

MANAGEMENT REPORT

In accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and circulars/guidelines issued by IRDAI thereafter, the following Management Report is submitted by the Board of Directors for the financial year ended March 31, 2020.

1. CERTIFICATE OF REGISTRATION

We confirm that the Certificate of Registration granted by the Insurance Regulatory and Development Authority of India ('IRDAI') to enable the Company to transact life insurance business was valid as at March 31, 2020 and is in force as on the date of this report.

2. STATUTORY DUES

We certify that all relevant statutory dues payable by the Company have been generally deposited on time except those under dispute or disclosed under contingent liabilities in the notes to accounts forming part of the financial statements.

3. SHAREHOLDING PATTERN

We confirm that the shareholding pattern of the Company is in accordance with the requirements of the Insurance Act, 1938 (amended by Insurance Laws (Amendment) Act, 2015) ('Act') and the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000. Further, transfer of shares during the year have been in compliance with the applicable statutory and regulatory requirement. There was no capital infusion by the promoters during the year.

The shareholding pattern is available in Schedule 5A which forms part of the financial statements. Further, the shareholding pattern in accordance with the SEBI (Listing Obligation and Disclosure Requirement Regulations) Requirement 2015 is available on the website of the Company and on the website of the Stock exchanges i.e. NSE and BSE.

4. INVESTMENT OF FUNDS

We have not directly or indirectly invested the funds of the holders of the policies issued in India in any securities outside India.

5. SOLVENCY MARGIN

We confirm that the Company has adequate assets to cover both its liabilities and the minimum solvency margin as stipulated in Section 64VA of the Insurance Act, 1938 (as amended by the Insurance Laws (Amendment) Act, 2015) and IRDAI (Assets, Liabilities and Solvency Margins of life Insurance Business) Regulations 2016.

The actual solvency ratios as compared to required minimum solvency ratio of 1.50 are as below:

Particulars	March 31, 2020	March 31, 2019
Actual Solvency Ratio	1.95	2.13

6. VALUATION OF ASSETS

We certify that the values of all the assets have been reviewed on the date of Balance Sheet and to best of our knowledge and belief, the amounts reflected under "Loans", "Investments" (excluding debt securities held in the Shareholders' account and non-linked Policyholders' account which are carried at weighted average amortised cost), "Agents balances", "Outstanding Premium", "Interest, Dividend and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amount due from other persons or bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the items specified under "Other Accounts" does not exceed their respective realisable or market value.

7. APPLICATION AND INVESTMENTS OF LIFE INSURANCE FUNDS

We certify that no part of the life insurance fund has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 (amended by Insurance Laws (Amendment) Act, 2015), and all investments made are in accordance with IRDAI (Investment) Regulations, 2016, and orders/directions issued by IRDAI thereafter.

8. RISK EXPOSURE AND MITIGATION

The Company has a comprehensive Risk Management Policy covering a wide gamut of risks. The policy is reviewed on an annual basis. Together with policies on all key functions and a system of documented standard operating procedures, the Company's risk management policy ensures a robust risk management framework for its operations. The Risk Management Committee of the Board (RMC-B) is responsible for overseeing the Company's risk management program and for ensuring that significant risks to the Company are monitored and reported to the Board on a timely basis.

The Risk Management Committee of the Executives (RMC-E) and the Asset Liability Committee (ALCO) are jointly responsible for reviewing the risk management framework of the Company and periodically evaluating the various risk management initiatives undertaken by the Company and provide updates to the RMC-B on a regular basis.

At the apex level, the Company has the Corporate Risk Appetite statement basis which it decides the extent of risk it is willing to take in pursuance of its strategic objectives. At the departmental / regional level, the Company has functional risk appetite statements.

MANAGEMENT REPORT (CONTD.)

(I) Risk Mitigation Strategies

Risk mitigation strategies for major risks faced by the Company are as under:

(a) Market risk:

To manage the interest risk, the Company monitors the duration of assets and liabilities for different portfolios on quarterly basis. Also, expected cash-flows of the assets and liabilities are monitored closely to identify any potential re-investment risk.

