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CS UPDATE

Feb 19, 2010

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IRDA Updates

- **Public Disclosures by Insurers**

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January 28, 2010

Ref. IRDA/F&I/CIR/F&A/012/01/2010

To

The CEOs of All Insurers

Dear Sir,

Public Disclosures by Insurers

The Authority had issued the Exposure Draft on Public Disclosures by the Insurance Companies on 8th October, 2009 inviting comments from all stakeholders.

The Authority has received responses from various entities. The responses have been examined in detail and have been considered where ever found suitable. The Public Disclosures to be made by the Insurers have now been finalized based on the requisite modifications and are placed at [Annexure I](#). It may be observed that the companies are required to take necessary action to ensure that the compliance of the circular is in place latest from period ending 31 st March, 2010.

Insurers may also note that they need to host on their website the disclosures for a minimum period of 5 years under archives latest by 15 th April, 2010.

Yours faithfully,

(A Giridhar)

Executive Director

Annexure-1

Public Disclosures by Insurers

1. General

The Insurance Regulatory and Development Authority (IRDA) is entrusted with the regulation, promotion and orderly growth of insurance business in India. Maintaining an efficient, fair and stable insurance market is necessary for the growth of the industry as well as for the protection of the interests of policyholders. The IRDA has been bringing out various regulations for fulfilling its mandate. Another important measure, which will strengthen Corporate Governance and market discipline of the insurers, is a standard on public disclosures by insurance companies.

2. Objectives

2.1. Public disclosure of risks faced by the insurers is critical for ensuring a fair and orderly insurance sector. The disclosures shall be reliable and timely to ensure efficiency of the markets. They provide necessary feedback to the insurance regulator to ensure safety of investors as well as the policyholders.

2.2. The International Association of Insurance Supervisors (IAIS) has recognized that the insurers have an equal if not greater responsibility towards the policyholders than their duty towards the investors. This is because when insurers become insolvent, loss to policyholders is much more than that to investors. Public disclosures, on the risks faced by the insurers, provide information to the policyholders to make informed decisions before entering into an insurance contract. In the present context in India, it may not be possible for an individual policyholder to have necessary ability and resources to undertake the task of assessing the insurers. However, various expert stakeholders in the market can provide necessary inputs based on the disclosures which will help them in assessing the risk exposure by an insurer while entering into a contract with an insurer. Hence public disclosures become necessary even for all the insurance companies though they are not listed on any stock exchange.

2.3. Several insurance companies will be completing 10 years shortly, after which they may be allowed by the Regulator to go for an Initial Public Offer (IPO). It is essential that the investors be fully aware of the financial performance, company profile, financial position, the risk exposure, the elements of corporate governance in place and the management of the insurance companies. The data shall preferably be made available for at least a period of 5 years.

3. The Exposure draft dated 8th October, 2009 on Public Disclosures by Insurers is now finalized after considering suitably, responses received from various stakeholders.

4. Disclosures

4.1 The disclosures will be effective from the period ended 31st March, 2010.

4.2 Publication in News Paper

Insurers shall publish the Balance Sheet, Profit & Loss Account, Revenue Account and Key Analytical Ratios on an half yearly basis in the forms given at **Annexure (Life, Non-Life)**

(i) In at least one English daily newspaper circulating in the whole or substantially the whole of India and in one newspaper published in the regional language of the region where the registered office is situated or in Hindi.

(ii) The publication should be in font size of atleast 10.

(iii) The publication must be made within 2 months from end of the half year period or within 15days from the date of approval by their Board of Directors, whichever is earlier.

4.3 Publication on Website

Insurers shall host all the forms including Revenue Account, Profit & Loss Account, Balance Sheet, segmental reporting, schedules to accounts and other forms, on their website on quarterly/half yearly/ yearly basis as given in **Annexure-II (Life, Non-Life)**.

1. Receipt and Payment Account may be displayed along with year end disclosures.

2. The forms should be displayed on the web-site under advise to IRDA not later than

- 45days from the quarter ending June, September, December and March,
- For the half year ending September – within 2 months of the close of the half year or 15 days from the date of approval of the accounts by the Board of Directors, whichever is earlier
- For the annual account ending March – within 6 months of the close of the financial year or within 30 days from the date of adoption of final accounts by the Board of Directors, whichever is earlier.

4.4 In order to have uniformity, Authority has standardized the key analytical ratios mandated for life and non-life insurance companies. Please refer **Annexure- III** for the same. Insurers are advised to compute the ratios as defined in the annexure.

4.5 Disclosures for the earlier quarters should be available under archives for a minimum period of 5 years.

5. In case of disclosures where the un-audited quarterly financial results are published, they shall be approved by the Board of Directors of the company or by a Committee thereof.

Provided that when the quarterly financial results are approved by the Committee they shall be placed before the Board at its next meeting:

Provided further that while placing the financial results before the Board, the Chief Executive Officer, Chief Financial Officer and Appointed Actuary (life insurance company only) of the company, shall certify that the financial results do not contain any false or misleading statements or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

6. The half yearly accounts will be subject to limited review by the auditors. The limited review report shall be placed before the Board of Directors or by a Committee thereof (as mentioned in para 2.5 above)

7. Where there is a variation between the un-audited published results and the audited results and

(i) The variation in surplus / deficit or net profit / net loss after tax is in excess of 10% or Rs.5 crs, whichever is higher; or

(ii) The variation in exceptional or extraordinary items is in excess of 10% or Rs. 1 crore, whichever is higher –

the company shall submit to the Authority an explanation stating reasons for variations, along with the annual financial statements. The explanation of variations so submitted shall be approved by Board of Directors.

