



# **SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

## **ANNUAL REPORT 2019-2020**

**CIN: U65999UP2000PLC025635**

**Registered Office: Sahara India Centre, 2 Kapoorthala Complex, Aliganj, Lucknow  
(U.P.) – 226024**

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## **BOARD OF DIRECTORS**

Shri O. P. Srivastava  
*(Chairman & Non-executive Director)*

Shri Arun Kumar Jain  
*(Independent Director)*

Shri A. K. Dasgupta  
*(Whole Time Director & CEO)*

Shri I. S. Verma  
*(Independent Director)*

Shri D. Devender Singh  
*(Independent Director)*

Smt. Rana Zia  
*(Women Director)*

## **SENIOR MANAGEMENT**

Shri Santosh Kumar Mishra  
*(Chief Financial Officer)*

Shri Dhiraj Goel  
*(Appointed Actuary)*

Shri Praveen Paliwal  
*(Chief Investment Officer)*

Shri Pushkar Verma  
*(Chief Marketing Officer)*

Shri Narendra Ojha  
*(Company Secretary)*

Shri Rajesh Kumar  
*(Chief Risk Officer)*

Shri Manoj Tandon  
*(Head Policy Servicing & Underwriting)*

Shri Alok Kumar  
*(Head IT)*

Shri Umesh Kumar  
*(Compliance Officer & GRO)*

## **AUDITORS**

M/s D.S. Shukla & Co.  
Chartered Accountants  
*(Statutory Auditors)*

M/s S. K. Kapoor & Co.  
Chartered Accountants  
*(Statutory Auditors)*

M/s A Pant & Co.  
Chartered Accountants  
*(Internal Auditors)*

M/s G.D. Apte & Co.  
Chartered Accountants  
*(Concurrent Auditors)*

M/s C. P. Shukla & Co.  
*(Secretarial Auditors)*

## **BANKERS**

Punjab National Bank  
Bank of Baroda  
UCO Bank

HDFC Bank Limited  
ICICI Bank Limited  
Andhra Bank

To  
The Members,

Your Board has pleasure in presenting its **Twentieth Annual Report** on the business and operations of your Company together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2020.

The financial performance of the Company is summarized below:

**Policyholders and Profit & Loss A/c**

(₹In'000)

Particulars	Current Year 2019-20	Previous Year 2018-19
Net Premium Income	8,73,805	10,06,445
Income from investment(Net)	5,94,146	9,38,715
Other Income	24,867	31,575
Contribution from Shareholder account	-	4,560
<b>Total Income</b>	<b>14,92,818</b>	<b>19,81,295</b>
Commissions	35,520	40,483
Operating expenses relating to insurance	97,701	3,54,139
<b>Total Expenses</b>	<b>1,33,221</b>	<b>3,94,622</b>
Payment to policyholders	10,42,639	7,36,741
Increase in actuarial liability	4,04,717	10,81,359
Transfer to Link fund	-3,40,165	-83,176
Fund for future appropriation	1,67,715	-1,88,224
Transfer to Shareholders Account	-8,943	27,104
Total Income under Shareholders Account	2,55,917	2,08,239
Expenses other than those directly related to Insurance business (including contribution to policyholder account)	2,95,432	30,161
<b>Profit/(Loss) before Tax</b>	<b>-47,233</b>	<b>2,05,183</b>
<b>Profit/(Loss) after Tax</b>	<b>-47,233</b>	<b>1,75,595</b>
Profit/(Loss) carried to Balance Sheet	10,87,887	11,78,226
Proposed Dividend	-	2,32,000

**Miscellaneous**

(₹In'000)

<b><u>Particulars</u></b>	<b>Current Year 2019-20</b>	<b>Previous Year 2018-19</b>
<b>Policyholder Account</b>		
a. Total funds	1,21,34,984	1,16,95,264
b. Total investments	1,13,12,782	1,10,72,147
<b>Shareholders Account</b>		
a. Total funds (Net of debit balance in Profit and Loss Account) Ex -dividend	35,06,208	35,82,371
b.Total investments	27,54,546	27,06,928
Paid Up Equity Capital	23,20,000	23,20,000
Net Worth	35,06,208	35,82,371

### **THE AMOUNTS, IF ANY, WHICH IT PROPOSES TO CARRY TO ANY RESERVE**

The Board proposes no amount to be carried to any reserve during the Financial Year 2019-20.

### **OPERATIONS OVERVIEW**

Business activities of the Indian Life Insurers were severely affected during the 2<sup>nd</sup> Fortnight of March 2020, due to COVID-19 onslaught and as a result the growth of the New Business in terms of Number of policies sold and also in New Premium apart from growth of Renewal Premium got affected.

In the Financial Year 2019-20, the total New Business Premium of the Indian Life Insurers was at Rs.2,58,897 Crores as compared to Rs. 2,14,673 Crores, the premium for Year 2018 -19 ; thereby showing a growth rate of 20.6 %. Number of Policies/ schemes sold were during 2019 -20 was 2.89 crores as against 2.87 crores in 2018-19 showing a moderate growth rate of 0.69%

Unfortunately our Company , could not be a part of this growth story as consequent to the appointment of Administrator, IRDAI had restricted M/s Sahara India Life Insurance Company Limited from seeking New Business vide its Order no. IRDA/F&A/ORD/FA/148/06/2017 dated 23<sup>rd</sup> June, 2017 which reads as under:

“In terms of section 52 (B) (2) of the Insurance Act, 1938, not to Procure / Collect Proposal Deposits / Underwrite New Business with immediate effect. However, IRDAI directed to

- i. Continue to collect and account for the Renewal Premium; and
- ii. Service the existing business and policyholders, unhindered.”

Since there were no New Business since 2017-18, Renewal Premium collections also declined because of no new addition in policies and exit by way of Maturity/Death claims and surrenders. Severe restrictions in movement and closure of Offices during last fortnight of March 2020 due to Covid scenario have also impacted our Renewal collections. Total Premium of the Company for the Financial Year 2018 -19 was as under:

	<b>01.04.2019-31.03.2020</b>	<b>01.04.2018-31.03.2019</b>	<b>Growth %</b>
Total Premium	Rs. 87.38 crores	Rs. 100.64 Crores	(13.17%)

The Company is making all out efforts to arrest decline in Renewal Premium and build a road map for competency building and putting in place a customer centric growth strategy to ensure a robust all-round growth as we hope that IRDAI will favorably consider our case for opening of New Business and allow us to tap the market and contribute to the growth of the sector.

### **PERFORMANCE UNDER RURAL AND SOCIAL SECTORS UNDER INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (OBLIGATIONS OF INSURERS TO RURAL AND SOCIAL SECTORS) REGULATIONS, 2015**

In spite of having an excellent penetration and reach in Rural and Semi-Urban markets of our Country, the Company could not contribute anything during the Year under review as no New Business could be underwritten because of IRDAI's prohibition in accepting new business vide its order dated 23<sup>rd</sup> June, 2017.



## **DIVIDEND**

Keeping in mind of the impact of Corona virus pandemic on Insurance Business, IRDAI has urged the Insurance Companies to observe "Dividend payout holiday" this fiscal. As such, no Dividend was proposed for the FY 2019-20. Dividend proposed for the Financial Year 2019-20 could not be distributed as the Administrator, IRDAI did not approve the same and the provisions made during last year was reversed.

## **PRODUCTS OF THE COMPANY**

In the absence of permission to seek New Business, the Company could not launch any new products and it has to seek approval for new products from IRDAI once the company is given permission to market New Business which has been kept on hold since June 2017 as all the earlier products will be non-compliant as per IRDAI's new Product Regulations.

## **OUR REACH**

The Company reaches its customers through its 141 offices as at March 31st, 2020, which includes 137 Branch locations which are as follows:

<b>UTTAR PRADESH (35)</b> Agra(1), Allahabad(1), Amethi(1), Azamgarh(1), Bahraich(1), Ballia(1), Barabanki(1), Bareilly(1), Basti(1), Bhadohi(1), Deoria(1), Etawah(1), Faizabad(1), Farrukhabad(1), Fatehpur(1), Gautam Buddha Nagar(1), Gorakhpur(1), Hardoi(1), Jaunpur(1), Jhansi(1), Kanpur Nagar(1), KushinagarPadrauna(1), Lucknow(3), Maharajganj(1), Mirzapur(1), Moradabad(1), Rae Bareilly(1), Sant Kabir Nagar(1), Shahjahanpur(1), Sultanpur(1), Varanasi(1).	<b>BIHAR (20)</b> Aurangabad(1), Begusarai(1), Bhagalpur(1), Bhojpur(1), Darbhanga(1), East Champaran(1), Gaya(1), Gopalganj(1), Kaimur(1), Muzaffarpur(1), Nalanda(1), Patna(2), Purnea(1), Samastipur(1), Saran(1), Sitamarhi(1), Siwan(1), Vaishali(1), Saharsa(1).
<b>RAJASTHAN (15)</b> Ajmer(1), Banswara(1), Barmer(1), Bhilwara(1), Bikaner(1), Chittorgarh(1), Jaipur(2), Jhalawar(1), Jodhpur(1), Karauli(1), Kota(1), Sirohi(1), Tonk(1), Udaipur(1).	<b>GUJARAT (8)</b> Ahmedabad(2), Jamnagar(1), Rajkot(1), Sabarkantha(1), Surat(1), Vadodara(1), Valsad(1).
<b>HARYANA (8)</b> Faridabad(1), Fatehabad(1), Gurgaon(1), Hisar(1), Karnal(1), Mahendragarh(1), Panipat(1), Rohtak(1).	<b>ANDHRA PRADESH (7)</b> Anantapur(1), Chittoor(1), East Godavari(1), Krishna(1), Kurnool(1), Srikakulam(1), Visakhapatnam(1).
<b>JHARKHAND (7)</b> Bokaro(1), Dhanbad(1), Dumka(1), East Singhbhum(1), Giridih(1), Hazaribag(1), Ranchi(1).	<b>MADHYA PRADESH (7)</b> Bhopal(2), Gwalior(1), Indore(1), Jabalpur(1), Katni(1), Satna(1).
<b>WEST BENGAL (7)</b>	<b>ASSAM (6)</b>

Darjeeling(1), Howrah(1), Kolkata(2), West Burdwan(2), Purulia(1),	Cachar(1), Dibrugarh(1), Jorhat(1), KamrupMetropolitan(1), Nagaon(1), Tinsukia(1).
<b>UDISHA (5)</b>  Angul(1), Balasore(1), Ganjam(1), Khordha(1), Sambalpur(1).	<b>KARNATAKA (3)</b>  Belagavi (1), Bengaluru Urban(1), Kalaburagi(1)
<b>MAHARASHTRA (3)</b>  Mumbai City(2), Nagpur(1),	<b>TELANGANA (3)</b>  Hyderabad (1), Mancheria(1), Warangal (Urban)(1).
<b>UTTRAKHAND (2)</b>  Dehradun(1), Nainital(1).	<b>CHATTISGARH (1)</b>  Raipur
<b>PUNJAB (1)</b>  Ludhiana	<b>CHANDIGARH (1)</b>  Chandigarh
<b>TAMILNADU (1)</b>  Chennai	<b>DELHI(NCT) (1)</b>  East Delhi

The Company has an ambitious plan of making its services available pan India and more so in semi urban and rural markets as these markets are still under penetrated. As on March 31<sup>st</sup>, 2020, the Company had 504 employees and 10,398 Advisors to cater to the needs of customers. The Company distributes its products through agents and corporate agents.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed herewith as **Annexure - A**.

#### **NUMBER OF BOARD MEETINGS HELD**

During Financial Year 2019-20, 4 (Four) Board meetings were held.

#### **DIRECTORS**

As on the date of this Report, the Company's Board comprises of 06 Directors. There are 05 Non-Executive Directors & 01 Executive Directors. The Company's Board also has a Women Director. The Company has obtained the declarations from Independent Directors as per sub-section (6) of section 149 of the Companies Act 2013.

Shri R.S. Rathore, Shri Brijendra Sahay and Shri M.R. Siddiqui resigned from the Directorship of the Company w.e.f. 08<sup>th</sup> August, 2019, 13<sup>th</sup> November, 2019 and 23<sup>rd</sup> July, 2020 respectively due to health issues. The Board of Company was strengthened during the year with the induction of Shri A.K. Jain as

Additional Director w.e.f. November 13, 2019, designated as Independent Director. The Company has 04 (Four) Independent Directors on the Board viz. Shri I.S. Verma, Shri A.K. Jain, Shri D. Devender Singh, & Shri M.R. Siddiqui. In accordance with the provisions of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation. All Independent Directors have provided declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013.

In accordance with Guidelines for Corporate Governance issued by IRDAI, the Directors of insurers have to meet the 'fit and proper' criteria. Accordingly, all the Directors of the Company have confirmed compliance with the 'fit and proper' criteria, prescribed under the Corporate Governance Guidelines issued by the IRDAI. The Company has also received declarations from all its Directors as per Section 164 of the Companies Act, 2013 confirming that they are not disqualified from being appointed as Directors of the Company.

## **AUDITORS**

### **STATUTORY AUDITORS**

Complying with the provisions of IRDAI and the Companies Act, 2013, M/S D. S. Shukla & Co., Chartered Accountants, Lucknow and M/s S. K. Kapoor & Co., Chartered Accountants, Kanpur were the Joint Statutory Auditors of the Company as on 31<sup>st</sup> March 2020.

M/S D. S. Shukla & Co., Chartered Accountants were appointed as Statutory Auditors in the 17th Annual General Meeting (AGM) of the Company held on 29th Day of September, 2017 following the resignation of S. S. Kothari Mehta & Co., Chartered Accountants, Delhi. M/S D. S. Shukla & company shall hold office from the conclusion of the 17th AGM till the conclusion of 22nd AGM.

M/s S. K. Kapoor & Co., Chartered Accountants were appointed as Statutory Auditors in the 19th Annual General Meeting (AGM) of the Company held on 09th Day of September, 2019 following the resignation of S. N. Kapur & Associates, Chartered Accountants, Lucknow. M/s S. K. Kapoor & Co. shall hold office from the conclusion of the 19th AGM till the conclusion of 24<sup>th</sup> AGM.

### **EXPLANATIONS OR COMMENTS BY THE BOARD ON REMARKS MADE BY STATUTORY AUDITOR IN HIS REPORT**

The auditor qualified the following matters:

1. Cash & Bank Balances in Schedule-11 to the financial statements includes a current account bank balance which is un-reconciled. Current book balance is INR 56,995 Thousand as against actual bank balance of INR 1046.61 Thousand as on 31/03/2020. The account is still under reconciliation as referred to in Note No.B-38 of schedule 16. Pending reconciliation, the impact of the same on current year financial statement cannot be quantified.

#### **Board observations:**

This Account in the name of PNB Payout A/c is a notional account used for the purpose of creating Claim liabilities and there is also a Bank account with the same name. Since there is some discrepancy in the balances reflected in both the accounts since long, the bank account has been frozen and reconciliation work has been taken with the concurrence of the Regulator, the IRDAI.

2. Note No. B-37 of the Schedule 16 to the financial statements regarding detection and accounting of several unaccounted transactions of earlier years which are of suspicious nature and subject matter of investigation and consequential adjustments. Pending investigation, the impact of the same cannot be presently quantified.

**Board observations:**

During reconciliation of the Account mentioned in item no 1 above, certain unaccounted FDRs in the name of the company came to the notice of the company these FDs along with the interest amounting to Rs 13.27 crores were taken into books of accounts with the permission from the regulator. In addition, an amount of Rs 91, 79,188.40 lakh lying in the account with the name of the Company in PNB, Borivali account was also taken into account.

The matter as and when detected by the Company was brought to the notice of the Audit committee and the Board and with the instructions from the Board, the Regulator, IRDAI was informed. As per directions received the company is appointing an Independent Auditor to verify the entries in the said bank account at PNB Borivali, where certain transactions amounting to Rs 9.40 crores (approx.) appears to have taken place over a long period of almost 10 years and a few transactions amounting to Rs 1.24 also needs to be investigated as the payment trail for these entries from PNB Payout account could not be identified so far.

The auditor emphasized on the following matters:

- a. Note No-B-33 of schedule 16, in the matter of financial statement being prepared on "Going Concern" basis in view of SAT's order dated 11/01/2018, and latest hearing with Regulator on 3rd December 2019, on the basis of which management of the company is confident that the order will be in its favour.

**Board observations:**

In compliance to the SAT order IRDAI has issued a show cause notice to the Company on 15<sup>th</sup> January 2019 and the Company has submitted its reply to the said notice on 1<sup>st</sup> March 2019. The IRDAI granted a hearing to the company on 3<sup>rd</sup> December 2019 and the reply to the IRDAI on the points raised during hearing was submitted on 31<sup>st</sup> December 2019, The Company is awaiting response from IRDAI and is optimistic that the Regulator will appreciate the views of the company and will permit the company to procure New Business.

- b. Note No. B-34 of the Schedule 16 to the financial statement in the matter of security deposit of INR 781500 Thousand in financial year 2014-15 and 2015-16 towards office rent without taking prior permission of IRDAI.

**Board observations:**

The Company has responded that as per the prevailing guidelines of IRDAI no permission was required to open Branches in Tier II and Tier III cities and as such prior permission was not asked for. No office however could be opened because IRDAI didn't agree to the expansion plan of the Company. The Company has represented to IRDAI in this regard and we are hopeful that IRDAI will consider our case favorably as the Company has the intrinsic strength to perform well and make a mark as a leading player in the country.

- c. Note No. B-12(C) to schedule 16 to the financial statements in the matter of segregation of unclaimed amount of policyholders as per IRDAI Master circular Misc/173/2-17 in a separate fund and transferring the same to Senior Citizens' Welfare Fund ( SCWF ).

**Board observations:**

The amounts could not be transferred to Senior Citizens' Welfare Fund (SCWF) as in spite of serious follow up with the Regulator, the SFIN no. was not approved. The same will be done as and when the number is allotted.

- d. Note No.B-39 of Schedule-16 to the financial statements which explain the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions imposed by the Government and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period.

**Board observations:**

The Board and the Management of the company is seriously concerned about the impact of the pandemic and its impact on operations. Several techno initiatives have been introduced during the period to ease customer interaction process and reduce physical contact. The initiatives have been well accepted by our field force .Moreover initiatives have been taken for prompt settlement of claims in case of Covid-19 related mortalities. We hope our efforts will bear result.

**SECRETARIAL AUDIT**

As required by the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s C. P. Shukla & Co., Company Secretaries, Lucknow to undertake Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for the financial year 2019-20 is annexed herewith as **Annexure - F**.

