2006-07). Training expenses in the case of LIC accounted for 1.73 per cent of the operating expenses (1.93 per cent in 2006-07).

TABLE 11

OPERATING EXPENSES OF LIFE INSURERS

(Rs. Crore)

INSURER	2006-07	2007-08
LIC	7085.84	8309.32
Private Sector	6500.01	12032.46
TOTAL	**13585.85**	**20341.78**

Operating expenses as a per cent of gross premium underwritten for the private insurers worked out to 23.34 more or less at the same level as in 2006-07. In the case of LIC, operating expenses constituted 5.55 per cent of the gross premium underwritten in 2007-08 same as in 2006-07.

TABLE 12

OPERATING EXPENSES RATIOS

(in per cent)

INSURER	2006-07	2007-08
LIC	5.54	5.55
Private Sector	23.01	23.34
TOTAL	**8.70**	**10.10**

Note: Operating expenses ratio is the ratio between operating expenses and the premium underwritten by the life insurers

The average for the life insurance companies worked to 10.10 per cent in 2007-08 as against 8.70 per cent in 2006-07. However, given that the industry is expanding and companies have sought permission to widen their office network, it may be expected that there could be a strain on the expense in the current year 2008-09; this would particularly affect the new entrants to the industry.

Benefits Paid

The life industry paid gross benefits of Rs.61780.02 crore in 2007-08 (Rs.55765.35 crore in 2006-07) constituting 30.68 per cent of the gross premium underwritten (35.73 per cent in 2006-07). The benefits paid by the private insurers showed an increase of 111.28 per cent at Rs. 5212.24 crore (Rs.2466.94 crore in 2006-07), constituting 10.11 per cent of the premium underwritten (8.73 per cent in 2006-07). LIC paid benefits of Rs.56567.78 crore in 2007-08, constituting 37.76 per cent of the premium underwritten (Rs.53298.41 crore in 2006-07 constituting 41.70 per cent of the total premium underwritten). The benefits paid by the life insurers net of re-insurance were Rs.61687.77 crore (Rs.55715.01 crore in 2006-07). There has been a significant increase in the benefits paid on account of surrenders/withdrawals amounting to Rs.21677.25 crore as against Rs.17690.32 crore in 2006-07. With a stipulation of minimum lock-in period of three years for ULIP products, surrenders as a per cent of premium underwritten may come down in future.

Investment income

As the operations of the life insurers stabilize, their investment base gets strengthened, resulting in investment income forming a larger proportion of their total income. In the case of LIC, the investment income including capital gains was higher at Rs. 56595.06 crore in 2007-08 compared to Rs. 46784.71 crore in 2006-07. As a percentage of total income, it increased to 37.78 per cent in 2007-08 from a decline of 36.60 per cent in 2006-07. The investment income of the private insurers, inclusive of capital gains, was Rs.6602.62 crore in 2007-08 as against Rs.2478.48 crore in 2006-07. The share of investment income in the total income for the private life insurers increased to 23.37 per cent in 2007-08 (4.81 per cent in 2006-07). Companies have also reported an improvement in the yields on their investments. The industry is still in the process of stabilizing and despite additional share capital, it takes time to reach the consolidation stage.

Profits of life insurers

Life insurance industry is capital intensive, and insurers are required to inject capital at frequent intervals to achieve growth in premium income. Given the high rate of commissions payable in the first year, expenses towards setting up operations, training costs for developing the agency force, creating a niche market for its products, achieving reasonable levels of persistency, providing for policy liabilities, and maintaining the solvency margin, would be difficult for the insurers to earn profits in the initial seven to ten years of their operations. In 2007-08, four of the private sector companies reported net profits. SBI Life insurance company was the first private company to report net profit of Rs.2.02 crore in 2005-06. It reported higher net profit of Rs.3.83 crore in 2006-07 and further increased its net profit level to Rs.34.38 crore in 2007-08. The company has succeeded in achieving an early break even on account of its lower cost of operations due to the large network of its Indian partner, the State Bank of India. However, the insurer still continues to report a deficit in the Revenue Account. However, some segments namely Non-participating individual; Group-other than retirement and Annuity generated surplus in 2007-08). Shriram Life, which commenced operations in February, 2006, too reported net profit for the third successive year of operations. However, it reported a lower net profit of Rs.5.58 crore in 2007-08 as against Rs.9.50 crore in 2006-07. With the total premium underwritten at Rs.184.16 crore, the company's operations have, however still to take off in a significant manner. In 2007-08, Metlife and Sahara life have reported net profits of Rs.21.25 crore and Rs.3.34 crore respectively. As against net loss of Rs.11.96 crore in 2006-07, Metlife reported net profit of 21.25 crore in 2007-08. The company has reported profits by carrying deficit of Rs.488 crore in the Revenue Account. Sahara Life has reported maiden net profits in 2007-08 at Rs.3.34 crore, against net loss of Rs.51.44 lakh in 2006-07. The company has reported surplus in the non-participating Individual Term and Pension segments, although on a small portfolio.

All the private insurance companies reported deficit in their respective Revenue Accounts in 2007-08. Some of these companies reported surpluses in some segments of their business in 2006-07. The deficits in Revenue account necessitated injection of further capital by the shareholders (except for Shriram Life).

During 2007-08 insurers continued to declare bonus despite reporting deficit in the Policyholders' Account (Revenue Account). It may be recalled that in 2003-04, recognizing the need of the new insurers to declare bonus to maintain their

competitive stance in the market, the Authority had permitted declaration of bonus despite non-availability of actuarial surplus subject to compliance with the conditions imposed by the Authority. This relaxation has now been extended up to a period of seven years from commencement of operations.

Returns to shareholders

All insurers except for Metlife, transferred funds from the Shareholders' Account to the Policyholders' Account to bridge the deficit in the Policyholders Account (Revenue Account) so as to meet the stipulations of the Authority for declaration of bonus in case of deficit in the Policyholders' Account. During 2007-08, the net losses reported by the private insurers stood at Rs.4324.52 crore (Rs.1950.12 crore in 2006-07). The net profits in the Profit & Loss account of the five insurers, including LIC, stood at Rs.909.19 crore (Rs.786.95 crore in 2006-07). The continued financial support through equity injections reflected the promoters' commitment towards stabilizing the respective insurer's operations.

TABLE 13
DIVIDENDS PAID : LIFE INSURERS

(Rs. Crore)

Insurer	2006-07	2007-08
LIC	757.81	829.59
Private Sector	-	-
Total	**757.81**	**829.59**

LIC continued to report surplus in the Policyholders' Account (Revenue Account in 2007-08. Surplus in the said account, adjusted for interim bonus and allocation of bonus to policyholders was Rs.829.59 crore as against Rs.757.81 crore in 2006-07. LIC transferred Rs.829.59 crore to the Government of India (Rs.757.81 crore in 2006-07) complying with the provisions of Section 28 of the LIC Act, 1956.

Retention Ratio

LIC traditionally re-insures a small component of its business. During 2007-08, Rs.87.95 crore was ceded as re-insurance premium (Rs.41.67 crore in 2006-07). Similarly, in the case of private insurers, a small component of the business was reinsured, with group business forming the major component of the re-insurance cessions. The private insurers together ceded Rs.231.23 crore (Rs.160.05 crore in 2006-07) as premium towards re-insurance. It may be recalled that the risks pertaining to the investments component of the unit linked insurance products continue to be borne by the policyholders and a significant component of the new business premium underwritten by the industry in 2007-08 was from unit linked products. The re-insurance parameters may also undergo some change because IRDA has stipulated a minimum level of risk cover in respect of unit linked products. (Statement-4)

Analysis of Death Claims

Individual Policies

The life insurance sector has settled 5.53 lakh claims on individual policies, with a total payout of Rs. 4235.00 crore. The number of claims repudiated was 9027 for an amount of Rs. 152.66 crore. The number of pending claims stood at 14548 for an amount of Rs. 206.66 crore. Of the pending claims, 1684 were pending for more than one year and 2454 claims were pending for more than 6 months but less than one year. The details are available at Statement 58.

TABLE 14
INDIVIDUAL DEATH CLAIMS

(Figures In percent of policies)

Life Insurer	Total Claims	Claims paid	Claims repudiated	Claims written back	Claims pending at end of year	Break up of claims pending — duration wise (Lives)			
						< 3 mths	3 - < 6 mths	6 - <1 yr	> 1 yr
Private Total	100.00	78.93	10.17	0.01	10.88	64.84	16.71	8.94	9.51
LIC *	100.00	96.71	1.13	0.06	2.10	43.76	25.20	18.93	12.11
Total	**100.00**	**95.86**	**1.56**	**0.06**	**2.52**	**48.10**	**23.45**	**16.87**	**11.58**

*In the Annual Report for FY 2006-07, total individual death claim figures of LIC erroneously included group as well as foreign office business claims also. In the current FY, the figures pertain to individual death claims arising in the Indian operations of LIC.

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The claim settlement ratio of LIC was better than that of the private life insurers. While LIC settled 96.71 per cent of claims intimated to them, the private life insurers settled 78.93 per cent of claims. The percentage of repudiations for LIC was quite low at 1.13 per cent as against 10.17 per cent for the private life insurers.

Group Policies

A total of 159333 group claims were settled in the year out of the 162837 claims intimated. The number of group claims repudiated in the year was 1241, which was 0.76 per cent of the claims intimated.

TABLE 15
GROUP DEATH CLAIMS

(In percent of lives covered)

Life Insurer	Total Claims	Claims paid	Claims repudiated	Claims written back	Claims pending at end of year	Break up of claims pending — duration wise (Lives)			
						< 3 mths	3 - < 6 mths	6 - <1 yr	> 1 yr
Private Total	**100.00**	84.43	5.75	0.16	9.66	41.83	18.91	14.41	24.85
LIC	**100.00**	99.88	0.01	-	0.11	8.70	62.11	22.98	6.21
Industry Total	**100.00**	**97.85**	**0.76**	**0.02**	**1.37**	**39.43**	**22.03**	**15.03**	**23.51**

Private insurers have settled 84.43 per cent of the total claims payable while 9.66 per cent remained pending at the end of the year 2007-08.

II) Non-Life Insurance

As on March 31, 2008 there are 18 general insurance companies which have been granted registration for doing non-life insurance business in the country. Of these 6 are in public sector and the rest in private sector. Of the public sector companies, two are specialized insurance companies; one for credit insurance (ECGC) and another for Agriculture (AIC). Of the 12 private sector companies, three have been granted license during 2007-08 including one stand alone health insurance company. The performance of the two specialised insurance companies is reviewed separately in the Annual Report. As such, the analysis in this section confines to 4 public sector companies and 10 private insurance companies. The performance of the two standalone health insurance companies has been covered under a separate sub-section.

Paid-up Capital

The total paid up capital of general insurers as on March 31, 2007 was Rs 3485.87 crore. During 2007-08, the general insurers have added Rs.604.98 crore to their capital. The increase in the paid up capital of the private insurers through capital contributions during the year was Rs.504.98 crore (Rs. 121.86 crore in 2006-07).

TABLE 16
PAID-UP CAPITAL : NON-LIFE INSURERS AND RE-INSURER

(Rs. Crore)

Insurer	As on March 31, 2007	Additions during the year 2007-08	As on March 31, 2008
	Non -Life		
Public Sector	550.00	0	550.00
Private Sector	1400.87	401.13	1802.00
	Specialized Institutions		
ECGC	800.00	100.00	900.00
AIC	200.00	0	200.00
Star Health	105.00	3.60	108.60
Apollo DKV		100.55	100.55
	Re-insurer		
GIC	430.00	0	430.00
Total	**3485.87**	**605.28**	**4091.15**

This addition includes the equity capital brought in by the health insurer and the two new insurers who were granted registration during 2007-08 (domestic promoters Rs.376.26 crore and foreign joint venture partners Rs.128.72 crore). The specialised insurer ECGC had added Rs.100 crore to its capital during the year. PSU insurers have not added capital during the current year.

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Box Item 2

LAPSATION OF LIFE INSURANCE POLICIES

Lapsation can be explained as the discontinuance of payment of premiums by the policyholder during the term of the life insurance policy in violation of his obligations set out in the terms of the policy contract. It usually results in termination of risk cover on the policy. In case of lapse of a policy in the first few years, all or most of the premiums paid are usually forfeited by the insurer and the policyholder ends up losing whatever premiums have already been paid towards the policy.

This phenomenon has emerged as a major bane of the life insurance sector in view of the large number of policies falling into lapsation at different time points of the contracts. The fact that as many as 86 lakh non-linked policies have lapsed in the year 2006-07 holds mirror to the seriousness of the matter.

Lapsation can be categorized as first year lapsation and renewal lapsation, based on whether the policy lapses in its first year itself or after the premium for the first year has been fully paid.

When a policyholder purchases a policy under wrong advice, information or perception and realizes later that the features of the policy do not match his requirements, he is most likely to return the policy under free-look provisions. In case he is not able to exercise free look option within 15 days from the receipt of the policy bond, he may have no option but to discontinue the policy. It is also possible that many policyholders may not even be aware of the introduction of the free-look provision under clause 6 (2) of the IRDA (Protection of Policyholders' Interests) Regulations, 2002, as a result of which they may allow the policies to lapse. Majority of the lapses occurring in the first few years of the policy are caused by mis-selling — intentional or otherwise, and selling under duress – for instance, in consideration of a loan sanctioned by a Bank or any other nature of 'favour' done by the insurance salesman to the policyholder, or under 'obligation' to a relative or a friend.

In addition to the above, the degree of lapsation of policies is impacted by the quality of follow up for renewal premium payments as well as the convenience in payment of premiums.

Overselling as well as decline in the fortunes of the policyholder make the policy unaffordable to him and are therefore likely to lead to its surrender or lapse.

Termination of agency which is quite rampant in the industry renders millions of policies 'orphan'. Orphan policies are prone to neglect due to lack of follow up/servicing support of the procuring agent and are known to lapse in large numbers. The Insurance Act, 1938 through section 40 (2A) has therefore created a provision for payment of commission on orphan policies revived (based on medical examination) by an agent other than the one procuring the same.

In the era of multi-channel distribution, it is observed that some of the new channels have the muscle to sell while they are not supported by adequate servicing infrastructure. This impacts lapsation ratio. Insurers therefore need to monitor channel-wise levels of lapsation in order to plug the same.

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The fixity/inflexibility in the terms of a long term policy contract is another major contributor to lapsation. A decline in the fortunes of the policyholder, altered financial needs or plans or revision in the desired investment mix call for the provision to alter the policy terms, in the absence of which the policyholder may be induced to lapse or surrender a policy.

Lapsation adversely affects all the stakeholders in the industry. The policyholders, who enter a contract with hopes of protection and long term investment benefits, are not only deprived of the same but also end up losing the hard earned monies in the form of premium instalments already paid on the lapsed policy.

Lapsation is one of the most major sources of leakage of revenues for an insurer. The insurers' cash inflow projections are upset due to non-materialization of expected renewal premium revenues, in turn affecting the expense ratios and profits. This phenomenon leads to a loss of reputation/credibility of the insurers concerned in particular and also the entire industry at a larger level.

The agents witness a fall in their renewal commission incomes as a result of lapsation and also suffer a loss of goodwill of their clients, which in turn adversely impacts their future business prospects.

Lapsation therefore needs to be addressed with the seriousness and urgency it deserves by all concerned. The industry needs to evolve more flexible products and more convenient and automated premium payment mechanisms. The sales machinery needs to depend on fine tuned, customized and need-based selling of policies of affordable ticket sizes rather than follow pushy, short sighted and self absorbed sales techniques. Development of a stable and trained agency force whose remuneration, incentives and credits are linked to control of lapsation helps inculcate disciplined selling and prompt servicing habits among them. The insurers also need to install follow up mechanisms which ensure that premium payments are reminded in advance and that lapsed policies are pursued diligently with the policyholders.

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Policies Issued

The total number of policies issued by the general insurers in 2007-08 were 572.50 lakh as against 466.64 lakh in 2006-07 registering an increase of 22.69 per cent. Of the total policies issued, 32.67 per cent were by private insurers and 67.33 per cent by public insurers. While the growth in number of policies issued by public insurers was 13.47 per cent, the corresponding growth of private insurers was 47.36 per cent. Among the public insurers New India recorded a growth of 5.05 per cent and United India 48.41 per cent. There has been a decline in the number of policies underwritten by both National Insurance and Oriental Insurance.

TABLE 17

POLICIES ISSUED : NON-LIFE INSURERS

Insurer	2006-07	2007-08
Public Sector	33972092	38547040
	(-19.48)	(13.47)
Private Sector	12692053	18703219
	(41.85)	(47.36)
Total	**46664145**	**57250259**

Note: Figure in brackets indicate the growth (in per cent) over previous year.

The number of policies underwritten by the private insurers increased by 47.36 per cent as against 41.85 per cent in 2006-07. Cholamandalam MS registered the highest growth rate of 224.30 per cent and Reliance General registered a growth of 150.46 per cent during 2007-08.

Premium

The general insurance companies have underwritten a total premium of Rs.27823.74 crore in 2007-08 as against Rs.24905.47 crore in 2006-07 exhibiting a growth rate of 11.72 per cent. The four public sector insurers have underwritten a premium of Rs. 16831.84 crore in 2007-08 as against Rs.16258.90 crore in 2006-07 registering a growth of 3.52 per cent. The comparatively lower growth rate for the public insurers needs to be seen in the light of their high base.

TABLE 18

PREMIUM UNDERWRITTEN BY NON-LIFE INSURER (WITHIN INDIA)

(Rs.Crore)

Insurer	2006-07	2007-08
Public	16258.90	16831.84
	(8.41)	(3.52)
Private	8646.57	10991.89
	(61.24)	(27.12)
Total	24905.47	27823.74
	(22.33)	(11.72)

Note: Figure in brackets indicate growth in per cent

The premium underwritten by 10 private sector insurers in 2007-08 was Rs.10991.89 crore as against Rs.8646.57 crore in 2006-07 exhibiting a growth of 27.12 per cent. The general insurance industry has added Rs.2918.27 crore in premium during the year 2007-08; of which public insurers contributed Rs.572.94 crore and the private insurers Rs.2345.32 crore. The increase in premiums was witnessed across all the public sector companies except Oriental. New India has added the highest premium of Rs. 259.72 crore followed by United India and National Insurance at Rs.240.79 crore and Rs.192.81 crore respectively. Oriental Insurance has shown a decline in its premium by Rs.120.38 crore. All the private insurers have reported increase in premiums during 2007-08. Reliance has added premium of Rs.1034.19 crore, and registered a growth of 113.36 over the previous year. Bajaj Allianz has added Rs.593.58 crore followed by ICICI Lombard with Rs. 318.05 crore added to their earlier premium levels.

The private insurers are increasing their market share over the past few years. In 2007-08, the private insurers had a market share of 39.51 per cent which was higher than 34.72 per cent in 2006-07. As a consequence, there has been a decline in the market share of the public insurers to 60.49 per cent in 2007-08 from 65.28 per cent in the previous year. Despite the decline in the market share of the public sector insurance companies, the volume of premium underwritten by them has increased over the previous year reflecting the expansion of general insurance market (Statement 29). This

growth in the volume of business needs to be viewed in the background of 2007-08 being the first full year of complete de-tariffing of the general insurance.

Among the public sector insurers, New India had the largest market share at 18.97 per cent in 2007-08, lower than its market share of 20.14 per cent in the previous year. Oriental Insurance, National Insurance and United India Insurance had market shares at 13.69 per cent, 14.40 per cent and 13.44 per cent respectively as against 15.77 per cent, 15.32 per cent and 14.05 per cent in the previous year.

TABLE 19

GROSS DIRECT PREMIUM INCOME IN INDIA

	Premium (Rs. Crore)		Market Share (In per cent)	
Company	**2006-07**	**2007-08**	**2006-07**	**2007-08**
NATIONAL	3814.42	4007.23	15.32	14.40
NEW INDIA	5017.2	5276.92	20.14	18.97
ORIENTAL	3928.52	3808.14	15.77	13.69
UNITED	3498.77	3739.56	14.05	13.44
Public	**16258.9**	**16831.85**	**65.28**	**60.49**
ROYAL SUNDARAM	598.2	694.41	2.40	2.50
RELIANCE	912.23	1946.42	3.66	7.00
IFFCO-TOKIO	1144.47	1128.15	4.60	4.05
TATA AIG	710.55	782.64	2.85	2.81
ICICI LOMBARD	2989.07	3307.12	12.00	11.89
BAJAJ ALLIANZ	1786.34	2379.92	7.17	8.55
CHOLAMANDALAM	311.73	522.34	1.25	1.88
HDFC CHUBB	194	220.6	0.78	0.79
FUTURE GENERALI	-	9.81	-	0.04
UNIVERSAL 50 MPO	-	0.48	-	0.00
Private	**8646.6**	**10992**	**34.72**	**39.51**
Total	**24905**	**27824**	**100.00**	**100.00**

Among the private insurers, ICICI Lombard had the highest market share of 11.89 followed by Bajaj Allianz with 8.55 per cent. Reliance has registered a substantial increase in its market share from 3.66 in 2006-07 to 7.00 in 2007-08. Future Generali which commenced operations during 2007-08 have reported a negligible market share of 0.04 per cent.

Different segments of the general insurance business have contributed to the increase in premium for both public and the private sector insurers. The highest contribution in 2007-08 has come from the motor segment which constituted 45.59 per cent of the total premium higher than 42.95 per cent in 2006-07. Fire segment constituted 12.43 per cent in the total premium underwritten in 2007-08 lower than that observed in the previous year (16.59 per cent).

TABLE 20

PREMIUM UNDERWRITTEN (WITHIN INDIA) BY NON-LIFE INSURERS - SEGMENT-WISE

(Rs.Crore)

Segment	**2006-07**	**2007-08**
Fire	4132	3459
	(16.59)	(12.43)
Marine	1628	1799
	(6.54)	(6.47)
Motor	10697	12685
	(42.95)	(45.59)
Health	3319	4894
	(13.29)	(17.59)
Others	5129	4986
	(20.63)	(17.92)
Total	**24905**	**27823**

Note : Figure in brackets indicate the share of the segment (in per cent) to the total.

Premium collection in Health has increased in 2007-08 from its level in 2006-07. Health premium contribution to the total in 2007-08 was 17.59 per cent of the total premium in 2007-08 as against 13.33 per cent in 2006-07. Motor and Health portfolios together constituted 63.18 per cent in the total

premium as against 56.28 per cent in 2006-07. Marine segment contributed the least at 6.47 per cent in 2007-08.

Premium Underwritten Outside India

The public sector general insurers have also been underwriting premiums outside India. The total premium underwritten outside the country by them was however lower at Rs.981.36 crore in 2007-08 than Rs.1024.54 crore in 2006-07 registering a negative growth of 4.22 per cent. Measured in terms of the total premium underwritten by the public insurers, 5.51 per cent of the business accounted for premium underwritten outside India (5.93 in 2006-07).

New India is having operations in 27 countries through a network of branches, agencies, associate companies and subsidiaries. Premium underwritten outside India by the company constituted 14.22 per cent (15.49 per cent in 2006-07) of the total premium underwritten by the company in 2007-08. Oriental has a small component of overseas business with 2.36 per cent (2.29 per cent in 2006-07). In the case of National Insurance, the outside India business was 0.37 per cent (0.33 per cent in the previous year).

TABLE 21

RATIO OF OUTSIDE INDIA PREMIUM TO TOTAL PREMIUM

(Per cent)

Insurer	2006-07	2007-08
National	0.33	0.37
New India	15.49	14.22
Oriental	2.29	2.36
United	0.00	0.00

Of the total premium of Rs.981.36 crore written outside India in 2007-08 National has underwritten a premium of Rs.14.74 crore (Rs.12.70 crore in 2006-07) and New India Rs.874.55 crore (Rs.919.58 crore in 2006-07).

TABLE 22

GROSS DIRECT PREMIUM FROM BUSINESS OUTSIDE INDIA : NON-LIFE INSURERS

(Rs. Crore)

Insurer	2006.07	2007-08
National	12.70	14.74
	(0.24)	(16.05)
New India	919.58	874.55
	(4.02)	(-4.90)
Oriental	92.26	92.07
	(11.61)	(-0.20)
United	-	-
Total	**1024.54**	**981.36**

Note : Figure in brackets indicate the growth rate over previous year

Oriental Insurance underwrote a premium of Rs.92.07 crore outside India in 2007-08 as against Rs. 92.26 crore in 2006-07. United India had ceased operations outside India in 2003-04. (Table 22)

Underwriting Experience

The underwriting losses incurred by the public and private sector insurers during the year 2007-08 increased to Rs. 3899.49 crore from Rs. 2557.54 crore in the previous year. The public sector insurers during the year 2007-08 have incurred underwriting losses to the tune of Rs.3300.59 crore as against Rs. 2451.12 crore in 2006-07. As a percentage of net premium, the underwriting losses have increased to 23.81 per cent in 2007-08 from 18.83 per cent in 2006-07. This ratio ranged between 2.19 and 28.55 per cent across the private insurance companies. In 2006-07, this ratio was in the range of 1.43 to 12.53 per cent. For the public sector insurers the ratio of underwriting loses to net premium ranged between 17.55 and 31.58 per cent (14.38 and 30.80 per cent in 2006-07). A significant increase in underwriting losses was observed across all the four public sector insurers, causing a concern. The underwriting losses of National Insurance were 30.54 (19.73 in 2006-07); followed by New India at 17.55 (14.38); United

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India 31.58 (30.80) and Oriental Insurance at 23.67 (19.40). It may be mentioned that the underwriting losses of National Insurance has roughly doubled from Rs.546.17 crore in 2006-07 to Rs.921.90 crore in 2007-08 (Statement 28). New India reported underwriting profits in the Fire Segment; Oriental and National reported underwriting losses in all three segments – Fire, Marine and Miscellaneous as against profits in Fire Segment in 2006-07; United India too reported underwriting losses in the three segments as in the year 2006-07. Among the private insurers except the new entrants Future Generali and Universal Sompo, all others registered profits in the Fire Segment in 2007-08. In the Marine and Miscellaneous segments all the private insurers reported losses in 2007-08. In the previous year only Royal Sundaram reported a profit of Rs. 1.17 crore in the Marine Segment.

TABLE 23

UNDERWRITING LOSSES : NON-LIFE INSURERS

(Rs. Crore)

Insurer	2006-07	2007-08
Public Sector	2451.12	3300.59
Private Sector	106.42	598.90
Total	**2557.54**	**3899.49**

The private sector insurers have also registered an increase in underwriting losses from Rs.106.42 crore in 2006-07 to Rs.598.90 crore in 2007-08. These losses constituted about 8.37 per cent of the net premium underwritten in 2007-08 as against 2.28 per cent in 2006-07. In effect, all the companies have reported an increase in underwriting losses during the year 2007-08.

Expenses of Non-Life Insurers

Out of the fourteen non-life insurers (excluding specialized companies ECGC, AIC and Health Insurance companies), the expenses of management of five insurers for the year 2007-08 were within the limits prescribed under section 40C read with Rule 17E, as against five in 2006-07. Three private sector insurers (ICICI Lombard, IFFCO-Tokio, and Bajaj Allianz) continued to be compliant with the limits on expenses of management as in 2006-07. Universal Sompo which commenced operations in 2007-08 was compliant with the limits under the Act and the rules framed there under. Amongst the existing private sector insurers, Royal Sundaram, TATA AIG, Cholamandalam, HDFC and Reliance General were non-compliant in 2007-08. Future Generali which commenced operations in the year 2007-08 is non-compliant in its first year of operations.

Amongst the public sector insurers while New India is compliant with the expenses of management as per Rule 17E, National Insurance, Oriental Insurance and United India were non-compliant during 2007-08.

TABLE 24

OPERATING EXPENSES : NON-LIFE INSURERS

(Rs.Crore)

Insurer	2006-07	2007-08
Public Sector	3606.74	3652.96
Private Sector	1700.15	2482.30
Total	**5306.89**	**6135.27**

Note : Public sector does not include ECGC,AIC and GIC

The operating expenses of the non-life insurers increased to Rs.6135.27 crore in 2007-08 (Rs.5306.89 crore in 2006-07) reporting a growth of 15.61 per cent. Public sector insurers incurred operating expenses of Rs.3652.96 crore and the private sector insurers incurred Rs.2482.31 crore. Operating expenses as a per cent of gross premium underwritten was 20.51 per cent for public sector non-life insurers and 22.44 per cent for the private sector insurers. The corresponding ratios for 2006-07 were 20.87 and 19.66 per cent respectively.

Expenditure towards 'Employee remuneration & Welfare benefits' constituted a significant component of the total operating expenses of the public insurers. While this ratio was 78.77 per cent for National Insurance, the highest among the non-life public sector insurers, it was 78.06, 68.67 and 67.81 per cent for United India, Oriental Insurance and New India respectively. As against this, the expenses towards employee costs in the case of private insurers ranged between 20.09 and 53.85 per cent of the operating expenses. The

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major expenses for the private insurers were towards legal and professional charges (9.30 per cent), office expenses (7.48 per cent), and advertisement and publicity (3.94 per cent).

TABLE 25
COMMISSION EXPENSES

(Rs. Crore)

	Private Sector		Public Sector	
Department	**2006-07**	**2007-08**	**2006-07**	**2007-08**
Fire	63.84	80.97	223.80	199.54
Marine	29.59	37.40	84.37	118.15
Motor	268.70	235.00	568.22	503.33
Health	104.85	133.79	249.34	359.18
Others	119.01	150.24	364.02	339.33
Total	**585.98**	**637.39**	**1489.74**	**1519.54**

Commission as a per cent of expenses of management stood at 53.52 and 29.68 per cent respectively for the public and private sector insurers (56.41 and 53.52 per cent respectively in 2006-07). Commission expenses as per cent of gross premium underwritten stood at 6.39 and 7.59 per cent in the case of public and private sector insurers (7.17 and 11.04 per cent respectively in 2006-07).

Investment Income

The Non – life insurers have reported higher investment income during 2007-08 on a growing investment portfolio. The return on investment income was accrued on account of sale of investments, redemption of securities and interest / dividend income of the securities held. Other than Oriental Insurance and HDFC Ergo which reported a negative growth in investments 2007-08, all other insurers have reported a growth in gross investment income.

TABLE 26
INVESTMENT INCOME

(Rs.Crore)

Insurer	**2006-07**	**2007-08**
Public sector	5784.23(3.09)	6247.51(8.01)
Private sector	415.04(54.02)	742.05(78.79)
Total	**6199.27**	**6989.56**

Note: Figure in brackets indicate the growth rate (in per cent) of the respective sector.

The gross investment income of the general insurers was Rs.6989.56 crore in 2007-08 as against Rs.6199.27 crore in 2006-07 recording a growth of 12.75 per cent over the previous year. Investment income of the public sector insurers increased to Rs.6247.51 crore from Rs.5784.23 crore in 2006-07 (an increase of 8.01 per cent over the previous year). Increase in the investment income has been reported by all public sector insurers except Oriental Insurance which reported a marginal decline in investment income of 1.46 per cent. All private insurers have reported increases in the investment income and their total investment income went up to Rs.742.05 crore in 2007-08 from Rs.415.04 crore in 2006-07, an increase of 78.79 per cent (54.02 per cent in 2006-07). (Statement 34 & 35)

Incurred Claims Ratio

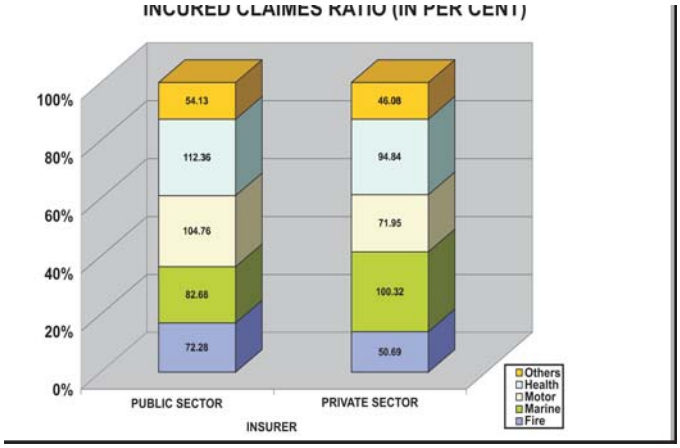
The net incurred claims of the non-life insurers were Rs.16370.36 crore in 2007-08 (Rs.13041.64 crore in 2006-07) registering a growth of 25.52 per cent over the previous year. The public insurers have higher net incurred claims of Rs.12124.81 crore compared to Rs.10538.75 crore in 2006-07 (growth of 15.05 per cent).

TABLE 27
NET INCURRED CLAIMS OF NON-LIFE INSURERS

(Rs. Crore)

Insurer	**2006-07**	**2007-08**
Public Sector	10538.75(-0.29)	12124.81 (15.05)
Private Sector	2502.89 (61.66)	4245.55 (69.63)
Total	**13041.64(7.62)**	**16370.36 (25.52)**

Note: Figure in brackets indicates the growth rate (In per cent) over the previous year.



As a ratio of net premium the net incurred claims of public sector insurers was 90.43 per cent, higher than 85.22 per cent in the previous year. This ratio varied between 94.05 per cent and 86.62 per cent across the four public sector companies. Increase in this ratio was observed across all four public sector insurers, with higher increase in the ratio in the case of National Insurance (7.54 percentage points) and New India (6.48 percentage points). The incurred claims ratio of New India increased from 80.34 in 2006-07 to 86.82; United India from 90.26 to 92.75; National from 86.51 to 94.05 and Oriental Insurance from 87.66 to 90.47 per cent. (Statement 30&31)

TABLE 28
INCURRED CLAIMS RATIO

(In Per cent)

	Public Sector		Private Sector		Total	
Segment	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**
Fire	60.81	72.28	43.92	50.69	58.52	68.69
Marine	80.5	82.68	112.57	100.32	86.52	86.68
Motor	92.25	104.76	64.28	71.95	84.69	92.31
Health	157.79	112.36	103.42	94.84	141.02	107.00
Others	53.93	54.13	47.11	46.08	52.85	52.51
Total	**85.22**	**90.43**	**68.02**	**72.21**	**81.27**	**84.88**

In case of the private insurers, the net incurred claims increased to Rs.4245.55 crore from Rs.2502.89 crore in 2006-07. The net incurred claim ratio for the private sector insurers was 72.21 (68.02 in 2006-07). All private insurers reported higher incurred claims ratios as against those in the previous year. As indicated earlier two insurers had commenced operations only in 2007-08. Post de-tariffing, the fire segment has exhibited a higher incurred claims ratio across the industry at 68.69 per cent in 2007-08 (58.52 per cent in 2006-07). Similarly, the motor segment reported a higher ratio at 92.31 per cent (84.69). While marine segment was more or less same as 86.68 per cent (86.52), the Health segment reported a significant decline in the incurred claims ratio to 107 per cent in 2007-08 from 141.02 per cent recorded in 2006-07.

In the case of public sector insurers, the incurred claims ratio was the highest in the Health Segment at 112.36 per cent (157.79 per cent in 2006-07); followed by motor and marine segments at 104.76 and 82.68 per cent respectively (92.25 and 80.50 in 2006-07.). In 2007-08, United India had the highest net incurred claims ratio at 135.36 per cent and 95.83 per cent in maine segment. Oriental had the highest incurred claims ratio in the fire segment at 95.67 followed by National Insurance at 83.96 per cent. In the case of private sector, the incurred claims ratio was the highest in Marine business at 100.32 per cent (112.57) followed by Health segment at 94.84 per cent (103.42) and Motor segment at 71.95 per cent (64.28). In 2007-08 among the private insurers, Reliance and IFFCO-Tokio had the highest net incurred claims ratio of 69.54 per cent (74.62) and 66.40 per cent (47.29) respectively for the fire segment. The highest claim ratio in the Marine segment was reported by ICICI Lombard at 175.93 per cent (94.46) followed by Reliance at 117.76 per cent (93.63). In the health segment, HDFC Chubb held the highest incurred claim ratio at 142.46 per cent (87.10), followed by IFFCO-Tokio at 121.14 per cent (152.89) .

Net Profits

Despite underwriting losses, the public sector insurers have reported profits on account of the higher investment income. The total net profits earned by both public and private sector insurers during 2007-08 declined to Rs.2249.31 crore from Rs.3137.10 crore in 2006-07, a decline of 28.30 per cent. Due to higher underwriting losses, the non-life insurers relied on investment income to report profit in the Profit & Loss Account (Shareholders' account). Except for one insurer each in the public and private sectors, namely Oriental Insurance and HDFC, all insurers have reported increase in the investment income over the previous year. The cumulative investment income of the public and private sector insurers stood at Rs.6247.51 crore and Rs.742.05 crore respectively in 2007-08 (Rs.5784.23 crore and Rs. 415.04 crore in 2006-07).

In 2007-08, New India reported net profit after tax of Rs.1401.13 crore; United India of Rs.631.32 crore; National of Rs.163.43

crore; and Oriental of Rs.9.30 crore. In the case of Oriental, the lower profits were on account of higher incurred claims ratio. Secondly, the company has shown higher expenses of management due to adopting of AS-15 which impacted the profitability.

Six private insurers reported profits after tax during 2007-08. Two insurers who had reported profits in 2006-07, reported losses in 2007-08. Reliance reported net losses for the first time since commencement of operations in 2000-01 and HDFC which reported profits in 2006-07 and 2005-06, reported net loss of Rs.17 crore in 2007-08. The two non-life insurers who commenced operations in 2007-08 have reported losses of Rs.17.09 crore and Rs. 0.30 crore. The net profits of these six private insurance companies were Rs.243.78 crore as against Rs.229.74 crore reported by eight insurers in 2006-07. The net loss of the four other private insurers was Rs.199.95 crore.

Returns to the Shareholders

The four public sector general insurance companies in 2007-08 have contributed Rs.449.49 crore as against Rs.581.39 crore in 2006-07 to the exchequer as dividends. The lower dividend payments was mainly on account of lower net profits reported by Oriental and National which resulted in lower dividend being declared by Oriental at Rs.0.75 per share in 2007-08 and National at Rs.3.26 per share. While New India reduced the dividend paid marginally, United India recommended a higher dividend at Rs. 12.63 per share.

TABLE 29
DIVIDENDS PAID : NON-LIFE INSURERS

(Rs.Crore)

Insurer	2006-07	2007-08
	Non -Life	
Public sector	581.39	449.49
Private Sector	52.64	59.12
	Specialized Institution	
ECGC	125.00	178.57
AIC	—	20.00
	Re-insurer	
GIC	309.60	197.80
Total	**1068.63**	**904.98**

Amongst the private sector insurers, ICICI Lombard was the sole insurer to declare dividends in 2007-08. The company recommended dividend of Rs.5.91 per share. Though Iffco-Tokio declared dividends in 2005-06 and 2006-07, it did not declare dividends in 2007-08.

Star Health and Allied Insurance Co. Ltd.

Star Health was the first company to receive certificate of registration to carry on general insurance business exclusively to underwrite health, personal accident and travel insurance segments. In the year ending March 31, 2008, the company which commenced operations in 2006-07 had underwritten a gross direct premium of Rs.168.19 crore roughly seven times of Rs.22.51 crore in the previous year. The insurer has reported underwriting loss of Rs.5.65 crore (Rs.11.56 crore in 2006-07). Supplemented by investment income, the insurer reported net profits of Rs.1.28 crore, as against net losses of Rs.2.59 crore in 2006-07.

Apollo DKV Health Insurance Co. Ltd.

Apollo DKV is the second company to receive certificate of registration to carry on general insurance business to underwrite exclusively in the health, personal Accident and travel insurance segment. The insurer was granted registration in 2007-08 and is in operation for five months. In the year ending March 31, 2008, the insurer had underwritten gross direct premium of Rs.2.96 crore. The insurer reported underwriting losses of Rs.31.97 crore, and incurred net loss of Rs.28.34 crore for the year.

General Insurance Corporation

GIC is the sole insurer of the domestic re-insurance market, providing re-insurance to the direct general insurance companies in India. The Corporation's re-insurance programme has been designed to meet the objectives of optimizing the retention within the country, ensuring adequate coverage for exposure and developing adequate capacities within the domestic market. GIC receives statutory cession of 15 per cent on each and every policy issued by domestic insurers subject to certain limits and leads domestic companies' treaty programmes and facultative programmes. Prior to this, the statutory cession were 20 per cent in 2006-07. GIC is also the manager of the Third Party Motor Pool.

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The total gross premium written by GIC during 2007-08 was Rs.9315.55 crore as compared to Rs.7404.17 crore in 2006-07. The net earned premium during 2007-08 was Rs.7228.96 crore as against Rs.5263.80 crore in 2006-07 recording a growth of 37.33 per cent It may be pertinent to mention here that the financial position of the company related five quarters for 2007-08 as against four in 2006-07 which was necessitated on account of change in the accounting policy of the insurer. The underwriting results on domestic business showed a loss of Rs.927 crore in 2007-08 (Rs.116.40 crore in 2006-07). The Income from investments was Rs.2031 crore in 2007-08 as against Rs.1849 crore for 2006-07. For the year under review, profit before tax stood at Rs.1067.30 crore as against Rs.1789.46 crore in the previous year and profit after tax stood at Rs.992.78 crore as against Rs.1531.34 crore in 2006-07. The net incurred claims for all segments put together increased to Rs.6011.50 crore from Rs.3622.72 crore in 2006-07, thereby impacting the bottomline of the re-insurer.

Given the 35.17 per cent decline in net profits in 2007-08, the Corporation has recommended a higher dividend at Rs.9.60 per share to the shareholders in 2007-08 (Rs.7.20 per share in 2006-07).

IRDA directed setting up of Indian Motor Third Party Insurance Pool by all General Insurers in India to collectively service Commercial Vehicle Third Party Insurance business. This arrangement became effective from April 1, 2007. The share of GIC in the multilateral re-insurance arrangement shall be 15 per cent same as the share of statutory cessions. The balance of pooled business will be shared by all other member insurers. GIC is the Administrator of the Pool and is being paid a fees of 2.5 per cent plus service tax on the total premium of the pooled business. For this purpose GIC has set up a separate Motor Pool department with adequate manpower, hardware and software systems.

In pursuance of the powers conferred by section 101A of the Insurance Act, 1938, the Authority in consultation with the Re-insurance Advisory Committee constituted under section 101B of the Act and with the approval of the Central Government specified that the percentage cessions of the sum insured on each policy to be reinsured with the Indian reinsurer shall be 15 in respect of insurances attaching during the year April 1, 2007 to March 31, 2008 and 10 in respect of insurance attaching during the year April 1, 2008 to March 31, 2009 without any limits on the sum insured or PML of cessions. All other terms for obligatory cessions remain unchanged.

The obligatory cessions received by the GIC along-with re-insurance commission and profit commissions are placed at Annex VII.

C. RESEARCH AND DEVELOPMENT DEPARTMENT

Research and Development department has guided the TAC to collect transaction level data for generating tabulations in respect of motor business. The data was cleaned and tabulations were generated at various aggregate levels so as to help the Authority in arriving at bench marks and the insurers in arriving at technically based rates in a detariffed regime. Further, the aggregate tables have been put on the websites of the IRDA and TAC. Along with the aggregate tables on motor, tabulations in respect of health insurance based on the data collected from TPAs were also generated and placed on the websites of the IRDA and the TAC. Realizing that the existing data formats are not conducive for the analysis in a detariff regime, the data formats were revised in consultation with the underwriters and the insurers. Data formats for collecting information on other lines of general insurance business viz., fire, engineering etc. have been finalized in consultation with a group of underwriters, IT professional and actuaries. The revised formats are put on the IRDA/TAC website. It is expected that companies submit the data as per the formats.

The Research and Development department in coordination with the Government of India conducted a National Seminar on Construction of Services Price Index Numbers. This seminar was purported to explain the usefulness of inclusion of insurance business in the basket of Services so that the price movements can be monitored. This Seminar has drawn the attention of the insurers on the important role of the Services sector in the economy in general and within the services sector the insurance sector in particular. Towards this end, the Department has been coordinating with the insurance companies for supply of information to the Ministry of Industry

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in a desired format for compiling the services price index numbers. Further, the department has been liasing with other departments of the IRDA in their data requirements. The R&D has participated actively in the CII Working Group on Data Standards in Health Insurance constituted by CII / IRDA. The report of the group was submitted to the CII. The department is also helping the Ministry of Health, Government of India in devising Standard Treatment Guidelines.

D. REVIEW

i. Protection of interests of policyholders

IRDA's main mission is to protect the interests of the policyholders. The Authority through Regulations mandated the insurers to put in place effective mechanisms for grievances redressal. Consistent with this, the Authority has set up grievance cells separately for life and non-life insurance. There is a separate channel set up in the IRDA to deal with complaints of senior citizens in respect of health insurance policies in the recent past. Apart from receiving specific complaints from policyholders and taking them up with the insurers for resolution, the Authority is proactive in identifying the underlying issues and if necessary conduct focused inspections. The Authority has also advised the insurers to incorporate the grievance redressal channels available to the policyholders in the policy document itself.

ii. Maintenance of solvency margins of Insurers

Every insurer is required to maintain a Required Solvency Margin as per Section 64VA of the Insurance Act 1938. Every insurer shall maintain an excess of the value of his assets over the amount of his liabilities of not less than an amount prescribed by the IRDA, which is referred to as a Required Solvency Margin. The IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000 describe in detail the method of computation of the Required Solvency Margin.

In case of Life Insurers, the Required Solvency Margin is the higher of an amount of Rs.50 crore (Rs. 100 crore in case of Re-insurers) or a sum which is based on a formula given in the Act / Regulation. In case of General Insurers, the Required Solvency Margin, shall be maximum of the following amounts:

1. fifty crore of rupees (one hundred crore of rupees in case of Re-insurer) ; or
2. a sum equivalent to twenty per cent of net premium income; or
3. a sum equivalent to thirty per cent of net incurred claims,subject to credit for re-insurance in computing net premiums and net incurred claims being actual but a percentage, determined by the regulations, not exceeding fifty per cent.

IRDA has set a working Solvency Margin Ratio (Ratio of Actual Solvency Margin to the Required Solvency Margin) of 1.5 for all insurers. During 2007-08, IRDA has introduced the quarterly reporting of Solvency Status for all the Insurers. Accordingly, all the insurers are now required to file their Solvency Status as on June 30, September 30, December 31 and March 31.

One of the important factors that influence insurance penetration is the capital requirement under solvency margin. The pure term products provide simple life cover and it is believed that companies could design products, which could reach various segments of the population in meeting their insurance needs thereby enhancing insurance penetration. In line with this objective, the Authority has decided to allow the life insurers to reduce the capital requirement in the case of pure term products without changing the factor loadings in the case of the remaining products. It is expected that the lower level of solvency for pure term products would provide significant relief to the life insurers both under individual products and under group products. This will also help the insurers in launching more pure term products for sufficiently longer periods and at affordable rates.

As linked products are assuming significant share in the total premium collected by the insurance companies, and as the investors in these products are bearing the investment risk, it is necessary that more information is disseminated to the prospects / policyholder so that he / she can take informed decisions. In this regard, the Authority has asked the life insurers to be more transparent in the policy wordings of the ULIP products and mandated the insurers to submit to the Authority details on guaranteed benefits and non-guaranteed benefits for each policy year. A format has also been introduced

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for this purpose and the Authority instructed that when the prospects / policyholder propose to take a ULIP policy he / she should sign on both the formats in the proposal form itself. This will benefit the policyholders in knowing about the terms / benefits of the policy and also reduce mis-selling by the agents in quoting abnormal investment returns.

Life Insurers

All the 18 life insurers who underwrote premiums during 2007-08 have complied with the stipulated requirement of a solvency ratio of 1.5. The Solvency ratio of LIC at 1.52 is the lowest among all the life insurers. Two newly established insurance companies, namely Future Generali India Life Insurance Company Ltd and IDBI fortis Life Insurance Company Ltd. had solvency ratios of 2.94 and 3.45 respectively. While 11 life insurers have improved their solvency ratios during 2007-08 over the previous year, in the case of 5 life insurers this ratio declined during the year 2007-08 over the previous year. Among them, the solvency ratio of Aviva Life Insurance Company ltd., has come down sharply from 6.31 in the year 2007-08 to 2.37 in the year 2006-07. (Statement 49)

Non-life insurers

All the four public sector non-life insurers have met the stipulated solvency ratio of 1.5. Amongst the specialized insurance companies, ECGC which is underwriting credit business had a solvency ratio of 18.91 as against 11.41 reported in the previous year as on March 31, 2007. Agriculture Insurance Company has reported a solvency ratio of 3.27 as on March 31, 2008 as against 2.05 as on March 31, 2007. All the non-life private insurers have met their stipulated solvency requirement except M/s Apollo DKV Insurance Company Ltd which is a standalone health insurance company. The solvency ratio of this as on March 31, 2008 was 1.39. However the company subsequently infused capital to the tune of Rs. 61 crore to improve its solvency position. As a result of this the solvency ratio of the company as on August 31, 2008 stood above the minimum of 1.5. Star Health, which is another standalone health insurance company had a solvency ratio of 1.97 as on March 31, 2008.

Re-insurer

The national re-insurer, General Insurance Corporation, reported solvency ratio of 3.36 as on March 31, 2008 as against 4.10 as on March 31, 2007.

iii. Monitoring of re-insurance

Section 14(1) and 14(2) Sub Section (f) of the IRDA Act, 1999 as well as Sections 34F, 101A, 101B and 101C of the Insurance Act, 1938 provides a mandate to the Authority in respect of re-insurance. The Authority has framed regulations laying down ground rules in placing re-insurance with the re-insurers. Under the provisions of the Insurance Act, 1938, the General Insurance Corporation of India has been designated as the "Indian re-insurer" which entitles it to receive obligatory cessions of 10 per cent from all the direct general insurers in 2008-09. The limits have been laid down in consultation with the Re-insurance Advisory Committee.

TABLE 30

NET RETAINED PREMIUM ON INDIAN BUSINESS AS PERCENTAGE OF GROSS DIRECT PREMIUM (EXCL. GIC)

(Per cent)

Segment	2006 – 2007			2007 – 2008		
	Public Sector	Private Sector	Total	Public Sector	Private Sector	Total
Fire	63.39	21.92	48.19	64.55	31.84	52.36
Marine Cargo	72.62	43.74	63.13	75.62	46.92	65.51
Marine Others	13.99	4.69	11.48	15.10	6.13	13.22
Motor	80.19	76.13	79	76.05	83.79	79.09
Engineering	75.26	22.65	52.70	69.49	23.36	49.83
Aviation	16.09	2.09	14.17	7.68	6.60	7.47
Other Miscellaneous	78.22	58.69	72.52	88.22	63.17	78.21
Total	**72.90**	**53.05**	**66.73**	**74.68**	**64.33**	**70.70**

Every insurer needs a comprehensive and efficient re-insurance programme in order to be able to operate and remain solvent. The Authority desires that the re-insurance programme of every insurer should have the approval of its Board of Directors. The Regulations also provide that every insurer should file its re-insurance programme for the ensuing year with the Authority at least 45 days before the commencement of the year. The insurer is further required to file the treaty slips or cover notes relating to the re-insurance arrangements with the Authority within 30 days of the commencement of the financial year. These measures highlight the existence of adequate and efficient re-insurance arrangements for an insurer because its solvency is assessed on a "net of re-insurance" basis.

TABLE 31

RE-INSURANCE PLACED WITHIN INDIA AND OUTSIDE INDIA AS PERCENTAGE OF GROSS DIRECT PREMIUM IN INDIA (EXCL. GIC)

(Per cent)

Segment	2006 – 2007		2007 – 2008	
	Placed in India	Placed outside India	Placed in India	Placed outside India
Fire	39.64	15.75	34.89	18.58
Marine Cargo	25.40	12.05	23.79	10.95
Marine - Others	53.88	37.66	31.53	60.93
Motor	20.92	0.27	32.93	0.36
Aviation	48.92	39.85	40.21	53.76
Engineering	37.33	14.31	40.22	15.10
Miscellaneous	22.62	5.42	21.15	5.40
Total	**27.20**	**7.34**	**29.58**	**7.75**

The Regulations require that every insurer should maintain the maximum possible retention commensurate with its financial strength and volume of business. The guiding principles in drawing up the re-insurance programme are:

1. maximize retention within the country;
2. develop adequate capacity;
3. secure the best possible protection for the re-insurance costs incurred; and
4. simplify the administration of business.

TABLE 32

RE-INSURANCE CEDED OUTSIDE INDIA ON INDIAN BUSINESS (EXCL. GIC)

(Rs. Crore)

Class	2006 – 07		2007 – 08	
	Premium ceded	Net profit ceded	Premium ceded	Net profit ceded
Fire	636.83	101.13	651.81	78.94
Marine Cargo	101.40	42.12	107.57	3.34
Marine – Others	255.84	130.95	468.68	53.77
Motor	26.50	19.02	42.18	-38.18
Aviation	174.85	156.36	166.84	39.86
Engineering	177.90	72.37	208.48	76.66
Miscellaneous	321.96	90.63	458.98	213.57
TOTAL	**1695.28**	**612.59**	**2104.57**	**428.06**

The Regulations also require the Indian Reinsurer to organize domestic pools for re-insurance surpluses in consultation with all insurers.

TABLE 33

SHARE OF MEMBER COMPANIES IN THE INDIAN MARKET TERRORISM POOL

Insurer	2007-08		2008-09	
	Per Risk Capacity (Rs. Crore)	**Share** (%)	**Per Risk Capacity** (Rs. Crore)	**Share** (%)
GIC	120.60	20.10	150.75	20.10
National	92.10	15.35	88.89	11.85
New India	120.60	20.10	150.75	20.10
Oriental	69.60	11.60	87.00	11.60
United India	77.16	12.86	96.45	12.86
Bajaj Allianz	6.78	1.13	33.69	4.49
Cholamandalam	9.66	1.61	12.00	1.60
Future Generali	—	—	5.00	0.67
Govt. Insurance Fund, Gujarat	9.66	1.61	9.66	1.29
HDFC	2.52	0.42	2.50	0.33
ICICI Lombard	48.00	8.00	60.00	8.00
IFFCO-TOKIO	18.00	3.00	22.50	3.00
Reliance	9.66	1.61	12.08	1.61
Royal Sundaram	6.00	1.00	6.00	0.80
Tata-AIG	9.66	1.61	12.08	1.61
Universal Sompo	—	—	0.66	0.09
Total	**600.00**	**100.00**	**750.00**	**100.00**

During 2007-08, the total premium ceded to the pool was Rs. 153.81 crore and claims paid was Rs. 1.05 crore. The pool's premium in the previous year was Rs. 163.50 crore with claims paid being Rs. 1.31 crore. In view of the good performance of the pool, the capacity offered by the pool was enhanced to Rs. 750 crore per risk / location effective from April 1, 2008. The pool members also agreed for downward revision in terrorism premium rates effective April 1, 2008.

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TABLE 34

PREMIUM RATES FOR TERRORISM RISK INSURANCE

(W.E.F. APRIL 1, 2008)

Total Sum Insured per Location (Material Damage + Loss of Profit)		Risk Category	Revised Rate* (per mille)
1	Upto Rs. 500 Crs.	Industrial Risk	0.22
		Non-Industrial Risk	0.13
		Residential Risk	0.08
2	Over Rs. 500 crs. and upto Rs. 2000 crs.	First Rs. 500 crs. as per (1) above PLUS on balance Sum Insured as under :	
		Industrial Risk	0.17
		Non-Industrial Risk	0.10
3	Over Rs. 2000 Crs.	First Rs. 2000 crs. as per (2) above PLUS on balance Sum Insured as under :	
		Industrial Risk	0.13
		Non-Industrial Risk	0.08

* Rates to be charged on full sum insured (MD+LOP)

TABLE 35

COVER LIMIT FOR TERRORISM RISK INSURANCE

(W.E.F. APRIL 1, 2008)

Total Sum Insured (MD + LOP)	Overall (MD + LOP) liability cap per location/ compound
Not exceeding Rs. 750 crore	Total Sum Insured
Exceeding Rs. 750 crore	Rs. 750 crore

Re-insurance Advisory Committee

As per Section 101A of the Insurance Act, 1938 every insurer shall reinsure with the Indian re-insurer such percentage of the sum insured on each general insurance policy as may be specified by the Authority, which are also known as obligatory cessions or statutory cessions, with the previous approval of the Central Government, after consultation with the Re-insurance Advisory Committee.

For this purpose the Authority may by notification a) specify the percentages of the sum insured on each policy to be reinsured with the Indian re-insurer and different percentages may be specified for different classes of insurance provided that no percentage so specified shall exceed 30 per cent of the sum insured on such policy; and b) also specify the proportion in which said percentage shall be allocated among the Indian re-insurer.

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The Re-insurance Advisory Committee at its last meeting held in February, 2007 recommended to the Authority that the obligatory cessions be reduced from existing 20 per cent to 15 per cent for the year 2007-08 and 10 per cent for the year 2008-09. The Authority accepted the recommendation and issued gazette notification giving the revised obligatory cessions for the next two years. Segment-wise retentions for the country as a whole for the year 2007-08 are at Statement 28. The Authority also decided that the Commission and Profit Commission terms for statutory cessions for the year 2008-09 may be mutually negotiated and agreed upon between the insurer and the Indian Re-insurer.

iv. Monitoring of Investments of the insurers

(a) Investments of the Insurance Sector

The investments made by the insurers both life and non-life separately for public and private sector is given in the following table.

TABLE 36

INVESTMENTS OF INSURERS

(Rs.Crore)

INSURER	Life		Non-Life		Total	
	2006-07	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**
Public Sector	559201	674475	44171	47216	603372	721691
		(20.61)		(6.9)		(19.61)
Private Sector	44979	87566	6212	9064	51191	96630
		(94.68)		(45.91)		(88.75)
Total	**604180**	**762041**	**50383**	**56280**	**654563**	**818321**
		(26.13)		**(11.70)**		**(25.02)**

The investments of the LIC increased by 20.61 per cent (in view of its large base) and, in the case of private insurers, the growth was 94.68 per cent. Increase in investments by public sector non-life companies was 6.9 per cent and for private sector non-life insurers it was 45.91 per cent. As on March 31, 2008, the total investments by the insurance industry have grown to Rs.818321 crore as against Rs.654563 crore in the previous year. While investments of the life insurers increased by 26.13 per cent to Rs.762041 crore, the corresponding increase in the case of non-life insurers was by 11.70 per cent to Rs.56280 crore.

(b) Life Insurers

The broad pattern of investments out of premium generated by traditional products during 2007-08 remained on the same pattern of investments in 2006-07. However, investments in Infrastructure and Social sector has declined from 13 per cent to 10.91per cent.

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TABLE 36 (I)

TOTAL INVESTMENTS : INSTRUMENT-WISE

(Rs.Crore)

	Investments from Traditional Products	2005-06		2006-07		2007-08	
		Amount	Percentage to Total	Amount	Percentage to Total	Amount	Percentage to Total
1	Approved Securities incl. Central Govt. Securities	296377.00	64.25	335187.00	62.40	381101.00	60.62
	1a. Of which Central 'Govt. Securities	238089.00	51.62	275099.00	51.22	297533.00	47.33
2	Infrastructure and Social Sector	49638.50	10.76	69837.00	13.00	68600.00	10.91
3	Investment subject to Exposure norms including Other than approved Investments	115247.00	24.99	132106.00	24.59	178957.00	28.47
	3a. Of which other than approved Investments	26698.60	5.79	30049.00	5.59	36149.00	5.75
	A Total (1+2+3)	**461263.00**	**100.00**	**537130.00**	**100.00**	**628659.00**	**100.00**
	ULIP Funds						
4	Approved Investments	23401.00	90.39	57587.24	85.89	111511.00	83.60
5	Other than approved Investments	2487.12	9.61	9462.56	14.11	21871.00	16.40
	B Total (4+5)	**25888.10**	**100.00**	**67049.80**	**100.00**	**133382.00**	**100.00**
	Grand Total (A+B)	**487151.10**		**604179.80**		**762041.00**	

(C) FUNDWISE PATTERN OF INVESTMENTS : It may be observed that a significant shift has taken place in favour of investments of Unit Linked Funds since last year. This is further analysed in Table 37.

TABLE 36 (II)

INVESTMENTS OF LIFE INSURER: FUND WISE

(Rs.Crore)

INSURER	LIFE FUND		PENSION AND GENERAL ANNUITY FUND		GROUP EXCLUDING GROUP PENSION & ANNUITY FUND		UNIT LINKED FUND		TOTAL OF ALL FUNDS	
	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
LIC	453440.06	526105.00	35062.29	40200.00	34445.98	40191.00	36252.24	67978.00	559200.56	674475.00
PRIVATE SECTOR	12115.24	18645.00	2001.28	3274.00	65.16	244.00	30797.56	65404.00	44979.24	87567.00
TOTAL	**465555.30**	**544750.00**	**37063.57**	**43474.00**	**34511.13**	**40435.00**	**67049.80**	**133382.00**	**604179.80**	**762041.00**
	(77.06)	**(71.49)**	**(6.13)**	**(5.70)**	**(5.71)**	**(5.31)**	**(11.1)**	**(17.50)**		

Note: 1) Figures are based on provisional Returns filed with IRDA.

