



# दि न्यू इन्डिया एश्योरन्स कंपनी लिमिटेड

(भारत सरकार का उपक्रम)

## THE NEW INDIA ASSURANCE COMPANY LTD.

(Govt. of India Undertaking)

पंजीकृत एवं प्रधान कार्यालय : न्यू इन्डिया एश्योरन्स बिल्डिंग, 87, महात्मा गांधी मार्ग, फोर्ट, मुंबई - 400 001.

Regd. & Head Office : New India Assurance Bldg., 87, M.G. Road, Fort, Mumbai - 400 001.

CIN No. L66000MH1919GOI000526



Phone : 022 2270 8100

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Website : www.newindia.co.in

Ref No.: NIACL/CMD\_BoardSectt/2024-25

December 13, 2024

To,

The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street  
Mumbai 400 001

The Manager  
Listing Department  
The National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> floor, Plot C/1,  
G Block, Bandra-Kurla Complex  
Mumbai 400 051

Scrip Code: (BSE – 540769/NSE – NIACL)

Dear Sir/Madam,

**Re: A.M. Best assigns the India National Scale Rating (NSR) of “aaa.IN (Exceptional)” and affirms “B++ (Good) Rating” to The New India Assurance Company Limited.**

AM Best has assigned the India National Scale Rating (NSR) of aaa.IN (Exceptional) and has affirmed the Financial Strength Rating of B++(Good) and the Long-Term Issuer Credit Rating of bbb+ (Good) to The New India Assurance Company Limited. The outlook of these credit ratings is Stable.

The ratings reflect the Company's balance sheet strength, which A.M. Best categorizes as very strong, as well as its adequate operating performance, favourable business profile and marginal enterprise risk management (ERM).

Kindly take the above information on record. The above information is being made available on the Company's website [www.newindia.co.in](http://www.newindia.co.in)

Yours Sincerely,

**For The New India Assurance Company Limited**

**Jyoti Rawat**

**Company Secretary & Chief Compliance Officer**

DECEMBER 12, 2024 09:41 AM (EST)

## AM Best Affirms Credit Ratings of The New India Assurance Company Limited

### CONTACTS:

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### FOR IMMEDIATE RELEASE

SINGAPORE - DECEMBER 12, 2024 09:41 AM (EST)

**AM Best** has affirmed the Financial Strength Rating of B++ (Good), the Long-Term Issuer Credit Rating of "bbb+" (Good) and the India National Scale Rating (NSR) of aaa.IN (Exceptional) of The New India Assurance Company Limited (New India) (India). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect New India's balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, favourable business profile and marginal enterprise risk management (ERM). In addition, the ratings factor in the neutral impact from New India's ultimate majority ownership by the Government of India.

New India's balance sheet strength assessment is underpinned by its risk-adjusted capitalisation, which remained at the strongest level at fiscal year-end 2024, as measured by Best's Capital Adequacy Ratio (BCAR). AM Best views that the majority of New India's reinsurance assets are of good credit quality. In addition, the investment portfolio is of moderate risk. Although a large portion of investments are held in domestic government and corporate bonds, which are well-rated on the local scale, the balance sheet remains subject to volatility arising from the company's allocation to domestic equity investments.

AM Best assesses New India's operating performance as adequate. The company has reported positive operating results on a consolidated basis over the past five years, with an average return-on-equity ratio of 2.9% (fiscal years 2020–2024). In the fiscal year ending 31 March 2024, the company reported a deterioration in underwriting losses largely due to catastrophe losses and higher claims arising from its health and motor insurance. Robust investment income, including interest and dividend income, as well as realised gains from the sale of equity investments, continues to provide a sizable contribution to overall earnings. Despite remedial measures, challenging market conditions are likely to constrain the company's underwriting results over the medium term, albeit overall operating results are expected to remain profitable.

New India's favourable business profile assessment reflects its market position as the largest non-life insurer in India by gross premiums written. The company's underwriting portfolio is diversified moderately by lines of business and distribution channels, although with an elevated concentration in health insurance. International geographical diversification is supported by the company's overseas operations, through its foreign branches, agency offices and subsidiaries. The domestic market continues to present significant growth opportunities for New India, although AM Best considers high market competition, particularly in the health and motor businesses, to be an offsetting factor.

AM Best assesses New India's ERM as marginal given that the profile of some key risks exceeds the company's risk management capabilities and the ERM framework continues to evolve. The company's audited financial statements have been qualified for several years as a result of internal control weakness in the reconciliation of certain items and accounts. Whilst New India is progressing on strengthening internal controls and has partially addressed some audit matters, inadequate resolution of audit matters has impacted the company's financial reporting quality over a number of years. Elevated concerns persist over New India's pricing discipline and

underwriting risk management given the level of ongoing underwriting losses and the competitive market environment. Overall, whilst New India continues to take actions aimed at strengthening its ERM, there remains a gap between the company's ERM framework and the global standards for an organisation of its scale.

Ratings are communicated to rated entities prior to publication. Unless stated otherwise, the ratings were not amended subsequent to that communication.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

AM Best is a global credit rating agency, news publisher and data analytics provider specialising in the insurance industry. Headquartered in the United States, the company does business in over 100 countries with regional offices in London, Amsterdam, Dubai, Hong Kong, Singapore and Mexico City.

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## Related Companies

For information about each company, including the Best's Credit Reports, group members (where applicable) and news stories, click on the company name. An additional purchase may be required.

AMB#	Company Name
086043	<a href="#">New India Assurance Company Limited</a>
088287	<a href="#">New India Assurance Company Limited</a>
093909	<a href="#">New India Assurance Company Ltd AUB</a>
093910	<a href="#">New India Assurance Company Ltd FJB</a>
093906	<a href="#">New India Assurance Company Ltd HKB</a>

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