**EXPLANATIONS OR COMMENTS BY THE BOARD ON REMARKS MADE BY SECRETARIAL AUDITOR IN HIS REPORT**

The auditor emphasized on the following matters:

1. During the course of audit and study of Board Minutes and Committee Meetings Minutes for the year 2019-20, the matter of irregularities in one Bank Account maintained with PNB, Borivali Branch, Mumbai has been recorded in the Minutes. It has been further mentioned in the Board Minutes dated 12th February, 2020 that Fixed Deposits with interest amounting to Rs.12.00 Crores (approx) have not been reflected in company's accounts at any point of time and over a long period identified unauthorized cash withdrawals amounts to Rs.10.00 Crores (approx).The Company has also sent name of three firms of Chartered Accountants vide letter dated 31st January, 2020 to IRDAI for approval to investigate in the matter. It has been informed that the Bank Account under reference was opened as per the resolution passed by the Board of Directors of the company at its meeting held on 26th December, 2008.The matter has been referred to the Audit Committee and the Board vide our letter dated 21st July, 2020 for proper reply on the points raised in it. The President & CEO of the company vide his reply dated 22nd

July, 2020 informed that the matter has been reported to IRDAI and they are regularly monitoring the case. The company has been asked to take into account these FD's and interest accrued thereon and the Bank balance in PNB Borivali account, freeze the account and the amount identified be credited to the company's account. The CEO has informed to give further reply in the matter. The subsequent decisions will depend upon the outcome of the Audit and no legal or any punitive action has been initiated so far by the company.

2. The aforesaid matter at the first instance falls under the category of fraud as per explanation given u/s 447 of the Companies Act, 2013. Section 143 (12) and (13) to the Companies (Audit and Auditors) Amendment Rules, 2015 further provide to refer the matter to Central Government in the manner prescribed if involvement is more than the specified amount within prescribed time along with reply in the matter from the company.
3. As per IRDAI Master Circular IRDA/F&A/CIR/Misc/173/2017, the Unclaimed Amount of policyholders which is lying unclaimed for a period of more than ten years has not been transferred to the Senior Citizens' Welfare Fund. The company has applied to IRDAI to allot SFIN to enable it to transfer the unclaimed amount. The IRDAI is yet to allot SFIN.
4. The company declared dividend for the financial year 2018-19 at its AGM subject to approval of IRDAI but IRDAI did not approve it.
5. The company has not filed some of the IRDAI forms>Returns/certificates/information required under the Act, Rules and Regulations framed there under.
6. The security deposit given by the Company has not been received back and has also not been permitted by IRDAI. The opening of Branches as requested by the Company is yet to be permitted by IRDAI

**Board observations:**

1. During reconciliation of the Accounts as mentioned in reply to Statutory Auditors comments against item no 1 and 2, certain unaccounted FDRs in the name of the company came to the notice of the company these FDs along with the interest amounting to Rs 13.27 crores were taken into books of accounts with the permission from the regulator. In addition, an amount of Rs 91,79,188.40 lakh lying in the account with the name of the Company in PNB, Borivali account was also taken into account.  
The matter as and when detected by the Company was brought to the notice of the Audit committee and the Board and with the instructions from the Board, the Regulator, IRDAI was informed. As per directions received by the company from the Board and as approved by IRDAI, is appointing an Independent Auditor to verify the entries in the said bank account at PNB Borivali, where certain transactions amounting to Rs 9.40 crores (approx.) appears to have taken place over a long period of almost 10 years and a few transactions amounting to Rs 1.24 also needs to be investigated as the payment trail for these entries from PNB Payout account could not be identified so far.
2. The company is taking appropriate steps in the matter under guidance from Board and IRDAI.
3. The amounts could not be transferred as in spite of vigorous follow up IRDAI is yet to issue the SFIN number. It will be done as and when the number is allotted.

4. Since the Dividend payout has not been approved by IRDAI, the Board of the company has decided to reverse the provisions made for the same along with the provisions for likely tax payable on such payment.
5. Due to Covid-19 impact, some of the Returns could not be submitted in time because the Office was closed due to prolonged lockdown. However, these have been cleared at subsequent dates.
6. The company which was given the security deposit for creating the infrastructures for the Branches has offered to return the same in 36 installments. The matter is under consideration with IRDAI.

### **INTERNAL AUDIT**

The Company has in place an internal audit framework with a risk based audit approach. The basic philosophy of risk based internal audit is to provide reasonable assurance to the Board, Audit Committee and Management about the adequacy and effectiveness of the risk management and control framework in the Company. Review of controls is undertaken through execution of internal audits as per risk based audit plan. The internal audit covers auditing of processes, transactions and systems. Key audit observations and recommendations made are reported to the Board & Audit Committee every quarter. Implementation of the recommendations is actively monitored. The Board has appointed M/s A Pant & Co, Chartered Accountants Lucknow as Internal Auditor of the Company for the Financial Year 2019 -20.

### **COMPLIANCE**

The Board & Audit Committee oversees the compliance framework of the Company. The Company has formulated various internal policies/procedures which govern the day to day activities to ensure compliance. The compliance function disseminates the information regarding the relevant laws, regulations and circulars related to insurance and anti-money laundering to various functions. It also serves as a reference point for the staff of various functions for seeking clarifications on applicable laws, regulations and circulars issued by the regulatory authorities. The compliance team also monitors the adequacy of the compliance framework across the company. Key issues observed as part of this monitoring are reported to the Board & Audit Committee and implementation of recommendations is actively monitored.

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has been in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India for the financial year 2019-20.

### **LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, guarantees or investments under section 186 of Companies act 2013, and rules made there under is not required to be given as Company has not taken any loan, given guarantee, provided security in respect of such loans or made investments during the year under review.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 is disclosed in **Form No. AOC -2** appended as **Annexure - B** to the Report.

## **SETTLEMENT OF CLAIMS**

The Company provides utmost priority towards settlement of death claims and pursues a policy of settling the death claim as expeditiously as possible after taking all safety measures.

During the year 2019-20, under individual policies, 638 death intimations were received and 598 cases were settled/repudiated/rejected. 46 cases amounting to 0.57 Crores were outstanding as on 31st March 2019, as we are awaiting further requirements from the claimants.

Under Group policies, only 01 death intimation was received and was settled. No Group Claim was outstanding as on 31st March 2019.

The Company has a Claims Review Committee under the Chairmanship of Honorable Justice S.C. Verma (Retd.), an eminent retired Judge of the Allahabad High Court, to review the representations of various clients who are dissatisfied with the decision of repudiation of their claim by the Company. The Committee has been constituted to ensure transparency in the process of settlement of claims.

## **INFORMATION TECHNOLOGY**

Because of Corona pandemic and consequent lockdown and social distancing norms during 2<sup>nd</sup> fortnight of March 2020, our agents and MEs were finding it difficult to reach policy holder for collecting premiums and depositing the same at office/bank, keeping in view the situation Sahara Life has provided online payment facility for the policy holders in simple and easy steps so that it is easily accessible from mobile phones and our agents/MEs can interact over phone and get the premium deposited online for business continuity.

The Company has developed Mobile App for LCOs/MEs where they can login with their code and view premium due list and do follow ups with the policy holder. They can also do policy enquiry for addressing policy holder queries. LCO head/MEs can view their monthly business report. The Company will launch their mobile app soon.

## **MARKETING**

During the Financial Year 2019-20, our company had taken up many initiatives to spread the awareness of Life Insurance through Personal Contact Program, Special Revival campaigns, updating of bank account of Policyholders, Awareness calls through Call Center and also Promoted Awareness Campaign of Life Council etc. We look forward during 2020-21 by taking up other activities like conducting awareness camps, distribution of leaflets, organizing Insurance Awareness Meetings, and advertisement in Radio etc for spreading awareness among masses. As soon as we get the approval for New Business, we shall be active in the market and spread awareness among masses.



### **Steps taken to reduce policy lapsation and improve lapse policy revivals:**

Lapsation of the policy depends upon various social and economic factors, factors like servicing offered by the company and also upon the appropriateness of the sale at the inception stage. The chances of the revival of the policies are very high during initial lapse period but after 3 to 5 years of the lapsation, customer interest on revival of the policy is reduced. Our renewal performance indicates strong belief of the customers in the Company. Moreover, persistency of the policies is one of the major concerns of the insurance industry and in spite of having no new business our persistency ratio is comparable or better than some of the industry players.

Since the time the New Business was stopped by IRDAI in June, 2017, we lost lot of our critical manpower due to retirement, resignation and death. Although we could not replace the manpower, we managed to maintain the standard of servicing so that our policyholders interest is not compromised. The renewal premium collection during the year 2019-20 was Rs. 87.41 crores as against Rs.100.64 crores during financial year 2017-18. The collection suffered due to lock-down in the month of March, 2020. But for the lock-down, the company was poised to achieve the budgeted figure in Renewal premium collection. During the financial year 2019-20, 55318 Policies were revived. As on 31<sup>st</sup> March 2020, Out of total 93960 in-force policies (regular premium), 55318 came through Special Revival campaigns pursued by our marketing time. We have 10,398 agents in our books but we are feeling pressure from the Agents for re-start of New Business as their livelihood and survival depends upon the earning from the sales of the policies.

We have a dedicated team and they are working not only for the revival of the lapsed policies but also to educate the policyholders to ensure continuation of the policies. Due to COVID-19, next few months are likely to be more challenging but our team will be working to ensure minimum lapsation and maximum collection.

It is however extremely important to start New business as number of policies in our books are coming down rapidly not only because of lapsation but due to Maturity and surrender of policies. It is expected that financial hardships caused by the pandemic may induce more number of people to surrender their policies to supplement their lost income and also allow policies to get lapsed in many cases. Because of low base coupled with the pandemic effect we may not have many policies to serve without commencement of new business. The company may also find it difficult to run its operation as there will be no expense allocation from new premium and very little from dwindling renewal premium.

### **INVESTMENTS**

Financial Year 2019-20 was a challenging year for Indian and global markets. The single biggest event of the year which happened in last quarter of the year was spread of corona virus or Covid-19 which was declared a Pandemic by World Health Organisation (WHO). The virus that originated in China rapidly covered all major countries, especially in the month of March 2020. Many economies implemented shutdown – partial or full and consequently economic activity was severely disrupted globally. This also resulted in a fall in most asset classes including equities, commodities and currencies. Apart from this, other major events that made headlines during the year include - escalation in US China trade tensions and subsequently agreement on phase I of trade deal, sharp rate cuts by US Fed and European Central Bank (ECB) bringing it back to all-time lows, restart of Quantitative Easing (QE) by US & ECB, sharp fall in oil prices in Q4 F.Y. 2019-20 due to severe demand destruction because of Covid-19 aggravated by

breakdown of OPEC plus alliance, completion of BREXIT, etc.

On domestic front, re-election of BJP led NDA with strong majority, 210 bps of rate cuts by RBI, softening of growth, default by a major housing finance company, removal of Section 370, Citizenship Amendment Act (CAA), 21 days lockdown imposed by Government, fiscal and monetary stimulus announced to counter slowdown due to Covid-19, etc. made news.

Few other key developments in F.Y. 2019-20 were:

- Reduction in corporate tax rates and a concessional tax rate for new manufacturing units set up before March-2023
- Announcement of INR 100 trillion National Infrastructure Pipeline to boost infrastructure spending
- Weak revenue collections resulting in higher fiscal deficit
- Gsec yields declined but the Yield curve steepened during the year | Inflation hardened significantly due to higher food prices, especially vegetables
- Resolution of Essar steel under Insolvency and Bankruptcy code (IBC) with Supreme court upholding the rights of financial creditors
- Introduction of bankruptcy resolution mechanism for NBFCs under IBC
- Crisis in a major private sector bank and consequent rescue by group of large banks – both PSUs and private

The spread of corona virus, which was considered more of a local issue of China till February 2020, covered nearly the whole world in March 2020. In fact, as of end-March 2020, number of reported cases in US, Italy and Spain has taken over China and Germany is not much behind. The total number of cases globally has almost multiplied 10 times in past one month.

Fiscal and monetary stimulus: Globally, most central banks have cut policy rates significantly with US Fed cutting the target rate by 150 bps to 25 bps in March 2020 to its lowest level. US Fed also restarted its QE program with initial commitment of at least USD 700 billion. Further, it has also taken other measures like providing USD swap lines to major central banks, facilities to purchase of corporate bonds & commercial papers, etc.

India also announced fiscal stimulus of Rs INR 1.7 lakh crore, mostly targeted at vulnerable sections of society. The stimulus is likely to have only a moderate impact on FY21 fiscal deficit as substantial portion is front loading of expenditure (PM-KISAN payment), and burden of certain expenditure being shifted to states (construction worker payment, spending on testing, etc.), in our opinion. The impact on central government fiscal deficit is likely to be 0.3- 0.4% of GDP. Government might announce additional stimulus for the specific industries & services, which have suffered most due to this crisis.

RBI also unleashed a large set of monetary measures to counter the slowdown. The key measures taken by RBI are as follows: Reduction in repo rate by 75 bps to 4.4% (apart from 135 bps already reduced since beginning of FY20); reverse repo reduced by 90 bps to 4%, reduction in cash reserve ratio by 1% for a year – expected to release liquidity of INR 1.37 lakh crore, allowing additional 1% dip in SLR for the purpose of availing liquidity under marginal standing facility, conduct Targeted Long Term Repo Operations (TLTROs) of aggregate amount of INR 1 lakh crore at floating rate and linked to repo rate. The amount under these operations has to be invested in Commercial papers, Non-convertible debentures and corporate bonds. Moratorium on debt servicing on term loans and interest on working capital facilities. The measures announced by RBI can infuse liquidity to the extent of INR 3.74 lakh crore. Further, announcement of TLTROs should help reduce credit spread which had surged due to growing

risk aversion amongst lenders.

Annual rate of retail inflation, CPI increased in 11M F.Y. 2019-20 due to high food prices. The key reason for rise in food inflation was sharp increase in vegetable prices especially onions due to supply disruption. Further, prices of other food items like meat, eggs, milk, pulses etc. also firmed up during the second half. The impact of high food inflation was partially offset by lower fuel inflation due to fall in global crude prices. Core inflation also moderated due to weak economic activity and partly due to higher base.

Sahara India Life Insurance Company Ltd equity funds performed well during the year, with all the key equity funds performing in line with the respective benchmarks. The redemptions in the ULIP funds led to the fund size reducing in the equity portion of ULIP funds. In the traditional funds comprising mostly of bonds and gilts the funds were managed in a passive manner and have witnessed accretion in the fund AUM. The Company's bond funds have been managed keeping commensurate with the credit risk in the portfolio. The investment funds of the Company are managed as per the stated objectives laid down in the Investment Policy and respective Funds' file and use documents objectives. The selection of securities for investments have been made adhering to the IRDAI limits and also scattered across the sectors to achieve appropriate diversification and avoid concentration of securities.

Sahara Life Insurance Company Ltd total AUM as on March 31, 2020 was Rs. 1407 crores compared to Rs. 1377.90 crores in previous year. This comprised assets of Rs. 74.90 crores held under the unit-linked funds and Rs. 1331.80 crores held under the traditional funds and shareholder fund. The corresponding numbers for the previous year were Rs. 108.91 crores and Rs. 1268.98 crores respectively.

#### **INFUSION OF ADDITIONAL CAPITAL**

The Company did not infuse any fresh capital during the period under review as there was no need for the same. The current paid up capital stands at Rs. 232 crores.

#### **PUBLIC DEPOSITS**

The Company has not accepted any public deposit during the year under review as per Section 73 of the Companies Act, 2013.

#### **CORPORATE GOVERNANCE**

The Corporate Governance Guidelines dated 18th May 2016 (the Guidelines) for the insurance companies issued by Insurance Regulatory and Development Authority of India (IRDAI) outlines the framework of corporate governance policies and practices followed at the Company. Report on Corporate Governance and Corporate guidelines is also enclosed as **ANEEXURE – E**.

The Board functions as a full Board and also through various Committees constituted to oversee specific operational areas. The Chairman of Audit Committee, Investment Committee, Nomination & Remuneration Committee and With Profits Committee are Independent Directors. The Board presently has ten sub-committees namely- Audit Committee, Investment Committee, Risk & Asset Liability Management Committee, Policyholders Protection Committee, Nomination & Remuneration Committee, With Profits Committee, Corporate Social Responsibility Committee, Insurance Awareness Committee and Claim Review Committee and Outsourcing Committee.

### **Audit Committee**

Pursuant to Section 177 of the Companies Act, 2013, Audit Committee is formed and is chaired by an Independent Director. It decides the scope of Internal Audit and provides a link between the Auditors and the Board and reviews the financial statements and performance of the Company.

#### **Terms of reference:**

- The Audit Committee shall oversee the financial statements, financial reporting, statement of cash flow and disclosure processes both on an annual and quarterly basis. It shall set-up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.
- The association of the CEO in the Audit Committee should be limited to occasions where the Audit Committee requires eliciting any specific information concerning audit findings.
- The Audit Committee will oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.
- The Audit Committee shall be directly responsible for the recommendation of the appointment, remuneration, performance and oversight of the work of the auditors (internal/statutory/Concurrent). In case of statutory audit, the independence of the external auditors shall be ensured (although the approval of appointment, remuneration and removal of the statutory auditors shall be done by the shareholders at the general body meeting).
- The Audit Committee shall have the oversight on the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the insurer, whether raised by the auditors or by any other person.
- The Audit Committee shall discuss with the statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussions to address areas of concern.
- Act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches.
- Any additional work other than statutory/internal audit that is entrusted to the auditor or any of its associated persons or companies shall be specifically approved by the Board, through recommendation & assessment of Audit Committee, keeping in mind the necessity to maintain the independence and integrity of the audit relationship. All such other work entrusted to the auditor or its associates shall be specifically disclosed in the Notes to Accounts forming part of the annual accounts of the Company. However, it may be ensured that the Company comply with Section 144 of the Companies Act, 2013 before deciding to provide any additional work to the Statutory Auditors.

### **Investment Committee**

The committee is chaired by an Independent Director. The composition of the Investment Committee is strictly in accordance with the IRDAI Regulations. It frames and periodically reviews investment policy of the Company; it reviews the performance of the portfolio and provides guidance to the investment team from time to time.

**Terms of reference:**

- The Committee shall be responsible to recommend investment policy and lay down the operational framework for the investment operations of the insurer. The policy should focus on a prudential Asset Liability Management (ALM) supported by robust internal control systems. The investment policy and operational framework should, inter alia, encompass aspects concerning liquidity for smooth operations, compliance with prudential regulatory norms on investments, risk management / mitigation strategies to ensure commensurate yield on investments and above all protection of policyholders' funds.
- The Investment Committee shall be responsible for implementing the Investment Policy duly approved by the Board.
- For assessment of credit risk and market risk, the members of the Committee should not be influenced only by the credit rating.
- The committee should independently review their investment decisions and ensure that support by the internal due diligence process is an input in making appropriate investment decisions.
- The Committee shall formulate an effective reporting system to ensure compliance with the policy set out by it apart from Internal /Concurrent Audit mechanisms for a sustained and on-going monitoring of Investment Operations.

**Risk & Asset Liability Management Committee**

The Risk & Asset Liability Management Committee has been formed in accordance with Corporate Governance guidelines issued by IRDAI. It lays down Company's Risk Management Strategy, assists the Board in effective operation of the risk management system by performing specialized analysis and quality reviews, it lays down the framework to ensure that the Company invests in a manner which would enable it to meet its cash flow needs and capital requirements at a future date, it lays down the risk tolerance limits. It assesses periodically the risks involved in outsourcing arrangements and confirm to the Board, whether they comply with the stipulations of the IRDAI as well as the outsourcing policy of the Company.