2) Figure in brackets are percentages to the respective.

(d) Growth of investments of Unit Linked and Traditional Business

The percentage increase of ULIP funds on year over year basis (Table 37) of investment over the last 3 years *vis-a-vis* traditional funds indicates that the growth in investment pertaining to Unit Linked Business started from 2003-04. Till then the total investments were only out of premiums towards traditional, group and annuity businesses.

TABLE 37

TOTAL INVESTMENTS : FUND-WISE

(Rs.Crore)

	2005-06		2006-07		2007-08	
FUND	**TOTAL**	**% Increase**	**TOTAL**	**% Increase**	**TOTAL**	**% Increase**
Life	397188.66	8.46	465555.3	17.21	544750	17.01
Pension & General Annuity	37264.29	209.92	37063.57	-0.54	43474	17.30
Groups	26809.63	-37.19	34511.14	28.73	40435	17.17
Traditional (A)	**461262.59**	**181.19**	**537130.01**	**+45.40**	**628659**	**+51.48**
Unit Linked Funds	25888.14	243.92	67049.8	159.00	133382	98.93
ULIP (B)	**25888.14**	**243.92**	**67049.80**	**159.00**	**133382**	**98.93**
TOTAL INVESTMENTS	**487150.73**					
	604179.81					
	762041					

The cumulative balances of Unit Linked investments reported at Rs.25888 crore in 2005-06 increased to Rs.67049 crore in 2006-07 and further to of Rs.133382 crore by 2007-08. On an incremental basis, while the growth of investments during the last 2 years shows a steady pattern in respect of investments pertaining to traditional products, there is a steep increase in respect of investments pertaining to Unit Linked business.

NON-LIFE INSURERS

Of the total investments by non-life insurers, Rs.20187 crore were held in Central Government and State Government securities, Rs.7660 crore in infrastructure and social sector and Rs.24543 crore in investments subject to exposure norms as on March 31, 2008 The size of the investments as on March 31, 2007 were Rs.18867 crore, Rs.6102 crore, Rs.21672 crore respectively.

TABLE 38

INVESTMENTS OF NON-LIFE INSURER: FUND-WISE

(Rs.Crore)

PATTERN OF INVESTMENTS	2005-06		2006-07		2007-08	
	TOTAL	**% to Fund**	**TOTAL**	**% to Fund**	**TOTAL**	**% to Fund**
1 Other approved Securities incl. Govt. Sec	16740	40	18866	37	20187	35.87
1a. Of which Govt. Securities	11670	28	13231	26	14054	24.97
2 Housing and Fire Fighting Equipments	3107	7	3742	7	3891	6.91
3 Infrastructure and Social Sector	4980	12	6102	12	7660	13.61
4 Investment Subject to Exposure Norms (incl. OTAI)	17492	41	21671	43	24543	43.61
4a. Other than approved Investments	4078	10	3884	8	4342	7.71

	TOTAL
	42319
100	50382
100	56281
100	

Note: AIC of India has not been included.

Public sector non-life companies invested Rs.16903 crore in Central Government and State Government Securities (35.79 per cent of their total investments), Rs.5843 crore in infrastructure and social sector (12.37 per cent of their total investments) and Rs.21335 crore in investments subject to exposure norms (45.18 per cent of their total investments) as against Rs.16606 crore (37.59 per cent), Rs.5051 crore (11.43 per cent) and Rs.19323 crore (43.74 per cent) respectively in the previous year. Investments of the private insurers in the above sectors stood at Rs.3283 crore (36.22 per cent), Rs.1816 crore (20.03 per cent) and Rs.3208 crore (35.39 per cent) as against Rs.2260 crore (36.39 per cent), Rs.1052 crore (16.93 per cent)and Rs.2349 crore (37.81 per cent) respectively as on March 31, 2007.

V) Health Insurance

Growth Trends

Increasing awareness of health insurance, rising healthcare costs, and also, the recent detariffing of the general insurance industry (which has increased emphasis and efforts by insurance companies towards health insurance and other personal lines of business) have become key drivers for Health Insurance in the last few years.

Already, health insurance has become the fastest growing segment in the non-life insurance industry in India in recent years, and has grown 60 per cent during 2007-08 with a premium of over Rs.5100 crore. It is also emerging as an increasingly significant line of business for life insurance companies, and many prominent life insurance companies now have health insurance products, the conspicuous ones among these having been launched in the last 6 months itself. During the last six years, the premium from health insurance products has grown from Rs. 675 crore in 2001-02 to Rs.5100 crore in 2007-08. When compared with 2005-06, the health insurance premium has grown by 130 per cent in 2007-08 from a level of about Rs.2200 crore in 2005-06.

The number of persons covered under health insurance is also steadily increasing over the years. Considering the vast potential for health insurance any increase in this segment looks to be small. In the absence of health protection, the financial impact of hospitalization can be very pronounced more so in the case of low income people. It is reported that as absence of health protections causes economic loss, it is one of the leading causes of impoverishment in the country. Many states have recently initiated large scale health insurance programmes in association with non-life insurers to protect their vulnerable groups from such health-related financial needs. Some prominent schemes are Rajiv Aarogyasri scheme in AP, and the centrally-sponsored Rashtriya Swasthya Bima Yojana (RSBY) being launched in many states across the country. Such schemes increased the number of people to have coverage under some form of health insurance in the country.

IRDA Initiatives on Health Insurance

IRDA has been taking many pro-active steps in its developmental role for health insurance. The Authority had set up a National Health Insurance Working group in 2003, which provided a platform for various stakeholders of the health insurance industry to work together and suggest solutions to relevant issues in the sector. Subsequently, realizing the importance of accurate and timely data for health insurance, a sub-group looked into the requirements for standardized data on Health Insurance, and devised standard data submission formats for collecting data electronically. This system was put in place and has now been functional for over 4 years as a health data repository at the Tarriff Advisory Committee in Mumbai, wherein considerable data on insured persons and claims have been collected and is analysed. Steps have also been initiated to further streamline the process of data collation and analysis. For 2006-07, the repository received data on 16.3 million insured persons, 3.8 million policies and 1 million claims, and there have been continuous improvements in the quality of this data.

In 2004, IRDA also appointed sub-committees to specifically

Box Item 3

HEALTH INSURANCE: INITIATIVES

In October 2007, the Confederation of Indian Industry organized its first Health Insurance Summit in Mumbai, and the deliberations in the summit made it clear that there were several issues in the health insurance domain that required greater deliberation, efforts and initiatives by the industry bodies, regulator and the government. IRDA actively supported CII in the constitution of four working groups to go into further details of pertinent issues surrounding health insurance data, providers' and payor standards and health insurance awareness and communication. These groups comprised of IRDA and CII representatives, insurers, providers, TPAs, actuaries, IT companies, international development agencies and other stakeholders in the health insurance eco-system, and after several months of deliberations, within the group and with other stakeholders outside these groups, presented their key recommendations in a conference in Mumbai held in May 2008.

The Data Standards group was constituted with the objective of suggesting mechanisms for streamlining and development of health insurance data repository and mechanisms for information exchange among stakeholders. The group concluded that the existing data with IRDA is of sufficient quality and is amenable for extensive data analysis and helps in critical business intelligence which can strengthen and further the growth by providing a scientific rationale for most business decisions. The group suggested that data submitted to the repository should be regularly analyzed under the guidance of a group of experts. It also suggested that IRDA can make available the results of the detailed analysis in the public domain. The data collection system should be extended to cover all insurers (both life and general) selling health products. IRDA should maintain the data repository and ensure compliance of data submission by the insurers and TPAs as per the regulatory provisions. The group recommended that a mechanism may be evolved to facilitate submission of information by the hospitals and health providers to the repository, so that data on the uninsured population is also available which will strengthen the information base on morbidity.

A common standard claims format could be introduced for submitting health insurance claims which will not only facilitate capturing of required information but also in quick settlement of claims. Standardized coding of diagnosis (using ICD-10 codes) and procedures (using ICD 9 PCS codes) must be strengthened. This will require continuous training of data entry operators,

underwriters and claim settlement officers of insurance companies and TPAs. A simple drop-down ICD 10 coding tool to assist in training the staff of insurers / TPAs in easy assignment of diagnosis codes was developed by the group and has been hosted on the IRDA website. Insurers and TPA's should be required to demonstrate their IT capabilities for data compilation and submission. The group suggested that IRDA may mandate Health Insurance as a separate line of business by the insurance companies, so that Health Insurance gets a better focus and generates better quality data and facilitates scientific underwriting. Health insurance should be a focus point for IRDA. IRDA should strengthen the health department and consider a separate self regulatory organization like a Health Insurance Council. The group also suggested that a sample of records could be put on the IRDA website for analysts / researchers.

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The Provider Standards group, pursuing its objective of suggesting mechanisms to achieve standards and transparency in treatment and billing, suggested that the industry could adopt standard definitions to enable effective and unambiguous interaction amongst all stakeholders. Mechanisms such as certification, regulation, quality assurance programs, peer review, consumer education, accreditation systems and norms for categorization and grading of hospitals for insurance purposes are to be considered. It was suggested that a common prior authorization form be developed for use by all TPAs, obviating the need for providers to stock the stationary of each TPA. Standardized treatment guidelines (STGs) can assist in bringing about quality of care and the group supported development of clinical guidelines. It was felt that some short-term and long-term measures to enhance the use of ICD 10 need to be outlined. There is a need to create training infrastructure, modules and core trainers in ICD-10, the group recommended.

The Payor Standards group pursued the objective of suggesting mechanisms to standardize the key processes and terminology which drive the policy wordings, underwriting and claims processes. The group recommended that to ensure that customers are not 'underwritten at claims stage', all health insurance business should be underwritten at policy inception in a manner that is consistent with the pricing strategy and the risk appetite of the insurance company. Each company would be required to specify an internal underwriting policy framework. This policy framework should articulate the overall risk philosophy of the company and should be approved by the Board of each insurance company. The underwriting policy

would be captured in an underwriting manual, which should be updated for each new product launch - and should be included as part of the normal file and use process. To support the rollout of a best underwriting framework, a robust underwriting training framework should be developed. Each insurer should adopt a best practice claims management framework to create transparency in claims processing. Information on 'turn around times' [TATs] should be made available to public and monitored by the IRDA. Each insurance company would be required to create a claims manual which would specify the claims philosophy of the company as well as the claims processing and management guidelines for each product. All commonly used health insurance terms must additionally be expressed in Common Business English as part of the policy kit sent to the customer. These are meant to be explanatory in nature only – they do not change the legal position of the insurance company. Insurers should have the freedom to re-price the risk at a portfolio level, at the time of renewal. Re-pricing should be permitted for a class of policies and not at an individual policy level. The group also recommended additional focus on integration and interaction between payors and providers. Transparency to the customer about portability of benefits via a "Portability Disclosure" could be included as part of the policy terms and conditions.

The Communication and Awareness group was set up with the objective of building a concerted effort towards consumer education and health insurance awareness. The group recommended that multiple awareness messages need to be designed based on the message recipient and the nature of the market. The key communication objectives should be to explain what health insurance is and how it works. The objective would be to explain the philosophy of risk pooling, to educate the consumer on how to choose the right product, to create a positive image of health insurance and its role in protecting against medical emergencies, to provide clarity on benefits of products/services and to explain the main terms and conditions and what health insurance covers or does not cover and to educate consumers about the process

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of grievance redressal. The group also recommended constitution of a group which can launch and maintain a sustained campaign and could use channels like regional media, news media, in-program or in-film promotion and celebrity endorsement campaigns.

During 2007, the Federation of Indian Chambers of Commerce and Industry (FICCI) also organized a one day workshop on Sustainability of Health Insurance. Chairman, IRDA, in his keynote address, suggested that Insurers and Providers should jointly take initiatives towards sustainability of health insurance, which led to the constitution of a FICCI sub-committee on Health Insurance, which is also actively supported by IRDA. The sub-committee is receiving support of insurers and providers alike, and is currently working towards evolving Standards of Care for common causes of hospitalization, which will contribute, in due course, to better pricing of hospital services and of health insurance. The sub-committee is also providing a platform for hospitals and insurance companies to undertake other joint initiatives towards sustainability of health insurance.

The recommendations of these working groups and sub-groups are comprehensive and cover various areas of the health insurance domain. A phased implementation of specific recommendations, including the recommendations which help in popularizing health insurance, in providing health insurance at affordable prices and develop the health information system, will contribute towards an orderly growth of the health insurance eco-system, which is in the interests of the consumers and the industry as a whole.

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look into the areas of registration of stand alone health insurance companies and to suggest innovations in health insurance products. The recommendations of these sub-committees have triggered progress in both these areas. The industry has already witnessed the entry of two stand-alone health insurance companies, M/s Star Health and Allied Insurance Co Ltd and M/s Apollo DKV Insurance Co Ltd. Newer and innovative products are being designed and made available, to meet the varied requirements of the consumers. Hospital Daily Cash Benefit and Hospitalization/ Critical Illness benefit products have added variety to the indemnity products which have predominated the market so far. There are some earmarked products for Senior Citizens, for specific diseases like Diabetes and Cancer. For lower socio-economic groups, products providing outpatient coverage, and those covering pre-existing diseases are available none of which were not available until recently. This pace of innovations is increasing steadily.

Other Committees in recent years which studied various aspects of Health Insurance include the Committee on Rural Health Insurance, and the Committee on Parliamentary Undertakings of the Parliament. In April 2007, IRDA appointed a Committee on Health Insurance for Senior Citizens to study and make recommendations regarding the concerns that Senior Citizens face in obtaining health insurance. The committee submitted its report in November 2007 and has made several recommendations, actions on some have to be taken by the Government and some are by the IRDA. Many of these recommendations were accepted by the Authority and have already been taken up for implementation.

IRDA also worked in close tandem with industry chambers on areas related to health insurance. The 1st CII Health Insurance Summit was held in Mumbai on 5th October 2007. IRDA supported the formation of 4 working groups by the Confederation of Indian Industry, which deliberated on specific areas of health insurance, viz. Data Standards, Provider Standards, Payor Standards and Awareness of Health Insurance. These groups submitted their recommendations in April 2008. The FICCI workshop on Sustainability of Health Insurance was held in Delhi on 29th November 2007. IRDA has also participated in a sub-committee of the Federation of Indian Chambers of Commerce and Industry which is deliberating over issues pertaining to sustainability of health insurance.

The general insurance has taken industry initiatives in standardizing a uniform definition of 'Pre-Existing Diseases' and its exclusion wording and has come into effect from June 1, 2008. It is expected that such standardization of terminology will help the insured by increasing clarity and minimizing ambiguity in policy wordings and help comparability of health insurance products across insurers.

During 2007-08, IRDA has also established a separate Health section in the Authority with specialists and is also planning to augment the existing resources.

Third Party Administrators

Third Party Administrators (Health Services) have grown both in number and in volume of business. During 2007-08, two more companies have been granted licence to act as TPAs. One company Dawn Services Pvt. Ltd did not apply for the renewal of licence. Further, TPAs enlarged their network of operations and are engaging people who are trained in ICD-10 coding so as to facilitate analysis of health insurance data. Besides a number of hospitals in different parts of the country are being added to the TPA network for cashless settlement of claims. This welcome indicator reveals that health insurance policy holders can get cashless treatment in many hospitals across the country. The table in the next page highlights of infrastructure facilities of the TPAs.

During year 2007-08, the TPAs have received 1986859 claims, 7.96 per cent more than 1840298 claims received during 2006-07. The TPAs have settled 76.17 per cent of the claims received within a period of one month. There is an improvement on outstanding claims as the outstanding claims as percentage of total claims has come down from 8.53 per cent in 2006-07 to 7.89 per cent in 2007-08.

The table in the next page lives the time taken by the TPAs in settling the claims.

vi) Business in the rural and social sector

The Authority framed Regulations on the obligations of the insurers towards rural and social sectors. Such obligations

need to be fulfilled by the insurers on an annual basis. The regulations require insurers to underwrite business based on the year of commencement of their operations. 'For meeting these obligations the regulations further provide that if an insurance company commences operations in the second half of the financial year and is in operations for less than six months as at March 31, of the relevant financial year, (i) no rural or social sector obligations shall be applicable for the

TABLE 39

TPA (INFRASTRUCTURE) 2007-08

Sl. No.	Name of TPA	Hospitals Added in the Network	Number of Offices/ branches opened	Manpower including Doctors/ Professionals Added
1	Medi Assist India Pvt. Ltd.	1,567	15	379
2	MD India Healthcare Services (P) Ltd.	401	24	254
3	Paramount Health Services	247	-	-
4	Heritage Health TPA Pvt. Ltd.	574	2	47
5	Medicare TPA Services (I) Pvt. Ltd.	833	4	29
6	Family Health Plan	-	(2)	(164)
7	Raksha TPA Pvt. Ltd.	655	5	92
8	TTK Healthcare Services Ltd.	756	1	46
9	East West Assist Pvt. Ltd.	155	-	28
10	Med Save Health Care Ltd.	443	3	3
11	Genins India Ltd.	847	5	62
12	Alankit Healthcare	1,322	-	29
13	Health India TPA Services Pvt. Ltd.	539	3	63
14	Good Health Plan Ltd.	2,745	5	75
15	Vipul Medcrop Private Ltd.	97	2	86
16	Park Mediclaim Consultants Pvt. Ltd.	190	1	21
17	Rothshield Healthcare (TPA) Services Ltd.	976	4	11
	Total	**12,347**	**72**	**1,061**

TABLE 40

THIRD PARTY ADMINISTRATORS - CLAIMS DATA

	Claims Received	Within one month	Within 1-3 months	Within 3-6 months	More than 6 months	Claims Outstanding
2006-07	1840298	1406815	367298	44711	10291	156925
		(76.44)	(19.96)	(2.43)	(0.56)	(8.53)

2007-08	1986859	1513375
302830	48908	12660
156861		
		(76.17)
(15.24)	(2.46)	(0.64)
(7.89)		

Note: Figure in brackets indicates ratio (in per cent) of claims settled to the total claims received.

said period and (ii) the annual obligations as indicated in the Regulations shall be reckoned from the next financial year which shall be considered as the first year of operations for the purpose of compliance. In cases where an insurance company commences operations in the first half of the financial year, the applicable obligations for the first year shall be 50 per cent of the obligations as specified in these Regulations.'

Obligations of life insurers:

(a) Rural Sector Obligations: All the eighteen life insurers including LIC have fulfilled their obligations towards the rural sector. The number of policies underwritten by them in the rural sector as a per cent of the total policies underwritten in the year 2007-08 was as per the obligations applicable to them. LIC policies in rural sector more than the prescribed 24 per cent for 2007-08.

(b) Social Sector Obligations: All the eighteen life insurance companies fulfilled their social sector obligations during 2007-08. The number of lives covered by them in the social sector was above the stipulated obligations. The LIC, while complying with its social sector obligations covered a more number of lives than the prescribed 20.00 lakh lives as obligations for 2007-08.

Obligations of non-life insurers:

(a) Rural Sector Obligations: Out of the twelve private sector non-life insurers except TATA-AIG and Iffco-Tokio all others met their rural sector obligations in 2007-08.The gross direct premium underwritten by them in the said sector, as a percentage of total premiums underwritten in 2007-08, was above the prescribed stipulations. Out of four public sector insurers three complied with the rural sector obligations for 2007-08 and Oriental Insurance Co. Ltd did not fulfil the obligation. With respect to the public sector insurers their obligations are six per cent of the quantum of insurance business done by them in the accounting year 2007-08.

(b) Social Sector Obligations: Among the private sector non-life insurers except HDFC Chubb all companies met their social sector obligations in 2007-08. The number of lives covered by them in the social sector was also higher than the regulatory stipulations. While two public sector insurers viz., United India and Oriental Insurance complied with the social sector obligations for 2007-08, New India and National Insurance fell short of compliance towards the sector. With respect to the public sector insurers their obligations for the financial year 2007-08 are the average of the number of lives covered by the respective insurer in the Social Sector from the financial years 2002-03 to 2004-05 or 5.50 lakhs, whichever is higher.

vii. Financial Reporting and Actuarial Standards

I. Financial Reporting

Additional measures taken by the Authority to improve transparency and disclosures in reporting in the financial statements:

1. As part of the review of the financial statements filed with the Authority on an annual basis and based on the analysis, clarifications are sought and/or attention is drawn to various non-compliances/ non-disclosures. While specific non-compliances/deviations are communicated to the respective insurers, some common deficiencies were observed in the compliance of various regulatory requirements connected to the preparation of financial statements. With a view to ensuring compliance and avoiding recurrence of the

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shortcomings observed, the Authority decided to reiterate clarifications issued on earlier occasions through a comprehensive Circular for the guidance of the insurers.

2. Effective December, 2007, all insurers have been advised to file the quarterly financial statements with the IRDA. These statements include the Balance Sheet, Revenue A/c (Policyholders' A/c) and the Profit & Loss A/c (Shareholders' A/c).

II (a) Appointed Actuary System

One of the main areas which engage the attention of actuaries is the assessment of financial risks in the operation of the insurance companies so that the products sold by them do not contribute to financial risks. In this context they ensure that the solvency of the company is maintained at all points of time.

The Authority introduced the system of Appointed Actuary (AA) in the year 2000. During 2003-04, the Authority notified the "Qualification of Actuary" Regulations, defining an Actuary for the purpose of the Insurance act, 1938. The powers and duties of an Appointed Actuary are laid down by the Authority in the Regulations.

In the case of a non-life insurer, the AA is required to certify the rates for in-house non-tariff products and Incurred But Not Reported (IBNR) Reserves which are indicated under "Outstanding Claims" in the financial statement. While analyzing the availability of solvency in the insurance companies, one of the methods followed to ensure consistency and acceptability to the liability estimates prepared by actuaries is peer review system.

Review Committee

The Authority decided to have a Review Committee to review the Statutory Report furnished to the Authority in respect of Actuarial Report and Abstract required under Section 13 of the Insurance Act, 1938. The Authority constituted a new Actuarial Review Committee for the year 2008.

II (b) Actuarial Standards

The Actuarial Society of India (ASI) issued the first Guidance Note (GN-I) on "Appointed Actuaries and Life Insurance". ASI issued the GN-21 for the appointed actuaries of general insurers.

viii) Crop Insurance

At present, the National Agricultural Insurance Scheme (NAIS) covers about 17 per cent of all farmers and 20 per cent of the cropped area. The Government has been striving to increase the penetration by encouraging the States to bring more and more crops under crop insurance. The Government also directed the Banks to insure all eligible crop loans under NAIS. The Working Group set up in Planning Commission at the beginning of XI Plan period, proposed a target of 40 per cent of cropped area to be brought under crop insurance by 2011-12. A few proposals for bringing in improvements in NAIS are with the Government, which if accepted by the Government are expected to increase crop insurance penetration. Some proposals are:

1. Reduction of Insurance Unit to Gram Panchayat for major crops
2. Guaranteed Yield to be based on long period average
3. Coverage of pre-sowing and post-harvest risks
4. On-account payment of compensation during the season, using weather index, crop health index, etc.
5. Individual farm assessment of claims in case of localized risks like hailstorm, landslide etc.
6. Placing NAIS on 'actuarial regime', with up-front subsidy in premium by the Government
7. Increased and focused effort towards creating crop insurance education & awareness

Use of Satellite Imagery in Crop Insurance:

Realizing the potential of Remote Sensing Technology, Agriculture Insurance Company of India Limited (AIC),

conducted a few pilot studies on using satellite imagery for crop insurance applications. The applications include: (i) estimating cropped acreage under different crops; (ii) stress detection and crop health reporting; and (iii) generating yield estimates at insurance unit level for insured crops. Despite some problems associated with satellite imagery, it may be possible in near future to use satellite imagery to estimate crop yields at block / tehsil level, which on one hand, could enable settlement of crop insurance claims faster, and on the other, minimize human intervention in estimating the crop yields.

Weather Insurance:

The Government is piloting weather based crop insurance in a few States as a substitute for National Agricultural Insurance Scheme (NAIS) to evaluate the relative strengths and weaknesses of these models. Weather (Rainfall) based Crop Insurance was implemented on a pilot basis as a substitute for NAIS in Karnataka during Kharif 2007 season, and subsequently in Bihar, Chhattisgarh, Madhya Pradesh & Rajasthan during Rabi season. The pilot was extended to seven more states (Bihar, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Orissa & Rajasthan) during Kharif 2008 season. Haryana & Punjab have also piloted weather insurance in one tehsil each during Kharif 2008 season. Tamilnadu is likely to implement the pilot in a few districts, as well.

Good density of weather stations (at least one station per Block) and supply of weather data on near real-time basis is critical for weather insurance. At present, the IMD network is mostly limited to district headquarters and a majority of weather stations are manually operated, hampering the expansion of weather insurance. IMD, however, has recently decided to expand and automate the weather stations' network, and accordingly, about 550 automatic weather stations and 1350 automatic rain gauges are expected to be installed in near future. This expansion and automation is expected to strengthen the efforts to help extending weather insurance.

It is important to note that all States are not convinced about the effectiveness of weather insurance in comparison to practically an 'all-risk' NAIS. There is a view that integrating 'weather index' with NAIS may be a better alternative, instead of promoting weather insurance as a stand-alone insurance. The major shortcoming of NAIS happens to be delay in settling claims, and this can resolved by giving en early 'payout' on the basis of 'weather index', with the final payout based on the yield index. In this way, the strengths of 'yield index' and 'weather index' based insurance can be successfully availed in providing effective crop insurance.

ix) Micro-Insurance

Life Insurance Sector

The Micro-Insurance portfolio has made steady progress in the year. More life insurers have commenced their Micro-Insurance operations and many new products have been launched during the year under review. The distribution infrastructure has also been considerably strengthened and the new business has shown a decent growth, though the volumes are still small.

TABLE 41

NEW BUSINESS UNDER MICRO-INSURANCE PORTFOLIO FOR 2007-08

(Premium in Rs lakh)

	Individual		Group		
Insurer	**Policies**	**Premium**	**Schemes**	**Lives covered**	**Premium**

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Private Total	83153	209.74
15	874901	871.23
LIC	854615	1613.36
7583	11367126	19256.23
Industry Total	**937768**	**1823.10**
7598	**12242027**	**20127.46**

Note: New business premium includes first year premium and single premium.

A major percentage of micro-insurance business was procured under group portfolio. While the individual new business procured in the year was Rs. 18.23 crore under 9.38 lakh policies, the group business amounted to Rs. 201.27 crore under 1.22 crore lives. LIC contributed most of the business procured in this portfolio by garnering Rs. 16.13 crore of individual premium from 8.54 lakh lives and Rs. 192.56 crore of group premium under 1.14 crore lives.

The number of micro insurance agents stands at 4584 as at the end of the financial year, out of which 4166 belong to LIC alone. Nine life insurers have so far launched 26 micro-

TABLE 43
GROUP DEATH CLAIMS UNDER MICRO-INSURANCE PORTFOLIO — 2007-08

(Benefit Amount in Rs. lakh)

	Total claims payable		Claims paid		Claims repudiated		Claims pending at end of year	
	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount
Private Total	1785	259.81	1730	252.12	38	5.00	17	2.69
			(96.92)	(97.04)	(2.13)	(1.92)	(0.95)	(1.04)
LIC	41964	11840.00	41958	11836.80	-	-	6	3.20
			(99.99)	(99.97)	-	-	(0.01)	(0.03)
Industry Total	**43749**	**12099.81**	**43688**	**12088.92**	**38**	**5.00**	**23**	**5.89**
			(99.86)	**(99.91)**	**(0.09)**	**(0.04)**	**(0.05)**	**(0.05)**

Note: Figure in brackets show percentage of the respective total claims

TABLE 44
INDIVIDUAL DEATH CLAIMS UNDER MICRO- INSURANCE PORTFOLIO— 2007-08

(Benefit Amount in Rs. lakh)

	Total claims payable		Claims paid		Claims repudiated		Claims pending at end of year	
	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount	No of Lives	Benefit Amount
Private Total	182	23.07	130	16.33	30	4.06	22	2.68
			(71.43)	(70.78)	(16.48)	(17.60)	(12.09)	(11.62)
LIC	318	47.25	309	45.82	1	0.13	8	1.30
			(97.17)	(96.97)	(0.31)	(0.28)	(2.52)	(2.75)
Industry Total	**500**	**70.32**	**439**	**62.15**	**31**	**4.19**	**30**	**3.98**
			(87.80)	**(88.38)**	**(6.20)**	**(5.96)**	**(6.00)**	**(5.66)**

Note: Figure in brackets show percentage of the respective total claims

insurance products of which 13 are individual products and the remaining 13 are group micro-products.

TABLE 42
MICRO-INSURANCE AGENTS – LIFE INSURERS

Insurer	As on April 1, 2007	Additions	Deletions	As on March 31, 2008
Private	79	341	2	418
LIC	1232	2934	-	4166
Total	**1311**	**3275**	**2**	**4584**

With the notification of IRDA (Micro-insurance) Regulations 2005 by the Authority, there has been a steady growth in the design of products catering to the needs of the poor. The flexibilities provided in the Regulations allow the insurers for composite covers or package products. This has generated a trend with the insurance companies offering already approved general products as Micro-insurance products with the approval of the Authority if the sum assured for the product is within the range prescribed for Micro-insurance.

x) Directions, orders and regulations issued by the Authority

Insurance Agents

During the year following regulation was notified on October 9, 2007:

IRDA (Licensing of Insurance Agents) (Amendment) Regulations, 2007.

Corporate Agents

During the year following regulation was notified on October 9, 2007:

IRDA (Licensing of Corporate Agents) (Amendment) Regulations, 2007.

Further, on October 15, 2007 – Circular No. 42/IRDA/Agency/OCT/2007 was issued informing amount the reduction in Agent Training Hours to Insurers.

The Authority had issued a Circular in December dated 18, 2007 stating the Guidelines on File and Use procedures in respect of general insurance products as detailed in the Authority's circular no. 021/IRDA/F&U/Sep-06 dated 28th September 2006 will continue to apply and insurers shall continue to file the rates and terms that they wish to offer for various products including the products covered by the erstwhile tariffs. The CEOs assured the Authority that the high standards of underwriting and market conduct will be maintained by all insurers even after the price controls are removed. On the basis of these assurances, the Authority decided the following:

1. Except for Motor Third Party risks, for all other new insurances and renewals effective on or after January 1, 2008 , insurers shall be free to quote rates of premium in accordance with the rate schedules and rating guidelines that have been filed with the Authority.

2. The premium rates for Motor Third Party risks will continue to be regulated by the Authority.

3. Risks qualifying as large risks under paragraph 19(v) of the circular no. 021/ IRDA/ F&U/ Sep-06 dated September 28, 2006 shall be insured at the rates, terms and conditions and basis of insurance exactly as the rates, terms etc. as developed from the reinsurers with no variation.

4. Insurers may file a fresh schedule of rates and rating guidelines with the Authority or may maintain the schedules and rating guidelines that have already been filed.

5. The requirements of the circular no. 021/IRDA/F&U/Sep-06 dated September 2006 with regard to the filing of products and rates schedules and rating guides and manuals shall continue to apply as amended from time to time.

6. The Authority will accept the rate schedules and rating guides as filed by the insurer on the stipulation that these are in compliance with the underwriting policy as approved by the respective Boards of Directors and on the condition that they are designed so as to produce an operating ratio [incurred claims plus commission and expenses of management] not exceeding 100 per

cent on a gross underwriting basis. However, the Authority retains the right to query or require changes to any such rates schedules and rating guides, at its sole discretion.

7. Any revision in rates shall only be given effect to on renewal date of the insurance and insurers shall not be permitted to cancel existing insurances and replace them by new insurances at revised rates. The insured has, however, the right to require cancellation of his insurance in which case, premium at short period scale as applicable shall be chargeable.

8. The terms & conditions of cover and the wordings of policies, endorsements, warranties and clauses set out in the erstwhile tariffs shall continue to apply until fresh market wordings are examined and accepted by the Authority after considering the views of various stakeholders.

xi) Right to Information Act, 2005

During the year 2007 -2008 the Authority nominated the following Officers as Public Information Officers under the Section 19 (1) of RTI Act, 2005.

Name of the PIO	Subject related to	No. of Applications			Appeals recd. by Appellate Authority
		Received	Rejected	Transferred	
1. Mr Prabodh Chander	Non-Life, Hindi, Health Insurance, Legal	148	19	23	27
2. Mr. K Subrahmanyam	Actuarial, Intermediaries & Inspections	10	0	2	
3. Mr. Kunnel Prem	Life Insurance	37	0	1	
4. Mrs. Vedakumari	Agents' Training Institute, Corporate Agency and any other residuary matters	100	1	1	

Shri C R Muralidharan, Member (F&I) continues to be the Appellate Authority under Section 19 of the said Act.

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PART II
REVIEW OF WORKING AND OPERATIONS

i) Regulation of Insurance and reinsurance companies

The Authority, in order to discharge the functions specified in Section 14 of the Insurance Regulatory and Development Authority (IRDA) Act, 1999, has specified the regulations given in the Annex-II. The regulatory framework broadly covers such aspects as the entry level requirements including those pertaining to minimum paid-up capital, 'fit and proper' management, 'file and use' requirements, filing of regular returns to the Authority. These are envisaged to help the Authority in carrying out its statutory functions to regulate, promote and ensure orderly growth of insurance and re-insurance business. In addition, Authority has also issued various directions, guidelines and circulars in order to carry out operations efficiently. Before issuing Regulations the clearance from the Advisory Council was sought and sent to the Government for notification in the Gazette and the Gazette notification is then sent to the Government for laying before the Parliament for approval.

ii) Intermediaries associated with the insurance business

Insurance Agents

The individual agency numbers showed a net increase of over 26 per cent in the year 2007-08. From 19.93 lakhs at the beginning of 2007-08, the number of individual agents increased to 25.20 lakhs by the end of the year. The private life insurers had recorded a phenomenal increase of 49 per cent as compared to a relatively lower 8 per cent increase registered by LIC. It is also for the first time after the opening up of the sector that the private insurers have more number of individual agents than LIC. While the number of agents at the end of the year in LIC's fold stands at 11.93 lakhs, the number for all the private insurers put together is 13.26 lakhs.

TABLE 45

DETAILS OF INDIVIDUAL AGENTS OF LIFE INSURERS – 2007-08

Insurer	As on April 1, 2007	Additions	Deletions	As on March 31, 2008
Private	890152	772910	336314	1326748
LIC	1103047	234852	144155	1193744
Total	**1993199**	**1007762**	**480469**	**2520492**

One major concern that emerges from the data is the high percentage of turnover of agents. In 2007-08, while the total number of agents appointed is 10.07 lakhs, the number of agents terminated is as high as 4.80 lakhs. The high turnover is a huge drain on the financials of the insurers who spend lot of money and time on prospecting, appointing and training of these agents. The policies procured by these agents are rendered orphan on their termination and thereafter result often into lapsation due to lack of servicing support.

TABLE 46

DETAILS OF CORPORATE AGENTS OF LIFE INSURERS – 2007-08

Insurer	As on April 1, 2007	Additions	Deletions	As on March 31, 2008
Private	1906	442	278	2070
LIC	409	55	119	345
Total	**2315**	**497**	**397**	**2415**

The image of the profession of Agency too suffers a setback since the public in general and prospective agents in particular perceive it as lacking in stability, thus making it more difficult for insurers to find good agents. It is therefore in the interest of all the stakeholders to work on reducing the turnover of agents.

While there were 2315 corporate agents at end March 2007, the number has increased to 2415 at end March 2008. Of this, 2070 were for the private insurers while the remaining belonged to LIC.

Insurance Brokers

During the year 2007-08, 19 broking licenses were issued, of which 16 are direct broker licenses, one Composite broking license and two reinsurance licenses. Licenses for 35 brokers were renewed. The total number of licenses issued as on September 10, 2008 are 281, of which 242 are direct brokers, 33 are composite brokers and 6 are reinsurance brokers and the state-wise distribution of licenses is at Annex VIII. The number of licenses valid as on 10-09-2008 is 265.

Inspections were conducted on 17 broking companies during 2007-08. One license was cancelled and five voluntary surrender of license were accepted. During inspection, the following observations were made in some case and appropriate actions initiated:

- Violation of the Regulation 9(3) as to the requirements for soliciting and procuring the insurance business.
- Breach of Regulation 21 as to the code of conduct on matters specified under clause 3(b) of Schedule – III of the IRDA (Insurance Brokers) Regulations, 2002 by utilizing services of consultants, who are not on the employees roll and paying consultation fee to them for various services which include risk assessment, lead generation, technical know-how, staff training etc
- Not fully complying with the provisions of Regulation 24 as to maintaining continuity of Professional indemnity policy throughout the validity of the license and limit of indemnity in the ratio of 1:1.
- Deviations from the provisions of Regulation 25 by not maintaining the books of account on accrual basis and keeping the statements, documents, etc at its Head office.
- Non compliance with Regulation 26(1) as to the submission of half yearly accounts by not adhering to the stipulated time limit.
- Not having proper internal control systems as per Regulation 27.
- Inter group and related party transactions which were not disclosed in accordance with the Accounting Standard- 18 and payments were found in excess of what has been approved by the Board.
- Diversion of funds within the group companies which attract Provisions of Regulation 34(2) of IRDA (Insurance Brokers) Regulations, 2002.
- Payment of premium on behalf of the Client which indicates inducing clients by offering credit facility.

The geographical spread has increased and broking companies have sought licenses in smaller towns like Bharuch, Surat , Baroda, Rajkot,Thrissur,Indore, Ahmedgarh, Nanded, Udaipur, Varanasi etc., In addition, many have expanded their branch networks, thereby making services available in large number of B and C category towns.

Channel-wise New business Performance

The year 2007-08 witnessed a further shift away from the individual agency channel. The new business premium procured through individual agents in 2007-08 was 83.75 per cent as against 88.62 per cent in the year previous to that.

The share of new business conceded by the individual agents was picked up mainly by the corporate agents and direct selling.

TABLE 47

NEW BUSINESS PREMIUM (INDIVIDUAL AND GROUP) OF LIFE INSURERS FOR 2007-08 CHANNEL WISE

(Figures In per cent)

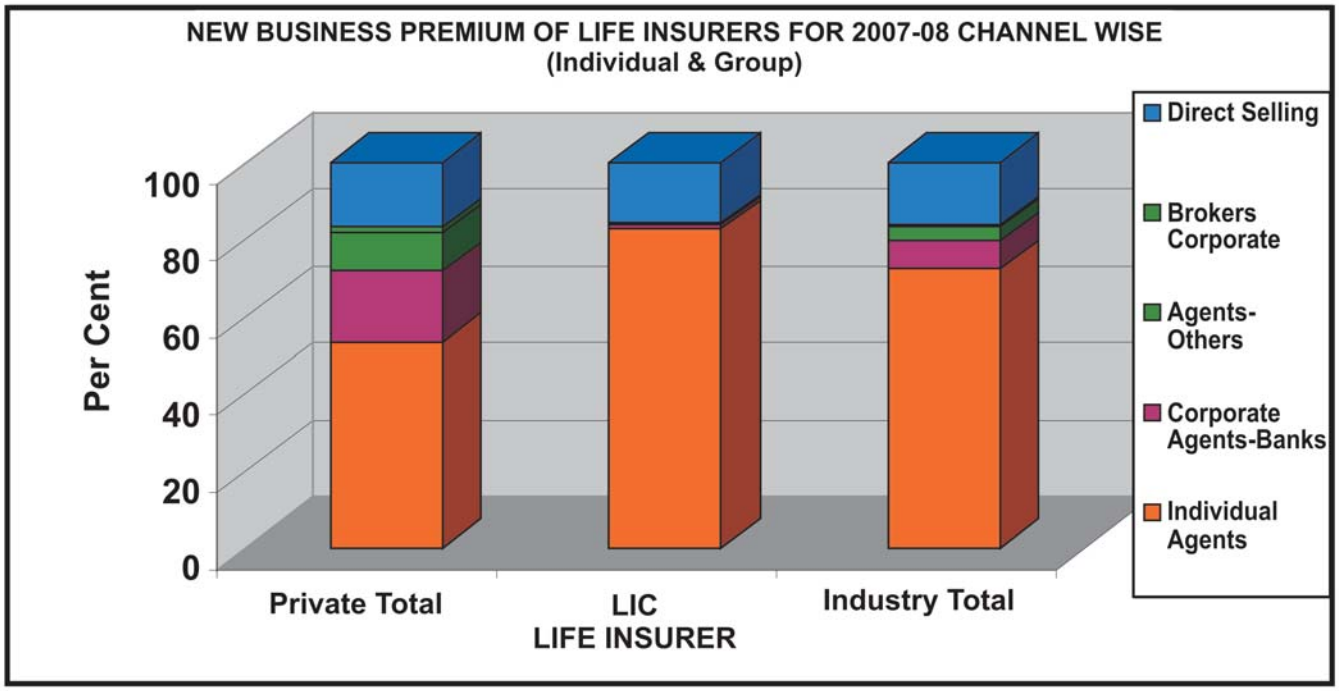
Life Insurer	Individual Agents	Corporate Agents		Brokers	Direct Selling	Total New Business (Individual & Group)	Referrals
		Banks	Others*				
Private Total	53.46	18.20	9.92	1.61	16.81	100.00	6.96
LIC #	82.68	1.15	0.27	0.05	15.85	100.00	-
Industry Total	**72.17**	**7.28**	**3.74**	**0.61**	**16.20**	**100.00**	**2.51**

*Any entity other than banks but licensed as a corporate agent.

Does not include its overseas new business premium.

Note: 1) New business premium includes first year premium and single premium.

2) The leads obtained through referral arrangements have been included in the respective channels.



The share of corporate agents which was 8.42 per cent in 2006-07 has increased to 12.33 per cent in 2007-08. Within the corporate agency channel, while the banks' share grew from 5.46 per cent in 2006-07 to 7.97 per cent in 2007-08, the others grew from 2.96 per cent to 4.36 per cent in the corresponding years. The share of corporate agents in the new business premium procured by the private life insurers was significant at 29.92 per cent in 2007-08 as compared to 24.99 per cent in 2006-07, while for LIC the share fell to 1.59 per cent in 2007-08 from 2.14 per cent in the previous year.

TABLE 48

INDIVIDUAL NEW BUSINESS PREMIUM OF LIFE INSURERS FOR 2007-08 CHANNEL WISE

(Figures In per cent)

Life Insurer	Individual Agents	Corporate Agents		Brokers	Direct Selling	Total	Referrals
		Banks	Others*				
Private Total	59.81	18.89	11.03	1.50	8.78	100.00	7.79
LIC #	98.36	1.30	0.29	0.05	-	100.00	-
Industry Total	**83.75**	**7.97**	**4.36**	**0.60**	**3.33**	**100.00**	**2.95**

*Any entity other than banks but licensed as a corporate agent.

Does not include its overseas new business premium.

Note: 1) New business premium includes first year premium and single premium.

2) The leads obtained through referral arrangements have been included in the respective channels.

Direct selling too witnessed a large increase in the share of total business, from 0.38 per cent in 2006-07 to 3.33 per cent in 2007-08. The share of direct selling among private life insurers went up to 8.78 per cent in 2007-08 from 1.39 per cent in the previous year, while LIC did not procure any individual new business through this channel in both the years.

Group Business:

Direct selling continues to be the dominant channel of distribution for group business. The percentage of group business procured through direct selling continues to be around 88 per cent even in 2007-08.

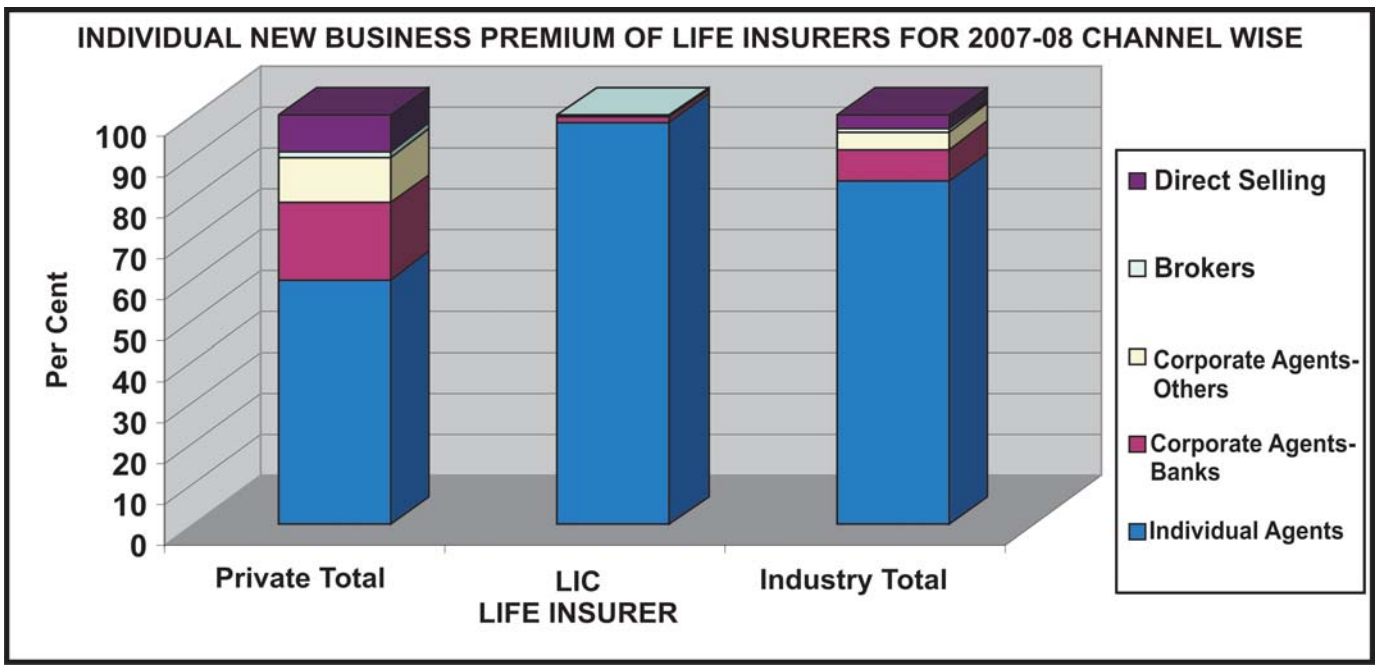


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TABLE 49

GROUP NEW BUSINESS PREMIUM OF LIFE INSURERS FOR 2007-08 CHANNEL WISE

(Figures In per cent)

Life Insurer	Individual Agents	Corporate Agents		Brokers	Direct Selling	Total	Referrals
		Banks	Others*				
Private Total	0.48	12.36	0.65	2.59	83.92	100.00	0.05
LIC #	10.11	0.44	0.16	0.06	89.22	100.00	-
Industry Total	**7.68**	**3.46**	**0.29**	**0.70**	**87.88**	**100.00**	**0.01**

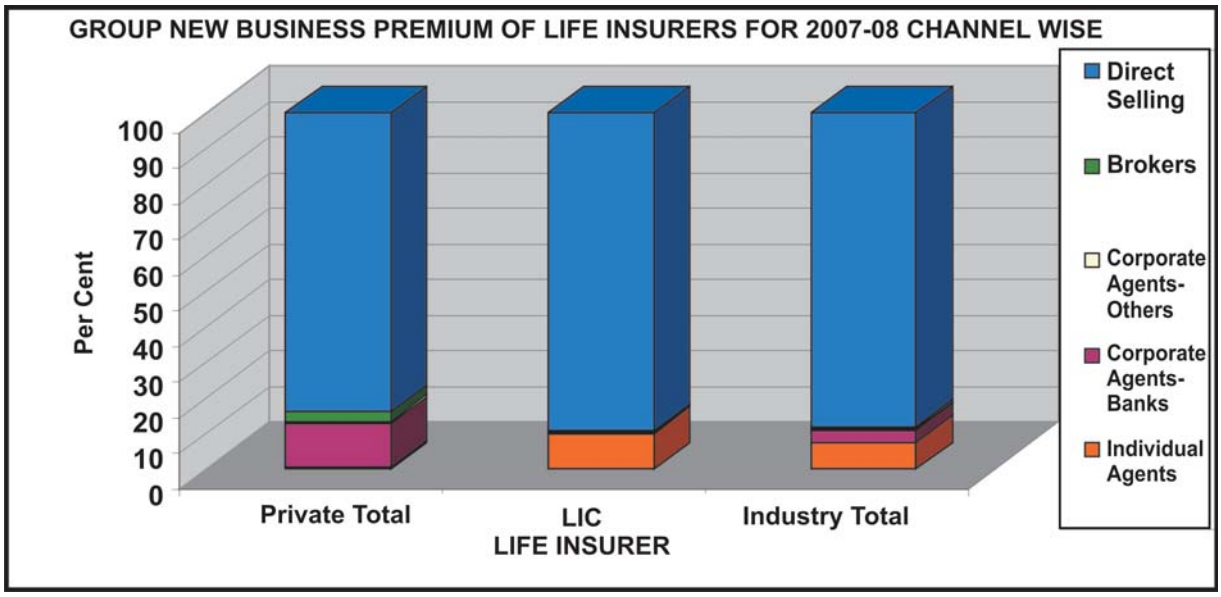
*Any entity other than banks but licensed as a corporate agent.

Does not include its overseas new business premium.

Note: 1) New business premium includes first year premium and single premium.

2) The leads obtained through referral arrangements have been included in the respective channels.

However. LIC, which used to handle entire group insurance business directly by itself, has changed its strategy. For the year 2007-08, LIC has done 10.11 per cent of the group insurance business through its traditional individual agency channel, while another 0.66 per cent of the group insurance business has come from other channels such as corporate agents and brokers.



As far as private insurers are concerned, there was not much change. During the year 2007-08, these companies carried out around 84 per cent of the group insurance business through direct selling and another 12.36 per cent of the business through bancassurance mode. (It was 85 per cent and 13.36 per cent, respectively, for the year 2006-07).

Surveyors and Loss Assessors

The Authority issues licenses to surveyors and loss assessors in terms of Section 64UM of the Insurance Act, 1938. An individual, a company or a firm wanting to act as surveyors and loss assessors has to make an application to the Authority

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in the prescribed format for the purpose. The Insurance Surveyors and Loss Assessors (Licensing, Professional Requirements and Code of Conduct) Regulations, 2000 lay down the process of application for procurement of licence.

During the last financial year, the Authority has enrolled 773 applicants as Trainee surveyors and issued 286 fresh licenses to trainee surveyors on completion of practical training and passing of the requisite examinations. The Authority also received 1907 requests for renewal of licences during the last financial year 2007-08 and 1651 licenses have been renewed and issued on fulfilment of all the Regulatory requirements. Further, for the first half of 2008-09, 1178 requests for renewals have been received and 1201 requests have been processed and issued renewed licenses.

iii) Litigations, appeals and court pronouncements

The legal department is involved in the policy formulation in respect of the Insurance Laws (Amendment) Bill) as also the vetting and drafting of the IRDA Regulations and its amendments and Circulars/Guidelines/Memorandum issued by IRDA

Total no. of cases filed before the Supreme Court of India, the various High Courts, Consumer Courts, Civil Courts and MACT during the period April, 2007 to March, 2008 are 78. The break-up for the same is provided below:

No. of cases filed in the Supreme Court	3	
No. of cases filed in various High Courts	53	
No. of Writ Appeals filed in various High Courts	1	
No. of Review Petitions filed in various High Courts	1	
No. of Consumer Cases filed	17	
No. of Civil Cases filed	3	
No. of MACT cases filed	——	
No. of Writ Petitions disposed of by various High Courts	Without directions to IRDA	With directions to IRDA
No. of Writ Appeals disposed of	21	9
No. of Consumer Cases disposed of	3	1
No. of Civil / MACT cases disposed of	—	—

The nature of the litigations are

- Challenge to the vires of the IRDA Act/Insurance Act and the Regulations made there under as also the memorandum/circulars issued by IRDA
- Enforcement actions viz. issuance of directions, levy of monetary penalties as also suspension/cancellation of licenses and certificate of registration granted to brokers, intermediaries, insurers etc
- Non- enforcement actions where the focus of issues inter alia involves :-

(i) Policyholder related issues

- Repudiation of claims arising from policies
- Assignment and Transfer
- Nomination
- Non redressal of grievances

(ii) Surveyor's categorization

(iii) Enhancement of motor insurance premium rates for third party liability

(iv) Non payment of agency commission

(v) Termination of agency

Regulatory help: The department helps the operational departments on issues relating to

- initiation of enforcement and non-enforcement related actions policies of the regulator and interpretation of the Insurance laws.
- to show cause notices to be issued by the operational departments
- parliamentary references.

It also provides legal advice on matters arising in references filed under the RTI Act.

iv) International Cooperation in Insurance-International Association of Insurance Supervisors (IAIS)

The International Association of Insurance Supervisors (IAIS) was established in 1994 to promote cooperation among insurance supervisors and other financial sector supervisors. Over the years, the membership has grown and insurance supervisors from over 180 jurisdictions became members and over 100 organisations and individuals representing professional

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associations, insurance and reinsurance companies, international financial institutions, consultants and other professionals became observers. This involvement reflects the increasing global nature of insurance markets and the need for consistent supervisory standards and practices. In addition, it recognizes the important contribution that strong supervisory regimes leads to financial stability. The IAIS provides an effective forum for standard-setting and implementation activities by providing opportunities to both practitioners and policy makers to share their expertise, experience and understanding.

The IAIS's activities are undertaken with active guidance of its Executive Committee, which comprises of 15 voting members elected from different regions of the globe and the Chair of the Budget Committee who is an ex-officio non-voting member. This is complemented by the Technical Committee, the Implementation Committee and the Budget Committee, supported by their working parties. The day-to-day business and affairs of the IAIS are taken care of by its Secretariat, located at the Bank for International Settlements in Basel, Switzerland.

The IAIS develops principles, standards and guidance for effective insurance supervisory regimes. In doing so it helps to establish and maintain fair and efficient insurance markets for the benefit and protection of policyholders. The IAIS also prepares 'issue papers' that provide background on specific areas of interest to insurance supervisors.

The IAIS collaborates closely with other international financial institutions and international associations of supervisors or regulators and assists in shaping financial systems globally. In particular the IAIS is one of the constituting bodies of the Joint Forum and participates in all of its working groups. It is also represented on the Financial Stability Forum. The IAIS provides input to the International Accounting Standards Board (IASB) for its work on the international financial reporting standards most relevant to insurers, and is a member of the IASB's Standards Advisory Council as well as an official observer of its Insurance Working Group and Financial Instruments Working Group. It also has observer status on the Financial Action Task Force, which combats money laundering and terrorist financing.

The Authority is represented by its Chairman on its Executive Committee and by Members on the various Committees of IAIS looking into insurance contracts, accounting aspects, insurance laws, reinsurance, financial conglomerates, solvency, frauds, etc.

Joint Forum Working Group on Conglomerate Principles

The Joint Forum, which was formed in the early 1990s comprising of the three international bodies on regulation of financial sector, viz., BIS, IAIS and IOSCO, has been entrusted with the task of evolving policy papers on conglomerate supervision with particular reference, to capital requirements, risk management, fit and proper criteria, information sharing with supervisors, intra group transactions and exposures etc. Initially, this was meant for the use of G7 and European Union countries. The Joint Forum recently constituted a Working Group with a mandate to take stock of the implementation of the principles laid down in the papers of the Joint Forum by its member countries and by other jurisdictions. The Forum is keen to understand the approach of various jurisdictions across the globe on conglomerate supervision. There is also a felt need to compile comprehensive information on the actual policies in various countries on conglomerate supervision and cross border supervision issues for future work. In order to meet the objectives of the Forum, the Working Group has been constituted with the existing member countries plus three non-Member jurisdictions, one each from Asia, Africa and Latin America to understand the approach in the adoption of the underlying ideas and principles of Joint Forum on conglomerates by various countries in the world.

The Indian Sub-Continent is represented by the Member (F&I) of the Authority on the Joint Forum Working Group on Conglomerate Principles at Basel, Switzerland.

The Joint Forum as part of its mandate has drafted a report on implementation of the Joint Forum Principles on the Supervision of Financial Conglomerates. The objective of the report is to examine the extent to which supervisors across the banking, securities and insurance sectors have implemented the 1999 Joint Forum principles on the supervision of financial conglomerates. The report also identifies particular challenges in the implementation of these

principles, including regulatory responses used to address those challenges as well as particular principles that have been implemented less widely. The draft is under consultation.

v) Public Grievances

The Grievance Cell of IRDA receives complaints from policyholders, insurance intermediaries and from other sources against different Life Insurance companies. On receipt of the complaints the cell functions in two ways:

(a) facilitates an early resolution of the complaint by the insurer through direct interaction with the policyholder and

(b) analyses the complaints based on:

(i) duration of disposal

(ii) functional area

The insurer wise analysis for duration of complaints evaluates the effectiveness and simplicity of the process adopted by the insurer in handling the complaints. It also evaluates how insurer is complying with the provisions of Regulation 5 of IRDA (Policyholders' Interests) Regulations, 2002. The Regulation requires speedy and efficient handling of the complaints by the insurer.

The analysis of the complaints based on functional area indicates:

(a) The weakness in market practices

(b) The inadequacies of the insurance companies - which may require regulatory intervention for necessary corrective action.

The Grievance cell plays a facilitative role by registering the complaint and tracking down the same with the insurer for its early resolution. In case of dispute on any issue between the insurer and the complainant, the cell informs the complainant to take up the matter with quasi judiciary (insurance ombudsman / consumer forums) or judiciary bodies, since IRDA does not have the power of adjudication.

Life Insurers

Grievances cell of the Authority receives grievances from the policyholders against the insurance companies. Such complaints are forwarded to the companies for resolution at their end. When the grievances are resolved by the companies they are expected to inform the grievances cell of the Authority about its resolution or otherwise. As on March 31, 2007, there were 299 complaints pending with the Authority for want of resolution by life insurance companies. During the year 2007-08, the Authority has received 2057 complaints, out of which, 651 related to LIC and 1406 to private sector insurers.

57 per cent of the total complaints received against life insurers by the IRDA during the year 2007-08 were resolved by the former. While the private life insurers resolved 78 per cent of the complaints registered, LIC had resolved only 19 per cent of the complaints filed against them with the Authority. As on March 31, 2008, 1017 complaints were pending with the insurance companies for resolution, out of which 332 belonged to private sector and 685 pertained to LIC.

TABLE 50

OUTSTANDING GRIEVANCES —LIFE INSURERS

Insurer	Outstanding as on 31.3.2007	Grievances Reported during	Total No of complaints as on 31.03.08	Resolved during the 2007-08*	Outstanding as on 31.3.2008
LIC	197	651	848	163 (19.22)	685
Private	102	1406	1508	1176 (77.98)	332
Total	**299**	**2057**	**2356**	**1339 (56.83)**	**1017**

Note: * includes those resolved from outstanding as on 31.3.2007.

During the year 2007-08, IRDA received 651 complaints against LIC and 1406 complaints against all the private life insurers put together. Out of those, LIC could resolve only 80 complaints (12 per cent) while the private life insurers could resolve 1100 complaints (78 per cent).