8. Words and expressions used in this circular will have the same meaning assigned to them in Insurance Act, 1938, IRDA Act, 1999, and the Regulations framed thereunder.

9. The insurance companies are hereby, directed under Section 14 (e) of the IRDA Act, 1999 to take necessary action to ensure compliance with the public disclosures requirement from the period ending on 31st March, 2010.

PERIODIC DISCLOSURES

FORM L-22A Analytical Ratios

Insurer:

Date:

Analytical Ratios for Life Companies

Sl.No.	Particular	For the period	Up to the period	Corresponding period of the preceeding year	up to the corresponding period of the previous year
1	New business premium income growth rate - segment wise				
2	Net Retention Ratio				
3	Expense of Management to Gross Direct Premium Ratio				
4	Commission Ratio (Gross commission paid to Gross Premium)				
5	Ratio of policy holder's liabilities to shareholder's funds				
6	Growth rate of shareholders' fund				
7	Ratio of surplus to policy holders' liability				
8	Change in net worth				
9	Profit after tax/Total Income				
10	(Total real estate + loans)/(Cash & invested assets)				
11	Total investments/(Capital + Surplus)				
12	Total affiliated investments/(Capital+ Surplus)				
13	Investment Yield (Gross and Net)				
14	Conservative Ratio				
15	Persistency Ratio				
	For 13th month				
	For 25th month				
	For 37th month				
	For 49th Month				
	for 61st month				
16	NPA Ratio				
	Gross NPA Ratio				
	Net NPA Ratio				

PERIODIC DISCLOSURES

FORM NL-30A

Analytical Ratios

Insurer:

Date:

(Rs in
Lakhs)

Analytical Ratios for Non-Life companies

Sl.No.	Particular	For the period	Up to the period	Corresponding period of the preceding year	up to the corresponding period of the previous year
1	Gross Premium Growth Rate				
2	Gross Premium to shareholders' fund ratio				
3	Growth rate of shareholders' fund				
4	Net Retention Ratio				
5	Net Commission Ratio				
6	Expense of Management to Gross Direct Premium Ratio				
7	Combined Ratio				
8	Technical Reserves to net premium ratio				
9	Underwriting balance ratio				
10	Operation Profit Ratio				
11	Liquid Assets to liabilities ratio				
12	Net earning ratio				
13	return on net worth ratio				
14	Available Solvency Margin Ratio to Required Solvency Margin Ratio				
15	NPA Ratio				
	Gross NPA Ratio				
	Net NPA Ratio				

Annexure-II

Disclosures - LIFE INSURANCE COMPANIES- to be displayed on web-site					
Form NO.	Description	Annually	Halfyearly	Quarterly	Mode of Disclosure
		(within 6 months from the end of the period)	(within 2 months from the end of the period)	(within 45 days from the end of the period)	
L-1-A-RA	Revenue Account	✓	✓	✓	Electronic
L-2-A-PL	Profit & Loss Account	✓	✓	✓	Electronic
L-3-A-BS	Balance Sheet	✓	✓	✓	Electronic
L-4-PREMIUM SCHEDULE	Premium	✓	✓	✓	Electronic
L-5-COMMISSION SCHEDULE	Commission Expenses	✓	✓	✓	Electronic
L-6-OPERATING EXPENSES SCHEDULE	Operating Expenses	✓	✓	✓	Electronic
L-7-BENEFITS PAID SCHEDULE	Benefits Paid	✓	✓	✓	Electronic
L-8-SHARE CAPITAL SCHEDULE	Share Capital	✓	✓	✓	Electronic
L-9-PATTERN OF SHAREHOLDING SCHEDULE	Pattern of Shareholding	✓	✓	✓	Electronic
L-10-RESERVE AND SURPLUS SCHEDULE	Reserves and Surplus	✓	✓	✓	Electronic
L-11-BORROWINGS SCHEDULE	Borrowings	✓	✓	✓	Electronic
L-12-INVESTMENT SHAREHOLDERS SCHEDULE	Investment-Shareholders	✓	✓	✓	Electronic
L-13-INVESTMENT POLICYHOLDERS SCHEDULE	Investment-Policyholders	✓	✓	✓	Electronic
L-14-INVESTMENT-ASSETS HELD TO COVER LINKED LIABILITIES SCHEDULE	Investment-Assets Held to Cover Linked Liabilities	✓	✓	✓	Electronic
L-15-LOANS SCHEDULE	Loans	✓	✓	✓	Electronic
L-16-FIXED ASSETS SCHEDULE	Fixed Assets	✓	✓	✓	Electronic
L-17-CASH AND BANK BALANCE SCHEDULE	Cash and Bank Balance	✓	✓	✓	Electronic
L-18-ADVANCES AND OTHER ASSETS SCHEDULE	Advances & Other Assets	✓	✓	✓	Electronic
L-19-CURRENT LIABILITIES SCHEDULE	Current Liabilities	✓	✓	✓	Electronic
L-20-PROVISIONS SCHEDULE	Provisions	✓	✓	✓	Electronic