**Terms of reference:**

- Establish effective Risk Management framework and recommend to the Board the Risk Management policy and processes for the organization.
- Set the risk tolerance limits and assess the cost and benefits associated with risk exposure.
- Review the Company's risk- -reward performance to align with overall policy objectives.
- Discuss and consider best practices in risk management in the market and advise the respective functions;
- Assist the Board in effective operation of the risk management system by performing specialized analyses and quality reviews;
- Maintain an aggregated view on the risk profile of the Company for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters.
- Report to the Board, details on the risk exposures and the actions taken to manage the exposures; review, monitor and challenge where necessary, risks undertaken by the Company.
- Review the solvency position of the Company on a regular basis.

- Monitor and review regular updates on business continuity.
- Formulation of a Fraud monitoring policy and framework for approval by the Board.
- Monitor implementation of Anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds.
- Review compliance with the guidelines on Insurance Fraud Monitoring Framework dated 21<sup>st</sup> January, 2013, issued by the Authority.

### **Policyholders Protection Committee**

The Policyholders Protection Committee has also been formed in accordance with Corporate Governance guidelines issued by IRDAI. It puts in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries, it Ensures compliance with the statutory requirements as laid down in the regulatory framework.

#### **Terms of reference:**

- Adopt standard operating procedures to treat the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof.
- Establish effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries.
- Put in place a framework for review of awards given by Insurance Ombudsman/Consumer Forums.
- Analyse the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any.
- Review all the awards given by Insurance Ombudsman/Consumer Forums remaining unimplemented for more than three (3) months with reasons therefore and report the same to the Board for initiating remedial action, where necessary.
- Review the measures and take steps to reduce customer complaints at periodic intervals.
- Ensure compliance with the statutory requirements as laid down in the regulatory framework.
- Ensure adequacy of disclosure of "material information" to the policyholders. These disclosures shall comply with the requirements laid down by the IRDAI both at the point of sale and at periodic intervals.
- Provide details of grievances at periodic intervals in such formats as may be prescribed by the IRDAI.
- Ensure that details of insurance ombudsman are provided to the policyholders.
- Review of Claims Report, including status of Outstanding Claims with ageing of outstanding claims.
- Reviewing Repudiated claims with analysis of reasons.
- Status of settlement of other customer benefit pay outs like Surrenders, Loan, Partial withdrawal requests etc.
- Review of unclaimed amounts of Policyholders, as required under the Circulars and guidelines issued by the Authority.

*The Board shall review the status report on policyholders' protection issues, submitted by the Committee, in each of its meeting.*

### **Grievance Redressal Mechanism:**

Sahara Life is committed to the cause of the policy holders and their satisfaction and for that purpose

has instituted an effective grievance redressal mechanism. To ensure that Customers are provided with fair resolution for their grievances and have access to an appropriate appeal mechanism, if not satisfied, a 4-tier grievance redressal mechanism has been set up, which is as follows:

- **Basic Redressal:** First time complaints are received at the Basic Redressal level (i.e. Business Service Centre), which is the 1st tier of the Grievance Redressal mechanism.
- **Grievance Redressal Officer:** Policy holders can pursue the complaint with the Grievance Redressal Officer, which is the 2nd tier of the Grievance Redressal mechanism. All offices of Sahara Life Insurance have a designated Grievance Redressal Officer. At the Branch level, the senior most official viz. Branch head has been appointed as Grievance Redressal Officer.
- **Chief Grievance Redressal Officer:** Policy holders can pursue the complaint with the Chief Grievance Redressal Officer, which is the 3rd tier of the Grievance Redressal mechanism.
- **Claims Review Committee (CRC):** CRC is the 4<sup>th</sup> tier and final level of the Grievance Redressal mechanism in the Company. The Policyholders and their nominees can represent to the Claims Review Committee about their grievances in respect of settlement of Claims/ its repudiation. It is a cross functional committee and is presided by Hon'ble Justice (Retd.) Shri S.C. Verma.

### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is chaired by an Independent Director and has been formed in accordance with provisions of Companies Act, 2013. The functions of the said Committee are as prescribed in Section 178 of the Companies Act, 2013. The Companies Act 2013 provides for the requirement of the Nomination and Remuneration Committee to formulate the criteria for determining qualifications and independence and recommend to the Board a policy on remuneration for the directors, key managerial personnel and other employees. The Company has framed the Nomination and Remuneration Policy for ensuring that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### **Terms of Reference:**

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To scrutinize the declarations of intending applicants before the appointment/reappointment/election of directors by the shareholders at the General Meetings.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- To scrutinize the applications and details submitted by the aspirants for appointment as the Key Management Persons.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To approve the compensation programme and to ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

### **With Profits Committee**

The With Profits Committee has also been formed in accordance with Insurance Regulatory and Development Authority (Non Linked Insurance Products) Regulations, 2013, dated 16 February 2013 and is chaired by an Independent Director.

#### **Terms of reference:**

- Determining the investment income attributable to the participating fund of policyholders.
- Maintaining the asset shares, at policy level, and ensuring that only the portion of expenses representing this business shall be allocated and interest rate credits to these asset shares represent the underlying assets of these funds.
- Determining the asset share for each product in accordance with the guidance or practice standards, etc. issued by the Institute of Actuaries of India.
- Providing approval for the detailed working of the asset share, the expense allowed for, the investment income earned on the fund, etc. which were represented in the asset share.

The report of the With Profits Committee in respect of the above matters should be attached to the Actuarial Report and Abstract furnished by the Company to the IRDAI.

### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee has been formed in accordance with Section 135 of Companies Act, 2013 and rules made there under. The duties of the Committee are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred to above subject to approval of the Administrator and
- Monitor the Corporate Social Responsibility Policy of the company from time to time.

The Corporate Social Responsibility policy as approved by the Board has been hosted on the Company's website: <https://www.saharalife.com/csr-policy.pdf>.

### **Insurance Awareness Committee**

The Insurance Awareness Committee has been formed in accordance with provisions of IRDAI Circular No. 35/CAD/PUB/Insurance Awareness Policy/2013-14 dated 12th March, 2014. It puts in place a year-



long action plan of the Company for initiating insurance literacy and awareness campaigns in the Country. The Committee will be responsible for the following:

1. To identify the key concerns of the Insurance Consumers and Prospective Insurance Consumers
2. To identify ways and means of involving various stakeholders for protecting Insurance Consumers and Prospective Consumers' interest
3. To identify the ways and means of publicity to educate Insurance Consumers and Prospective Insurance Consumers.
4. Planning of the annual activity chart as per the objectives.
5. Take budgetary approvals
6. Inform about the activity chart to the stakeholders
7. Monitoring of the program execution as per schedule and assess the effectiveness
8. Reporting to the Board and Regulator.

### **Outsourcing Committee**

The Outsourcing Committee has been formed in accordance with provisions of IRDAI Corporate Governance Guidelines dated 18<sup>th</sup> May, 2016 and **Insurance Regulatory and Development Authority of India (Outsourcing of Activities by Indian Insurers) Regulations, 2017**. Processes of the Company, if required, are outsourced as permitted under the regulatory provisions/guidelines. The Company carries out required due-diligence for any new activity or vendor empanelment as regularity requirement to obtain approval of Outsourcing Committee.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In pursuance to Section 135 of the Companies Act, 2013 along with Companies (**Corporate Social Responsibility Policy**) Rules, 2014, Board has constituted a Committee of Directors. The Committee has formulated a Policy on Corporate Social Responsibility and the Board has approved the same. The said Policy is uploaded on the Company's website. The details of CSR are set out in **Annexure D** to this Report.

### **FINANCIAL FRAUD, VIGIL MECHANISM & WHISTLE BLOWING POLICY**

The Company has formulated an Anti-Fraud Policy that complies with IRDAI Guidelines on Fraud Monitoring Framework. Risk assessments are performed on a regular basis, missing controls are identified and existing controls are tested regularly to prevent and detect malpractice incidents, which include breach of any law, statute or regulation, Issues related to accounting policies and procedures, Acts resulting in financial loss or loss of reputation, misuse of office, suspected/actual fraud and criminal offences, non-compliance to Anti-bribery & anti-corruption policy by the Company or its employees. The Company has put in place a mechanism for reporting any deviation /lapses noticed by any individual employee in practice of any of the Company policies and other regulatory requirements through its Whistle Blowing Policy that provides an outlet for such aggrieved person to bring the matter to the notice of the management, to the Board/ Audit Committee through specified routes. This mechanism has been communicated and posted on the Company's intranet.

### **CODE OF CONDUCT FOR PERSONAL INVESTMENTS**

The Company has a Code of Conduct for personal investments. The objective of the Code is to prohibit insider trading in any manner by the Access Persons and to maintain confidentiality of unpublished price

Sensitive information and access to information on a “need to know” basis.

The Code is applicable to all “Access Persons” and their “Family Members” as defined in this Code.

### **CODE OF BUSINESS CONDUCT AND ETHICS**

The Board of Directors has approved a Code of Business Conduct & Ethics for Directors and employees of the Company. The Code aims at ensuring consistent standards of conduct and ethical business practices across the constituents of the Company.

The Code lays down the broad framework of general guiding principles.

### **POLICY AGAINST SEXUAL HARASSMENT AT WORKPLACE**

At Sahara India Life, we follow ‘Zero-Tolerance Policy’ for any kind of sexual harassment i.e. the Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment.

The Company has constituted Internal Complaints Committee in accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Senior female members have been assigned the responsibility of acting as presiding officers who are required to be present in the inquiry of complaints and signoff on reports. The role of the Committee broadly includes investigation of complaints arising out of violation of prevention of sexual harassment policy, preparation of annual report, providing inputs for employee awareness sessions, communication to all employee groups of the Company.

Company is committed towards providing a work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. During the Financial Year 2019-20, under review, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

According to clause (e) of sub section 5 of Section 134 of the Companies Act 2013, the term Internal Financial Control has been defined as the policies and procedures adopted by the Company to ensure orderly and efficient conduct of its business, including adherence to Company’s policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The relevant part of Internal Financial Control requirements applicable to the Company as a public unlisted company is the requirement of having Internal Controls on Financial Reporting (ICFR). The Company is already having the Financial Reporting Controls Framework, which is aligned to ICFR.

The corporate governance framework of the Company is based on an effective independent Board, separation of Board’s supervisory role from the executive management and constitution of Board Committees, generally comprising a majority of independent/non-executive directors and chaired by independent directors to oversee critical areas. The Board committees are supported by executive

Management and Business Units have direct responsibility for the implementation of internal controls and the identification, management, and control of risks.

**2nd line of defense – Risk & Compliance:**

These functions are responsible for developing, facilitating and monitoring effective risk and control frameworks and strategies. Risk oversight, development of risk policies, methodologies and tools; training of staff on risk matters; and the provision of advice and guidance to management on risk and internal control matters come under the purview of the Second Line of Defense. The Risk Management department coordinates facilitates and oversees the effectiveness and integrity of the Internal Control & Risk Management Framework. The ultimate responsibility for this level lies with the Risk Management Committee of the Board.

**3rd line of defense – Audit:**

Audit provides independent assurance on the adequacy, effectiveness, and soundness of the Internal Control and Risk Management System of the Company. Internal and External Audit has the responsibility for this level along with the Audit Committee and Risk& Liability Management Committee of the Company.

Day-to-day management of risk is delegated through the CEO to management for risk management in their respective business. Management is supported by the risk functions and the Chief Risk Officer. The Company has established the Risk& Liability Management Committee which meets at least once in a quarter. The Risk& Liability Management Committee reports to the Board of Directors. Risk& Liability Management Committee oversees all the risks to provide Board and management with a consolidated view of the risks the entity faces. The Risk & Asset Liability Management provides advice to the Management in relation to the asset liability management of the Company. Risk& Liability Management Committee outlines the risk profile of the Company; monitors its risk exposures and supports in the creation of any corrective strategies.

In addition to the above, the Board has approved the following policies that assist in managing some of the above risks: Reinsurance Policy, Underwriting Policy, Outsourcing Policy, Anti-Fraud Policy, Whistleblower policy etc.

Other Committees where risks are reported discussed and actions proposed are:

- Investment Committee
- Audit Committee
- Outsourcing Committee
- Policyholders Protection Committee
- With Profits Committee

Risk categories addressed through the Risk Management Framework

- **Operational Risk** - Risk of loss resulting from inadequate or failed internal processes, people, systems or external events including legal risk
- **Compliance / Regulatory Risk** - Risks emanating from non-adherence to regulatory, judiciary and

legislative mandates and guidelines, leading to fines and penalties

- **Insurance risk** – Risk arising due to adverse movement of mortality, persistency, morbidity and expense rates

- **Investment Risk** – Comprises of the following nature of risks:

1. **Market Risk** - Risk of loss resulting from adverse movement in market prices across asset classes and investment positions
2. **Liquidity Risk** - Market Liquidity Risk is inability to liquidate an asset and Funding Liquidity Risk is inability to meet obligations when due
3. **Credit Risk** - Risk of loss resulting from the potential that counterparty defaults or fails to meet obligations in accordance with the agreed terms
4. **Asset Liability Mismatch Risk** - Risk due to uncorrelated / unmatched movement in the asset and liability cash flows on existing business and risk of future premiums being invested at low interest rates.

Key building blocks of the Risk management framework

**Risk Identification** - At the corporate level, risk identification is done by risk department and identified Risk Owners. The risks are tracked and monitored through deployment of risk management tools like risk registers, risk assessments & mitigation projects. Risk tolerances are defined for each of the risks. The risk department aids in assessing the risks and arriving at aggregation of risks.

**Risk Analysis and Assessment/Measurement** - As part of the risk analysis, a quantitative and qualitative assessment of all risks at consolidated organization level is made in order to take into account possible interactions between risks across all fields of business

**Risk Treatment** - Identified risks are managed by one or more of the following techniques

- **Risk Retention/acceptance:** In this technique, the company accepts the risk as it typically would be at a residual level where limited controls can be placed or cost of controls outweighs the benefits of controls planned.
- **Risk Transfer or:** In this technique the company transfers risks where exposure can be passed to third parties at an acceptable cost
- **Risk Reduction/mitigation:** In this technique, the company ensures that it has adequate controls in place to ensure the risk is within its defined appetite
- **Risk Avoidance:** In this technique the company decides not to engage in activities that would give rise to the risks that it perceives may breach its risk appetite

The nature of the controls implemented and the level of control exercised are based upon the:

- Potential severity of the risk;
- Frequency of the risk occurring;
- Cost of implementing controls relative to the significance of the risk;
- Risk appetite.

committees to oversee at an operational level. All employees are bound by the Code of business conduct and ethics approved by the Board of Directors.

The internal financial control with reference to financial statements of the Company comprises multiple levels of oversight as follows:

1. The Company has deployed automation in most of the transaction processing aspects including policy administration, investment management, actuarial computations, claims management, human resources process and accounting. System and process controls have been put in place for various sub processes.
2. The Company has formulated its Risk Policy, which assist to identify and assess operational risk in all aspects related to financial controls. A formal Risk and Control Self-assessment is also carried out from time to time.
3. The Company has a reporting and review framework comprising quarterly reporting and review of audited financials and investment returns to regulator and shareholders. The financials prepared are audited by joint statutory auditors, and are reviewed by Audit Committee. They are also submitted to IRDAI. Internal auditor's acts exercises independent control over operational and financial processes and significant internal audit observations and corrective actions thereon are presented to the Audit Committee of the Board. Investment operations are subject to concurrent audit certification on a daily basis. Pursuant to the Guidance note on the audit of Internal Financial Controls over Financial Reporting issued by Institute of Chartered Accountant of India and as mandated under Section 143(3)(i) of the Companies Act, 2013, the testing of such controls has been carried out independently by the Statutory Auditors during the financial year 2019-20. No material process deficiencies have been identified during the testing as the existing internal control framework is adequate and commensurate with the size and nature of the business of the Company.

### **RISK MANAGEMENT ARCHITECTURE**

Sahara Life Insurance recognizes that risk is an essential part of the business and managing risk is critical for creating shareholder value. The risk governance structure of the Company consist the Board, the Board Risk Management Committee and its other committees. The Board approved risk policy details identification, measurement, monitoring and control standards relating to the various individual risks, namely investment (market, credit and liquidity), insurance and operational risks.

The company uses 'Three Lines of Defence' model for risk management. The model provides assurance to Company's Board on the design and operating effectiveness of the Risk Management Framework. The First Line of Defence relates to the structures and processes that the business itself has in place to monitor its risks and controls, driving ownership of risks where they occur. The Second Line of Defence provides objective oversight and challenge by relevant risk experts. The Third Line relates to internal and external audit, which conduct reviews of control design and operating effectiveness, and provide recommendations for improvement.

#### **1st line of defense – Management and staff:**

Line management and staff are responsible for day-to-day risk-taking management and decision making and have primary responsibility for establishing and maintaining an effective control environment. This involves day-to-day risk and internal control management at the operational level. In this level, Top

**Risk monitoring and reporting** – Risk department reviews all the risks and presents a risk report to the Risk & Liability Management Committee on a quarterly basis. The Risk & Liability Management Committee informs the Board of the key findings.

### **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS**

Pursuant to the applicable provisions of the Companies Act, 2013 and IRDAI Guidelines, Acts, Rules Regulations made there under and all other laws for the time being in force, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees for the Financial Year 2019-20.

#### **Manner in Which Formal Annual Evaluation has been made by the Board:**

Rating sheets along with structured questionnaire covering various aspects of the Board like its own performance and that of its committees and individual Directors and Chairman of the Company were prepared and placed before the Nomination and Remuneration Committee (NRC) for further development therein, which were also approved by the NRC.

NRC approved said Rating sheets were sent to each of the Directors with regard to evaluation of performance of the Board, its Committees and individual Directors and Chairman of the Company (except for the Director/Chairman being evaluated) for the year under review.

The Rating sheets of the Independent Directors' Performance were filled by the entire Board excluding the Directors being evaluated.

The Rating sheets of the Board as a whole and the Non-Independent Directors' Performance were carried out by the Independent Directors excluding the Directors being evaluated.

The Rating sheets of the Committees' Performance were carried out by the entire Board.

The Rating sheets of the Board' Performance were carried out by the entire Board.

The Rating sheets of the Chairman' Performance were carried out by the Independent Directors.

In addition to the above rating process, the Rating sheets of the Board were also carried out by the NRC.

Overall, the Independent Directors expressed their satisfaction on the performance and effectiveness of the Board, all the Committees, Individual non-Independent Board Members, and the Chairman, and on the quality, quantity and timeliness of flow of information between the Company Management and the Board. The NRC also expressed its satisfaction on performance of each Director. The Board conducted the review of each Director's performance, Board as a whole and performance of Committees of the Board, and expressed its satisfaction. There has been no material adverse observation or conclusion, consequent to such evaluation process.