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TABLE 51

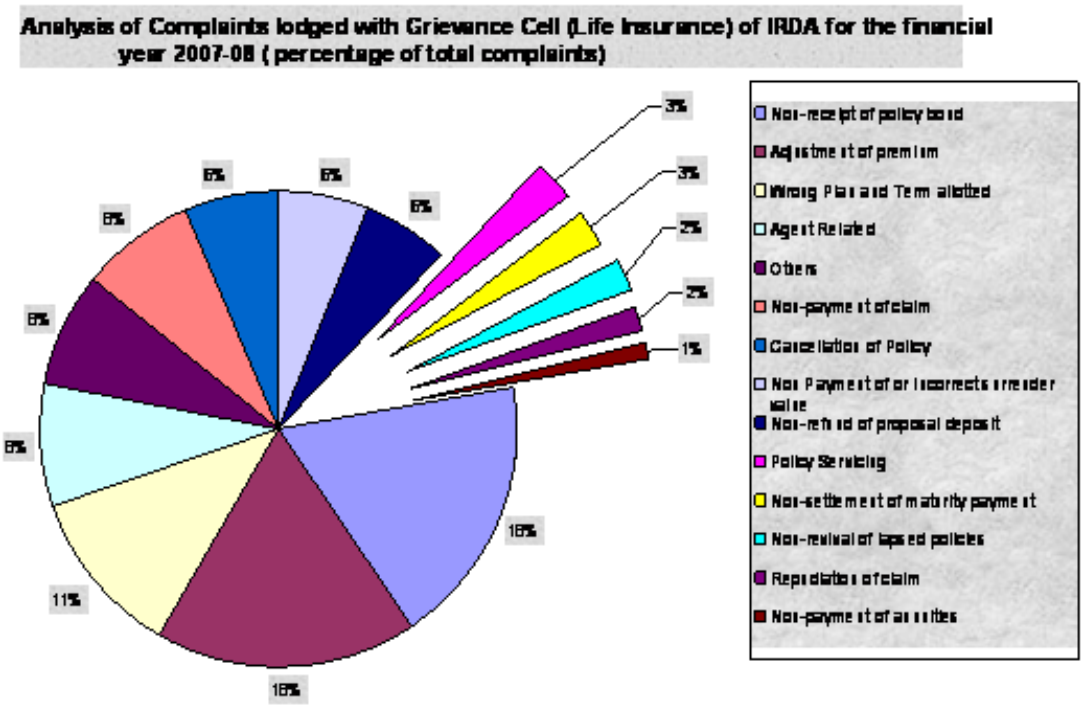
GRIEVANCES DURING 2007-08 —LIFE INSURERS

Insurer	Reported during 2007-08	Resolved during 2007-08	Outstanding during 2007-08
LIC	651	80 (12.29)	571
Private	1406	1100(78.24)	306
Total	2057	1180(57.37)	877

Note: Figure in brackets indicates the percentage of grievances resolved during 2007-08 and do not include resolution out of number outstanding as on 31.3.07

A striking difference could be observed in the resolution of grievances by LIC and private insurers. While LIC had resolved only 12 per cent of the grievances reported in 2007-08, the private insurers resolved 78.24 per cent in the same year. This shows the quickness in the settlement by the private insurers.

An analysis of complaints lodged with the Life Insurance Grievance Cell of IRDA has revealed the following as the major causes: Non-receipt of policy bond (18 per cent), Adjustment of premium (18 per cent), Wrong Plan & Term Allotted (11 per cent), and Non-payment of claims (8 per cent). These four causes contributed 55 per cent of total complaints received.



Non-Life Insurers

As on March 31 2007, there were 623 complaints pending with the general insurance companies for resolution. During 2007-08, 2229 complaints were received of which 1339 pertained to public sector companies and the remaining 890 were against private sector companies. Of the total grievances of 2852, 69 per cent of the grievances were resolved in the current year. While public sector companies resolved 63 per cent of the complaints, private sector insurers have resolved 81 per cent. As on March 31, 2008, 876 complaints were pending for resolution with the insurers; of which 682 are with public sector companies and the remaining 194 with the private sector. Of the total pending grievances 38.13 per cent are policy related issues, 39.50 per cent to non-settlement / delay in settlement of claims, 18.84 per cent to repudiation / partial settlement of claim and the remaining for other reasons.

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TABLE 52

STATUS OF GRIEVANCES – NON- LIFE INSURERS

Insurer	Outstanding as on 31.3.2007	Grievances Reported during 2007-08	Total No of complaints as on 31.3.08	Resolved during the 2007-08	Outstanding as on 31.3.2008	Break-up of outstanding grievances according to nature			
						(I)	(II)	(III)	(IV)
Public	517	1339	1856	1174 (63.25)	682	226	299	132	25
Private	106	890	996	802 (80.52)	194	108	47	33	6
Total	**623**	**2229**	**2852**	**1976 (69.28)**	**876**	**334 (38.13)**	**346 (39.50)**	**165 (18.84)**	**31 (3.54)**

Note: Figure in brackets are percentages to the respective totals.

(i) Policy related issues
(ii) Non settlement / Delay in settlement of claim
(iii) Repudiation / partial settlement of claim
(iv) Other Reasons

IRDA registered 1183 complaints during the first half of the current financial year 2008-09. Of these 574 were towards public sector non-life insurance companies and the remaining 609 were towards private sector companies. Public sector companies resolved 541 complaints and private insurers resolved 596 complaints. As on September 30, 2008, 922 complaints are pending with the insurers.

TABLE 52(I)

STATUS OF GRIEVANCES – NON LIFE INSURERS

(HALF YEAR ENDED SEPTEMBER, 2008)

Insurer	Outstanding as on 31.3.2008	Grievances Reported during Apr-08 to Sep-08	Total No of complaints as on 30.9.08	Resolved during Apr-08 to Sep-08	Outstanding as on 30-9-08
Public	682	574	1256	541(43.07)	715
Private	194	609	803	596(74.22)	207
Total	876	1183	2059	1137(55.22)	922

Note: Figure in brackets are percentages to the respective totals.

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vi) Insurance Associations and Insurance Councils

Life Insurance Council

Life Insurance Council *(Council)* is a body set up under section 64 C of the Insurance Act 1938. All registered life insurers are members and are represented by CEOs. There are two nominees from the IRDA, one of whom is the Chairman of the Council. The Secretary General functions as the chief executive of the Council. Sri S.B.Mathur has taken over as Secretary General after Sri S.V.Mony demitted office in May 2008. During the Financial Year 2007-08, the Council met 4 times. The Council has set up several standing sub-committees and also 'working groups' to discuss emerging issues from time to time. The committee-based approach ensures wider participation in providing valuable contribution.

Brief outline of work in 2007-08

- A working group was formed under the aegis of the Council to design the Indian embedded value principles. This group document on Indian embedded value principles had received recognition from European CFO Forum.
- The Sub-committee of CFOs, met five times during the year and deliberated including on various issues taxation in general, Service Tax and proposed accounting standards AS 30 /AS 31. This forum had interacted with actuaries and other experts on various issues.
- Sub-Committee on Intermediary Education met once to review the after effects of reduction in training hours in mandatory agency training, from 100 hrs. to 50 hrs.
- Sub-committee on Creating Life Insurance Awareness appointed a PR agency to ensure increased activities of awareness related programmes. With the help of the PR agency, sub-committee planned and helped the Council to hold First CEO's Round Table Conference with Media in Sep 2007. This proved to be a successful event in creating awareness among masses.
- The Council's website covered business statistics, latest insurance news and other information and has been upgraded in design and linked with the websites of IRDA and life insurers. A feedback/query/grievance forwarding mechanism was modified.
- Declined Lives Database maintained by TAC has been modified and made operational with the approval of IRDA.
- A working group was formed last year to set up Mortality and Morbidity Investigation Centre in association with the Institute *of Actuaries of India (IAOI).* This group formally met four times and the MOU was signed between the Life Insurance Council and IAOI on November 22, 2007. The Institute is being set up at Hyderabad.
- Considering the probability of misuse in selling policies under employer employee category, the Council issued fresh guidelines restricting sale of such policies under certain conditions.
- Council has been actively involved in meetings with and conferences organised by CII, FICCI, Bombay Chambers, IMC, NIA etc.

General Insurance Council

The Executive Committee of the Council comprises, apart from the nominees of IRDA [viz. Member (Non-Life) as Chairman and Executive Director (Non-Life) and the Secretary General of the Council, the Chief Executive Officers of all the Non-life insurance companies licensed by IRDA. The Executive Committee of the Council held 12 meetings during 2007-08. In addition, the Council had organized meetings of Chief Underwriters, Heads of Health Insurance Departments, CFOs, etc. from time to time.

The Council took several initiatives in pursuing its mission of expanding and deepening non-life insurance penetration in India and continued its endeavour to promote a responsible, responsive and disciplined pro-consumer service regime imbibing best global practices through a self-regulatory mechanism. The Council focused on issues relating to

a) promoting non-life insurance market

b) promote consumer education and awareness of non-life insurance products

c) development of intermediaries i.e. Agents and Brokers

Further, the council put forward the industry's view to the Government, IRDA, and other policy makers on problems confronting the industry as also to promote increased cohesion and cooperation between them. The Council also deliberated on ensuing level playing field between life and non-life insurers in Health portfolio and putting in places best global practices in the management of Health portfolio. On data matters, Council helped in building up an integrated data base for dissemination of information to serve specific operational needs identified by the industry, address the issue of fraud against insurance companies and to identify areas of growth and develop solutions to common challenges faced by the insurance companies. The Council contributed in effective and efficient management of motor T.P. Insurance Pool, management of segment wise common industry initiatives to address specific issues related to each segment of business and promote compliance with laws and regulations.

The Council has pursued the path of total consensus among the insurers on all industry issues and all decisions / resolutions / recommendations made have been unanimous.

The Council presented (1) suggestions on "Motor Vehicle Amendment Bill 2007" to Rajya Sabha Parliamentary Standing Committee and the Ministry of Shipping, Road Transport & Highways, Govt. of India. (2) to the Ministry of Shipping, Road Transport and Highways on Draft Carriage by Road Rules 2007. (3) to Chairman of the Supreme Court Legal Aid Services and Hon'ble Judge of Supreme Court of India for expeditious disposal of Motor T.P. Claim cases. (4) to Ministry of Shipping, Road Transport and Highways to tackle issues related to enforcement of mandatory provisions of motor vehicles act as regards insurance of motor vehicles. (5) to the Ministry of Shipping, Road Transport and Highways for creating regulations to make installation of anti theft devices mandatory in case of all new vehicles. (6) Filing of Writ petition in the Supreme Court of India against misuse of provisions of Superdari under Criminal Procedure Court by police to hold vehicles recovered by them for unduly long period of time. (7) Defended of member companies in the matters of writ petitions filed by Truckers and Bus Operators Associations in various High Courts viz. High Courts at Ernakulam, Chennai, Madurai, Bangalore, Hyderabad, Kolkata, Bhubaneshwar, Guwahati and Allahabad, against the Detariffing and hike in Motor T.P. premium. (8) Participated in seminars, workshop and committees formed by FICCI, CII and other industry association in matters related to the development of Health insurance.

vii) Functioning of Ombudsmen

The information on the complaints handled by the Ombudsmen during 2007-08 is given in Table 52. During 2007-08, 10865 complaints were lodged with the Ombudsmen against the insurers both life and non-life. Of these, 5565 were against life insurers and remaining 5300 were against the non-life insurers. As on April 1, 2007, there were 1947 complaints pending with the Ombudsmen for disposal. Of these, 603 complaints were pending against the life insurers and the remaining were against the non-life insurers. Taking together (those pending for disposal as on April 1, 2007 and received during 2007-08) the total numbers of complaints with the Ombudsmen were 12812 at the end of March 2008. Of these 6168 were against life insurers and 6644 were against non-life insurers.

Of the total complaints (12812), the Ombudsmen have disposed of 11393 complaints during 2007-08. Of the disposed complaints, 5778 were in the case of life insurers and 5615 were against the non-life insurers. As such, complaints outstanding with the Ombudsmen for disposal as on April 1, 2008 were 1419; of which 390 were in the case of life insurers and 1344 were against non-life insurers.

The disposal rates of complaints against LIC and private life insurers were 93.39 per cent and 94.77 per cent respectively. In the case of non-life, there were 5441 complaints relating to the public insurers of which 4603 were disposed during the year (disposal rate of 84.60 per cent). Of the 1203 complaints against private insurers 1012 were disposed off during the year (disposal rate of 84.12).

Around 58 per cent of the complaints in the case of life and 42 per cent in the case of non-life were treated as not entertainable by the Ombudsmen. Of the total complaints, the Ombudsmen have given awards for 2664 and dismissed 1156 cases. The Ombudsmen recommended to the companies 352 cases for settlement at their end.

TABLE 53
DISPOSAL OF COMPLAINTS BY OMBUDSMAN 2007-08

	Particular	No. of Complaints as on 31.3.07	From 1.4.07 to 31.3.08	Total	Disposed	No. of complaints disposed off by way of						
						Recommendation	Awards	Withdrawal/ Settlement	Non-Acceptance	Dismissal	Not Entertainable	Complaints Outstanding
Life	**Public**	491	4414	4905	4581	111	751	612	112	371	2624	324
	Private	112	1151	1263	1197	12	216	110	2	110	747	66
	Total	**603**	**5565**	**6168**	**5778**	**123**	**967**	**722**	**114**	**481**	**3371**	**390**
					*(93.68)	(2.13)	(16.74)	(12.50)	(1.97)	(8.32)	(58.34)	(6.75)
Non-Life	**Public**	1147	4294	5441	4603	206	1457	496	65	541	1838	838
	Private	197	1006	1203	1012	23	240	101	20	134	494	191
	Total	**1344**	**5300**	**6644**	**5615**	**229**	**1697**	**597**	**85**	**675**	**2332**	**1029**
					*(84.51)	(4.08)	(30.22)	(10.63)	(1.51)	(12.02)	(41.53)	(18.33)
Combined		**1947**	**10865**	**12812**	**11393**	**352**	**2664**	**1319**	**199**	**1156**	**5703**	**1419**
					*(88.92)	(3.09)	(23.38)	(11.58)	(1.75)	(10.15)	(50.06)	(12.46)

Note: AIC,ECGC are included in the public sector

* represents percentages to the respective complaints disposed.

viii) Committees

Committee on Distribution Channels

The Authority vide its order dated September 21, 2007 constituted a committee to study the manner in which distribution channels have been functioning, their efficacy, their cost effectiveness, their weaknesses and recommend changes for making them effective, professional and accountable and serve the interests of the insured through effective services. The Committee was headed by Sri NM Govardhan, former Chairman, LIC of India and had representation from both life and non life insurance companies as members. The Committee was known as the "Committee on Distribution Channels". The Committee submitted its report to the Authority on April 17, 2008 and the report was put up on the IRDA website on May 13, 2008. The recommendations of the committee are being examined for further action by the Authority.

Standing Committee of Accounting Issues

The Authority, soon after its inception in 2000, had drawn up the Regulations on the manner of presentation of final accounts of insurers and also issues connected thereto namely IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2000. The Regulations were modified and replaced in 2002. While the regulatory framework has facilitated putting in place the framework for reporting on financial matters to the Authority, with various developments (both domestic and international) on accounting in financial sector in general and insurance industry in particular, there is a need for examining the various emerging issues on an ongoing and proactive basis.

With a view to addressing these issues and the various emerging challenges, the Authority has constituted a Standing Committee on Accounting Issues (SCAI) to deliberate on issues relating to finance, accounting and

taxation aspects of insurance and other incidental matters thereto. The Committee is headed by Member (F&I) of the Authority, with Member (Actuary) as the permanent Invitee. The Committee comprises of representatives from the insurance industry, the practitioners from the profession of chartered accountants and from the ICAI (placed at Annexure). The Committee also has the option to have special invitees at its meeting based on the issues under deliberation. The constitution of the Committee has been kept fairly broad based.

The intention is to utilize the expertise inside and outside the insurance sector on specific issues which would be placed before the Committee and to make appropriate recommendations for the consideration of the Authority. The views of the Committee would be recommendatory in nature and the Authority reserves the right to take appropriate decisions based on the same.

(ix) Review of advisory functions performed by the Authority.

The Authority constituted a Committee chaired by former LIC Chairman, Shri N.M. Goverdhan to examine the efficacy of various intermediaries, their cost effectiveness, and their weaknesses and make recommendations on the proposed changes required to make them effective professionals and to facilitate provision of better services to customers.

The Committee has recommended various changes to be incorporated / brought about in existing distribution channels concerning Corporate Agents, Individual Agents, Referrals, Bancassurance etc. with proposed amendments to respective Act and Regulations.

These, inter alia include licencing and structure of corporate agents , recruitment of agents, commissions structures, referral arrangements, direct tele-marketing measures to improve service to policyholders and enlargement of the scope for entry of more institutions under the agency structure.

The Committee has also suggested review of the restrictions on commissions and brokerages imposed by sections 40(2) and 42E as also on the commissions which forms part of management expenses, parity on product design on accident and health products, issuance of multi-year policies, setting-up of extension counters/ representative offices across the country. The recommendations are under discussion in order to decide on the acceptance and initiate steps for the implementation.

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PART III
STATUTORY FUNCTIONS OF THE AUTHORITY

a) Issue to the applicant a certificate of registration, renew, modify, withdraw, suspend or cancel such registration.

During 2007-08, the Authority granted certificate of registration to Apollo DKV Insurance Company Limited to undertake only health insurance business. It also granted certificates of registrations to Future Generali India Insurance Company Limited to underwrite general insurance business; Future Generali India Life Insurance Company Limited to underwrite life insurance business; Universal Sompo General Insurance Company Limited for general insurance and to IDBI Fortis Life Insurance Company Limited for life insurance. Beginning from 1st April, 2008 till 31st August, 2008, the Authority issued certificate of registrations to Shriram General Insurance Company Limited to underwrite general insurance; Canara HSBC Oriental bank of Commerce Life Insurance for life insurance; Aegon Religare Life Insurance Company Limited to undertake life insurance business and DLF Pramerica Life Insurance Company Limited to underwrite life insurance. With the registration of these companies, the total number of life insurers registered with the Authority has gone up to 21 and the total number of general insurers registered with the Authority has gone up to 20. The Certificate of Registration issued to all the existing life and non-life insurance companies have been renewed in terms of Section 3A of the Insurance Act, 1938.

Statement showing the insurance companies whom R-3 was issued from 01-04-2007 to 31-08-2008

Sl. No.	Name of the Insurance Company	Registration No.	Date of Issue of Registration Certificate
1.	Apollo DKV Insurance Co. Ltd	131	30-08-2007
2.	Future Generali India Insurance Co. Ltd	132	04-09-2007
3.	Future Generali India Life Insurance Co. Ltd	133	04-09-2007
4.	Universal Sompo General Insurance Co. Ltd	134	16-11-2007
5.	IDBI Fortis Life Insurance Co. Ltd	135	19-12-2007
6..	Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd.	136	08.05.2008
7.	Shriram General Insurance Co. Ltd.	137	08.05.2008
8.	Aegon Religare Life Insurance Co. Ltd.	138	27.06.2008
9.	Bharti Axa General Insurance Co. Ltd.	139	27.06.2008
10.	DLF Pramercia Life Insurance Co. Ltd	140	27.06.2008

Non-Life Department has acted as nodal department for levy of penalty from 1st April, 07 to 30th Sept. 08 for the following insurers for the reasons mentioned against their names:

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S. No.	Name of the Insurance Company	Amount of Penalty	Brief particular of the violation committed
1.	Bajaj Allianz Life Insurance Co. Ltd.	Rs. 5,00,000/-	Penalty for violation of Section Sec 64Vc of the Insurance Act, 1938
2.	New India Assurance Co. Ltd.	Rs. 5,00,000/-	Penalty charged under Section 105B for violation of Section 32B of the Insurance Act, 1938
3.	Shriram Life Insurance Co. Ltd.	Rs. 5,00,000/-	Penalty charged under section 105B for violation of Section 32B of the Insurance Act, 1938
4.	ICICI Lombard General Insurance Co. Ltd.	Rs. 5,00,000/-	In response to Authority's order ref. no. 15/ INSP/ ICICI/ OnSITE INSPECTION/ 2007-08 dated 22.1.2008
5.	ICICI Lombard General Insurance Co. Ltd.	Rs. 5,00,000/-	Penalty charged under section 105B for violation of IRDA's regulations and guidelines relating to reinsurance of risks pertaining to Indian Oil Corporation Ltd
6	ICICI Lombard General Insurance Co. Ltd.	Rs. 5,00,000/-	Penalty charged under section 105B for violation of IRDA's File & Use guidelines in case of Pravsai Bhartiya Bima Yojana
7	Max NewYork Life Insurance Co. Ltd.	Rs. 5,00,000/-	Penalty charged under section 102(b) for violating directions issued by the Authority in respect of ULIP
8	Shriram Life Insurance Co. Ltd.	Rs 1,85,150/-	For late submission of the renewal of registration application.

b) Protection of the interests of policyholders in matters concerning assigning of policy, nomination by policyholders, insurable interest, settlement of insurance claim, surrender value of policy and other terms and conditions of contracts of insurance.

IRDA's main mission is to protect the interests of policyholders. Consistent with this, the Authority has set up grievance cells separately for life and non-life insurance business. There is also a separate channel set up to deal with complaints of senior citizens in respect of the premium hike in health insurance policies in the recent past. The Authority, through Regulations, mandated insurers to put in place effective mechanism for grievance redressal. Apart from receiving specific complaints from policyholders and taking them up with insurers for resolution, the Authority adopts a proactive approach in identifying the underlying issues and conducting focused inspections as deemed necessary. The Authority also ensures that policyholders should be aware about the existence of grievance redressal channels and advised the insurers to incorporate such details in the policy document itself. In this connection, the Authority notified a Regulation of ''IRDA (Protection of Policyholders' Interest) Regulations 2002'' in 2002 after obtaining the approval of Advisory Council. Later a Gazette Notification was issued. For making informed decisions by the policyholders while investing in the ULIP products the Authority has advised the insurers to disclose upfront the details on guaranteed benefits as well as non-turanteed benefits for each policy year. The format advised for this needs to be signed by the policyholders.

This brings in more transparency and protects the policyholders.

c) Specifying requisite qualifications, code of conduct and practical training for intermediaries or insurance intermediaries and agents

The code of conduct regarding the professional and ethical requirements for conduct of their professional work is specified in Chapter VI of the IRDA Regulations for Surveyors and Loss Assessors, 2000. They should strive for objectivity in professional and business judgment while behaving ethically and with integrity in their professional pursuit acting impartially and complying with due diligence, care and skill with regard to technical and professional standards expected of them.

The Government of India and the Authority, have established Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA) in order to promote self-regulation and professionalism amongst the surveyors as a part of further reforms in the insurance sector. The elections for putting in place the first elected council of the Institute (IIISLA), were held during 2007-08 and the affairs of he Institute were formally handed over by IRDA to the first elected council on 15.12.2007. The Council is expected to meet the mandate to establish the necessary infrastructure, to inculcate professionalism, discipline, and disseminate information relating to the profession of surveyors and loss assessors amongst its members. Both, the IRDA and IIISLA Institute are making efforts to ensure that the Institute develops the profession further and take on responsibilities envisaged in its charter.

d) Specifying the code of conduct for surveyors and loss assessors

The Code of Conduct applicable for Surveyors and Loss Assessors in respect of their professional work is embodied in Chapter VI of IRDA Regulations. Assessors. Surveyors shall behave ethically and with integrity in their professional pursuits; shall strive for objectivity in professional and business judgment; acting impartially and complying with due diligence, care and skill in regard to technical and professional standards expected of them.

The IRDA, as mandated by the Govt. of India, has promoted the establishment of the Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA) in order to promote professionalism amongst surveyors. The Promotee Council of IIISLA has handed over the functioning of the Institute to the First Council that consists of elected as well as nominated members.

e) Promoting efficiency in the conduct of insurance business

The tariffs for fire, engineering and motor were withdrawn with effect from 1st January 2007. This resulted in the end of cross–subsidization era wherein profitable fire and engineering portfolios supported loss making motor, health and marine cargo insurances. This was followed by complete relaxation of premium rates with effect from 1.1.2008. There was apprehension that the statutory motor third party cover would be denied to the policyholders. The Authority has been taking cognizance of complaints received regarding denial of third party cover and has resolved the complaints by taking up with the concerned insurers. The initiatives taken by the Authority in regulating the third party motor premium have been upheld by several High Courts.

The Authority's directives to the general insurers to participate in motor third party pooling arrangement for commercial vehicles segment has resulted in availability of third party cover for the policyholders as well as an increase in such covers. The Pool has been set up with state of the art hardware and software. The Authority has stressed the need for collection and collation of qualitative data by the insurers especially in the area of motor insurance.

The Authority has also been taking initiatives in leading the life insurance council and the general insurance council towards becoming self regulatory organizations. The Micro-insurance regulations put in place by the Authority have resulted in the mainstream general insurance companies submitting micro-insurance products to the Authority for approval. This augurs well for the low-income population as they can get the existing insurance products at affordable premium. The Authority has constituted a Committee to look into issues relating to Health Insurance for of Senior Citizens in procuring health insurance.

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A circular was issued on 28th December 2006 to all life insurers advising them that the decision for closure/relocation of their places of business should be after due consideration of all the factors including the possible inconveniences to its clientele. It is essential that the Board is appraised of such decisions with appropriate reasons, since the proposal for opening the branches/offices were initially approved by the Board. Adequate notice of a minimum of 2 months on the proposed relocation/closure should be given to policyholders serviced by that branch along with the alternate arrangements being made to service them.

(f) Promoting and regulating professional organizations connected with insurance and reinsurance business:

Institute of Insurance and Risk Management was established as a joint venture of IRDA and Government of Andhra Pradesh for providing opportunities to students wishing to pursue Diploma in Insurance. A distance learning wing was also opened at IIRM. Recognising the need for more actuaries in the insurance industry, International School of Actuarial Sciences was established at IIRM. A seminar on grievances redressal of insurance sector was organised so as to educate the public on grievances redressal mechanism followed by IRDA. The Authority also conducted a Seminar on the accounting issues of Insurance companies in coordination with the Institute of Chartered Accountants.

The Life Insurance Council and the General Insurance Councils are the platforms available for the industry participants to interact and to set up practices for the healthy growth of the industry. Development of these self regulatory bodies augurs well for the industry to put across its view point on critical areas for the growth of the industry. In the same context, brokers licensed by the Authority is necessarily required to be a member of the Insurance Broker Association of India (IBA). IBA conducted an Annual Conference during 2007-08. The Association is functioning as a Self Regulatory Organization (SRO) with a Disciplinary Committee in place. A representative of the Authority is also a member of the Committee. During 2007-08 The IRDA has promoted the establishment of the Indian Institute of Insurance Surveyors and Loss Assessors (IIISLA) in order to promote professionalism amongst surveyors. The Promotee Council of IIISLA has handed over the functioning of the Institute to the First Council that consists of elected as well as nominated members. During the Financial Year 2007-08, the Elected Council met 4 times.

g) Levying fees and other charges for carrying out the purposes of the Act

The Authority in terms of powers vested by section 3 of the Insurance Act levies both registration and renewal fees from the insurers and various intermediaries associated with the insurance business. However, registration fee of Rs.50,000/- (Fifty Thousand only) is charged at the time of granting of registration certificate and not thereafter. The renewal of registration fees for insurer stand at 10 per cent of 1 per cent of the Gross Direct Business Written in India (GDPI) or Rs. 50,000 (Fifty thousand only) subject to maximum of Rs. 5 crores. In case of re-insurer the fee is chargeable based on the facultative business written by the re-insurer in India. This follow amendment of regulation 20 of IRDA (Registration of India Insurance Companies) Regulations, 2000 issued in February, 2003 after obtaining the approval of Advisory Council. Later a Gazette Notification was issued..

h) Calling for information from, undertaking inspection of, conducting enquiries and investigations including audit of the insurers, intermediaries, insurance intermediaries and other organizations connected with the insurance business

The financial year 2007-08 was the eighth year of operations of insurance companies, post opening up of the sector. While the Authority has been contemplating commencement of comprehensive on-site inspection, it was considered that the registered entities should be allowed time to stabilize operations prior to taking on full scale inspection. In the meantime, as an interim measure, based on concerns which arose at different points in time, the Authority has taken up targeted on-site inspections. Other than targeted inspections (including those related to market conduct issues), the Authority has been carrying on Investment Audit of the regulated insurance entities effective for the financial year 2001-02 onwards.

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i) Control and regulation of rates, advantages, terms and conditions that may be offered by the insurers in respect of general insurance business not so controlled and regulated by the Tariff Advisory Committee under Section 64 U of the Insurance Act 1938 (4 of 1938)

As an adjunct to reforms in the insurance sector and after detailed deliberations and discussions with various stakeholders, de-tariffing of the non-life industry was notified by the Authority w.e.f., 01-01-2007 except in the case of Motor Third Party cover. It was envisaged that this measure will provide better choices to policyholders, differentiated rates consistent with the level of risks borne as well as overall improvement in risk management. As a first step, de-tariffing has been confined to de-control of rates only and terms & conditions of the policy will be considered later subsequently. In order to moderate the impact of tariff increase on commercial vehicle owners the Authority has retained the powers to determine the rates of Motor – Third Party premium, a Motor third party Pool has been created to ensure involvement of all general insurers in the underwriting and management of motor third party risk. The pool is managed by the General Insurance Corporation.

j) Specifying the form and manner in which books of accounts shall be maintained and statements of accounts shall be rendered by Insurers and other Insurance Intermediaries.

Additional measures taken by the Authority to improve the transparency and disclosures in reporting in the financial statements:

1. As part of the review of the financial statements filed with the Authority on an annual basis and based on the analysis, clarifications are sought and/or attention is drawn to various non-compliances/ non-disclosures. While specific non-compliances/deviations are communicated to the insurers, certain common deficiencies have been observed in the compliance with various regulatory requirements connected to the preparation of financial statements. With a view to ensuring compliance and avoiding recurrence of the shortcomings observed, the Authority decided to reiterate clarifications issued on earlier occasions through the comprehensive Circular for the guidance of the insurers.

2. Effective December, 2007, all insurers have been advised to file the quarterly financial statements with the IRDA. These statements include the Balance Sheet, Revenue A/c (Policyholders' A/c) and the Profit & Loss A/c (Shareholders' A/c).

k) Regulating investment of funds by insurance companies

The Regulations of investment of funds by the insurance companies were issued by the Authority in 2000. Subsequently, the innovations in the financial markets led to new instruments. As such the insurance companies approached the Authority to allow them to invest their funds in the new instruments also. In the light of this, the Authority had setup a Working Group to review the existing statutory prescriptions on investments for insurance companies, constraints faced by them and to suggest changes if necessary. The Working Group suggested amendments to the Regulations by providing flexibility to the Authority in prescribing the manner in which funds can be invested by the insurance companies. The Working Group while making suggestions have also examined the present Returns prescribed for monitoring the information on investments and suggested certain changes in the format which will facilitate the Authority in supervision purposes. The Authority has examined the recommendations. Some of the recommendations require changes in the Regulations. A suitable framework for implementation was also proposed. Accordingly, the Authority has issued new regulations on investment of funds by insurance companies vide 'IRDA(Investment)(Fourth Amendment)Regulations,2008' after obtaining the approval of Advisory Council. Later a Gazette Notification was issued..

l) Regulating maintenance of margin of solvency

Every insurer is required to maintain a required Solvency Margin as per the Section 64 VA of the Insurance Act 1938. Every insurer shall maintain an excess of the value of assets over the liabilities. The excess prescribed by the IRDA, is referred to as Required Solvency Margin. The IRDA (Assets, Liabilities

and Solvency Margin of Insurers) Regulations 2000 describe in detail the method of computation of the Required Solvency Margin. The ratio was monitored on annual basis. Considering the importance of monitoring this ratio on a continuous basis, the Authority has now asked the insurers to submit quarterly returns on solvency margins. The lower level of solvency for pure term products would provide significant relief to the life insurers both under individual products and under group products. This will also help the insurers in launching more pure term products for sufficiently longer periods and at affordable rates.

m) Adjudication of disputes between Insurers and Intermediaries or Insurance Intermediaries

IRDA does not carryout any adjudication in case of disputes between insurers and intermediaries or insurance intermediaries. Insurers were advised to approach the available quasi-judicial or judicial channels like Insurance Ombudsmen. In case of any disputes between insurers and intermediaries the Authority seeks clarifications from the concerned.

n) Supervising the functioning of the Tariff Advisory Committee

With the removal of tariffs the Tariff Advisory Committee has been designated by the Authority as the data repository for maintenance of database for various classes of general insurance. The TAC maintains a web enabled declined lives database for exclusive use of the life insurers. This database has incorporated the suggestions of Life Council and enlarged its scope of use.

Consequent to a demand from insurers, the General Insurance Council and with the approval of Chairman, IRDA, TAC has developed a web search system for stolen insured vehicles. Tariff Advisory Committee has compiled the stolen vehicles database from the data submitted by the insurance companies for the year 2005-06 and stolen vehicles records submitted by insurers through General Insurance council for the period upto 31st March 2007. The users can access the search page by entering user name and password provided by TAC.

The login designated access officer of insurance companies as per names received from General Insurance Council are provided with the user name and password to access the site

o) Specifying the percentage of the premium income of the insurer to finance schemes for promoting and regulating professional organizations referred to in clause (f)

The Auithority has not prescribed any percentage of the premium income of the insurer to finance schemes for promoting and regulating professional organizations referred to in clause (f).

p) Specifying the percentage of life insurance business and general insurance business to be undertaken by the Insurers in the rural and social sector

The obligations as stipulated in the IRDA (Obligations of insurers towards the rural or social sector) Regulations, 2002 lay down the requirements to be complied with by the insurers during the first five years of their operations. In case of the public sector insurers these obligations have been linked to their performance in the year 2001-02 in these sectors. With the amendments which were notified in 2007-08, the obligations of the private insurers' upto the tenth year of operations has been laid down. Simultaneously, the obligations of the public sector insurers were also revisited.

The obligations of the private insurers are as under:

(a) Rural sector:

(i) in respect of a life insurer: commencing from seven per cent of the total policies written direct in the first financial year to twenty percent in the tenth financial year .

(ii) in respect of a non-life insurer: commencing from two per cent of total gross premium income written direct in the first financial year to seven per cent from the ninth financial year onwards.

(b) Social sector, in respect of all insurers

Commencing from five thousand lives in the first financial year to fifty five thousand lives in the tenth financial year.

In respect of the existing insurers as on the date of commencement of IRDA Act, 1999 (four non-life insurers and

LIC), the Regulations provided that the quantum of insurance business to be done in the rural and social sectors shall not be less than what was recorded by them for the accounting year ended 31st March, 2002. Based on the amendment regulations notified by the Authority, the Obligations of these insurers towards the rural and social sectors for the financial year 2007-08 to the financial year 2009-10 are as under:

(I) Life Insurance Corporation of India (LIC):

(a) Rural Sector Obligations:

(i) Financial year 2007-08: twenty four per cent

(ii) Financial years 2008-09 and 2009-10: twenty five per cent of the total policies written direct in that year.

(b) Social Sector Obligations:

Twenty lakh lives should be covered for the years 2007-08 to 2009-10.

(II) Non life insurers:

(a) Rural Sector Obligations:

(i) Financial year 2007-08: six per cent

(ii) Financial year 2008-09 and 2009-10: seven per cent of the total gross premium income written direct in that year.

(b) Social Sector Obligations:

For the financial year 2007-08:

(i) the average of the number of lives covered by the respective insurer in the social sector from the financial years 2002-03 to 2004-05 or

(ii) 5.50 lakh lives whichever is higher.

The obligations of the insurers shall undergo an increase of ten percent in each of the financial years 2008-09 and 2009-10, over the number of persons actually covered in the financial year 2007-08.

In addition, with a view to giving fillip to micro insurance and to aligning the rural and social sector obligations with the micro insurance regulations the manner of compliance has been linked to the micro insurance regulations.

Further, in order to provide time to insurance companies to establish operations to enable them to comply with their obligations towards the rural and social sectors, amendments have been made to the Regulations. It has been provided that in cases where an insurance company commences operations in the second half of the financial year and is in operations for less than six months as at 31st March of the relevant financial year, (i) no rural or social sector obligations shall be applicable for the said period, and (ii) the annual obligations as indicated in the Regulations shall be reckoned from the next financial year which shall be considered as the first year of operations for the purpose of compliance. In cases where an insurance company commences operations in the first half of the financial year, the applicable obligations for the first year shall be 50 per cent of the obligations as specified in these Regulations.

q) Exercising such other powers as may be prescribed

The Central Government did not prescribe any powers to the Authority and consequently Authority did not exercise any powers.

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PART IV
ORGANISATIONAL MATTERS

i. Organization

Sri C. S. Rao continued to be the Chairman of the Authority during the year till 14th May 2008. Shri J. Hari Narayan, IAS (retired) joined as Chairman of the Authority on 12th June, 2008. Shri C R Muralidharan, Shri K K Srinivasan, Sri G. Prabhakara and Dr. R. Kannan continue to be Whole-time Members of the Authority.

Sri Vijay Mahajan, MD, BASIX and Smt. Ela R. Bhatt, Founder of Self Employed Women's Association (SEWA) continue to be part-time Members of IRDA. Ms. Sushma Nath, Secretary, Department of Expenditure, Ministry of Finance was nominated as Part-time Member with effect from 9th April, 2008 and Shri.Ved Jain has replaced Sri Sunil Talati as Part-time Member representing Institute of Chartered Accountants of India.

ii. Meetings of the Authority

During the period April, 2007 to March, 2008 the Authority had five meetings. During April 2008 to September 2008 two meetings of the Authority were held.

iii. Human Resources

In pursuance of strengthening the human resources of the IRDA, a comprehensive induction plan for recruiting professionals with specialised qualifications and background was embarked upon. Eight officers in the Actuary department joined the IRDA in the months of August/September, 2007. Process of inducting more officers has also started simultaneously.

The Authority, jointly with Andhra Pradesh Government, had set up an Institute of Insurance and Risk Management (IIRM) at Hyderabad in 2002. IIRM aims to serve the learning and development needs of emerging markets in the context of their contemporary challenges. IIRM is overseen by Board of Directors headed by Chairman of the Authority. It continues to cater to the needs of the industry by way of providing diversified range of courses, including Post-Graduate Diploma in General Insurance, Life Insurance and Risk management. The IIRM courses are accredited by Chartered Insurance Institute, London. The International School for Actuarial Science (ISAS) has started functioning under the aegis of IIRM to achieve the objectives of IRDA to enhance the availability of qualified skill resources to the insurance industry.

iv. Promotion of Official Language

There is a separate Hindi Section at IRDA to ensure the implementation of the constitutional provisions of Official Language and to implement the Official Language Policy of the Government of India to promote use of Hindi in the Head Quarters as well as in the Subordinate Office under its control. Efforts are being made to promote the use of Hindi in official work. The progress made in the use of Hindi was reviewed periodically and measures were adopted to achieve the targets fixed for various items in the Annual Programme for the year 2007-08 issued by the Department of Official Language.

Compliance of section 3 (3) Of Official Languages Act

During the year under review, General Orders Notifications / Regulation/ Administrative and other reports, etc., were issued bilingually as required under section 3 (3) of the Official Languages Act, 1963. In order to increase the correspondence in Hindi, standard drafts were prepared; As a result, use of Hindi has increased considerably.

Hindi Salahakar Samiti

In order to accelerate the use of Hindi in the IRDA and its Subordinate Office, The Member IRDA has attended the Hindi Salahakar Samiti under the Chairmanship of the Minister of State for Finance. The main objective of the Samiti is to review the progress made in the use of Hindi in the Ministry as well as its Subordinate Offices/Public Sector Undertakings/ Statuary body and also to recommend concrete measures to increase the use of Hindi in Official work and to comply with the Official Language Policy.

Hindi continues to occupy sufficient space in the monthly IRDA Journal. Along with translation of already published articles in Hindi, the Journal published some original articles in Hindi on Insurance.

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In order to help Officers/employees of IRDA to work in Hindi, online translation cum guidance facility is provided to officers and employees of the authority.

There is one subordinate offices at New Delhi . An officer from IRDA, New Delhi nominated for acquiring Official language training In order to ensure the compliance of Official Language Policy in the offices. Directions were issued by the Authority from time to time and progress made in usage of Hindi was closely monitored.

v) Status of Information Technology in IRDA

Information Technology provides operational support systems in the functioning of the Authority. The department of IT manages IT systems and handles enhancements / upgradation of the existing systems so as to bridge the technology gaps, if any.

Management of Policyholders Complaints:

Complaints Management software solution is a comprehensive solution for managing complaints from policy holders. This software enables the departments to track each complaint through its lifecycle from recording, reporting, and closure – following the appropriate process to ensure that nothing slips through the cracks. The database and enhancements made in the reporting capability of the Complaints Management System helped the departments to perform trend analysis and spot recurring problems. Rigorous management of policy holders' complaints also drove continuous improvements on functioning of insurers to address the policy holders' grievances.

Agents Licensing System:

Agent portal is an on-line system for insurance agents' licensing process. The IRDA Agents Registration system has been operational since the year 2000 and regular enhancements are made in the portal. The Agents portal is used by all Indian insurance companies. The main function of the portal is to generate agents' licence. Help desk and On-line submission of queries have been in built so as to resolve the queries of the designated persons (DPs) of insurance companies in regard to issue of licenses. Around 1.2 million fresh and renewal licenses for individual and corporate agents were issued by the insurers using this portal. The site is hosted at www.irdaonline.org.

IRDA's Website:

Authority's website continues to function as one point source of information for the various stakeholders of the insurance industry. The following additions were made to the website during the year 2007-08:

1. Product information: An insurer-wise list of life products approved by the Authority, so that public can use this information while taking decisions.

2. FAQs- Frequently Asked Questions on Unit Linked Insurance Products (ULIPs): A facility to buyers of ULIPs to understand the features of the ULIP products.

IT infrastructure:

IT infrastructure facilities have been significantly enhanced in order to cater to the growing needs of the organization. The Authority has also initiated necessary steps for digitizing its old records and developing archives of documents.

vi. Accounts

The Accounts of the Authority for the financial year 2007-08 have been audited by the Comptroller and Auditor General of India (C&AG). C&AG, in their draft separate audit report, has advised revision in the accounts due to somewrong classifications. The same has been carried out. A copy of revised accounts for the year 2007-08 is placed at Annexure. X. The revised accounts are under submission to C&AG and final report on the same is awaited.

vii. ISO 2000 Registration

The Authority has established a quality management system in compliance with internal quality system standard ISO 9001-2000. M/s. American Quality Assessors (India) Pvt. Ltd. has conducted Second Surveillance Audit in July, 2008 in the Authority and has not observed any major Non-Conformance of the ISO 9001-2000 quality standards.

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viii. IRDA Journal

The IRDA Journal, the monthly publication of the Authority, has completed five years with the November 2007 issue. The Journal has grown in its strength and reputation and has been recognized as a medium of communication for everyone who is either directly or indirectly associated with the insurance industry. Further, it has continued to fulfill its role as a resource for researchers, analysts and the insurers themselves, both at home as well as abroad. The emphasis has been on focusing issues, cover topical issues; presentation of the statistical data in a meaningful manner and keeping an eye on the demands of the industry. The recent changes in the presentation of issues have been welcomed by all.

During the year 2007-08, the Journal covered various contemporary issues. The contributions have come from stakeholders of the industry presenting different perspectives on any issue. The areas of focus during 2007-08 were: Financial Management of Disasters and Preparedness; Risk Management for Insurers; Reserving and Solvency; Insurance Education and Awareness; Monitoring and Supervision; Reinsurance; Insurance Laws; Micro-insurance; Agriculture Insurance; Health Insurance; Role of Insurance in Personal Financial Planning; and Marine Insurance.

ix. Acknowledgements

The Authority would like to place on record its appreciation for the outstanding leadership provided by Shri C.S. Rao, Chairman, IRDA from June 10, 2003 to May 14, 2008. The Authority would also like to place on record its appreciation and sincere thanks to the Members of the Insurance Advisory Committee, the Reinsurance Advisory Committee, Insurance Division (Ministry of Finance), all insurers and intermediaries for their invaluable guidance and co-operation in its proper functioning and to the compact team of officers and employees of the Authority for efficient discharge of their duties. The Authority also records its special thanks to the members of the public, the press, all the professional bodies and international agencies connected with the insurance profession for their valuable contribution from time to time.

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STATEMENTS AND ANNEX

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STATEMENT 1

FINANCIAL SAVING OF THE HOUSEHOLD SECTOR (GROSS)

Item	Percent of total financial saving				
	2007-08# (1)	2006-07P (2)	2005-06P (3)	2004-05P (4)	2003-04 (5)
Financial Saving (Gross)	**100.00**	**100.0**	**100.0**	**100.0**	**100.0**
	(16.7)	**(18.5)**	**(16.7)**	**(13.9)**	**(13.8)**
a) Currency	**8.90**	**8.6**	**8.9**	**8.5**	**11.2**
	(1.5)	**(1.6)**	**(1.5)**	**(1.2)**	**(1.5)**
b) Deposits	**47.00**	**55.3**	**47.0**	**37.2**	**38.3**
	(7.8)	**(10.3)**	**(7.8)**	**(5.2)**	**(5.3)**
i) With banks	46.00	54.3	46	36.5	37.4
ii) With non-banking companies	1.00	1.0	1.0	0.8	1.0
iii) With co-operative banks and societies	0.00	0.0	0.0	0.0	0.0
iv) Trade debt (net)	0.00	0.0	0.0	0.0	0.0
c) Shares and debentures	**5.10**	**6.6**	**5.1**	**1.1**	**0.1**
	(0.9)	**(1.2)**	**(0.9)**	**(0.2)**	**0.0**
i) Private corporate business	1.30	1.4	1.3	1.4	1.1
ii) Banking	0.10	0.1	0.1	0.1	0.0
iii) Units of Unit Trust of India	-0.10	0.0	-0.1	-0.7	-2.3
iv) Bonds of public sector undertakings	0.00	0.0	0.0	0.0	0.0
v) Mutual fund (other than UTI)	3.80	5.2	3.8	0.4	1.2
d) Claims on government	**14.60**	**5.3**	**14.6**	**24.5**	**23.0**
	(2.4)	**(1.0)**	**(2.4)**	**(3.4)**	**(3.2)**
i) Investment in government securities	2.40	0.2	2.4	4.9	7.5
ii) Investment in small savings, etc	12.20	5.1	12.2	19.6	15.5
e) Insurance funds	**14.00**	**14.9**	**14.0**	**15.7**	**13.7**
	(2.3)	**(2.8)**	**(2.3)**	**(2.2)**	**(1.9)**
i) Life insurance funds	13.40	14.4	13.4	15.1	13.0
ii) Postal insurance	0.30	0.3	0.3	0.3	0.3
iii) State insurance	0.30	0.2	0.3	0.2	0.5
f) Provident and pension funds	**10.50**	**9.2**	**10.5**	**13.0**	**13.6**
	(1.7)	**(1.7)**	**(1.7)**	**(1.8)**	**(1.9)**

P : Provisional. # : Preliminary Estimates.

Source : The Reserve Bank of India Annual Report 2007-08.

Notes: 1. Figure in brackets are percentage to GDP at current market prices.

2. Components may not add up to the totals due to rounding off.

STATEMENT 2

INTERNATIONAL COMPARISON OF INSURANCE PENETRATION

Continent/Country	2005**			2006**			2007**		
	Total	Life	Non-Life	Total	Life	Non-Life	Total	Life	Non-Life
North America	**8.97**	**4.05**	**4.92**	**8.70**	**3.90**	**4.70**	**8.70**	**4.10**	**4.60**
United States	9.15	4.14	5.01	8.80	4.00	4.80	8.90	4.20	4.70
Canada	6.97	3.05	3.92	7.00	3.10	3.90	7.00	3.20	3.80
Latin America and Caribbean	**2.35**	**0.93**	**1.42**	**2.40**	**1.00**	**1.40**	**2.50**	**1.00**	**1.50**
Trinidad and Tobago	7.63	5.61	2.02	7.60	5.60	2.00	6.40	4.30	2.00
Chile	3.60	2.24	1.36	3.30	2.00	1.30	3.50	2.20	1.40
Jamaica	4.82	1.82	3.01	4.80	1.80	3.00	4.10	1.20	2.90
Panama	2.80	1.00	1.81	2.70	1.00	1.80	3.10	0.90	2.20
Argentina	2.52	0.76	1.76	2.60	0.80	1.80	2.50	0.70	1.70
Colombia	2.23	0.62	1.61	2.40	0.70	1.70	2.40	0.70	1.70
Venezuela	2.47	0.07	2.40	2.70	0.10	2.60	2.70	0.10	2.60
Dominican Republic	1.62	0.21	1.41	1.60	0.20	1.40	1.50	0.20	1.20
Brazil	3.01	1.33	1.68	2.80	1.30	1.60	3.00	1.40	1.60
Costa Rica	1.88	0.15	1.73	1.90	0.10	1.70	1.80	0.20	1.70
Mexico	1.66	0.68	0.98	1.80	0.80	1.00	2.00	0.90	1.10
Ecuador	1.70	0.22	1.47	1.60	0.20	1.30	1.50	0.20	1.30
Peru	1.28	0.70	0.59	1.20	0.50	0.60	1.10	0.50	0.60
Europe	**7.78**	**4.69**	**3.10**	**8.30**	**5.30**	**3.00**	**8.00**	**5.00**	**3.00**
United Kingdom	12.45	8.90	3.55	16.50	13.10	3.40	15.70	12.60	3.00
Switzerland	11.19	6.20	4.99	11.00	6.20	4.90	10.30	5.70	4.60
Netherlands	9.79	5.12	4.67	9.40	5.10	4.30	13.40	4.70	8.70
Ireland	8.56	5.65	2.90	10.40	7.90	2.50	11.60	9.30	2.40
Finland	9.18	7.33	1.85	9.10	7.20	1.90	8.40	6.70	1.80
France	10.21	7.08	3.13	11.00	7.90	3.10	10.30	7.30	3.00
Belgium	11.15	8.36	2.79	9.20	6.50	2.70	9.60	6.90	2.70
Sweden	7.82	5.32	2.50	7.60	5.20	2.40	7.40	5.30	2.10
Denmark	8.07	5.19	2.89	8.50	5.60	2.80	8.90	5.90	3.00
Germany	6.79	3.06	3.73	6.70	3.10	3.60	6.60	3.10	3.60
Italy	7.59	4.86	2.73	7.20	4.70	2.50	6.40	4.00	2.40
Spain	5.36	2.27	3.09	5.40	2.30	3.10	5.20	2.20	3.00
Austria	6.17	2.88	3.28	6.10	2.80	3.30	5.80	2.60	3.20
Portugal	9.07	6.20	2.87	9.00	6.10	2.90	8.50	5.80	2.70
Slovenia	5.65	1.69	3.96	5.80	1.80	4.00	5.70	1.80	3.80
Cyprus	4.23	2.08	2.15	4.30	1.90	2.30	4.20	1.90	2.30
Norway	5.30	3.28	2.02	4.60	2.80	1.70	4.60	3.00	1.60
Czech Republic	3.98	1.53	2.45	3.80	1.50	2.30	3.70	1.50	2.20
Luxembourg	3.76	1.52	2.24	3.90	1.80	2.10	3.20	1.30	1.90
Slovakia	3.66	1.36	2.30	3.40	1.30	2.10	3.10	1.40	1.70
Iceland	2.84	0.30	2.54	2.60	0.30	2.30	2.90	0.40	2.50
Poland	3.16	1.31	1.84	3.50	1.70	1.80	3.70	1.90	1.80
Russia	2.27	0.12	2.15	2.30	0.10	2.30	2.40	0.10	2.40
Croatia	3.25	0.84	2.41	3.30	0.90	2.50	3.30	0.90	2.40
Hungary	3.08	1.37	1.71	3.40	1.70	1.70	3.50	2.00	1.60
Greece	2.17	1.03	1.13	1.80	0.90	0.80	1.90	1.00	0.90
Bulgaria	2.55	0.32	2.23	2.60	0.30	2.20	2.70	0.40	2.30
Ukraine	3.02	0.08	2.95	2.80	0.10	2.70	2.70	0.10	2.60

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INTERNATIONAL COMPARISON OF INSURANCE PENETRATION

Continent/Country	2005**			2006**			2007**		
	Total	Life	Non-Life	Total	Life	Non-Life	Total	Life	Non-Life
Turkey	1.55	0.25	1.30	1.60	0.20	1.40	1.70	0.20	1.50
Romania	1.53	0.32	1.21	1.70	0.30	1.40	1.80	0.30	1.40
Serbia Montenegro	2.23	0.19	2.04	1.80	0.20	1.60	1.80	0.20	1.60
Lithuania	1.47	0.41	1.07	1.80	0.60	1.20	2.00	0.70	1.30
Asia	**6.83**	**5.16**	**1.67**	**6.60**	**5.00**	**1.60**	**6.20**	**4.60**	**1.60**
South Korea	10.25	7.27	2.98	11.10	7.90	3.20	11.80	8.20	3.60
Japan	10.54	8.32	2.22	10.50	8.30	2.20	9.60	7.50	2.10
Taiwan	14.11	11.17	2.93	14.50	11.60	2.90	15.70	12.90	2.80
Hong Kong	9.93	8.63	1.29	10.50	9.20	1.20	11.80	10.60	1.20
Israel	5.96	2.75	3.21	5.50	2.60	2.90	5.50	2.60	2.90
Malaysia	5.42	3.60	1.82	4.90	3.20	1.70	4.60	3.10	1.50
Singapore	7.47	6.00	1.48	6.50	5.40	1.10	7.60	6.20	1.50
Thailand	3.61	1.99	1.62	3.50	1.90	1.60	3.40	1.80	1.50
India	**3.14**	**2.53**	**0.61**	**4.80**	**4.10**	**0.60**	**4.70**	**4.00**	**0.60**
Lebanon	3.15	0.95	2.19	3.00	0.90	2.00	3.40	1.30	2.20
PR China	2.70	1.78	0.92	2.70	1.70	1.00	2.90	1.80	1.10
Jordan	2.59	0.27	2.32	2.40	0.30	2.20	2.60	0.30	2.30
Phillipines	1.48	0.91	0.57	1.50	0.90	0.50	1.50	0.90	0.50
UAE	1.53	0.28	1.25	1.70	0.30	1.40	1.90	0.30	1.50
Sri Lanka	1.46	0.62	0.84	1.60	0.60	0.90	1.50	0.60	0.90
Indonesia	1.52	0.82	0.70	1.30	0.80	0.60	1.60	1.10	0.50
Oman	1.14	0.17	0.97	1.00	0.10	0.90	1.10	0.20	0.90
Vietnam	1.62	0.97	0.65	1.50	0.90	0.70	1.50	0.80	0.70
Iran	1.23	0.08	1.15	1.30	0.10	1.20	1.30	0.10	1.20
Kuwait	0.79	0.15	0.64	0.70	0.10	0.50	0.60	0.10	0.50
Pakistan	0.67	0.27	0.40	0.80	0.30	0.50	0.70	0.30	0.40
Saudia Arabia	0.46	0.01	0.45	0.50	0.00	0.50	0.60	0.00	0.60
Bangladesh	0.61	0.42	0.20	0.60	0.40	0.20	0.70	0.50	0.20
Africa	**4.80**	**3.33**	**1.47**	**4.80**	**3.40**	**1.40**	**4.30**	**3.10**	**1.20**
South Africa	13.87	10.84	3.03	16.00	13.00	3.00	15.30	12.50	2.80
Morocco	2.87	0.71	2.16	2.90	0.80	2.10	3.40	1.10	2.20
Kenya	2.56	0.78	1.78	2.50	0.80	1.70	2.50	0.80	1.70
Tunisia	2.07	0.17	1.90	2.00	0.20	1.80	2.00	0.20	1.80
Nigeria	0.70	0.09	0.62	0.60	0.10	0.50	0.60	0.10	0.50
Egypt	0.85	0.34	0.52	0.80	0.30	0.50	0.90	0.40	0.40
Algeria	0.56	0.03	0.53	0.50	0.00	0.50	0.50	0.00	0.50
Oceania	**6.38**	**3.16**	**3.22**	**6.70**	**3.40**	**3.30**	**6.60**	**3.40**	**3.20**
Australia	6.60	3.51	3.09	7.00	3.80	3.20	6.80	3.80	3.00
New Zealand	5.20	0.81	4.39	5.30	0.80	4.50	5.10	0.80	4.30
World	**7.52**	**4.34**	**3.18**	**7.50**	**4.50**	**3.00**	**7.50**	**4.40**	**3.10**

Source: Swiss Re, Sigma volumes 5/2006, 4/2007 and 3/2008

** Data relates to calender year

Insurance penetration is measured as ratio (in per cent) of premium (in US Dollars) to GDP (in US Dollars)

STATEMENT 3

INTERNATIONAL COMPARISON OF INSURANCE DENSITY*

Continent/Country	2005**			2006**			2007**		
	Total	Life	Non-Life	Total	Life	Non-Life	Total	Life	Non-Life
North America	**3735.1**	**1686.3**	**2048.8**	**3804.0**	**1731.8**	**2072.2**	**3984.8**	**1869.3**	**2115.5**
United States	3875.2	1753.2	2122.0	3923.7	1789.5	2134.2	4086.5	1922.0	2164.4
Canada	2449.0	1071.9	1377.1	2708.3	1204.1	1504.3	3053.8	1386.8	1667.0
Latin America and caribbean	**105.8**	**42.0**	**63.8**	**126.7**	**51.3**	**75.4**	**154.1**	**63.1**	**91.0**
Trinidad and Tobago	810.2	595.4	214.8	958.2	704.1	254.1	862.3	586.0	276.4
Chile	281.5	174.9	106.6	285.7	176.0	109.7	370.9	228.0	142.9
Jamaica	179.4	67.6	111.8	185.7	69.9	115.8	159.4	45.0	114.4
Panama	133.0	47.2	85.8	144.3	51.2	93.1	181.5	54.5	127.0
Argentina	118.0	35.4	82.7	143.9	43.8	100.1	159.8	46.6	113.1
Colombia	60.3	16.8	43.6	69.1	20.5	48.7	88.9	24.9	64.0
Venezuela	125.3	3.6	121.7	179.5	6.0	173.6	209.2	7.0	202.2
Dominican Republic	52.5	6.7	45.7	55.4	7.4	47.9	61.6	10.1	51.5
Brazil	128.9	56.8	72.1	160.9	72.5	88.4	202.2	95.3	106.9
Costa Rica	80.3	6.4	73.9	96.2	7.7	88.6	108.1	9.7	98.3
Mexico	121.3	49.9	71.4	139.1	62.9	76.2	163.5	71.8	91.6
Ecuador	41.0	5.4	35.7	45.9	6.4	39.5	50.9	8.0	42.9
Peru	34.8	18.9	15.9	38.1	17.1	21.1	42.5	18.3	24.2
Europe	**1513.8**	**911.8**	**601.9**	**1745.6**	**1119.6**	**626.0**	**1962.4**	**1222.6**	**739.8**
United Kingdom	4599.0	3287.1	1311.9	6466.7	5139.6	1327.1	7113.7	5730.5	1383.2
Switzerland	5558.4	3078.1	2480.3	5561.9	3111.8	2450.1	5740.7	3159.1	2581.7
Netherlands	3739.7	1954.2	1785.5	3828.8	2071.6	1757.3	6262.9	2192.4	4070.5
Ireland	4177.0	2759.7	1417.4	5564.7	4203.8	1360.9	7171.4	5715.1	1456.4
Finland	3389.3	2707.8	681.4	3681.2	2903.1	778.0	3905.8	3093.1	812.7
France	3568.5	2474.6	1093.9	4075.4	2922.5	1152.9	4147.6	2928.3	1219.3
Belgium	3985.6	2988.7	996.9	3442.5	2427.7	1014.8	4131.5	2972.6	1158.9
Sweden	3092.1	2105.2	986.8	3226.2	2214.6	1011.6	3705.1	2639.5	1065.6
Denmark	3876.2	2489.9	1386.3	4271.4	2840.8	1430.6	5103.1	3381.0	1722.1
Germany	2310.5	1042.1	1268.4	2436.8	1136.1	1300.7	2662.1	1234.1	1427.9
Italy	2263.9	1449.8	814.1	2302.2	1492.8	809.5	2322.0	1439.4	882.7
Spain	1454.5	615.8	838.7	1514.6	651.0	863.7	1699.9	709.3	990.6
Austria	2342.8	1095.1	1247.7	2396.7	1104.6	1292.1	2620.5	1189.6	1430.9
Portugal	1628.0	1113.7	514.4	1663.8	1131.5	532.3	1775.6	1210.0	565.6
Slovenia	978.1	292.6	685.5	1100.9	345.0	755.9	435.4	194.1	241.3
Cyprus	840.7	412.6	428.1	906.6	408.6	498.0	1042.3	474.2	568.1
Norway	3302.3	2043.1	1259.2	3229.0	2016.0	1213.0	3770.2	2438.5	1331.7
Czech Republic	477.8	183.6	294.2	519.6	204.1	315.5	631.3	261.0	370.3
Luxembourg	2756.3	1112.5	1643.8	3366.3	1548.4	1817.9	3423.4	1414.5	2009.3
Slovakia	314.7	116.8	197.9	336.9	130.3	206.5	435.4	194.1	241.3
Iceland	1438.1	153.9	1284.1	1360.0	148.2	1211.9	1871.5	234.2	1637.3
Poland	245.1	101.9	143.2	310.3	150.5	159.8	411.0	209.1	201.9
Russia	122.8	6.3	116.5	150.9	4.0	146.9	209.4	6.1	203.3
Croatia	274.7	70.9	203.9	307.9	81.8	226.1	370.7	101.3	269.5
Hungary	334.1	148.2	185.9	376.2	192.3	183.9	491.9	273.6	218.3
Greece	446.7	213.1	233.6	489.3	256.7	232.6	537.9	277.2	260.7
Bulgaria	87.9	11.1	76.8	100.9	13.2	87.7	139.3	20.9	118.4

Contd...