L-21-MISC EXPENDITURE SCHEDULE	Misc Expenditure	✓	✓	✓	Electronic
L-22-ANALYTICAL RATIOS	Analytical Ratios	✓	✓	✓	Ratios stated at Serial number 1 to 15 to be published in newspapers along with financial statement and should also be displayed in Electronic format.
L-23-RECEIPTS AND PAYMENTS SCHEDULE	Receipts & Payment Statement	✓	X	X	Electronic
L-24-VALUATION OF NET LIABILITIES	Valuation on Net Liabilities	✓	✓	✓	Electronic
L-25-GEOGRAPHICAL DISTN OF BSNS- Group & Individuals	Geographical Distribution of Business	✓	✓	✓	Electronic
L-26-INVESTMENT ASSETS	Asset Class	✓	✓	✓	Electronic
L-27-ULIP LINKED BSNS	ULIP Fund	✓	✓	✓	Electronic
L-28-ULIP NAV	ULIP NAV	✓	✓	✓	Electronic
L-29-DEBT SECURITIES	Debt Securities	✓	✓	✓	Electronic
L-30-RELATED PARTY TRANSACTIONS	Related Party Transactions	✓	✓	✓	Electronic
L-31-BOD	Board of Directors & Key Persons	✓	✓	✓	Electronic
L-32-SOLVENCY MARGIN	Solvency	✓	✓	✓	Electronic
L-33-NPAs	NPAs	✓	✓	✓	Electronic
L-34-YIELD ON INVESTMENT	Investment break down by class and Yield on Investment	✓	✓	✓	Electronic
L-35-DOWNGRADING OF INVESTMENT	Downgrading of Investment	✓	✓	✓	Electronic
L-36-BSNS NUMBERS	:Premium and number of lives covered by policy type	✓	✓	✓	Electronic
L-37-BSNS ACQUISITION (GROUP)	Detail of the business procured - Distribution Channel wise	✓	✓	✓	Electronic
L-38-BSNS ACQUISITION (INDIVIDUAL)	Detail of the claim paid	✓	✓	✓	Electronic
L-39-CLAIMS AGEING	Ageing of Claims	✓	✓	✓	Electronic
L-40-CLAIMS DATA	Claims Data	✓	✓	✓	Electronic
L-41-GRIEVANCES (LIFE)	Grievance Disposal	✓	✓	✓	Electronic
L-42- Valuation Basis (Life)	Main Parameters of Valuation	✓	✓	✓	Electronic

Disclosures - NON- LIFE INSURANCE COMPANIES						
S.No.	Form No	Description	Annually	Halfyearly	Quarterly	Mode of Disclosure
			(within 6 months from the end of the period)	(within 2 months from the end of the period)	(within 45 days from the end of the period)	
1	NL-1-B-RA	Revenue Account	**	**	✓	Annual and half yearly to be published in newspaper as stated below and quarterly to be displayed in electronic format.
2	NL-2-B-PL	Profit & Loss Account			✓	
3	NL-3-B-BS	Balance Sheet			✓	
4	NL-4-PREMIUM SCHEDULE	Premium	✓	✓	✓	Electronic
5	NL-5-CLAIMS SCHEDULE	Claims Incurred	✓	✓	✓	Electronic
6	NL-6-COMMISSION SCHEDULE	Commission	✓	✓	✓	Electronic
7	NL-7-OPERATING EXPENSES SCHEDULE	Operating Expenses	✓	✓	✓	Electronic
8	NL-8-SHARE CAPITAL SCHEDULE	Share Capital	✓	✓	✓	Electronic
9	NL-9-PATTERN OF SHAREHOLDING SCHEDULE	Pattern of Shareholding	✓	✓	✓	Electronic
10	NL-10-RESERVE AND SURPLUS SCHEDULE	Reserves and Surplus	✓	✓	✓	Electronic
11	NL-11-BORROWING SCHEDULE	Borrowings	✓	✓	✓	Electronic
12	NL-12-INVESTMENT SCHEDULE	Shareholders	✓	✓	✓	Electronic
13	NL-13-LOANS SCHEDULE	Loans	✓	✓	✓	Electronic
14	NL-14-FIXED ASSETS SCHEDULE	Fixed Assets	✓	✓	✓	Electronic
15	NL-15-CASH AND BANK BALANCE SCHEDULE	Cash and Bank Balance	✓	✓	✓	Electronic
16	NL-16-ADVANCES AND OTHER ASSETS SCHEDULE	Advances & Other Assets	✓	✓	✓	Electronic
17	NL-17-CURRENT LIABILITIES SCHEDULE	Current Liabilities	✓	✓	✓	Electronic
18	NL-18-PROVISIONS SCHEDULE	Provisions	✓	✓	✓	Electronic