### **CHANGES IN THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) DURING THE YEAR**

In accordance with the provisions of the Act, Shri O. P. Srivastava (DIN: 00144000), Chairman and Director, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

As compared to previous Board's Report, the following changes were made in the members of

Committees of Board of Directors of the Company and in the Key persons of the company:

Sl. No.	Name of Director & KMP	Designation	Appointment / Resignation / Change Designation in	With effect from
1.	Ms. Sakshi Pandey	Company Secretary	Resignation	06/06/2019
2.	Mr. Narendra Ojha	Company Secretary	Appointment	06/06/2019
3.	Shri R. S. Rathore	Independent Director	Resignation	08/08/2019
4.	Shri K. K. Singhal	Chief Financial Officer	Resignation	30/09/2019
5.	Shri Santosh Kumar Mishra	Chief Financial Officer	Appointment	25/09/2019
6.	Shri Brijendra Sahay	Independent Director	Resignation	05/11/2019
7.	Shri Arun Kumar Jain	Independent Director	Appointment	13/11/2019

**THE COMPOSITION OF BOARD AND THE COMMITTEES ARE AS UNDER -**

**Composition of Board of Directors**

Serial No./Name	Designation	Qualifications	Specialization	Status of Directorship including this Company		Status of Committees Company		Positions in this Company
				In Indian Public Limited Companies	In other Companies	Membership	Chairmanship	
1. Shri O. P. Srivastava	Chairman & Director	Master's Degree in Arts & Bachelor's Degree in Law	Over 32 years of experience in the retail finance and real estate industry.	7	2	12		5
2. Shri R. S. Rathore (resigned w.e.f. 08/08/2019)	Independent Director	M.A.	Ex-Chairman of Central Board of Direct Taxes and a Special Secretary of Ministry of Finance Government of India. He has also been a former Chairman of Bank of Rajasthan.	2	0	4		3
3. Shri Brijendra Sahay (resigned w.e.f. 13/11/2019)	Independent Director	B.A., M.A. (Eco), LLB	(Retd) IAS in the Administration/ Finance/ Industrial & Urban Development	3	0	8		1

4.Smt. Rana Zia	Woman Director	Bachelor's Degree	Holding directorship in other companies	10	0	8	0
5.Shri Mohammad Razi Siddiqui (resigned w.e.f. 23/07/2020)	Independent Director	B.A. , L.L.B.	In Judiciary Service for 33years in the state of Uttar Pradesh	1	7	5	1
6.Shri Ishwar Singh Verma	Independent Director	B.Sc.,LL.B.	He is an advocate by profession, has served in Income Tax Department and has served as a Member of ITAT	1	1	5	1
7.Shri Diwakar Devender Singh	Independent Director	B Sc, Post Graduate in Public Administration, Post Graduate in Business Administration with Specialization in Marketing	He was Zonal Manager , LIC, South Central Zone, Executive Director , LIC of India, Member Distribution, IRDAI	1	0	9	1
8. Shri Arun Kumar Jain (appointed w.e.f. 13/11/2019)	Independent Director	M.Sc. (Maths) &LLB	Ex Chairman of CDDT having 37 years rich experience in various functional areas such as Central charges, Investigation, Administration, Judicial, Computer Operations, Infrastructure, etc.	1	0	8	0
9.Shri Arun Kanti Dasgupta	Whole Time Director &CEO	B.Sc (Hons), DPM &LW	He was MD & CEO of LIC Housing Finance Ltd, MD, LIC of India, Insurance Ombudsman Maharashtra, Goa and Mumbai	1	0	8	0

\* Other Companies include Indian Private Limited Companies and Foreign Companies but not include Section 8 Companies under the Companies Act, 2013.



**Composition of Committees:**

Members of the Board of Directors	Audit Committee	Investment Committee	Risk & Asset Liability Management Committee	Policyholders Protection Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	With Profits Committee	Insurance Awareness Committee	Outsourcing Committee
Shri O. P. Srivastava	Member		Chairman	Chairman	Chairman	Member		Chairman	Chairman
Shri R. S. Rathore (resigned w.e.f. 08/08/2019)	Chairman		Member			Chairman	Chairman		
Shri Brijendra Sahay (resigned w.e.f. 13/11/2019)	Member	Member	Member			Member			
Smt. Rana Zia									
Shri Mohd Razi Siddiqui (resigned w.e.f. 23/07/2020)	Member	Member			Member	Chairman	Member		
Shri Ishwar Singh Verma	Chairman	Member	<b>Member</b>	Member	<b>Member</b>	<b>Member</b>			
Shri Diwakar Devender Singh	Member	Member	Member	Member		Member	Member	Member	Member
Shri Arun Kumar Jain (appointed w.e.f. 13/11/2019)	Member	Chairman	Member			Member			
Shri Arun Kanti Dasgupta	Member	Member	Member	Member	Member		Member	Member	Member

Other details are available under heading 'Composition of Board of Directors' as above.

### Other Committee Members Details

Other Members of the Committees	Audit Committee	Investment Committee	Risk & Asset Liability Management Committee	Policyholders Protection Committee	With Profits Committee	Insurance Awareness Committee	Outsourcing Committee
Shri Praveen Paliwal, CIO	-	Member	Member	Member	-	-	Member
Shri Manoj Tandon, Head Policy Servicing & Underwriting		-	-	Member	-	Member	Member
Shri Subrahmanyam Kollimarla, Independent Actuary		-	-	-	Member	-	
Shri Pushkar Verma, Chief Marketing Officer		-	-	-	-	Member	Member
Shri Rajesh Kumar, Chief Risk Officer		Member	Member	-	-	-	Member
Shri Santosh Kumar Mishra, Chief Financial Officer	Member	Member	Member	Member	Member	Member	Member
Shri Dhiraj Goel, Appointed Actuary	-	Member	Member	Member	Member	-	Member
Shri Alok Kumar, IT Head		-	-	-	-	-	Member
Umesh Kumar, Chief Compliance Officer		-	-	Member	-	-	Member

### Profile of Other Committees Members

Name & Designation	Qualifications	Specialization	Status of Directorship
Shri Praveen Paliwal, Chief Investment Officer	MBA- Finance & Global Management	Handling Investment / Treasury functions –Dealing, Research & Fund Management for more than 16 years. Presently Working as a CIO from October 2013 till date with Sahara India Life Insurance Co.	N/A
Shri Manoj Tandon, Head Policy Servicing & Underwriting	MBA- Finance	26 years experience in back-office operations.	N/A
Shri Pushkar Verma, Chief Marketing Officer	Post Graduate in Commerce	23 years experience in Finance & Marketing with 'SAHARA INDIA'.	20
Shri Subrahmanyam Kollimarla, Independent Actuary	B.Sc., AIA, FIAI, FII	Career started with management cadre of Life Insurance Corporation of India in the year 1980. Jobs involved: Administration, Reinsurance, Underwriting and Actuarial Valuation, Training of staff.  Mr. Kollimarla has also held positions of Executive Director at IRDAI. Worked on consultancy basis Insurance Board of Sri Lanka, Colombo, FSC, Mauritius, Maldives Monetary Authority (MMA), Maldives, Beema Samitee, Nepal, IIB, Hyderabad	N/A
Shri Rajesh Kumar, Chief Risk Officer	BSc, AIAI DAT, CFI	17 years of experience in policy servicing, administration and actuarial.	N/A
Shri Santosh Kumar Mishra, Chief Financial Officer	B.Com., FCA	15 years' experience in finance, accounts, taxation, audit etc.	N/A
Shri Dhiraj Goel, Appointed Actuary	FIA, FIAI, ACA	Professional career of over a decade, covering life, Health, and Reinsurance, he has worked on a range of projects covering risk management, financial modelling, product pricing & development and corporate actuarial function for Life companies.	2

Shri Alok Kumar, IT Head	Graduation	Professionally qualified in Computer Programming & System Analysis. He is IT Head of the Company since 2013	N/A
Shri Narendra Ojha	M.Com, LL.B, ACS	A qualified Company Secretary, who has been working with Sahara Group since last four & half years.	N/A

### **NUMBER OF MEETINGS HELD AND ATTENDED**

The number of Board and Committee meetings held during Financial Year 2019-20 was as under:

Board/Committee	No. of Meetings Held
Board of Directors	4
Audit Committee	4
Investment Committee	4
Risk & Asset Liability Management Committee	4
Policyholder Protection Committee	4
Corporate Social Responsibility Committee	1
Nomination and Remuneration Committee	3
With Profits Committee	2
Outsourcing Committee	1
Insurance Awareness Committee	4

The dates of meetings held during the Financial Year 2019-20 are mentioned below:

Dates of Board Meetings	Dates of Audit Committee Meetings	Dates of Investment Committee Meetings	Dates of Risk & Asset Liability Management Committee Meetings	Dates of Policyholders Protection Committee Meetings	Dates of Corporate Social Responsibility Committee Meetings	Dates of Nomination and Remuneration Committee Meetings	Dates of With Profits Committee Meeting	Dates of Insurance Awareness Committee	Outsourcing Committee
							15/05/2019		
06/06/2019	06/06/2019	06/06/2019	06/06/2019	06/06/2019		06/06/2019		06/06/2019	
08/08/2019	08/08/2019	08/08/2019	08/08/2019	08/08/2019		08/08/2019		08/08/2019	
13/11/2019	13/11/2019	13/11/2019	13/11/2019	13/11/2019		13/11/2019		13/11/2019	
							11/02/2020		
12/02/2020	12/02/2020	12/02/2020	12/02/2020	12/02/2020	12/02/2020			12/02/2020	12/02/2020

The number of Board and Committee meetings attended by Directors and Committee Members during Financial Year **2019-20** was as under:

Director / Committee Member	Board of Directors Meeting	Audit Committee Meeting	Investment Committee Meeting	Policyholders Protection Committee Meeting	Risk & Asset Liability Management Committee Meeting	With Profits Committee Meeting	Corporate Social Responsibility Committee Meeting	Nomination and Remuneration Committee Meeting	Insurance Awareness Committee Meeting	Outsourcing Committee
Shri O. P. Srivastava	4	4	-	4	4	-	1	3	4	1
Shri R. S. Rathore (resigned w.e.f. 08 <sup>th</sup> august, 2019)	2	2	-	-	2	-	-	2	-	-
Shri Brijendra Sahay(resi gned w.e.f. 13 <sup>th</sup> November, 2019)	-	-	-	-	-	-	-	-	-	-
Shi Mohd Razi Siddiqui	4	4	4	-	-	1	1	3	-	-
Smt. Rana Zia	3	-	-	-	-	-	-	-	-	-
Shri I.S. Verma	4	4	2	1	4	-	1	3	-	-
Shri D. Devender Singh	4	4	4	4	4	2	1	3	4	1
Shri Arun Kumar Jain (appointed w.e.f. 13 <sup>th</sup>	2	2	2	-	2	-	-	1	-	-

November, 2019)										
Shri Arun Kanti Dasgupta	4	4	4	4	4	2	1	-	4	1
Shri K.K. Singhal (resigned w.e.f. 30 <sup>th</sup> September, 2019)	2	2	2	2	2	-	-	-	2	-
Shri Santosh Kumar Mishra (appointed w.e.f. 25 <sup>th</sup> September, 2019)	2	2	2	2	2	1	-	-	2	1
Shri Praveen Paliwal	-	-	4	4	4	-	-	-	-	1
Shri Manoj Tandon	-	-	-	4	-	-	-	-	4	1
Shri Pushkar Verma	-	-	-	-	-	-	-	-	4	1
Shri Liyaquat Khan (resigned w.e.f. 31 <sup>st</sup> August, 2019)	-	-	-	-	-	1	-	-	-	-
Shri Subrahmanya Kollimarla (appointed w.e.f. 01 <sup>st</sup>	-	-	-	-	-	1	-	-	-	-

September, 2019)										
Shri Dhiraj Goel	-	-	4	4	4	2	-	-	-	1
Shri Rajesh Kumar	-	-	4	-	4	-	-	-	-	1
Shri Umesh Kumar	-	-	-	4	-	-	-	-	-	1
Shri Alok Kumar	-	-	-	-	-	-	-	-	-	1

#### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

Following separate meeting(s) of Independent Directors was held in Financial Year 2019-20. The names of the Independent Directors and their attendance at said meeting(s) during the said Financial Year are as under:

DATE OF MEETING	NAME OF THE INDEPENDENT DIRECTOR	WHETHER ATTENDED / NOT ATTENDED
12th February, 2020	Shri I.S. Verma	Attended
	Shri D. Devender Singh	Attended
	Shri Mohd. Razi Siddiqui	Attended
	Shri Arun Kumar Jain	Attended

#### **DIRECTORS' REMUNERATION**

Details of remuneration and sitting fees paid in compliances to section 197 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 to the Directors during The Financial Year 2019-20 are set out in **ANNEXURE - A** to this report in **Form MGT-9**.

#### **GENERAL MEETING OF SHAREHOLDERS**

The detailsofthelastthreeAnnualGeneralMeetingsoftheCompanyheldaregiven below:

No. of AGM	Date of Annual General Meeting	Venue	Time
19 <sup>th</sup> AGM	Monday, 09 <sup>th</sup> September, 2019	Board Room, 9th Floor, Sahara India Bhawan, 1, Kapoorthala, Aliganj, Lucknow-226024	11.00 AM
18 <sup>th</sup> AGM	Tuesday, 11 <sup>th</sup> September, 2018	Board Room, 9th Floor, Sahara India Bhawan, 1, Kapoorthala, Aliganj, Lucknow-226024	11.00 AM
17 <sup>th</sup> AGM	Friday, 29 <sup>th</sup> September, 2017	Board Room, 9 <sup>th</sup> Floor, Sahara India Bhawan, 1, Kapoorthala, Aliganj, Lucknow-226024	10:00 A.M.

### **MANAGEMENT REPORT**

Pursuant to the provisions of Regulation 3 of the Insurance Regulatory and Development Authority (preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2000, is enclosed as **ANNEXURE – D**. The Management Report forms a part of the Financial Statements.

### **PARTICULARS OF EMPLOYEES**

Pursuant to the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, during the Financial Year 2019-20, no employee of the Company had received the remuneration in excess of the prescribed limit.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company here by state and confirm:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the Directors had selected such 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 2019-20 and of the profit and loss of the company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the annual accounts on a going concern basis; and
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out herein below:



#### **A.CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

In view of the nature of business activity of the Company, the information relating to the conservation of energy and technology absorption, as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is not required to be given.

#### **B.FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the years under review foreign exchange earnings and outgo is as under:

Foreign Exchange Earning	:	Nil
Foreign Exchange Outgo	:	Nil

(The amount of foreign exchange outgo was on account of payment for insurance Companies).

#### **SIGNIFICANT AND MATERIAL DEVELOPMENTS BECAUSE OF ACTION TAKEN BY THE REGULATOR DURING THE FINANCIAL YEAR 2018-19IN RESPECT OF CONDUCT OF BUSINESS BY THE COMPANY**

M/s Sahara India Life Insurance Co. Ltd. filed Appeals on 31<sup>st</sup> July, 2017 in respect of IRDAI Orders dated 12<sup>th</sup> June, 2017, 23<sup>rd</sup> June, 2017 and 28<sup>th</sup> July, 2017 in securities Appellate Tribunal (SAT), Mumbai, Maharashtra and SAT has passed its order Dated 11<sup>th</sup> January, 2018 regarding the aforementioned IRDAI Orders. The gist of the orders passed by SAT on 11<sup>th</sup> January, 2018 in the matter of Sahara India Life Insurance Company Limited is as under:

1. SAT has upheld the appointment of Administrator by IRDAI i.e. Administrator shall continue in Sahara Life.
2. IRDAI order dated 28<sup>th</sup> July, 2017, as regard to transfer of Life Insurance Portfolio to ICICI Life Insurance Company Limited has been quashed.
3. IRDAI shall provide fresh hearing to Sahara India Life Insurance Company Limited and complete the process within 3 months; thereafter the IRDAI may consider allowing commencement of new business to Sahara India Life Insurance Company Limited. Sahara Life Insurance Company has to submit representation / reply / response to the Administrator's Report.
4. In pursuance to the above Securities Appellate Tribunal (SAT) order dated 11th January 2018, IRDAI has sent the Company a show cause notice under Section 52B of the Insurance Act 1938 under ref: no.113.714/F&A-LIFE/SLIC-AP/165/2017-18 dated 15th January 2019, seeking our comments on various issues raised in the notice. The Company has submitted its reply vide letter ref: SILICL/44/Feb-19/30751 dated 1st March 2019.
5. On 3<sup>rd</sup> December 2019, a hearing was held by the Chairman IRDAI with the Company and reply to the points raised in the meeting was submitted by 31<sup>st</sup> Dec 2019.

6. The company is following up with IRDAI since then for an early decision in the matter as in the absence of New Business the company is being pushed to a situation where we are not only losing man power almost regularly, it has become difficult for the company to keep its agents with us as they are not able to earn their livelihood for no fault of theirs.

**SIGNIFICANT DEVELOPMENT IN RESPECT OF PROMOTERS OF THE COMPANY:**

Reserve Bank of India had filed a case of liquidation against M/s Sahara India Financial Corporation Ltd, one of the promoters; having 50% share holdings in the Company. Lucknow Bench of The Allahabad High Court passed its order on 15<sup>th</sup> Feb 2019 against the SIFCL. The matter at present stands in the Hon'ble Supreme Court of India which has passed an order' to maintain status quo' vide its order dated 11<sup>th</sup> April 2019.

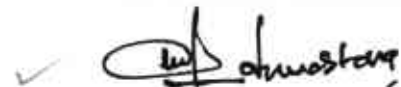
**DISCLOSURES:**

1. The Company did not have any subsidiary, associate and joint venture company during the year under review.
2. There was no change in the nature of business of the Company during the year under review.
3. There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.
4. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**ACKNOWLEDGEMENT**

The Board places on record its sincere thanks to the Insurance Regulatory and Development Authority of India for its guidance and support during the period. The Board acknowledges the support extended by all associates, statutory bodies and the entire work force at all levels. The Board also thanks the Shareholders and Policyholders who have reposed their trust and faith in the Company.

For and on behalf of the Board



(O. P. Srivastava)  
Chairman & Director  
DIN: 00144000

Place: Lucknow  
Dated: 25<sup>th</sup> August, 2020



(Arun Kanti Dasgupta)  
Whole time Director, President & CEO  
DIN:01462177

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2020**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U65999UP2000PLC025635
2.	Registration Date	13-09-2000
3.	Name of the Company	SAHARA INDIA LIFE INSURANCE COMPANY LIMITED
4.	Category/Sub-category of the Company	INSURANCE COMPANY LIMITED
5.	Address of the Registered office & contact details	SAHARA INDIA CENTRE, 2, KAPOORTHALA COMPLEX, LUCKNOW-226024 TEL.: 0522-2337777 FAX: 0522-2332683 E-MAIL: secretariat.life@sahara.in
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KARVY COMPUTERSHARE PRIVATE LIMITED (RTA) 46, AVENUE 4, STREET NO.1, BANJARA HILLS, HYDERABAD-500034 PH. +91 040 44655041

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Life Insurance	65110	100%

Sr.No.	Name And Address of the Company	CIN/GLN	Holding/ subsidiary / Associate	% of shares held	Applicable Section
NOT APPLICABLE					

#### i) Category-wise Share Holding

[illegible]

g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(1):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	15700000	7500000	23200000	10	15700000	7500000	23200000	10	NIL
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(2):-</b>	<b>15700000</b>	<b>7500000</b>	<b>23200000</b>	<b>10</b>	<b>15700000</b>	<b>7500000</b>	<b>23200000</b>	<b>10</b>	<b>NIL</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	15700000	7500000	23200000	10	15700000	7500000	23200000	10	NIL
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Grand Total (A+B+C)</b>	<b>94200000</b>	<b>137800000</b>	<b>232000000</b>	<b>100</b>	<b>94200000</b>	<b>137800000</b>	<b>232000000</b>	<b>100</b>	<b>NIL</b>

**ii) Shareholding of Promoter-**

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sahara India Financial Corporation Limited	116000000	50	NIL	116000000	50	NIL	NIL
2	Sahara Care Limited	92800000	40	NIL	92800000	40	NIL	NIL

iii ) Note: There is no change in the number of shares held by the promoter companies.