INTERNATIONAL COMPARISON OF INSURANCE DENSITY*

Continent/Country	2005**			2006**			2007**		
	Total	Life	Non-Life	Total	Life	Non-Life	Total	Life	Non-Life
Ukraine	53.1	1.3	51.7	59.6	1.9	57.6	75.1	3.3	71.8
Turkey	78.6	12.7	65.9	89.2	13.1	76.1	110.8	14.5	96.3
Romania	69.5	14.6	54.9	94.5	18.7	75.7	135.2	26.2	109.0
Serbia Montenegro	48.7	4.2	44.5	77.1	7.7	69.4	103.1	10.6	92.5
Lithuania	109.6	30.4	79.3	154.0	48.1	105.8	227.4	81.2	146.1
Asia	**197.9**	**149.6**	**48.3**	**205.0**	**154.6**	**50.4**	**210.7**	**156.7**	**54.1**
South Korea	1706.1	1210.6	495.5	2071.3	1480.0	591.2	2384.0	1656.6	727.3
Japan	3746.7	2956.3	790.4	3589.6	2829.3	760.4	3319.9	2583.9	736.0
Taiwan	2145.5	1699.1	446.4	2250.2	1800.0	450.3	2628.0	2165.7	462.3
Hong Kong	2544.9	2213.2	331.7	2787.6	2456.0	331.6	3373.2	3031.9	341.3
Israel	1104.5	510.2	594.4	1132.5	532.6	599.9	1278.5	605.2	673.3
Malaysia	283.3	188.0	95.3	292.2	189.2	103.0	332.1	221.5	110.6
Singapore	1983.4	1591.4	392.0	1957.7	1616.5	341.2	2776.0	2244.7	531.2
Thailand	99.0	54.6	44.4	110.1	60.0	50.0	129.7	70.8	58.9
India	**22.7**	**18.3**	**4.4**	**38.4**	**33.2**	**5.2**	**46.6**	**40.4**	**6.2**
Lebanon	185.6	56.3	129.3	181.5	57.9	123.6	185.7	67.9	117.7
PR China	46.3	30.5	15.8	53.5	34.1	19.4	69.9	44.2	25.5
Jordan	54.2	5.7	48.6	59.5	6.2	53.2	68.6	6.9	61.8
Phillipines	17.2	10.6	6.7	20.7	13.1	7.6	23.9	15.1	8.8
UAE	414.2	74.7	339.5	585.4	89.8	495.6	811.6	140.9	670.7
Sri Lanka	16.3	6.9	9.4	21.3	8.5	12.8	24.9	10.2	14.7
Indonesia	19.4	10.5	8.9	21.5	12.5	9.0	30.0	20.4	9.5
Oman	113.7	17.3	96.3	133.7	14.3	119.4	159.5	28.8	130.7
Vietnam	10.1	6.1	4.1	11.0	6.1	4.9	11.8	6.5	5.3
Iran	35.1	2.2	33.0	40.1	2.6	37.4	49.2	3.0	46.2
Kuwait	185.5	35.7	149.8	227.2	40.9	186.3	257.3	46.3	211.0
Pakistan	4.6	1.9	2.8	5.9	2.3	3.6	6.5	2.6	3.9
Saudia Arabia	57.1	0.7	56.4	63.1	0.8	62.4	91.7	2.7	89.1
Bangladesh	2.5	1.7	0.8	2.6	1.8	0.8	2.9	1.9	0.9
Africa	**44.2**	**30.7**	**13.5**	**53.6**	**38.3**	**15.3**	**55.3**	**39.6**	**15.8**
South Africa	714.6	558.3	156.2	855.8	695.6	160.2	878.5	719.0	159.5
Morocco	47.0	11.7	35.3	52.4	14.7	37.8	68.9	22.9	46.0
Kenya	14.6	4.5	10.2	16.8	5.3	11.6	19.2	6.1	13.1
Tunisia	58.7	4.8	53.9	59.2	5.3	53.9	67.2	7	60.1
Nigeria	4.3	0.5	3.7	5.3	0.8	4.5	5.5	0.9	4.6
Egypt	10.3	4.0	6.2	11.2	4.7	6.5	14.4	6.8	7.6
Algeria	17.4	0.9	16.5	18.7	1.2	17.6	21.0	1.3	19.7
Oceania	**1789.3**	**885.0**	**904.3**	**1787.3**	**896.3**	**891.0**	**2059.5**	**1071.4**	**988.1**
Australia	2569.9	1366.7	1203.2	2580.8	1389.0	1191.9	3000.2	1674.1	1326.1
New Zealand	1408.5	219.7	1188.8	1370.9	215.0	1155.9	1544	244.7	1299.3
World	**518.5**	**299.5**	**219.0**	**554.8**	**330.6**	**224.2**	**607.7**	**358.1**	**249.6**

Source: Swiss Re, Sigma volumes 5/2006, 4/2007 and 3/2008

* Insurance density is measured as ratio of premium (in US Dollar) to total population

** Data relates to calender year

POLICY HOLDERS ACCOUNT : ALL LIFE INSURERS

STATEMENT 4

(Rs lakh)

Particulars	BSLI		ICICI PRU		ING VYSYA		L.I.C.		HDFC STD LIFE		MNYL		RELIANCE LIFE $		BAJAJ ALLIANZ LIFE		SBI-LIFE	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07
Premiums earned – net																		
(a) Premium	325713	176617	1356106	791299	115887	70720	14978999	12782284	485856	285587	271460	150028	322544	100466	972531	534524	562214	292849
(b) Reinsurance ceded	(3406)	(3101)	(2430)	(1617)	(559)	(318)	(8795)	(4167)	(4095)	(3324)	(2205)	(1486)	(1218)	(414)	(1327)	(926)	(1093)	(505)
(c) Reinsurance accepted							355	109										
Income from Investments																		
(a) Interest, Dividends & Rent – Gross	25045	15771	63572	38054	7011	4019	4714701	4057240	27694	15895	12008	7028	5411	1390	19586	11533	24175	12603
(b) Profit on sale/redemption of investments	63154	22877	190333	54231	14526	3878	1108636	767174	34152	10434	11452	1974	31688	7499	90009	37146	48219	8928
(c) (Loss on sale/ redemption of investments)	(10228)	(5541)	(26177)	(13857)	(4983)	(1069)	(163831)	(145943)	(11230)	(4119)	(2816)	(460)	(15269)	(3034)	(15526)	(10550)	(6759)	(1894)
(d) Transfer/Gain on revaluation/change in fair value	(29177)	(13550)	63249	17386	(3428)	(592)	(107288)	(110232)	5835	1014	1736	842	(29244)	(2562)	(30084)	(10366)	(15310)	2330
(e) Amortization of Premium/Discount on Investments	(65)	(63)							(569)	(658)	30	(76)	562	(9)				
(f) Appropriation/Expropriation Adjustment Account			1341	3092														
Other Income	1002	317	313	16	208	50	113522	96011	3247	2330	36	99	2024	131	7211	3728	253	173
Transfer from Shareholders' Account	49410	15473	160635	75800	20707	18867			32482	14504	19434	7419	78276	32922	29518	9724	9975	4375
TOTAL (A)	**421448**	**208800**	**1806942**	**96440**	**149369**	**95555**	**20636298**	**17442476**	**573373**	**321662**	**311136**	**165368**	**394773**	**136389**	**1071918**	**574812**	**621672**	**318858**
Commission	33555	20138	81097	52551	10555	9417	956810	916907	35126	20993	38446	22852	28969	9877	149686	94668	36535	19597
Operating Expenses related to Insurance Business	67073	37587	291994	152296	40370	30353	830932	708584	101298	57674	88054	51370	101685	42904	200434	107302	48696	32238
Provision for doubtful debts							13568	41167			100	58						
Bad debts written off											1	0						
Provision for Tax	383	237	2896	1226	433	271	351046	466582	626	358	469	311	907	161		731	2303	228
Provisions (other than taxation)							15791	12233							933			
(a) For diminution in the value of investments (Net)																	7523	
(b) Others							4167	(5851)										
TOTAL (B)	**101011**	**57961**	**375987**	**206073**	**51357**	**40042**	**2172314**	**2139621**	**137049**	**79025**	**127071**	**74593**	**131560**	**52942**	**351053**	**202701**	**95058**	**52063**
Benefits Paid (Net)	42968	12484	201487	72750	8958	5051	5655033	5328646	50146	17454	13601	8337	16242	7891	85140	69854	35085	14006
Interim Bonuses Paid			6		3	3	107309	139571	39	3			3	3	27	20		
Change in valuation of liability in respect of life policies																		
(a) Gross*	275170	139681	1196952	671979	86993	50463	8666442	7394339	378072	226253	166557	82385	246968	75552	39161	26699	484087	253083
(b) Amount ceded in Reinsurance	(2893)	(1326)			(57)	(4)			1029	(1411)	(523)	(100)					(713)	(296)
(c) Amount accepted in Reinsurance																		
(d Transfer to Linked Fund							3952241	2364517							576733	261752		
TOTAL (C)	**315245**	**150838**	**1398444**	**744729**	**95898**	**55514**	**18381025**	**15227074**	**429286**	**242299**	**179634**	**90623**	**263213**	**83446**	**701062**	**358324**	**518459**	**266794**
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)	5192	0	32512	13601	2113		82959	75781	7038	339	4431	153			19803	13788	8156	1
Prior Period Items																		
Balance at the beginning of the year															6709	5645		
Transfer from Linked Fund (Lapsed Policies)															(675)			
Surplus available for appropriations			**32512**	**13601**			**82959**	**75781**	**7038**	**339**	**4431**	**153**			**25837**	**19433**	**8156**	**1**
APPROPRIATIONS																		
Transfer to Shareholders' Account	2607		212	3461	64		82959	75781	5163		791	12			327	313	8079	
Transfer to Other Reserves (Reserve for lapsed unit linked policies unlikely to be revived)															16016	12411		
Balance being funds for future appropriations-Policyholders	2585		32300	10141	2049				1875	339		127			9494	6709	77	
Balance being funds for future appropriations-Shareholders											3640	14						
Balance transferred to Balance Sheet																		
TOTAL (D)	**5192**		**32512**	**13602**	**2113**		**82959**	**75781**	**7038**	**339**	**4431**	**153**			**25837**	**19433**	**8156**	

Note :

* represents mathematical reserves after allocation of bonus

** Insurer commenced operations during 2007-08

Figure in brackets represents negative values

POLICY HOLDERS ACCOUNT : ALL LIFE INSURERS

(Rs lakh)

Particulars	KOTAK MAHINDRA		TATA-AIG LIFE		MET-LIFE		AVIVA		SAHARA		SHRI RAM LIFE		BHARTI AXA		FUTURE GENERALI**	IDBI FORTIS	TOTAL	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2007-08	2007-08	2006-07
Premiums earned – net																		
(a) Premium	169114	97151	204635	136718	115954	49271	189188	114723	14349	5100	35805	18417	11841	778	249	1190	742324	422158
(b) Reinsurance ceded	(2843)	(2018)	(1356)	(1123)	(1105)	(439)	(1247)	(717)	(3)	(1)	(17)	(14)	(27)	(2)	(192)	(0)	(6790)	(4314)
(c) Reinsurance accepted																	355	109
Income from Investments																		
(a) Interest, Dividends & Rent – Gross	10137	6158	12796	7664	3613	1656	9913	4733	488	266	114	42	46	3	15	0	37123	20522
(b) Profit on sale/redemption of investments	32018	10336	15225	6400	2320	252	4041	554	764	130			45	1			54413	17673
(c) (Loss on sale/ redemption of investments)	(5748)	(2779)	(28)	(63)			(525)	(239)		(1)			(20)	(0)			(6320)	(3082)
(d) Transfer/Gain on revaluation/change in fair value	(10306)	(1776)	(538)	1040	257	908	1297	3442	(207)	(4)			(359)	(5)		(0)	(9855)	3604
(e) Amortization of Premium/Discount on Investments																	(42)	(806)
(f) Appropriation/Expropriation Adjustment Account									1								1342	3092
Other Income	108	70	1000	441	93	69			7	5	1165	137	246	73			2620	795
Transfer from Shareholders' Account	10888	11799	35629	10434		2279	22615	14916	1478	1054	610		25080	8467	3372	1019	100690	48948
TOTAL (A)	**203369**	**118941**	**267363**	**161511**	**121133**	**53996**	**225282**	**137412**	**16879**	**6550**	**37677**	**18580**	**36852**	**9314**	**3444**	**2208**	**914207**	**506305**
Commission	15511	8020	22892	19124	26629	10505	21797	17886	2055	668	4478	3604	1264	56	4	37	94668	59864
Operating Expenses related to Insurance Business	42487	24031	70252	35702	42661	23197	66973	42749	2373	1542	5090	2448	29494	8607	3309	1004	263643	138275
Provision for doubtful debts			(92)	73													(92)	73
Bad debts written off			96														96	
Provision for Tax	282	189	491	274	280	165	579	417	8	5	2	101	93	27	12	3	1751	1178
Provisions (other than taxation)																		
(a) For diminution in the value of investments (Net)	712								3								714	
(b) Others																		
TOTAL (B)	**58991**	**32239**	**93640**	**55173**	**69569**	**33867**	**89349**	**61052**	**4439**	**2215**	**9570**	**6153**	**30851**	**8690**	**3325**	**1045**	**360780**	**199390**
Benefits Paid (Net)	26255	17317	11218	8209	3465	2077	18031	7092	527	157	382	176	60		39		59978	35028
Interim Bonuses Paid							32	27			2						33	27
Change in valuation of liability in respect of life policies																		
(a) Gross*	12979	12081	46441	38962	97354	40236	115514	68796	3025	1232	1803	1169	5980	624	134	1164	284393	163101
(b) Amount ceded in Reinsurance			(157)	(96)	(378)	(74)	(239)	(177)	(1)	(1)			(39)		(54)	(1)	(869)	(347)
(c) Amount accepted in Reinsurance																		
(d) Transfer to Linked Fund	99180	50803	109818	52159					8894	2942	25780	11120					243672	117023
TOTAL (C)	**138414**	**80201**	**167320**	**99234**	**100441**	**42240**	**133337**	**75738**	**12444**	**4331**	**27967**	**12465**	**6001**	**624**	**119**	**1164**	**587207**	**314832**
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)	5963	6501	6403	7104	(48878)	(22111)	2595	622	(5)	4	140	(38)			(0)		(33780)	(7918)
Prior Period Items																		
Balance at the beginning of the year	363	(4848)				(7724)					(74)	(12)					289	(12584)
Transfer from Linked Fund (Lapsed Policies)			117	820													117	820
Surplus available for appropriations	**6327**	**1653**	**6521**	**7924**	**(48878)**	**(29835)**	**2595**	**622**	**(5)**	**4**	**66**	**(50)**			**(0)**		(33374)	(19682)
APPROPRIATIONS																		
Transfer to Shareholders' Account	1939	143	232	1471							43	25					2214	1639
Transfer to Other Reserves (Reserve for lapsed unit linked policies unlikely to be revived)							48	39									48	39
Balance being funds for future appropriations-Policyholders	4018	1146			(1362)	(244)	2548	583	(5)	4	23	(74)					5222	1414
Balance being funds for future appropriations-Shareholders																	3640	14
Balance transferred to Balance Sheet	370	363	6289	6453	(80318)	(30079)											(73659)	(23262)
TOTAL (D)	**6327**	**1653**	**6521**	**7924**	**(81679)**	**(30323)**	**2595**	**622**	**(5)**	**4**	**66**	**(49)**					**(66175)**	**(20170)**

Note :

* represents mathematical reserves after allocation of bonus

** Insurer commenced operations during 2007-08

Figure in brackets represents negative values

SHARE HOLDERS ACCOUNT : ALL LIFE INSURERS

(Rs lakh)

Particulars	BSLI		ICICI PRU		ING VYSYA		L.I.C.		HDFC STD LIFE		MNYL		RELIANCE LIFE $		BAJAJ ALLIANZ LIFE		SBI-LIFE	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07
Amounts transferred from the Policyholders Account (Technical Account)	2607		212	3461	64		82959	75781	5163		791	12			327	313	8079	
Income From Investments:																		
(a) Interest, Dividends & Rent – Gross	2001	1571	1171	2671	1425	1083	1562	1585	2421	1268	1582	1131	952	1338	7640	2731	4208	3074
(b) Profit on sale/redemption of investments	168	83	5353	1007	174	79			987	1142	635	270	553	388	540	238	3892	1836
(c) (Loss on sale/ redemption of investments)	(7)	(8)	(299)	(359)		(29)	(9)	(4)	(111)	(125)	(78)	(22)	(259)	(165)	(230)	(198)	(729)	(103)
(d) Transfer/gain on revaluation/Change in Fair value									(214)	(239)								
(e) Amortization of Premium/Discount on Investments	140	(107)							6	(24)	27	32	303	(58)				
Other Income					0	1			5	8	1523	407					2	
TOTAL (A)	**4909**	**1538**	**6437**	**6779**	**1663**	**1133**	**84511**	**77362**	**8257**	**2030**	**4480**	**1831**	**1548**	**1503**	**8277**	**3084**	**15453**	**4807**
Expenses other than those directly related to the insurance business	26	39	116	146	3	21	49		126	83	688	459	79	92	147	531	93	49
Bad debts written off																		
Provisions (Other than taxation)																		
(a) For diminution in the value of investments (Net)											51						1910	
(b) Provision for doubtful debts																		
(c) Others																		
Contribution to Policyholders Account	49410	15473	160635	75800	20707	18867			32482	14504	19434	7419	78276	32922	29518	9724	9975	4375
TOTAL (B)	**49437**	**15512**	**160751**	**75946**	**20709**	**18888**	**49**		**32608**	**14586**	**20173**	**7878**	**78355**	**33013**	**29666**	**10254**	**11977**	**4423**
Profit/ (Loss) before tax	**(44528)**	**(13974)**	**(154314)**	**(69167)**	**(19046)**	**(17754)**	**84463**	**77362**	**(24351)**	**(12556)**	**(15693)**	**(6047)**	**(76807)**	**(31511)**	**(21388)**	**(7170)**	**3475**	**384**
Provision for Taxation			14808	4276	7	3									1	0	37	1
Profit / (Loss) after tax	**(44528)**	**(13974)**	**(139506)**	**(64891)**	**(19053)**	**(17757)**	**84463**	**77362**	**(24351)**	**(12556)**	**(25693)**	**(6047)**	**(76807)**	**(31511)**	**(31511)**	**(7170)**	**3438**	**383**
Prior Period Items																		
APPROPRIATIONS																		
(a) Balance at the beginning of the year	(44460)	(30486)	(160170)	(95279)	(52713)	(34956)			(44213)	(31657)	(45281)	(39234)	(53710)	(22200)	(27601)	(20431)	(2966)	(3349)
(b) Interim dividends paid during the year																		
(c) Proposed final dividend							82959	75781										
(d) Dividend distribution on tax																		
(e) Transfer to reserves/ other accounts							1504	1581	(270)									
Profit carried to the Balance Sheet	**(88987)**	**(44460)**	**(299676)**	**(160170)**	**(71765)**	**(52713)**			**(68834)**	**(44213)**	**(60974)**	**(45281)**	**(130517)**	**(53711)**	**(48990)**	**(27601)**	**473**	**(2966)**

SHARE HOLDERS ACCOUNT : ALL LIFE INSURERS

(Rs lakh)

Particulars	KOTAK MAHINDRA		TATA-AIG LIFE		MET-LIFE		AVIVA		SAHARA		SHRI RAM LIFE		BHARTI AXA		FUTURE GENERALI**		IDBI FORTIS	TOTAL	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2007-08	2006-07
Amounts transferred from the Policyholders Account (Technical Account)	1939	143	232	1471			48	39			43	25						**102464**	**81245**
Income From Investments:																			
(a) Interest, Dividends & Rent – Gross	1606	964	2131	1783	1543	800	2412	1831	1167	788	1048	1001	997	565	455	2	665	**34986**	**24184**
(b) Profit on sale/redemption of investments	788	160	3	0	232	106	91	70	673	261	460	79	112	25	65	4		**14726**	**5749**
(c) (Loss on sale/ redemption of investments)	(692)	(408)		(6)			(10)	(5)		(22)			(14)	(9)	(0)	(0)		**(2438)**	**(1462)**
(d) Transfer/gain on revaluation/Change in Fair value																		(214)	(239)
(e) Amortization of Premium/Discount on Investments					351	176											4	**830**	**19**
Other Income	2								6	1	41	12						**1580**	**428**
TOTAL (A)	**3644**	**860**	**2365**	**3248**	**2125**	**1082**	**2542**	**1935**	**1847**	**1028**	**1592**	**1117**	**1095**	**580**	**520**	**6**	**668**	**151934**	**109923**
Expenses other than those directly related to the insurance business	26	24	667	51			176	195	34	26	21	28	217	156	152	362	2191	**4811**	**2260**
Bad debts written off																			
Provisions (Other than taxation)																			
(a) For diminution in the value of investments (Net)											237							**2198**	
(b) Provision for doubtful debts																			
(c) Others																	9	**9**	
Contribution to Policyholders Account	10888	11799	35629	10434		2279	22615	14916	1478	1054	610		25080	8467	3372		1019	**501127**	**228030**
TOTAL (B)	**10914**	**11823**	**36296**	**10484**		**2279**	**22790**	**15111**	**1512**	**1079**	**869**	**28**	**25297**	**8623**	**3524**	**362**	**3218**	**508145**	**230290**
Profit/ (Loss) before tax	**(7271)**	**(10964)**	**(33930)**	**(7236)**	**2125**	**(1197)**	**(20249)**	**(13175)**	**334**	**(51)**	**723**	**1089**	**(24201)**	**(8043)**	**(3005)**	**(357)**	**(2550)**	**(356211)**	**(120367)**
Provision for Taxation	(83)	83									165	139			0	(0)	(3)	**14931**	**4502**
Profit / (Loss) after tax	**(7187)**	**(11047)**	**(33930)**	**(7236)**	**2125**	**(1197)**	**(20249)**	**(13175)**	**334**	**(51)**	**558**	**950**	**(24201)**	**(8043)**	**(3005)**	**(357)**	**(2553)**	**(341281)**	**(115960)**
Prior Period Items																			
APPROPRIATIONS																			
(a) Balance at the beginning of the year	(26681)	(15634)	(30567)	(23331)	(16545)	(15348)	(46501)	(33325)	(1597)	(1545)	1168	218	(8043)		(357)			**(560236)**	**(366557)**
(b) Interim dividends paid during the year																			
(c) Proposed final dividend																		82959	75781
(d) Dividend distribution on tax																			
(e) Transfer to reserves/ other accounts			37															1270	1581
Profit carried to the Balance Sheet	**(33868)**	**(26681)**	**(64461)**	**(30567)**	**(14420)**	**(16545)**	**(66749)**	**(46501)**	**(1263)**	**(1596)**	**1726**	**1168**	**(32244)**	**(8043)**	**(3362)**	**(357)**	**(2553)**	**(985746)**	**(559879)**

BALANCE SHEET: ALL LIFE INSURERS (AS ON 31ST MARCH)

STATEMENT 6

(Rs lakh)

Particulars	BSLI		ICICI PRU		ING VYSYA		L.I.C.		HDFC STD LIFE		MNYL		RELIANCE LIFE $		BAJAJ ALLIANZ LIFE		SBI-LIFE	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
SOURCES OF FUNDS																		
SHAREHOLDERS' FUNDS:																		
SHARE CAPITAL	127450	67150	140111	131230	79000	69000	500	500	127064	80071	103243	73243	114770	66400	15071	15037	100000	50000
ADVANCE AGAINST SHARE CAPITAL										2874								
SHARE APPLICATION MONEY PENDING ALLOTMENT			11		9500													
EMPLOYEES STOCK OPTION OUTSTANDING			192	194														
RESERVES AND SURPLUS			237131	75938			30285	28781	5529	659	748	800	36630		105996	55016	473	
CREDIT/[DEBIT] FAIR VALUE CHANGE ACCOUNT	1	3	98	2910	1	4			39		925	347	(202)	14	1	1	205	(936)
Sub-Total	**127451**	**67153**	**377543**	**210273**	**88501**	**69004**	**30785**	**29281**	**132631**	**83604**	**104916**	**74390**	**151198**	**66414**	**121067**	**70054**	**100677**	**49064**
BORROWINGS					10	41												
POLICYHOLDERS' FUNDS:																		
CREDIT/[DEBIT] FAIR VALUE CHANGE ACCOUNT	1	6	17752	10150	1027	1120	8637190	6205110	1937	912			(200)	36	995	154	547	(2079)
REVALUATION RESERVE-INVESTMENT PROPERTY			3163	3163														
POLICY LIABILITIES	18884	11769	235459	176562	67456	48429	61398837	52480868	243667	173915	136860	91250	22428	13500	106290	67129	371157	241359
INSURANCE RESERVES							360874	280675										
PROVISION FOR LINKED LIABILITIES	629582	364420	2445682	1307627	128748	60839	7262808	3599764	594516	285168	185883	65460	330159	92119	1095417	518684	528530	174954
Sub-Total	**648467**	**376195**	**2702056**	**1497502**	**197232**	**110388**	**77659709**	**62566418**	**840121**	**459995**	**322743**	**156709**	**352387**	**105655**	**1202702**	**585968**	**900233**	**414234**
DEFERRED TAX LIABILITY																		
FUNDS FOR FUTURE APPROPRIATIONS	2588	3	53785	21485	2049				2470	595	4335	695			39098	20297	77	
TOTAL	**778507**	**443351**	**3133384**	**1729260**	**287791**	**179432**	**77690494**	**62596599**	**975222**	**544195**	**431994**	**231794**	**503585**	**172069**	**1362868**	**676319**	**1000988**	**463298**
APPLICATION OF FUNDS																		
INVESTMENTS																		
Shareholders'	42228	27444	21102	15672	19229	24787	29320	27945	42131	15297	41673	27097	22223	14640	114589	65365	100586	59152
Policyholders'	17464	10141	344930	234211	67560	45909	60539701	51111283	232990	177829	144343	91936	25293	14212	146870	90508	385751	231806
ASSETS HELD TO COVER LINKED LIABILITIES	629582	364420	2486615	1325232	129055	60839	7517630	3603060	594516	285168	185883	65460	330159	92119	1095417	518684	528530	174954
LOANS	1499	816	379	404	223	102	7321356	6308152	186	126			140	123	309	186		
FIXED ASSETS	7072	5688	32774	21944	3112	4018	211770	140356	13318	7361	15761	9011	7044	5736	10907	5357	4488	3789
INCIDENTAL EXPENSES PENDING CAPITALISATION																		
DEFERRED TAX ASSET			21708	6900														
CURRENT ASSETS																		
Cash and Bank Balances	41259	18381	61651	48238	14018	8128	1773977	1329807	44932	33636	1937	3969	41342	14672	37853	41980	11690	15042
Advances and Other Assets	9057	5802	45466	23593	8938	6945	2505526	2101767	40825	19620	28069	15164	16799	5621	13101	8545	16743	14836
Sub-Total (A)	**50316**	**24183**	**107117**	**71831**	**22956**	**15074**	**4279503**	**3431574**	**85757**	**53255**	**30006**	**19132**	**58141**	**20292**	**50953**	**50525**	**28433**	**29878**
CURRENT LIABILITIES	*55077*	30899	160819	99478	25761	23283	631520	456585	61291	38747	46773	26431	49448	19771	102982	80930	44286	39097
Provisions	3565	2902	20099	7625	348	726	1577265	1570086	1220	308	248	189	20483	8993	2185	977	2514	150
Sub-Total (B)	**58642**	**33800**	**180917**	**107103**	**26109**	**24009**	**2208785**	**2026671**	**62512**	**39055**	**47020**	**26620**	**69931**	**28764**	**105167**	**81908**	**46801**	**39247**
NET CURRENT ASSETS (C) = (A – B)	**(8326)**	**(9618)**	**(73801)**	**(35272)**	**(3153)**	**(8935)**	**2070718**	**1404902**	**23246**	**14200**	**(17014)**	**(7488)**	**(11790)**	**(8471)**	**(54214)**	**(31383)**	**(18368)**	**(9369)**
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)											374	498						
DEBIT BALANCE IN PROFIT & LOSS ACCOUNT																		
(Shareholders' Account)	88987	44460	299676	160170	71765	52713			68835	44214	60974	45281	130517	53710	48990	27601		2966
Debit Balance in Policyholders' A/c																		
TOTAL	**778507**	**443351**	**3133384**	**1729261**	**287791**	**179432**	**77690494**	**62595699**	**975222**	**544195**	**431994**	**231794**	**503585**	**172069**	**1362868**	**676319**	**1000988**	**463297**

BALANCE SHEET: ALL LIFE INSURERS (AS ON 31ST MARCH)

(Rs lakh)

Particulars	KOTAK MAHINDRA		TATA-AIG LIFE		MET-LIFE		AVIVA		SAHARA		SHRI RAM LIFE		BHARTI AXA		FUTURE GENERALI		IDBI FORTIS	TOTAL	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2008	2007
SOURCES OF FUNDS																			
SHAREHOLDERS' FUNDS:																			
SHARE CAPITAL	48027	33035	87000	54700	76108	53000	100450	75820	23187	15675	12500	12500	36611	15000	18500	5	19891	**1229484**	**812366**
ADVANCE AGAINST SHARE CAPITAL					34449	9100												**34449**	**11974**
SHARE APPLICATION MONEY PENDING ALLOTMENT													3000	3800		600		**12511**	**4400**
EMPLOYEES STOCK OPTION OUTSTANDING																		**192**	**194**
RESERVES AND SURPLUS	5204	5204							354		1726	1168	7689					**431763**	**167565**
CREDIT/[DEBIT] FAIR VALUE CHANGE ACCOUNT					13	48			41	88	0	39	81	(7)			(7)	**1196**	**2511**
Sub-Total	**53231**	**38238**	**87000**	**54700**	**110570**	**62148**	**100450**	**75820**	**23583**	**15763**	**14226**	**13707**	**47381**	**18793**	**18500**	**605**	**19884**	1709594	**999010**
BORROWINGS					3595	820												**3605**	**861**
POLICYHOLDERS' FUNDS:																			
CREDIT/[DEBIT] FAIR VALUE CHANGE ACCOUNT		5	1041	436						3			0					**8660290**	**6215855**
REVALUATION RESERVE-INVESTMENT PROPERTY																		3163	3163
POLICY LIABILITIES	53211	40232	146388	100105	33917	21905	4343	3701	5841	2817	2999	1196	578	81	80		27	**62848424**	**53474819**
INSURANCE RESERVES	370	363																**361243**	**281038**
PROVISION FOR LINKED LIABILITIES	225634	126454	194935	87227	122122	37152	246493	131861	13663	4769	36987	11003	5986	543			1137	**14048281**	**6868044**
Sub-Total	**279215**	**167055**	**342364**	**187768**	**156039**	**59057**	**250837**	**135562**	**19504**	**7589**	**39986**	**12199**	**6564**	**624**	**80**		**1164**	85921401	**66842919**
DEFERRED TAX LIABILITY											18								**18**
FUNDS FOR FUTURE APPROPRIATIONS	5320	1303	17087	10798	1605	244	4837	2290	29	33	23							**133303**	**57743**
TOTAL	**337766**	**206596**	**446451**	**253266**	**271809**	**122270**	**356124**	**213672**	**43115**	**23385**	**54234**	**25923**	**53945**	**19416**	**18580**	**605**	**21048**	87767904	67900550
APPLICATION OF FUNDS																			
INVESTMENTS																			
Shareholders'	13130	8538	27889	23747	25085	21961	25348	26249	21565	13301	14707	13630	17371	11544	12959		14996	**606129**	**396371**
Policyholders'	57044	40269	163743	112057	36095	24049	9621	5460	5934	2987	2260	923	581	81	201		3	62180383	52193660
ASSETS HELD TO COVER LINKED LIABILITIES	230944	127747	194202	86813	122893	36896	247963	132557	13663	4769	36987	11003	5986	543			1137	**14351161**	**6890261**
LOANS	563	232	1207	465	170	50												**7326033**	**6310656**
FIXED ASSETS	4256	2428	9785	3567	5409	1704	5441	2383	722	681	423	559	3540	1069	1315	652	599	**337734**	**216304**
INCIDENTAL EXPENSES PENDING CAPITALISATION																			
DEFERRED TAX ASSET																		21708	6900
CURRENT ASSETS																			
Cash and Bank Balances	15356	12486	7493	8270	13463	4154	17567	15183	407	289	5137	1489	1445	139	1139	55	2352	**2093019**	**1555918**
Advances and Other Assets	6619	4442	17426	11246	10058	4701	14573	5405	1281	779	2087	2655	3389	1790	1003	243	1672	**2742630**	**2233152**
Sub-Total (A)	**21975**	**16928**	**24919**	**19516**	**23520**	**8855**	**32140**	**20588**	**1688**	**1068**	**7225**	**4144**	**4834**	**1930**	**2142**	**297**	**4024**	4835649	3789070
CURRENT LIABILITIES	22825	15517	38890	23084	35172	17373	29762	19058	1484	827	7277	4364	10262	3749	*1361*	*701*	*2226*	**1327218**	**899895**
Provisions	1189	710	865	382	928	495	1376	1007	30	6	89	46	348	43	37	0	38	**1632826**	**1594646**
Sub-Total (B)	**24014**	**16227**	**39755**	**23466**	**36100**	**17869**	**31138**	**20065**	**1514**	**833**	**7366**	**4410**	**10610**	**3792**	**1398**	**701**	**2264**	2960044	2494540
NET CURRENT ASSETS (C) = (A – B)	**(2039)**	**701**	**(14836)**	**(3950)**	**(12580)**	**(9014)**	**1002**	**523**	**174**	**235**	**(141)**	**(266)**	**(5776)**	**(1863)**	**744**	**(404)**	**1760**	1875605	1294530
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)																		**374**	**498**
DEBIT BALANCE IN PROFIT & LOSS ACCOUNT (Shareholders' Account)	33868	26681	64461	30567	14420	16545	66749	46501	1058	1412			32244	8043	3362	357	2553	**988459**	**561218**
Debit Balance in Policyholders' A/c					80318	30079						74						**80318**	**30153**
TOTAL	**337766**	**206596**	**446451**	**253266**	**271809**	**122270**	**356124**	**213672**	**43115**	**23385**	**54234**	**25923**	**53945**	**19416**	**18580**	**605**	**21048**	87767904	67900550

STATEMENT 7

LIFE INSURANCE CORPORATION OF INDIA : CAPITAL REDEMPTION AND ANNUITY CERTAIN BUSINESS (NON PARTICIPATING)

POLICYHOLDERS ACCOUNT

(Rs. Lakh)

	2007-08	2006-07
Premiums earned (Net)	1053	1344
Profit/ Loss on sale/redemption of Investments	(26)	(20)
Change in Policy Liabilities	(1166)	(1805)
Others		0
Interest, Dividend & Rent –(Gross)	941	871
TOTAL (A)	**802**	**390**
Claims Incurred (Net)	970	497
Commission	21	26
Operating Expenses related to Insurance Business	82	70
Others- Amortizations, Write offs and Provisions	(11)	15
Foreign Taxes	-	-
TOTAL (B)	**1063**	**608**
Operating Profit/(Loss) C= (A - B)	**(261)**	**(218)**
APPROPRIATIONS		
Transfer to Shareholders' Account	-	-
Transfer to Catastrophe Reserve	-	-
Transfer to Other Reserves	-	-
TOTAL (C)	**(261)**	**(218)**

STATEMENT 8

LIFE INSURANCE CORPORATION OF INDIA : CAPITAL REDEMPTION AND ANNUITY CERTAIN BUSINESS (NON PARTICIPATING)

SHAREHOLDERS ACCOUNT

(Rs. Lakh)

	2007-08	2006-07
OPERATING PROFIT/(LOSS)		
(a) Fire Insurance		
(b) Marine Insurance		
(C) Miscellaneous Insurance	**(261)**	**(218)**
INCOME FROM INVESTMENTS		
(a) Interest, Dividend & Rent – Gross		
(b) Profit on sale of investments		
Less: Loss on sale of investments		
OTHER INCOME		
TOTAL (A)	**(261)**	**(218)**
PROVISIONS (Other than taxation)		
(a) For diminution in the value of investments		
(b) For doubtful debts		
(C) Others		
OTHER EXPENSES		
(a) Expenses other than those related to Insurance Business		
(b) Bad debts written off		
(c) Others		
TOTAL (B)		
Profit Before Tax	**(261)**	**(218)**
Provision for Taxation		
Profit after Tax	**(261)**	**(218)**
APPROPRIATIONS		
(a) Interim dividends paid during the year		
(b) Proposed final dividend		
(c) Dividend distribution tax		
(d) Transfer to any Reserves or Other Accounts		
(e) Transfer to General Reserve		
(f) Balance of profit/ loss brought forward from last year		
(g) Balance carried forward to Balance Sheet	**(261)**	**(218)**

STATEMENT 9

LIFE INSURANCE CORPORATION OF INDIA
CAPITAL REDEMPTION AND ANNUITY CERTAIN BUSINESS
(NON PARTICIPATING)

BALANCE SHEET (As on 31st March)

(Rs. Lakh)

	2008	2007
SOURCES OF FUNDS		
Share Capital		
Policy Liabilities	14903	13997
Reserves and Surplus	36	36
Fair value change account	7	7
Borrowings		
TOTAL	**14945**	**14040**
APPLICATION OF FUNDS		
Investments	13182.2	13211
Loans		
Fixed Assets		
Current Assets		
Cash and Bank Balances	1827	4
Advances and Other Assets	16	893
Total Current Assets (A)	**1842**	**897**
Current Liabilities	79	68
Provisions		
Total Current Liabilities (B)	**79**	**68**
Net Current Assets (C) = (A - B)	**1763**	**829**
Miscelleneous Expenditure (to the extent not written off) Debit balance in Profit and Loss A/c		
TOTAL	**14945**	**14040**

STATEMENT 10

POLICYHOLDERS ACCOUNT : PUBLIC SECTOR NON-LIFE INSURERS

(Rs. Lakh)

	NEW INDIA								ORIENTAL							
	2007-08				2006-07				2007-08				2006-07			
PARTICULARS	**Fire**	**Marine**	**Misc**	**Total**	**Fire**	**Marine**	**Misc**	**Total**	**Fire**	**Marine**	**Misc**	**Total**	**Fire**	**Marine**	**Misc**	**Total**
Premiums earned *(Net)*	97031	18857	365254	**481143**	94184	16438	342890	**453511**	32442	16939	238242	**287623**	34153	15944	218980	**269077**
Profit/ Loss on sale/redemption of Investments	10490	3016	53827	**67332**	11040	3410	56864	**71313**	3469	1851	34715	**40035**	3303	1963	37883	**43148**
Others	-	-	-	-	-	-	-	-	28	(21)	30	**37**	29	30	(67)	**(8)**
Interest, Dividend & Rent – *Gross*	10619	3053	54493	**68165**	10514	3247	54155	**67916**	3470	1852	34730	**40052**	3083	1832	35362	**40277**
TOTAL (A)	**118140**	**24926**	**473574**	**616640**	**115738**	**23094**	**453908**	**592741**	**39410**	**20621**	**307717**	**367747**	**40568**	**19769**	**292158**	**352495**
Claims Incurred *(Net)*	60160	15824	341764	**417748**	56006	6230	302125	**364361**	31038	11007	218177	**260222**	15939	15584	204362	**235886**
Commission	10023	2669	33231	**45924**	7933	1423	29733	**39089**	(651)	1020	12766	**13135**	(1315)	424	10853	**9962**
Operating Expenses related to Insurance Business	19611	5663	76636	**101910**	28432	5231	81596	**115259**	10688	5560	66112	**82361**	11340	5255	58828	**75423**
Others- Amortizations, Write offs & Provisions	8	2	40	**50**	36	11	183	**230**	12	6	118	**136**	106	63	1221	**1391**
Foreign Taxes	3	1	66	**70**	30	1	99	**129**				-	-	-	-	-
TOTAL (B)	**89804**	**24160**	**451738**	**565702**	**92436**	**12896**	**413736**	**519068**	**41087**	**17594**	**297174**	**355855**	**26070**	**21326**	**275265**	**322661**
Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C= (A - B)	**28336**	**766**	**21835**	**50938**	**23302**	**10199**	**40172**	**73673**	**(1677)**	**3027**	**10543**	**11893**	**14498**	**(1558)**	**16893**	**29834**
APPROPRIATIONS																
Transfer to Shareholders' Account	28336	766	21835	50938	23302	10199	40172	73673	(1677)	3027	10543	11893	14498	(1558)	16893	29834
Transfer to Catastrophe Reserve																
Transfer to Other Reserves																
TOTAL (C)	**28336**	**766**	**21835**	**50938**	**23302**	**10199**	**40172**	**73673**	**(1677)**	**3027**	**10543**	**11893**	**14498**	**(1558)**	**16893**	**29834**

Figure in brackets indicate negative amounts

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POLICYHOLDERS ACCOUNT : PUBLIC SECTOR NON-LIFE INSURERS

(Rs. Lakh)

	NATIONAL								UNITED								TOTAL	
	2007-08				2006-07				2007-08									
PARTICULARS	**Fire**	**Marine**	**Misc**	**Total**	**Fire**	**Marine**	**Misc**	**Total**	**Fire**	**Marine**	**Misc**	**Total**	**Fire**	**Marine**	**Misc**	**Total**	**2007-08**	**2006-07**
Premiums earned *(Net)*	29117	10817	261919	**301853**	33836	10235	232685	**276757**	**43456**	**12937**	**213817**	**270209**	41867	10531	184926	**237324**	**1340828**	**1236669**
Profit/ Loss on sale/redemption of Investments	3982	1542	43640	**49165**	3892	1402	38774	**44069**	**5812**	**2163**	**50218**	**58193**	3634	1923	39161	**44718**	**214725**	**203249**
Others				-	-	0	-	-	**316**	**148**	**1775**	**2239**	(1)	(13)	64	**50**	**2276**	**43**
Interest, Dividend & Rent – *Gross*	3383	1310	37068	**41761**	3654	1317	36403	**41374**	**4223**	**1571**	**36491**	**42285**	3568	1888	38446	**43902**	**192264**	**193470**
TOTAL (A)	**36482**	**13669**	**342627**	**392779**	**41383**	**12955**	**307863**	**362200**	**53807**	**16819**	**302301**	**372927**	**49069**	**14329**	**262597**	**325995**	**1750093**	**1633430**
Claims Incurred *(Net)*	24447	10006	249431	283884	20645	10085	208692	239422	**30400**	**12397**	**207830**	**250628**	31486	10886	171834	**214206**	**1212481**	**1053875**
Commission	936	1003	18450	20389	(2672)	566	13510	11405	**253**	**1269**	**12140**	**13661**	(1073)	(358)	8207	**6776**	**93109**	**67232**
Operating Expenses related to Insurance Business	8881	2982	77907	89770	11076	3406	66065	80547	**13012**	**5399**	**72843**	**91255**	18041	5161	66243	**89445**	**365296**	**360674**
Others- Amortizations, Write offs & Provisions	90	65	8993	9148	2		6203	6205	**429**	**160**	**3706**	**4294**	331	175	3567	**4073**	**13629**	**11898**
Foreign Taxes					-	-	-	-	-				-	-	-	-	**70**	**129**
TOTAL (B)	**34354**	**14056**	**354780**	**403190**	**29050**	**14058**	**294470**	**337578**	**44095**	**19225**	**296519**	**359839**	**48785**	**15864**	**249851**	**314500**	**1684585**	**1493808**
Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C= (A - B)	**2128**	**(387)**	**(12153)**	**(10411)**	**12332**	**(1103)**	**13393**	**24622**	**9713**	**(2406)**	**5781**	**13088**	**283**	**(1535)**	**12746**	**11495**	**65507**	**139622**
APPROPRIATIONS																		
Transfer to Shareholders' Account	2128	(387)	(12153)	(10411)	12332	(1103)	13393	24622	9713	(2406)	5781	13088	283	(1535)	12746	11495	**65507**	**139622**
Transfer to Catastrophe Reserve																		
Transfer to Other Reserves																		
TOTAL (C)	**2128**	**(387)**	**(12153)**	**(10411)**	**12332**	**(1103)**	**13393**	**24622**	**9713**	**(2406)**	**5781**	**13088**	**283**	**(1535)**	**12746**	**11495**	**65507**	**139622**

Figure in brackets indicate negative amounts

STATEMENT 11

SHAREHOLDERS ACCOUNT : PUBLIC SECTOR NON-LIFE INSURERS

(Rs. Lakh)

PARTICULARS	NEW INDIA		ORIENTAL		NATIONAL		UNITED		TOTAL	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07
OPERATING PROFIT/(LOSS)										
(a) Fire Insurance	28336	23302	(1677)	14498	2128	12332	9713	283	**38501**	**50415**
(b) Marine Insurance	766	10199	3027	(1558)	(387)	(1103)	(2406)	(1535)	**1000**	**6003**
(c) Miscellaneous Insurance	21835	40172	10543	16893	(12153)	13393	5781	12746	**26007**	**83204**
	50938	**73673**	**11893**	**29834**	**(10411)**	**24622**	**13088**	**11495**	**65507**	**139623**
INCOME FROM INVESTMENTS										
(a) Interest, Dividend & Rent – Gross	49866	42086	17118	15732	12477	9702	23192	21206	**102652**	**88726**
(b) Profit on sale of investments	49256	44265	17110	16874	14797	10334	31918	21600	**113082**	**93073**
Less: Loss on sale of investments		(74)		(21)	(109)	-	(1)	-	**(109)**	**(95)**
OTHER INCOME	2102	1509	(203)	653	1612	1332	(28)	(299)	**3483**	**3196**
TOTAL (A)	**152162**	**161459**	**45918**	**63071**	**18366**	**45991**	**68169**	**54001**	**284615**	**324523**
PROVISIONS (Other than taxation)										
(a) For diminution in the value of investments	493	321	5	12	(212)	(751)	244	23	**528**	**(396)**
(b) For doubtful debts	(426)	(313)	961	(437)	512	(49)	587	569	**1635**	**(231)**
(c) Others	(30)	135	1027	305		-	-	-	**997**	**440**
OTHER EXPENSES										
(a) Expenses other than those related to Insurance Business	-	-	-	-	257	181	78	64	**335**	**245**
(b) Bad debts written off	-	-	1	2	-	-		-	**1**	**2**
(c) Others	(21)	(76)	(310)	226	604	1027	1446	1312	**1719**	**2489**
TOTAL (B)	**16**	**66**	**1683**	**108**	**1161**	**408**	**2355**	**1967**	**5215**	**2549**
Profit Before Tax	152146	161393	44235	62964	17206	45583	65814	52034	**279400**	**321974**
Provision for Taxation	12033	15398	43305	13237	863	3455	2651	(852)	**58851**	**31238**
Profit after Tax	140113	145995	930	49727	16343	42128	63162	52886	**220548**	**290736**
APPROPRIATIONS										
(a) Interim dividends paid during the year										
(b) Proposed final dividend	28300	29200	750	10000	3266	8361	12633	10577	**44949**	**58139**
(c) Dividend distribution tax	4810	4963	127	1700	555	1421	2147	1798	**7639**	**9881**
(d) Transfer to any Reserves or Other Accounts										
Transfer to General Reserve	107003	111832	53	38027	12522	32345	48383	40511	**167961**	**222716**
Balance of Profit / Loss B/f from last year										
Balance C/f to Balance Sheet										

Figure in brackets indicate negative amounts

STATEMENT 12

BALANCE SHEET : PUBLIC SECTOR NON-LIFE INSURERS (AS ON 31ST MARCH)

(Rs. Lakh)

SOURCES OF FUNDS	NEW INDIA		ORIENTAL		NATIONAL		UNITED		TOTAL	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Share Capital	20000	20000	10000	10000	10000	10000	15000	15000	**55000**	**55000**
Reserves & Surplus	677280	582016	192632	192579	145870	133348	309569	261186	**1325351**	**1169128**
Fair Value Change Account	1395927	1094835	761484	583314	730930	592101	503743	403248	**3392085**	**2673499**
Borrowings										
Deferred Tax Liability										
TOTAL	**2093208**	**1696851**	**964116**	**785894**	**886800**	**735449**	**828312**	**679433**	**4772435**	**3897627**
APPLICATION OF FUNDS										
Investments	2463287	2107007	1316751	1086973	1271798	1063780	1240363	1059930	**6292200**	**5317689**
Loans	65776	74545	37417	41083	39180	41721	56079	58675	**198452**	**216025**
Fixed Assets	11524	13265	9423	7364	6371	6000	8236	9841	**35554**	**36468**
Deferred Tax Assets	1016	4056		-		-		222	**1016**	**4278**
CURRENT ASSETS										
Cash & Bank Balance	*285793*	*316227*	*120613*	*148499*	*61926*	103139	70565	84974	**538897**	**652840**
Advances and Other Assets	*367018*	*224597*	*137664*	*108542*	*195899*	145448	153148	114471	**853729**	**593057**
Sub-Total (A)	652811	540824	258277	257041	257825	248587	223713	199445	**1392626**	**1245897**
CURRENT LIABILITIES	**776208**	**760479**	**465305**	**411875**	507886	460523	498879	472747	**2248278**	**2105624**
Provisions	*324998*	*287128*	*192446*	*199543*	*181402*	170119	201201	175932	**900047**	**832721**
Sub-Total (B)	1101206	1047606	657752	611418	689288	630641	700080	648679	**3148325**	**2938344**
Net Current Assets (C)= (A-B)	**(448396)**	**(506782)**	**(399475)**	**(354377)**	**(431463)**	**(382054)**	**(476366)**	**(449234)**	**(1755699)**	**(1692447)**
Misc. Expenditure *(to the extent not written off or adjusted)*	4761		4851		913	6002		-	**913**	**15614**
Profit & Loss Account (Debit Balance)										
TOTAL	**2093208**	**1696851**	**964116**	**785894**	**886800**	**735449**	**828312**	**679433**	**4772435**	**3897627**

POLICY HOLDERS ACCOUNT : PRIVATE SECTOR NON-LIFE INSURERS

(Rs. lakh)

PARTICULARS	ROYAL SUNDARAM					BAJAJ ALLIANZ				
	Fire	Marine	Misc.	2007-08	2006-07	Fire	Marine	Misc.	2007-08	2006-07
Premiums earned (Net)	2144	453	41987	**44583**	**33358**	12256	3897	125391	**141544**	**83853**
Profit/ Loss on sale/redemption of Investments	9	2	113	**124**	**66**	433	119	3219	**3771**	**908**
Others			11	**11**	**3**	256	20	887	**1163**	**112**
Interest, Dividend & Rent – Gross	329	58	2985	**3373**	**2230**	1183	325	8784	**10291**	**6644**
TOTAL (A)	**2482**	**513**	**45097**	**48092**	**35657**	**14128**	**4361**	**138281**	**156770**	**91517**
Claims Incurred (Net)	929	367	28519	**29815**	**20374**	4976	3166	86428	**94570**	**55563**
Commission	(660)	(197)	2481	**1624**	**(97)**	(2838)	177	786	**(1876)**	**(7864)**
Operating Expenses related to Insurance Business	1574	299	15562	**17435**	**13640**	4799	1478	45827	**52103**	**34625**
Premium Deficiency							(387)		**(387)**	**(100)**
TOTAL (B)	**1844**	**469**	**46562**	**48875**	**33916**	**6936**	**4434**	**133040**	**144411**	**82223**
Operating Profit/(Loss) C= (A - B)	**638**	**44**	**(1465)**	**(783)**	**1740**	**7192**	**(74)**	**5241**	**12359**	**9294**
APPROPRIATIONS										
Transfer to Shareholders' Account	638	44	(1465)	**(783)**	**1740**	7192	(74)	5241	**12359**	**9294**
Transfer to Catastrophe Reserve										
Transfer to Other Reserves										
TOTAL (C)	**638**	**44**	**(1465)**	**(783)**	**1740**	**7192**	**(74)**	**5241**	**12359**	**9294**

Note : Figure in brackets indicates negative amounts

Contd...

POLICY HOLDERS ACCOUNT : PRIVATE SECTOR NON-LIFE INSURERS

(Rs. lakh)

PARTICULARS	TATA AIG					RELIANCE				
	Fire	**Marine**	**Misc.**	**2007-08**	**2006-07**	**Fire**	**Marine**	**Misc.**	**2007-08**	**2006-07**
Premiums earned (Net)	1662	4426	39296	**45385**	**38165**	3845	1094	91065	**96003**	**24426**
Profit/ Loss on sale/redemption of Investments	1	2	18	**21**	**295**	164	39	2026	**2230**	**485**
Others	9	3	45	**57**	**63**			(1)	**(1)**	**5**
Interest, Dividend & Rent – Gross	427	295	2524	**3245**	**2124**	334	80	4123	**4537**	**1212**
TOTAL (A)	**2099**	**4726**	**41882**	**48708**	**40647**	**4343**	**1213**	**97214**	**102770**	**26128**
Claims Incurred (Net)	657	3612	20427	**24695**	**20711**	2674	1288	71107	**75068**	**17318**
Commission	(2352)	(168)	2668	**147**	**(944)**	(2657)	(86)	(5234)	**(7976)**	**(7943)**
Operating Expenses related to Insurance Business	1302	1992	19825	**23119**	**19355**	1882	591	53813	**56286**	**18092**
Premium Deficiency										
TOTAL (B)	**(394)**	**5435**	**42920**	**47962**	**39121**	**1899**	**1793**	**119686**	**123378**	**27468**
Operating Profit/(Loss) C= (A - B)	**2493**	**(709)**	**(1037)**	**747**	**1525**	**2444**	**(580)**	**(22472)**	**(20608)**	**(1340)**
APPROPRIATIONS										
Transfer to Shareholders' Account	2493	(709)	(1037)	**747**	**1525**	2444	(580)	(22472)	**(20608)**	**(1340)**
Transfer to Catastrophe Reserve										
Transfer to Other Reserves										
TOTAL (C)	**2493**	**(709)**	**(1037)**	**747**	**1525**	**2444**	**(580)**	**(22472)**	**(20608)**	**(1340)**

Note : Figure in brackets indicates negative amounts

Contd...

POLICY HOLDERS ACCOUNT : PRIVATE SECTOR NON-LIFE INSURERS

(Rs. lakh)

PARTICULARS	IFFCO TOKIO					ICICI LOMBARD				
	Fire	**Marine**	**Misc.**	**2007-08**	**2006-07**	**Fire**	**Marine**	**Misc.**	**2007-08**	**2006-07**
Premiums earned (Net)	6364	4207	53396	**63967**	**54760**	10865	1830	144024	**156718**	**106665**
Profit/ Loss on sale/redemption of Investments	17	19	148	**184**	**116**	154	53	3293	**3500**	**2633**
Others			7	**7**	**7**	(9)	(26)	(205)	**(240)**	**(133)**
Interest, Dividend & Rent – Gross	447	516	4009	**4972**	**3412**	455	157	9739	**10351**	**5337**
TOTAL (A)	**6828**	**4742**	**57560**	**69129**	**58295**	**11464**	**2015**	**156850**	**170329**	**114502**
Claims Incurred (Net)	4226	4301	41947	**50474**	**39859**	5794	3220	113818	**122832**	**81384**
Commission	(2742)	152	2195	**(395)**	**(4152)**	(3629)	(1330)	(8697)	**(13656)**	**(19048)**
Operating Expenses related to Insurance Business	3845	1179	15106	**20131**	**20473**	7695	3631	44790	**56116**	**49873**
Premium Deficiency		(100)		(100)			305		**305**	
TOTAL (B)	**5329**	**5533**	**59248**	**70110**	**56180**	**9860**	**5827**	**149910**	**165597**	**112210**
Operating Profit/(Loss) C= (A - B)	**1499**	**(792)**	**(1688)**	**(981)**	**2115**	**1605**	**(3812)**	**6940**	**4733**	**2292**
APPROPRIATIONS										
Transfer to Shareholders' Account	1499	(792)	(1688)	(981)	**2115**	1605	(3812)	6940	**4733**	**2292**
Transfer to Catastrophe Reserve										
Transfer to Other Reserves										
TOTAL (C)	**1499**	**(792)**	**(1688)**	**(981)**	**2115**	**1605**	**(3812)**	**6940**	**4733**	**2292**

Note : Figure in brackets indicates negative amounts

Contd...

POLICY HOLDERS ACCOUNT : PRIVATE SECTOR NON-LIFE INSURERS

(Rs. lakh)

PARTICULARS	CHOLAMANDALAM					HDFC CHUBB				
	Fire	Marine	Misc.	2007-08	2006-07	Fire	Marine	Misc.	2007-08	2006-07
Premiums earned (Net)	3266	981	20639	**24886**	**12728**	161	142	14702	**15005**	**14029**
Profit/ Loss on sale/redemption of Investments	38	10	140	**188**	**32**	0	0	15	**16**	**24**
Others	9	1	3	**13**	**11**	53	3	305	**361**	**(125)**
Interest, Dividend & Rent – Gross	331	89	1231	**1651**	**915**	21	11	758	**790**	**756**
TOTAL (A)	**3643**	**1081**	**22013**	**26738**	**13687**	**235**	**156**	**15780**	**16172**	**14684**
Claims Incurred (Net)	1172	978	13415	**15565**	**7077**	34	132	11311	**11477**	**8003**
Commission	(977)	(336)	(952)	**(2266)**	**(2115)**	(272)	(17)	(162)	**(451)**	**484**
Operating Expenses related to Insurance Business	1499	701	11011	**13212**	**7949**	250	218	6942	**7409**	**6395**
Premium Deficiency		(24)		**(24)**	**24**					
TOTAL (B)	**1693**	**1320**	**23474**	**26488**	**12934**	**11**	**333**	**18092**	**18436**	**14882**
Operating Profit/(Loss) C= (A - B)	**1950**	**(239)**	**(1461)**	**250**	**752**	**224**	**(176)**	**(2311)**	**(2264)**	**(198)**
APPROPRIATIONS										
Transfer to Shareholders' Account	1950	(239)	(1461)	**250**	**752**	224	(176)	(2311)	**(2264)**	**(198)**
Transfer to Catastrophe Reserve										
Transfer to Other Reserves										
TOTAL (C)	**1950**	**(239)**	**(1461)**	**250**	**752**	**224**	**(176)**	**(2311)**	**(2264)**	**(198)**

Note : Figure in brackets indicates negative amounts

Contd...