19	NL-19-MISC EXPENDITURE SCHEDULE	Misc Expenditure	✓	✓	✓	Electronic
20	NL-20-RECEIPTS AND PAYMENT SCHEDULE	Receipts & Payment Statement	✓	X	X	Electronic
21	NL-21-STATEMENT OF LIABILITIES	Statement of Liabilities	✓	✓	✓	Electronic
22	NL-22-GEOGRAPHICAL DISTN OF BSNS	Geographical Distribution of Business	✓	✓	✓	Electronic
23	NL-23-REINSURANCE RISK CONCENTRATION	Reinsurance Risk Concentration	✓	✓	✓	Electronic
24	NL-24-AGEING OF CLAIMS	Ageing of Claims	✓	✓	✓	Electronic
25	NL-25-CLAIMS DATA	Claims Data	✓	✓	✓	
26	NL-26-CLAIMS INFORMATION	Claims Information	✓	✓	✓	Electronic
27	NL-27-OFFICE OPENING	Office Opening	✓	✓	✓	Electronic
28	NL-28-STATEMENT OF ASSETS	Statement of Investment of Assets	✓	✓	✓	Electronic
29	NL-29-DEBT SECURITIES	Debt Securities	✓	✓	✓	Electronic
30	NL-30-ANALYTICAL RATIOS	Analytical Ratios	✓	✓	✓	Ratios stated at Serial number 1 to 15 to be published in newspapers along with financial statement and should also be displayed in Electronic format.
31	NL-31-RELATED PARTY TRANSACTIONS	Related Party Transactions	✓	✓	✓	Electronic
32	NL-32-PRODUCT INFORMATION	Product Information	✓	✓	✓	Electronic
33	NL-33-SOLVENCY MARGIN	Solvency	✓	✓	✓	Electronic
34	NL-34-BOD	Board of Directors & Management	✓	✓	✓	Electronic
35	NL-35-NPAs	NPAs	✓	✓	✓	Electronic
36	NL-36-YIELD ON INVESTMENTS	Yield on Investment	✓	✓	✓	Electronic
37	NL-37-DOWN GRADING OF INVESTMENTS	Downgrading of Investment	✓	✓	✓	Electronic
38	NL-38-BSNS RETURNS ACROSS LOB	Quarterly Business Returns for different line of business (Premum amount and number of policies)	✓	✓	✓	Electronic

39	NL-39-RURAL AND SOCIAL SECTOR OBLIGATIONS	Rural & Social Sector Obligations	✓	✓	✓	Electronic
40	NL-40-CHANNEL WISE PREMIUM	Business Acquisition through different channels	✓	✓	✓	Electronic
41	NL-41-GRIEVANCE DISPOSAL	Grievance Disposal	✓	✓	✓	Electronic

**** To be Published in atleast one English daily newspaper circulating in the whole or substantially the whole of India and in one newspaper published in the language of the region, where the registered office is situated. However, while publishing only the abridged form of Revenue account classified into ULIP and NON-ULIP will only be published. The detailed Revenue Account will be displayed on web-site.**

RATIOS FOR LIFE INSURERS		Annexure-III
Sl No.	Ratio	Calculation
1	New business premium income growth (segment-wise)	(NB prem CY-NP Prem PY) / NB prem PY
	<i>Description of ratio:</i>	
	(i) Data taken from segmental reporting of Schedule 1 of Revenue account	
	(ii) The segments being those shown in Schedule1. Eg. Linked, non-linked, pension, health.	
	(iii) Numerator: (FY prem + Single prem) both net of service tax for current year	
	(iv) Denominator: (FY prem + Single prem) both net of service tax for previous year.	
2	Net retention ratio	Net prem / Gross prem
	<i>Description of ratio:</i>	
	(i) Data taken from Revenue account (i.e policyholder's or technical account) under the title 'Premiums earned – Net'	
	(ii) Numerator: Total gross premium net of reinsurance ceded and accepted	
	(iii) Denominator: Total gross premium i.e, without considering reinsurance business.	
3	Ratio of expenses of management	Expenses of management / Total gross direct premium
	<i>Description of ratio:</i>	
	(i) Data taken from Schedule1, Schedule 2 and Schedule 3 of Revenue account	

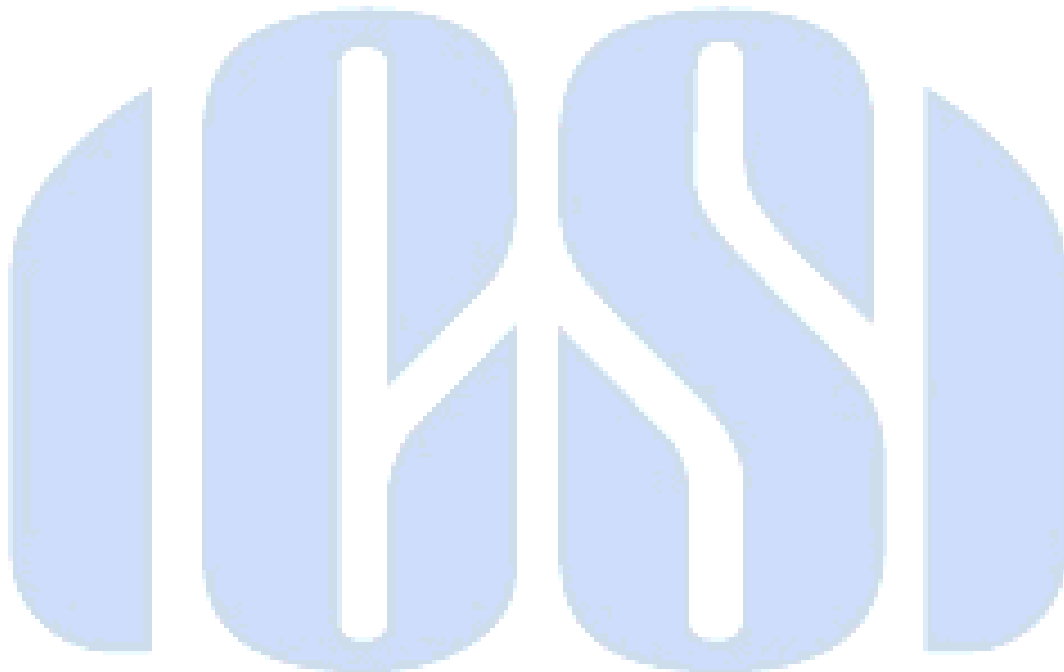
	(ii) Numerator: Gross commission (schedule 2) + Operating Expenses related to insurance business (schedule 3)	
	(ii) Denominator: Total gross premium (Schedule 1) net of service tax	
4	Commission ratio	Gross commission paid / Gross prem
	<i>Description of ratio:</i>	
	(i) Data taken from Schedule 1 and Schedule 2 of Revenue account	
	(ii) Numerator: Gross commission paid (schedule 2)	
	(iii) Denominator: Total gross premium (Schedule 1) net of service tax	
5	Ratio of policyholders' liabilities to shareholders' funds	Policyholders' liabilities / shareholders' funds
	<i>Description of ratio:</i>	
	(i) Data taken from Balance sheet	
	(ii) Numerator: Policyholders' funds viz., credit/(debit) Fair value change account, policy liabilities, insurance reserves, surplus in revenue, provision for linked liabilities, funds for future appropriation	
	(iii) Denominator: Shareholders funds viz., (share capital, reserves and surplus, credit / (debit) fair value change account) less (miscellaneous expenditure, debit balance in profit and loss account or shareholders' account)	
6	Growth rate of shareholders' funds	((CY shareholders' funds-PY shareholders' funds) / PY shareholders' funds)*100
	<i>Description of ratio:</i>	
	(i) Data taken from Balance sheet. Shareholders' funds is as described in point (5(iii)) above.	
	(ii) Numerator: Current year's shareholders' funds less Previous year's shareholders' funds	
	(ii) Denominator: Previous year's shareholders' funds	