Investment strategy for each line of business is laid down so that the assets are appropriately matched by the nature and duration of liabilities. A range is provided for each asset class and the investment front office team takes tactical investment decision within the stated range. The Corporate Risk Appetite is the basis on which the risk reward framework is optimised for this purpose.

All investments are made strictly in compliance to the IRDAI Investment Regulations issued from time to time.

Market risk is monitored at the fund level and the Company level. This risk is measured using certain real world stress test scenarios. The results provide insights into the ability the Company has in terms of asset allocation. The limit on some volatile / risky assets is decided based on the risk appetite / limits laid down by the Board. Within these constraints, the Company decides on a strategy so as to improve policyholders and company value.

The Company's product mix is also monitored in the context of the level and concentration of market risk within overall risks of the Company.

(b) Credit risk:

The Company manages the credit risk through the following measures:

- (i) Exposure limits for companies, groups and industries are in accordance with IRDAI (Investment) Regulations, 2016, and regulations/orders/directions issued by IRDAI thereafter.
- (ii) Internal risk assessment and constant monitoring of the Investment portfolio for change in credit ratings.
- (iii) Limit Credit Exposure by setting a range for investments in Corporate Bonds, in the context of risk reward framework.
- (iv) Counterparty risk is mitigated by placing reinsurance only with reputed and highly rated reinsurers.

(c) Liquidity risk:

The Company faces limited liquidity risk due to the nature of its liabilities & business structure. The cash investment along with expected future premium from existing business provides the liquidity to meet outgoes; this is monitored to be sufficient to cover expected outgo of the Company as forecasted by the ALM team under normal condition as well as under stressed conditions.

(d) Morbidity and Mortality risk:

The Company uses the following approaches to manage its mortality and morbidity risk:

- (i) **Reinsurance:** The Company uses a combination of surplus, quota share and catastrophe reinsurance treaties. The reinsurance treaties are reviewed and compliant with the relevant IRDAI regulations.
- (ii) **Experience Analysis:** The Company monitors the expected vs. actual mortality experience on quarterly basis and takes corrective action, if need be.
- (iii) **Repricing:** The Company reserves the right to review risk charges, in case of adverse experience, with appropriate IRDAI approval.
- (iv) **Underwriting and claims controls:** Underwriting and claims policies and procedures are in place to assess and manage the risks. The Company conducts periodic reviews of both underwriting and claims procedures and policies to ascertain the mortality risk experience. The underwriting norms are generally aligned to pricing basis.
- (v) **Others:** Various measures have been recently introduced to combat fraudulent death claims and as response to the modification of section 45 of the Insurance Act. These include:
 - a. Monitoring the early claims at agent, unit manager, branch and regional level.
 - b. Introduction of risk based underwriting through claim analysis.

(e) Persistency risk:

The persistency risk is managed with the following approaches:

- (i) **Experience analysis:** The Company conducts its experience analysis quarterly to ensure that corrective action can be initiated at the earliest opportunity and that assumptions used in product pricing and embedded value are in line with experience.

- (ii) **Product features:** The Company uses features like bonuses, guaranteed additions and additional allocation of units to encourage policyholders to continue with the policy. However, such features are included strictly in compliance with the IRDAI product regulations issued from time to time.
- (iii) **Service initiatives:** The Company uses a combination of proactive and reactive interventions to manage persistency. The interventions could include sending communication via different media like email, mailers, SMS to customers and distributors, reminders and telephonic interviews with customers, and visits to customers. Various customer education initiatives are also taken up for this cause.
- (iv) **Aligning key performance areas:** The Company uses different key performance areas for different levels of hierarchy in Sales and Operations to align interests and ensure adequate focus on persistency. Persistency Managers at regional level help focus on the need and requirements matching of the customers besides contributing to the renewal business.
- (f) **Expense risk:**
The Company actively monitors its expense levels, which are then fed back into new product pricing, calculation of reserves and management reporting. In case of any adverse deviations between actual unit costs and planned unit costs, mitigation measures are taken.

Regular monitoring ensures that the actual expense does not vary a great deal from the budgeted expense level.

