

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

**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.)
	<b><u>CURRENT LIABILITIES AND PROVISIONS</u></b>				
	[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			
<b>2,481,953,934</b>		<b>3,547,566,567</b>	<b>2,481,953,934</b>		<b>3,547,566,567</b>

**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

**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 Expenditure	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 Expenditure 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 provision 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 Annexure 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

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Member

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Member

(C.R. Muralidharan)  
Member

(J. Hari Narayan)  
Chairman

**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			By Balance carried forward	
	(a) Loans and Advances	8,040,332		i) Cash at Bank	6,278,088
	(b) Interest on Loans and Advances	164,843		ii) Cash in hand	55,000
	(c) Misc. Recoveries	138,595		iii) Cheques in hand	-
14	To Other Receipts			iv) Cash/ Cheques in Transit	-
	(a) Miscellaneous Income	2,632,133			
	(b) Security deposit from Contractors	50,000			
	(c) Security deposit received back	542,688			
	(d) Interest on Bank Account	481,016			
		<b>3,520,409,917</b>			<b>3,520,409,917</b>

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**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	<b>97,302</b>	131,295
Equipments	5,663,376	709,525	-	6,372,901	2,272,673	692,947	-	2,965,620	<b>3,407,281</b>	3,390,703
Furniture and Fixtures	6,179,139	736,038	-	6,915,177	2,817,361	710,340	-	3,527,701	<b>3,387,476</b>	3,361,778
Computers	17,267,864	1,149,888	(67,435)	18,350,317	11,570,592	2,547,828	-	14,118,421	<b>4,231,896</b>	5,697,272
Books	533,256	259,517	(8,735)	784,038	533,256	259,517	-	792,773	<b>(8,735)</b>	-
<b>Total</b>	<b>30,220,890</b>	<b>2,854,968</b>	<b>(76,170)</b>	<b>32,999,688</b>	<b>17,639,842</b>	<b>4,244,625</b>	<b>-</b>	<b>21,884,468</b>	<b>11,115,220</b>	<b>12,581,048</b>

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**INSURANCE REGULATORY AND DEVELOPMENT 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
		<b>50,000,000</b>				<b>9,872,717</b>
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
		<b>456,500,000</b>				<b>18,162,056</b>
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
		<b>127,364,882</b>				<b>2,706,940</b>
HDFC Bank	2-Aug-07	27,500,000	9.50%	5-Aug-08	243	1,800,924
		<b>27,500,000</b>				<b>1,800,924</b>
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

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<b>Deposited with</b>	<b>Start Date</b>	<b>Amount of Deposit</b>	<b>% of Interest</b>	<b>Maturity Date</b>	<b>Period</b>	<b>Interest accrued but not due</b>
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
		<b>459,000,000</b>				<b>6,421,667</b>
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
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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
		<b>101,000,000</b>				<b>696,691</b>
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
		<b>40,000,000</b>				<b>3,414,676</b>
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

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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
		<b>807,522,295</b>				<b>16,992,820</b>
State Bank Of Hyderabad	20-Apr-07	80,000,000	10.75%	20-Apr-08	347	8,616,668
		<b>80,000,000</b>				<b>8,616,668</b>
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
		<b>360,000,000</b>				<b>3,311,429</b>
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
		<b>768,000,000</b>				<b>10,367,995</b>
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
		<b>98,500,000</b>				<b>627,882</b>
<b>Grand Total</b>		<b>3,375,387,177</b>				<b>82,992,466</b>

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**(G.Prabhakara)**  
Member

**(R.Kannan)**  
Member

**(K.K. Srinivasan)**  
Member

**(C.R. Muralidharan)**  
Member

**(J. Hari Narayan)**  
Chairman

**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
<b>DEPOSITS</b>		
-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
	<b>880,306</b>	<b>981,154</b>
<b>LOANS &amp; ADVANCES TO STAFF</b>		
-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
	<b>TOTAL</b>	<b>25,607,257</b>
<b>AMOUNTS DUE FROM INSURANCE COMPANIES &amp; OTHERS</b>		
-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	-
	<b>TOTAL</b>	<b>69,100</b>
<b>Other Current Assets</b>		
-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 Insurance 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 to Thirteen finance Commission	2,348,823	-
	<b>TOTAL</b>	<b>98,753,216</b>
<b>CASH AND BANK BALANCES</b>		
-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
	<b>TOTAL</b>	<b>6,278,088</b>
<b>-Balance with Non Scheduled Bank</b>		
(a) In Current Account	-	-
(b) In Deposit Account	-	-
	<b>TOTAL</b>	<b>-</b>

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Member

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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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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## 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
	-	-
	-	-

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Member

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**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	Figures for the
	Current Year	Previous Year
	Rs	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
<b>TOTAL</b>	<b>52,298,640</b>	<b>39,967,022</b>

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**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
<b>TOTAL</b>	<b>58,976,488</b>	<b>98,117,694</b>

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**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	Figures for the
	Current Year	Previous Year
	Rs	Rs
Government	-	-
Banks	-	-
Others	-	-
<b>TOTAL</b>	-	-

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## 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.

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