**(iv) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S.N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year April 01, 2019		Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc):	Shareholding at the end of the year March 31, 2020	
		No. of shares of FV Rs. 10/-	% of total shares of the company		No. of shares of FV Rs. 10/-	% of total shares of the company
1	Sahara India Commercial Corporation Limited	9900637	4.27	N/A	9900637	4.27
2	Sahara Infrastructure & Housing Ltd. (formerly Gora Projects Ltd.)	8866242	3.82	N/A	8866242	3.82

3	Sahara Prime City Ltd. (formerly Sahara India Investment Corporation Ltd.)	2955414	1.27	N/A	2955414	1.27
4	Sahara One Media & Entertainment Ltd.	1108280	0.48	N/A	1108280	0.48
5	Master Chemicals Limited	369427	0.16	N/A	369427	0.16

**v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	NIL			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL			
<b>Change in Indebtedness during the financial year</b>	NIL			
* Addition				
* Reduction				
<b>Net Change</b>	NIL			
<b>Indebtedness at the end of the financial year</b>	NIL			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Total Amount
		Shri A.K. Dasgupta (WTD & CEO)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil
2	Stock Option	Nil
3	Sweat Equity	Nil
4	Commission - as % of profit - others, specify...	Nil
5	Fee for attending Board /committee meetings	5,80,000
<b>Total</b>		<b>1,01,80,000</b>

**B. Remuneration to other Directors**

S. N.	Particulars of Remuneration	Name of Directors								Total Amount
		Shri O.P. Srivastava	Shri D. Devender Singh	Shri R.S. Rathore	Shri Brijendra Sahay	Shri Mohd. Razi Siddiqui	Smt. Rana Zia	Shri I. S. Verma	Shri A.K. Jain	
1	Independent Directors									
	Fee for attending board committee meetings	NIL	6,20,000	1,60,000	Nil	3,40,000	60,000	4,00,000	1,80,000	17,60,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	NIL		Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	NIL		Nil
	<b>Total (1)</b>	<b>NIL</b>	<b>6,20,000</b>	<b>1,60,000</b>	<b>Nil</b>	<b>3,40,000</b>	<b>60,000</b>	<b>4,00,000</b>	<b>1,80,000</b>	<b>17,60,000</b>
2	Other Non-Executive Directors									
	Fee for attending board committee meetings	5,00,000	NIL	Nil	Nil	Nil	Nil	Nil	Nil	5,00,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	<b>5,00,000</b>	<b>NIL</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>5,00,000</b>
<b>Total (B)=(1+2)</b>		<b>5,00,000</b>	<b>6,20,000</b>	<b>1,60,000</b>	<b>Nil</b>	<b>3,40,000</b>	<b>60,000</b>	<b>4,00,000</b>	<b>1,80,000</b>	<b>22,60,000</b>

**C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD12390400**

S.N.	Particulars of Remuneration	Mr. Narendra Ojha Company Secretary (From 06/06/2019 to 31/03/2020)	Shri K.K. Singhal Chief Financial Officer till 30/09/2019	Shri Santosh Kumar Mishra Chief Financial Officer from 25/09/2019 till 31/03/2020	Shri Dhiraj Goel Appointed Actuary From 01/04/2019 to 31/03/2020
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,59,437	19,50,000	10,79,166	1,23,90,400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16,936	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	Others, specify	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
<b>Total</b>		<b>4,76,373</b>	<b>19,50,000</b>	<b>10,79,166</b>	<b>1,23,90,400</b>

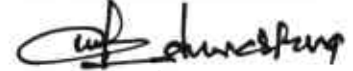
**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

Place: Lucknow  
Dated: 25th August, 2020

For and on behalf of the Board



(O. P. Srivastava)  
Chairman & Director  
DIN: 00144000



(Arun Kanti Dasgupta)  
Whole time Director, President & CEO  
DIN: 01462177

S.No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
There were no contracts, transactions and arrangements which were not at arm's length basis during the F.Y. 2018-19 except which were entered into the earlier years.							



**2. Details of material contracts or arrangement or transactions at arm's length basis:**

S.No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

**For and on behalf of the Board**



(O. P. Srivastava)

**Chairman & Director**

DIN: 00144000

**Place: Lucknow**

**Dated: 25/08/2020**



(Arun Kanti Dasgupta)

**Whole time Director, President & CEO**

DIN: 01462177

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

**1. Brief Outline of Company's CSR Policy**

Sahara India Life Insurance Company Limited or SILICL has always believed that establishing a strong and ethical foundation, is a necessary prerequisite for maintaining long-term Corporate Sustainable Growth. It draws its strength from its five core commitments, which is based on :-

- **Emotion** – It is a key that generates the required energy and enthusiasm for performing genuine duties towards the loved ones.
- **Responsibility** – With great power comes the great responsibility, to serve the society.
- **Ethics** – To maintain transparency and remain accountable for our own acts. Not to indulge in abusive, unfair, corrupt or anti- competitive business practices.
- **Respect**– To honour the three R's, Rights, Rules and Regulations of Employees, Workers and Government.
- **Development**– To focus on economic as well as social developmental activities targeting the disadvantaged sections of the society.

**2. Our Approach**

We, Sahara India Life Insurance Company Limited, take initiative to contribute towards harmonious and sustainable development of society and the environment through all our business activities that we carry out in each State and Region, based on our Five Commandments. In order to contribute to Corporate Sustainable Development, we believe that business must go hand in hand with a sense of responsibility towards all our stakeholders. The objective of this policy is to contribute in improvement and enhancement of the quality of life of communities in which the company operates thereby helping to create an equitable society.

SILICL considers itself being socially and morally committed to being a Responsible Corporate Entity. Besides, the Company's employees also actively embrace and participate in the Company's community initiatives to accelerate inclusive growth and strengthen environment protection. In order to attain the Corporate Sustainable Development, SILICL takes on the Strategic Approach that is:-

- Serve the Purpose
- Target the Aim
- Develop a Strategy
- Put in Efforts
- Work towards our Endeavour

The CSR framework concentrates on three main channels of the Company:

- Stakeholders
- Society
- Environment

**CSR Program Mechanism:** The CSR committee identifies the CSR programs and assesses the project in terms of funds requirement, implementation area and overall scope and decide what amount of CSR expenditure must be incurred (not below the prescribed limit under the law). The committee continuously monitors the implementation of CSR projects and activities in compliance with CSR Objectives.

### 3. CSR Policy

The CSR policy was approved by the Committee in December 2014, and subsequently was put up on the Company website [www.saharalife.com](http://www.saharalife.com).

### 4. Composition of the CSR Committee

The Company's CSR Committee comprises of three Directors including one independent Director. The composition of the Committee is set out below:

Shri O.P. Srivastava (Executive Director)	-	Chairman
Shri I.S. Verma (Independent Director)	-	Member
Shri Mohd. Razi Siddiqui (Independent Director)	-	Member
Shri A.K. Dasgupta (Whole-time Director & CEO)	-	Member

The CSR committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy. The functions of the Committee include:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred to above; and
- Monitor the Corporate Social Responsibility Policy of the company from time to time.

### 5. Average net profit of the company for last three financial years

The average net profit of the company for the last three financial years calculated as specified by the Companies Act 2013 was 10,32,46,601.80/- Rs.

### 6. Prescribed CSR Expenditure (two per cent of the amount as in item 5 above)

The prescribed CSR expenditure requirement for FY 2019 is 20,64,932.04/- Rs.

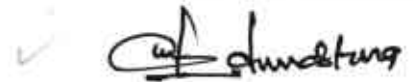
### 7. Details of CSR spent during the financial year

As the prescribed CSR expenditure has been transferred to the PM CARES FUND on the date of 01<sup>st</sup> May, 2020 hence the company is no more required to spend the CSR amount in other fields.

**8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.**

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the company.

**For and on behalf of the Board**



**(O. P. Srivastava)**  
**Chairman & Director**  
**DIN: 00144000**

Place: Lucknow  
Dated: 25<sup>th</sup> August, 2020



**(Arun Kanti Dasgupta)**  
**Whole time Director, President & CEO**  
**DIN: 01462177**

## **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, 2019. The Management of the Company confirms, certifies and declares as below:

### **1. VALIDITY OF REGISTRATION**

The Certificate of Registration under Section 3 of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) granted by IRDAI on February 6, 2004 is valid as on the date of this report.

### **2. STATUTORY DUES**

We hereby certify that all dues payable to the statutory authorities have been duly paid except those under dispute or disclosed under contingent liabilities in the notes to accounts forming part of the financial statements.

### **3. SHAREHOLDING PATTERN**

The Company confirms that the shareholding pattern of the Company is in accordance with the requirements of the Insurance Act, 1938 and the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000.

There was no capital infusion by the promoters during the year 2019-20.

### **4. INVESTMENT OF POLICYHOLDERS' FUNDS**

The Company has not invested the funds of the holders of the policies issued in India in any securities outside India either directly or indirectly.

### **5. SOLVENCY MARGINS**

We hereby confirm that the Company has maintained adequate assets to cover both its liabilities and required solvency margin as prescribed under Section 64 VA of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) and the IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2016.

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

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#### **Sahara India Life Insurance Company Limited**

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Phone: (0522) 2337777, Fax: (0522)-2332683, Website: [www.saharalife.com](http://www.saharalife.com), Email: [sahara.life@sahara.in](mailto:sahara.life@sahara.in)

CIN: U65999UP2000PLC025635

Particulars	March 31, 2020	March 31, 2019
Actual solvency ratio	9.13	8.44

## 6. VALUATION OF ASSETS

The Company certifies that the values of all the assets have been reviewed on the date of the Balance Sheet and that the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the several headings –“Investments”, “Loans”, “Outstanding Premiums”, “Interest, Dividends and Rents outstanding”, “Interest, Dividends and Rents accruing but not due”, “Amounts due from other persons or bodies carrying on insurance business”, “Advances and other assets”, “Cash” and the several items specified under “Other Accounts” **except debt securities held in non-linked and shareholder funds.**

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

Particulars	(₹ '000)			
	31 <sup>st</sup> March 2020		31 <sup>st</sup> March 2019	
	Balance Sheet value	Marketvalue	Balance Sheet value	Marketvalue
Debt investments in Non-linked and Shareholder funds	1,30,58,995	1,37,35,068	1,23,12,035	1,23,95,663

## 7. APPLICATION OF THE LIFE INSURANCE FUND

The Company certifies 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 recognizes that risk is an integral element of the business and managed acceptance of risk is essential for the generation of shareholder value. The risk governance structure of the Company consists of the Board, the Board Risk Management Committee. The Board approved risk policy details identification, measurement, monitoring and control standards relating to the various individual risks, namely insurance, investment and operational risks.

### Insurance Risk

Insurance risk is the risk arising because of the incorrect best estimates or because of random fluctuations in the frequency, size and timing of insurance liabilities. Insurance risk is composed of mortality, morbidity, persistency and expense risk. The Company actively monitors its claims experience, persistency levels and expense ratios.

**Mortality and Morbidity Risk** – The Company seeks to minimise mortality and morbidity risks by diversifying its business portfolio, adhering to appropriate underwriting norms, and monitoring of the of the risk. The risks are mitigated through:

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- Underwriting and claims controls: Underwriting and claims policies and procedures are in place to assess and manage mortality and morbidity risks. The Company conducts periodic reviews of both underwriting and claims procedures.
- Reinsurance: The Company uses appropriate reinsurances arrangements to manage insurance risk. The arrangements are with financially sound reinsurers.
- Experience analysis: The Company conducts its experience analysis regularly to ensure that corrective action can be initiated at the earliest opportunity and that assumptions used in product pricing and reserving are in line with experience.

**Persistency Risk** – The Company analyses all the assumptions used in product pricing and ensure that the same is in line with the actual experience. The Company uses a combination of proactive and reactive measures to manage the persistency risk. The measures include sending communication via different media like email, mailers, SMS to customers, reminders and telephonic interaction with customers, and visits to customers.

**Expense Risk** – The Company seeks to minimize its expense risk by the use of rigorous expense control mechanism. The company also conducts its experience analysis regularly to ensure corrective action can be initiated at the earliest opportunity and that the assumptions used in reserving are in line with experience.

#### **Investment Risks**

Investment risk is the risk arising out of variations in the level or volatility of market prices of assets and financial instruments, including the risk arising from any mismatch between assets and liabilities, due to external market and economic factors. The Company seeks to manage its investment risk by ensuring investments are made in high quality assets, which matches its liabilities both by nature and term to the extent that is necessary and possible. The Company has constituted an Investment Committee, which acts as the policy making body for the investment operations. The Investment Committee periodically discusses the investment strategy, portfolio structures, performance of the portfolio and related issues and ensures that the company has well defined investment policies & processes to manage all the investment risks. All Regulatory and Internal norms are built in the Investment system, which monitors the Investment limits and exposure norms on real-time basis. Investment risk is composed of market, credit, liquidity and ALM risk. The key mitigation approaches for this risk are as follows:

**Market Risk** – Market risk is mitigated by maintaining a desired mix between debt and equity subject to investment regulations by IRDAI, active asset management based on the Asset Liability Management output along with asset and liability duration matching which limits impact of interest rate changes and actions taken to manage guarantee risk.

**Credit Risk** – Credit risk or the risk of default of counter parties is sought to be mitigated by investing in securities with highest credit rating in line with IRDAI guidelines as well as internal norms and reviewing changes in credit ratings. The Company also seeks to deal with financially sound reinsurers. Exposure limits have been defined for Companies, groups and industries in accordance with IRDAI guidelines and the Company's internal Investment Policy. The Company restricts investments primarily to securities rated AA and above.

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**Liquidity Risk** – Liquidity risk is monitored on a regular basis to ensure sufficient liquidity is maintained to meet short-term obligations by timing the cash inflows and outflows through cash flow matching and by maintaining an adequate mix of liquid assets.

**Asset Liability Management (ALM)** – The risk arises due to mismatch caused by market factors, between the asset and liability cash flows. The Company's ALM Policy lays down the Investment / Asset Allocation strategy to manage risks for various liabilities depending on their nature and tenure. The results, monitoring and mitigation strategies of ALM are also placed at each Risk Management Committee of Board.

### **Operational Risk**

Operational risk is the risk of loss, resulting from inadequate or failed internal processes, people and systems, or from external events. Company is exposed to various types of operational risk, which arise from various sources including inadequate record keeping, failures of systems and established controls, employee error, and internal/ external frauds. The Company focuses on the early recognition and proactive management of material operational risks. The Company also seeks to minimise the impact of the operational risks by regular monitoring of processes, systems and procedures, implementation of controls and ensuring back-ups for both systems and data are maintained. The Company uses the following tools/activities to manage the various operational risks:

- Risk, Control and Self-Assessment to identify risks and evaluate the controls.
- The Company continuously monitors the internal loss events and ensures adequate mitigation for high impact events to avoid repeat instances.
- The Company takes a comprehensive approach to identify, measure, control and monitor fraud risk through the Fraud Risk Management Policy. The Company follows both a proactive and reactive approach to manage fraud. Proactive management is done by using triggers to identify suspected frauds and through random sample checks. Reactive management is done through incident management. Investigation is done for identification of process/system failures and/or identification of responsible internal/external parties. The Company ensures implementation of controls to prevent repeat incidents, financial recovery process and disciplinary action against involved employees. It also initiates actions through law enforcement authorities based on severity of the incident.
- Processes of the Company are outsourced as permitted under the regulatory guidelines. The Company carries out required due-diligence for any new activity or vendor empanelment.
- Business interruption risk also forms an integral part of operations risk. Since the Company can face a host of disasters that range from minor to catastrophic like fire/ data center failure/earthquake etc. which can impact day to- day operations, the Company seeks to minimize the risk by having a Business Continuity Plan in place to manage such business interruption risks.
- Whistle-blower policy that facilitates reporting of observed breaches

### **9. OPERATIONS IN OTHER COUNTRIES**

During the year ended **March 31, 2020**, Company had no operations in other countries.

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CIN: U65999UP2000PLC025635



## 10. CLAIMS

In respect of mortality claims, the average time taken by the Company from the date of submission of the final requirement by the claimant to dispatch of claim payment was as follows.

Financial Year	Average Claim Settlement time (in days)
2009-10	6
2010-11	6
2011-12	6
2012-13	6
2013-14	6
2014-15	6
2015-16	6
2016-17	6
2017-18	6
2018-19	6
2019-20	6

The ageing of claims registered and not settled is detailed herein below:

### 31<sup>st</sup> March 2020

(₹. in 000s)				
Period	Non Linked Business		Linked Business	
	No. of Claims	Amount	No. of Claims	Amount
Upto 30 days	24	2664.06	7	726.51
Greater than 30 days and upto 6 months	13	2248.97	2	156.60
Greater than 6 months and upto 1 year	-	-	-	-
Greater than 1 year and upto 5 years	-	-	-	-
Greater than 5 years	-	-	-	-
Total	37	4913.03	9	883.10

### 31<sup>st</sup> March 2019

(₹. in 000s)				
Period	Non Linked Business		Linked Business	
	No. of Claims	Amount	No. of Claims	Amount
Upto 30 days	8	676	-	-
Greater than 30 days and upto 6 months	6	1232	-	-
Greater than 6 months and upto 1 year	2	459	-	-
Greater than 1 year and upto 5 years	-	-	-	-
Greater than 5 years	-	-	-	-
Total	16	2367	-	-

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CIN: U65999UP2000PLC025635

## 11. VALUATION OF INVESTMENTS

### 11.1. Non-linked investments

We hereby certify that as prescribed under the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, all debt securities including government securities made from Policyholders' non-linked funds and Shareholders' funds are considered as 'held to maturity' and accordingly measured at historical cost, subject to amortization of premium or accretion of discount over the remaining period of maturity/holding based on straight line basis.

Money market instruments are valued at historical cost, subject to accretion of discount over the remaining period till maturity based on straight line basis.

Listed equity shares at the Balance Sheet date are stated at fair value being the last quoted closing price on the National Stock Exchange of India Limited ('NSE') (in case the securities are not listed on NSE, the last quoted closing price on the BSE Limited ('BSE') is used).

Mutual fund units are valued at the latest available net asset values of the respective fund.

Unrealized gains/losses arising due to changes in the fair value of listed equity shares and mutual fund units are taken to the "Fair Value Change Account" in the Balance Sheet.

Investment property is held to earn rental income or for capital appreciation and is not occupied by the Company. Investment property is initially valued at cost including any directly attributable transaction costs. Investment property is revalued at least once in every three years. The change in carrying amount of investment property is taken to "Revaluation reserve" in the Balance Sheet.

Fixed deposits with banks are valued at cost.