Stress testing for Expense Risk is being done with deterministic shocks as per historical experience given for entire portfolio.
- (g) **Operational risk:**
The Company manages its Operational Risks through-
- (i) **Risk Registers**
Risk Registers document the high level risks for all the offices based on likelihood & impact rating. Controls in place to manage the risks are captured and rated to arrive at the residual risk.
- (ii) **Risk Control Self-Assessment (RCSA)**
RCSA requires each business unit within the Company to identify and assess inherent risks and controls relevant to the risk. The risk events are then mapped to the existing control framework to determine the residual risk. The controls are periodically assessed for its effectiveness.
- (iii) **Incident Reporting**
The Company also has a web-based incident reporting process to collect loss incidents to track the extent of operational risk. The incident reporting tool has helped the Company in development of system based modules for operational efficiency and to prevent recurrence. Loss data records may be used to estimate the capital required for operational risk.
- (iv) **Risk Control Unit (RCU)**
A 'Risk Control Unit' (RCU) is in place to undertake proactive measures for detecting process gaps / weakness so as to mitigate frauds / leakages. Lacunae observed are addressed in consultation with the relevant stakeholder. The RCU carries out 'Risk Assessments,' reviews processes and provide inputs to mitigate risks.
- (v) **Fraud Monitoring**
The Company takes a holistic approach to identify, measure, control and monitor fraud risk through the Fraud Prevention Policy. Various measures taken in coordination with the concerned stakeholders to mitigate fraud risk. The Company also participates in Industry forums to proactively obtain information on latest fraud trends.
- (vi) **Information Security**
The Information Security Committee (ISC) monitors information and cyber security risks. The Company complies with relevant regulatory and statutory information security requirements and is ISO 27001 certified. To further enhance the information security, the Company periodically conducts user awareness campaigns across locations.
- (vii) **Data Protection**
The Company employs various data protection solutions to ensure that the data of its customers, employees, vendors and other stakeholders is appropriately handled through its life cycle. A Data Governance Framework is in the process of being formulated by the Company.
- (viii) **Business Continuity Management**
The Company has requisite business continuity and disaster recovery plans in place and is ISO 22301 certified. The Company adheres to the Business Continuity requirements notified by the Authority.
- (h) **Regulatory risk:**
Compliance function monitors regulatory risks and has a sound compliance management and

MANAGEMENT REPORT (CONTD.)

suitable monitoring mechanisms in place. Relevant regulatory requirements and clarifications are communicated to relevant business functions on a timely basis. Suitable training is imparted to ensure adherence to applicable regulations.

(i) Reputational risk:

The Company has a structured process for identifying and managing risks emerging from reputational and other external events. Such events are discussed in the Risk Events Monitoring Committee, which meets on a quarterly basis. Events impacting the reputation are also monitored through the Corporate Risk Appetite statement.

(j) Legal risk:

Litigation cases are reviewed periodically by the senior management and appropriate steps are taken to adequately represent the Company in various forums.

(k) Country Risk:

The Company has obtained necessary regulatory approvals for opening branch office in Kingdom of Bahrain from IRDAI and Central Bank of Bahrain (CBB) for carrying out life insurance business. The target market will be Non-Resident Indian (NRI) and Person of Indian Origin (PIO) only. Currently, the Company is in process of surrendering the certificate of commencement to CBB and do not foresee any Country Risk.

(l) COVID19

The Outbreak of COVID-19 virus continue to spread across the globe including India, resulting in significant impact on global and India's economic environment including volatility in the capital markets. This outbreak was declared as global pandemic by World Health Organisation (WHO) on March 11, 2020. The Company has assessed the overall impact of this pandemic on its business and financials, including valuation of assets, policy liabilities and solvency for the year ended March 31, 2020. Based on the

evaluation, the Company has made additional reserve amounting to ₹ 600,000 thousands resulting from COVID-19 pandemic over and above the policy level liabilities calculated based on prescribed IRDAI regulations and the same have been provided for as at 31/03/2020 in the actuarial liability. The Company will continue to closely monitor any future developments relating to COVID-19 which may have any impact on its business and financial position.