7	Ratio of surplus to policyholders' liability	Surplus / policyholders' liability
	Description of ratio:	
	(i) Data taken from segmental reporting of Revenue account	
	(i) Numerator: Surplus / deficit as shown in revenue account	
	(ii) Denominator is as described in point (5 (ii)) above	
8	Change in net worth	CY shareholders' funds - PY shareholders' funds
	Description of ratio:	
	(i) Data taken from Balance sheet	
	(ii) Shareholders' funds is as described in point (5 (iii))	
9	Profit after tax / Total income	
	Description of ratio:	
	(i) Data taken from Profit & Loss account (i.e, shareholders' account or non-technical account) and Revenue account (i.e, policyholders' account or technical account)	
	(ii) Numerator: Profit after tax as indicated in Profit and Loss account	
	(iii) Denominator: Total income under Policyholders' account excluding contributions from shareholders' account + Total income under shareholders' account excluding contributions from policyholders' account	
10	(Total real estate + loans) / Cash & invested assets	
	Description of ratio:	
	(i) Data taken from Schedules 8, 8A, 8B, 10 and Balance sheet	
	(ii) Numerator: 'Total real estate' is the sum of all real estate or property investments as shown in schedules 8, 8A, 8B and 10. Loan amount given by the insurer is as shown in the balance sheet or schedule 9	
	(iii) Denominator: 'Cash' is the cash and bank balance (schedules 11) as shown in the balance sheet. 'Invested assets' is the sum of investments of shareholders' funds (schedule 8), investments of policyholders' funds (schedule 8A) and assets held to cover linked liabilities (schedule 8B)	
11	Total investments / (Capital + Surplus)	
	Description of ratio:	
	(i) Data taken from Balance sheet	

	(ii) Numerator: Sum of investments of shareholders' funds (schedule 8), investments of policyholders' funds (schedule 8A) and assets held to cover linked liabilities (schedule 8B).	
	(iii) Denominator: Sum of share capital (schedule 5) and reserves and surplus (schedule 6)	
12	Total affiliated investments / (Capital + Surplus)	
	Description of ratio:	
	(i) This ratio cannot be directly verified from the financial statements. However, data can be taken from Annexure 2 of point 29 (related party disclosure) contained in Schedule 16 (notes to the financial statements)	
	(ii) Numerator: investments made to parties related to the insurer	
	(iii) Denominator: sum of share capital (schedule 5) and reserves and surplus (schedule 6)	
13	Investment yield (gross and net)	$r(t) = \frac{\{MV(T) - MV(0) - \text{Sum } [C(t)]\}}{\{MV(0) + \text{Sum } [W(t) * C(t)]\}}$
	Description of ratio:	
	(i) Data taken from Section 11 table 11.2.2 of Appointed Actuary's Annual Report. This method of evaluating a portfolio's return based upon a time weighted analysis is known as modified Dietz method.	
	(ii) Numerator: $MV(T)$ – Ending market value; $MV(0)$ – Beginning market value; $C(t)$ – Net contribution occurring on day 't'	
	(iii) Denominator: $MV(0)$ – Beginning market value; $W(t)$ is the weight of the net contribution on day t, calculated as $\{T-t\}/T$	
	where T is the total no. of days and t is the day the net contribution occurs	
14	Conservation Ratio	
	(i) Data taken from segmental reporting of Schedule 1 of Revenue account	
	(ii) The segments being those shown in Schedule 1. Eg. Linked, non-linked, pension, health.	
	(iii) Numerator: Renewal Premium of the current year net of service tax for current year	
	(iv) Denominator: (FY prem + Single prem+Renewal) net of service tax for previous year.	
15	Persistency ratio	
	Description of ratio:	