### 11.2. Linked investments

We certify that the investments in linked business are valued on mark-to-market basis.

Central and State government securities are valued as per the valuation price provided by CRISIL Limited ('CRISIL').

Debt securities other than government securities with a residual maturity over 182 days are valued on a yield to maturity basis, by using spreads over the benchmark rate (based on the matrix released by the CRISIL Limited ('CRISIL') on daily basis) to arrive at the yield for pricing the security.

Debt securities with a residual maturity upto 182 days are valued at last valuation price plus the difference between the redemption value and last valuation price, based on straight line basis over the remaining term of the instrument.

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### Sahara India Life Insurance Company Limited

Registered Office: Sahara India Centre, 2, Kapoorthala Complex, Aliganj, Lucknow – 226024

Phone: (0522) 2337777, Fax: (0522)-2332683, Website: [www.saharalife.com](http://www.saharalife.com), Email: [sahara.life@sahara.in](mailto:sahara.life@sahara.in)

CIN: U65999UP2000PLC025635

Money market instruments are valued at historical cost, subject to accretion of discount over the period of maturity/holding based on straight line basis.

Listed equity shares are valued at market value, being the last quoted closing price on the NSE (in case of securities not listed on NSE, the last quoted closing price on the BSE is used).

Mutual fund units are valued at the latest available net asset values of the respective fund.

Unrealized gains and losses are recognized in the Revenue account as prescribed by IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002.

Fixed deposits with banks are valued at cost.

### **11.3. REVIEW OF ASSET QUALITY AND PERFORMANCE OF INVESTMENT**

Investments are made in accordance with the Regulatory norms and fund mandates for Unit Linked Funds.

The primary aim while Investing is to generate adequate return while minimizing risk. The Investment is also made keeping in mind the Asset and Liability requirement to the respective funds.

The equity portfolio is also well diversified and equity selection is made after appropriate research and analysis of the Investee Company, Investee Group and Industry of the Company to which it belongs.

In Fixed income segment the company has invested predominantly in Government Securities and Corporate Securities having highest credit quality rating of AAA and equivalent. The Funds have an exposure of 89.45% of the fixed income portfolio is held in highest credit rated securities (Sovereign/AAA or equivalent). The Company's investments in debt instruments AA+ and below are 10.45%. One of the Group IL&FS has defaulted in interest payment and we have done NPA provisioning as per IRDAI guideline. The company has a well-diversified portfolio across and Industry segments in Corporate Securities.

To meet the liquidity requirements, some portion is invested in fixed deposits of leading banks.

In view of the aforementioned prudent practices, the high quality of assets is maintained in all portfolios and asset classes.

#### **12.1 Asset composition**

The portfolio mix of assets of the Company at March 31, 2020 is as follows:

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Investment Category	Shareholder's Fund		PH - Non Linked		PH - Unit Linked		Total	
			Funds		Funds			
	Amount	%	Amount	%	Amount	%	Amount	%
Government securities	11,47,640	41.67%	35,30,295	33.42%	83,541	11.15%	47,61,476	33.85%
Government Guaranteed & State Government Securities	5,77,499	20.97%	18,02,396	17.06%	-	0.00%	23,79,895	16.92%
AAA Rated	5,89,141	21.39%	40,12,963	37.99%	1,15,018	15.36%	47,17,123	33.53%
AA+ and AA Rated	1,00,000	3.63%	3,49,060	3.30%	-	0.00%	4,49,060	3.19%
AA- and below Rated	2,50,000	9.08%	7,00,000	6.63%	-	0.00%	9,50,000	6.75%
Equity	90,048	3.27%	1,69,049	1.60%	5,30,724	70.86%	7,89,822	5.61%
Others	-	0.00%	-	0.00%	19,734	2.63%	19,734	0.14%
Grand Total	27,54,328	100.00%	1,05,63,765	100.00%	7,49,017	100.00%	1,40,67,110	100.00%

The portfolio mix of assets of the Company at March 31, 2019 is as follows:

Investment Category	Shareholder's Fund		PH - Non Linked		PH - Unit Linked		Total	
			Funds		Funds			
	Amount	%	Amount	%	Amount	%	Amount	%
Government securities	10,66,369	39.39%	28,85,971	28.91%	96,045	8.82%	40,48,386	29.38%
Government Guaranteed & State Government Securities	6,78,501	25.07%	18,67,707	18.71%	-	0.00%	25,46,207	18.48%
AAA Rated	4,85,900	17.95%	38,59,977	38.67%	1,15,992	10.65%	44,61,868	32.38%
AA+ and AA Rated	1,00,000	3.69%	3,48,612	3.49%	-	0.00%	4,48,612	3.26%
AA- and below Rated	2,50,000	9.24%	7,00,000	7.01%	-	0.00%	9,50,000	6.89%
Equity	1,26,159	4.66%	2,51,698	2.52%	8,61,090	79.06%	12,38,947	8.99%
Others	-	0.00%	69,000	0.69%	16,051	1.47%	85,051	0.62%
Grand Total	27,06,928	100.00%	99,82,965	100.00%	10,89,177	100.00%	1,37,79,070	100.00%

Note: Others include fixed deposits, Units of mutual funds units and Net Current Assets

## 12.2 Fund performance

### Unit Linked Funds as on 31<sup>st</sup> March 2020

Sr. No.	PORTFOLIO	AUM in '000	1 YEAR FUND RETURN	1 YEAR BENCHMARK RETURN
1	BALANCE FUND	1,41,871	-2.35%	-4.98%

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2	DISCONTINUED FUND	1,589	2.70%	12.67%
3	GROWTH FUND	4,40,267	-25.19%	-26.03%
4	PRIMA FUND	67,679	-24.35%	-26.03%
5	SECURED FUND	48,710	9.82%	12.67%
6	SMART FUND	48,901	-13.11%	-4.98%

#### **Unit Linked Funds as on 31<sup>st</sup> March 2019**

Sr. No.	PORTFOLIO	AUM in '000	1 YEAR FUND RETURN	1 YEAR BENCHMARK RETURN
1	BALANCE FUND	1,69,280	7.09%	9.63%
2	DISCONTINUED FUND	2,541	4.07%	6.72%
3	GROWTH FUND	6,84,539	15.10%	14.93%
4	PRIMA FUND	1,06,239	14.11%	14.93%
5	SECURED FUND	57,175	7.23%	6.72%
6	SMART FUND	69,409	7.76%	9.63%

#### **Non-linked and Shareholders' funds**

The fund performance of non-linked Policyholders' and Shareholders' funds is as follows:

Sr No	Fund Name	March 31, 2020	March 31, 2019
1	Policyholders' Funds	7.04%	8.60%
2	Shareholders' Funds	6.17%	7.54%

#### **12. SCHEDULE OF PAYMENTS MADE FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020 TO INDIVIDUALS, FIRMS, COMPANIES AND ORGANIZATION IN WHICH DIRECTORS ARE INTERESTED**

The Company has made the followings payments to the Individuals, firms, companies, and organization in which Directors are interested.

Firm/Company in which Partner/Director/s is/are interested	Name of Partner/Director/s	Interested as	Amount paid in the financial year ( In ` 000s )
Sahara India Financial Corporation Ltd.	Shri. Subrata Roy Sahara Shri O.P. Srivastava	Partner	1,502
SaharaIndiaCommercial Corporation Limited	Shri. Subrata Roy Sahara Shri O.P. Srivastava	Director	2,345
Sahara Q Shop UniqueProducts Range	Smt. Rana Zia	Director	3

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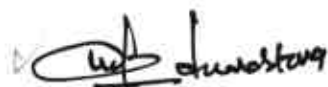
Limited			
Sahara Welfare Foundation	Shri. Subrata Roy Sahara Shri O.P. Srivastava	Director	1,134

#### 14. RESPONSIBILITY STATEMENT

The Management certifies that:

- In the preparation of the financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any;
- The accounting policies have been adopted and applied consistently and the judgments and estimate made 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 surplus under Revenue Account and of the profit in the Profit and Loss Account for the year ended **March 31, 2020**.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance to the applicable provisions of the Insurance Act, 1938(amended by the Insurance Laws (Amendment) Act, 2015) 1938)/ Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The financial statements are prepared on going concern basis;
- An internal audit system commensurate with the size and nature of business exists and is operating effectively.
- The Company had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**For Sahara India Life Insurance Company Limited**



(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000



(ArunKantiDasgupta)  
Whole Time Director, President & CEO  
DIN: 01462177

Place: Lucknow

Date: 25<sup>th</sup> August, 2020

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## **REPORT ON CORPORATE GOVERNANCE**

Good corporate governance has always been at the core of the Company's philosophy. Our corporate governance is a reflection of our value system encompassing our culture, policies and relationship with our stakeholders. The Company is committed to the best practices in the area of Corporate Governance, in letter and in spirit. The imperative need to have good governance surfaced to demarcate the division between its ownership and its management. Concept of corporate governance rests on the fulcrum of transparency behind all decisions taken, accountability for the said decisions and safeguarding the Interests of stakeholders. Company continues to lay great emphasis on the highest standards of Corporate Governance which are an integral part of all Company activities to ensure efficient conduct of the affairs of the Company, without compromising its core values. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, accountability, fairness and independence in its decision making.

Our company complies with the Corporate Governance Guidelines issued at 18th May, 2016, by the Insurance Regulatory and Development Authority of India (IRDAI), for the insurance companies which outline the framework of corporate governance policies and practices followed at the Company.

The Report on the Company's Corporate Governance for the Financial Year **2019-20**, as per the applicable provisions of IRDA Guidelines on Corporate Governance are as under:

### **BOARD OF DIRECTORS**

The composition of the Board of Directors and its Committees is governed by the provisions of the Insurance Act, 1938, Companies Act, 2013 and Rules made thereunder Corporate Governance Guidelines, 2016 mandated by IRDA.

The Directors of the Company are from diverse backgrounds and enjoy a wide range of experience and expertise in various fields. The Company has established systems and procedures to ensure that its Board is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long-term shareholders value.

The details of Board of Directors and its composition are provided under the heading "Corporate Governance" in the Board's Report.

The other details of Directors and Key Managerial Persons appointed / resigned during the financial year are provided under the heading "Board of Directors and Committees" in the Board's Report.

### **Board meetings**

The meetings of the Board of Directors are usually held in Lucknow where the registered office of the Company is situated. The Board meets at least once in every quarter, a minimum of four (4) meetings

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are held in a financial year to review financial results and other regular agendas. The Board also meets as and when necessary to address specific issues concerning the businesses of the Company.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The notice and agenda papers of Board and Board Committee meetings including presentations are circulated to the members and invitees in soft copy as well as hard copy. The proceedings of each meeting of the Board and its Committees are conducted in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by the Companies Act, 2013, which is confirmed in the next Board Meeting.

The Company Secretary is responsible for collation, review, preparation and distribution of the Agenda papers submitted to the Board and preparation of minutes. The Company Secretary attends all the meetings of the Board and its Committees.

#### **COMMITTEES OF THE BOARD OF DIRECTORS**

The Committees constituted by the Board play a very important role in the governance structure of the Company and they deal in specific areas or activities that need closure or review. The Committees have been set up under the formal approval of the Board to carry out pre-defined roles and responsibilities. The terms of reference of these Committees are in line with the requirements of the Companies Act, 2013, Corporate Governance Guidelines issued by IRDAI. The minutes of all the Committee meetings are placed before the Board of Directors. The Chairman of each Committee briefs the Board on the important deliberations and decisions of the respective Committees.

The Board has Nine (9) Committees, where the members of the Committees take informed decisions in the best interest of the Company. The committees constituted are as follows:-

1. Audit Committee
2. Investment Committee
3. Risk and Asset Liability Management Committee
4. Policyholder Protection Committee
5. Nomination and Remuneration Committee
6. Insurance Awareness Committee
7. With Profits Committee
8. Corporate Social Responsibility Committee
9. Outsourcing Committee

The other required details of Board's Committees, their compositions and meetings held & attended etc. are provided under the heading "Board of Directors and Committees" in the Board's Report.

#### **NUMBER OF MEETINGS HELD**

The details of number of Board and Committee meetings held during Financial Year 2019-20 are provided under the heading "Number of Meetings held and attended" in the Board's Report.

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## DIRECTORS REMUNERATION

Detail of remuneration paid to the Directors for Financial Year 2019-20 are provided under the heading "Directors Remuneration" in the Board's Report.

## RECORDING OF MINUTES OF PROCEEDINGS OF BOARD / BOARD COMMITTEE MEETINGS:

The Company Secretary records the Minutes of the proceedings of each Board and Board Committee Meetings. The finalized Minutes are entered in the Minutes Book within 30 days from the conclusion of that meeting. The decisions and action taken reports are communicated promptly to concerned departments for their necessary action. Action taken reports on decision or minutes of the previous meeting(s) are placed at the succeeding meeting of the Board or Board Committee for noting.

## ADDITIONAL DISCLOSURES MANDATED BY CORPORATE GOVERNANCE GUIDELINES

### A. FINANCIAL AND OPERATING RATIOS, NAMELY, INCURRED CLAIM, COMMISSION, AND EXPENSES RATIOS

Particulars	Year ending March 2020	Year ending March 2019
<b>1) Claims Ratio:</b>		
a. Claims as % of Total Premium (Claims does not include Surrender, Maturity and Survival Benefits)	6.83%	5.17%
b. Surrender, Maturity and Survival benefits as % of Total Premium	112.42%	67.99%
<b>2) Commission Ratio:</b>		
a. New Business Commission as a % of New Business Premium	25.98%	21.36%
b. Total Commission as a % of Total Premium	4.06%	4.02%
<b>3) Expenses Ratio:</b>		
a. Policy holder expenses as a % of Total Premium (Policy holder expenses does not include service tax expense)	11.17%	35.16%
b. Ratio of expenses of management	15.24%	39.18%

### B. ACTUAL SOLVENCY MARGIN DETAILS VIS -A-VIS THE REQUIRED MARGIN

Particulars	Year ending March 2020	Year ending March 2019
Actual Solvency Margin	9.13	8.44
Required Solvency Margin	1.50	1.50

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**C. POLICY LAPSE RATIO**

Particulars	Year ending March 2020	Year ending March 2019
Lapse Ratio	<b>11.99%</b>	<b>8.61%</b>
Conservation Ratio = Current Year Pure Renewal / (Previous Year New business Premium+ Previous Year Pure Renewal)	<b>88.01%</b>	<b>91.39%</b>

**D. FINANCIAL PERFORMANCE INCLUDING GROWTH RATE AND CURRENT FINANCIAL POSITION OF THE INSURER**

This information is provided under Financial Results section of the Board's Report and in Annual Accounts.

**E. A DESCRIPTION OF THE RISK MANAGEMENT ARCHITECTURE**

This information forms part of the Board's Report.

**F. DETAILS OF NUMBER OF CLAIMS INTIMATED, DISPOSED OFF AND PENDING WITH DETAILS OF DURATION**

Total Death Claims Summary	Mar-20		Mar-19	
	Count	(` Cr)	Count	(` Cr)
Claims O/S at Start of Year	16	0.24	59	0.48
Claims Intimated	638	5.97	622	5.41
Claims Settled	585	5.44	614	5.17
Claims Repudiated	10	0.18	39	0.47
Claims Rejected	13	0.00	12	0.00
Claims Written Back	0	0.00	0	0.00
Claims O/S from date of intimation	46	0.58	16	0.24
*Ageing for Claims O/S from date of inception at End of Year				
Less than 3 months	44	0.56	11	0.15
3 months and less than 6 months	2	.02	3	0.04
6 months and less than 1 year	-	-	2	0.05
1 year and above	-	-	-	-
<b>Total</b>	<b>46</b>	<b>0.58</b>	<b>16</b>	<b>0.24</b>

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**G. ALL PECUNIARY RELATIONSHIPS OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE INSURER**

This information is included in the Management Report.

**H. DISCLOSURE REQUIREMENTS OF THE PARTICIPATING AND UNIT LINKED POLICYHOLDERS'**

Disclosure requirements of the Participating and Unit Linked policyholders' has been furnished as a part of the financial statements, Significant accounting policies and notes forming part of the financial statements.

**OTHER KEY GOVERNANCE PRACTICES**

The Company has put in place various Board approved policies, which play a crucial role in compliance of the corporate governance guidelines mandated by IRDA, & are reviewed on an annual basis and status update of compliance is placed before the Board/Management on regular basis.