(II) Risk Quantification, Capital Allocation and Concentration:

The Company has a mechanism to allocate risk capital to various risks on an economic basis. The exposure level to various risks is monitored so as to ensure that concentration does not happen in any particular area of risk. The Company also ensures that adequate capital is maintained to cover its risks and thereby remain solvent on an economic basis.

9. OPERATIONS IN OTHER COUNTRIES

The Company has obtained necessary regulatory approvals for opening branch office in Kingdom of Bahrain from IRDAI and Central Bank of Bahrain (CBB) for carrying out life insurance business. However, the Board of Directors in its meeting held on January 22, 2020 have resolved to surrender the Certificate of Commencement issued by the Central Bank of Bahrain (CBB) and to withdraw all the resources of the Company in accordance to the applicable laws.

10. AGEING OF CLAIMS

Mortality Claims Average Settlement period for last 5 years

Financial Year	Average Claim Settlement Time (in days)
FY 2020	2.76
FY 2019	2.76
FY 2018	3.71
FY 2017	4.43
FY 2016	4.48

The ageing of claims* registered and not settled are as below:

(i) Traditional Claims

(₹ '000)

Year	Upto 30 Days		30 Days to 6 Months		6 Months to 1 Year		1 Year to 5 Years		5 Years & Above	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
FY 2020	17,083	1,097,931	2,690	136,425	517	14,632	3	600	-	-
FY 2019	779	1,00,222	2,102	68,568	1	52	9	1,867	3	1,436
FY 2018	1,792	499,991	2,436	322,179	6	6,023	22	8,242	2	3,646
FY 2017	181	31,125	1,315	148,036	12,410	43,192	32,982	161,805	199	1,390
FY 2016	4,677	163,778	20,766	354,549	8,022	35,394	5,389	116,064	305	1,854

(ii) Ulip Claims

(₹ '000)

Year	Upto 30 Days		30 Days to 6 Months		6 Months to 1 Year		1 Year to 5 Years		5 Years & Above	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
FY 2020	2,417	819,575	197	89,579	19	33,942	-	-	-	-
FY 2019	1,022	433,965	179	38,979	-	-	-	-	-	-
FY 2018	976	404,240	112	49,160	3	965	14	4,714	1	53
FY 2017	2,411	792,560	30	15,346	13	4,092	86	37,595	18	4,325
FY 2016	3,465	681,943	304	76,669	169	45,054	538	108,351	4	1,679

* Claims includes death, maturity, survival, surrender, withdrawal annuity and health

11. VALUATION OF INVESTMENTS

We certify that the investments made out of Shareholders' funds and Non-linked Policyholders' funds in debt securities, redeemable preference shares are classified as "held to maturity" and stated at historical cost subject to amortisation of premium or accretion of discount over a period of holding / maturity on yield to maturity basis. Fixed Deposit and Reverse Repo are valued at cost.

The book value and the market value of these investments are as follows:

(₹ '000)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Book Value	Market Value	Book Value	Market Value
Non-linked and shareholder funds Investments valued at book value subject to amortisation of premium & discount	711,988,243	759,071,200	619,313,935	631,415,819
Non-linked and shareholder funds Investments valued at market value	125,252,145	105,993,306	89,099,060	99,638,497
Total investments in non-linked and shareholder funds	837,240,388	865,064,506	708,412,995	731,054,316

In the Unit-linked funds, Debt securities including Government securities & redeemable preference shares with remaining maturity of more than one year are valued at prices obtained from Credit Rating Information Services of India Limited ('CRISIL'). Debt securities including Government securities, redeemable preference shares with remaining maturity of less than one year are valued on yield to maturity basis, where yield is derived using market price provided by CRISIL on the day when security is classified as short term. Money market securities are valued at historical cost subject to amortisation of premium or accretion of discount on yield to maturity basis. Fixed Deposit and Reverse Repo are valued at cost.