	<i>(i) Data taken from Section 6.2 tables 6.2.1 to 6.2.13 of Appointed Actuary's Annual Report. The lapse ratios based on policies and premium are provided for various segments of the insurance business.</i>	
	<i>(ii) Persistency ratio for the 13th month is calculated as $P1 = (1 - \text{lapse ratio for 13th month})$, for the 25th month $P2 = P1 * (1 - \text{lapse ratio for 25th month})$ etc.</i>	
16	NPA ratio	
	Description of ratio:	
	<i>Data taken from Section 11 table 11.5 which provides the NPA ratio separately for policyholders' funds and shareholders' funds</i>	

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SEBI Updates

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भारतीय प्रतिभूति और विनियम बोर्ड Securities and Exchange Board of India

संपर्क प्रभाग, सेबी भवन, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051

Communications Division, SEBI Bhavan, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

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No	Queries / Information sought	Standard text for reply
1	Please give the present address of the company.	Addresses of Registered office of companies are available in the web site of Ministry of Corporate Affairs. The web link for the same is http://www.mca.gov.in/DCAPortalWeb/dca/MyMCALogin.do?met hod=setDefaultProperty&mode=31
2	Dividend has not been declared by the company, please advice.	As per the companies Act 1956, the decision to retain profit or to distribute it to the shareholders as dividend is the prerogative of the board of directors; the same does not fall within the regulatory preview of SEBI.
3	Shares of the company are not traded, please advice.	Trading of shares in the market is the outcome of many factors, including demand and supply. Equity shares, like any other asset, derive their value from the price at which others are willing to buy / sell it. In the absence of buyers / sellers, the shares become illiquid. The risk of illiquidity is inherent in investing in securities, over which SEBI does not have any control.
4	Shares of the company are delisted, please advice.	Shares of the company are delisted on either of the following ground; i) Compulsory Delisting. ii) Voluntary Delisting. iii) Delisted by Operation of Law. As the shares of the company are no longer listed on the Stock Exchange, it will not be possible for you to trade in these shares through the Stock Exchange. You will be able to encash the value of your shares if you are able to find a willing buyer for you the shares.
5	Please give status / information on vanishing company	The details / status of 'Vanishing' companies are available in the web site of Ministry of Corporate Affairs. The web link for the same is http://www.mca.gov.in/Ministry/vanishing.html
6	Please give information of status of Liquidation / Winding up of the company	The details pertaining to liquidation / winding up of companies, the address of Official Liquidator etc. are available on the web site of Ministry of Corporate Affairs. The web link for the same is http://www.companyliquidator.gov.in/liquidation_pocess.html
7	Please provide details of • price,	Please refer to the web site of the stock exchange on which the company's shares are listed.

	<ul style="list-style-type: none"> • status of trading, • Name change, • Details of corporate actions (mergers, amalgamations etc.) 	
8	I want to surrender my shares to the company and get the refund, please advice.	Equity shares, like any other asset, derive their value from the price at which others are willing to buy / sell it. You can encash the value of your shares by finding a willing buyer. In some cases the companies or an acquirer may make an offer to buy shares from the shareholders. You have the option to tender your shares in response to such offers.
9	Please give the ISIN number of the securities	The details of ISIN number of securities are available in the web site of National Securities Depository Limited and Central Depository Services (India) Limited. The web link for the same is, https://nsdl.co.in/downloadables/list-codes.php http://www.cdslindia.com/publication/IsinList.jsp
10	I need information on: <ul style="list-style-type: none"> • Is PAN mandatory? • How to open demat a/c / demat physical shares? • KYC norms • Margin requirements? • Details of Stock Exchange and • Investor's Association 	Please refer to the section of 'Frequently Asked Questions' in the SEBI investor website. The web link of for the same is; http://investor.sebi.gov.in
11	Present status of the company, viz. <ol style="list-style-type: none"> 1. Address of registered office 2. Declared as 'Vanishing' company 3. Under liquidation / 	http://www.mca.gov.in/DCAPortalWeb/dca/MyMCALogin.do?met hod=setDefaultProperty&mode=31 http://www.mca.gov.in/Ministry/vanishing.html http://www.companyliquidator.gov.in/liquidation_pocess.html

	winding up 4. Sick company 5. Trading details, change in name, corporate action etc. 6. Directors' particulars	http://www.bifr.nic.in/asp/search.asp Please refer to the web site of the stock exchange in which the company's shares are listed. http://www.mca.gov.in/DCAPortalWeb/dca/MyMCALogin.do?method=setDefaultProperty&mode=12
12	Can I get Compensation from IPEF?	The Investor Protection and Education Fund (IPEF) Regulation 2009 do not provide for compensation for the investor. You may like to refer the below web link for the objective and the utilization of funds of IPEF at the web link given below: http://www.sebi.gov.in/acts/Investorpro2009.pdf
13	Investment advice	Please be informed that providing investment advice to investors does not fall within SEBI's regulatory purview
14	SEBI Act, Rules, Regulations, Guidelines and Circulars	Please refer to the SEBI web site http://www.sebi.gov.in/
15	Whether the shares certificates of the company is in demat form	The details of shares that are available in demat form are available in the website of NSDL and CDSL at the following web links: https://nsdl.co.in/master_search.php http://www.cdslindia.com/publication/IsinList.jsp
16	What is the procedure for opening demat account and dematerlizing shares? Where can I find the list of DP/ where can I demat my share certificates	The websites of NSDL and CDSL provide the procedure for opening demat account and to dematerialize your shares, at the following web links https://nsdl.co.in/faq.php http://www.cdslindia.com/downloads/Investors%20Guide.pdf Further, the details of Depository Participants through whom you can demat your physical shares is available in the following web links https://nsdl.co.in/direct_search.php http://www.cdslindia.com/publication/dplist.jsp