**Certification for compliance of the Corporate Governance Guidelines**

I, Narendra Ojha (Company Secretary), hereby certify that the Company has complied with the Corporate Governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

  
**Narendra Ojha**  
Company Secretary

**Place: Lucknow**

**Date: 25<sup>th</sup> August, 2020**

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**CORPORATE GOVERNANCE GUIDELINES – STATUS OF COMPLIANCE**

CG guidelines	Compliance Y/N	Gaps, if any, in Compliance	Proposed Action for addressing the gaps
<b>I. Governance structure - board of directors</b>			
<b>Board composition</b>			
<b>Properly constituted board:</b>			
A. Total number of directors in the board	Yes		
B. Total number of independent directors	Yes		
C. Total number of non-executive director	Yes		
<b>Independent directors:</b>			
<b>Independent Directors:</b> The Board Of Directors is required to have a significant number of "independent directors" <i>(as laid down in the listing agreement)</i> .	Yes		
<b>Whether</b> more than one member of a family or a close relative as defined in the companies act or an associate (partner, director etc) are on the board of an insurer as 'independent director'	No		
<b>Whether</b> The total number of independent directors are three or more	Yes		
<b>3. In case chairman is non-executive chairman, Whether CEO is whole-time director of the board</b>	Yes		
<b>The role and responsibilities of the board and their discharge</b>			
(i) As stipulated in annexure I of the CG guidelines.	Yes		
(ii) Whether the board has set clear & transparent policy framework for translation of corporate objectives.	Yes		
(iii) Transparent information flow from the senior management through well documented agenda notes and appropriate systems to serve as effective monitoring arrangements.	Yes		
(iv) Establish strategies and policies to define ethical individual behavior and corporate behaviour and ongoing, effective processes that ensure adherence to these strategies and policies	Yes		
<b>(v) Areas For Board To Focus: (In Nutshell)</b>			
(a) Overall direction of business.	Yes		
(b) Compliance with IRDA regulations, insurance act & other statutory requirements.	Yes		
(c) Addressing conflict of interest	Yes		
(d) fair treatment of policyholders & employees.	Yes		

(e) Sharing & disclosure of information to develop corporate culture & adherence to ethical standards.	Yes		
<b>III. Fit and Proper Criteria:</b>			
(i) Whether there is a system to obtain an annual declaration from the directors that the information provided in the declaration at the time of appointment/reappointment has not undergone any change subsequently and the changes, if any, are apprised by the concerned director to the board	Yes		
(ii) Whether the directors are also required to enter into a deed of covenant as per the format prescribed by the authority with the insurance company	Yes		
<b>IV. Conduct of Meetings:</b>			
(i) System that would make Company Secretary responsible for proper conduct of the board meetings and CG Guidelines_2016 (Final) (1) with Adequate Time to Deliberate on the Major Issues in Detail.	Yes		
(ii) System Of Familiarizing New Directors With The Background Of The Company's Governance Philosophy, Duties And Responsibilities Of The Directors Etc	Yes		
<b>(iii) Disclosure Requirements:</b>			
The Company Must Disclose The Following In Their Annual Report, Inter-Alia, Number Of The Meetings Held Of The Board Of Directors And Committees Mandated Under The Guidelines, In The Financial Year:-			
a. Details of the composition of the board of directors and committees mandated, setting out name, qualification, field of specialization, status of directorship held etc.	Yes		
b. Number of the meetings attended by the directors and the members of the committee.	Yes		
c. Details of the remuneration paid, if any, to the directors (including independent directors).	Yes		
(iv) All the mandatory committees should meet at least four times in a year and not more than four months shall elapse between two successive meetings. The quorum shall be either two members or one third of the members of the committee whichever is greater, but in case an independent director is mandated to be in any of the committees, he/she should be necessarily present to form the quorum.	Yes		

<b>V. Control Functions:</b>			
(i) Whether the Board has laid down the policy framework on various control systems as enumerated at para no. 6 of CG guidelines.	Yes		
(ii) Appropriate and effective group-wide risk control systems in addition to the systems for insurers within a group. Boards of the insurers to lay down the requisite policy framework.	Yes		
(iii) Whether The Board Has Put In Place A Mechanism For Assessment of Effectiveness of Working of Its Committees At Periodic Intervals.	Yes		
<b>VI. Committees</b>			
<b>a. Mandatory Committees</b>			
1) Audit Committee	Yes		
2) Investment Committee	Yes		
3) Risk & Asset Liability Management Committee	Yes		
4) Policyholders Protection Committee	Yes		
5) Nomination and Remuneration Committee	Yes		
6) Corporate Social Responsibility Committee	Yes		
7) With Profits Committee	Yes		
8) Outsourcing Committee	Yes		
9) Insurance Awareness Committee	Yes		
<b>b. Optional Committees</b>			
1) Ethics committee	No		
2) Asset liability management (merged with risk management committee)	No		
3) Status of compliance with the guidelines in respect of optional committees	Yes		
<b>c. Composition of the Committee</b>			
<b>Audit Committee :</b>			
(i) Whether the chairman of the audit committee is an independent Director with strong financial analysis background.	Yes		
(ii) Appointment of statutory auditors to be recommended by the Audit committee and appointed at the shareholders meeting.	Yes		
<b>Investment Committee :</b>			
(i) Whether Committee Consists of at least two Non Executive Directors, The Chief Executive Officer, Chief Of Finance, Chief Of Investment Division, Chief Of Risk Management function and wherever an appointed actuary is employed, the appointed actuary.	Yes		
(ii) Whether any new appointment or removal of any member of the investment committee is also be approved by the board and there is a system to communicate to the authority within 30 days.	Yes		
(iii) Whether the IC meets at least once in a quarter and	Yes		

looks into various aspects of investment operations and monitors them. (iv) Whether the IC furnishes a report to the board on the performance of investments at least on a quarterly basis and provides analysis of its investment portfolio and on the future outlook to enable the board to look at possible policy changes and strategies.	Yes		
<b>Risk &amp; Asset Liability Management Committee:</b> a. Whether the risk management function is under the overall guidance and supervision of the Chief Risk Officer b. Whether the operating head of the risk management function (CRO) has direct access to the Board. c. Whether fraud monitoring policy and framework approved by the Board is in place. d. Whether fraud information is exchanged with insurers and compliance with IRDAI guidelines on fraud is reviewed periodically	Yes Yes Yes Yes		
<b>Policyholder Protection Committee:</b> (i) Whether the minutes of the committee are placed as an agenda item to the Board. (ii) Whether expert/ consumer representative is part of the Committee.	Yes Yes		
<b>Nomination and Remuneration Committee:</b> (a) Whether the Chairman of the Committee is an independent director; (b) Whether at least one half of the committee are independent directors; (c) Whether declarations of intending applicants (directors/ KMPs) are scrutinized by the Committee; (d) Whether the Committee recommends the policy for remuneration packages of the for the Directors and KMPs.	Yes Yes Yes Yes		
<b>Corporate Social Responsibility Committee:</b> a. Whether CSR Policy is formulated and approved by the Board. b. Whether CSR expenditure is based on three years' profit c. Whether expenses on CSR charged to Policyholder's Account.	Yes Yes No		
<b>With Profits Committee:</b> (i) Whether the Committee is constituted by an independent director, CEO, CFO, Appointed Actuary and an Independent Actuary;  (ii) whether report of the Committee is appended to the Actuarial Report and Abstract;  (iii) whether asset share, expenses allocated and investment income attributed to the participating fund have been approved by the Committee	Yes  Yes  Yes		

<b>C. Quorum / Frequency of the Meeting</b>			
(i) Whether the mandatory committees (as specified in the Guidelines) meet at least four times in a year and not more than four months elapse between two successive meetings.	Yes		
(ii) The quorum shall be either two members or one third of the members of the committee whichever is greater, but in case an independent director(s) is/are mandated to be in any of the Committees, at least one is necessarily present to form the quorum.	Yes		
<b>D. Merging Of Committees:</b>			
(i) Whether any of the Board mandatory Committees have been merged	No		
(ii) If, yes name of the Committees			
(iii) How independence and objectivity of the merged Committees has been ensured by the Board			
<b>VII. Disclosures In Financial Statements:</b>			
<b>(i) General Disclosures</b>			
a. Basis, methods and assumptions on which the information is compiled.	Yes		
b. Quantitative & qualitative information on the insurer's financial & operating ratios viz., incurred claim, commission & expenses ratios.	Yes		
c. Actual solvency margin details vis-à-vis the required margin.	Yes		
d. Financial performance including growth rate and current financial position of the insurer.	Yes		
e. Description of the risk management architecture.	Yes		
f. Details of number of claims intimated, disposed of & pending with details of duration.	Yes		
g. All pecuniary relationships or transactions of non-executive directors.	Yes		
h. Elements of remuneration package of MD & CEO and other individual directors.	Yes		
<b>(ii) Whether Disclosures in the Financial Statements :</b>			
a. Summarized under major groups.	Yes		
b. All related party transactions.	Yes		
c. Matters which have material impact on the financial position.	Yes		
<b>VIII. Outsourcing:</b>			
a. Whether all outsourcing arrangements of the company have the approval of the Committee of Key Management Persons in terms of a Board approved Policy?	Yes		
b. Whether Every outsourcing contract contains explicit safeguards regarding confidentiality of data and all outputs from the data,	Yes		



continuing ownership of the data with the insurer and orderly handing over of the data and all related software programmes on termination of the outsourcing arrangement?			
c. Whether the arrangements are for a defined duration and have a provision for premature cancellation without attracting penalties:	Yes		
d. Whether annual review of all the outsourcing contracts is carried out and Reported to the Board or its Committee?	Yes		
<b>IX. Relationship with Stakeholders:</b>			
The disclosures stipulations must address the following:			
a. financial statements accurately and fairly represent the financial condition of the insurer; and	Yes		
b. The insurer is running its business soundly and will be viable over the long term.	Yes		
c. In particular, the disclosure requirements of the participating policyholders and the unit linked policyholders must be duly addressed.	Yes		
<b>X. Reporting to IRDAI</b>			
Whether the Insurer has appointed Company Secretary as Compliance officer whose duty will be to monitor continuing compliance with these guidelines.	Yes		
<b>XI. Whistle Blower Policy</b>			
Whether the Insurer has put in place a "Whistle Blower Policy" approved by its Board of Directors.	Yes		

**For Sahara India Life Insurance Company Limited**

  
**(Narendra Ojha)**  
**Company Secretary**

**Place: Lucknow**

**Date: 25<sup>th</sup> August, 2020**

# **SECRETARIAL AUDIT REPORT**

**OF**

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**(For the Financial year 2019-20)**

**CIN: U65999UP2000PLC025635**

**From:**

**C.P.SHUKLA & CO.**

*Company Secretaries*

*554/21/19 C, Lane No.11,*

*Pawanpuri, Alambagh,*

*LUCKNOW-226005.*

*Tel No 09389684335*

*e-mail:shuklacpcs@gmail.com*

**C.P.SHUKLA & CO.**  
**Company Secretaries**

**554/21/19 C,**  
**Lane No.11, Pawanpuri,**  
**Alambagh,**  
**LUCKNOW-226005.**  
**Tel No 09389684335**  
**email:shuklacpcs@gmail.com**


To,  
The Members,  
Sahara India Life Insurance Company Limited  
Sahara India Centre, 2 Kapoorthala Complex,  
LUCKNOW -226024 U.P.

Sirs,

Sub: Our Report of even date is to be read alongwith this letter.

1. The maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Secretarial Audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happenings of events etc.
5. The Compliance of the provisions of the Insurance, Corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For C.P. Shukla & Co.**  
**Company Secretaries**

  
(C.P. Shukla)  
Proprietor  
Mem.No.:FCS 3819  
C.P. No :5138  
Date : 27/07/2020  
Place: Lucknow



**FORM NO. MR.3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Sahara India Life Insurance Company Ltd,  
Sahara India Centre, 2 Kapoorthala Complex,  
LUCKNOW -226024, U.P.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Sahara India Life Insurance Company Ltd**, CIN **U65999UP2000PLC025635** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing of our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

We hereby report that in our opinion the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there- under;



- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder. *Not applicable to the Company during the Audit period*);
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(Not applicable to the Company during the Audit period)*;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 *(Not applicable to the Company during the Audit period)*;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *(Not applicable to the Company during the Audit period)*;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client *(Not applicable to the Company during the Audit period)*;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not applicable to the Company during the Audit period)*;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not applicable to the Company during the Audit period)*; and
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

VI. We further report that having regard to the compliance system prevailing in the company and examinations of the relevant documents and records in pursuance thereof on test-check basis,



the company has complied with, except stated otherwise, the following laws applicable specifically to the Company namely :

- (a) The Insurance Act, 1938 (including Insurance Rules, 1939)
- (b) The Insurance Regulatory and Development Authority Act, 1999
- (c) The Insurance Regulatory and Development Authority Regulations framed under the IRDA, Act, 1999
- (d) Industrial Disputes (Banking and Insurance Companies) Act, 1949

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above, except to the extent as mentioned below:

- During the course of audit and study of Board Minutes and Committee Meetings Minutes for the year 2019-20, the matter of irregularities in one Bank Account maintained with PNB, Borivali Branch, Mumbai has been recorded in the Minutes. It has been further mentioned in the Board Minutes dated 12<sup>th</sup> February, 2020 that Fixed Deposits with interest amounting to Rs.12.00 Crores (approx) have not been reflected in company's accounts at any point of time and over a long period identified unauthorised cash withdrawals amounts to Rs.10.00 Crores (approx). The Company has also sent name of three firms of Chartered Accountants vide letter dated 31<sup>st</sup> January, 2020 to IRDAI for approval to investigate in the matter. It has been informed that the Bank Account under reference was opened as per the resolution passed by the Board of Directors of the company at its meeting held on 26<sup>th</sup> December, 2008. The matter has been referred to the Audit Committee and the Board vide our letter dated 21<sup>st</sup> July, 2020 for proper reply on the points raised in it. The President & CEO of the company vide his reply dated 22<sup>nd</sup> July, 2020 informed that the matter has been reported to IRDAI and they are regularly monitoring the case. The company has been asked to take into account these FD's and interest accrued thereon and the Bank balance in PNB Borivli account, freeze the account and the amount identified be credited to the company's account. The CEO has informed to give further reply in the matter. The subsequent decisions will depend upon



the outcome of the Audit and no legal or any punitive action has been initiated so far by the company.

- The aforesaid matter at the first instance falls under the category of fraud as per explanation given u/s 447 of the Companies Act, 2013. Section 143 (12) and (13) to the Companies (Audit and Auditors) Amendment Rules, 2015 further provide to refer the matter to Central Government in the manner prescribed if involvement is more than the specified amount within prescribed time alongwith reply in the matter from the company.
- *As per IRDAI Master Circular IRDA/F&A/CIR/Misc/173/2017, the Unclaimed Amount of policyholders which is lying unclaimed for a period of more than ten years has not been transferred to the Senior Citizens' Welfare Fund. The company has applied to IRDAI to allot SFIN to enable it to transfer the unclaimed amount. The IRDAI is yet to allot SFIN.*
- *The company declared dividend for the financial year 2018-19 at its AGM subject to approval of IRDAI but IRDAI did not approve it.*
- *The company has not filed some of the IRDAI forms>Returns/certificates/information required under the Act, Rules and Regulations framed thereunder.*
- *The security deposit given by the Company has not been received back and has also not been permitted by IRDAI. The opening of Branches as requested by the Company is yet to be permitted by IRDAI.*

We further Report that:

- In terms of the provisions of Section 149 of the Companies Act, 2013, the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors for the Board Meetings, agenda and detailed notes on agenda were sent almost at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board / Committee meetings are carried out either unanimously or by the majority as recorded in the minutes of the meetings of the Board/Committee of the Board, as the case may be.





We further report that:

- i. there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- ii. as per documents produced and information provided to us, during the audit period there has not been any such activity having a major bearing on the Company's affairs, except stated above, in pursuance of the above referred Laws, Rules, Regulations, Guidelines etc.
- iii. the IRDAI vide its order No.IRDAI/F&A/ORD/FA/134/06/2017 dated 12<sup>th</sup> June, 2017 has appointed Administrator for managing the affairs of the company. The IRDAI has still not permitted the Company for new Business.

**For C.P. Shukla & Co.**

Company Secretaries



**(C.P. Shukla)**

Mem. No.:FCS 3819

C.P. N/o.: 5138

UDIN F003819B000508169

Date: 27/07/2020

Place: Lucknow





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**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the financial statements of SAHARA INDIA LIFE INSURANCE COMPANY LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2020, and the related Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Receipts and Payments Account for the year then ended, and notes to the financial statements, including summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of matters described in Basis for qualified opinion para of our report**, the aforesaid financial statements are prepared in accordance with the requirements of the Insurance Act, 1938 (the "Insurance Act"), Insurance Regulatory and Development Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("The IRDAI Financial statement Regulations") including orders/directions/ circulars issued by the Insurance Regulatory and Development Authority of India (The "IRDAI") and the Companies Act, 2013 ("the Act") to the extent applicable and in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, (including the accounting standards prescribed under section 133 of the act) as applicable to insurance companies:

- a) In the case of Balance Sheet, the state of affairs of the Company as at March 31st, 2020;
- b) In the case of Revenue Account, of the Net Surplus for the year ended on that date;
- c) In the case of Profit and Loss Account, of the Loss for the year ended on that date; and
- d) In the case of Receipts and Payments Account, of the receipts and payments for the year ended on that date.

**Basis for Qualified Opinion**

**Attention is drawn in respect of following matters:**

- a) Cash & Bank Balances in Schedule-11 to the financial statements includes a current account bank balance which is un-reconciled. Current book balance is INR 56995 Thousand as against actual bank balance of INR 1046.61 Thousand as on 31/03/2020. The account is still under reconciliation as referred to in Note No.B-38 of schedule 16. Pending reconciliation, the impact of the same on current year financial statement cannot be quantified.
- b) Note No. B-37 of the Schedule 16 to the financial statements regarding detection and accounting of several unaccounted transactions of earlier years which are of suspicious nature and subject matter of investigation and consequential adjustments. Pending investigation, the impact of the same cannot be presently quantified.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified Opinion.



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#### **Emphasis of Matter**

##### **Attention is drawn to following notes:**

- a) Note No-B-33 of schedule 16, in the matter of financial statement being prepared on "Going Concern" basis in view of SAT's order dated 11/01/2018, and latest hearing with Regulator on 3rd December 2019, on the basis of which management of the company is confident that the order will be in its favour.
- b) Note No. B-34 of the Schedule 16 to the financial statement in the matter of security deposit of INR 781500 Thousand in financial year 2014-15 and 2015-16 towards office rent without taking prior permission of IRDAI.
- c) Note No. B-12(C) to schedule 16 to the financial statements in the matter of segregation of unclaimed amount of policyholders as per IRDAI Master circular Misc/173/2-17 in a separate fund and transferring the same to Senior Citizens' Welfare Fund ( SCWF ).
- d) Note No.B-39 of Schedule-16 to the financial statement which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions imposed by the Government and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period.

Our opinion is not qualified in respect of above mentioned matters.

#### **Other Matters**

The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31st, 2020 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists on financial statements of the Company.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Director's Report including Annexures, Management Discussion and Analysis, and other company related information (hereinafter referred to as 'Other reports'). The Other reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the 'Other reports', if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

#### **Responsibilities of the Management and those charged with governance for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, underwriting results, financial performance and Receipts and Payment account of the Company in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards specified under Section 133 of the Act, the Insurance Act, the IRDAI Act, the IRDAI Financial Statement Regulations and orders /directions prescribed by the Insurance



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Regulatory and Development Authority of India ('IRDAI') in this behalf and current practices prevailing within the insurance industry in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but it not a guarantee that an audit conducted in accordance with Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, that could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate Certificate dated 25 August 2020 certifying the matters specified in paragraph 3 and 4 of Schedule C to the IRDAI Financial Statement Regulations.
2. The actuarial valuation of liabilities for life policies in force and for policies where premium has been discontinued by liabilities exists as at March 31<sup>st</sup> 2020 has been duly certified by the appointed actuary. The appointed actuary has also certified that in his opinion, the assumptions for such valuations are in accordance with the generally accepted actuarial principles and practices, requirements of the Insurance Act, Regulations notified by the IRDAI and Actuarial Practical Standards issued by the Institute of Actuaries of India in concurrence with the IRDAI.
3. As required by the IRDAI Financial Statements Regulations, read with Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Revenue Account, the Profit and Loss account and Receipts and Payments account dealt with by this Report are in agreement with the relevant books of account;
  - d) In our opinion and to the best of our information and according to the explanations given to us, Investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and/or orders/directions issued by the IRDAI in this regard;
  - e) In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the Accounting Standards referred to in Section 133 of the Act, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by the IRDAI in this behalf;
  - f) On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
  - g) With respect to the adequacy of the internal financial controls over financial reporting with reference to these financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Schedule 16 Note B-1 to the financial statements. Also refer Note B-33 of the Schedule 16 and Emphasis of Matter given in this respect;



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**GF-2, Ekta Apartments,**  
**125-Chandralok, Aliganj**  
**Lucknow-226024**  
**Email: dsshuklaca@yahoo.co.in**  
**Phone: +91-522-4236996**

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts –Refer Schedule 16 Note B-3 of the Financial Statements;
  - iii. There were no amounts which were required to be transferred to Investor Education & Protection Fund by the Company. However attention is invited to note no. 12(C) to the financial statement regarding pending transfer of Rs. 1234.73 Thousand to Senior Citizens' Welfare Fund (SCWF).
4. With respect to the other matters to be included in the Auditor's report, in terms of the requirements of Section 197(16) of the Act, we report that managerial remuneration payable to the Company's Directors is governed by the provisions of Section 34A of the Insurance Act, 1938 and requires approval of IRDAI. Accordingly, the managerial remuneration limits specified under Section 197 of the Act do not apply.