Listed equity, equity related instruments & preference shares other than redeemable preference shares are measured at fair value on the Balance Sheet date. The fair value is considered as the closing price at primary exchange i.e. National Stock Exchange of India Limited ('NSE'). If NSE price is not available on a particular valuation day, closing price of the secondary exchange i.e. BSE Limited (BSE) is considered. Unlisted equity securities are measured at historical cost. In case of Security Lending & Borrowing (SLB), Equity Shares lent are valued as per valuation policy for Equity shares as mentioned above. AT1 bonds classified under "Equity" as specified by IRDAI vide the Circular dated November 30, 2016, are valued at prices obtained from Credit Rating Information Services of India Limited ('CRISIL'). Investments in mutual funds are recorded at fair value. The fair value is considered as the previous day's Net Asset Value (NAV). Alternate investment funds are valued at the latest available net asset value of the respective fund.

MANAGEMENT REPORT (CONTD.)

Unrealised gains or losses in Non-Linked funds arising due to change in the fair value of equity, equity related instruments, preference shares, mutual fund units, alternate investment funds & AT-1 Bonds are recognised in the Balance Sheet under "Fair value change account".

Unrealised gains or losses in Linked fund arising due to change in fair value are recognised in the Revenue Account.

Securities with call options are valued at the lower of the values as obtained by valuing the security to the final maturity date or to the call option date by using the benchmark rate based on the matrix released by CRISIL on daily basis. In case there are multiple call options, the security is valued at the lowest value obtained by valuing the security to the various call dates or to the final maturity date.

Securities with put options are valued at the higher of the value as obtained by valuing the security to the final maturity date or to the put option date by using the benchmark rate based on the matrix released by CRISIL on daily basis. In case there are multiple put options, the security is valued at the highest value obtained by valuing the security to the various put option dates or to the final maturity date.

Securities with both put and call options on the same day are deemed to mature on the put and call option day and would be valued on a yield to maturity basis, by using the benchmark rate based on the matrix released by CRISIL on daily basis.

12. REVIEW OF ASSET QUALITY

The Company invests its funds in Government Securities, bonds & debentures, equity shares, money market instruments, fixed deposits, etc. in accordance with the Investment guidelines prescribed by IRDAI from time to time. The assets held are ₹ 1,60,363 crores as on March 31, 2020 and is having the following bifurcation:

Investment Category	Shareholders' Funds	Policyholders' Funds		Total
		PH - Non ULIP	PH - ULIP	
Government Securities	44.14%	54.38%	35.57%	44.73%
Corporate Bonds:				
- AAA	20.53%	22.48%	14.32%	18.40%
- AA / AA+	4.06%	3.78%	2.85%	3.34%
- AA- & Below	5.20%	0.84%	0.51%	0.86%
Equity Shares ^	19.59%	10.72%	33.76%	22.39%
Fixed Deposits with Banks	0.00%	1.58%	0.28%	0.88%
Mutual Fund (Liquid Schemes)	0.00%	0.77%	0.74%	0.72%
Money Market Instruments	6.47%	4.88%	10.26%	7.58%
Others*	0.00%	0.57%	1.71%	1.10%
Grand Total	100.00%	100.00%	100.00%	100.00%
Size of Funds (₹ in Crores)	6,828	74,970	78,565	160,363

^ Includes Investment in Equity Exchange traded funds (ETF), Additional tier 1 (AT1) Bonds.

* Include Investment in Loans, Loan against policy, Alternate Investment Funds and Net Current Assets.

The Investments are made with strong research recommendations based on fundamentals, long term view and growth potentials. Around 88% of the equity investments are in large cap Nifty 50 Index stocks and approximately 93% (including Central Government Securities, State Government Securities and Other Approved Securities) of the rated debt investments are in AAA or equivalent rating for long term and A1+ or equivalent rating for short term instruments, which indicates the safe & reliable asset quality. The Company follows the guidelines, prescribed by IRDAI, with respect to strong Investment Risk Management Systems & Processes. Further, all the investment transactions are subject to independent Concurrent Audit.

