



बीमा विनियामक और विकास प्राधिकरण
**INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY**

IRDA/417/1/F&A/ORD/48/Mar-09

March 19, 2009

ORDER

The Chairman-cum-Managing Director
The New India Assurance Co. Ltd.
New India Assurance Bldg.
87, M.G. Road, Fort,
Mumbai 400 001

Dear Sir,

Imposition of Penalty for Non- Compliance to IRDA Directions /Circulars

The Authority has, vide Circular No. 46/IRDA/F&A/Nov.07 dated 22.11.07 and No. 45/IRDA/F&A/Nov.07 dated 22.11.07, stipulated that all the Insurers are required to file Quarterly Financial Statements (i.e. Balance Sheet, Profit & Loss A/c, a separate account of receipts and payments and Revenue Account) and Quarterly Solvency Margin Statements pertaining to quarters ended June, September and December, within 45 days from the end of the Quarter.

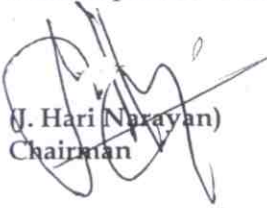
Despite several reminders, the Authority has not received the Financial Statements of The New India Assurance Co. Ltd for Quarters ending June, September and December 2008. Similarly, the Solvency position as on 30th June and 31st December 2008 has also not been filed with the Authority.

Further, a show cause notice was issued to the insurer vide letter no. 417/IRDA/F&A/Compliance/117/Dec/2008-09 dated 29.12.2008 seeking reasons for non-compliance with the instructions and as to why action should not be taken against the company for such non-compliance. We are still awaiting a response on the said communication.

Accordingly, in exercise of the powers under Section 14 (1) of the Insurance Regulatory and Development Authority Act, 1999, the Authority hereby imposes a penalty of Rs.5,00,000/- (Rs. Five Lakhs only) on The New India Assurance Co. Ltd.. for non-submission of information sought by the Authority.

The penalty is to be paid within a period of 15 days from the date of receipt of this ORDER.

Further, you are required to submit the Financial Statements for Quarters ending June, September and December, 2008 and Solvency position as on 30th June and 31st December, 2008 within a period of one month from the date of receipt of this Order.


(J. Hari Narayan)
Chairman

CC: Secretary, Insurance Division, Department of Financial Services, Ministry of Finance, Government of India, New Delhi - 110 001