POLICY HOLDERS ACCOUNT : PRIVATE SECTOR NON-LIFE INSURERS

(Rs. lakh)

PARTICULARS	FUTURE GENERALI				UNIVERSAL SOMPO				TOTAL	
	Fire	Marine	Misc.	2007-08	Fire	Marine	Misc.	2007-08	2007-08	2006-07
Premiums earned (Net)	(148)	(15)	34	**(129)**	**(43)**		**0**	**(43)**	**587920**	**367983**
Profit/ Loss on sale/redemption of Investments									10034	4557
Others					**1**			**1**	**13731**	**(57)**
Interest, Dividend & Rent – Gross					**0**			**0**	**0**	
TOTAL (A)	**(148)**	**(15)**	**34**	**(129)**	**(42)**		**0**	**(42)**	**638537**	**395115**
Claims Incurred (Net)	3	4	50	**58**	**0**		**0**	**0**	**424555**	**250289**
Commission	(76)	(7)	(42)	**(125)**	**(3)**			**(3)**	**(24976)**	**(41679)**
Operating Expenses related to Insurance Business	368	92	1599	**2059**	**727**		**2**	**729**	**248600**	**170401**
Premium Deficiency									(206)	(76)
TOTAL (B)	**296**	**89**	**1607**	**1992**	**724**		**2**	**726**	**647973**	**378935**
Operating Profit/(Loss) C= (A - B)	**(444)**	**(104)**	**(1573)**	**(2121)**	**(766)**		**(2)**	**(768)**	**(9436)**	**16180**
APPROPRIATIONS										
Transfer to Shareholders' Account	(444)	(104)	(1573)	**(2121)**	(766)		(2)	**(768)**	(9436)	16180
Transfer to Catastrophe Reserve										
Transfer to Other Reserves										
TOTAL (C)	**(444)**	**(104)**	**(1573)**	**(2121)**	**(766)**		**(2)**	**(768)**	**(9436)**	**16180**

Note : Figure in brackets indicates negative amounts

STATEMENT 14

SHARE HOLDERS ACCOUNT : PRIVATE SECTOR NON-LIFE INSURERS

(Rs Lakh)

PARTICULARS	ROYAL SUNDARAM		BAJAJ ALLIANZ		TATA AIG		RELIANCE		IFFCO TOKIO		ICICI-LOMBARD		CHOLAMANDALAM		HDFC CHUBB		FUTURETOTAL GENERALI		UNIVERSAL SOMPO		TOTAL	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	22007-08	2006-07	2008	2007	2008	2007-08	2006-07
OPERATING PROFIT/(LOSS)																					
(a) Fire Insurance	638	1881	7192	7921	2493	2249	2444	3577	1499	3697	1605	7385	1950	1790	224	164	(444)		(766)	**16834**	**28663**
(b) Marine Insurance	44	194	(74)	(2289)	(709)	(485)	(580)	(220)	(792)	(3175)	(3812)	(1204)	(239)	(506)	(176)	(55)	(104)			**(6441)**	**(7739)**
(c) Miscellaneous Insurance	(1465)	(335)	5241	3663	(1037)	(239)	(22472)	(4697)	(1688)	1593	6940	(3889)	(1461)	(532)	(2311)	(308)	(1573)		(2)	**(19829)**	**(4744)**
INCOME FROM INVESTMENTS																					
(a) Interest, Dividend & Rent–**Gross**	1255	963	3356	2051	1874	1526	2443	1070	2120	2109	6679	3918	722	605	623	662	552	2	881	**20504**	**12906**
(b) Profit on sale of investments	50	29	1319	326	14	260	1201	428	78	72	2258	1933	82	21	12	21				**5015**	**3089**
Less: Loss on sale of investments		**(0)**	(89)	(46)	(47)	(197)					(134)	(98)						5		**(270)**	**(336)**
Other Income	6	1	203	295	48	23	711	86	51	27	20	20			(4)	(153)	(10)		(5)	**1021**	**298**
TOTAL (A)	**529**	**2733**	**17147**	**11920**	**2635**	**3137**	**(16253)**	**244**	**1269**	**4322**	**13557**	**8065**	**1054**	**1379**	**(1633)**	**331**	**(1578)**	**7**	**107**	16833	32137
																					#REF!
Provisions (Other than taxation)																					
(a) For diminution in the value of investments												475									**475**
(b) For doubtful debts						43															**43**
(c) Others					(73)	(209)														**(73)**	**(209)**
OTHER EXPENSES																					
(a) Expenses other than those related to Insurance Business	31	7	357	217	(2)	(2)	(31)	(20)	83	76	59	53			44	81	123	231	141	**805**	**643**
(b) Bad debts written off					18															**18**	
(c) Others -preliminary & pre-operative, amortizations	21	8																	5	**25**	**8**
TOTAL (B)	**52**	**15**	**357**	**217**	**(57)**	**(168)**	**(31)**	**(20)**	**83**	**76**	**534**	**53**			**44**	**81**	**123**	**231**	**146**	**1250**	**485**
Profit Before Tax	477	2718	16790	11703	2692	3305	(16284)	224	1186	4246	13022	8012	1054	1379	(1677)	250	(1701)	(223)	(38)	**15582**	**31653**
Provision for Taxation	6	600	6228	4166	1075	1148	271	61	470	1533	2735	1176	330	130	23	50	8	0	(9)	**11136**	**8864**
Profit After Tax	471	2119	10562	7537	1617	2157	(16555)	163	716	2713	10287	6836	724	1249	(1700)	200	(1709)	(224)	(30)	**4446**	**22789**
APPROPRIATIONS																					**#REF!**
(a) Interim dividends paid during the year											5912	4384								**5912**	**4384**
(b) Proposed final dividend										880											**880**
(c) Dividend distribution tax										150	1005	615								**1005**	**764**
(d) Transfer to any Reserves or Deferred Tax of last year											863	342								**863**	**342**
(e) catastrophe Reserve																					
Balance of profit/ loss B/f from last year	244	(1875)	19485	12036	1880	(277)	5240	5078	4662	2979	6816	5320	(323)	(1571)	(3010)	(3210)	(224)			**34772**	**18479**
Balance C/f to Balance Sheet	**715**	**244**	**30047**	**19573**	**3497**	**1880**	**(11315)**	**5240**	**5379**	**4662**	**9324**	**6816**	**401**	**(323)**	**(4710)**	**(3010)**	**(1933)**	**(224)**	**(30)**	31438	34898

Note :Figure in brackets indicates negative amounts

STATEMENT 15

BALANCE SHEET : PRIVATE SECTOR NON-LIFE INSURERS (AS ON 31ST MARCH)

(Rs. Lakh)

PARTICULARS	ROYAL SUNDARAM		BAJAJ ALLIANZ		TATA AIG		RELIANCE		IFFCO TOKIO		ICICI-LOMBARD		CHOLAMANDALAM		HDFC CHUBB		FUTURE GENERALI		TOTAL UNIVERSAL SOMPO		TOTAL	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	22007-08	2006-07	2008	2007	2008	2007-08	2006-07
Share Capital	17,000	14,000	11023	11013	22500	22500	10715	10307	22000	22000	37736	33571	14196	14196	15000	12491	15000	5	15000	**180170**	**140083**
Reserves & Surplus	715	244	46709	29328	3497	1880	49985	15633	8390	7674	69860	45700	401						8580	**188138**	**100459**
Fair Value Change Account	(96)		(253)	816	265	162	(982)	98			(1787)	(1241)	(252)	(77)	29	6	3			**(3074)**	**(237)**
Borrowings													226		202	204				**428**	**204**
Others												15000						600		**0**	**15600**
Deferred Tax Liability																6				**0**	**6**
TOTAL	**17619**	**14244**	**57478**	**41157**	**26263**	**24542**	**59718**	**26038**	**30390**	**29674**	**105809**	**93029**	**14571**	**14119**	**15231**	**12706**	**15003**	**605**	**23580**	**365662**	**256115**
APPLICATION OF FUNDS																					
Investments	55,903	45,570	186323	130041	68192	52834	131073	63315	54297	47381	237376	171047	32999	25435	22130	17814	11082		11142	**810518**	**553437**
Loans																				**0**	**0**
Fixed Assets	1,914	1,463	9983	4778	2692	2953	5832	2889	1458	1643	12531	8694	2298	1148	1142	1458	841	208	792	**39483**	**25232**
Deferred Tax Asset	830		1652	1001	247	77	85	85	857	160	2982	1232	108						13	**6774**	**2555**
CURRENT ASSETS																					
Cash and Bank Balances	9,229	6,058	26996	22404	3068	5281	7249	1815	37676	27956	13633	34790	1481	3062	1399	2310	1480	286	11138	**113351**	**103961**
Advances and Other Assets	10,288	4,827	30316	11383	12588	11309	29795	5533	23364	12466	112897	79642	10114	3963	3987	2620	1098	287	1144	**235592**	**132029**
Sub-Total (A)	19518	10885	57312	33787	15656	16590	37044	7348	61040	40422	126530	114432	11595	7025	5387	4929	2578	573	12283	**348942**	**235990**
CURRENT LIABILITIES	30,637	22,486	105521	70169	29210	24560	57638	17839	47746	29096	173622	124701	15550	10356	9575	7720	946	399	662	**471106**	**307327**
Provisions	29,909	21,186	92271	58280	31315	23351	67994	29759	39515	30836	99988	77674	16880	9456	8563	6821	485		18	**386937**	**257363**
Sub-Total (B)	60546	43673	197792	128449	60525	47911	125631	47598	87261	59932	273610	202375	32430	19812	18138	14541	1431	399	679	**858042**	**564690**
NET CURRENT ASSETS (C) = (A - B)	(41028)	(32788)	(140480)	(94662)	(44868)	(31322)	(88588)	(40251)	(26221)	(19510)	(147080)	(87943)	(20835)	(12787)	(12751)	(9612)	1147	174	11604	(509100)	(328700)
Misc. Expenditure (to the extent not written off or adjusted)																35				**0**	**35**
Profit & Loss Account (Debit Balance)							11315							323	4710	3010	1933	224	30	**17987**	**3556**
TOTAL	**17619**	**14244**	**57478**	**41157**	**26263**	**24542**	**59718**	**26038**	**30390**	**29674**	**105809**	**93029**	**14571**	**14119**	**15231**	**12706**	**15003**	**605**	**23580**	**365662**	**256115**

Note : Figure in brackets indicates negative amounts

STATEMENT 16

POLICYHOLDERS ACCOUNT : HEALTH INSURERS

(Rs. Lakh)

	STAR HEALTH		APOLLO DKV
PARTICULARS	**2007-08**	**2006-07**	**2007-08**
Premiums earned *(Net)*	8823	489	28.14
Profit/ Loss on sale/redemption of Investments			
Others			
Interest, Dividend & Rent – *Gross*	172	20	1
TOTAL (A)	**8996**	**509**	**29**
Claims Incurred *(Net)*	6724	150	24.74
Commission	(814)	(303)	33.29
Operating Expenses related to Insurance Business	3477	1798	3167.93
Others- Amortizations, Write offs & Provisions			
Foreign Taxes			
TOTAL (B)	**9388**	**1645**	**3226**
Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C =(A-B)	***(392)***	***(1136)***	***(3197)***
APPROPRIATIONS			
Transfer to Shareholders' Account	(392)	(1136)	(3197)
Transfer to Catastrophe Reserve			
Transfer to Other Reserves			
TOTAL (C)	**(392)**	**(1136)**	**(3197)**

Note : Figure in brackets indicate negative values

STATEMENT 17

SHAREHOLDERS ACCOUNT : HEALTH INSURERS

(Rs. Lakh)

PARTICULARS	STAR HEALTH		APOLLO DKV	
	2007-08	2006-07	2007-08	2006-07
OPERATING PROFIT/(LOSS)				
(a) Fire Insurance				
(b) Marine Insurance				
(c) Miscellaneous Insurance	(392)	(1136)	(3197)	
	(392)	**(1136)**	**(3197)**	
INCOME FROM INVESTMENTS				
(a) Interest, Dividend & Rent – Gross	746	703	414	
(b) Profit on sale of investments	1			
Less: Loss on sale of investments				
OTHER INCOME			1	0
TOTAL (A)	**355**	**(433)**	**(2782)**	**0**
PROVISIONS (Other than taxation)				
(a) For diminution in the value of investments				
(b) For doubtful debts				
(c) Others				
OTHER EXPENSES				
(a) Expenses other than those related to Insurance Business			32	24
(b) Bad debts written off				
(c) Others	39	6		
TOTAL (B)	**39**	**6**	**32**	**24**
Profit Before Tax	316	(439)	(2815)	(24)
Provision for Taxation	188	(180)	20	1
Profit after Tax	128	(259)	(2834)	(25)
APPROPRIATIONS				
(a) Interim dividends paid during the year				
(b) Proposed final dividend				
(c) Dividend distribution tax				
(d) Transfer to any Reserves or Other Accounts				
Transfer to General Reserve				
Balance of Profit / Loss B/f from last year	(385)	(126)	(25)	
Balance C/f to Balance Sheet	**(258)**	**(385)**	**(2859)**	**(25)**

Note : Figure in brackets indicate negative values

STATEMENT 18

BALANCE SHEET : HEALTH INSURERS
(As on 31st March)

(Rs. Lakh)

	STAR HEALTH		APOLLO DKV	
PARTICULARS	**2008**	**2007**	**2008**	**2007**
Share Capital	10860	10500	10055.48	5
Reserves & Surplus				
Fair Value Change Account		1		
Borrowings				200
TOTAL	**10860**	**10501**	**10055**	**205**
APPLICATION OF FUNDS				
Investments	8652	7135	3064.23	
Loans	500			
Fixed Assets	641	411	1205.31	7.44
Deferred Tax Assets	76	188		
CURRENT ASSETS				
Cash & Bank Balance	3556	2788	3287.74	86.58
Advances and Other Assets	2029	486	1065.91	88
Sub-Total (A)	**5585**	**3275**	**4354**	**175**
CURRENT LIABILITIES	1212	**404**	1179.26	1.19
Provisions	3639	**489**	247.34	0.55
Sub-Total (B)	**4851**	**893**	**1427**	**2**
Net Current Assets (C)= (A-B)	**733**	**2381**	**2927**	**173**
Misc. Expenditure *(to the extent not written off or adjusted)*				
Profit & Loss Account (Debit Balance)	258	385	2858.89	24.72
TOTAL	**10860**	**10501**	**10055**	**205**

Note : Figure in brackets indicate negative values

STATEMENT 19

GENERAL INSURANCE CORPORATION : POLICYHOLDERS ACCOUNT

(Rs. Lakh)

	2007-08					2006-07				
	Fire	**Marine**	**Misc**	**Life**	**Total**	**Fire**	**Marine**	**Misc**	**Life**	**Total**
Premiums earned *(Net)*	175369	40162	506414	950	722896	145412	28112	352705	151	526380
Profit/ Loss on sale/redemption of Investments	12306	5155	41251	9	58721	10737	4016	39765	5	54523
Others	2169	(686)	(1539)	(15)	(72)	1646	(546)	(1199)	(0)	(98)
Interest, Dividend & Rent – *Gross*	14724	6168	49353	10	70255	13528	5060	50105	7	68700
TOTAL (A)	**204568**	**50798**	**595479**	**954**	**851800**	**171323**	**36643**	**441377**	**163**	**649505**
Claims Incurred *(Net)*	164411	53872	382689	177	601150	105171	34497	222532	71	362271
Commission	61723	15748	131180	313	208965	58681	10014	98317	0	167012
Operating Expenses related to Insurance Business Foreign Taxes	1464	375	3847	10	5697	1423	263	3124	1	4811
TOTAL (B)	**227599**	**69995**	**517717**	**500**	**815811**	**165275**	**44775**	**323972**	**73**	**534094**
Operating Profit/(Loss) C= (A - B)	***(23031)***	***(19197)***	***77762***	***453***	***35989***	***6047***	***(8132)***	***117405***	***90***	***115410***
APPROPRIATIONS										
Transfer to Shareholders' Account	(23031)	(19197)	77762	453	35989	6047	(8132)	117405	90	115410
Transfer to Catastrophe Reserve										
Transfer to Other Reserves										
TOTAL (C)	**(23031)**	**(19197)**	**77762**	**453**	**35989**	**6047**	**(8132)**	**117405**	**90**	**115410**

Note : Figure in brackets indicate negative values

STATEMENT 20

GENERAL INSURANCE CORPORATION
SHAREHOLDERS ACCOUNT

(Rs. Lakh)

PARTICULARS	2008	2007
OPERATING PROFIT/(LOSS)		
(a) Fire Insurance	(23031)	6047
(b) Marine Insurance	(19197)	(8132)
(c) Miscellaneous Insurance	77762	117405
(d) Life Insurance	453	90
	35989	115410
INCOME FROM INVESTMENTS		
(a) Interest, Dividend & Rent – Gross	40614	34529
(b) Profit on sale of investments	33946	27403
Less: Loss on sale of investments		
OTHER INCOME	**7113**	**5694**
TOTAL (A)	**117662**	**183036**
PROVISIONS (Other than taxation)		
(a) For diminution in the value of investments	657	1793
(b) For doubtful debts	(945)	(1339)
(c) Others	3389	3496
OTHER EXPENSES		
(a) Expenses other than those related Insurance business	143	109
(b) Bad debts written off	24	30
(c) Others	7664	
TOTAL (B)	**10933**	**4089**
Profit before Tax	106730	178947
Provision for Taxation	7451	25811
Profit after Tax	**99278**	**153134**
APPROPRIATIONS		
(a) Interim dividends paid during the year		
(b) Proposed final dividend	19780	30960
(c) Dividend distribution tax	3362	5262
(d) Transfer to any Reserves or other Accounts		
(e) Transfer to General Reserve	76140	116910
(f) Balance of Profit / Loss B/f from last year	5	2
(g) Balance c/f to Balance Sheet	1	5

Note : Figure in brackets indicate negative values

STATEMENT 21

GENERAL INSURANCE CORPORATION
BALANCE SHEET (As on 31st March)

(Rs. Lakh)

SOURCES OF FUNDS	2008	2007
Share Capital	43000	43000
Reserves & Surplus	625377	549826
Fair Value Change Account	1428743	982843
Borrowings		
Deferred Tax Liability		
TOTAL	**2097120**	**1575668**
APPLICATION OF FUNDS		
Investments	2851378	2290511
Loans	68017	74910
Fixed Assets	4102	4369
Deferred Tax Asset	13944	6179
CURRENT ASSETS		
Cash & Bank Balance	*252759*	180375
Advances and Other Assets	411083	296054
Sub-Total (A)	**663842**	**476429**
CURRENT LIABILITIES	**1004706**	**872919**
Provisions	*499458*	403811
Sub-Total (B)	**1504164**	**1276730**
Net Current Assets (C)= (A-B)	**(840321)**	**(800301)**
Misc. Expenditure		
(to the extent not written off or adjusted)		
Profit & Loss Account (Debit Balance)		
TOTAL	**2097120**	**1575668**

Note : Figure in brackets indicate negative values

STATEMENT 22

POLICY HOLDERS ACCOUNT : EXPORT CREDIT GUARANTEE CORPORATION OF INDIA LTD

(Rs. Lakh)

PARTICULARS	**2007-08**	**2006-07**
Premiums earned *(Net)*	54576	59444
Profit/ Loss on sale/redemption of Investments	1	0
Others	37	78
Interest, Dividend & Rent – *Gross*	13035	11454
TOTAL (A)	**67649**	**70976**
Claims Incurred *(Net)*	(1598)	18711
Commission	(3408)	(17)
Operating Expenses related to Insurance Business	10502	7396
Others- Amortizations, Write offs & Provisions		
Foreign Taxes		
TOTAL (B)	**5496**	**26089**
Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business		
C= (A - B)	***62153***	***44887***
APPROPRIATIONS		
Transfer to Shareholders' Account	62153	44887
Transfer to Catastrophe Reserve		
Transfer to Other Reserves		
TOTAL (C)	**62153**	**44887**

Note : Figure in brackets indicate negative values

STATEMENT 23

SHAREHOLDERS ACCOUNT : EXPORT CREDIT GUARANTEE CORPORATION OF INDIA LTD

(Rs. Lakh)

PARTICULARS	2007-08	2006-07
OPERATING PROFIT/(LOSS)		
(a) Fire Insurance		
(b) Marine Insurance		
(c) Miscellaneous Insurance	62153	44887
	62153	**44887**
INCOME FROM INVESTMENTS		
(a) Interest, Dividend & Rent – Gross	14744	10161
(b) Profit on sale of investments	1	0
Less: Loss on sale of investments		
OTHER INCOME	**322**	126
TOTAL (A)	**77219**	**55174**
PROVISIONS (Other than taxation)		
(a) For diminution in the value of investments		
(b) For doubtful debts		
(c) Others		
OTHER EXPENSES		
(a) Expenses other than those related to Insurance Business		
(b) Bad debts written off		
(c) Others	44	
TOTAL (B)	**44**	
Profit Before Tax	77175	55174
Provision for Taxation	28861	18908
Prior Period Adjustments	371	(704)
Profit after Tax	47943	36970
APPROPRIATIONS		
(a) Interim dividends paid during the year	9657	2500
(b) Proposed final dividend	8200	10000
(c) Dividend distribution tax	1394	1403
(d) Transfer to any Reserves or Other Accounts		
Transfer to General Reserve	28694	23067
Balance of Profit / Loss B/f from last year	2	2
Balance C/f to Balance Sheet	**1**	**2**

Note : Figure in brackets indicate negative values

STATEMENT 24

BALANCE SHEET : EXPORT CREDIT GUARANTEE CORPORATION OF INDIA LTD
(As on 31st March)

(Rs. Lakh)

SOURCES OF FUNDS	2008	2007
Share Capital	90000	80000
Reserves & Surplus	91342	62914
Fair Value Change Account		
Borrowings	848	
Deferred Tax Liability		
TOTAL	**182190**	**142914**
APPLICATION OF FUNDS		
Investments	58621	22808
Loans	1310	1,487
Fixed Assets	12470	12094
CURRENT ASSETS		
Cash & Bank Balance	*227726*	260246
Advances and Other Assets	*11498*	9212
Sub-Total (A)	**239224**	**269459**
CURRENT LIABILITIES	**93293**	**116173**
Provisions	*37706*	48540
Sub-Total (B)	**130999**	**164713**
Net Current Assets (C)= (A-B)	**108225**	**104745**
Deferred Tax Assets	46	1780
Misc. Expenditure *(to the extent not written off or adjusted)*	1518	
Profit & Loss Account (Debit Balance)		
TOTAL	**182190**	**142914**

STATEMENT 25

POLICYHOLDERS ACCOUNT : AGRICULTURE INSURANCE COMPANY OF INDIA LTD

(Rs. Lakh)

PARTICULARS	2007-08	2006-07
Premiums earned *(Net)*	63614	55876
Profit/ Loss on sale/redemption of Investments	56	4
Others		
Interest, Dividend & Rent – *Gross*	9810	6661
TOTAL (A)	**73480**	**62541**
Claims Incurred *(Net)*	52954	55075
Commission	(2194)	(0)
Operating Expenses related to Insurance Business	1412	1023
Others- Amortizations, Write offs & Provisions	259	211
Foreign Taxes		
TOTAL (B)	**52431**	**56309**
Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business		
C = (A - B)	***21049***	***6232***
APPROPRIATIONS		
Transfer to Shareholders' Account	21049	6232
Transfer to Catastrophe Reserve		
Transfer to Other Reserves		
TOTAL (C)	**21049**	**6232**

Note : Figure in brackets indicate negative values

STATEMENT 26

SHAREHOLDERS ACCOUNT : AGRICULTURE INSURANCE COMPANY OF INDIA LTD

(Rs. Lakh)

PARTICULARS	2007-08	2006-07
OPERATING PROFIT/(LOSS)		
(a) Fire Insurance		
(b) Marine Insurance		
(c) Miscellaneous Insurance	21049	6232
	21049	**6232**
INCOME FROM INVESTMENTS		
(a) Interest, Dividend & Rent – Gross	3996	2849
(b) Profit on sale of investments	23	2
Less: Loss on sale of investments		
OTHER INCOME	**13**	**44**
TOTAL (A)	**25081**	**9127**
PROVISIONS (Other than taxation)		
(a) For diminution in the value of investments		
(b) For doubtful debts		19
(c) Others	144	490
OTHER EXPENSES		
(a) Expenses other than those related to Insurance Business		4
(b) Bad debts written off		
(c) Others	0	91
TOTAL (B)	**145**	**604**
Profit Before Tax	24936	8523
Provision for Taxation	8805	3625
Profit after Tax	16131	4898
APPROPRIATIONS		
(a) Interim dividends paid during the year		
(b) Proposed final dividend	2000	
(c) Dividend distribution tax	340	
(d) Transfer to any Reserves or Other Accounts		
Transfer to General Reserve	13791	4898
Balance of Profit / Loss B/f from last year		
Balance C/f to Balance Sheet		

Note : Figure in brackets indicate negative values

STATEMENT 27

BALANCE SHEET : AGRICULTURE INSURANCE COMPANY OF INDIA LTD

(As on 31st March)

(Rs. Lakh)

PARTICULARS	2008	2007
Share Capital	20000	20000
Reserves & Surplus	32317	18540
Fair Value Change Account	337	243
Borrowings		
TOTAL	**52654**	**38783**
APPLICATION OF FUNDS		
Investments	87678	69308
Loans	144	146
Fixed Assets	493	475
Deferred Tax Assets	343	
CURRENT ASSETS		
Cash & Bank Balance	*72663*	74537
Advances and Other Assets	*22239*	15957
Sub-Total (A)	**94903**	**90494**
CURRENT LIABILITIES	**89388**	**91997**
Provisions	*41518*	**29642**
Sub-Total (B)	**130906**	**121639**
Net Current Assets (C)= (A-B)	**(36004)**	**(31145)**
Misc. Expenditure *(to the extent not written off or adjusted)*		
Profit & Loss Account (Debit Balance)		
TOTAL	**52654**	**38783**

Note : Figure in brackets indicate negative values

STATEMENT 28

NET RETENTIONS OF THE NON-LIFE INDIAN MARKET

Segment	Retentions within the country (Per cent)
Fire	75.65
Marine Cargo	84.43
Marine Hull	20.01
Motor	100.00
Engineering	77.52
Aviation	24.21
Miscellaneous	97.11
Total	**91.26**

GROSS DIRECT PREMIUM INCOME IN INDIA

(Rs. Lakh)

	Fire		Marine		Motor		Health		Others		TOTAL	
Company	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**
NATIONAL	38072	49252	17498	20489	214631	198658	69036	47957	61487	65085	**400723**	**381442**
NEW INDIA	74343	90998	43728	32102	203430	203473	120942	76529	85249	98618	**527692**	**501720**
ORIENTAL	47820	54007	33906	34783	160838	173939	53263	44854	84986	85269	**380814**	**392852**
UNITED	52430	66434	30083	26395	143490	123318	69496	46525	78456	87204	**373956**	**349877**
Sub-Total	**212665**	**260691**	**125216**	**113769**	**722388**	**699388**	**312737**	**215865**	**310179**	**336177**	**1683185**	**1625890**
BAJAJ ALLIANZ	27349	37031	7518	7125	138637	84387	24340	15826	40149	34266	**237992**	**178634**
CHOLAMANDALAM	6830	7798	3266	2656	22441	9716	10938	3860	8758	7143	**52234**	**31173**
FUTURE GENERALI	303	-	72	-	177	-	343	-	86	-	**981**	**-**
HDFC CHUBB	1283	1110	329	241	14038	13832	2823	1027	3588	3190	**22060**	**19400**
ICICI LOMBARD	41735	39383	21672	15524	127907	114255	81589	66497	57809	63248	**330712**	**298907**
IFFCO-TOKIO	21517	29102	6643	12826	49919	44890	11402	7189	23334	20440	**112815**	**114447**
RELIANCE	14327	14588	3424	1785	126737	45551	27562	6718	22591	22581	**194642**	**91223**
ROYAL SUNDARAM	6887	9839	1955	1844	40956	30339	10878	9612	8765	8185	**69441**	**59820**
TATA AIG	12977	13695	9786	7015	25325	27309	6830	5336	23346	17700	**78264**	**71055**
UNIVERSAL SOMPO	48	-	-	-	-	-	-	-	-	-	**48**	**-**
Sub-Total	**133255**	**152547**	**54666**	**49015**	**546136**	**370278**	**176705**	**116064**	**188426**	**176753**	**1099189**	**864657**
Grand Total	**345921**	**413238**	**179882**	**162784**	**1268525**	**1069666**	**489442**	**331929**	**498604**	**512929**	**2782374**	**2490547**

NET PREMIUM INCOME (Earned)

(Rs. Lakh)

	Fire		Marine		Motor		Health		Others		TOTAL	
Company	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**	**2007-08**	**2006-07**
NATIONAL	29117	33836	10817	10235	167841	153428	46806	35756	47272	43501	301853	276757
NEW INDIA	97031	94184	18857	16438	194078	198559	82012	30612	89,164	113719	481143	453511
ORIENTAL	32442	34153	16939	15944	137012	132846	40605	32371	60626	53763	287623	269077
UNITED	43456	41867	12937	10531	106080	94441	48146	32981	59590	57504	270209	237324
Sub-Total	**202046**	**204040**	**59550**	**53148**	**605011**	**579274**	**217568**	**131720**	**256652**	**268487**	**1340828**	**1236669**
BAJAJ ALLIANZ	12256	9382	3897	2674	92566	49254	17808	10639	15017	11904	141544	83853
CHOLAMANDALAM	3266	3180	981	709	14073	5195	2967	884	3599	2760	24886	12728
FUTURE GENERALI	(148)		(15)		2		25		8		(129)	
HDFC CHUBB	161	157	142	96	12017	11830	1692	500	993	1445	15005	14029
ICICI LOMBARD	10865	6982	1830	1224	87333	55105	40662	30593	16028	12761	156718	106665
IFFCO TOKIO	6364	5481	4207	3035	37945	34613	7223	4656	8228	6975	63967	54760
RELIANCE	3845	2394	1094	621	71660	14918	13617	3017	5788	3476	96003	24426
ROYAL SUNDARAM	2144	2920	453	823	29749	20673	8305	5487	3933	3454	44583	33358
TATA AIG	1662	1489	4426	3099	24809	22888	3708	4069	10779	6620	45385	38165
UNIVERSAL SOMPO	(43)										(43)	
Sub-Total	**40371**	**31986**	**17015**	**12280**	**370154**	**214476**	**95983**	**59845**	**64398**	**49396**	**587920**	**367983**
Grand Total	**242418**	**236027**	**76565**	**65428**	**975164**	**793750**	**313552**	**191565**	**321050**	**317882**	**1928748**	**1604652**

STATEMENT 31

UNDERWRITING EXPERIENCE AND PROFITS OF PUBLIC SECTOR COMPANIES

(Rs.lakh)

	NEW INDIA		ORIENTAL		NATIONAL		UNITED		TOTAL	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07
NET PREMIUM	491428	475177	287868	287973	318798	285536	288066	252953	1386159	1301640
Incurred Claims (Net)	417748	364361	260222	235886	283884	239422	250628	214206	1212481	1053875
	85.01%	76.68%	90.40%	81.91%	89.05%	83.85%	87.00%	84.68%	87.47%	80.97%
COMMISSION, EXPENSES OF MANAGEMENT	147834	154348	95496	85385	110159	91952	104916	96222	458406	427906
	30.08%	32.48%	33.17%	29.65%	34.55%	32.20%	36.42%	38.04%	33.07%	32.87%
INCREASE IN RESERVE FOR UNEXPIRED RISK	10285	21666	244	18897	16945	8780	17857	15629	45331	64971
	2.09%	4.56%	0.08%	6.56%	5.32%	3.07%	6.20%	6.18%	3.27%	4.99%
UNDERWRITING PROFIT/LOSS	(84439)	(65198)	(68095)	(52194)	(92190)	(54617)	(85335)	(73104)	(330059)	(245112)
	-17.55%	-14.38%	-23.67%	-19.40%	-30.54%	-19.73%	-31.58%	-30.80%	-24.62%	-19.82%
GROSS INVESTMENT INCOME	234619	225507	114315	116010	118092	105480	157725	131426	624751	578423
OTHER INCOME LESS OTHER OUTGO	1966	1084	(1986)	(853)	(8696)	(5280)	(6576)	(6288)	(15292)	(11337)
PROFIT BEFORE TAX	152146	161393	44235	62964	17206	45583	65814	52034	279400	321974
INCOME TAX DEDUCTED AT SOURCE AND PROVISION FOR TAX	12033	15398	43305	13237	863	3455	2651	(852)	58851	31238
NET PROFIT AFTER TAX	**140113**	**145995**	**930**	**49727**	**16343**	**42128**	**63162**	**52886**	**220548**	**290736**

Figures in bracket indicates negative amounts

STATEMENT 32

UNDERWRITING EXPERIENCE AND PROFIT OF PRIVATE SECTOR COMPANIES

(Rs. Lakh)

PARTICULARS	ROYAL SUNDARAM		BAJAJ ALLIANZ		TATA AIG		RELIANCE		IFFCO TOKIO		ICICI-LOMBARD		CHOLAMANDALAM		HDFC CHUBB		FUTURETOTAL GENERALI	UNIVERSAL SOMPO	TOTAL	
	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07	22007-08	2006-07	2007-08	2008	2007-08	2006-07
NET PREMIUM	53306	38955	175255	103976	52801	41582	133745	50431	73775	58057	177977	145077	32113	15926	16758	13311	184	(43)	**715871**	**467316**
CLAIMS INCURRED (NET)	29815	20374	94570	55563	24695	20711	75068	17318	50474	39859	122832	81384	15565	7077	11477	8003	58	0	**424555**	**250289**
	55.93%	52.30%	53.96%	53.44%	46.77%	49.81%	56.13%	34.34%	68.42%	68.66%	69.02%	56.10%	48.47%	44.43%	68.49%	60.12%	31.41%	-0.26%	**59.31%**	**53.56%**
COMMISSION, EXPENSES OF MANAGEMENT	19060	13543	50072	26676	23047	18122	48341	10169	19711	16287	42460	30826	10946	5834	6958	6879	1934	726	**223254**	**128337**
	35.75%	34.77%	28.57%	25.66%	43.65%	43.58%	36.14%	20.16%	26.72%	28.05%	23.86%	21.25%	34.09%	36.63%	41.52%	51.68%	1052.68%	-1705.14%	31.19%	27.46%
INCREASE IN RESERVE FOR UNEXPIRED RISK	8723	5597	33711	20123	7417	3418	37741	26006	9808	3297	21258	38413	7227	3198	1753	(718)	312	1	**127951**	**99333**
	16.36%	14.37%	19.24%	19.35%	14.05%	8.22%	28.22%	51.57%	13.29%	5.68%	11.94%	26.48%	22.51%	20.08%	10.46%	-5.39%	170.04%	-1.74%	**17.87%**	**21.26%**
UNDERWRITING PROFIT/LOSS	(4291)	(559)	(3098)	1615	(2357)	(669)	(27406)	(3062)	(6219)	(1387)	(8573)	(5545)	(1626)	(183)	(3430)	(853)	(2121)	(769)	**(59890)**	**(10642)**
	-9.62%	-1.67%	-2.19%	1.93%	-5.19%	-1.75%	-28.55%	-12.53%	-9.72%	-2.53%	-5.47%	-5.20%	-6.53%	-1.43%	-18.53%	-6.77%	1647.72%	1776.26%	-10.19%	-2.89%
GROSS INVESTMENT INCOME	4802	3287	18648	8890	5035	3797	10411	3195	7354	5708	22448	13590	2643	1574	1440	1463	542	881	**74205**	**41504**
OTHER INCOME LESS OTHER OUTGO	-34	(11)	1240	1198	14	177	711	91	50	(76)	(852)	(33)	37	(12)	313	(359)	(123)	(151)	**1204**	**975**
PROFIT BEFORE TAX	477	2718	16790	11703	2692	3305	(16284)	224	1186	4246	13022	8012	1054	1379	(1677)	250	(1701)	(39)	**15519**	**31837**
INCOME TAX DEDUCTED AT SOURCE AND PROVISION FOR TAX	6	600	6228	4166	1075	1148	271	61	470	1533	2735	1176	330	130	23	50	8	(9)	**11136**	**8863**
NET PROFIT AFTER TAX	**471**	**2119**	**10562**	**7537**	**1617**	**2157**	**(16555)**	**163**	**716**	**2713**	**10287**	**6836**	**724**	**1249**	**(1700)**	**200**	**(1709)**	**(30)**	**4383**	**22974**

Note: Figure in brackets indicate negative amounts

STATEMENT 33

INCURRED CLAIMS RATIO-PUBLIC SECTOR

PARTICULARS	Net Earned Premium							Claims Incurred (Net)							Incurred Claims Ratio						
	Fire	Marine	Motor	Health	Others	2007-08	2006-07	Fire	Marine	Motor	Health	Others	2007-08	2006-07	Fire	Marine	Motor	Health	Others	2007-08	2006-07
	(Rs. Lakh)							(Rs.Lakh)							(Per cent)						
NATIONAL	29117	10817	167841	46806	47272	301853	**276757**	24447	10006	170449	55238	23743	**283884**	**239422**	83.96	92.50	101.55	118.01	50.23	**94.05**	**86.51**
NEW INDIA	97031	18857	194078	82012	89164	481143	**453511**	60160	15824	209996	73801	57967	**417748**	**364361**	62.00	83.91	108.20	89.99	65.01	**86.82**	**80.34**
ORIENTAL	32442	16939	137012	40605	60626	287623	**269077**	31038	11007	136423	50256	31499	**260222**	**235886**	95.67	64.98	99.57	123.77	51.96	**90.47**	**87.66**
UNITED	43456	12937	106080	48146	59590	270209	**237324**	30400	12397	116943	65170	25718	**250628**	**214206**	69.96	95.83	110.24	135.36	43.16	**92.75**	**90.26**
TOTAL	**202046**	**59550**	**605011**	**217568**	**256652**	**1340828**	**1236669**	**146044**	**49234**	**633811**	**244465**	**138927**	**1212481**	**1053875**	**72.28**	**82.68**	**104.76**	**112.36**	**54.13**	**90.43**	**85.22**

STATEMENT 34

INCURRED CLAIMS RATIO-PRIVATE SECTOR

PARTICULARS	Net Earned Premium							Claims Incurred (Net)							Incurred Claims Ratio						
	Fire	Marine	Motor	Health	Others	2007-08	2006-07	Fire	Marine	Motor	Health	Others	2007-08	2006-07	Fire	Marine	Motor	Health	Others	2007-08	2006-07
	(Rs. Lakh)							(Rs. Lakh)							(Per cent)						
ROYAL SUNDARAM	2144	453	29749	8305	3933	44583	**33358**	929	367	22856	3719	1944	29815	**20374**	43.35	80.95	76.83	44.78	49.44	66.87	61.08
BAJAJ ALLIANZ	12256	3897	92566	17808	15017	141544	**83853**	4976	3166	61817	15171	9439	94570	**55563**	40.60	81.25	66.78	85.19	62.86	66.81	66.26
TATA AIG	1662	4426	24809	3708	10779	45385	**38165**	657	3612	15305	2778	2344	24695	**20711**	39.50	81.60	61.69	74.93	21.74	54.41	54.27
RELIANCE	3845	1094	71660	13617	5788	96003	**24426**	2674	1288	53013	15269	2824	75068	**17318**	69.54	117.76	73.98	112.14	48.79	78.19	70.90
IFFCO TOKIO	6364	4207	37945	7223	8228	63967	**54760**	4226	4301	28976	8750	4221	50474	**39859**	66.40	102.24	76.36	121.14	51.30	78.91	72.79
ICICI LOMBARD	10865	1830	87333	40662	16028	156718	**106665**	5794	3220	66505	40170	7143	122832	**81384**	53.33	175.93	76.15	98.79	44.57	78.38	76.30
CHOLAMANDALAM	3266	981	14073	2967	3599	24886	**12728**	1172	978	9353	2761	1302	15565	**7077**	35.88	99.73	66.46	93.03	36.16	62.55	55.60
HDFC CHUBB	161	142	12017	1692	993	15005	**14029**	34	132	8491	2411	409	11477	**8003**	20.80	93.35	70.66	142.46	41.25	76.49	57.05
FUTURE GENERALI	(148)	(15)	2	25	8	(129)		3	4			50	58		-2.36	-24.58	0.00	0.00	650.71	-44.84	
UNIVERSAL SOMPO	(43)					(43)									0.00					0.00	
TOTAL	**40371**	**17015**	**370154**	**96008**	**64371**	**587920**	**367983**	**20464**	**17069**	**266316**	**91030**	**29677**	**424555**	**250289**	**50.69**	**100.32**	**71.95**	**94.81**	**46.10**	**72.21**	**68.02**

STATE0MENT 35

EQUITY SHARE CAPITAL OF INSURANCE COMPANIES
(As on 31st March)

(Rs. Crore)

Name of the insurer	2007	Infusion During the year	2008	Indian Promoter	Foreign Promoter	FDI (%)
Life Insurers						
AVIVA India Life Insurance Co. Pvt. Ltd.	758.20	246.30	1004.50	743.33	261.17	26.00%
Bajaj Allianz Life Insurance Co. Ltd.	150.37	0.34	150.71	111.52	39.18	26.00%
Bharti AXA Life Insurance Co.Ltd.	150.00	216.11	366.11	284.75	81.36	22.22%
Birla Sun Life Insurance Co. Ltd.	671.50	603.00	1274.50	943.13	331.37	26.00%
Future Generali Life Insurance Co.Ltd.*			185.00	137.83	47.18	25.50%
HDFC Standard Life Insurance Co. Ltd.	801.26	469.74	1271.00	940.54	330.46	26.00%
ICICI-Prudential Life Insurance Co. Ltd.	1312.30	88.81	1401.11	1037.48	363.63	25.95%
IDBI Fortis Life Insurance Co.Ltd.*			200.00	148.00	52.00	26.00%
ING Vysya Life Insurance Co. Ltd.	690.00	100.00	790.00	584.60	205.40	26.00%
Kotak Mahindra Old Mutual Life Insurance Co. Ltd.	330.35	149.93	480.27	355.40	124.87	26.00%
Max New York Life Insurance Co. Ltd.	732.43	300.00	1032.43	764.00	268.43	26.00%
Metlife India Insurance Co. Pvt. Ltd.	530.00	231.08	761.08	563.20	197.88	26.00%
Reliance Life Insurance Co. Ltd.	664.00	483.70	1147.70	1147.70	-	0.00%
Sahara India Life Insurance Co. Ltd.	157.00	75.00	232.00	232.00	-	0.00%
SBI Life Insurance Co. Ltd.	500.00	500.00	1000.00	740.00	260.00	26.00%
Shriram Life Insurance Co.Ltd.	125.00	0.00	125.00	92.50	32.50	26.00%
TATA-AIG Life Insurance Co. Ltd.	547.00	323.00	870.00	643.80	226.20	26.00%
Sub Total (Private Sector)	**8119.41**	**3787.01**	**12291.42**	**9469.78**	**2821.63**	22.96%
Life Insurance Corporation of India	5.00	0.00	5.00	5.0		
Total (Life)	**8124.41**	**3787.01**	**12296.42**	**9474.78**	**2821.63**	22.95%
Non life insurers						
Bajaj Allianz General Insurance Co.	110.13	0.09	110.23	81.57	28.66	26.00%
Cholamandalam MS General Insurance Co. Ltd.	141.96	0.00	141.96	105.05	36.91	26.00%
Future Generlai Insurance Co.Ltd.*			150.00	111.75	38.25	25.50%
HDFC Chubb General Insurance Co.	125.00	25.00	150.00	111.00	39.00	26.00%
ICICI Lombard General Insurance Co.	335.71	41.65	377.36	279.47	97.89	25.94%
IFFCO-TOKIO General Insurance Co.	220.00	0.00	220.00	162.80	57.20	26.00%
Reliance General Insurance Co. Ltd.	103.07	4.08	107.15	107.15	-	0.00%
Royal Sundaram Alliance Insurance Co. Ltd.	140.00	30.00	170.00	125.80	44.20	26.00%
TATA AIG General Insurance Co. Ltd.	225.00	0.00	225.00	166.50	58.50	26.00%
Universal Sompo Insurance Co.Ltd.*			150.00	111.00	39.00	26.00%
Sub Total (Private Sector)	1400.87	100.83	1801.70	1362.09	439.61	24.40%
National Insurance Co. Ltd.	100.00	0.00	100.00	100.00	-	0.00%
The New India Assurance Co. Ltd.	200.00	0.00	200.00	200.00	-	0.00%
The Oriental Insurance Co.Ltd.	100.00	0.00	100.00	100.00	-	0.00%
United India Insurance Co. Ltd.	150.00	0.00	150.00	150.00	-	0.00%
Sub Total (Public Sector)	**550.00**	**0.00**	**550.00**	**550.00**	-	0.00%
Total (Non Life)	**1950.87**	**100.83**	**2351.70**	**1912.09**	**439.61**	18.69%
Agriculture Insurance Company of India.	200.00	0.00	200.00	200.00	-	0.00%
Apollo DKV Insurance Co.Ltd.*			100.55	74.54	26.01	25.87%
Export Credit Guarantee Corporation.	800.00	100.00	900.00	900.00	-	0.00%
General Insurance Corporation of India	430.00	0.00	430.00	430.00	-	0.00%
Star Health & Allied Insurance Co.Ltd.	105.00	3.60	108.60	80.97	27.63	25.44%
GRAND TOTAL	**11610.28**	**3991.43**	**16387.27**	**13072.38**	**3314.89**	20.23%

Note : * Insurers have commenced operations in 2007-08

STATE0MENT 36

FEE STRUCTURE FOR INSURERS AND VARIOUS INTERMEDIARIES

Sl. No.	Processing Fee	Registration Fee	Renewal Fee	Periodicity of Renewal	
1	Insurers (Life/Non life/ Reinsurance		Rs. 50,000	1/10th of 1 per cent of Gross Direct Premium written in India subject to minimum of Rs. 50,000 and maximum of Rs. 5 crore	Every year (by 31st December)
2	Third Party Administrators	Rs. 20,000	Rs. 30,000	Rs. 30,000	3 years
3	Brokers Direct Broker		Application Fee: Rs. 20,000 Renewal Fee: Rs. 1,000	A sum calculated at the rate of 0.50 per cent of remuneration earned in the preceding financial year subject to minimum of Rs. 25,000 and maximum of Rs. 1,00,000	3 year
	Reinsurance Broker		Application Fee: Rs. 25,000 Renewal Fee: Rs. 1,000	A sum calculated at the rate of 0.50 per cent of remuneration earned in the preceding financial year subject to minimum of Rs. 75,000 and maximum of Rs. 3,00,000	3 years
	Composite Broker		Application Fee: Rs.40,000 Renewal Fee: Rs. 1,000	A sum calculated at the rate of 0.50 per cent of remuneration earned in the preceding financial year subject to minimum of Rs. 1,25,000 and maximum of Rs. 5,00,000	3 years
4	Surveyors and Loss Assessors				
	Individual Category	A	Rs.10,000	Rs. 200 for every category	5 years
		B	Rs. 7,500		
		C	Rs. 5,000		
	Corporate Category	A	Rs. 25,000	Rs. 200 for every category	5 years
		B	Rs. 20,000		
		C	Rs. 15,000		
5	Corporate Agents		Rs. 250 for corporate insurance executive Rs. 500 for specified person	Rs. 250	3 years

STATEMENT 37

FUND WISE PATTERN OF INVESTMENTS OF LIFE INSURERS (AS ON 31ST MARCH)

(Rs. Crore)

LIFE FUND

INSURER NAME	C Govt-Sec		State Govt & Other Approved Sec. C. Govt-Sec		Infrastructure Investments		Investment Subject Exposure Norms (Incl OTAI)		Other than Approved Investments (OTAI)		Total (Life Fund)	
	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07
Life Insurance Corporation of India	243521	227677	307615	272579	65054	67616	153436	113245	35085	29443	**526105**	**453440**
TOTAL PUBLIC SECTOR (A)	**243521**	**227677**	**307615**	**272579**	**65054**	**67616**	**153436**	**113245**	**35085**	**29443**	526105	453440
HDFC Standard Life Insurance Company Ltd.	1095	464	1179	726	365	251	676	407	50	25	**2220**	**1384**
Max New York Life Insurance Co Ltd	897	696	1014	709	429	239	346	214	160	62	**1789**	**1162**
ICICI Prudential Life Insurance Company Limited	1353	974	1422	974	452	308	861	550	352	108	**2735**	**1833**
Birla Sunlife Insurance Co Ltd	234	193	298	193	138	74	154	106	57	21	**590**	**374**
TATA AIG Life Insurane Co Ltd	1092	863	1092	863	310	203	227	88	24	3	**1628**	**1154**
Kotak Mahindra Life Insurance Ltd	330	200	355	255	122	78	164	113	20	9	**641**	**446**
SBI Life Insurance Co. Ltd	1503	932	1867	1107	652	400	855	600	196	168	**3374**	**2107**
Bajaj Allianz Life Insurance Co Ltd	647	617	1344	755	405	245	794	507	81	72	**2543**	**1508**
MetLife India Insurance Company Limited	275	257	352	257	177	105	79	91	30	33	**608**	**452**
Reliance Life Insurance Co Ltd	236	123	265	149	79	48	136	91	16	25	**479**	**288**
ING Vysya Life Insurance Co Ltd	255	287	379	303	154	99	178	193	47	53	**712**	**595**
AVIVA Life Insurance Co Ltd	229	223	229	223	95	80	94	90	0	0	**418**	**392**
Sahara Life Insurance Company Limited	84	47	147	81	56	30	67	48	14	10	**270**	**159**
Sriram Life Insurance	78	74	88	74	26	35	55	37	9	14	**170**	**146**
Bharti AXA Life Insurance Co. Ltd.	79	38	98	62	30	25	49	30	7	2	**178**	**116**
IDBI Fortis Life Insurance Co Ltd	45	0	108	0	32	0	9	0	0	0	**150**	**0**
Future Generali India Life Insurance Co. Ltd.	104	0	104	0	25	0	12	0	1	0	**141**	**0**
TOTAL PRIVATE SECTOR (B)	**8534**	**5988**	**10342**	**6730**	**3547**	**2221**	**4757**	**3164**	**1064**	**605**	18645	12115
INDUSTRY TOTAL (A+B)	**252055**	**233664**	**317957**	**279309**	**68600**	**69837**	**158193**	**116410**	**36149**	**30049**	544750	465555

Note:

1. The figure filed by LIC are based on provisional Returns

Contd...

(Rs. Crore)

PENSION & GENERAL ANNUITY FUND

INSURER NAME	C Govt-Sec		State Govt & Other Approved Sec. Incl C. Govt-Sec		Investment Subject to Exposure Norms		Total (Pension Fund)	
	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07
Life Insurance Corporation of India	21266	18712	30973	28591	9228	6471	**40200**	**35062**
TOTAL PUBLIC SECTOR (A)	**21266**	**18712**	**30973**	**28591**	**9228**	**6471**	**40200**	**35062**
HDFC Standard Life Insurance Company Ltd.	215	161	228	207	264	180	**492**	**387**
Max New York Life Insurance Co Ltd	29	20	32	20	6	2	**38**	**22**
ICICI Prudential Life Insurance Company Limited	350	286	391	286	359	253	**750**	**540**
Birla Sunlife Insurance Co Ltd	3	0	3	0	4	0	**7**	**0**
TATA AIG Life Insurane Co Ltd	83	84	83	84	84	47	**167**	**131**
Kotak Mahindra Life Insurance Ltd	21	11	22	13	16	12	**38**	**25**
SBI Life Insurance Co. Ltd	430	240	763	328	825	434	**1587**	**762**
Bajaj Allianz Life Insurance Co Ltd	27	25	33	26	10	4	**43**	**29**
MetLife India Insurance Company Limited	4	0	4	0	0	0	**4**	**0**
Reliance Life Insurance Co Ltd	0	0	0	0	0	0	**0**	**0**
ING Vysya Life Insurance Co Ltd	48	43	74	47	72	57	**146**	**104**
AVIVA Life Insurance Co Ltd	0	0	0	0	0	0	**0**	**0**
Sahara Life Insurance Company Limited	0	0	0	0	0	0	**0**	**0**
Sriram Life Insurance	0	0	0	0	0	0	**0**	**0**
Bharti AXA Life Insurance Co. Ltd.	0	0	0	0	0	0	**0**	**0**
IDBI Fortis Life Insurance Co Ltd	0	0	0	0	0	0	**0**	**0**
Future Generali India Life Insurance Co. Ltd.	0	0	0	0	0	0	**0**	**0**
TOTAL PRIVATE SECTOR (B)	**1210**	**871**	**1633**	**1012**	**1641**	**989**	**3274**	**2001**
INDUSTRY TOTAL (A+B)	**22475**	**19583**	**32605**	**29603**	**10868**	**7460**	**43474**	**37064**

Note:

Contd...

1. The figure filed by LIC are based on provisional Returns

(Rs. Crore)

INSURER NAME	Group excluding Group Pension and Annuity Fund							
	C Govt-Sec		State Govt & Other Approved Sec. Incl C. Govt-Sec		Investment Subject to Exposure Norms		Total (Group Funds)	
	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07
Life Insurance Corporation of India	22827	21808	30352	26223	9839	8223	**40191**	**34446**
TOTAL PUBLIC SECTOR (A)	**22827**	**21808**	**30352**	**26223**	**9839**	**8223**	**40191**	**34446**
HDFC Standard Life Insurance Company Ltd.	0	0	0	0	0	0	**0**	**0**
Max New York Life Insurance Co Ltd	24	4	24	4	8	2	**32**	**6**
ICICI Prudential Life Insurance Company Limited	0	0	0	0	0	0	**0**	**0**
Birla Sunlife Insurance Co Ltd	0	0	0	0	0	0	**0**	**0**
TATA AIG Life Insurane Co Ltd	108	0	108	0	24	0	**132**	**0**
Kotak Mahindra Life Insurance Ltd	19	9	20	11	6	5	**26**	**17**
SBI Life Insurance Co. Ltd	0	0	0	0	0	0	**0**	**0**
Bajaj Allianz Life Insurance Co Ltd	8	16	19	22	12	2	**31**	**24**
MetLife India Insurance Company Limited	10	12	10	12	0	1	**10**	**12**
Reliance Life Insurance Co Ltd	0	0	0	0	0	0	**0**	**0**
ING Vysya Life Insurance Co Ltd	0	0	0	0	0	0	**0**	**0**
AVIVA Life Insurance Co Ltd	5	3	5	3	4	2	**9**	**5**
Sahara Life Insurance Company Limited	0	0	1	1	0	0	**1**	**1**
Sriram Life Insurance	0	0	0	0	0	0	**0**	**0**
Bharti AXA Life Insurance Co. Ltd.	1	0	1	0	0	0	**1**	**0**
IDBI Fortis Life Insurance Co Ltd	0	0	0	0	0	0	**0**	**0**
Future Generali India Life Insurance Co. Ltd.	0	0	0	0	2	0	**2**	**0**
TOTAL PRIVATE SECTOR (B)	**175**	**44**	**187**	**52**	**57**	**13**	**244**	**65**
INDUSTRY TOTAL (A+B)	**23003**	**21852**	**30539**	**26275**	**9896**	**8236**	**40435**	**34511**

Contd...

Note:

1. The figure filed by LIC are based on provisional Returns

(Rs. Crore)

INSURER NAME	Unit Linked Fund							
	Approved Investments		Other than Approved Investments (OTAI)		Total (ULIP Funds)		Total (All Funds)	
	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07	31-Mar-08	31-Mar07
Life Insurance Corporation of India	55624	30187	12355	6065	67978	36252	**674475**	**559201**
TOTAL PUBLIC SECTOR (A)	**55624**	**30187**	**12355**	**6065**	**67978**	**36252**	**674475**	**559201**
HDFC Standard Life Insurance Company Ltd.	5656	2926	561	279	6217	3205	**8929**	**4976**
Max New York Life Insurance Co Ltd	1353	536	374	114	1727	650	**3587**	**1840**
ICICI Prudential Life Insurance Company Limited	19425	10805	3488	1122	22913	11926	**26398**	**14299**
Birla Sunlife Insurance Co Ltd	5393	3186	808	192	6201	3378	**6798**	**3752**
TATA AIG Life Insurane Co Ltd	1599	703	292	149	1891	852	**3818**	**2137**
Kotak Mahindra Life Insurance Ltd	2079	1221	230	76	2309	1297	**3014**	**1785**
SBI Life Insurance Co. Ltd	4008	1321	1057	325	5065	1646	**10027**	**4516**
Bajaj Allianz Life Insurance Co Ltd	8911	4005	1356	766	10267	4771	**12884**	**6331**
MetLife India Insurance Company Limited	900	241	241	53	1141	295	**1762**	**760**
Reliance Life Insurance Co Ltd	3019	800	571	117	3590	917	**4069**	**1205**
ING Vysya Life Insurance Co Ltd	1116	460	189	97	1305	557	**2162**	**1256**
AVIVA Life Insurance Co Ltd	1960	1073	295	104	2255	1177	**2682**	**1575**
Sahara Life Insurance Company Limited	95	36	31	3	126	39	**398**	**199**
Sriram Life Insurance	320	83	18	1	338	85	**507**	**230**
Bharti AXA Life Insurance Co. Ltd.	47	4	6	1	53	5	**231**	**121**
IDBI Fortis Life Insurance Co Ltd	8	0	0	0	8	0	**158**	**0**
Future Generali India Life Insurance Co. Ltd.	0	0	0	0	0	0	**143**	**0**
TOTAL PRIVATE SECTOR (B)	**55887**	**27400**	**9516**	**3397**	**65404**	**30798**	**87566**	**44979**
INDUSTRY TOTAL (A+B)	**111511**	**57587**	**21871**	**9463**	**133382**	**67050**	**762041**	**604180**

Note:

1. The figure filed by LIC are based on provisional Returns

STATEMENT 38

(Rs.Crore)

NON-LIFE INSURANCE INVESTMENTS AS AT 31.03.2008

Insurer Name	C Govt-Sec		State Govt & Other Approved Sec. Incl. C Gov-Sec		Loans to Housing and Fire Fighting Equipments		Infrastructure Investments		Investment Subject Exposure Norms (Incl OTAI)		Other than Approved Investments (OTAI)		Total Investments	
	31-Mar	31-Mar	31-Mar08	31-Mar07	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar08	31-Mar07	31-Mar08	31-Mar07	31-Mar08	31-Mar07
GIC of India	3231	2997	4848	4467	1015	1047	1556	1515	8476	7321	1630	1585	**15895**	**14350**
The New India Assurance Compny Ltd.	3202	3349	4544	4820	977	906	1783	1279	3932	4004	435	478	**11236**	**11009**
National Insurnace Co. Ltd	1447	1400	2003	1983	489	524	877	837	2331	2036	583	402	**5700**	**5380**
United India Insurance Co Ltd	1708	1653	2793	2791	406	434	811	730	4033	3337	870	807	**8042**	**7291**
The Oriental Insurane Co Ltd	2033	1929	2715	2546	248	280	817	690	2563	2625	405	413	**6343**	**6140**
PUBLIC SECTOR (A)	**11620**	**11328**	**16903**	**16606**	**3135**	**3191**	**5843**	**5051**	**21335**	**19323**	**3923**	**3685**	**47216**	**44171**
Reliance General Insurance Co Ltd	434	191	444	201	115	54	256	96	495	282	136	53	**1311**	**633**
Royal Sundaram Alliance Insurance Co Ltd	153	134	223	174	75	60	170	130	154	139	5	5	**621**	**502**
Iffco - Tokio General Insurance Co. Ltd	329	285	329	285	82	74	131	115	343	260	0	0	**886**	**733**
TATA-AIG General Insurance Co Ltd	216	314	379	314	49	37	134	74	120	103	4	9	**682**	**528**
Bajaj Allianz General Insurance Co Ltd	419	375	641	439	175	97	337	161	861	722	26	40	**2014**	**1419**
ICICI Lombard General Insurance Co Ltd	513	375	870	617	153	164	645	400	808	688	182	68	**2476**	**1870**
Star Health and Allied Insurance Co Ltd	47	31	47	31	20	25	15	10	34	27	5	0	**116**	**94**
Cholamandalam MS General Insurance Co Ltd	129	131	129	131	25	26	40	40	135	57	17	10	**330**	**254**
HDFC Eego General Insurance Co Ltd	72	68	72	68	20	15	35	25	94	70	34	14	**221**	**178**
Universal Sompo General Insurance Co Ltd	45	0	70	0	17	0	25	0	111	0	0	0	**222**	**0**
Future Generali Inida Insurance Co Ltd	62	0	62	0	20	0	20	0	24	0	10	0	**125**	**0**
Apollo DKV Insurance Co Ltd	14	0	18	0	5	0	8	0	29	0	0	0	**59**	**0**
PRIVATE SECTOR (B)	**2434**	**1903**	**3283**	**2260**	**756**	**551**	**1816**	**1052**	**3208**	**2349**	**419**	**199**	**9064**	**6212**
TOTAL (A+B)	**14054**	**13232**	**20187**	**18867**	**3891**	**3742**	**7660**	**6102**	**24543**	**21672**	**4342**	**3884**	**56280**	**50383**

STATEMENT 39

STATUS OF GRIEVANCES - LIFE INSURERS (2007-08)

Sl.No.	Insurer	Reported during the year	Resolved during the year	Pendng as on 31st March, 2008
1	AVIVA	127	110	17
2	BAJAJ ALLIANZ	403	328	75
3	BHARTIAXA	0	0	0
4	BSLI	67	55	12
5	FUTURE GENERALI	0	0	0
6	HDFC STD LIFE	106	50	56
7	ICICI PRU	233	212	21
8	ING VYSYA	26	20	6
9	KOTAK MAHENDRA	51	37	14
10	LIC	651	80	571
11	MNYL	84	57	27
12	METLIFE	49	22	27
13	RELIANCE LIFE	89	77	15
14	SAHARA LIFE	2	1	1
15	SBI LIFE	101	86	15
16	SRIRAM LIFE	2	0	2
17	TATA AIG	66	48	18
	Total	**2057**	**1180**	**877**

STATEMENT 40

STATUS OF GRIEVANCES – NON-LIFE INSURERS (2007-08)

Sl.NO	INSURER	PENDING AS ON 31-MARCH, 2007	REPORTED DURING THE YEAR	RESOLVED DURING THE YEAR	PENDING AS ON 31-MARCH, 2008	BREAK UP ACCORDING TO NATURE OF GRIEVANCE			
						(i)	(ii)	(iii)	(iv)
1	ORIENTAL	21	272	221	72	46	9	15	2
2	NEW INDIA	189	366	283	272	83	127	53	9
3	UNITED	135	351	368	118	44	31	39	4
4	NATIONAL	172	341	295	218	53	132	23	10
5	ECGC	0	7	5	2	0	0	2	0
6	BAJAJ ALLIANZ	5	110	91	24	13	7	4	0
7	TATAAIG	34	135	127	42	31	4	7	0
8	ROYAL SUNDRAM	9	65	62	12	3	3	6	0
9	IFFCO TOKIA	8	61	43	26	13	7	5	1
10	RELIANCE	7	99	82	24	9	7	5	3
11	CHOLAMANDALAM	3	37	15	25	12	9	4	0
12	ICICI LOMBARD	37	371	371	37	24	9	2	2
13	HDFC GENERAL	3	12	11	4	3	1	0	0
14	AIC	0	2	2	0	0	0	0	0
	TOTAL	**623**	**2229**	**1976**	**876**	**334**	**346**	**165**	**31**

(i) POLICY RELATED ISSUES

(II) NON SETTLEMENT / DELAY IN SETTLEMENT OF CLAIM

(III) REPUDIATION / PARTIAL SETTLEMENT OF CLAIM

(IV) OTHER REASONS

STATEMENT 41

STATUS OF GRIEVANCES – NON-LIFE INSURERS (HALF YEAR ENDED SEPTEMBER, 2008)

Sl.NO	INSURER	PENDING AS ON 31-MARCH, 2008	REPORTED DURING THE YEAR	RESOLVED DURING THE YEAR	PENDING AS ON 30-SEP, 2008	BREAK UP ACCORDING TO NATURE OF GRIEVANCE			
						(i)	(ii)	(iii)	(iv)
1	ORIENTAL	72	86	89	69	29	19	19	2
2	NEW INDIA	272	177	153	296	93	141	59	3
3	UNITED	118	155	142	131	34	50	45	2
4	NATIONAL	218	154	153	219	53	137	28	1
5	ECGC	2	1	3	0	0	0	0	0
6	BAJAJ ALLIANZ	24	69	57	36	16	10	8	2
7	TATA AIG	42	78	97	23	19	1	0	3
8	ROYAL SUNDRAM	12	42	47	7	3	1	3	0
9	IFFCO TOKIO	26	36	40	22	10	10	2	0
10	RELIANCE	24	143	127	40	20	13	6	1
11	CHOLAMANDALAM	25	21	31	15	3	5	6	1
12	ICICI LOMBARD	37	200	174	63	43	15	3	2
13	HDFC GENERAL	4	4	8	0	0	0	0	0
14	AIC	0	1	1	0	0	0	0	0
15	STAR HEALTH	0	13	13	0	0	0	0	0
16	APOLLO DKV HEALTH	0	2	2	0	0	0	0	0
17	FUTURE GENERALI	0	1	0	1	1	0	0	0
18	UNIVERSAL SOMPO	0	0	0	0	0	0	0	0
19	SHRIRAM	0	0	0	0	0	0	0	0
20	BHARTI AXA	0	0	0	0	0	0	0	0
	TOTAL	**876**	**1183**	**1137**	**922**	**324**	**402**	**179**	**17**

(i) POLICY RELATED ISSUES

(II) NON SETTLEMENT / DELAY IN SETTLEMENT OF CLAIM

(III) REPUDIATION / PARTIAL SETTLEMENT OF CLAIM

(IV) OTHER REASONS

STATEMENT 42

THIRD PARTY ADMINISTRATORS - CLAIMS DATA : 2007-08

Sl.No.	Name of TPA	No.of Claims Received	No.of Claims Settled			
			Within 1 month	Within 1-3 months	Within 3-6 months	More than 6 months
1	Parekh Health Management	14305	9490	3592	160	13
			(66.34)	(25.11)	(1.12)	(0.09)
2	Medi Assist India Private Ltd.	210089	117984	57024	8141	2358
			(56.16)	(27.14)	(3.88)	(1.12)
3	MD India Healthcare Services (P) Ltd.	108730	93026	2356	410	Nill
			(85.56)	(2.17)	(0.38)	
4	Paramount Health Services Pvt. Ltd.	325176	319173	8376	593	88
			(98.15)	(2.58)	(0.18)	(0.03)
5	E Meditek Solutions Ltd.	217799	189659	16220	4969	Nill
			(87.08)	(7.45)	(2.28)	0
6	Heritage Health Services	36684	21329	11697	2144	279
			(58.14)	(31.89)	(5.84)	(0.76)
7	Universal Mediaid Services Ltd.	1232	855	295	117	Nill
			(69.40)	(23.94)	(9.50)	
8	Medicare TPA Services (I) Pvt. Ltd	64238	43039	7332	156	58
			(67.00)	(11.41)	(0.24)	(0.09)
9	Family Health Plan Ltd.	215396	147064	61129	Nill	Nill
			(68.28)	(28.38)		
10	Raksha TPA Pvt. Ltd.	95451	76745	10806	2512	Nill
			(80.40)	(11.32)	(2.63)	
11	TTK Healthcare Services Ltd.	289709	246766	22607	3840	2987
			(85.18)	(7.80)	(1.33)	(1.03)
12	East West Assist Pvt. Ltd.	2894	1693	527	86	11
			(58.50)	(18.21)	(2.97)	(0.38)
13	Med Save Health Care Ltd.	81740	41777	25488	2916	258
			(51.11)	(31.18)	(3.57)	(0.32)
14	Genins India Ltd.	106543	72316	24145	9828	1889
			(67.87)	(22.66)	(9.22)	(1.77)
15	Alankit Healthcare	17961	11559	5813	2397	1460
			(64.36)	(32.36)	(13.35)	(8.13)
16	$ Health India TPA Services Pvt. Ltd.	80464	60393	14710	2370	Nill
			(75.06)	(18.28)	(2.95)	
17	Good Health Plan Ltd.	14017	12584	6	1	Nill
			(89.78)	(0.04)	(0.01)	
18	Vipul Medcrop Pvt. Ltd.	57784	17181	22785	7130	3156
			(29.73)	(39.43)	(12.34)	(5.46)
19	Park Mediclaim Consultants Pvt. Ltd	17064	9595	5397	500	98
			(56.23)	(31.63)	(2.93)	(0.57)
20	Safeway Mediclaim Services	209	125	23	2	Nill
			(59.81)	(11.00)	(0.96)	
21	Anmol Medicare Ltd.	18	4	4	Nill	Nill
			(22.22)	(22.22)		
22	Dedicated Healthcare Services (India) Private Limited	29356	21018	2498	636	Nill
			(71.60)	(8.51)	(2.17)	
23	Grand Healthcare India Pvt. Ltd.	Nill	-	-	-	-
24	Rothshield Healthcare	Nill	-	-	-	-
25	Sri Gokulam	Nill	-	-	-	-
26	Focus Healthcare Pvt. Ltd	Nill	-	-	-	-
27	Anyuta Medinet Healthcare Pvt. Ltd.	Nill	-	-	-	-
	TOTAL	1986859	1513375	302830	48908	12660
			(76.17)	(15.24)	(2.46)	(0.64)

Note: Figure in brackets indicate the ratio (in per cent) of claims to the total claims received.
$ Formarly known as Bhaichand Amoluk Ins. Services Pvt. Ltd.