Returns generated by Unit Linked Funds during the year are given below:

Funds	AUM as on 31st March 2020 (₹ in Crs)	Return for 1 Year		Return for 3 Years (CAGR)		Return for 5 Years (CAGR)	
		Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
EQUITY FUNDS							
Equity	13,664.26	-23.71%	-26.03%	-2.12%	-2.14%	0.76%	0.25%
Equity Pension	374.91	-25.58%	-26.03%	-2.48%	-2.14%	0.78%	0.25%
Equity Pension II	1,211.44	-24.31%	-26.03%	-1.69%	-2.14%	1.29%	0.25%
Growth	956.75	-13.04%	-15.45%	1.62%	1.17%	3.80%	3.03%
Growth Pension	153.08	-13.13%	-15.45%	1.71%	1.17%	4.07%	3.03%
Equity Optimiser	884.78	-21.42%	-19.97%	-1.20%	-0.12%	1.94%	1.84%
Equity Optimiser Pension Fund	114.88	-18.21%	-19.97%	0.66%	-0.12%	3.14%	1.84%
Equity Elite	7.31	-16.71%	-19.97%	1.90%	-0.12%	4.19%	1.84%
Equity Elite Fund II	3,591.79	-17.54%	-19.97%	0.32%	-0.12%	2.88%	1.84%
Index	821.77	-25.08%	-26.03%	-2.57%	-2.14%	-0.11%	0.25%
Index Pension	25.27	-24.86%	-26.03%	-2.42%	-2.14%	-0.01%	0.25%
Top 300 Fund	651.27	-16.16%	-19.97%	1.67%	-0.12%	3.60%	1.84%
Top 300 Pension Fund	170.43	-15.76%	-19.97%	1.83%	-0.12%	3.71%	1.84%
Midcap Fund	1,763.99	-20.74%	-35.90%	-2.04%	-12.04%	NA	NA
Pure Fund	184.43	-18.25%	NA	-3.72%	NA	NA	NA
DEBT FUNDS							
Bond Fund	22,319.92	10.65%	12.65%	7.26%	8.11%	7.95%	8.73%
Bond Pension Fund	399.96	11.62%	12.65%	8.22%	8.11%	8.61%	8.73%
Bond Pension Fund II	6,786.16	8.74%	12.65%	6.44%	8.11%	7.56%	8.73%
Group Short Term Plus Fund	0.01	5.65%	12.65%	7.84%	8.11%	8.43%	8.73%
Group Short Term Plus Fund II	1.33	8.56%	12.65%	7.54%	8.11%	8.86%	8.73%
Guarantee Plus GPF_100710_10 Fund	23.16	6.28%	NA	5.74%	NA	6.65%	NA
Guaranteed Pension Fund GPF070211	11.32	9.99%	NA	7.22%	NA	7.97%	NA
RGF070311	161.79	8.25%	NA	7.30%	NA	7.84%	NA
RGF150611	85.37	8.15%	NA	6.95%	NA	7.64%	NA
Bond Optimiser Fund	30.05	19.33%	4.15%	NA	NA	NA	NA
Corporate Bond Fund	22.96	13.81%	12.09%	NA	NA	NA	NA
BALANCED FUNDS							
Balanced	9,195.41	-6.77%	-7.90%	3.59%	3.27%	5.32%	4.77%
Balanced Pension	83.08	-4.89%	-7.90%	4.88%	3.27%	6.27%	4.77%
Flexi Protect	0.37	3.45%	NA	4.81%	NA	4.51%	NA
Flexi Protect (Series II) Fund	0.11	5.02%	NA	6.17%	NA	5.80%	NA
Group Balance Plus	84.99	3.07%	2.08%	6.36%	5.77%	7.41%	6.82%
Group Balance Plus II	64.79	2.90%	2.08%	6.39%	5.77%	7.41%	6.82%
Group Debt Plus	2.87	8.24%	8.35%	7.49%	7.19%	8.23%	7.98%
Group Debt Plus II	107.60	8.81%	8.35%	7.67%	7.19%	8.40%	7.98%
Group Growth Plus Fund	30.83	-3.42%	-5.95%	5.27%	3.78%	6.30%	5.19%
Group Growth Plus Fund II	2.68	-3.50%	-5.95%	4.88%	3.78%	5.87%	5.19%
Daily Protect Fund I	2,134.17	5.96%	NA	6.53%	NA	6.41%	NA
Daily Protect Fund II	1,218.18	6.38%	NA	6.82%	NA	6.23%	NA
Daily Protect Fund III	5,146.67	5.50%	NA	6.77%	NA	6.12%	NA
P/E Managed Fund	326.27	-12.19%	NA	1.21%	NA	2.84%	NA

MANAGEMENT REPORT (CONTD.)

