



# Hike in third-party motor premiums to cover only claim inflation cost: Insurers

SUBRATA PANDA  
Mumbai, 21 May

With non-life insurers reeling from high loss ratios in the motor insurance segment for years, the hike in third-party motor insurance premium proposed by the Insurance Regulatory and Development Authority of India (Irdai) is being welcomed by general insurers. However, industry experts believe the hike will only help insurance companies meet their cost of claim inflation caused by increasing

court awards in favour of third-party claimants. From the policyholder's perspective, the hike in premiums might be a trigger for not renewing their insurance policies, thereby giving rise to fake insurance policies to avoid getting fined by the traffic police. "Price increase, which is proposed now by the regulator, may cover inflation cost as far as insurers are covered. The long tail effect may not be known at this juncture," said Tushar Dhimar, National Underwriting Manager, retail, SBI

General Insurance. Devendra Rane, founder & chief technology officer, coverfox.com, said, "The insurers are definitely going to welcome this move as the loss ratio for the motor insurance category has been high for many years, making it an unprofitable segment."

The insurance regulator has proposed a hike in the third-party insurance premium of cars, two-wheelers, and transport vehicles. Irdai has proposed to increase the rates for cars by 15 per cent with engine capacity up to 1500 cc

and for bikes by 20 per cent with engine capacity of 150 cc to 350 cc, while luxury cars and superbikes will see no change in its premium rates.

"The cost does increase for customers; however, the change is incremental and not steep, especially in the small car and the two-wheeler segment. The increase also takes cognizance of the trend in rates and ensures increases only where warranted," said Shanai Ghosh, chief marketing & commercial, Strategy Edelweiss General Insurance.

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## INDIA GLYCOLS LIMITED

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### Audited Financial Results for the Quarter and Year ended March 31, 2019

(₹ In Lakhs, except as stated)

| Sl. No. | Particulars  | Standalone              |                           |                         |                         | Consolidated            |                         |         |
|---------|--|-------------------------|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------|
|         |  | Quarter Ended           |                           | Year Ended              |                         | Year Ended              |                         |         |
|         |  | 31.03.2019<br>(Audited) | 31.12.2018<br>(Unaudited) | 31.03.2018<br>(Audited) | 31.03.2019<br>(Audited) | 31.03.2018<br>(Audited) | 31.03.2018<br>(Audited) |         |
| 1       | Total income from operations   | 140,523                 | 124,015                   | 103,120                 | 513,344                 | 416,527                 | 513,431                 | 418,512 |
| 2       | Earning before Interest, depreciation and Tax (EBDITA)   | 9,689                   | 10,667                    | 10,620                  | 43,626                  | 33,488                  | 43,380                  | 34,665  |
| 3       | Net profit/(Loss) for the period (before Tax, Exceptional and/or extraordinary items)  | 4,364                   | 5,350                     | 6,278                   | 22,872                  | 14,854                  | 21,312                  | 14,716  |
| 4       | Net profit/(Loss) for the period before tax (after Exceptional and/or extraordinary items)   | 4,364                   | 5,350                     | 6,278                   | 22,872                  | 14,854                  | 21,312                  | 14,716  |
| 5       | Net profit/(Loss) for the period after tax (after Exceptional and/or extraordinary items)  | 2,737                   | 3,497                     | 4,082                   | 14,821                  | 9,808                   | 13,261                  | 9,653   |
| 6       | Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and other Comprehensive Income (after tax)] | 2,737                   | 3,497                     | 4,138                   | 14,822                  | 9,864                   | 13,241                  | 9,654   |
| 7       | Equity Share Capital   | 3,096                   | 3,096                     | 3,096                   | 3,096                   | 3,096                   | 3,096                   | 3,096   |
| 8       | Reserves (excluding revaluation reserves as per the audited balance sheet of previous year)  |                         |                           |                         | 104,345                 | 91,017                  | 93,167                  | 81,418  |
| 9       | Earnings Per Share (of ₹ 10/- each) (Not Annualised) - Basic & Diluted (In ₹)  | 8.84                    | 11.29                     | 13.18                   | 47.87                   | 31.68                   | 42.83                   | 31.18   |

Note:

- The above is an extract of the detailed format of Quarterly/Yearly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly/Yearly Financial Results are available on the Stock Exchanges Websites (www.bseindia.com and www.nseindia.com) and on the Company's website (www.indiaglycols.com)
- The Board of directors have recommended a dividend @ ₹ 6/- per share of face value of ₹ 10/- each subject to the approval of the members of the Company at its ensuing Annual General Meeting.

For and on behalf of the Board of Directors

Sd/-

U.S. BHARTIA

Chairman and Managing Director

DIN: 00063091

Place : Noida  
Date : 21<sup>st</sup> May, 2019