STATEMENT 43

PERFORMANCE OF OMBUDSMEN AT DIFFERENT CENTRES

Complaints Disposal for the year ending 31st March, 2008 (Life insurance Combined)

Ombudsman Centre	O/S as on 31.3.2007	Received during the year	Total	No. of complaints disposed by way of							Duration wise Disposal				Duration wise Oustanding			
				1	2	3	4	5	6	Total	7	8	9	Total	7	8	9	Total
Ahmedabad	26	131	157	0	27	12	0	49	58	146	93	52	1	146	5	6	0	11
Bhopal	2	555	557	0	10	11	0	33	490	544	519	25	0	544	12	1	0	13
Bubaneswar	140	201	341	10	52	64	0	0	78	204	103	34	67	204	23	60	54	137
Chandigarh	46	515	561	0	219	183	0	95	3	500	488	12	0	500	61	0	0	61
Chennai	7	705	712	1	31	33	0	54	588	707	699	6	2	707	5	0	0	5
Delhi	127	108	235	1	201	2	0	8	0	212	34	132	46	212	18	5	0	23
Guwahati	23	155	178	62	35	0	0	0	65	162	91	71	0	162	16	0	0	16
Hyderabad	13	524	537	0	14	11	0	50	455	530	530	0	0	530	7	0	0	7
Kochi	28	235	263	0	37	4	2	42	162	247	193	54	0	247	15	1	0	16
Kolkata	87	726	813	39	45	66	112	147	340	749	468	281	0	749	64	0	0	64
Lucknow	52	970	1022	10	170	336	0	3	487	1006	970	36	0	1006	15	1	0	16
Mumbai	52	740	792	0	126	0	0	0	645	771	649	122	0	771	13	8	0	21
TOTAL	603	5565	6168	123	967	722	114	481	3371	5778	4837	825	116	5778	254	82	54	390

1 Recommendations
2 Awards
3 Withdrawal/Settlement
4 Non-acceptance
5 Dismissal
6 Not Entertainable
7 Within 3 months
8 3 months to 1 year
9 Above 1 year

PERFORMANCE OF OMBUDSMEN AT DIFFERENT CENTRES

Complaints Disposal for the year ending 31st March, 2008: Non-life Insurance

Ombudsman Centre	O/S as on 31.3.2007	Received during the year	Total	No. of complaints disposed off by way of							Duration wise Disposal				Duration wise Oustanding			
				1	2	3	4	5	6	Total	7	8	9	Total	7	8	9	Total
Ahmedabad	60	406	466	0	167	65	0	112	65	409	186	223	0	409	48	9	0	57
Bhopal	5	188	193	1	9	25	0	16	128	179	166	13	0	179	13	1	0	14
Bubaneswar	204	90	294	0	62	9	0	0	16	87	12	12	63	87	23	50	134	207
Chandigarh	78	686	764	0	349	118	0	153	59	679	576	103	0	679	85	0	0	85
Chennai	12	550	562	0	63	30	0	46	386	525	479	46	0	525	37	0	0	37
Delhi	310	337	647	6	175	7	83	165	16	452	38	289	125	452	95	98	2	195
Guwahati	50	234	284	82	57	0	0	4	35	178	61	117	0	178	42	64	0	106
Hyderabad	35	501	536	0	145	67	0	60	237	509	499	10	0	509	27	0	0	27
Kochi	36	285	321	0	59	5	2	59	154	279	194	85	0	279	39	3	0	42
Kolkata	220	768	988	137	102	86	0	55	492	872	515	357	0	872	44	72	0	116
Lucknow	1	269	270	0	32	175	0	5	58	270	269	0	1	270	0	0	0	0
Mumbai	333	986	1319	3	477	10	0	0	686	1176	527	647	2	1176	72	71	0	143
TOTAL	1344	5300	6644	229	1697	597	85	675	2332	5615	3522	1902	191	5615	525	368	136	1029

1 Recommendations
2 Awards
3 Withdrawal/Settlement
4 Non-acceptance
5 Dismissal
6 Not Entertainable
7 Within 3 months
8 3 months to 1 year
9 Above 1 year

PERFORMANCE OF OMBUDSMEN AT DIFFERENT CENTRES

Complaints Disposal for the year ending 31st March, 2008 (Life & Non-life insurance Combined)

Ombudsman Centre	O/S as on 31.3.2007	Received during the year	Total	No. of complaints disposed off by way of							Duration wise Disposal				Duration wise Oustanding			
				1	2	3	4	5	6	Total	7	8	9	Total	7	8	9	Total
Ahmedabad	86	537	623	0	194	77	0	161	123	555	279	275	1	555	53	15	0	68
Bhopal	7	743	750	1	19	36	0	49	618	723	685	38	0	723	25	2	0	27
Bubaneswar	344	291	635	10	114	73	0	0	94	291	115	46	130	291	46	110	188	344
Chandigarh	124	1201	1325	0	568	301	0	248	62	1179	1064	115	0	1179	146	0	0	146
Chennai	19	1255	1274	1	94	63	0	100	974	1232	1178	52	2	1232	42	0	0	42
Delhi	437	445	882	7	376	9	83	173	16	664	72	421	171	664	113	103	2	218
Guwahati	73	389	462	144	92	0	0	4	100	340	152	188	0	340	58	64	0	122
Hyderabad	48	1025	1073	0	159	78	0	110	692	1039	1029	10	0	1039	34	0	0	34
Kochi	64	520	584	0	96	9	4	101	316	526	387	139	0	526	54	4	0	58
Kolkata	307	1494	1801	176	147	152	112	202	832	1621	983	638	0	1621	108	72	0	180
Lucknow	53	1239	1292	10	202	511	0	8	545	1276	1239	36	1	1276	15	1	0	16
Mumbai	385	1726	2111	3	603	10	0	0	1331	1947	1176	769	2	1947	85	79	0	164
TOTAL	1947	10865	12812	352	2664	1319	199	1156	5703	11393	8359	2727	307	11393	779	450	190	1419

1 Recommendations
2 Awards
3 Withdrawal/Settlement
4 Non-acceptance
5 Dismissal
6 Not Entertainable
7 Within 3 months
8 3 months to 1 year
9 Above 1 year

STATEMENT 46

FIRST YEAR (INCLUDING SINGLE PREMIUM) LIFE INSURANCE PREMIUM

(Rs. Crore)

INSURER	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
LIC	**19588.77**	**15976.76**	**17347.62**	**20653.06**	**28515.87**	**56223.56**	**59996.57**
	(101.93)	**(-18.44)**	**(8.58)**	**(19.05)**	**(38.07)**	**(97.17)**	**(6.71)**
AVIVA	—	13.47	76.96	192.29	407.12	721.35	1053.98
BAJAJ ALLIANZ	7.14	63.39	179.55	857.45	2716.77	4302.74	6674.48
BHARTI AXA	—	—	—	—	—	7.78	113.24
BSLI	28.11	129.57	449.86	621.31	678.12	882.72	1965.01
FUTURE GENERALI LIFE	—	—	—	—	—	—	2.49
HDFC STD LIFE	32.78	129.31	209.33	486.15	1042.65	1648.85	2685.37
ICICI PRU	113.33	364.11	750.84	1584.34	2602.50	5162.13	8034.75
IDBI FORTIS	—	—	—	—	—	—	11.90
ING VYSYA	4.19	17.66	72.10	282.42	283.98	467.66	704.44
KOTAK LIFE	7.58	35.21	125.51	373.99	396.06	614.94	1106.62
MET LIFE	0.48	7.70	23.41	57.52	148.53	340.44	825.35
MNYL	38.80	67.31	137.28	233.63	471.36	912.11	1597.83
RELIANCE LIFE	0.28	6.32	27.21	91.33	193.56	932.11	2751.05
SAHARA	—	—	—	1.74	26.34	43.00	122.12
SBI LIFE	14.69	71.88	207.05	484.85	827.82	2563.84	4792.82
SHRIRAM LIFE	—	—	—	—	10.33	181.17	309.99
TATA AIG	21.14	59.77	181.59	297.55	464.53	644.82	964.51
PRIVATE SECTOR	**268.51**	**965.69**	**2440.71**	**5564.57**	**10269.67**	**19425.65**	**33715.95**
	(4061.70)	**(259.65)**	**(152.74)**	**(127.99)**	**(84.55)**	**(88.84)**	**(73.56)**
TOTAL	**19857.28**	**16942.45**	**19788.32**	**26217.64**	**38785.54**	**75649.21**	**93712.52**
	(104.56)	**(-14.68)**	**(16.80)**	**(32.49)**	**(47.94)**	**(94.96)**	**(23.88)**

Note:

1) Figure in the brackets represent the growth over the previous year in percent.

2) — represents business not started.

3) 1 Crore = 10 Million

STATEMENT 47

TOTAL LIFE INSURANCE PREMIUM

(Rs. Crore)

INSURER	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
LIC	**49821.91**	**54628.49**	**63533.43**	**75127.29**	**90792.22**	**127822.84**	**149789.99**
	(42.79)	**(9.65)**	**(16.30)**	**(18.25)**	**(20.85)**	**(40.79)**	**(17.19)**
AVIVA	—	13.47	81.50	253.42	600.27	1147.23	1891.88
BAJAJ ALLIANZ	7.14	69.17	220.80	1001.68	3133.58	4302.74	9725.31
BHARTI AXA	—	—	—	—	—	7.78	118.41
BSLI	28.26	143.92	537.54	915.47	1259.68	1776.71	3272.19
FUTURE GENERALI LIFE	—	—	—	—	—	—	2.49
HDFC STD LIFE	33.46	148.83	297.76	686.63	1569.91	2855.87	4858.56
ICICI PRU	116.38	417.62	989.28	2363.82	4261.05	7912.99	13561.06
IDBI FORTIS	—	—	—	—	—	—	11.9049
ING VYSYA	4.19	21.16	88.51	338.86	425.38	707.20	1158.87
KOTAK LIFE	7.58	40.32	150.72	466.16	621.85	971.51	1691.14
MET LIFE	0.48	7.91	28.73	81.53	205.99	492.71	1159.54
MNYL	38.95	96.59	215.25	413.43	788.13	1500.28	2714.60
RELIANCE LIFE	0.28	6.47	31.06	106.55	224.21	1004.66	3225.44
SAHARA	—	—	—	1.74	27.66	51.00	143.49
SBI LIFE	14.69	72.39	225.67	601.18	1075.32	2928.49	5622.14
SHRIRAM LIFE	—	—	—	—	10.33	181.17	358.05
TATA AIG	21.14	81.21	253.53	497.04	880.19	1367.18	2046.35
PRIVATE SECTOR	**272.55**	**1119.06**	**3120.33**	**7727.51**	**15083.54**	**28253.00**	**51561.42**
	(4124.31)	**(310.59)**	**(178.83)**	**(147.65)**	**(95.19)**	**(87.08)**	**(82.50)**
TOTAL	**50094.46**	**55747.55**	**66653.75**	**82854.80**	**105875.76**	**156075.84**	**201351.41**
	(43.54)	**(11.28)**	**(19.56)**	**(24.31)**	**(27.78)**	**(47.38)**	**(29.01)**

Note:

1) Figure in the bracket represent the growth over the previous year in percent.

2) — represents business not started.

3) 1 Crore = 10 Million

STATEMENT 48

GROSS DIRECT PREMIUM OF NON-LIFE INSURANCE (WITHIN & OUTSIDE INDIA)

(Rs. Crore)

INSURER	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
NATIONAL	2439.41	2869.87	3399.97	3810.65	3536.34	3827.12	4021.97
NEW INDIA	4198.06	4812.79	4921.47	5103.16	5675.54	5936.78	6151.97
ORIENTAL	2498.64	2868.15	2899.74	3090.55	3609.77	4020.78	3900.22
UNITED	2781.48	2969.63	3063.47	2944.46	3154.78	3498.77	3739.56
PUBLIC SECTOR	**11917.59**	**13520.44**	**14284.65**	**14948.82**	**15976.44**	**17283.45**	**17813.71**
	(13.59)	**(13.45)**	**(5.65)**	**(4.65)**	**(6.87)**	**(8.18)**	**(3.07)**
ROYAL SUNDARAM	71.13	184.44	257.76	330.70	458.64	598.20	694.41
RELIANCE	77.46	185.68	161.06	161.68	162.33	912.23	1946.42
IFFCO-TOKIO	70.51	213.33	322.24	496.64	892.72	1144.47	1128.15
TATAAIG	78.46	233.93	343.52	448.24	572.70	710.55	782.64
ICICI LOMBARD	28.13	211.66	486.73	873.86	1582.86	2989.07	3307.12
BAJAJ ALLIANZ	141.96	296.48	476.53	851.62	1272.29	1786.34	2379.92
CHOLAMANDALAM	—	14.79	97.05	169.25	220.18	311.73	522.34
HDFC CHUBB	—	9.49	112.95	175.63	200.94	194.00	220.60
FUTURE GENERALI							9.81
UNIVERSAL SOMPO							0.48
PRIVATE SECTOR	**467.65**	**1349.80**	**2257.83**	**3507.62**	**5362.66**	**8646.57**	**10991.89**
	(6453.98)	**(188.64)**	**(67.27)**	**(55.35)**	**(52.89)**	**(61.24)**	**(27.12)**
TOTAL	**12385.24**	**14870.25**	**16542.49**	**18456.45**	**21339.10**	**25930.02**	**28805.60**
	(17.97)	**(20.06)**	**(11.25)**	**(11.57)**	**(15.62)**	**(21.51)**	**(11.09)**
ECGC	338.52	374.78	445.48	515.55	577.33	617.66	668.37
STAR HEALTH	—	—	—	—	—	22.51	168.19
APOLLO DKV							2.97
AIC	—	—	369.21	549.72	555.83	564.67	835.11

Note: 1) Figure in the bracket represent the growth over the previous year in percent.

2) — represents business not started.

3) 1 Crore = 10 Million

INDIVIDUAL BUSINESS (WITHIN INDIA)
Business in force (Number of policies)

(In '000)

INSURER	Non-Linked Business								Health	Linked	Total
	Life Business				General Annuity and Pension Business						
	Business Inforce as at 01-04-2007	Additions*	Deletions**	Business Inforce as at 31-03-08	Business Inforce as at 01-04-07	Additions*	Deletions**	Business Inforce as at 31-03-08	Business Inforce as at 31-03-08	Business Inforce as at 31-03-08	Business Inforce as at 31-03-08
AVIVA Life	51	37	40	48	0	0	0	0	0	684	732
Bajaj AZ Life	511	122	92	540	6	0	0	7	30	5608	6184
Bharti AXA Life	1	13	4	10	0	0	0	0	0	61	71
Birla Sun Life	234	158	66	325	0	0	0	0	0	1076	1401
Future Generali Life	0	1	0	1	0	0	0	0	0	0	1
HDFC Std Life	752	317	73	996	74	7	6	75	0	1028	2098
ICICI Pru Life	734	706	403	1037	53	5	3	55	227	4036	5355
IDBI Fortis Life	0	0	0	0	0	0	0	0	0	3	3
ING Vysya Life	253	93	58	289	38	7	2	44	0	399	731
Kotak OM Life	123	53	27	149	6	0	0	6	0	415	571
LIC	189419	20496	17487	192428	2909	220	300	2829	102	38582	233941
Max NY Life	713	346	163	896	8	0	1	7	14	794	1711
Met Life	112	31	28	115	1	0	0	1	0	273	388
Reliance Life	189	77	46	220	0	0	0	0	32	1203	1454
Sahara Life	42	49	14	76	0	0	0	0	0	79	156
SBI Life	411	94	85	420	77	23	8	92	0	1297	1809
Shriram Life	53	12	25	39	0	0	0	0	0	144	184
TATA AIG Life	567	208	196	579	22	2	2	21	90	432	1122
											0
TOTAL	**194164**	**22812**	**18808**	**198168**	**3193**	**265**	**323**	**3135**	**494**	**56114**	**257911**

* Includes New policies issued, Old policies reinstated/revived.

** Includes Policy terminations by death, maturity,lapse,surrenders or cancellatons.

Excluding linked Health Business, If any.

Source of Data:

Actuarial Report and Abstract as on 31-03-2008 of the life insurers.

INDIVIDUAL BUSINESS (WITHIN INDIA)
Business in force (Sum Assured)

(Rs. Crore)

INSURER	Non-Linked Business										
	Life Business				General Annuity and Pension Business				Health	Linked	Total
	Business Inforce as at 01-04-07	Additions*	Deletions**	Business Inforce as at 31-03-08	Business Inforce as 01-04-07	Additions*	Deletions**	Business Inforce as at 31-03-08	Business Inforce as at 31-03-08	Business# Inforce as at 31-03-08	Business Inforce as at 31-03-08
AVIVA Life	415	199	320	294	0	0	0	0	0	21365	21659
Bajaj AZ Life	12554	3427	2983	12998	239	10	24	226	339	154938	168501
Bharti AXA Life	65	682	165	582	0	0	0	0	0	582	1164
Birla Sun Life	5113	694	1153	4654	0	0	0	0	0	49545	54199
Future Generali Life	0	33	0	33	0	0	0	0	0	0	33
HDFC Std Life	14253	4067	1347	16973	1485	95	146	1434	0	37478	55885
ICICI Pru Life	15403	9242	3000	21644	1559	67	89	1538	27245	84912	135339
IDBI Fortis Life	0	11	0	11	0	0	0	0	0	64	74
ING Vysya Life	5036	1441	877	5600	0	0	0	0	0	9499	15099
Kotak OM Life	7159	1806	1403	7561	260	6	19	248	0	16868	24678
LIC	1397468	215251	127339	1485380	87027	11270	51029	47269	3744	196936	1733328
Max NY Life	24525	9755	4392	29887	157	6	17	145	218	27989	58240
Met Life	5018	1396	892	5522	15	1	2	15	0	19550	25086
Reliance Life	3339	1555	793	4102	0	0	0	0	524	17337	21962
Sahara Life	568	694	176	1085	8	1	1	8	0	1604	2696
SBI Life	9155	3156	1314	10997	331	196	0	526	0	26278	37801
Shriram Life	1380	204	580	1004	0	0	0	0	0	3552	4556
TATA AIG Life	12428	3469	3346	12550	475	26	42	460	4548	18787	36345
Total	**1513876**	**257081**	**150082**	**1620876**	**91557**	**11678**	**51368**	**51867**	**36618**	**687284**	**2396646**

* Includes New policies issued, Old policies reinstated/revived , bonus additions.

** Includes Policy terminations by death, maturity,lapse,surrenders or cancellatons.

Excluding linked Health Business, If any.

Source of Data:
Actuarial Report and Abstract as on 31-03-2008 of the life insurers.

STATEMENT 51

SOLVENCY RATION OF LIFE INSURERS IN INDIA
(As on 31st March)

S.No.	Name of the Life Insurer	2008	2007
1	BAJAJ ALLIANZ LIFE INS. CO. LTD	2.34	2.45
2	RELIANCE LIFE INSURANCE CO. LTD.	1.65	1.62
3	BIRLA SUN LIFE INS. CO. LTD.	4.29	1.80
4	AVIVA LIFE INS. CO. PVT. LTD.	2.37	6.31
5	HDFC STANDARD LIFE INS. CO. LTD.	2.38	2.05
6	ICICI PRUDENTIAL LIFE INS. CO. LTD.	1.74	1.53
7	ING VYSYA LIFE INS. CO. LTD.	2.36	2.87
8	LIC OF INDIA	1.52	1.50
9	MAX NEW YORK LIFE INS. CO. LTD.	2.25	2.08
10	METLIFE INDIA INS. CO. PVT. LTD	1.70	1.73
11	OM KOTAK MAHINDRA LIFE INS.CO. LTD.	2.41	1.64
12	SBI LIFE INS. CO. LTD	3.30	1.78
13	TATA AIG LIFE INS.CO. LTD	2.50	2.59
14	SAHARA INDIA LIFE INS. CO. LTD	4.32	2.68
15	SHRIRAM LIFE INS. CO. LTD	2.85	2.74
16	BHARTI AXA LIFE INS. CO. LTD	2.73	1.96
17	FUTURE GENERALI INDIA LIFE INS. CO. LTD	2.94	-
18	IDBI FORTIS LIFE INS. CO. LTD	3.45	-

* Source of the data - Actuarial Report and Abstract as on 31-03-2008

STATEMENT 52

SOLVENCY RATIOS OF NON-LIFE INSURERS

(As on 31st March)

Insurer	2008	2007
PRIVATE		
BAJAJ ALLIANZ	1.55	1.56
CHOLAMANDALAM	1.89	2.63
HDFC CHUBB	2.02	1.69
ICICI LOMBARD	2.03	2.08
IFFCO TOKIO	1.51	1.70
RELIANCE	1.64	1.95
ROYAL SUNDARAM	1.59	1.64
TATA AIG	1.91	1.85
FUTURE GENERALI	2.61	-
UNIVERSAL SOMPO	4.63	-
PUBLIC		
NEW INDIA	4.00	3.57
UNITED	3.24	3.00
ORIENTAL	1.91	2.17
NATIONAL	1.80	1.76
SPECIALIZED INSURER		
ECGC	18.90	11.41
STAR HEALTH	1.97	1.91
APOLLO DKV	1.39	-
AIC	3.27	2.05
GIC	3.36	4.10

INDIVIDUAL BUSINESS (WITHIN INDIA) - DETAILS OF FOREFEITURE / LAPSE POLICIES IN RESPECT OF NON-LINKED BUSINESS

Description	Bajaj AZ Life	Reliance Life	AVIVA Life	Birla Sun Life	HDFC Std Life	ICICI Pru Life	ING Vysya Life	LIC	Max NY Life	Met Life	Kotak OM Life	SBI Life	TATA AIG Life	Sahara Life	Shriram Life	Bharti AXA Life	Future Generali Life	IDBI Fortis Life
2005-06																		
Number of policies in '000	66	18	19	5	41	137	41	9569	104	31	27	32	92	5	0	NA	NA	NA
Sum Assured Rs. Crores	2418	260	49	360	794	1377	855	61640	2658	1008	521	459	1616	62	0	NA	NA	NA
2006-07																		
Number of policies in '00077	47	24	8	29	180	45	7773	163	37	21	85	151	7	9	0	NA	NA	
Sum Assured Rs. Crores	2364	692	3	597	787	2461	788	63206	2666	1157	546	773	3042	78	139	0	NA	NA
2007-08																		
Number of policies in '000	106	43	40	16	36	439	54	11009	142	28	25	79	238	14	25	3	0	0
Sum Assured Rs. Crores	2392	663	125	1017	909	6854	762	73686	3394	880	1104	1108	5044	174	569	109	0	0
Lapse Ratio (Based on number of policies)																		
During 2006-07	17%	35%	57%	4%	4%	26%	17%	4%	25%	34%	17%	19%	26%	21%	24%	0%	NA	NA
During 2007-08	19%	21%	80%	6%	4%	40%	17%	6%	17%	24%	17%	16%	35%	24%	55%	45%	0%	0%

* Includes Non-Linked Health Business, if any.

A policy is treated as lapsed if the premium is not paid within a period ranging from 15 to 60 days.

Lapse Ratio during the year = Lapses (including forfeitures) during the year/Arithmetic Mean of the business inforce at the beginning and at the end of the year

Source of Data:
Actuarial Report and Abstract as on 31-03-2006/31-03-2007/31-03-2008 of the life insurers.

INDIVIDUAL NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR 2007-08 --- CHANNEL WISE

(Premium in Rs Crore) (Policies in nos.)

Life Insurer	Individual Agents		Corporate Agents				Brokers		Direct Selling		Total Individual New Business		Referrals	
			Banks		Others*									
	Policies	Premium	Policies	Premium	Policies	Premium	Policies	Premium	Policies	Premium	Policies	Premium	Policies	Premium
Aviva**	204183	307.80	24208	87.89	1094	1.62	15097	42.02	143760	571.36	388342	1010.69	143640	562.82
	(52.58)	(30.45)	(6.23)	(8.70)	(0.28)	(0.16)	(3.89)	(4.16)	(37.02)	(56.53)			(36.99)	(55.69)
Bajaj Allianz	2029281	4155.80	84802	216.09	1452756	1727.38	23423	39.43	154084	347.90	3744346	6486.60	107114	269.63
	(54.20)	(64.07)	(2.26)	(3.33)	(38.80)	(26.63)	(0.63)	(0.61)	(4.12)	(5.36)			(2.86)	(4.16)
Bharti Axa	40419	61.35	669	0.94	-	-	3695	7.83	29291	39.87	74074	109.98	-	-
	(54.57)	(55.78)	(0.90)	(0.86)	-	-	(4.99)	(7.12)	(39.54)	(36.25)			-	-
Birla Sunlife	588797	1127.35	44040	485.61	19090	48.35	36302	73.99	82	0.23	688311	1735.53	4551	8.67
	(85.54)	(64.96)	(6.40)	(27.98)	(2.77)	(2.79)	(5.27)	(4.26)	(0.01)	(0.01)			(0.66)	(0.50)
Future Generali	468	0.18	-	-	-	-	48	0.01	284	0.22	800	0.41	-	-
	(58.50)	(42.69)	-	-	-	-	(6.00)	(2.63)	(35.50)	(54.68)			-	-
HDFC Std	666932	1289.01	204948	951.97	12542	25.14	3891	7.25	60299	75.19	948612	2348.57	8713	15.90
	(70.31)	(54.89)	(21.61)	(40.53)	(1.32)	(1.07)	(0.41)	(0.31)	(6.36)	(3.20)			(0.92)	(0.68)
ICICI Pru	1700548	4528.93	256027	1253.01	271196	657.55	26645	81.99	658694	522.82	2913110	7044.30	580672	283.18
	(58.38)	(64.29)	(8.79)	(17.79)	(9.31)	(9.33)	(0.91)	(1.16)	(22.61)	(7.42)			(19.93)	(4.02)
IDBI Fortis	1200	2.55	1954	9.34	-	-	4	0.01	-	-	3158	11.90	-	-
	(38.00)	(21.42)	(61.87)	(78.47)	-	-	(0.13)	(0.11)	-	-			-	-
ING Vysya	268486	518.85	39694	68.24	16002	31.21	589	1.73	35298	74.93	360069	694.97	35298	74.96
	(74.57)	(74.66)	(11.02)	(9.82)	(4.44)	(4.49)	(0.16)	(0.25)	(9.80)	(10.78)			(9.80)	(10.79)
Kotak Mahindra	139566	475.68	32069	206.70	107103	193.05	19116	58.06	15636	41.55	313490	975.04	1190	2.91
	(44.52)	(48.79)	(10.23)	(21.20)	(34.16)	(19.80)	(6.10)	(5.95)	(4.99)	(4.26)			(0.38)	(0.30)
Max NewYork	508319	988.02	35879	95.10	299469	416.02	5074	15.15	24590	41.86	873331	1556.16	3810	8.13
	(58.20)	(63.49)	(4.11)	(6.11)	(34.29)	(26.73)	(0.58)	(0.97)	(2.82)	(2.69)			(0.44)	(0.52)
MetLife	117313	310.52	100416	453.20	12607	6.68	4816	14.70	-	-	235152	785.10	55521	261.91
	(49.89)	(39.55)	(42.70)	(57.73)	(5.36)	(0.85)	(2.05)	(1.87)	-	-			(23.61)	(33.36)
Reliance Life	567657	1305.73	1766	3.73	71517	135.10	27563	59.98	405212	834.53	1073715	2339.06	378285	775.96
	(52.87)	(55.82)	(0.16)	(0.16)	(6.66)	(5.78)	(2.57)	(2.56)	(37.74)	(35.68)			(35.23)	(33.17)
Sahara	108972	121.47	-	-	112	0.64	-	-	-	-	109084	122.11	-	-
	(99.90)	(99.48)	-	-	(0.10)	(0.52)	-	-	-	-			-	-
SBI Life	559789	2145.29	351292	1570.38	12177	19.78	2137	6.26	134	0.87	925529	3742.58	-	-
	(60.48)	(57.32)	(37.96)	(41.96)	(1.32)	(0.53)	(0.23)	(0.17)	(0.01)	(0.02)			-	-
Shriram	74948	219.10	-	-	3272	8.36	305	0.83	30604	81.57	109129	309.85	30604	81.57
	(68.68)	(70.71)	-	-	(3.00)	(2.70)	(0.28)	(0.27)	(28.04)	(26.32)			(28.04)	(26.32)
Tata AIG	341189	447.59	43399	286.16	74996	48.42	21484	41.51	15881	9.81	496949	833.50	-	-
	(68.66)	(53.70)	(8.73)	(34.33)	(15.09)	(5.81)	(4.32)	(4.98)	(3.20)	(1.18)			-	-
Private Total	7918067	18005.22	1221163	5688.36	2353933	3319.31	190189	450.76	1573849	2642.71	13257201	30106.35	1349398	2345.63
	(59.73)	(59.81)	(9.21)	(18.89)	(17.76)	(11.03)	(1.43)	(1.50)	(11.87)	(8.78)			(10.18)	(7.79)
LIC #	36834544	48510.21	472447	640.86	245790	142.58	37214	22.97	-	-	37589995	49316.62	-	-
	(97.99)	(98.36)	(1.26)	(1.30)	(0.65)	(0.29)	(0.10)	(0.05)	-	-			-	-
Industry Total	44752611	66515.43	1693610	6329.22	2599723	3461.89	227403	473.73	1573849	2642.71	50847196	79422.97	1349398	2345.63
	(88.01)	(83.75)	(3.33)	(7.97)	(5.11)	(4.36)	(0.45)	(0.60)	(3.10)	(3.33)			(2.65)	(2.95)

Note: 1) Figures in brackets show percentage to total individual new business of each insurer procured through the respective channel
2) New business premium includes first year premium and single premium. *Any entity other than banks but licensed as a corporate agent.
3) The leads obtained through referral arrangements have been included in the respective channels. # Does not include its overseas new business premium
**It has been confirmed by the insurer that the no. of policies have been taken net of all cancellations including freelooks during the financial year.

GROUP NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR 2007-08 --- CHANNEL WISE

(Premium in Rs Crore) (Schemes and lives in nos.)

Insurer	Individual Agents			Corporate Agents – Banks			Corporate Agents – Others*			Brokers			Direct Selling			Total Group New Business			Referrals		
	Schemes	Lives covered	Premium	Schemes	Lives covered	Premium	Schemes	Lives covered	Premium	Schemes	Lives covered	Premium	Schemes	Lives covered	Premium	Schemes	Lives covered	Premium	Schemes	Lives covered	Premium
Aviva	28	5036	5.62	1	14263	0.57	9	350885	2.08	6	10383	0.72	72	288693	34.28	**116**	**669260**	**43.27**	-	-	-
	(24.14)	(0.75)	(12.99)	(0.86)	(2.13)	(1.32)	(7.76)	(52.43)	(4.81)	(5.17)	(1.55)	(1.66)	(62.07)	(43.14)	(79.22)				-	-	-
Bajaj Allianz	-	-	-	-	1402	0.64	-	1238	3.81	-	-	-	396	1996685	183.43	**396**	**1999325**	**187.89**	-	-	-
	-	-	-	-	(0.07)	(0.34)	-	(0.06)	(2.03)	-	-	-	(100.00)	(99.87)	(97.63)				-	-	-
Bharti Axa	-	-	-	1	1462	3.24	3	7550	0.02	-	-	-	-	-	-	**4**	**9012**	**3.25**	-	-	-
	-	-	-	(25.00)	(16.22)	(99.41)	(75.00)	(83.78)	(0.59)	-	-	-	-	-	-				-	-	-
Birla Sunlife	-	-	-	-	-	-	-	-	-	-	-	-	148	160755	223.34	**148**	**160755**	**223.34**	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	(100.00)	(100.00)	(100.00)				-	-	-
Future Generali	-	-	-	-	-	-	-	-	-	8	45745	0.97	1	25871	1.11	**9**	**71616**	**2.08**	-	-	-
	-	-	-	-	-	-	-	-	-	(88.89)	(63.88)	(46.41)	(11.11)	(36.12)	(53.59)				-	-	-
HDFC Std	-	-	-	-	-	-	-	-	-	-	-	-	246	293614	336.80	**246**	**293614**	**336.80**	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	(100.00)	(100.00)	(100.00)				-	-	-
ICICI Pru	5	9383	3.08	2	149317	95.38	-	13229	0.20	10	3415	48.57	101	451506	843.22	**118**	**626850**	**990.45**	1	2052	1.63
	(4.24)	(1.50)	(0.31)	(1.69)	(23.82)	(9.63)	-	(2.11)	(0.02)	(8.47)	(0.54)	(4.90)	(85.59)	(72.03)	(85.13)				(0.85)	(0.33)	(0.16)
IDBI Fortis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				-	-	-
ING Vysya	-	-	-	-	-	-	-	-	-	8	1611	0.16	18	123169	9.31	**26**	**124780**	**9.48**	1	131	0.01
	-	-	-	-	-	-	-	-	-	(30.77)	(1.29)	(1.72)	(69.23)	(98.71)	(98.28)				(3.85)	(0.10)	(0.07)
Kotak Mahindra	-	-	-	-	-	-	-	-	-	149	251277	24.99	132	398860	106.59	**281**	**650137**	**131.58**	-	-	-
	-	-	-	-	-	-	-	-	-	(53.02)	(38.65)	(18.99)	(46.98)	(61.35)	(81.01)				-	-	-
Max NewYork	267	216447	7.77	1	166058	27.05	-	-	-	-	-	-	14	106997	6.85	**282**	**489502**	**41.67**	-	-	-
	(94.68)	(44.22)	(18.64)	(0.35)	(33.92)	(64.91)	-	-	-	-	-	-	(4.96)	(21.86)	(16.45)				-	-	-
MetLife	9	19446	0.68	-	-	-	2	2488	0.22	4	60859	4.50	63	148165	34.85	**78**	**230958**	**40.26**	-	-	-
	(11.54)	(8.42)	(1.70)	-	-	-	(2.56)	(1.08)	(0.55)	(5.13)	(26.35)	(11.18)	(80.77)	(64.15)	(86.57)				-	-	-
Reliance Life	-	-	-	-	-	-	-	-	-	99	287046	8.95	263	462236	403.04	**362**	**749282**	**411.99**	-	-	-
	-	-	-	-	-	-	-	-	-	(27.35)	(38.31)	(2.17)	(72.65)	(61.69)	(97.83)				-	-	-
Sahara	-	-	-	-	-	-	8	371	0.004	-	-	-	-	-	-	**8**	**371**	**0.004**	-	-	-
	-	-	-	-	-	-	(100.00)	(100.00)	(100.00)	-	-	-	-	-	-				-	-	-
SBI Life	-	-	-	-	965023	318.69	2	109366	16.92	-	-	-	91	62182	714.64	**93**	**1136571**	**1050.24**	-	-	-
	-	-	-	-	(84.91)	(30.34)	(2.15)	(9.62)	(1.61)	-	-	-	(97.85)	(5.47)	(68.05)				-	-	-
Shriram	-	-	-	-	-	-	-	-	-	-	-	-	6	15429	0.14	**6**	**15429**	**0.14**	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	(100.00)	(100.00)	(100.00)				-	-	-
Tata AIG	7	1575	0.31	-	-	-	-	-	-	10	46262	4.33	64	535176	126.37	**81**	**583013**	**131.01**	-	-	-
	(8.64)	(0.27)	(0.23)	-	-	-	-	-	-	(12.35)	(7.93)	(3.31)	(79.01)	(91.79)	(96.46)				-	-	-
Private Total	**316**	**251887**	**17.46**	**5**	**1297525**	**445.56**	**24**	**485127**	**23.25**	**294**	**706598**	**93.18**	**1615**	**5069338**	**3023.99**	**2254**	**7810475**	**3603.45**	**2**	**2183**	**1.64**
	(14.02)	**(3.22)**	**(0.48)**	**(0.22)**	**(16.61)**	**(12.36)**	**(1.06)**	**(6.21)**	**(0.65)**	**(13.04)**	**(9.05)**	**(2.59)**	**(71.65)**	**(64.90)**	**(83.92)**				**(0.09)**	**(0.03)**	**(0.05)**
LIC	3766	4984410	1077.82	760	470428	47.13	254	189085	17.58	168	14218	6.37	17656	21080000	9507.48	**22604**	**26738141**	**10656.38**	-	-	-
	(16.66)	(18.64)	(10.11)	(3.36)	(1.76)	(0.44)	(1.12)	(0.71)	(0.16)	(0.74)	(0.05)	(0.06)	(78.11)	(78.84)	(89.22)				-	-	-
Industry Total	**4082**	**5236297**	**1095.28**	**765**	**1767953**	**492.69**	**278**	**674212**	**40.83**	**462**	**720816**	**99.55**	**19271**	**26149338**	**12531.47**	**24858**	**34548616**	**14259.83**	**2**	**2183**	**1.64**
	(16.42)	**(15.16)**	**(7.68)**	**(3.08)**	**(5.12)**	**(3.46)**	**(1.12)**	**(1.95)**	**(0.29)**	**(1.86)**	**(2.09)**	**(0.70)**	**(77.52)**	**(75.69)**	**(87.88)**				**(0.01)**	**(0.01)**	**(0.01)**

Note: 1) Figures in brackets show percentage to total group new business of each insurer procured through the respective channel. 2) New business premium includes first year premium and single premium.
3) The leads obtained through referral arrangements have been included in the respective channels. * Any entity other than banks but licensed as a corporate agent.

STATE-WISE SPREAD OF INDIVIDUAL AGENTS - INSURER WISE FOR 2007-08

State / Union Territory	Insurers																			
	Aviva	Bajaj Allianz	Bharti Axa	Birla Sunlife	Future Generali	HDFC Std	ICICI Pru	IDBI Fortis	ING Vysya	Kotak Mahindra	Max NewYork	MetLife	Reliance Life	Sahara	SBI Life	Shriram	Tata AIG	**Private** Total (Statewise)	LIC	**Industry** Total (Statewise)
Andhra Pradesh	2964	25502	589	10459	-	16222	36804	22	11171	910	2127	5069	19022	712	4542	13777	1880	**151772**	114430	**266202**
Arunachal Pradesh	55	-	-	1	-	-	-	-	-	-	-	15	-	-	5	5	14	**95**	407	**502**
Assam	1018	9965	-	4469	-	3292	5643	-	325	974	311	506	3921	371	318	-	2441	**33554**	36280	**69834**
Bihar	1791	17754	230	5051	-	1466	9311	-	-	-	266	594	7541	1981	1754	2	2096	**49837**	60787	**110624**
Chattisgarh	374	3553	-	939	-	3374	1918	-	-	3	182	65	709	64	1423	15	455	**13074**	14384	**27458**
Goa	104	332	1	372	-	368	455	6	207	4	259	148	13	-	59	1	29	**2358**	3620	**5978**
Gujarat	1884	11022	1025	4931	-	7771	24096	65	1421	7230	5061	1712	10775	571	1594	109	4440	**83707**	58528	**142235**
Haryana	1514	3558	-	4066	-	3488	3789	8	1350	3086	1687	538	6219	109	1110	-	2590	**33112**	17942	**51054**
Himachal Pradesh	39	2737	9	119	-	552	1561	1	369	-	231	16	1090	-	186	-	382	**7292**	9929	**17221**
Jammu & Kashmir	147	3280	-	-	-	1254	3637	-	609	-	189	247	10	-	177	-	2	**9552**	6633	**16185**
Jharkhand	752	9113	191	2489	-	2038	5180	-	209	454	379	1027	4271	739	915	45	1915	**29717**	24868	**54585**
Karnataka	1390	11596	527	6151	-	6834	10414	20	5365	1061	890	4101	8625	168	2770	662	1092	**61666**	76719	**138385**
Kerala	2108	14618	935	2563	-	10806	22461	1	3374	996	764	5571	11371	-	4323	135	4368	**84394**	55705	**140099**
Madhya Pradesh	2180	16604	351	3984	-	9123	8504	15	2151	750	1412	416	7578	672	1980	791	1007	**57518**	54404	**111922**
Maharashtra	3201	16282	1372	9949	-	17579	29229	35	2528	5278	6615	3982	9782	284	3012	308	4808	**114244**	131795	**246039**
Manipur	-	67	-	268	-	-	386	-	-	-	-	49	-	-	87	-	11	**868**	1724	**2592**
Meghalaya	85	283	-	601	-	330	400	-	-	-	-	9	473	-	73	-	36	**2290**	600	**2890**
Mizoram	-	8	-	92	-	-	88	-	-	-	-	-	43	-	-	-	3	**234**	358	**592**
Nagaland	2	-	-	1113	-	-	-	-	-	-	-	13	56	-	6	-	4	**1194**	799	**1993**
Orissa	2042	16242	698	2095	-	3469	11851	-	1392	-	671	1052	10517	506	2206	10	3055	**55806**	35631	**91437**
Punjab	1348	9927	953	7245	-	7514	18509	10	2885	2168	3863	1868	6744	32	1119	-	448	**64633**	29461	**94094**
Rajasthan	984	8775	427	6098	-	7098	17430	2	2639	988	1577	537	9199	1660	2034	1	2975	**62424**	54043	**116467**
Sikkim	70	235	-	45	-	906	460	-	1	-	-	13	83	-	12	-	116	**1941**	656	**2597**
Tamil Nadu	2019	12756	997	4893	-	8794	18333	12	8023	1789	1616	2953	18809	106	6020	1753	3055	**91928**	93718	**185646**
Tripura	215	1184	-	1	-	530	1201	-	-	-	-	35	258	-	27	-	225	**3676**	3730	**7406**
Uttar Pradesh	3308	33745	1452	16656	-	15119	33562	22	4118	1691	3087	1192	28725	3688	1976	1	4983	**153325**	142942	**296267**
UttraKhand	76	1857	-	1525	-	909	2268	25	487	-	592	384	559	144	45	-	379	**9250**	16750	**26000**
West Bengal	2727	13752	1071	5753	-	8665	17423	-	1127	1391	1184	2496	5630	563	2103	16	7352	**71253**	106346	**177599**
Andaman&Nicobar Islands	-	-	-	-	-	-	238	-	-	-	-	1	-	-	-	1	5	**245**	747	**992**
Chandigarh	167	39	259	963	-	665	1590	9	487	565	551	282	2445	44	196	-	806	**9068**	2450	**11518**
Dadra & Nagrahaveli	-	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	**19**	2	**21**
Daman & Diu	1	2	-	-	-	-	87	-	-	-	-	-	-	-	-	-	-	**90**	92	**182**
Delhi	2679	4845	662	5535	11	6413	18933	26	2320	5385	3368	1901	9685	425	557	-	1512	**64257**	35891	**100148**
Lakshadweep	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	**2**	2	**4**
Puducherry	63	595	-	608	-	135	593	-	202	-	19	6	41	-	14	27	50	**2353**	1371	**3724**
Company Total	**35307**	**250239**	**11749**	**109034**	**11**	**144714**	**306354**	**279**	**52760**	**34723**	**36901**	**36798**	**184194**	**12839**	**40643**	**17659**	**52544**	**1326748**	**1193744**	**2520492**

STATEMENT 57

DETAILS OF INDIVIDUAL AGENTS OF LIFE INSURERS -- 2007-2008

Insurer	As on 1st April, 2007	Additions	Deletions	As on 31st March 2008
Aviva	29052	13662	7407	35307
Bajaj Allianz	216191	106798	72750	250239
Bharti Axa	1266	11718	1235	11749
Birla Sunlife	56490	55154	2610	109034
Future Generali	-	11	-	11
HDFC Std	79109	74465	8860	144714
ICICI Pru	234460	233895	162001	306354
IDBI Fortis	-	279	-	279
ING Vysya	33944	30926	12110	52760
Kotak Mahindra	24484	24271	14032	34723
Max NewYork	25044	26130	14273	36901
MetLife	20848	20373	4423	36798
Reliance Life	95622	97798	9226	184194
Sahara	9797	3061	19	12839
SBI Life	25356	22251	6964	40643
Shriram	10384	7275	-	17659
Tata AIG	28105	44843	20404	52544
Private Total	**890152**	**772910**	**336314**	**1326748**
LIC	1103047	234852	144155	1193744
Industry Total	**1993199**	**1007762**	**480469**	**2520492**

STATEMENT 58

INDIVIDUAL DEATH CLAIMS -- 2007-08

(Benefit Amount in Rs crore)

Life Insurer	Claims pending at start of year		Claims intimated / booked		Total Claims		Claims paid		Claims repudiated		Claims written back		Claims pending at end of year		Break up of claims pending — duration wise (Policies)				
	No. of Policies	Benefit Amount	No. of Policies	Benefit Amount	No. of Policies	Benefit Amount	No. of Policies	Benefit Amount	No. of Policies	Benefit Amount	No. of Policies	Benefit Amount	No. of Policies	Benefit Amount	<3 mths	3-<6 mths	6-<1yr	>1yr	Total
Aviva	106	2.11	841	13.75	**947**	**15.86**	654	6.99	121	3.80	-	-	172	5.07	118	20	16	18	172
							(69.06)	(44.07)	(12.78)	(23.96)	-	-	(18.16)	(31.97)	(68.60)	(11.63)	(9.30)	(10.47)	
Bajaj Allianz	267	4.50	6262	104.41	**6529**	**108.92**	5065	79.46	689	14.18	-	-	775	15.27	634	77	37	27	775
							(77.58)	(72.96)	(10.55)	(13.02)	-	-	(11.87)	(14.02)	(81.81)	(9.94)	(4.77)	(3.48)	
Bharti Axa	0	0.00	26	0.74	**26**	**0.74**	9	0.17	10	0.20	-	-	7	0.36	6	1	-	-	7
							(34.62)	(22.61)	(38.46)	(27.80)	-	-	(26.92)	(49.60)	(85.71)	(14.29)	-	-	
Birla Sunlife	10	2.25	1450	35.88	**1460**	**38.13**	1334	31.06	109	4.28	-	-	17	2.79	4	3	4	6	17
							(91.37)	(81.46)	(7.47)	(11.22)	-	-	(1.16)	(7.32)	(23.53)	(17.65)	(23.53)	(35.29)	
Future Generali	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
							-	-	-	-	-	-	-	-	-	-	-	-	
HDFC Std	242	5.55	1820	28.30	**2062**	**33.86**	1665	23.27	87	2.76	-	-	310	7.83	194	66	37	13	310
							(80.75)	(68.72)	(4.22)	(8.15)	-	-	(15.03)	(23.13)	(62.58)	(21.29)	(11.94)	(4.19)	
ICICI Pru	151	4.02	6481	56.37	**6632**	**60.39**	5831	44.37	436	9.11	-	-	365	6.91	280	40	18	27	365
							(87.92)	(73.47)	(6.57)	(15.09)	-	-	(5.50)	(11.44)	(76.71)	(10.96)	(4.93)	(7.40)	
IDBI Fortis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
							-	-	-	-	-	-	-	-	-	-	-	-	
ING Vysya	171	2.83	771	10.79	**942**	**13.62**	526	7.42	132	2.26	3	0.03	281	3.92	169	75	28	9	281
							(55.84)	(54.49)	(14.01)	(16.56)	(0.32)	(0.19)	(29.83)	(28.76)	(60.14)	(26.69)	(9.96)	(3.20)	
Kotak Mahindra	145	2.55	558	22.48	**703**	**25.03**	414	19.76	178	3.65	-	-	111	1.62	74	27	5	5	111
							(58.89)	(78.95)	(25.32)	(14.58)	-	-	(15.79)	(6.47)	(66.67)	(24.32)	(4.50)	(4.50)	
Max NewYork	358	9.13	1989	38.55	**2347**	**47.69**	2121	41.51	221	5.75	-	-	5	0.43	4	-	1	-	5
							(90.37)	(87.04)	(9.42)	(12.06)	-	-	(0.21)	(0.90)	(80.00)	-	(20.00)	-	
MetLife	70	3.19	271	11.26	**341**	**14.45**	162	5.44	73	3.50	-	-	106	5.50	67	22	4	13	106
							(47.51)	(37.67)	(21.41)	(24.23)	-	-	(31.09)	(38.10)	(63.21)	(20.75)	(3.77)	(12.26)	
Reliance Life	14	0.35	1001	14.78	**1015**	**15.13**	925	13.00	86	1.99	-	-	4	0.14	4	-	-	-	4
							(91.13)	(85.88)	(8.47)	(13.18)	-	-	(0.39)	(0.94)	(100.00)	-	-	-	
Sahara	21	0.16	165	1.68	**186**	**1.84**	82	0.66	9	0.12	-	-	95	1.06	47	35	9	4	95
							(44.09)	(36.03)	(4.84)	(6.52)	-	-	(51.08)	(57.45)	(49.47)	(36.84)	(9.47)	(4.21)	
SBI Life	187	3.25	2124	30.50	**2311**	**33.75**	1883	25.96	164	2.42	1	0.01	263	5.36	152	58	25	28	263
							(81.48)	(76.92)	(7.10)	(7.17)	(0.04)	(0.03)	(11.38)	(15.88)	(57.79)	(22.05)	(9.51)	(10.65)	
Shriram	68	1.14	328	4.90	**396**	**6.04**	155	1.95	76	1.43	-	-	165	2.67	108	39	15	3	165
							(39.14)	(32.24)	(19.19)	(23.61)	-	-	(41.67)	(44.14)	(65.45)	(23.64)	(9.09)	(1.82)	
Tata AIG	193	3.59	1471	24.68	**1664**	**28.28**	929	15.27	413	6.66	-	-	322	6.35	83	38	69	132	322
							(55.83)	(53.99)	(24.82)	(23.55)	-	-	(19.35)	(22.46)	(25.78)	(11.80)	(21.43)	(40.99)	
Private Total	**2003**	**44.64**	**25558**	**399.08**	**27561**	**443.72**	**21755**	**316.28**	**2804**	**62.12**	**4**	**0.04**	**2998**	**65.29**	**1944**	**501**	**268**	**285**	**2998**
							(78.93)	**(71.28)**	**(10.17)**	**(14.00)**	**(0.01)**	**(0.01)**	**(10.88)**	**(14.71)**	**(64.84)**	**(16.71)**	**(8.94)**	**(9.51)**	
LIC*	9982	205.43	539779	3976.80	**549761**	**4182.23**	531653	3918.72	6223	90.54	335	31.60	11550	141.37	5054	2911	2186	1399	11550
							(96.71)	(93.70)	(1.13)	(2.16)	(0.06)	(0.76)	(2.10)	(3.38)	(43.76)	(25.20)	(18.93)	(12.11)	
Industry Total	**11985**	**250.07**	**565337**	**4375.88**	**577322**	**4625.95**	**553408**	**4235.00**	**9027**	**152.66**	**339**	**31.64**	**14548**	**206.66**	**6998**	**3412**	**2454**	**1684**	**14548**
							(95.86)	**(91.55)**	**(1.56)**	**(3.30)**	**(0.06)**	**(0.68)**	**(2.52)**	**(4.47)**	**(48.10)**	**(23.45)**	**(16.87)**	**(11.58)**	

Note: Figures in brackets show percentage of the respective total claims.

* In the Annual Report for FY 2006-07, total individual death claim figures of LIC erroneously included group as well as foreign office business claims also. In the current FY, the figures pertain to individual death claims arising in the Indian operations of LIC.

STATEMENT 59

NO. OF LIFE INSURANCE OFFICES* AS ON 31st MARCH, 2008

Insurer	2001	2002	2003	2004	2005	2006	2007	2008
Aviva	-	3	12	22	50	110	140	213
Bajaj Allianz	1	17	33	49	153	567	877	1007
Bharti Axa	-	-	-	-	-	1	16	77
Birla Sunlife	2	19	29	41	53	97	148	538
Future Generali	-	-	-	-	-	-	-	9
HDFC Std	-	4	18	26	90	150	448	569
ICICI Pru	6	14	29	69	109	175	583	1958
IDBI Fortis	-	-	-	-	-	-	-	2
ING Vysya	-	4	16	26	38	68	183	265
Kotak Mahindra	-	9	28	39	43	46	75	151
Max NewYork	-	15	23	33	64	84	118	194
MetLife	-	3	8	16	35	43	53	94
Reliance Life	-	17	35	48	80	157	159	745
Sahara	-	-	-	2	18	18	33	33
SBI Life	1	5	10	19	31	46	138	200
Shriram	-	-	-	-	-	11	12	53
Tata AIG	3	6	13	26	40	72	89	283
Private Total	**13**	**116**	**254**	**416**	**804**	**1645**	**3072**	**6391**
LIC	2186	2190	2191	2196	2197	2220	2301	2522
Industry Total	**2199**	**2306**	**2445**	**2612**	**3001**	**3865**	**5373**	**8913**

* Offices opened after seeking approval of the Authority

Note: 1) Data collected from life insurers through a special return.

2) Office as defined under Section 64VC of the Insurance Act, 1938.

STATEMENT 60

DISTRIBUTION OF OFFICES* OF LIFE INSURERS AS ON 31st MARCH, 2008

Insurer	Metro	Urban	Semi-urban	Others	Company Total
Aviva	29	66	91	27	**213**
Bajaj Allianz	46	143	403	415	**1007**
Bharti Axa	15	36	25	1	**77**
Birla Sunlife	63	91	318	66	**538**
Future Generali	3	4	2	-	**9**
HDFC Std	57	103	320	89	**569**
ICICI Pru	132	193	553	1080	**1958**
IDBI Fortis	2	-	-	-	**2**
ING Vysya	24	63	158	20	**265**
Kotak Mahindra	34	57	54	6	**151**
Max NewYork	43	73	70	8	**194**
MetLife	27	38	27	2	**94**
Reliance Life	62	101	443	139	**745**
Sahara	6	22	5	-	**33**
SBI Life	23	73	83	21	**200**
Shriram	11	18	24	-	**53**
Tata AIG	51	88	116	28	**283**
Private total	**628**	**1169**	**2692**	**1902**	**6391**
LIC	311	468	848	895	2522
Industry total	**939**	**1637**	**3540**	**2797**	**8913**

* Offices opened after seeking approval of the Authority.