Funds	AUM as on 31st March 2020 (₹ in Crs)	Return for 1 Year		Return for 3 Years (CAGR)		Return for 5 Years (CAGR)	
		Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
LIQUID FUNDS							
Money Market	234.13	6.28%	6.69%	6.48%	6.89%	7.11%	7.17%
Money Market Pension	33.70	6.23%	6.69%	6.48%	6.89%	7.16%	7.17%
Money Market Pension II	353.86	5.87%	6.69%	6.16%	6.89%	6.84%	7.17%
Group Money Market Plus Fund	2.09	5.50%	6.69%	NA	NA	NA	NA
Group STO Plus Fund II	0.00	0.00%	0.00%	NA	NA	NA	NA
DISCONTINUED FUNDS							
Discontinued Policy Fund	4,506.28	7.45%	NA	6.44%	NA	7.03%	NA
Discontinue Pension Fund	618.82	8.43%	NA	6.21%	NA	7.12%	NA

NA- indicates that the fund has not completed the relevant period under consideration

Returns generated by Conventional portfolios and shareholders' portfolio during the year are given below:

Particulars	Assets Held (₹ '000)		Returns on Assets * (%)	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Participating Policyholders Funds	308,989,714	269,683,940	8.76%	8.96%
Non Participation Policyholders Funds	440,712,373	391,716,097	8.92%	8.70%
Shareholders' Funds	68,279,462	57,552,395	7.10%	9.07%

* Returns are based on realised income i.e. without considering the unrealised gains and losses.

13. MANAGEMENTS' RESPONSIBILITY STATEMENT

The Management of the Company also confirm that:

- in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any;
- the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating profit and of the profit of the Company for the year;
- the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) (amended by Insurance Laws (Amendment) Act, 2015), Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the management has prepared the financial statements on a going concern basis;
- the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

14. PAYMENTS MADE TO INDIVIDUALS, FIRMS, COMPANIES AND ORGANISATIONS IN WHICH DIRECTORS ARE INTERESTED

The details of payments made to individuals, firms, companies and organisations in which directors are interested are as follows:

				(₹ '000)	
Sr. No.	Name of Director	Entity in which Director is interested	Interested as	FY 2020	FY 2019
1	Mr. Rajnish Kumar	State Bank of India	Chairman	9,926,760	9,642,143
		SBI Cards and Payment Services Pvt. Ltd.	Chairman	226	271
		SBI General Insurance Company Ltd.	Chairman	12,259	6,140
		SBI Foundation	Chairman	-	30,000
2	Mr. Dinesh Kumar Khara	State Bank of India	Director	9,926,760	9,642,143
		SBI Cards and Payment Services Pvt. Ltd.	Director	226	271
		SBI General Insurance Company Ltd.	Director	12,259	6,140
		SBICAPS Securities Pvt. Ltd	Director	25,637	22,430
		SBI DFHI Ltd.	Director	-	-
		SBI Global Factors Ltd.	Director	-	200
		SBI Foundation	Director	-	30,000
3	Mr. P K Gupta [#]	State Bank of India	Director	9,926,760	9,642,143
		SBI General Insurance Company Ltd.	Director	12,259	6,140
		SBI Foundation	Director	-	30,000

[#]Mr. P K Gupta resigned as Nominee Director of the Company w.e.f. March 31, 2020 on account of superannuation from SBI.

For and on behalf of the Board of Directors**Dinesh Kumar Khara**

Chairman
(DIN : 06737041)

Ravi Rambabu

Director
(DIN : 01845094)

Sanjeev Nautiyal

MD & CEO
(DIN : 08075972)

Sangramjit Sarangi

President & CFO

Subhendu Kumar Bal

Appointed Actuary

Vinod Koyande

Company Secretary

Place: Mumbai

Date: May 05, 2020