	FAQ on demat	You may also like to refer to FAQ's on demat at SEBI investor website at the following link; http://investor.sebi.gov.in/faq/dematfaq.html
17	Why was the company delisted? When will it be relisted, if at all?	Please refer to the web site of the stock exchange in which the company's shares were listed.
18	I want to sell my shares, please advice	It is advisable to sell your shares in a stock exchange through a SEBI registered stock broker. Before trading you will have to open a trading account with the stock broker. The details of the members of BSE and NSE are available in the respective website, and the links are as under BSE members; http://www.bseindia.com/memberdb/search/search.asp NSE member; https://www.enit.co.in/MemDirWeb/searchMain.do
19	Information on company results and announcements, shareholding pattern, and disclosures made under SEBI Takeover and Insider trading Regulation	Information of companies are available in the Corp Filing website whose website is as under http://www.corpfiling.co.in/home/homepage.aspx
20	Information on Bonus share / rights shares declaration. What is the procedure?	Please refer to the web site of the stock exchange in which the company's shares are listed.
21	Issue of duplicate share certificate	The documents that will be required by a company for issue of duplicate shares is specified in its Articles of Association which can include: 1. Indemnity bond 2. Affidavit 3. Signature verification 4. Any other document specified by the company.
22	Dividend claims	All registered shareholders on the record date of declaration of the dividend are automatically eligible for dividend. However if the listed company does not pay dividend within 30 days after declaration, this constitutes as default for which you can lodge complaint with SEBI through, <ul style="list-style-type: none">• E-mail to investorcomplaints@sebi.gov.in

		<ul style="list-style-type: none"> • Letters • Online complaint form available at the following link; http://www.sebi.gov.in/Complaint5.jsp
23	Transfer of shares	<p><u>Procedure for transfer of physical shares:</u></p> <p>The following documents are to be sent to the Registrar and Transfer Agent (RTA) of the Company</p> <ol style="list-style-type: none"> 1. Share Certificate(s), 2. Duly completed and valid stamped Share Transfer Form(s) <p># Listed companies are required to transfer share certificates within a period of one month from the date of lodgment for transfer of shares certificates.</p> <p><u>Procedure for transfer of demat shares:</u></p> <ul style="list-style-type: none"> ▪ You have to give instruction to your Depository Participant (DP) through Delivery Instruction Slip (DIS) to transfer shares from your a/c to the broker a/c, Such instruction should reach the DP's office at least 24 hours before the pay-in, failing which, DP will accept the instruction only at your (BO's) risk <p>For further information on demat please refer the FAQs at the web link given below: http://investor.sebi.gov.in/faq/dematfaq.html</p>
24	Transmission shares of	<p>"Transmission" means passing of property in Shares, other than by way of transfer, by operation of law.</p> <p>In the event of death of the shareholder procedure for transmission of shares is as follows;</p> <ol style="list-style-type: none"> 1. <u>If you are a nominee;</u> <ul style="list-style-type: none"> • For shares in demat mode, you have to send <ul style="list-style-type: none"> ✓ Notarized copy of the death certificate ✓ Transmission Request form (TRF) to the Depository Participant (DP) • For physical shares, you may be asked to send any of the below documents; <ul style="list-style-type: none"> ✓ Original Share certificates. ✓ Duly filled Transmission Request Form (TRF). ✓ An affidavit / declaration by the nominee declaring his

		<p>rights.</p> <ul style="list-style-type: none"> ✓ Notarized copy of the death certificate. to the Registrar and Share Transfer Agent (RTA) <p>2. <u>Where there is no nomination:</u></p> <ul style="list-style-type: none"> • Shares held in Demat mode; Where value of the shares is upto Rs one lac, one or more of the following documents is to be furnished to the DP; <ul style="list-style-type: none"> ✓ Notarized copy of the death certificate ✓ Transmission Request Form(TRF) ✓ Affidavit – to the effect of the claim of legal ownership to the shares, ✓ Deed of indemnity – Indemnifying the depository and Depository Participants (DP) ✓ NOC* from legal heir(s), if applicable or family settlement deed duly executed by all legal heirs of the deceased beneficial owner <p>Where value is more than Rs one lac, the DP may additionally insist on one or more of the following documents</p> <ul style="list-style-type: none"> ✓ Surety form ✓ Succession certificate ✓ Probated will ✓ Letter of Administration <ul style="list-style-type: none"> • Shares held in Physical mode: The RTA may insist on any of following documents; <ul style="list-style-type: none"> ✓ Original Share certificates. ✓ Duly filled Transmission Request Form (TRF). ✓ Notarized copy of the death certificate. ✓ Succession certificate or ✓ Probate or letter of administration duly attested by Court Officer or Notary <p>* In case of multiple successors, NOC from non-applicants shall be recorded on the share transmission form of the applicant instead of insisting separate share transmission form from each of the successors.</p> <p># Transmission of shares is required to be done within a period of <u>one month</u> for share held in physical form and within <u>seven days</u> for shares held in Demat form, from the date of lodgment of the Transmission Request Form by listed companies.</p>
25	Registrar to issue /	The list of SEBI registered Registrar/Share Transfer Agent is