Note: 1) Data collected from life insurers through a special return.

2) Based on the HRA classification of places done by the Ministry of Finance.

Metro: Delhi, Mumbai, Chennai, Kolkata, Hyderabad and Bangalore.

Urban: A, B-1 and B-2 class cities of the HRA classification.

Semi-urban:C class cities of the HRA classification.

Others:Places not listed in the HRA classification.

STATEMENT 61

GEOGRAPHICAL DISTRIBUTION OF OFFICES - AS ON 31ST MARCH, 2008*

State / Union Territory	Aviva	Bajaj Allianz	Bharti Axa	Birla Sunlife	Future Generali	HDFC Std	ICICI Pru	IDBI Fortis	ING Vysya	Kotak Mahindra	Max New York	Met Life	Reliance Life	Sahara	SBI Life	Shriram	Tata AIG	State Total (Private)	LIC	State Total (Industry)
Andhra Pradesh	7	81	3	32	1	56	361	-	44	6	8	7	71	1	18	41	15	**752**	219	**971**
Arunachal Pradesh	1	1	-	1	-	-	-	-	-	-	-	-	1	-	-	-	-	**4**	2	**6**
Assam	9	26	-	18	-	9	13	-	1	3	1	1	12	1	4	-	9	**107**	61	**168**
Bihar	5	53	-	26	-	2	24	-	2	1	1	1	30	3	7	-	6	**161**	77	**238**
Chattisgarh	2	16	-	7	-	11	8	-	1	1	1	1	4	1	5	-	2	**60**	42	**102**
Goa	1	1	-	5	-	2	3	-	1	1	1	1	1	-	2	-	1	**20**	14	**34**
Gujarat	17	64	10	38	-	37	229	-	12	31	17	8	64	2	11	1	29	**570**	160	**730**
Haryana	11	21	2	22	1	13	39	-	9	13	14	3	10	1	6	1	8	**174**	50	**224**
Himachal Pradesh	-	12	-	3	-	7	6	-	1	-	2	-	3	-	2	-	2	**38**	28	**66**
Jammu & Kashmir	1	14	-	1	-	3	15	-	2	-	1	2	-	-	1	-	-	**40**	20	**60**
Jharkhand	4	37	2	15	-	5	18	-	-	3	3	3	13	2	6	-	9	**120**	45	**165**
Karnataka	9	55	4	38	1	39	60	-	29	9	8	10	38	1	12	2	15	**330**	175	**505**
Kerala	17	86	9	25	-	63	189	-	30	7	7	13	49	-	15	1	23	**534**	112	**646**
Madhya Pradesh	10	64	2	19	-	32	34	-	10	5	6	2	46	2	8	2	6	**248**	152	**400**
Maharashtra	26	94	10	74	2	70	150	2	15	25	32	12	87	1	23	3	39	**665**	299	**964**
Manipur	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	**1**	4	**5**
Meghalaya	1	3	-	3	-	1	3	-	-	-	-	-	3	-	1	-	1	**16**	1	**17**
Mizoram	-	1	-	1	-	-	1	-	-	-	-	-	1	-	-	-	-	**4**	1	**5**
Nagaland	-	-	-	2	-	-	-	-	-	-	-	-	1	-	-	-	-	**3**	4	**7**
Orissa	9	40	3	16	-	18	24	-	7	-	2	2	15	1	9	-	11	**157**	69	**226**
Punjab	12	50	8	33	1	27	173	-	15	9	33	4	57	0	6	-	10	**438**	75	**513**
Rajasthan	8	47	1	20	1	30	227	-	14	5	7	1	27	3	9	-	17	**417**	127	**544**
Sikkim	1	3	-	1	-	1	1	-	-	-	-	-	1	-	1	-	-	**9**	1	**10**
Tamil Nadu	11	48	7	26	-	46	99	-	46	8	14	7	76	1	19	2	15	**425**	208	**633**
Tripura	1	2	-	1	-	2	1	-	-	-	-	-	1	-	-	-	1	**9**	5	**14**
Uttar Pradesh	18	95	7	53	1	51	120	-	16	8	16	4	86	10	15	-	18	**518**	266	**784**
UttraKhand	4	11	-	4	-	7	11	-	1	2	1	1	1	-	-	-	1	**44**	38	**82**
West Bengal	18	58	5	33	-	23	100	-	3	6	6	6	33	1	14	-	34	**340**	182	**522**
Andaman&Nicobar Islands	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	**1**	1	**2**
Chandigarh	1	3	1	1	-	1	3	-	1	-	2	1	-	1	2	-	-	**17**	9	**26**
Dadra & Nagrahaveli	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	**1**	-	**1**
Daman & Diu	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	**2**	-	**2**
Delhi	8	16	2	18	1	12	43	-	3	8	9	4	14	1	3	-	10	**152**	72	**224**
Lakshadweep	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Puducherry	1	5	1	-	-	1	1	-	2	-	1	-	-	-	1	-	1	**14**	3	**17**
Company Total	**213**	**1007**	**77**	**538**	**9**	**569**	**1958**	**2**	**265**	**151**	**194**	**94**	**745**	**33**	**200**	**53**	**283**	**6391**	**2522**	**8913**

* Offices opened after seeking approval of the Authority

Note: 1) Data collected from life insurers through a special return.

2) Office as defined under Section 64VC of the Insurance Act, 1938.

STATEMENT 62

INDIVIDUAL NEW BUSINESS UNDERWRITTEN STATE-WISE--2007-08

(Premium in Rs crore)

State / Union Territory	Aviva		Bajaj Allianz		Bharti Axa		Birla Sunlife		Future Generali		HDFC Std		ICICI Pru		IDBI Fortis		ING Vysya		Kotak Mahindra		Max NewYork	
	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium
Andhra Pradesh	15448	43.70	304622	494.01	5742	9.06	36769	60.85	52	0.02	101740	134.09	298070	456.54	135	0.42	76589	144.09	9358	29.42	73305	85.39
Arunachal Pradesh	173	0.46	2937	7.81	2	0.002	-	-	-	-	-	-	-	-	7	0.01	25	0.08	-	-	-	-
Assam	5549	9.91	100617	154.21	7	0.004	22903	25.52	-	-	17467	24.31	33767	86.01	2	0.003	3747	5.25	3841	10.68	11339	13.29
Bihar	12024	16.94	339636	428.00	1159	1.55	21838	32.06	-	-	7708	16.35	56334	113.14	-	-	1746	2.38	-	-	15046	17.77
Chattisgarh	2479	4.08	30737	44.92	34	0.12	9993	7.37	-	-	10001	22.93	15808	32.85	60	0.30	876	1.25	16	0.06	3836	5.27
Goa	1655	7.05	7784	17.63	1	0.001	1577	7.76	-	-	3560	19.89	6585	30.59	130	0.22	1966	3.00	376	1.46	6161	13.78
Gujarat	15933	40.91	143501	290.34	4926	6.34	23290	53.16	15	0.002	55178	182.82	231203	620.39	221	0.53	14031	30.16	49598	160.06	90324	180.87
Haryana	20785	56.90	87691	173.28	53	0.08	20358	67.61	-	-	19413	49.34	25545	59.62	50	0.24	8725	17.57	11339	28.46	29754	55.59
Himachal Pradesh	842	1.83	13592	30.55	57	0.08	483	0.86	-	-	3583	6.17	27554	27.61	11	0.04	3095	7.34	-	-	4282	5.79
Jammu & Kashmir	2573	4.40	28606	52.14	4	0.004	1	0.005	-	-	4778	8.41	21499	50.88	3	0.02	1910	6.66	-	-	4855	9.02
Jharkhand	7048	15.69	118203	186.11	541	1.15	21040	15.17	-	-	8615	15.80	42125	95.09	7	0.04	1454	2.94	1131	2.33	7538	10.55
Karnataka	16742	54.88	308618	569.71	4556	7.47	54293	103.24	6	0.002	43797	147.05	163678	398.45	179	0.26	51737	98.38	9498	34.44	30650	68.81
Kerala	19528	63.45	182693	468.10	3571	5.91	8232	30.10	-	-	52921	223.03	178473	671.20	390	2.03	22724	47.05	27042	57.93	16012	28.32
Madhya Pradesh	13335	24.51	78480	182.35	1906	2.61	25496	35.46	19	0.002	52293	63.10	72572	146.04	177	0.73	8510	14.33	4571	16.44	20850	32.58
Maharashtra	45736	129.21	352020	763.36	8755	15.21	152975	775.07	382	0.19	250913	507.42	408519	1199.28	932	3.37	19427	39.09	49816	222.16	123960	260.95
Manipur	43	0.09	1152	1.71	-	-	10001	0.50	-	-	-	-	3619	2.18	-	-	40	0.08	-	-	162	0.25
Meghalaya	477	1.19	3622	7.53	-	-	1342	9.00	-	-	1377	2.68	2021	6.21	-	-	25	0.06	-	-	13	0.01
Mizoram	81	0.09	2751	17.89	-	-	244	1.938	-	-	-	-	1296	2.17	-	-	43	0.07	-	-	1	0.00
Nagaland	234	0.36	2454	3.41	-	-	2117	4.38	-	-	-	-	-	-	-	-	12	0.02	-	-	274	0.31
Orissa	13587	29.55	183587	328.76	4789	6.53	14701	15.80	-	-	14604	27.29	71501	146.70	3	0.01	10927	18.01	-	-	22021	27.80
Punjab	48318	134.42	98108	232.98	5182	9.45	28312	65.37	21	0.05	28937	95.93	184912	585.73	117	0.69	13837	30.04	11977	48.55	54639	111.81
Rajasthan	25861	25.27	116464	241.54	1599	2.01	31380	53.42	1	0.0005	31933	69.30	100552	196.55	84	0.20	15030	24.73	8228	20.26	37918	60.20
Sikkim	905	2.48	3918	11.61	-	-	165	0.479	-	-	1147	3.08	2012	6.41	2	0.02	42	0.07	-	-	-	-
Tamil Nadu	24566	76.17	372399	526.79	8479	10.31	35157	46.81	-	-	54916	197.11	233252	585.42	176	0.80	52451	108.63	16205	51.56	57687	96.38
Tripura	1748	3.15	13181	17.10	1	0.0001	611	0.65	-	-	2101	4.57	5482	12.73	-	-	36	0.05	-	-	2948	4.34
Uttar Pradesh	29891	60.16	481516	596.70	6746	7.89	103738	156.00	6	0.002	65293	149.76	314469	487.04	131	0.52	23090	37.69	7370	23.99	74010	108.13
UttraKhand	1302	3.23	24	5.53	-	-	8943	14.44	-	-	5368	10.84	44400	36.84	41	0.04	4197	7.75	-	-	12709	21.85
West Bengal	26589	64.36	307726	532.97	5850	8.25	21947	53.39	-	-	55832	124.49	154707	341.45	61	0.35	8202	13.93	39634	67.27	71925	95.94
Andaman & Nicobar Islands	29	0.180	1591	1.90	-	-	-	-	-	-	-	-	176	0.28	4	0.03	11	0.02	-	-	936	1.21
Chandigarh	3299	11.92	3661	5.16	2199	3.46	3555	15.61	-	-	6175	30.88	-	-	27	0.13	1051	3.23	3954	17.60	16667	31.96
Dadra & Nagrahaveli	91	0.28	631	0.70	-	-	-	-	-	-	-	-	-	-	3	0.004	98	0.10	-	-	-	-
Daman & Diu	51	0.18	794	0.93	-	-	-	-	-	-	-	-	-	-	1	0.001	41	0.12	-	-	-	-
Delhi	30798	121.87	45327	83.17	7915	12.50	24498	80.48	298	0.15	47276	205.70	212979	646.88	204	0.92	13017	28.03	59536	182.37	80391	204.45
Lakshadweep	-	-	197	0.51	-	-	-	-	-	-	-	-	-	-	-	-	17	0.03	-	-	-	-
Puducherry	622	1.82	5506	7.19	-	-	2352	3.03	-	-	1686	6.22	-	-	-	-	1340	2.73	-	-	3118	3.53
Company Total	**388342**	**1010.69**	**3744346**	**6486.60**	**74074**	**109.98**	**688311**	**1735.53**	**800**	**0.41**	**948612**	**2348.57**	**2913110**	**7044.30**	**3158**	**11.90**	**360069**	**694.97**	**313490**	**975.04**	**873331**	**1556.16**

Does not include its overseas new business premium.

INDIVIDUAL NEW BUSINESS UNDERWRITTEN STATEWISE--2007-08 Contd...

(Premium in Rs Crore)

State / Union Territory	Met Life		Reliance Life		Sahara		SBI Life		Shriram		Tata AIG		State Total (Private)		LIC #		State Total (Industry)	
	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium	No. of policies	Premium
Andhra Pradesh	18895	63.18	62276	162.49	4621	6.61	108276	340.47	66132	168.01	56075	24.81	**1238105**	**2223.15**	3467791	3484.60	**4705896**	**5707.75**
Arunachal Pradesh	-	-	-	-	-	-	600	1.59	-	-	27	0.09	**3771**	**10.04**	9911	22.40	**13682**	**32.44**
Assam	2336	3.07	8623	16.00	1916	1.50	39821	48.06	-	-	15346	23.90	**267281**	**421.71**	719401	730.52	**986682**	**1152.23**
Bihar	1655	2.01	15981	28.21	25167	22.60	32419	96.61	31	0.06	9599	16.71	**540343**	**794.41**	1793081	1473.21	**2333424**	**2267.62**
Chattisgarh	74	0.09	911	2.00	989	1.63	24937	82.20	773	1.94	2239	4.44	**103763**	**211.45**	392179	500.15	**495942**	**711.60**
Goa	415	0.80	569	2.403	-	-	1085	8.98	82	0.20	155	0.33	**32101**	**114.10**	121511	210.02	**153612**	**324.12**
Gujarat	6399	12.99	50819	137.27	4937	5.01	31506	136.57	1026	2.68	31940	47.46	**754847**	**1907.57**	1948555	2491.32	**2703402**	**4398.88**
Haryana	2062	3.66	23369	56.14	814	0.97	17754	85.31	30	0.04	14695	23.08	**282437**	**677.89**	548277	997.79	**830714**	**1675.68**
Himachal Pradesh	-	-	3242	7.91	-	-	8019	54.34	4	0.004	2723	4.28	**67487**	**146.80**	368542	830.66	**436029**	**977.46**
Jammu & Kashmir	21199	56.46	1048	1.95	-	-	3705	14.73	-	-	77	0.12	**90258**	**204.80**	181738	416.05	**271996**	**620.85**
Jharkhand	2438	3.17	23172	30.45	2030	2.77	16417	55.56	276	0.43	7481	12.73	**259516**	**449.96**	725349	835.98	**984865**	**1285.94**
Karnataka	30067	104.53	43177	105.52	1165	1.96	63224	207.05	4273	12.41	18191	39.40	**843851**	**1953.57**	2710656	3053.56	**3554507**	**5007.13**
Kerala	24318	104.13	35744	133.34	-	-	77017	461.17	765	3.15	30569	55.75	**679999**	**2354.68**	1987049	3992.73	**2667048**	**6347.40**
Madhya Pradesh	782	1.25	16900	35.41	3278	4.09	44290	178.98	2017	5.38	5156	5.08	**350632**	**748.35**	1434250	1861.32	**1784882**	**2609.67**
Maharashtra	31326	131.41	463293	933.30	1310	2.29	64589	264.85	4367	13.73	57749	156.47	**2036069**	**5417.36**	4607106	5840.02	**6643175**	**11257.38**
Manipur	-	-	-	-	-	-	1823	5.42	-	-	46	0.07	**16886**	**10.31**	38162	86.41	**55048**	**96.72**
Meghalaya	-	-	1423	3.72	-	-	2232	3.97	-	-	314	0.84	**12846**	**35.22**	15715	48.87	**28561**	**84.09**
Mizoram	-	-	195	1.09	-	-	307	0.35	-	-	8	0.41	**4926**	**24.00**	6370	29.42	**11296**	**53.42**
Nagaland	-	-	117	0.74	-	-	1026	0.92	-	-	9	0.02	**6243**	**10.16**	17255	33.06	**23498**	**43.22**
Orissa	2638	3.85	21954	33.35	3831	3.50	50122	162.26	312	0.85	29241	30.40	**443818**	**834.66**	1186271	1082.54	**1630089**	**1917.20**
Punjab	9014	19.07	26565	75.32	0	0.05	29230	178.61	4	0.01	12206	21.37	**551379**	**1609.46**	642214	1509.72	**1193593**	**3119.18**
Rajasthan	1919	5.08	26031	51.86	13955	18.91	35062	134.27	137	0.22	32189	36.67	**478343**	**940.50**	1599449	2456.99	**2077792**	**3397.49**
Sikkim	-	-	177	1.10	-	-	159	2.05	1	0.002	159	0.55	**8687**	**27.84**	13300	30.97	**21987**	**58.81**
Tamil Nadu	19227	60.50	83943	174.52	523	1.63	144238	675.47	27974	98.36	34541	54.82	**1165734**	**2765.27**	3588588	5529.53	**4754322**	**8294.80**
Tripura	-	-	533	1.58	-	-	545	0.76	-	-	773	1.04	**27959**	**45.97**	95278	148.88	**123237**	**194.85**
Uttar Pradesh	4169	7.80	90181	169.17	36477	40.69	43464	199.53	81	0.12	28554	40.03	**1309186**	**2085.23**	4086154	4767.82	**5395340**	**6853.05**
UttraKhand	1388	1.84	5218	10.10	-	-	5751	26.95	7	0.01	696	0.90	**90044**	**140.33**	433867	538.85	**523911**	**679.18**
West Bengal	25001	94.78	26108	49.36	5643	5.32	59355	219.63	108	0.17	79220	151.98	**887908**	**1823.63**	3577903	3492.08	**4465811**	**5315.71**
Andaman & Nicobar Islands	-	-	-	-	-	-	127	0.72	-	-	3	0.01	**2877**	**4.35**	25543	44.52	**28420**	**48.87**
Chandigarh	-	-	5548	14.69	660	1.01	4184	11.46	7	0.03	745	3.12	**51732**	**150.25**	69108	714.74	**120840**	**864.99**
Dadra & Nagrahaveli	-	-	-	-	-	-	108	0.43	1	0.002	-	-	**932**	**1.52**	-	-	**932**	**1.52**
Daman & Diu	-	-	-	-	-	-	72	0.35	6	0.02	1	0.001	**966**	**1.60**	5723	8.63	**6689**	**10.23**
Delhi	29830	105.42	34709	95.84	1768	1.59	11784	67.82	80	0.24	25209	75.11	**625619**	**1912.54**	1123387	1991.38	**1749006**	**3903.92**
Lakshadweep	-	-	-	-	-	-	7	2.92	-	-	1	0.005	**222**	**3.47**	30	0.004	**252**	**3.47**
Puducherry	-	-	1889	-	-	-	2274	12.23	635	1.77	1012	1.47	**20434**	**44.24**	50282	61.88	**70716**	**106.12**
Company Total	**235152**	**785.10**	**1073715**	**2339.06**	**109084**	**122.11**	**925529**	**3742.58**	**109129**	**309.85**	**496949**	**833.50**	**13257201**	**30106.35**	**37589995**	**49316.62**	**50847196**	**79422.97**

Does not include its overseas new business premium. # Does not include its overseas new business premium.

STATEMENT 63

GRIEVANCES - LIFE INSURANCE

S.No.	Insurer	Reported during 2007-08	Resolved during 2007-08	% Resolved during 2007-08	Pending as on 31st March 08	Resolved				Pending			
						<=15 days	>15&<= 30 days	>30&<=1 80 days	>180 days	<=15 days	>15&<= 30days	>30&>=1 80 days	>180 days
1	Aviva Life Insurance Co. India Pvt. Ltd.	127	110	86.61	17	31	38	40	1	6	1	9	1
2	Bajaj Allanz Life Insurance Co. Ltd.	403	328	81.39	75	40	129	146	13	10	12	52	1
3	Birla Sun Lif Insurance Co. Ltd.	67	55	82.09	12	6	28	21	0	2	4	4	2
4	HDFC Standard Life Insurance Co. Ltd.	106	50	47.17	56	2	12	36	0	4	9	42	1
5	ICICI Prudential Life Insurance Co. Ltd.	233	212	90.99	21	59	92	60	1	12	7	2	0
6	ING Vysya Life Insurance Co. Ltd.	26	20	76.92	6	3	4	10	3	0	0	6	0
7	Kotak Mahindra Old Mulual Life Insurance Co. Ltd.	51	37	72.55	14	10	13	14	0	1	3	3	7
8	Life Insurance Corporation Of India	651	80	12.29	571	7	9	59	5	30	19	226	296
9	Max New York Life Insurance Co. Ltd.	84	57	67.86	27	19	12	26	0	5	2	17	3
10	Met Life India Life Insurance Co. Ltd.	49	22	44.90	27	1	5	16	0	2	1	15	9
11	Reliance Life Insurance Co. Ltd.	89	74	83.15	15	5	16	49	4	3	1	10	1
12	Sahara India Life Insurance Co. Ltd.	2	1	50.00	1	0	1	0	0	0	0	1	0
13	Sbi Life Insurance Co. Ltd.	101	86	85.15	15	6	29	43	8	8	4	3	0
14	Shriram Life Insurance Co. Ltd.	2	0	0.00	2	0	0	0	0	0	1	0	1
15	Tata Aig Life Insurance Co. Ltd.	66	48	72.73	18	16	16	16	0	2	2	9	5
	Total	2057	1180	57.37	877	205	404	536	35	85	66	399	327

GROUP DEATH CLAIMS -- 2007-08

(Benefit Amount in Rs crore)

Life Insurer	Claims pending at start of year		Claims intimated / booked		Total Claims		Claims paid		Claims repudiated		Claims written back		Claims pending at end of year		Break up of claims pending — duration wise (Lives)				
	No. of Lives	Benefit Amount	No. of Lives	Benefit Amount	No. of Lives	Benefit Amount	No. of Lives	Benefit Amount	No. of Lives	Benefit Amount	No. of Lives	Benefit Amount	No. of Lives	Benefit Amount	<3 mths	3-<6 mths	6-<1yr	>1yr	Total
Aviva	58	0.10	1783	4.96	**1841**	**5.06**	1769	4.81	23	0.10	-	-	49	0.15	22	5	5	17	49
							(96.09)	(95.06)	(1.25)	(1.98)	-	-	(2.66)	(2.96)	(44.90)	(10.20)	(10.20)	(34.69)	
Bajaj Allianz	350	3.53	4558	38.42	**4908**	**41.95**	4339	39.38	23	0.48	-	-	546	2.10	194	185	71	96	546
							(88.41)	(93.86)	(0.47)	(1.14)	-	-	(11.12)	(5.00)	(35.53)	(33.88)	(13.00)	(17.58)	
Bharti Axa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
							-	-	-	-	-	-	-	-	-	-	-	-	
Birla Sunlife	0	0.00	278	18.00	**278**	**18.00**	270	17.63	8	0.37	-	-	-	-	-	-	-	-	-
							(97.12)	(97.94)	(2.88)	(2.06)	-	-	-	-	-	-	-	-	
Future Generali	0	0.00	16	0.53	**16**	**0.53**	2	0.14	1	0.02	-	-	13	0.37	13	-	-	-	13
							(12.50)	(26.42)	(6.25)	(3.77)	-	-	(81.25)	(69.81)	(100.00)	-	-	-	
HDFC Std	6	0.19	176	1.97	**182**	**2.15**	174	1.84	-	-	-	-	8	0.31	-	3	-	5	8
							(95.60)	(85.70)	-	-	-	-	(4.40)	(14.30)	-	(37.50)	-	(62.50)	
ICICI Pru	10	0.25	280	7.07	**290**	**7.32**	276	6.89	2	0.02	-	-	12	0.41	12	-	-	-	12
							(95.17)	(94.13)	(0.69)	(0.27)	-	-	(4.14)	(5.60)	(100.00)	-	-	-	
IDBI Fortis	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
							-	-	-	-	-	-	-	-	-	-	-	-	
ING Vysya	2	0.08	251	2.43	**253**	**2.51**	217	2.36	24	0.02	-	-	12	0.12	12	-	-	-	12
							(85.77)	(94.08)	(9.49)	(0.99)	-	-	(4.74)	(4.94)	(100.00)	-	-	-	
Kotak Mahindra	70	1.90	805	16.63	**875**	**18.53**	619	13.35	148	2.57	-	-	108	2.61	65	31	9	3	108
							(70.74)	(72.05)	(16.91)	(13.87)	-	-	(12.34)	(14.09)	(60.19)	(28.70)	(8.33)	(2.78)	
Max NewYork	13	0.54	554	4.01	**567**	**4.55**	557	4.32	10	0.23	-	-	-	-	-	-	-	-	-
							(98.24)	(94.95)	(1.76)	(5.05)	-	-	-	-	-	-	-	-	
MetLife	212	4.01	481	14.60	**693**	**18.61**	466	12.94	66	0.60	-	-	161	5.07	58	21	38	44	161
							(67.24)	(69.53)	(9.52)	(3.22)	-	-	(23.23)	(27.24)	(36.02)	(13.04)	(23.60)	(27.33)	
Reliance Life	37	0.38	863	53.13	**900**	**53.51**	867	52.67	26	0.63	-	-	7	0.21	7	-	-	-	7
							(96.33)	(98.42)	(2.89)	(1.19)	-	-	(0.78)	(0.39)	(100.00)	-	-	-	
Sahara	0	0.00	17	0.07	**17**	**0.07**	17	0.07	-	-	-	-	-	-	-	-	-	-	-
							(100.00)	(100.00)	-	-	-	-	-	-	-	-	-	-	
SBI Life	1161	17.20	8385	143.92	**9546**	**161.12**	7949	129.05	835	11.70	34	0.58	728	19.79	367	102	98	161	728
							(83.27)	(80.10)	(8.75)	(7.26)	(0.36)	(0.36)	(7.63)	(12.28)	(50.41)	(14.01)	(13.46)	(22.12)	
Shriram	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
							-	-	-	-	-	-	-	-	-	-	-	-	
Tata AIG	337	4.21	706	15.10	**1043**	**19.30**	553	8.60	66	1.40	-	-	424	9.30	115	44	77	188	424
							(53.02)	(44.55)	(6.33)	(7.28)	-	-	(40.65)	(48.18)	(27.12)	(10.38)	(18.16)	(44.34)	
Private Total	**2256**	**32.38**	**19153**	**320.83**	**21409**	**353.21**	**18075**	**294.04**	**1232**	**18.15**	**34**	**0.58**	**2068**	**40.44**	**865**	**391**	**298**	**514**	**2068**
							(84.43)	**(83.25)**	**(5.75)**	**(5.14)**	**(0.16)**	**(0.16)**	**(9.66)**	**(11.45)**	**(41.83)**	**(18.91)**	**(14.41)**	**(24.85)**	
LIC	95	0.69	141333	760.41	**141428**	**761.10**	141258	759.82	9	0.15	-	-	161	1.13	14	100	37	10	161
							(99.88)	(99.83)	(0.01)	(0.02)	-	-	(0.11)	(0.15)	(8.70)	(62.11)	(22.98)	(6.21)	
Industry Total	**2351**	**33.07**	**160486**	**1081.24**	**162837**	**1114.31**	**159333**	**1053.86**	**1241**	**18.30**	**34**	**0.58**	**2229**	**41.57**	**879**	**491**	**335**	**524**	**2229**
							(97.85)	**(94.58)**	**(0.76)**	**(1.64)**	**(0.02)**	**(0.05)**	**(1.37)**	**(3.73)**	**(39.43)**	**(22.03)**	**(15.03)**	**(23.51)**	

Note: Figures in brackets show percentage of the respective total claims.

LIST OF MICRO-INSURANCE PRODUCTS OF LIFE INSURERS*

Insurer	Name of Product	Date of launch	Name of Product	Date of launch
	Individual category		**Group category**	
Aviva	Gramin Suraksha	12-Jun-2007	Credit Plus	1-Nov-2004
Bajaj Allianz	Bajaj Allianz Jana Vikas Yojana	7-Mar-2007		
	Bajaj Allianz Saral Suraksha Yojana	7-Mar-2007		
	Bajaj Allianz Alp Nivesh Yojana	7-Mar-2007		
Birla Sunlife	Bima Dhan Sanchay	31-Aug-2007		
	Bima Suraksha Super	31-Aug-2007		
ING Vysya	Securing Life Rural Endowment Plan	24-Feb-2003 (however the product is withdrawn on 13-Mar-08)	Generic Group Term Insurance for Social Sector	27-Mar-2002
	Surakshit Jeevan Rural Endowment Plan	8-Mar-2002 (however the product is withdrawn on 1-Apr-08)	ING Saral Suraksha	30-Nov-2007
Sahara	Sahara Sahyog	26-Jun-2006	Sahara Jankalyan	15-Mar-2005
SBI Life			Grameen Shakti	1-Dec-2007
			Grameen Super Suraksha	1-Dec-2007
			Super Suraksha for Farmers	4-Mar-2002
			Shakti for Self Help Groups (Group Swadhan)	10-Oct-2003
			Lifelong Pensions for KCC/GCC Holders	5-Jun-2003
Shriram			Shri Sahay - SP	18-Mar-2007
			Shri Sahay - AP	15-May-2007
Tata AIG	Tata AIG Life Ayushman Yojana	8-Aug-2006		
	Tata AIG Life Navkalyan Yojana	8-Aug-2006		
	Tata AIG Life Sampoorn Bima Yojana	8-Aug-2006		
LIC	Jeevan Madhur	28-Sep-2006	Janashree Bima Yojana	10-Aug-2000
			Aam Aadmi Bima Yojana	2-Oct-2007

* All Micro-Insurance products and products falling within the parameters prescribed under the IRDA (Micro-Insurance) Regulations, 2005, but launched prior to the said Regulations.

ANNEX I

INSURANCE COMPANIES OPERATING IN INDIA

LIFE INSURERS

Public Sector	Private Players
1. Life Insurance Corporation of India (LIC)	1. Bajaj Allianz Life Insurance Co. Ltd.
	2. Birla Sun Life Insurance Co. Ltd. (BSLI)
	3. HDFC Standard Life Insurance Co. Ltd. (HDFC STD LIFE)
	4. ICICI Prudential Life Insurance Co. Ltd. (ICICI PRU)
	5. ING Vysya Life Insurance Co. Ltd. (ING VYSYA)
	6. Max New York Life Insurance Co. Ltd. (MNYL)
	7. MetLife India Insurance Co. Pvt. Ltd. (METLIFE)
	8. Kotak Mahindra Old Mutual Life Insurance Co. Ltd.
	9. SBI Life Insurance Co. Ltd. (SBI LIFE)
	10. TATA AIG Life Insurance Co. Ltd. (TATA AIG)
	11. Reliance Life Insurance Company Ltd.
	12. Aviva Life Insurance Co. Pvt. Ltd. (AVIVA)
	13. Sahara India Life Insurance Co. Ltd. (SAHARA LIFE)
	14. Shriram Life Insurance Co. Ltd (SHRIRAM LIFE)
	15. Bharti AXA Life Insurance Co. Ltd. (BHARTI AXA)
	16. Future Generali India Life Insurance Co. Ltd. (FUTURE GENERALI INDIA LIFE)
	17. IDBI Fortis Life Insurance Co. Ltd.
	18. Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd
	19. Aegon Religare Life Insurance Company Limited.
	20. DLF Pramerica Life Insurance Co. Ltd.

NON-LIFE INSURERS

Public Sector	Private Players
1. New India Assurance Co. Ltd. (NEW INDIA)	1. Bajaj Allianz General Insurance Co. Ltd. (BAJAJ ALLIANZ)
2. National Insurance Co. Ltd. (NATIONAL)	2. ICICI Lombard General Insurance Co. Ltd. (ICICI LOMBARD)
3. The Oriental Insurance Co. Ltd. (ORIENTAL)	3. IFFCO Tokio General Insurance Co. Ltd. (IFFCO TOKIO)
4. United India Insurance Co. Ltd. (UNITED)	4. Reliance General Insurance Co. Ltd. (RELIANCE)
5. Export Credit Guarantee Corporation Ltd. (ECGC)	5. Royal Sundaram Alliance Insurance Co. Ltd. (ROYAL SUNDARAM)
6. Agriculture Insurance Company of India Ltd. (AIC)	6. TATA AIG General Insurance Co. Ltd. (TATA AIG)
	7. Cholamandalam MS General Insurance Co. Ltd. (CHOLAMANDALAM)
	8. HDFC General Insurance Co. Ltd. (HDFC CHUBB)
	9. Star Health and Allied Insurance Company Limited (STAR HEALTH)
	10. Apollo DKV Insurance Co. Ltd. (APOLLO DKV)
	11. Future Generali India Insurance Co. Ltd. (FUTURE GENERALI INDIA)
	12. Universal Sompo General Insurance Co. Ltd.
	13. Shriram General Insurance Co. Ltd.
	14. Bharti AXA General Insurance Co. Ltd.

RE – INSURER: General Insurance Corporation of India (GIC)

ANNEX II

REGULATIONS FRAMED UNDER THE IRDA ACT, 1999

Sl.No.	Notification
1	IRDA (Member of Insurance Advisory Committee) Regulations, 2000
2	IRDA (Appointment of Insurance Advisory Committee) Regulations, 2000
4	IRDA (Appointed Actuary) Regulations, 2000
5	IRDA (Acturial Report and Abstract) Regulations, 2000
6	IRDA (Licensing of Insurance Agents) Regulations, 2000
7	IRDA (Assets,Liabilities and Solvency Margin of Insurers) Regulations, 2000
8	IRDA (General Insurance - Reinsurance) Regulations, 2000
9	IRDA (Registration of Indian Insurance Companies) Regulations, 2000
10	IRDA (Advertisements and Disclosure) Regulations, 2000
11	IRDA (Obligations of Insurers to Rural or Social Sectors) Regulations, 2000
12	IRDA (Meetings) Regulations, 2000
13	IRDA (Preparation of Financial Statement and Auditors' Report of Insurance Companies) Regulations, 2000
14	IRDA (Investment) Regulations, 2000
15	IRDA (Conditions of Service of Officers and Other) Regulations, 2000
16	IRDA (Ins. Surveyors and Loss Assessors) (Licensing, Professional Requirements and Code of Conduct) Regulations, 2000
17	IRDA (Life Insurance - Reinsurance) Regulations, 2000
18	IRDA (Investment) (Amendment) Regulations, 2001
19	IRDA (Third Party Administrator - Health Services) Regulations, 2001
20	IRDA (Re-Insurance Advisory Committee) Regulations, 2001
21	IRDA (Investment) (Amendment) Regulations, 2002
22	IRDA (Preparation of Financial Statement and Auditors' Report of Insurance Companies) Regulations, 2002
23	IRDA (Protection of Policyholders' Interest) Regulations 2002
24	IRDA (Insurance Brokers) Regulations, 2002
25	IRDA (Obligations of Insurers to Rural or Social Sectors) (Amendment) Regulations, 2002
26	IRDA (Licensing of Corporate Agents) Regulations, 2002
27	IRDA (Licensing of Insurance Agents) (Amendments) Regulations, 2002
28	IRDA (Protection of Policyholders' Interest) (Amendments) Regulations 2002
29	IRDA (Manner of Receipt of Premium) Regulations, 2002
30	IRDA (Distributions of Surplus) Regulations, 2002
31	IRDA (Registration of Indian Insurance Companies) (Amendment) Regulations, 2003
32	IRDA (Investment) (Amendment) Regulations, 2004
33	IRDA (Qualification Actuary) Regulations, 2004
34	IRDA (Obligations of Insurers to Rural or Social Sectors) (Amendment) Regulations, 2004
35	IRDA (Insurance Advisory Committee) Regulations 2005
36	IRDA (Micro Insurance) 2005
37	IRDA (Maternity Leave) 2005
38	IRDA (Obligation of Insurers to Rural or Social Sectors) (Amendmet) Regulations, 2005
39	IRDA (Reinsurance Cessions) Notification
40	IRDA (Licensing of Insurance Agents) (Amendment) Regulations, 2007
41	IRDA (Licensing of Corporate Agents) (Amendment) Regulations, 2007
42	IRDA (Insurance Brokers) (Amendment) Regulations, 2007
43	IRDA (Obligation of Insurers to Rural or Social Sectors) (Third Amendment) (Amendmet) Regulations, 2008
44	IRDA (Obligation of Insurers to Rural or Social Sectors) (Fourth Amendment) (Amendmet) Regulations, 2008
45	IRDA (Registration of Indian Insurance Companies) (Second Amendment) Regulations, 2008
46	IRDA (Conditions of Service of Officers and Other) (Second Amendment) Regulations, 2008
47	IRDA (Investment) (Fourth Amendment) Regulations, 2008

ANNEX III (a)

APPOINTED ACTUARIES OF LIFE INSURERS
(as on 31st March, 2008)

Bajaj Allianz Life Insurance Co. Ltd.	Mr. Anil Kumar Singh
Reliance Life Insurance Co. Ltd.	Ms. Pournima Gupte
Aviva Life Insurance Co. India Pvt. Ltd.	Mr. Chandan Khasnobis
Birla Sun Life Insurance Co. Ltd.	Mr. Fabien Jeudy
HDFC Standard Life Insurance Co. Ltd.	Mr. W. J. Martin
ICICI Prudential Life Insurance Co. Ltd.	Mr. Avijit Chatterjee
ING Vysya Life Insurance Co. Ltd.	Ms. Hemamalini Ramakrishnan
Life Insurance Corporation of India	Mr. G. N. Agarwal
Max New York Life Insurance Co. Ltd.	Mr. John Charles Poole
MetLife India Insurance Co. Pvt. Ltd.	Mr. M. S. V. S Phanesh
Kotak Mahindra Old Mutual Life Insurance Ltd.	Mr. B L Johns
Sahara India Life Insurance Co. Ltd.	Mr. K. K. Dharni
SBI Life Insurance Co. Ltd.	Mr. I. Sambasiva Rao
Tata AIG Life Insurance Co. Ltd.	Mr. Heerak Basu
Shriram Life Insurance Co. Ltd.	Mr. N S Sastry
Bharti AXA Life Insurance Co. Ltd.	Mr. G L N Sarma
Future Genrali India Life Insurance Co. Ltd.	Mr. S K Pujari
IDBI Fortis Life Insurance Co. Ltd.	Mr. Mike J Wood

ANNEX III (b)

APPOINTED ACTUARIES OF NON-LIFE INSURERS
(as on 31st March, 2008)

Agriculture Insurance Co. of India Ltd.	Mr. S Chidambaram
Bajaj Allianz General Insurance Co. Ltd.	Ms. Asha J Joshi
Cholamandalam MS General Insurance Co. Ltd.	Mr. M Venkatesan
General Insurance Corporation of India (Life Re-Insurance Department)	Mr. T. Bhargava
General Insurance Corporation of India (Non-Life Re-Insurance Department)	Mr. A. K. Garg
HDFC Chubb General Insurance Co. Ltd.	Mr. N. Lakshmanan
ICICI Lombard General Insurance Co. Ltd.	Mr. Liyaquat Khan
IFFCO Tokio General Insurance Co. Ltd.	Mr. A. P. Peethambaran
National Insurance Co. Ltd.	Mr. B Chatterjee
The New India Assurance Co. Ltd.	Mr. A. R. Prabhu
Reliance General Insurance Co. Ltd.	Mr. N. G. Pai
Royal Sundaram Alliance Insurance Co. Ltd.	Mr. O Lakshminarayana
TATA AIG General Insurance Co. Ltd.	Mr. K. Hanumantha Rao
The Oriental Insurance Co. Ltd.	Mr. P. C. Gupta
United India Insurance Co. Ltd.	Mr. S. Krishnan
Star Health and Allied Insurance Co. Ltd.	Mr. R Soundararajan
Apollo DKV Insurance Co. Ltd.	Mr. Gautam Kakar
Universal Sompo General Insurance Co. Ltd	Mr. V. Govindan

ANNEX IV (a)

INDIAN ASSURED LIVES MORTALITY (1994-96) (modified) ULTIMATE

Age	Mortality rate	Age	Mortality rate
0	0.001630	50	0.005244
1	0.000960	51	0.005819
2	0.000670	52	0.006443
3	0.000620	53	0.007116
4	0.000470	54	0.007839
5	0.000420	55	0.008611
6	0.000380	56	0.009433
7	0.000400	57	0.010294
8	0.000400	58	0.011025
9	0.000400	59	0.011951
10	0.000380	60	0.013073
11	0.000450	61	0.014391
12	0.000530	62	0.015904
13	0.000650	63	0.017612
14	0.000713	64	0.019516
15	0.000770	65	0.021615
16	0.000823	66	0.022724
17	0.000873	67	0.025617
18	0.000919	68	0.028823
19	0.000961	69	0.032372
20	0.000999	70	0.036294
21	0.001033	71	0.040623
22	0.001063	72	0.045392
23	0.001090	73	0.050639
24	0.001113	74	0.056404
25	0.001132	75	0.062728
26	0.001147	76	0.069655
27	0.001159	77	0.077231
28	0.001166	78	0.085502
29	0.001170	79	0.094519
30	0.001170	80	0.104331
31	0.001171	81	0.114992
32	0.001201	82	0.126553
33	0.001246	83	0.139067
34	0.001308	84	0.151077
35	0.001387	85	0.162298
36	0.001482	86	0.174149
37	0.001593	87	0.186638
38	0.001721	88	0.199775
39	0.001865	89	0.213560
40	0.002053	90	0.227995
41	0.002247	91	0.243072
42	0.002418	92	0.258782
43	0.002602	93	0.275109
44	0.002832	94	0.292031
45	0.003110	95	0.309522
46	0.003438	96	0.327549
47	0.003816	97	0.346073
48	0.004243	98	0.365052
49	0.004719	99	0.384436

ANNEX IV (b)

MORTALITY RATES OF ANNUITANTS IN LIC OF INDIA
LIC A (96-98) ULTIMATE

Age	Mortality rate	Life Expectation	Age	Mortality rate	Life Expectation
20	0.000919	57.45	65	0.013889	17.33
21	0.000961	56.50	66	0.015286	16.56
22	0.000999	55.56	67	0.017026	15.81
23	0.001033	54.61	68	0.019109	15.08
24	0.001063	53.67	69	0.021534	14.36
25	0.001090	52.72	70	0.024301	13.67
26	0.001113	51.78	71	0.027410	12.99
27	0.001132	50.84	72	0.030862	12.35
28	0.001147	49.89	73	0.034656	11.72
29	0.001159	48.95	74	0.038793	11.13
30	0.001166	48.01	75	0.043272	10.56
31	0.001170	47.06	76	0.048093	10.01
32	0.001170	46.12	77	0.053257	9.49
33	0.001171	45.17	78	0.058763	9.00
34	0.001201	44.22	79	0.064611	8.53
35	0.001246	43.28	80	0.070802	8.08
36	0.001308	42.33	81	0.077335	7.66
37	0.001387	41.38	82	0.084210	7.26
38	0.001482	40.44	83	0.091428	6.88
39	0.001593	39.50	84	0.098988	6.52
40	0.001721	38.56	85	0.106891	6.19
41	0.001865	37.63	86	0.115136	5.87
42	0.002053	36.70	87	0.123723	5.56
43	0.002247	35.77	88	0.132652	5.28
44	0.002418	34.85	89	0.141924	5.01
45	0.002602	33.93	90	0.151539	4.76
46	0.002832	33.02	91	0.161495	4.52
47	0.003110	32.11	92	0.171794	4.29
48	0.003438	31.21	93	0.182436	4.07
49	0.003816	30.32	94	0.193419	3.87
50	0.004243	29.43	95	0.204746	3.68
51	0.004719	28.56	96	0.216414	3.50
52	0.005386	27.69	97	0.228425	3.33
53	0.006058	26.84	98	0.240778	3.17
54	0.006730	26.00	99	0.253473	3.01
55	0.007401	25.17	100	0.266511	2.86
56	0.008069	24.35	101	0.279892	2.72
57	0.008710	23.55	102	0.293614	2.59
58	0.009397	22.75	103	0.307679	2.46
59	0.010130	21.96	104	0.322087	2.33
60	0.010907	21.18	105	0.336836	2.19
61	0.011721	20.41	106	0.351928	2.05
62	0.011750	19.64	107	0.367363	1.89
63	0.012120	18.87	108	0.383139	1.70
64	0.012833	18.10	109	0.399258	1.45
			110	0.415720	1.08

ANNEX V

LIFE INSURANCE PRODUCTS CLEARED DURING THE FINANCIAL YEAR 2007-08

Sl. No.	Name of the Company	Name of the Product
1	Bajaj Allianz Life Insurance Co. Ltd.	Bajaj Allianz Unit Gain Plus Gold Bajaj Allianz Century Plus Bajaj Allianz Future Secure Bajaj Allianz Young Care Bajaj Allianz Young Care Plus Bajaj Allianz Jana Vikas Yojana Bajaj Allianz Saral Suraksha Yojana Bajaj Allianz Alp Nivesh Yojana Bajaj Allianz Care First Bajaj Allianz Group Save Plus Bajaj Allianz Group Suraksha Bajaj Allianz Super Saver UL Family Income Benefit Bajaj Allianz UL Waiver of Premium Benefit
2	Reliance Life Insurance Co. Ltd.	Reliance Secure Child Plan Reliance Group Leave Encashment Plan Reliance Wealth + Health Plan Reliance Total Investment Plan Series I - Insurance Reliance Total Investment Plan Series II - Pension Critical Conditions (25) Rider Major Surgical Benefit Rider Term Life with Accident Benefit Rider
3	AVIVA Life Ins. Co. India Pvt. Ltd.	Aviva Little Master Aviva Group Gratuity Plan Aviva LifeSaver Super Aviva Easy Life Plus Pension Plus LifeBond Plus LifeBond 5 Aviva Life Saver Unit Linked Aviva Little Master Aviva Group Leave Encashment Policy Aviva Freedom Lifeplan Aviva LifeLong Unit Linked Plan Aviva Life Saver Plus Save Guard Credit Suraksha Secure Pension Comprehensive Health Benefit (CHB) Rider Income Benefit (IB) Rider Group Permanent Total Disability (PTD) Rider

Sl. No.	Name of the Company	Name of the Product
4	Birla Sun Life Insurance Co. Ltd.	Birla Sun Life Flexi SecureLife Retirement Plan (Accumulation Phase) Birla Sun Life Gold Plus Birla Sun Life Insurance Saral Jeevan Birla Sun Life Insurance Gold Plus II Birla Sun Life Insurance Group Unit linked Plan Birla Sun Life Insurance Platinum Plus Birla Sun Life Insurance Bima Suraksha Super Birla Sun Life Insurance Bima Dhan Sanchay Accidental Death Rider
5	HDFC Standard Life Insurance Co. Ltd.	HDFC Unit Linked Enhanced Life Protection II HDFC Unit Linked Endowment Plus II HDFC Unit Linked YoungStar Plus II
6	ICICI Prudential Life Insurance Co. Ltd.	LifeStage RP Premier Life Pension LifeStage Pension ICICI Pru LifeTime Gold ICICI Pru Group leave Encashment ICICI Pru Group leave Encashment Plus Crisis Cover Diabetes Assure Diabetes Care Active Death Benefit Rider Diabetic Enhanced Benefit Rider
7	ING Vysya Life Insurance Co. Ltd.	ING Positive Life ING Guaranteed Growth ING Golden Life ING Creating Star Saral Suraksha ING Term Life ING Term Life Plus
8	Life Insurance Corporation of India	LIC's Fortune Plus LIC's Profit Plus LIC's Health Plus LIC's Jeevan Amrit LIC's Amulya Jeevan - 1 Group Critical Illness Rider (Accelarated)
9	Max New York Life Insurance Co. Ltd.	Life Maker Platinum SMART Invest Pension Capital Builder Smart Assure Max Bhavishya SMART Steps SMART Steps Plus SMART Steps Single Premium LifeLine Wellness Plus Plan LifeLine SafetyNet Plan

Sl. No.	Name of the Company	Name of the Product
		Medi Cash Plan
		Medi Cash Plus Plan
		LifeLine Wellness Plan
10	Met Life India Insurance Co. Pvt. Ltd.	Met Easy
		Met Group Gratuity
		Met Smart Gold
		Met Loan Assure
		Group Credit Lite
11	Kotak Mahindra Old Mutual Life Insurance Ltd.	Kotak Smart Advantage
		Kotak Life Secure Plus
		Kotak Life Wealth Plus
		Kotak Eternal Life Classic Shield
		Kotak Eternal Life Premier Shield
		Kotak Surakshit Jeevan
12	SBI Life Insurance Co. Ltd.	Unit Plus Elite
		Unit Plus Child Plan
		Saral ULIP
		SBI Life Dhanaraksha Plus - LPPT
		SBI Life Dhanaraksha Plus - RP
		SBI Life Dhanaraksha Plus - SP
		SBI Life Grameen Shakti
		SBI Life Grameen Super Suraksha
		Sampoorna Suraksha Group Plan
		Nidhi Raksha RP
		Group Leave Encashment
		Group Supernnuation
		Group Gratuity
		SBI Life-Dhanrashi
13	TATA AIG Life Insurance Co. Ltd.	Retirement Assure Group Gratuity Scheme (Unit Linked)
		Retirement Assure Group Superannuation Scheme (Unit Linked)
		Invest Assure Extra
		Invest Assure Flexi
		Invest Assure Future
		Invest Assure Care
		Easy Retire
		Group Immediate Annuity with Return of Premium
		Group Health Plus
		Health Investor
		Group Life Protector Plus
		Accidental Death Benefit Limited UnderwritingRider
14	Sahara India Life Insurance Co. Ltd.	Sahara Samooh Samyojna
		Sahara Jamakarta Samooh Samyojna

Sl. No.	Name of the Company	Name of the Product
15	Shriram Life Insurance Co. Ltd.	Shri Vikash Shri Vidya Plus Shri Life Plus Shri Laab Plus Sri Sahay (AP) Shri Suraksha Accident Benefit Rider (SP) -for groups Accident Benefit Rider (AP) - for Groups
16	Bharti AXA Life Insurance Co. Ltd.	Bharti AXA Aspire Life Bharti AXA Dream Life Pension Plan Bharti AXA Life Credit Shield Bharti AXA Life Mortgage Credit Shield Bharti AXA Immediate Annuity
17	Future Generali India Life Insurance Co. Ltd.	Future Assure Future Care Future Group Term Life Insurance Plan InstaLife Accidental Death Rider(Future Assure) Accidental Total & Permanent Disability rider Term Assurance Rider Waiver of premium on disability rider Life Guardian rider Critical Illness Core rider Accelerated Critical Illness Rider (Extended) Accidental Death Rider Group Accidental Death Rider Group Accidental Partial Permanent Disability Rider Group Accident & Sickness Total Permanent Disability Rider Group Accidental Total Permanent Disability Rider Group Core Critical Illness Accelerated Rider Group Core Critical Illness Rider Group Extended Critical Illness Accelerated Rider Group Extended Critical Illness Rider
18	IDBI Fortis Life Insurance Co. Ltd.	Wealthsurance Foundation Plan Homesurance Plan Accidental Death Benefit Accidental Death and Disablement Benefit Hospital Cash Benefit Major Diseases Benefit

ANNEX VI

NON-LIFE PRODUCTS FILED BY INSURANCE COMPANIES UNDER FILE & USE PROCEDURES DURING THE FINANCIAL YEAR 2007-08

Name of the Insurer	Name of the product
Agriculture Insurance Co. Ltd.	Pulp wood tree Insurance policy
	Whether based crop Insurance Scheme
	Rubber Plantation Insurance Policy
Apollo DKV General	Easy Health Individual Health Insurance Policy
	Easy Travel Corporate Insurance Policy
	Group Personal Accident Insurance Policy
Bajaj Allianz General	Insta Insure- Family Health
Bharti AXA	Smart Drive Liability only Ins.
	Smart Drive Two Wheelers
	Smart Drive Car Insurance
	Smart Drive Comml. Vehicle
	Standard Fire & Special perils
	Consequential Loss
	Industrial All Risks
	Machinery Breakdown
	Machinery Breakdown Loss of Profits
	Contractors All Risk Ins.
	Electronic Equipment Insurance
	Contractors Plant & Machinery Ins.
	Boiler & Pressure Plant
	Erection All Risks Ins.
Cholamandlam	PBBY
ECGC of India	SME Policy
	Domestic Credit Ins. Bank
	Domestic Credit Inssurance
Future Generali India	Travel Suraksha
	Health Suraksha
	Plate Glass
	Home Secure
	Director & Officers Liability
	Products Liability
	All Risk policy
	Accident suraksha
	Group Health Ins.

Name of the Insurer	Name of the product
HDFC Ergo General	Parivar Suraksha Bima Policy
	Signature Management Liability Insurance
	Warranty Insurance
	PI Insurance
	Home Credit Assure Insurance
ICICI Lombard General	Healthcare Plus
	Tax Gain Health Insurance
	Auto Guard
	Pharma Guard
	Personal Protect Policy
	Modified Personal Accident for Growers of Coffee,Tea,Rubber and Tobacco
	Hotel Corporate Cover
	Petrol Station Package
	Malls/Multiplex Comprehensive
	Amusement Park Ins. Package
	Medical Establishment Comprehensive Ins. Policy
	Enterprises Secure Package
	Automobile Trade Secure Policy
	Group Travel Ins. (Modified)
IFFCO Tokio	Jan Hit Bima (Microins)
	Jan Kalyan Bima Policy
	Janata Bima Policy
	Weather Insurance (Micro)
	Comp. Hops. Accident Policy
	3 Micro products of already approved products.
National Insurance	Gramin Suraksha Bima
	Gramin Suswasthya Bima
	Universal Health Insurance Scheme
New India Assurance	Rashtriya Swastiya Bima Yojana (Revision)
	Universal Health Insurance Schema (Revision)
Oriental Insurance	Hope-Health of privileged Elder (Senior Citizen Specified Diseases Insurance)
	Rashtriya Swathya Bima Yojana (RSBY)
	Mediclaim Policy (Modified)
	Universal Health Insurance Scheme
Reliance General	Travel Care Policy
	Hotel & Restaurant Package
	Micro Insurance

Name of the Insurer	Name of the product
	Health Plus Policy
	Critical Ilness
	Health Family Insurance
	Medical Tourism
	Burglary Protect
	All Risk Policy
	Silver Citizen Policy
	Education Protect Policy
	Port Package
	Clinic Protect
Royal Sundaram Alliance	Workmen's Compensation
	Surgical Shield Insurance
	Accident Shield Insurance
Shriram General	Standard Fire & Special Perils Policy
	Engineering Insurance Policies
	Motor Insurance Policy
	Workmen's Compensation/Employer's Liability Policy
Tata-AIG General	Travel Guard Policy (Revision)
	Rural Insurance Group Accident & Sickness Hospital Cash Policy
	Individual Personal Accident
	Accident and Health - Group Accident & Sickness Hospital Cash Policy
	Accident and Health Scholar Care Policy
United India	Pravasi Bharati Bima Yojana (Modified)
	Rastriya Swasthya Bima Yojana
	Universal Health Insurance Scheme
	Health Ins. Gold
	Health Ins. Silver
	Health Ins. Platinum
	Health Insurance Group
Universal Sompo General	Aapat Suraksha Bima Policy
	Machinery Breakdown
	Fire-Consequential Loss Policy
	Burglary Insurance
	Motor Pvt. Car Package Policy
	Fire Standard & Spl. Perils Policy
	Marine Cargo-Specific Transit Policy
	Marine Open & Annual Sales Turnover Policy

Name of the Insurer	Name of the product
	Individual Personal Accident Policy
	Group Personal Accident Policy
	Individual Health Insurance Policy
	Cattle Insurance Policy
	All Risk Insurance Policy
	Fidelity Guarantee
	Shopkeepers Insurance Policy
	Workmen's Compensation Policy
	Electronic Equipment Insurance
	Group Health Insurance Policy
	Motor (Two Wheeler) Insurance Policy
	Motor (Passenger Carrying Vehicle) Insurance Policy
	Motor (Goods Carrying) Insurance Policy
	Motor (Misc. Vehicle) Insurance Policy
	Contractors All Risk Policy
	Erection All Risk Insurance
	Office Package Policy
	Jewelers Block Insurance Policy

ANNEX VII

OBLIGATORY CESSIONS RECEIVED BY GIC

CLASS	LIMIT OF CESSION IN SUM INSURED OR PML	Reinsurance Commission	Profit Commission
Fire, IAR, CL	Rs. 100 Crores PML per risk	35%	25%
Mega Risks	Rs. 100 Crores PML per risk	Lead Terms	20%
Marine Cargo, War & SRCC	Rs. 10 Crores sum insured per policy	25.00%	10% at the end of 36 months
Marine Hull, War & SRCC	Rs.16 Crores sum insured per vessel	Net rated risks: 5% Gross rated risks: 17.5%	
Motor	No limit	20%	Nil
Workmen's Compensation	No limit	20%	Nil
General Aviation Hull	No limit	12.50%	Nil
General Aviation Liability	No limit	12.50%	Nil
Aviation (Airlines)	Rs. 120 crores sum insured per risk on hull and corresponding percentage share on other insurances	Average Terms	Nil
Oil and Energy	Rs. 15 crores sum insured per risk	5%	20% at the end of 36 months
All Liability Products excluding financial liability	Rs. 5 Crores per policy including USA/ Rs. 10 Crores per policy excluding USA	25%	Nil
Financial, credit & guarantee lines, mortgage insurance, special contingency policies, etc	Rs. 10 Crores sum insured per event	10%	Nil
Crop/ Weather Insurance	Rs. 10 Crores sum insured per event	20%	Nil
Other Miscellaneous	No limit*	25%	Nil
Machinery Breakdown, Boiler Explosion and related loss of profits	Rs.30 crores PML but where PML exceeds 33.3%, Rs. 90 crores sum insured on each risk, material damage and loss of profits combined	30%	25%
Contractor's All Risks, Erection All Risks, Advance Loss of Profits, DSU insurances	Rs. 60 crores PML but where PML exceeds 33.3%, Rs. 180 crores sum insured on each risk material damage and loss of profits combined.	30%	25%

ANNEX VIII

REGISTERED BROKERS (STATE-WISE)

S.No	State	No of Licensed Brokers as on 10-09-2008		
		Direct	Composite	Reinsurance
1.	Andhra Pradesh	17	2	0
2.	Chandigarh	5	0	0
3.	Delhi	49	7	0
4.	Gujarat	11	0	0
5.	Haryana	1	0	0
6.	Karnataka	11	0	0
7.	Kerala	6	0	0
8.	Madhya Pradesh	3	0	0
9.	Maharashtra	63	20	5
10.	Punjab	12	0	0
11.	Rajasthan	5	0	0
12.	Tamil Nadu	21	3	0
13.	Uttar Pradesh	15	0	1
14.	West Bengal	23	1	0
	Total	**242**	**33**	**6**

No of licenses granted to Brokers (Calendar year wise) as on 10-09-2008

Year	Direct	Composite	Reinsurance	Total
2003	109	24	4	137
2004	42	6	Nil	48
2005	33	1	Nil	34
2006	21	1	Nil	22
2007	24	1	2	27
2008	13	—	—	13
Total	**242**	**33**	**6**	**281**

ANNEX IX

CIRCULARS / ORDERS / NOTIFICATIONS ISSUED BY THE AUTHORITY 2006-07

Sl.No.	Ref. No.	Date of Issue	Subject
1	IRDA/F&A/001/Apr-07	4/16/2007	United Linked Diclosure Norms
2	IRDA/F&A/002/Apr-07	4/16/2007	Declaration of Bonus under Sec.49 of the Insurance Act, 1938.
3	IRDA/F&A/003/Apr-07	4/16/2007	Monthly premium data by all non-life insurers - furnishing of details in the prescribed format.
4	004/IRDA/IT/APR-07	4/26/2007	Change of E-mail IDs of IRDA officials
5	IRDA/LEGAL/CIR/005/APR-07	4/27/2007	Premanent Lok Adalat for Public Utility Services at Myderabad.
6	IRDA/F&A/006/Apr-07	4/30/2007	Regulations on Rural and Social Sector Obligations, 2007
7	007/IRDA/CIR/ADV/MAY-07	5/14/2007	Guidelines on Advertisement, Promotion & Publicity of Insurance Companies and insurance intermediaries
8	008/IRDA/Actl/ULIP_G/May-2007	5/11/2007	Life Insurance Products - Guidelines for Unit Linked Insurance Products
9	IRDA/010/F&U/07-08	5/19/2007	Filing of products and rates and terms - Authority F&U guidelines dated 28/9/2007
10	011/IRDA/CIR/BRO/May-07	5/21/2007	Insertion of word 'Insurance Boker/Brokers/ Broking - in the name of the company.
11	012/IRDA/NOT/BRO/MAY-07	5/21/2007	Insertion of word 'Insurance Boker/Brokers/ Broking - in the name of the company applying for a Broker License.
12	014/IRDA/NOT/BRO/MAY-07	5/23/2007	Documentation & Procedural requirements for obtaining broker license.
13	015/IRDA/CIR/LIFE/May-07	5/24/2007	Furnishing of Statistics by Life Insurers
14	017/IRDA/CIR/LIFE/June-07	6/8/2007	Building up of database on places of business/ offices of insurers

Sl.No.	Ref. No.	Date of Issue	Subject
15	019/IRDA/CIR/LIFE/June-07	7/4/2007	Monthly reporting of places of business/offices of insurers
16	IRDA/20/F&U/07-08	6/25/2007	Amendments to File & Use Guidelines - Premium Rates of Fire, Engineering and Workmen's Compensation Classes of Insurance.
17	021/IRDA/ACTL/FUP/ VER1.0/JULY 2007/	7/4/2007	File & Use Procedure for Riders - General Instructions to Life Insurers
18	022/CIR/IRDA/AML/JUL-07	7/6/2007	Guidelines on Anti-Money Laundering Programme for Insurers
19	IRDA/23/F&U/07-08	7/9/2007	Amendments to File & Use Guidelines - Premium Rates of Fire, Engineering and Workmen's Compensation Classes of Insurance.
20	IRDA/024/Closure-FLO/2007-08	7/17/2007	Guidelines for closure of liaison office established in India by insurance companies registered outside India
21	025/IRDA/Actl/F&U Procedure/LP/July-2007	7/26/2007	Provisions made in the Proposal Forms for Unit Linked Products
22	026/IRDA/LEGAL/CIR/JUL-07	7/25/2007	Judgement of the Hon'ble Supreme Court in National Insurance Co. Ltd. Vs Smt. Sobina Iakai - Period of commencement of insurance policy.
23	027/IRDA/MOTOR/CIR/JUL-07	7/30/2007	Vintage Cars - Premium rates
24	028/IRDA/LEGAL/CIR/AUG-07	8/13/2007	IRDA (Protection of Policyholder's Interests) Regulations, 2002 - Supply of copy of survey report
25	029/IRDA/LEGAL/CIR/AUG-07	8/13/2007	Imposter - Mr. J Mohapatra fradulently representing as Advisor to IRDA.
26	IRDA/030/F&U/07-08	8/13/2007	Non-life insurance - further relaxation of price controls.
27	031/IRDA/CIR/COMPLIANCE/AUG-2007	8/23/2007	Appointment of CEO/MD - Approval under Section 34A of Insurance Act, 1938.
28	032/IRDA/ACTL/FUP/VER 5.0/SEP 2007	9/6/2007	Life Insurance Products - File & Use Procedure

Sl.No.	Ref. No.	Date of Issue	Subject
29	IRDA/ORD/&A/033/SEP-07	9/10/2007	Levy of penalty under Section 105B of the Insurance Act, 1938 - Life Insurers.
30	IRDA/ORD/&A/034/SEP-07	9/10/2007	Levy of penalty under Section 105B of the Insurance Act, 1938 - General Insurers.
31	INV/CIR/035/2007-08	9/10/2007	FIMMDA Reporting Platform for corporate bond transactions - Reg.
32	IRDA/036/IR Returns/07-08	9/17/2007	Submission of RI returns under Regulations 3(12) of the IRDA's (General Insurance - Reinsurance) Regulations, 2000
33	IRDA/Life/Dist.Channel/037/ 2007-08	9/21/2007	Constitution of Committee to look into the issues of Distribution Channels
34	38/IRDA/AGENCY/Sep 2007	9/24/2007	Publishing updated details of individual agents on insurers website.
35	40/IRDA/CIR/AGENCY/Oct 2007	10/9/2007	Minimum educational qualification for grant of fresh agency license - clarification circular
36	42/IRDA/AGENCY/CIR/OCT-07	10/15/2007	Reduction in Agents Training Hours
37	43/IRDA/AGENCY/CIR/OCT-07	11/1/2007	Clarification on circular pertaining to Reduction in Agents Training Hours
38		11/8/2007	General Insurance Council's proposed Standard Market Wordings for erstwhile tariff business.
39	45/IRDA/F&A/Nov-07	11/22/2007	Quarterly Submission of Financial Statements
40	46/IRDA/F&A/Nov-07	11/22/2007	Reporting of Maintenance of Solvency Margin Ratio
41		12/3/2007	Life Insurance Products - Guidelines for Unit Linked Life Insurance Products
42		12/7/2007	Report of the Committee on Health Insurance for Senior Citizens
43	048/IRDA/De-tariff/Dec-07	12/18/2007	Removal of controls on pricing of risks in general insurance business with effect from 1st January, 2008
44		12/19/2007	Registration of IDBI Fortis Life Insurance Co. Ltd. as a Life Insurer under Sec.3 of Insurance Act, 1938
45		12/20/2007	Elected Council of the Indian Institute of Insurance Surveyors & Loss Assossors
46	TAC/Elections 2007	12/27/2007	TAC Elections 2007 - Declaration of Results
47		1/2/2008	IRDA (Insurance Brokers) Regulations, 2002 - (Amendments)
48	049/IRDA/ACTL/ULIP/JAN-08	1/1/2008	Benefit Illustrations for Unit Linked Products
49	IRDA/ORD/TAC/050-Jan.08	1/3/2008	Constitution of Tariff Advisory Committee
50	IRDA/NOT/051/SUR/Jan-08	1/4/2008	Report of the Committee on Surveyors & Loss Assessors on Parameters for Upgradation of Surveyors Categories.

Sl.No.	Ref. No.	Date of Issue	Subject
51		1/8/2008	Public Notice on the Illegal Activies of M/s Lifeline Global Ltd. & Lifeline EMS India Ltd.
52	IRDA/DB-200/03	1/11/2008	Expiry of Validity of Direct Broker License of M/s SMS Insurance Services Pvt. Ltd.
53	IRDA/DB-258/04	1/11/2008	Expiry of Validity of Direct Broker License of M/s Lord Krishna Insurance Brokers Pvt. Ltd.
54	IRDA/F&A/053/Feb-08	2/1/2008	Submission of Details of Sum Assured
55	320.1/1/F&A/AR-R&SS/257/Feb-08	2/8/2008	Gazette Notification - IRDA (Obligations of Insurers to Rural and Social Sectors) (3rd & 4th Amendment) Regulations, 2008
56	054/IRDA/F&U/NOT/FEB-08	2/11/2008	Regulation 4(1) and 4(4) of IRDA (Protection of Policyholders' Interests) Regulatoins, 2002
57	055/IRDA/F&U/ORD/FEB-08	2/11/2008	Induction of Sri Prabodh Chander, Executive Director as Member of Committee of Surveyors & Loss Assessors
58	IRDA/REG/3/44/2008	2/18/2008	Gazette Notification - IRDA (Registration of Indian Insurance Companies) (2nd Amendment) Regulations, 2008
59	059/IRDA/SCH/MAR-08	3/7/2008	Complaints of Sr. Citizens relating to Mediclaim policies of Public Sector General Insurance Companies
60	061/IRDA/Actl/March-08	3/12/2008	Minimum Sum Assured under Unit Linked Life Insurance Products
61	IRDA/F&A/060/Mar-08	3/11/2008	IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000
62	IRDA/F&A/062/Mar-08	3/12/2008	IRDA (Mico-Insurance) Regulations, 2005 - Micro Insurance Agents
63	063/IRDA/Memo/07-08	3/18/2008	Corporate Houses promoting insurance broking companies in addition to doing insurance business
64	064/IRDA/ACTL/March-2008	3/18/2008	Life Insurance Products - Amendments to existing categories under File & Use
65	065/IRDA/ACL/RSM/2007-08	3/24/2008	Determination of Required Solvency Margin under Life Insurance Business
66	IRDA/DB-009/02	3/19/2008	Cancellation of Direct Broker license of M/s Armour Consultants Pvt. Ltd.
67	066/IRDA/F&U/Mar-08	3/26/2008	File & Use Guidelines for General Insurance Products & Relaxation of Price Controls
68	70/IRDA/AGENCY/March 2008	3/31/2008	Insurance Qualification of the Insurance Agent
69	IRDA/F&A/CIR/069/APR-08	4/2/2008	Submission of Health Premiums by Life Insurers
70	IRDA/DB-159//03	4/9/2008	Cancellation of Direct Broker License of M/s Bhooma Insurance Broking Services Pvt. Ltd.
71	IRDA/DB-184/03	4/17/2008	Cancellation of Direct Broker License of M/s IMRP Insurance Services Pvt. Ltd.

Sl.No.	Ref. No.	Date of Issue	Subject
72		4/25/2008	List of Third Party Administrators updated on 24.4.2008
73		4/30/2008	List of Borkers updated on 30.4.2008
74		5/8/2008	Registration of Canara HSBC Oriental Bank of Commerce Life Ins. Co. Ltd. as a Life Insurer under Sec.3 of Insurance Act, 1938
75		5/13/2008	Report of the Committee on Distribution Channels
76	IRDA/DB-040/02	5/29/2008	Cancellation of Direct Broker License of M/s Pegasus Insurance Brokers Pvt. Ltd.
77		6/27/2008	Registration of Aegon Religare Life Ins. Co. Ltd. as a Life Insurer and Bharti Axa Genenral Ins. Co. Ltd. as General Insurer under Sec.3 of Insurance Act, 1938
78	006/IRDA/Ord/Life.Ins.Council/July, 2008	7/4/2008	Induction of Sri Kunnel Prem as Member on the Executive Committee of Life Insurance Council in place of Sri CR Muralidharan
79		7/25/2008	Notice of Examination to the Trainee Surveyors to be conducted by Insurance Institute of India, Mumbai
80	IRDA/DB-200/03	8/7/2008	Cancellation of Direct Broker License of M/s SMS Insurance Services Pvt. Ltd.
81	009/IRDA/F&A/Aug-08	8/13/2008	IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2000
82		8/20/2008	Constitution of a Committee to look into International Financial Reporting Standards compliance and position various policy measures.
83		8/21/2008	Public Notice - Intiamtion of M/s Reliant Money Insurance Brokers and Financial Services not licensed with IRDA and they working illegally.
84		8/22/2008	Intimation of revisions in Regulations on Investment of Insurance Companies.
85	INV/CIR/008/2008-09	8/22/2008	IRDA (Investment) (Fourth Amendment) Regulations, 2008
86	011/IRDA/Brok-Comm/Aug-08	8/25/2008	Limits on payment of commission or brokerage on general insurance business with effect from 1st October, 2008
87		9/16/2008	Satisfactory state of Solvency margins of both life and general insurance companies promoted by M/s TATA Sons and AIG to meet their liabilities

ANNEX X

ANNUAL STATEMENT OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD

Balance Sheet as at 31 st March 2008

FIGURES FOR THE PREVIOUS YEAR (Rs.)	LIABILITIES	FIGURES FOR THE CURRENT YEAR (Rs.)	FIGURES FOR THE PREVIOUS YEAR (Rs.)	ASSETS	FIGURES FOR THE CURRENT YEAR (Rs.)
	GENERAL FUND			**FIXED ASSETS (See Note 1) as per Annexure I**	
			30,220,890	Gross Block of Assets	**32,999,688**
	i) **IRDA Fund [See Note 4]**		17,639,842	Less: Depreciation	**21,884,468**
893,244	- At beginning of the year	**893,244**	**12,581,048**	Net Block of Assets	**11,115,220**
-	- Receipts in the year	**-**			
893,244	- Balance at end of the year	**893,244**			
	ii) **Capital Fund**			**INVESTMENTS [See Note 2]**	
-	- Capital Grants	**-**		(Method of Valuation - at Cost]	
-	- Balance at the beginning of the year	**-**			
-	Add: Value of Fixed Assets received as grants during the year	**-**	-		
				i) Securities of Central and State Government	**-**
		-	-	ii) Units	**-**
	iii) **Surplus and Funds**		2,337,834,143	iii) Fixed Deposits with scheduled Bank	**3,375,387,177**
1,295,133,873	-Balance as per last Balance Sheet	**1,968,280,808**	-	iv) Others	
673,146,935	Add: Excess of Income over expenditure as per Income and Expenditure Account - Annexed	**947,895,389**		**CURRENT ASSETS, LOANS AND ADVANCES [See Note 3]**	
-	Less: Excess of Expenditure Over Income as per Income and Expenditure Account - Annexed	**-**	981,154	i) Deposits with agencies	**880,306**
1,968,280,808	- Balance at the end of the year	**2,916,176,197**	25,607,257	ii) Loans and Advances to Staff	**38,873,030**
		69,100		iii) Amount Due from Insurance Companies & Others	**106,500**
-	iv) **Gift and Donations**	**-**	98,753,216	iv) Other Current Assets	**114,871,246**
				v) Cash & Bank Balances	
-	v) **Other Balances**	**-**	45,000	a) Cash in Hand(including cheques in hand and cash in transit)	**55,000**
					-
	LOANS		6,083,017	b) Bank Balances	**6,278,088**
-	i) Secured (stating the security offered for the purpose)	**-**			
-	ii) Unsecured	**-**			
-	iii) Loan from Government of India	**-**			
-	iv) Other Loans	**-**			

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD

Balance Sheet as at 31 st March 2008

FIGURES FOR THE PREVIOUS YEAR (Rs.)	LIABILITIES	FIGURES FOR THE CURRENT YEAR (Rs.)	FIGURES FOR THE PREVIOUS YEAR (Rs.)	ASSETS	FIGURES FOR THE CURRENT YEAR (Rs.)
	CURRENT LIABILITIES AND PROVISIONS				
	[See Note 5]				
	i) SUNDRY CREDITORS:				
51,336	- for Capital Items	**58,676**			
56,885,314	- for Other Items	**24,827,208**			
	ii) PROVISIONS:				
106,500	-Provision for doubtful debts and advances	**106,500**			
-	-Provision for depletion in value of investment	**-**			
	iii) OTHER LIABILITIES:				
-	1. Unspent Grants	**-**			
-	2. Interest payable to Government/Other Loans	**-**			
	3. Provident, Retirement & Other Welfare Funds:				
	(a) Provident Fund	**550,574.00**			
-	(b) Other Welfare Funds				
7,549,089	(c) Retirement Benefit Fund and Staff Benefit Fund:	**9,997,247**			
	4. Others (Specify)				
1,210,790	-other Liabilites (Tax deducted at source)	**766,533**			
446,884,106	-Registration Renewal fee received in Advance	**594,071,311**			
92,747	-Soft Furnishing Recovery	**119,077**			
2,481,953,934		**3,547,566,567**	**2,481,953,934**		**3,547,566,567**

Significant Accounting Policies and Notes Forming Part of Accounts - Annexure IX

Notes -

1 The information relating to Fixed Assets is given in Annexure I.

2 The information relating to Investments is given in Annexure II.

3 The information relating to Current Assets,Loans and Advances is given in Annexure III.

4 Details of IRDA Fund is given in Annexure IV (Fund includes grants received from Central Government, other organisations and bodies in terms of Section 16 of the Act).

5 Details of Contingent Liabilities is given in Annexure V.

6 All information relating to significant accounting policies and notes forming part of accounts is given in Annexure IX.

7 All annexures to Statement of Affairs and notes/information relating to accounting policy forming part of Accounts.

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayana)
Chairman

FORM - B

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2008

FIGURES FOR THE PREVIOUS YEAR (Rs.)	EXPENDITURE	FIGURES FOR THE CURRENT YEAR (Rs.)	FIGURES FOR THE PREVIOUS YEAR (Rs.)	INCOME	FIGURES FOR THE CURRENT YEAR (Rs.)
2,508,804	Payment to Chairperson and Members	4,322,264		Grants in Aid	
39,967,022	Payment to and Provision for members of Staff **[See Note 1]**	52,298,640	-	Received	-
98,117,694	Establishment Expenses **[See Note 2]**	58,976,488	-	Receivable	-
1,527,943	Rent **1,657,283**	-		Less: Transferred to Capital Fund	-
-	Research & Consultation Fees	-		Fees:	
-	Seminars,Conference, Publications, etc.[See Contra]	-		Registration Fees	
-	Interest	-	1,525,845	Surveyors Fees	2,112,455
3,493,508	Depreciation	4,244,625	50,000	Registration Fee- Insurer	250,000
	Capital Assets Written Off				
	Registration Fees - Agents				
	Loss on Write Off of Asset		800,000	Registration Fee- Broker	690,000
-	Provison for doubtful debts and advances	-	80000	Registration Fees - TPA	50,000
	Development Expenditure				
2,327,621	Promotional Epxenditure	2,268,079			
40,883	Other Expenses	242,143		Renewal Fees	
2,112,969	Fringe Benefit Tax	1,307,936	320,616,957	Renewal of Licences - Insurer	424,992,099
673,146,935	Excess of Income Over Expendiutre for the year carried down	947,895,389	321,858,450	Renewal of License - Agents	346,882,100
			13,782,509	Renewal of Licence-Brokers	17,313,072
			60,000	Renewal of Licence - TPA	390,100
			-	Others	
			2,000,000	Penalties,Fines etc.	2,501,601
				Seminar, Conferences and Publications etc.	
				Income from investments - Interest on deposits with Scheduled Banks	
			160,715,567	Interest on Deposits	274,106,946
				Interest on advances	
			657,776	i) granted to members of staff for housing & other purposes	1,153,748
			305,680	ii) Others	0
			790,594	Miscellaneous Income	2,770,727
823,243,378		1,073,212,847	823,243,378		1,073,212,847

Significant Accounting Policies and Notes Forming Part of Accounts - Annexure IX

Notes

The information relating to payment to and provisoin for employees is given in Annexure VI.
The information relating to establishment expenses is given in Annexure VII.
The information relating to interest amount is given in Anenxure VIII.
All Annexures to Income and Expenditure Account and Notes/Information relating to Significant Accounting Policies form part of accounts.

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

FORM - C

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD
RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2008

SL.NO.	RECEIPTS	AMOUNT (Rs.)	SL.NO.	PAYMENTS	AMOUNT (Rs.)
1	To Balance brought forward			By Opening Balance (Book Over Draft in Bank Of India A/c) - Refer Notes to Accounts	1,471,955
	i) Cash at Bank	6,083,016	1	By Research and Consultation Fees	-
	ii) Cash in hand	45,000	2	By Seminars, Conference, Publications etc.	-
	iii) Cheques on hand		3	By Rent Payments	1,783,021
	iv) Cash / Cheques in transit	-	4	By Development Expenditure	
2	To Registration Fees		5	By Promotional Expenditure	2,268,079
	-Insurance Companies	250,000	6	By Payment to Chairperson and Members	
	-Third Party Administrators	50,000		(i) Pay and Allowances	3,861,947
	-Insurance Brokers	315,000		(ii) Other Benefits	257,345
	-Insurance Agents			(iii) Travelling Expenses	15,605,911
	-Insurance Surveyor	2,112,455	7	By Establishment Expenses	
	-Others			(i) Pay and Allowances	43,739,830
3	To Registration Renewal Fees			(ii) Other Benefits	2,997,795
	-Insurance Companies	570,967,069		(iii) Travelling Expenses	11,326,717
	-Third Party Administrators	390,100		(iv) Retirement Benefits	4,226,907
	-Insurance Surveyors		8	By Office Expenses	61,780,381
	-Insurance Agents	348,094,335	9	By Interest on	
	-Insurance Brokers	17,313,072		(i) Government Loans	-
	-Others			(ii) Other Loans	-
4	To Penalties,Fines from insurers and intermediaries	2,501,601	10	By Purchase of Assets	2,778,798
5	To Seminar,Conferences etc.		11	By Capital Work-in-Progress	
6	To Income from Investments		12	By Advances to staff and others including travel advance	20,317,200
7	To Sale of Investments	2,293,834,143	13	By Investments	3,331,387,177
8	To Grants		14	By Repayment of Government Loans/ fees	
	i) Central Government / State Govt/ Others		15	By Repayment of Other Loans	
	ii) Gift and Donations		16	By Other Expenses	
9	To Loans		17	By Payments to IIRM	5,826,387
10	To Sales of Publication etc.		18	By Fringe Benefit Tax	1,307,936
11	To Sale of Assets		19	By Security deposit paid	441,840
12	To interest received on		20	By Payment to PFRDA	348,782
	- Deposits	266,404,519		By Payment to Thirteenth Finance Commission	2,348,823
	- Advances				
	- Others				
13	To Recoveries from Employees				
	(a) Loans and Advances	8,040,332		By Balance carried forward	
	(b) Interest on Loans and Advances	164,843		i) Cash at Bank	6,278,088
	(c) Misc. Recoveries	138,595		ii) Cash in hand	55,000
14	To Other Receipts			iii) Cheques in hand	
	(a) Miscellaneous Income	2,632,133		iv) Cash/ Cheques in Transit	-
	(b) Security deposit from Contractors	50,000			
	(c) Security deposit received back	542,688			
	(d) Interest on Bank Account	481,016			
		3,520,409,917			**3,520,409,917**

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD

Schedule of Fixed Assets annexured to and forming part of Balance Sheet as on 31st March 2008

Particulars	GROSS BLOCK					DEPRECIATION		NET BLOCK		
	Cost as 1.04.2007	Additions During the Year	Sold/Disposed Off During the Year	Total as on 31.03.2008	As on 1.04.2007	For the year	Adjustments	As at 31.03.2008	As on 31.03.2008	As on 31.03.2007
Office Premises										
(a) Land	-	-	-	-	-	-	-	-	-	-
(b) Building	-	-	-	-	-	-	-	-	-	-
Residential Flats										
(a) Land	-	-	-	-	-	-	-	-	-	-
(b) Building	-	-	-	-	-	-	-	-	-	-
Vehicles	577,255	-	-	577,255	445,960	33,993		479,953	**97,302**	131,295
Equipments	5,663,376	709,525		6,372,901	2,272,673	692,947	-	2,965,620	**3,407,281**	3,390,703
Furniture and Fixtures	6,179,139	736,038		6,915,177	2,817,361	710,340	-	3,527,701	**3,387,476**	3,361,778
Computers	17,267,864	1,149,888	(67,435)	18,350,317	11,570,592	2,547,828		14,118,421	**4,231,896**	5,697,272
Books	533,256	259,517	(8,735)	784,038	533,256	259,517		792,773	**(8,735)**	-
Total	**30,220,890**	**2,854,968**	**(76,170)**	**32,999,688**	**17,639,842**	**4,244,625**	**-**	**21,884,468**	**11,115,220**	**12,581,048**

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE II

INSURANCE REGULATORY AND DEVELOMENT AUTHORITY, HYDERABAD
Attached to and Forming Part of Balance Sheet as at 31 March 2008

INVESTMENTS

Deposited with	Start Date	Amount of Deposit	% of Interest	Maturity Date	Period	Interest accrued but not due
Andhra Bank	30-Jun-05	50,000,000	6.50%	30-Jun-08	1006	9,872,717
		50,000,000				**9,872,717**
Bank of India, Basheerbagh	24-Jun-03	5,000,000	6.00%	24-Jun-08	1743	1,671,245
Bank of India, Basheerbagh	30-Jun-03	5,000,000	6.00%	27-Jun-08	1737	1,664,610
Bank of India, Basheerbagh	17-Jul-07	40,000,000	9.50%	17-Jul-08	259	2,796,531
Bank of India, Basheerbagh	20-Jul-07	20,000,000	9.50%	20-Jul-08	256	1,381,671
Bank of India, Basheerbagh	18-Aug-07	8,000,000	9.00%	18-Aug-08	227	462,328
Bank of India, Basheerbagh	26-Oct-07	7,000,000	9.00%	26-Oct-08	158	279,178
Bank of India, Basheerbagh	10-Oct-07	15,000,000	9.00%	10-Oct-08	174	659,588
Bank of India, Basheerbagh	1-Nov-07	5,000,000	9.00%	1-Nov-08	152	191,744
Bank of India, Basheerbagh	1-Nov-07	17,500,000	9.00%	1-Nov-08	152	671,103
Bank of India, Basheerbagh	7-Nov-07	6,000,000	9.00%	7-Nov-08	146	220,890
Bank of India, Basheerbagh	17-Dec-07	15,000,000	9.01%	17-Dec-08	106	399,295
Bank of India, Basheerbagh	17-Dec-07	45,000,000	9.01%	17-Dec-08	106	1,197,884
Bank of India, Basheerbagh	24-Dec-07	108,000,000	9.25%	24-Dec-08	99	2,753,025
Bank of India, Basheerbagh	28-Dec-07	160,000,000	9.02%	28-Dec-08	95	3,812,964
		456,500,000				**18,162,056**
Bank of Maharashtra	7-Nov-07	7,603,058	9.45%	11-Jul-08	146	294,028
Bank of Maharashtra	22-Sep-07	10,866,832	9.50%	22-Sep-08	192	558,370
Bank of Maharashtra	6-Oct-07	10,000,000	9.50%	6-Oct-08	178	475,238
Bank of Maharashtra	3-Oct-07	10,000,000	9.50%	3-Oct-08	181	483,406
Bank of Maharashtra	11-Jan-08	6,000,000	9.00%	11-Jan-09	81	121,500
Bank of Maharashtra	11-Jan-08	5,563,625	9.00%	11-Jan-09	81	112,663
Bank of Maharashtra	14-Jan-08	16,436,375	9.00%	13-Jan-09	78	320,509
Bank of Maharashtra	4-Mar-08	17,500,000	9.95%	3-Mar-09	28	135,431
Bank of Maharashtra	11-Mar-08	30,000,000	9.85%	11-Mar-09	21	172,375
Bank of Maharashtra	23-Mar-08	13,394,992	9.98%	23-Mar-09	9	33,421
		127,364,882				**2,706,940**
HDFC Bank	2-Aug-07	27,500,000	9.50%	5-Aug-08	243	1,800,924
		27,500,000				**1,800,924**
ICICI Bank, Himyatnagar	23-Aug-07	17,000,000	9.25%	22-Aug-08	222	987,382
ICICI Bank, Himyatnagar	18-Sep-07	17,000,000	9.50%	18-Sep-08	196	892,317
ICICI Bank, Himyatnagar	20-Dec-07	55,058,764	9.12%	20-Dec-08	103	1,440,801
ICICI Bank, Himyatnagar	22-Dec-07	43,552,539	9.12%	22-Dec-08	101	1,117,131
ICICI Bank, Himyatnagar	24-Dec-07	76,388,697	9.12%	24-Dec-08	99	1,919,800

Contd....

Deposited with	Start Date	Amount of Deposit	% of Interest	Maturity Date	Period	Interest accrued but not due
ICICI Bank, Himyatnagar	31-Mar-08	125,000,000	9.25%	30-Mar-09	1	32,118
ICICI Bank, Himyatnagar	31-Mar-08	125,000,000	9.25%	30-Mar-09	1	32,118
		459,000,000				**6,421,667**
ING Vysya Bank Ltd	22-Jan-08	8,000,000	9.50%	22-Jan-09	70	147,778
ING Vysya Bank Ltd	24-Jan-08	6,500,000	9.50%	24-Jan-09	68	116,639
ING Vysya Bank Ltd	31-Jan-08	7,296,100	9.50%	31-Jan-09	61	117,447
ING Vysya Bank Ltd	2-Feb-08	9,500,000	9.50%	2-Feb-09	59	147,910
ING Vysya Bank Ltd	2-Feb-08	9,703,900	9.50%	2-Feb-09	59	151,084
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
ING Vysya Bank Ltd	31-Mar-08	5,000,000	9.50%	31-Mar-09	1	1,319
		101,000,000				**696,691**
Karur Vysya Bank, RP Road	20-Jun-07	30,000,000	10.50%	20-Jun-08	286	2,576,375
Karur Vysya Bank, RP Road	26-Jun-07	5,000,000	10.50%	26-Jun-08	280	419,939
Karur Vysya Bank, RP Road	27-Jun-07	5,000,000	10.50%	27-Jun-08	279	418,362
		40,000,000				**3,414,676**
Oriental Bank of Commerce	3-Apr-07	35,000,000	10.50%	3-May-08	364	3,867,545
Oriental Bank of Commerce	29-May-07	15,000,000	10.25%	29-May-08	308	1,358,016
Oriental Bank of Commerce	31-Aug-07	17,500,000	9.31%	31-Aug-08	214	985,225
Oriental Bank of Commerce	5-Sep-07	20,000,000	9.50%	5-Sep-08	209	1,121,693
Oriental Bank of Commerce	27-Sep-07	12,000,000	9.53%	27-Sep-08	187	601,920
Oriental Bank of Commerce	12-Oct-07	8,000,000	9.00%	12-Oct-08	172	347,690
Oriental Bank of Commerce	22-Nov-07	11,000,000	8.75%	22-Nov-08	131	352,641
Oriental Bank of Commerce	23-Nov-07	7,500,000	8.75%	23-Nov-08	130	238,574
Oriental Bank of Commerce	5-Dec-07	15,000,000	8.75%	5-Dec-08	118	432,441
Oriental Bank of Commerce	12-Dec-07	55,000,000	9.00%	12-Dec-08	111	1,532,747
Oriental Bank of Commerce	28-Dec-07	9,522,295	9.02%	28-Dec-08	95	226,926
Oriental Bank of Commerce	28-Dec-07	50,000,000	9.02%	28-Dec-08	95	1,191,551
Oriental Bank of Commerce	28-Dec-07	50,000,000	9.02%	28-Dec-08	95	1,191,551
Oriental Bank of Commerce	31-Dec-07	35,000,000	9.02%	31-Dec-08	92	807,184

Deposited with	Start Date	Amount of Deposit	% of Interest	Maturity Date	Period	Interest accrued but not due
Oriental Bank of Commerce	31-Dec-07	50,000,000	9.02%	31-Dec-08	92	1,153,121
Oriental Bank of Commerce	3-Jan-08	50,000,000	9.02%	3-Jan-09	89	1,114,972
Oriental Bank of Commerce	3-Jan-08	17,000,000	9.02%	3-Jan-09	89	379,091
Oriental Bank of Commerce	31-Mar-08	50,000,000	9.25%	31-Mar-09	1	12,847
Oriental Bank of Commerce	31-Mar-08	50,000,000	9.25%	31-Mar-09	1	12,847
Oriental Bank of Commerce	31-Mar-08	50,000,000	9.25%	31-Mar-09	1	12,847
Oriental Bank of Commerce	31-Mar-08	50,000,000	9.25%	31-Mar-09	1	12,847
Oriental Bank of Commerce	31-Mar-08	50,000,000	9.25%	31-Mar-09	1	12,847
Oriental Bank of Commerce	31-Mar-08	50,000,000	9.25%	31-Mar-09	1	12,847
Oriental Bank of Commerce	31-Mar-08	50,000,000	9.25%	31-Mar-09	1	12,847
		807,522,295				**16,992,820**
State Bank Of Hyderabad	20-Apr-07	80,000,000	10.75%	20-Apr-08	347	8,616,668
		80,000,000				**8,616,668**
State Bank of India - PB	12-Apr-07	30,000,000	10.50%	12-Apr-08	355	3,228,929
State Bank of India - PB	31-Mar-08	330,000,000	9.00%	31-Mar-09	1	82,500
		360,000,000				**3,311,429**
Syndicate Bank	30-Jun-07	10,000,000	10.02%	3-Jun-08	276	788,469
Syndicate Bank	3-Jul-07	18,000,000	10.02%	3-Jul-08	273	1,403,056
Syndicate Bank	20-Dec-07	50,000,000	8.76%	20-Dec-08	103	1,256,631
Syndicate Bank	22-Dec-07	15,000,000	8.76%	22-Dec-08	101	369,529
Syndicate Bank	26-Dec-07	70,000,000	8.76%	26-Dec-08	97	1,654,845
Syndicate Bank	27-Dec-07	205,000,000	8.76%	27-Dec-08	96	4,795,355
Syndicate Bank	31-Mar-08	400,000,000	9.01%	31-Mar-09	1	100,111
		768,000,000				**10,367,995**
Vijaya Bank	16-Feb-08	17,500,000	9.00%	16-Feb-09	45	196,875
Vijaya Bank	5-Mar-08	30,000,000	9.80%	5-Mar-09	27	220,500
Vijaya Bank	5-Mar-08	20,000,000	9.80%	5-Mar-09	27	147,000
Vijaya Bank	19-Mar-08	10,000,000	9.55%	19-Mar-09	13	34,486
Vijaya Bank	27-Mar-08	21,000,000	9.95%	27-Mar-09	5	29,021
		98,500,000				**627,882**
Grand Total		**3,375,387,177**				**82,992,466**

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE III

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD

Attached to and forming part of balance sheet as at 31st March 2008

CURRENT ASSETS, LOANS AND ADVANCES

PARTICULARS	Figures for the Current Year Rs	Figures for the Previous Year Rs
DEPOSITS		
-For Premises	545,825	811,001
-with Others - MTNL	67,730	38,030
-with Electricity	259,101	128,123
-For Fuel	7,650	4,000
	880,306	**981,154**
LOANS & ADVANCES TO STAFF		
-Housing Loan to Staff	15,257,911	15,437,045
-Loans to Staff for other purposes	6,846,850	7,528,503
-Other Advances - Festival	395,734	319,170
-Interest Recoverable	3,125,993	2,137,088
-Advance - others	13,246,542	185,451
TOTAL	**38,873,030**	**25,607,257**
AMOUNTS DUE FROM INSURANCE COMPANIES & OTHERS		
-Insurance Companies'-[Indicates the amount due from State Insurance Companies]	69,100	69,100
-Agents - [Indicates the amount of expired cheques in hand received from agents earlier]	37,400	-
TOTAL	**106,500**	**69,100**
Other Current Assets		
-Expense Recoverable	-	-
-Prepaid Expenses	1,082,624	731,766
-Interest Accrued but not due - Bank deposits	82,992,467	75,771,058
-Amount recoverable- others	59,947	302,443
-Advances on Capital Account - [For software development]	204,120	-
-Advance to Institute of Insurnace and Risk Management	27,562,520	21,736,133
- Advance to PFRDA	-	-
-Other -Advance for Travel	620,745	211,816
-Advance to IRDA Superannuation Trust	-	-
-Advance toThirteen firnance Commission	2,348,823	-
TOTAL	**114,871,246**	**98,753,216**
CASH AND BANK BALANCES		
-Cash in hand	**55,000**	**45,000**
-Cheques in hand	-	-
-Cash/ Cheque in transit	-	-
-Balances with Scheduled Banks		
(a) In Current Account	5,793,500	5,993,730
(b) on Deposit Account	-	-
(c) on savings bank Account	484,588	89,287
TOTAL	**6,278,088**	**6,083,017**
-Balance with Non Scheduled Bank		
(a) In Current Account	-	-
(b) In Deposit Account	-	-
TOTAL	-	-

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE IV

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD
Attached to and forming part of balance-sheet as on 31st March 2008

PARTICULARS	Figures for the Current Year Rs	Figures for the Previous Year Rs
Grant from Government of India	-	-
Total	-	-

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE V

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD
Attached to and forming part of balance-sheet as on 31st March 2008

CONTINGENT LIABILITIES

PARTICULARS	Figures for the Current Year Rs	Figures for the Previous Year Rs
	-	-
	-	-

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE VI

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD

Attached to and forming part of Income and Expenditure Account for the year ended 31st March 2008

PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

	PARTICULARS	Figures for the Current Year Rs	Figures for the Previous Year Rs
i)	Salaries, Allowances, Wages and Bonus	46,225,902	30,711,088
ii)	Contribution to Provident Fund, etc [including contribution to superannuation fund of Rs 14,05,288/-]	2,044,786	4,648,498
iii)	Gratuity	1,014,480	850,059
iv)	Staff Welfare Expenses	373,065	143,776
v)	Others		
	-Book Grant	-	-
	-Leave Travel Concession	750,608	994,951
	-Insurance	-	-
	-Canteen Expenses	-	-
	-Monetary Award - Studies	-	-
	-Contribution to Group Insurance Scheme	881,273	776,421
	-Reimbursement of expenses incurred by Staff	1,008,526	776,848
	-Leave Salary	0	1,065,381
	TOTAL	**52,298,640**	**39,967,022**

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE VII

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD

Attached to and forming part of Income and Expenditure Account for the year ended 31st March 2008

ESTABLISHMENT EXPENSES

PARTICULARS	Figures for the Current Year Rs	Figures for the Previous Year Rs
Repairs & Maintenance of Buildings & Premises	1,466,045	1,311,543
House Keeping - Office Maintenance	549,200	748,994
Repairs & Maintenance of Equipments	-	-
Repairs and Maintenance - Others	-	-
Electricity & water Exp	1,362,091	1,295,324
Insurance exp	224,002	18,424
Rates and Taxes	-	-
Printing and Stationery	1,244,546	1,303,212
Books/Journals etc.	45,025	33,488
Postage, Telegraphs, Telephones, etc.	4,802,957	2,738,735
Travelling and Conveyance Inland	15,639,819	11,674,239
Travel - Foreign	11,199,186	6,966,707
Legal and Professional charges	5,847,443	17,886,533
Education/Training/R&D/Grievances Redressal Expenses	-	-
Audit Fees	260,360	225,000
Software	-	-
Publicity & Advertisement	8,643,932	47,280,351
Recruitment	-	-
Expenses of Meetings of Authority & Advisory Committee & Other meeting expenses including daily allowances paid to the members of the Committee	2,198,714	3,188,934
Membership and Subscription	1,991,994	1,507,392
Security Services	445,106	426,349
Web Portal Development Expenses	-	0
Canteen Exp	2,344,583	980,918
Car Repair and Maintenance Expenses	161,318	38,670
Other Expenses	550,168	492,883
TOTAL	**58,976,488**	**98,117,694**

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE VIII

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY, HYDERABAD

Attached to and forming part of Income and Expenditure Account for the year ended 31st March 2008

PARTICULARS	Figures for the Current Year Rs	Figures for the Previous Year Rs
Government	-	-
Banks	-	-
Others	-	-
TOTAL	**-**	**-**

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEXURE IX

THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY
NOTES TO THE ANNUAL STATEMENT OF ACCOUNT FOR THE YEAR 2007-08

[Unless otherwise specified, all amounts are in rupees]

1. BACKGROUND

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY

(The Authority) was established by an Act of Parliament – Insurance Regulatory & Development Authority Act, 1999 [Act] - and was constituted on April 19, 2000 by a notification issued in the Gazette of India. The Authority was established with a view to protecting the interests of the holders of insurance policies, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto, issue to the applicant a certificate of registration, renew, modify, withdraw, suspend or cancel registration, and levy fees and other charges for carrying out the purposes of the Act. The Authority, in terms of section 13 of the Act has been vested with the assets and liabilities of the Interim Insurance Regulatory Authority as are available on the appointed day i.e. April 19, 2000. In terms of section 16 of the Act a fund shall be constituted namely 'The Insurance Regulatory and Development Authority Fund" [Fund]. The Fund shall constitute of all Government grants, fees and charges received by the Authority, all sums received by the Authority from such other source as may be decided upon by the Central Government and the percentage of prescribed premium income received from the insurer. The Fund shall be applied for meeting the salaries, allowances and other remuneration of the members, officers and other employees of the Authority and the other expenses of the Authority in connection with discharge of its functions and for the purposes of the Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting save for revenue recognition on cash basis as explained hereunder, and in accordance with the applicable standards on accounting issued by the Institute of Chartered Accountants of India. The significant accounting policies are as follows:

(a) **Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation. Depreciation on fixed assets is provided pro-rata to the period of use on reducing balance method using rates determined based on the rates specified in Schedule XIV to the Companies Act, 1956. Assets costing less than 5,000 have been depreciated 100% in the year of purchase unless the assets constitutes more than 10% of the respective block, in which case the asset is depreciated at the rates specified in the said Schedule XIV.

(b) **Investments**Investments in the nature of fixed deposits with banks are stated at cost.

(C) **Revenues**

(i) **Registration Fee**(a) Received from insurer seeking for the first time, registration for carrying on any class of insurance business in India is treated as income of the year of receipt.

(b) Received in advance from insurers for renewal of registration is treated as income of the year to which it relates.

(ii) **Licence Fee**Licence fee received from insurance agents, surveyors, brokers and other insurance intermediaries is treated as income of the year of receipt. Licences issued to insurance agents, surveyors, brokers and other insurance intermediaries are current for those years from date of issue and subject to renewal at the end of their currency. It is not practicable to distribute the Licence fee over the years to which they relate.

(iii) **Grant from Ministry of Finance, Government of India**Initial Grant received has been treated as income of the year in which it is received.

(d) **Foreign currency transactions**Non-monetary foreign currency transactions are recorded at rates of exchange prevailing on the dates of the transactions. Monetary foreign currency assets and liabilities are translated into rupees at the rates of exchange prevailing on the balance sheet date. The differences in translation of foreign currency liabilities related to the acquisition of fixed assets are adjusted in the carrying value of fixed assets. Other translation differences are reflected in the Income and Expenditure Account.

(e) **Web Portal Development and Maintenance**Expenses incurred on Web Portal Development and Maintenance is charged to the Income and Expenditure Account in the year of incurrence.

(f) **Retirement benefits**Retirement benefits to employees comprise contribution to provident fund, gratuity fund, Superannuation fund and provision of leave encashment, which are provided in accordance with the Regulations made under the Act. Leave encashment is provided for at the current encashable salary for the entire unavailed leave balances.The Authority contributes to IRDA Employees Provident Fund and IRDA Superannuation Fund trust. The liability for gratuity is determined based on actuarial valuation, in accordance with gratuity scheme framed by the Authority.

3. INCOME-TAX No income tax provision has been made in view of income of the Authority being exempt under section 10 (23BBE) of the Income-tax Act, 1961.

4. REGISTRATION / RENEWAL FEES

(a) In pursuance of Authority's decision to scale down the levy of renewal fees for registration on the insurers to 0.1% of the gross premium from 0.2% of the gross premium, retrospectively for the financial years with effect from April 01, 2001, the income for the year has been accordingly accounted for.

(b) The renewal fees from some of the State Insurance agencies have not been accounted for in the absence of information of gross insurance premium.

5. DEPOSIT OF FUNDS OF THE AUTHORITY INTO PUBLIC ACCOUNT OF INDIA The Authority, in the previous years received a letter from Ministry of Finance, Department of Economic Affairs dated July 17, 2002, July 9, 2005, July 18 & September 13 , 2006 and 28 February 2008 directing the Authority to deposit the moneys so far collected by the Authority in the Public Account of India as non-interest bearing account and allowing the Authority to withdraw a specified amount in the beginning of each year from the said Public Account for meeting its expenditure. The Authority based on a legal opinion obtained has requested for review of the direction received, in its view the funds raised by it from the insurers and the intermediaries do not have the character of Government Revenue and cannot form part of the Public Fund of India. The issue is still under correspondence.

6. HEADQUARTERS OF THE AUTHORITY The Authority, in pursuance of the decision taken by the Government of India in November 2001 to shift the Headquarters of the Authority from New Delhi to Hyderabad, shifted the actuarial department in April 2002, other departments in August 2002 and the Surveyors Department in October 2005. The office of the Authority is located in Parisrama Bhavan where third floor and a portion of fifth floor have been given to it on rent by Andhra Pradesh Industrial Development Corporation Limited [APIDC] The Government of Andhra Pradesh through A. P. Industrial Infrastructure Corporation Limited [APIIC] has allotted a plot of five acres land in the financial district at Nanakramguda Village, Serilingampally Mandal, RR District, Hyderabad free of cost, the legal title was transferred in the month Oct-08.

7. OPERATING LEASES There are no non-cancellable lease arrangements. The lease payments are made in accordance with the lease agreements. The Authority is in occupation of portion of premises at Hyderabad at free of rent but is obliged to hand over the premises on a "as

is where is basis" to Andhra Pradesh Industrial Development Corporation Limited upon vacation. The lease payments in respect of other premises including the premise occupied at Delhi recognized in the income and expenditure account is Rs. 16,57,283/- [Previous year Rs. 15,27,943/-].

8. **OPENING BALANCE – BOOK OVERDRAFT OF Rs.14,71,955**Authority is having a bank account with Bank of India, Basheer Bagh. There was a book overdraft of Rs.14,71,955 as on 31.03.2007. The same was clubbed under the head "Advance to staff and other including travel advance" in the Receipt & Payment Account for the year ended on 31.03.2007. The same has been carried forward and disclosed on the Payment side of Receipts and Payment Account as credit balance.

9. **Bank Balances as on 31.03.2008**- There is a difference of Rs. 137614/- in the bank balance of Bank of India, Basheer Bagh. The difference has been charged to interest income.- There is a difference of Rs. 11264/- in the balance certified by ICICI Bank Ltd, Himayat Nagar Branch. The difference has been adjusted in the interest income. These differences will be reconciled during the financial year 2008-09. As result of these differences, interest income on deposit is overstated by Rs. 1,26,350/-

10. **PRIOR YEAR COMPARATIVES**Previous year figures have been regrouped, wherever considered necessary to make them comparable with the current year's figures.

(R K Sharma)
Chief Accounts Officer

(G.Prabhakara)
Member

(R.Kannan)
Member

(K.K. Srinivasan)
Member

(C.R. Muralidharan)
Member

(J. Hari Narayan)
Chairman

ANNEX XI

ADDRESSES OF INSURERS AND OMBUDSMEN

LIFE INSURERS

SL.NO.	INSURER	PRINCIPAL OFFICER	POSTAL ADDRESS	CONTACT DETETAILS
1	Reliance Life Insurance Company Ltd.	Shri P. Nandagopal	1st Floor, Midas, Sahar Plaza Complex, Next to Kohinoor Hotel, Andheri-Kurla Road, Andheri (East), Mumbai 400 059	Tel : 022-30479600/30479784 Fax: 022-30479650
2	Aviva Life Insurance Co. Pvt. Ltd.	Shri Bert Paterson	5th Floor, JMD Regents Square Building Gurgaon – Mehrauli Road Gurgaon – 122 001	Tel: 0124-270 9000/01, Fax: 0124-270 9007 .
3	Bajaj Allianz Life Insurance Co. Ltd.	Shri Sam Ghosh	G.E. Plaza, Airport Road Yerawada Pune – 411 006 Near Marol Naka, Andheri (E), Mumbai – 400 059	Tel : 020-4026666 Fax : 020-4026789
4	Birla Sun Life Insurance Co. Ltd.	Shri Vikram Mehmi	6th Floor, Vaman Centre, Makhwana Road, Off Andheri – Kurla Road Near Marol Naka, Andheri (E), Mumbai – 400 059	Tel : 022 5678 3333 Fax: 022 5678 3232
5	HDFC Standard Life Insurance Co. Ltd.	Shri D.M. Satwalekar	2nd Floor, 'A' Wing Trade Star Building Near Hotel Kohinoor Continental Andheri – Kurla Road, Andheri (East) Mumbai – 400 059	Tel : 022-67516666 Fax: 022-2822 8844
6	ICICI-Prudential Life Insurance Co. Ltd.	Ms. Shikha Sharma	ICICI Prulife Towers 1089, Appasaheb Marathe Marg Mumbai – 400 025	Tel :022-56621996 Fax: 022-56622031
7	ING Vysya Life Insurance Co. Ltd.	Shri Kshitij Jain	5th Floor, ING Vysya House 22, M.G. Road Bangalore – 560 001	Tel : 080-25328000 Fax: 080-25559764
8	Kotak Mahindra Old Mutual Life Insurance Co. Ltd.	Shri Gaurang Shah	9th Floor, Godrej Coliseum, Behind Everard Nagar, Sion (East), Mumbai – 400 022	Tel : 022-6621 5999 Fax:022-6621 5757, 6621 5858
9	Life Insurance Corporation of India	Shri T. S. Vijayan	Yogakshema, Jeevan Bima Marg Post Box No. 19953 Mumbai – 400 021	Tel 56598701;56598702 Fax: 22824386 E-Mail : chairman@licindia.com

SL.NO.	INSURER	PRINCIPAL OFFICER	POSTAL ADDRESS	CONTACT DETETAILS
10	Max NewYork Life Insurance Co. Ltd.	Shri Gary R. Benett	11th Floor, DLF Square Jacaranda Marg DLF City, Phase – II Gurgaon – 122 002	Tel : 0124-2561717 Fax: 0124-2561764
11	MetLife India Insurance Co. Pvt. Ltd.	Shri Rajesh Relan	Brigade Seshamahal No.5, Vani Vilas Road Basavanagudi Bangalore – 560 004	Tel : 080-26438638 Fax: 080-26521970 Toll Free No. 1-600-44-6969
12	Sahara India Life Insurance Co. Ltd.	Shri N.C. Sharma	Sahara India Bhavan 1, Kapoorthala Complex, Aliganj, Lucknow – 226 024	Tel: 0522-2337777 Fax: 0522-2378200
13	SBI Life Insurance Co. Ltd.	Shri Uday Sankar Roy	Turner Morrison Building 2nd Floor, 16, Bank Street, Fort, Mumbai – 400 023	Tel : 022-56392000 Fax: 022-56621471
14	Shriram Life Insurance Company Ltd.	Shri R. Duruvasan	Regd. Office : 3-6-478, 3rd Floor, Anand Estate, Liberty Road, Himayat Nagar, Hyderabad - 500029	Tel: 040-23434466-72 Fax: 040-23434488
15	TATA AIG Life Insurance Co. Ltd.	Shri Trevor Bull	Peninsula Tower Peninsula Corporate Park Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013	Tel : 022-66516000 Fax : 022-66550711
16	Bharti AXA Life Insurance Co.Ltd.	Shri Nitin Chopra	61/62, Kalpataru Synergy, Vakola, Opp. Grand Hyatt Hotel, Santacruz (E), Mumbai – 400 055	Tel: 022 – 40306300/6301 Fax: 022 - 40306347
17	Future Generali India Life Insurance Co. Ltd.	Dr. Kim Chai Ooi	001, Trade Plaza, Ground Floor 414, Veer Savarkar Marg, Prabhadevi Mumbai – 400 025	Tel : 022-40976666 Fax: 022-40976600
18	IDBI Fortis Life Insurance Co. Ltd.	Shri G.V. Nageswara Rao	Tradeview, Oasis Complex, Kamala City, P.B. Marg Lower Parel (W) Mumbai 400 013	Tel: 022-24908109/10 Fax: 022-24941016

SL.NO.	INSURER	PRINCIPAL OFFICER	POSTAL ADDRESS	CONTACT DETETAILS
19	Canara HSBC OBC Life Insurance Co. Ltd.	Shri Harpal S. Karlcut	C/o Amsoft Systems, Unitech Trade Centre Sector - 43, Sushant Lok-I Opp. Park Plaza Hotel Gurgaon - 122 001	Tel: 0124-44215706 Fax: 0124-4201109
20	DLF Pramerica Life Insurance Co. Ltd.	Shri Kapil Mehta	DLF Centre Sansad Marg New Delhi 110 001	Tel: 0124-271700 Fax: 0124-2717200
21	Aegon Religare Life Insurance Co. Ltd.	Shri Rajiv Jamkhedkar	45, Maker Chambers VI Nariman Point Mumbai 400 021	Tel: 022-67292929 Fax: 022-67293333

NON-LIFE INSURERS

SL.NO.	INSURER	PRINCIPAL OFFICER	POSTAL ADDRESS	CONTACT DETETAILS
1	Agriculture Insurance Co. of India Ltd.	Shri M. Parshad	13th Floor, Ambadeep Bldg, 14, K.G. Marg, Connaught Place, New Delhi – 110 001.	Tel :011-41081991-4, Fax : 011-41081995 Email: aicho@aicofindia.org Web-site: www.aicofindia.org
2	Bajaj Allianz General Insurance Co. Ltd.	Shri Kamesh Goyal	GE Plaza, 1st Floor, Airport Road, Yerawada, Pune- 411 006.	Tel : 020-6602 6666 Fax: 020-6602 6667
3	Cholamandalam General Insurance Co. Ltd.	Shri M. Anandan	DARE House, 2nd Floor, New No.2 (Old No.234) NSC Bose Road, CHENNAI – 600 001.	Tel : 044-42166000 Fax : 044-42166001
4	Export Credit Guarantee Corporation Ltd	Shri Christy Fernandez	10th Floor, Express Towers, Nariman Point, Mumbai – 400021.	Tel :022-56590512-515 Fax : 022-56590517 022-56590530
5	HDFC-CHUBB General Insurance Co. Ltd	Shri Suresh Menon	6th Floor, Leela Business Park, Andheri-Kurla Road, Andheri(East) Mumbai – 400059	Tel : 022-6638 3600 Fax : 022-6638 3699
6	ICICI Lombard General Insurance Co. Ltd	Shri Sandeep Bakshi	Zenith House, Mahalaxmi Keshavrao Khade Marg, MUMBAI-400 034.	Tel : 022-24906999 Fax: 022-24927624
7	IFFCO Tokio General Insurance Co. Ltd	Shri Ajit Narain	4th & 5th Floors, IFFCO Tower, Plot No.3, Sector 29, GURGAON-122001(Haryana)	Tel : 0124-2850100 Fax: 0124-2577923-2577924
8	National Insurance Co.Ltd.	Shri V. Ramasaamy	3, Middleton Street, P.B. No. 9229, KOLKATA 700 071.	Tel : 033-22831705 to 9 Fax : 033-22831712
9	Reliance General Insurance Co. Ltd	Shri K. A. Somasekharan	570, Naigaum Cross Road, Next to Royal Industrial Estate, Wadala(West), MUMBAI – 400 031	Tel.No.022-30479602 Board no:022-30479600 Fax. No.022-330479650
10	Royal Sundaram Alliance Insurance Co. Ltd	Shri Ajay Bimbhet	"Sundaram Towers" , 45-46, Whites Road, Royapetah CHENNAI-600 014.	Tel: 044-42227373 Fax: 044-28517376 Email:ajay.bimbhet@in.royalsun.com Web-site: ww.royalsundaram.com

SL.NO.	INSURER	PRINCIPAL OFFICER	POSTAL ADDRESS	CONTACT DETETAILS
11	Tata AIG General Insurance Co. Ltd	Shri Dalip Verma	Peninsula Corporate Park, Nicholas Piramal Tower, 9th Floor Ganpatrao Kadam Marg Lower Parel, MUMBAI 400 013	Tel : 022-66699696 Fax: 022-56546464 Email: gaurav.garg@tata-aig.com www.tata-aiggeneral.com
12	The New India Assurance Co. Ltd.	Shri B. Chakrabarti	New India Assurance Bldg. 87, M.G. Road, Fort, MUMBAI - 400 001	Tel: 022-22674617 - 22, Fax: 022-22652811 Email: cmd. nia@newindia.co.in Web-site: www.newindia.co.in
13	The Oriental Insurance Co. Ltd.	Shri M. Ramadoss	A-25/27, Asaf Ali Road New Delhi 110 002	Tel :011-23279221-25 Direct:23265024 Fax: 23287192, 23287193, 23283971
14	United India Insurance Co. Ltd.	Shri G. Srinivasan	24, Whites Road CHENNAI – 600 014.	Tel : 044-28520161 Fax : 044-28523825
15	Star Health & Allied Insurance Co. Ltd.	Shri V. Jagannathan	No.1 New Tank Street Valluvarkottam High Road Nungambakkam CHENNAI – 600 034	Tel :044-28260053, Fax :044-28260062
16	Future Generali India Insurance Co. Ltd.	Shri Deepak Sook	001, Trade Plaza, Ground Floor 414, Veer Savarkar Marg Prabhadevi Mumbai 400 025	Tel : 022-40976666 Fax: 022-40976868
17	Apollo DKV Insurance Co. Ltd.	Dr. Axel Munaretto	The Masterpiece Golf Course Road, Sector - 54 Gurgaon - 122002	Tel: 0124-4584100
18	Universal Sompo General Insurance Co. Ltd.	Shri O.N. Singh	201-208, A - Wing Crystal plaza Opp. Infinity Mall, Link Road Andheri (W) Mumbai 400 058	Tel: 022-40287777 Fax: 022-40287781
19	Bharti Axa General Insurance Co. Ltd.	Shri Milind Chalisgaonkar	RMZ Infinity, B-Tower 2nd Floor, No.3 Old Madras Road Bangalore - 560 016	Tel: 080-40260100 Fax: 080-40260101
20	Shriram General Insurance Co. Ltd.	Shri J.S. Gujral	E-8, EPIP, RIICO Sitapura Jaipur - 302 022	Tel: 0141-3220896, 898, 900 Fax: 0141-2770426

RE–INSURER

SL.NO.	INSURER	PRINCIPAL OFFICER	POSTAL ADDRESS	CONTACT DETETAILS
1.	General Insurance Corporation of India	Shri. Yogesh Lohia	Suraksha, 6th Floor, 170, J Tata Road Church Gate Mumbai-400 020	Tel. No. : 022-22833046 Fax : 022- 22833209, 2282233 Email : info@gicofindia.com Web : www.gicindia.com

INSURANCE OMBUDSMEN

SL.NO.	CENTRE	OMBUDSMAN	POSTAL ADDRESS	CONTACT DETAILS
1.	Ahmedabad	Mr. Amitabh	2nd Floor, Ambica House, Near C.U. Shah College, 5 Navyug Colony, Ashram Road, Ahmedabad – 380 014	Tel: 079-27546150, 27546139 Fax:079-27546142 E-mail: insombahd@rediffmail.com
2.	Bhopal	Mr. N.A. Khan	Janak Vihar Complex, 2nd Floor, Malviya Nagar, Bhopal – 462 011	Tel: 0755-2769201, 2769202, Fax:0755-2769203 E-mail: bimalokpalbhopal@airtelbroadband.in
3.	Bhubaneswar	Mr. S.K. Dhal	62, Forest Park, Bhubaneswar – 751 009	Tel: 0674- 2596461 (direct) Fax:0674-2596429 Email : ioobbsr@dataone.in
4.	Chandigarh	Mr. K.M. Chadha	S.C.O. No.101-103, 2nd Floor, Batra Building,Section 17-D, Chandigarh – 160 017	Tel: 0172 - 2706196 Fax: 0172-2708274 E-mail : ombchd@yahoo.co.in
5.	Chennai	Mr. K. Sridhar	Fatima Akhtar Court, 4th Floor, 453 (old 312)Anna Salai, Teynampet, Chennai – 600 018	Tel: 044 - 24333678 Fax: 044-24333664 E-mail : insombud@md4.vsnl.net.in
6.	Delhi	Mr. R. Beri	2/2 A, 1st Floor, Universal Insurance Bldg. Asaf Ali RoadNew Delhi – 110 002	Tel: 011-23239611 Fax: 011-23230858 E-mail : iobdelraj@rediffmail.com
7.	Guwahati	Mr. Sarat Chandra Sarma	Jeevan Nivesh, 5th Floor, Nr. Panbazar Overbridge S.R. RoadGuwahati – 781 001	Tel: 0361-2131307 Fax: 0361-2732937 E-mail : omb_ghy@sify.com
8.	Hyderabad	Mr. P.A. Chowdary	6-2-46, 1st Floor, 'Moin Court' Lane Opp. Saleem Function Palace, A.C. Guards, Lakdi-ka-pul,Hyderabad – 500 004	Tel: 040-23325325 Fax:040-23376599 E-mail : hyd2_insombud@sancharnet.in
9.	Ernakulam	Mr. James Muricken	2nd Flr., CC 27/ 2603, Pulinat Building, Opp. Cochin Shipyard, M.G. Road, ERNAKULAM - 682 015	Tel: 0484-2358734 Fax:0484-2359336 E-mail: iokochi@asianetglobal.com
10.	Kolkata	Mr. K. Rangabhashyam	North British Building, 29, N.S.Road,3rd Floor, Kolkata – 700 001	Tel: 033-22134869 Fax: 033-22134868 E-mail : iombkol@vsnl.net
11.	Lucknow	Mr. M.S. Pratap	Jeevan Bhawan Phase-2, 6th FloorNawal Kishore Road, HazratganjLucknow – 226 001	Tel: 0522-2201188 Fax:0522-2231310 E-mail: ioblko@sancharnet.in
12.	Mumbai	Mr. R.K. Vashishtha	3rd Floor, Jeevan Seva Annexe, Above MTNL,S.V. Road, Santacruz (W),Mumbai-400054	Tel: 022-226106928 Fax: 022-26106052 Email: ombudsman@vsnl.net

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