	share transfer agent addresses	available on the SEBI website. The web link for the same is given below; http://www.sebi.gov.in/pmd_mb.jsp?listCode=R						
26	Whether the shares of companies are listed or not?	The details of the shares of companies, which are listed are available in the website of the stock exchanges.						
27	Trading in Shares of the company is suspended. Please advice.	<p>Companies may be suspended from trading on various grounds such as;</p> <p>a) Non payment of listing fees. b) Non fulfillment of listing agreement. etc.</p> <p>Shares of the company are listed and traded on the Stock Exchange, subject to compliance with the listing agreement. The stock Exchange can suspend the company if it does not comply with the same.</p> <p>As the company is suspended from the Stock Exchange, it will not be possible for you to trade in these shares through the Stock Exchange.</p> <p>You will be able to encash the value of your shares if you are able to find a willing buyer for your shares.</p>						
28	Contact details & Jurisdiction of SEBI's Offices	<p>The contact details and jurisdiction of SEBI offices is given in the table below.</p> <table border="1"> <tr> <td>SEBI (Head Office) SEBI Bhavan Plot No.C4-A,'G' Block,Bandra Kurla Complex, Bandra (East), Mumbai 400051 Tel : +91-22-26449000 / 40459000 Fax : +91-22-26449016-20 / 40459016-20 E-mail : sebi@sebi.gov.in</td> <td>Maharashtra, Madhya Pradesh, Chhatisgarh, Goa, Diu, Daman and Dadra & Nagar Haveli.</td> </tr> <tr> <td>SEBI Northern Regional Office 5th Floor, Bank of Baroda Building,16, Sansad Marg, New Delhi - 110 001. Tel. Board: +91-11-23724001-05 Fax: +91-11-23724006. E-mail : sebinro@sebi.gov.in</td> <td>Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Uttar Pradesh, Chandigarh, Uttarakhand and Delhi.</td> </tr> <tr> <td>SEBI</td> <td>Andhra Pradesh,</td> </tr> </table>	SEBI (Head Office) SEBI Bhavan Plot No.C4-A,'G' Block,Bandra Kurla Complex, Bandra (East), Mumbai 400051 Tel : +91-22-26449000 / 40459000 Fax : +91-22-26449016-20 / 40459016-20 E-mail : sebi@sebi.gov.in	Maharashtra, Madhya Pradesh, Chhatisgarh, Goa, Diu, Daman and Dadra & Nagar Haveli.	SEBI Northern Regional Office 5th Floor, Bank of Baroda Building,16, Sansad Marg, New Delhi - 110 001. Tel. Board: +91-11-23724001-05 Fax: +91-11-23724006. E-mail : sebinro@sebi.gov.in	Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Uttar Pradesh, Chandigarh, Uttarakhand and Delhi.	SEBI	Andhra Pradesh,
SEBI (Head Office) SEBI Bhavan Plot No.C4-A,'G' Block,Bandra Kurla Complex, Bandra (East), Mumbai 400051 Tel : +91-22-26449000 / 40459000 Fax : +91-22-26449016-20 / 40459016-20 E-mail : sebi@sebi.gov.in	Maharashtra, Madhya Pradesh, Chhatisgarh, Goa, Diu, Daman and Dadra & Nagar Haveli.							
SEBI Northern Regional Office 5th Floor, Bank of Baroda Building,16, Sansad Marg, New Delhi - 110 001. Tel. Board: +91-11-23724001-05 Fax: +91-11-23724006. E-mail : sebinro@sebi.gov.in	Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Uttar Pradesh, Chandigarh, Uttarakhand and Delhi.							
SEBI	Andhra Pradesh,							

		<p>Southern Regional Office D' Monte Building, 3rd Floor, 32 D' Monte Colony, TTK Road, Alwarpet, Chennai: 600018. Tel : +91-44-24674000/24674150 Fax: +91-044-24674001 E-mail : sebisro@sebi.gov.in</p>	<p>Karnataka, Kerala, Tamilnadu, Pondicherry and Lakshwadeep & Minicoy Islands.</p>
		<p>SEBI Eastern Regional Office L&T Chambers, 3rd Floor, 16 Camac Street, Kolkata 700 017 Tel : +91-33-23023000 Fax: +91-33-22874307. E-mail : sebiero@sebi.gov.in</p>	<p>Assam, Bihar, Manipur, Meghalaya, Nagaland, Orissa, West Bengal, Arunachal Pradesh, Mizoram, Tripura, Sikkim, Jharkhand and Andaman & Nicobar Islands.</p>
		<p>SEBI Ahmedabad Regional Office Unit No: 002, Ground Floor SAKAR I, Near Gandhigram Railway Station Opp. Nehru Bridge Ashram Road Ahmedabad - 380 009 Telephone: 079-26583633-35 Fax: 079-26583632 E-mail : sebiaro@sebi.gov.in</p>	<p>Gujarat and Rajasthan</p>
29	How can I lodge complaint with SEBI	<p>The investor can lodge a complaint with SEBI in any of the following modes:</p> <ul style="list-style-type: none"> • Call to Investor Helpline 91-22-26449188/ 26449199 / 40459188 / 40459199. • E-mail (investorcomplaints@sebi.gov.in). • Visit SEBI Office (HO) • Letter to SEBI • Lodge online complaint at the web link given below <p>http://investor.sebi.gov.in/complaints%20form/lodge%20index.htm</p>	

Disclaimer: The information has been compiled to present the reader with a broad understanding of the subject and is general in nature. The contents do not purport to explain or interpret Acts, Circulars, Rules, Regulations and Guidelines.