For S.K. Kapoor & Co.  
Chartered Accountants  
FRN.000745C

(V.B. Singh)  
Partner

Membership No. 073124

UDIN: 20073124AAAACN7017

Place: Lucknow

Date: 25<sup>th</sup> August 2020

For D.S. Shukla & Co.  
Chartered Accountants  
FRN. 000773C

(A.K. Dwivedi)  
Partner

Membership No. 078297

UDIN: 20078297AAAABF1586



**S.K.Kapoor & Co.**  
**Chartered Accountants**  
**16/275, Jeevan Vikash Bhawan**  
**Phool Bagh, Civil Lines,**  
**The Mall, Kanpur – 208001**  
**Email: caskk1949@gmail.com**  
**Phone: +91-512-2372244**

**D.S.Shukla & Co.**  
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#### **ANNEXURE "A"**

TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

#### **REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of SAHARA INDIA LIFE INSURANCE COMPANY LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of the internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for insuring the orderly and efficient conduct of business, including adherence to the Company's policies, the safeguards of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standard on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the internal financial controls over financial reporting with reference to these financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's financial controls over financial reporting with reference to these financial statements.

#### **Meaning of Internal Financial Controls over Financial Reporting with reference to these financial statements**

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that:



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Chartered Accountants  
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**D.S.Shukla & Co.**  
Chartered Accountants  
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125-Chandralok, Aliganj  
Lucknow-226024  
Email: dsshuklaca@yahoo.co.in  
Phone: +91-522-4236996

- a) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipts and expenditures of the company are being made only in accordance with the authorization of the management and directors of the company; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over internal financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions or that of degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial control over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31<sup>st</sup> March 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of the internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matter**

We report that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued but liability exists as at March 31, 2020 has been certified by the Appointed Actuary as per the regulations, and has been relied upon by us as mentioned in para other matters of our audit report on the financial statements for the year ended March 31, 2020. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities..

For S.K. Kapoor & Co.  
Chartered Accountants  
FRN.000745C

(V.B. Singh)  
Partner

Membership No. 073124

UDIN: 20073124AAAACN7017

Place: Lucknow

Date: 25<sup>th</sup> August 2020

For D.S.Shukla & Co.  
Chartered Accountants  
FRN. 000773C

(A.K. Dwivedi)  
Partner

Membership No. 078297

UDIN: 20078297AAAABFISB6

*S.K.Kapoor & Co.*  
*Chartered Accountants*  
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*D.S.Shukla & Co.*  
*Chartered Accountants*  
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### **INDEPENDENT AUDITORS CERTIFICATE**

**To**  
**The Board of Directors,**  
**Sahara India Life Insurance Company Limited,**  
**Sahara India Centre,**  
**2-Kapoorthala Complex**  
**Aliganj, Lucknow-226024**

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated August 25, 2020)

This certificate is issued to comply with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "Regulations") read with regulation 3 of the Regulations.

#### **MANAGEMENT'S RESPONSIBILITY**

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act 2015) (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid and applying inappropriate basis of preparation that are reasonable in the circumstances and providing all relevant information to the IRDAI.

#### **AUDITORS' RESPONSIBILITY**

pursuant to the requirements of the IRDA Financial statements regulations, it is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books of accounts and other records maintained by the Company as to whether the Company has complied with the matters contained in paragraphs 3 and 4 of schedule C read with regulation 3 of IRDA Financial statements regulations.

We conducted our examination in accordance with the Guidance Note on reports or Certificates for special purposes (revised 2016) (the "Guidance Note") issued by the ICAI. The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the standard on Quality Control ("SQC") 1, Quality Control for Firms that perform audits and reviews of Historical Financial information, and other assurance and related services engagements.

#### **OPINION**

In accordance with information and explanations given to us and to the best of our knowledge and belief and based on our joint audit and examination of the books of account and other records maintained by the Company for the year ended 31 March 2020, we certify that:





S.K.Kapoor & Co.  
Chartered Accountants  
16/275, Jeevan Vikash Bhawan  
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The Mall, Kanpur – 208001  
Email: caskk1949@gmail.com  
Phone: +91-512-2372244

D.S.Shukla & Co.  
Chartered Accountants  
GF-2, Ekta Apartments,  
125-Chandralok, Aliganj  
Lucknow-226024  
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1. We have reviewed the Management Report attached to the financial statements for the year ended March 31<sup>st</sup>, 2020 and on the basis of our review, we have not found any apparent mistake or material inconsistencies in the Management Report read with the Financial Statement;
2. Subject to matters described in note B-33 to Schedule 16 to the Financial Statement, based on management representations and the compliance certificate submitted to the Board by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention which causes us to believe that the Company has not complied with the terms and conditions of registration as per sub-section 4 of section 3 of the Insurance Act, 1938;
3. We have verified the cash balances, to the extent considered necessary and securities relating to Company's loans and investments as at March 31<sup>st</sup>, 2020, by actual inspection or on the basis of certificates/confirmations received from the Custodians / Depository Participants appointed by the Company, as the case may be. As at March 31<sup>st</sup>, 2020, the Company does not have reversions and life interests;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938, (amended by the Insurance Laws (Amendment) Act, 2015), relating to the application and investments of the Policyholders Funds.

For S.K. Kapoor & Co.  
Chartered Accountants  
FRN.000745C

(V.B. Singh)  
Partner

Membership No. 073124

UDIN: 2007624AAAA C09903



For D.S.Shukla & Co.  
Chartered Accountants  
FRN. 000773C

(A.K. Dwivedi)  
Partner

Membership No. 078297

UDIN: 20078297AAAA B65570



Place: Lucknow

Date: 25 August 2020

**S.K.Kapoor & Co.**  
**Chartered Accountants**  
**16/275, Jeevan Vikash Bhawan**  
**Phool Bagh, Civil Lines,**  
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**D.S.Shukla & Co.**  
**Chartered Accountants**  
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To  
The Board of Directors,  
Sahara India Life Insurance Company Limited,  
Sahara India Centre,  
2-Kapoorthala Complex  
Aliganj, Lucknow-226024

**Independent Auditors' Certificate in accordance with Schedule I(B) (11) (d) of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 dated August 1, 2016.**

1. This certificate is issued in accordance with terms of our engagement letter with Sahara India Life Insurance Company Limited (the "Company") and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 dated August 1, 2016 (the "Regulations"), wherein we are requested to issue certificate regarding applicable Net Asset Value ("NAV") for applications received as at March 31, 2020.

**MANAGEMENT'S RESPONSIBILITY**

2. The preparation and maintenance of all accounting and other relevant supporting records and documents is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal controls relevant to the applicability of NAV for applications received as at March 31, 2020.
3. The Company's management is responsible for complying with conditions stated in the regulations and providing all relevant information to the regulatory authorities.

**AUDITORS' RESPONSIBILITY**

4. Pursuant to the requirements of this certificate, it is our responsibility to provide reasonable assurance as to whether:
  - a) The applications received on Tuesday, 31 March 2020 upto 3.00 p.m. have been stamped and that the NAV of 31 March 2020 is applied for applications received upto 3.00 P.M.;
  - b) The applications received on Tuesday, 31 March 2020 after 3.00 P.M. have been stamped and that the NAV of 1 April 2020 is applied for applications received after 3.00 P.M.; and
  - c) The Company has declared NAV for 31 March 2020 which is a business day, on a basis consistent with the Company's accounting policies as disclosed in its audited standalone financial statements for the year ended 31 March 2020.
5. In this connection, we have been informed by the company that due to nationwide lockdown as on 31-03-2020, no request for Renewal, top-up, Surrender, Free - Look Cancellation, Fund Switches, Withdrawal and Partial Withdrawal received on 31/03/2020.
  - a) We have read the certificate dated 13<sup>th</sup> July, 2020 of the concurrent auditors of the Company, M/s. G.D.Apte & Co., Chartered Accountants which has been furnished to us in which compliance with Regulation 5 of Schedule I(B) has been mentioned as complied;



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- b) Obtained representation from the Management that the Company has declared March 31, 2020 as a business day for accepting application forms and that it has declared NAV for March 31, 2020.
6. We have examined the other relevant records of the Company, to the extent necessary for the purpose of issuing this certificate and have conducted our examination in accordance with the Guidance Note on Report or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "ICAI"). The Guidance Note requires that we comply with the independence other ethical requirements of the Code of ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

#### OPINION

8. Based on our examination, as above and information, explanations and representations given to us by the Company's management, we report that:
- a) The company has not received any application for Renewal, top-up, Surrender, Free - Look Cancellation, Fund Switches, Withdrawal and Partial Withdrawal on 31/03/2020.
- b) The Company has declared NAV for March 31, 2020 on basis consistent with its accounting policy as disclosed in its audited financial statements for the year ended March 31, 2020.

#### RESTRICTION ON USE

9. This certificate is addressed to and provided to the Board of Directors of the Company, solely for inclusion in the annual accounts of the Company as per Schedule I (B) (11) (d) of the Regulations and should not be used by any other person or for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For S.K. Kapoor & Co.  
Chartered Accountants  
FRN.000745C

(V.B. Singh)  
Partner

Membership No. 073124

UDIN: 20073124AAAAEP2647

Place: Lucknow

Date: 25 August 2020

For D.S. Shukla & Co.  
Chartered Accountants  
FRN. 000773C

(A.K. Dwivedi)  
Partner

Membership No. 078297

UDIN: 20078297AAAAH8567

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

Registration No.:127; Date of Registration: February 6, 2004

FORM A-B5

BALANCE SHEET AS AT 31ST MARCH 2020

PARTICULARS	SCHEDULE	FY - 2019-20	FY - 2018-19
		Mar 2020	Mar 2019
<b>SOURCES OF FUND</b>			
<b>SHAREHOLDERS' FUND</b>			
Share Capital	5&5A	23,20,000	23,20,000
Reserves and Surplus	6	11,60,932	12,12,760
Credit/(Debit)/ Fair Value Change Account		13,722	49,614
<b>Sub-Total</b>		<b>34,94,654</b>	<b>35,82,374</b>
<b>BORROWINGS</b>	7	-	-
<b>POLICYHOLDERS' FUND</b>			
Credit / (Debit) Fair Value Change Account		(16,827)	66,179
Policy Liabilities		1,02,53,623	98,48,906
Insurance Reserves		-	-
Provision for Linked Liabilities		7,47,428	10,86,642
Funds for discontinued policies (Refer note 32 of schedule 16)		1,589	2,541
<b>Sub-Total</b>		<b>1,09,85,813</b>	<b>1,10,04,268</b>
<b>FUNDS FOR FUTURE APPROPRIATIONS</b>			
Non Participating Business		11,49,172	6,90,997
Pension Business		-	-
Participating Business		-	-
<b>TOTAL</b>		<b>1,56,29,639</b>	<b>1,52,77,639</b>
<b>APPLICATION OF FUNDS</b>			
<b>INVESTMENT</b>			
Shareholders'	8	27,54,546	27,06,928
Policyholders'	8A	1,05,63,765	99,82,962
<b>ASSET HELD TO COVER LINKED LIABILITIES</b>	8B	7,49,017	10,89,183
<b>LOANS</b>	9	91,622	90,981
<b>FIXED ASSETS</b>	10	66,919	75,375
<b>CURRENT ASSETS</b>			
Cash and bank balances	11	5,40,371	5,41,032
Advance and Other Assets	12	14,78,952	14,61,550
<b>Sub-Total (A)</b>		<b>20,19,323</b>	<b>20,02,582</b>
<b>CURRENT LIABILITIES</b>	13	4,65,993	3,34,966
<b>PROVISIONS</b>	14	1,49,560	3,35,406
<b>Sub-Total (B)</b>		<b>6,15,553</b>	<b>6,70,372</b>
<b>NET CURRENT ASSET (C) = (A-B)</b>		<b>14,03,770</b>	<b>13,32,210</b>
<b>MISCELLANEOUS EXPENDITURE</b>	15	-	-
(to the extent not written off or adjusted )		-	-
<b>DEBIT BALANCE IN PROFIT &amp; LOSS ACCOUNT</b>		-	-
(Shareholders' account )		-	-
<b>TOTAL</b>		<b>1,56,29,639</b>	<b>1,52,77,639</b>
Significant Accounting Policies & Notes to Accounts	16		

The Schedules and accompanying notes are an integral part of the Balance Sheet

**AUDITOR'S REPORT**

As per our report of even date attached

For D.S. Shukla & Co.  
Chartered Accountants  
Firm Reg. No. 000773C

(A. K. Dwivedi)  
Partner  
(M No: 078297)

For S.K. Kapoor & Co.  
Chartered Accountants  
Firm Reg. No. 000745C

(V.B.Singh)  
Partner  
(M No: 073124)

Rana Zia  
Director  
DIN: 07083262

(Narendra Ojha)  
Company Secretary

(Arun Kanti Dasgupta)  
Whole time Director & CEO  
DIN: 01462177

(Dhiraj Goel)  
Appointed Actuary

(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000

(Santosh Kr. Mishra)  
Chief Financial Officer

Date: 25th Aug 2020  
Place: Lucknow

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004  
FORM A-RA  
SEGMENTAL REVENUE ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2020  
POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

PARTICULARS	PARTICIPATING	NON-PARTICIPATING		PENSION	UNIT LINKED	TOTAL
		INDIVIDUAL	GROUP			
Premiums earned - net:						
(a) Premium	819,883	29,973	-	1,594	22,863	874,313
(b) Reinsurance ceded	(332)	(171)	-	(5)	-	(508)
<b>Sub-Total</b>	<b>819,551</b>	<b>29,802</b>	<b>-</b>	<b>1,589</b>	<b>22,863</b>	<b>873,805</b>
Income from Investments						
(a) Interest, Dividend & Rent - Gross	614,294	140,480	1,543	1,847	28,497	786,661
(b) Profit on sale / redemption of investments	-	-	-	-	99,183	99,183
(c) Loss on sale / redemption of investments	-	-	-	-	(73)	(73)
Transfer / Gain on Revaluation / Change in Fair Value	-	-	-	-	(291,624)	(291,624)
<b>Sub-Total</b>	<b>614,294</b>	<b>140,480</b>	<b>1,543</b>	<b>1,847</b>	<b>(164,017)</b>	<b>594,147</b>
Other Income -						
(a) Contribution from the Shareholders' Account	-	-	-	-	-	-
(b) Fees and Other charges	17,909	6,895	47	17	-	24,868
<b>Sub-Total</b>	<b>17,908</b>	<b>6,895</b>	<b>47</b>	<b>17</b>	<b>-</b>	<b>24,868</b>
<b>TOTAL (A)</b>	<b>1,451,753</b>	<b>177,177</b>	<b>1,590</b>	<b>3,453</b>	<b>(141,154)</b>	<b>1,492,820</b>
Commission	33,789	941	-	27	763	35,520
Operating Expenses related to Insurance Business	83,614	9,938	-	138	4,011	97,701
Provisions for doubtful debts	-	-	-	-	-	-
Bad debts written off	-	-	-	-	-	-
Provision for tax	31,721	-	231	52	4,469	36,473
Provision (other than taxation)	-	-	-	-	-	-
(a) For diminution in the value of investment (net)	35,000	22,000	-	-	3,000	60,000
(b) Others (Prior Period Excess Provision Reversal)	-	(4,147)	(420)	-	-	(4,567)
Good and Service tax charge on linked charges	-	-	-	-	1,728	1,728
<b>TOTAL (B)</b>	<b>184,124</b>	<b>28,732</b>	<b>(189)</b>	<b>217</b>	<b>13,971</b>	<b>226,855</b>
Benefits Paid (Net)	567,037	187,174	-	2,087	182,305	938,603
Interim/ Terminal Bonuses Paid	102,904	-	-	1,131	-	104,035
Change in valuation of liability against life policies in force	411,537	15,223	-	(283)	(21,760)	404,717
(a) Gross	-	-	-	-	-	-
(b) Amount ceded in Re-insurance	-	-	-	-	-	-
(c) Amount accepted in Re-insurance	-	-	-	-	-	-
Transfer to Linked Fund	-	-	-	-	(340,165)	(340,165)
<b>TOTAL (C)</b>	<b>1,081,478</b>	<b>202,397</b>	<b>-</b>	<b>2,935</b>	<b>(179,620)</b>	<b>1,107,190</b>
<b>SURPLUS/ (DEFICIT) (D) = (A) - (B) - (C)</b>	<b>186,151</b>	<b>(53,952)</b>	<b>1,779</b>	<b>301</b>	<b>24,495</b>	<b>158,775</b>
APPROPRIATIONS						
Transfer to Shareholders Account	18,669	(53,951)	1,778	66	24,495	(8,943)
Transfer to Other Reserves	-	-	-	-	-	-
Transfer to Funds for future Appropriations	167,478	-	-	237	-	167,715
<b>TOTAL (D)</b>	<b>186,147</b>	<b>(53,951)</b>	<b>1,778</b>	<b>303</b>	<b>24,495</b>	<b>158,772</b>
Details of Total Surplus:						
(a) Interim Bonus Paid:	-	-	-	-	-	-
(b) Allocation of Bonus to Policyholders:	168,031	-	-	592	-	168,623
(c) Surplus shown in the Revenue Account:	186,148	(53,951)	1,778	302	24,495	158,772
(d) Total Surplus: [(a)+(b)+(c)]	354,179	(53,951)	1,778	894	24,495	327,395
Significant Accounting Policies & Notes to Accounts						

**AUDITOR'S REPORT**

For D.S. Shukla & Co.  
Chartered Accountants  
Firm Reg. No. 000773C

(A. K. Dwivedi)  
Partner  
(M No: 078297)

For S.K. Kapoor & Co.  
Chartered Accountants  
Firm Reg. No. 000745C

(V.B.Singh)  
Partner  
(M No: 073124)

Rana Zia  
Director  
DIN: 07083262

(Nandira Ojha)  
Company Secretary

(Arun Kanti Dasgupta)  
Whole time Director & CEO  
DIN: 01462177

(Dhiraj Goel)  
Appointed Actuary

(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000

(Santosh Kr. Mishra)  
Chief Financial Officer

Date: 25th Aug 2020  
Place: Lucknow



SAHARA INDIA LIFE INSURANCE COMPANY LIMITED									
SEGMENTAL BALANCE SHEET AS AT 31st MARCH 2019									
PARTICULARS	SHAREHOLDER	POLICYHOLDER				UNIT LINKED			GRAND TOTAL (₹ '000)
		PARTICIPATING	NON PARTICIPATING		PENSION	UNIT	NON-UNIT	TOTAL	
			TERM	GROUP					
SOURCES OF FUND									
SHAREHOLDERS' FUND									
Share Capital	2,320,000	-	-	-	-	-	-	-	2,320,000
Reserves and Surplus	1,212,760	-	-	-	-	-	-	-	1,212,760
Credit/(Debit)/ fair value change account	49,614	-	-	-	-	-	-	-	49,614
Sub-Total	3,582,374	-	-	-	-	-	-	-	3,582,374
BORROWINGS	-	-	-	-	-	-	-	-	-
POLICYHOLDERS' FUND									
Credit/(Debit)/ Fair Value Change Account	-	66,179	-	-	-	-	-	-	66,179
Policy Liabilities	-	7,791,933	1,942,811	-	34,817	-	79,345	79,345	9,848,906
Insurance Reserves	-	-	-	-	-	-	-	-	-
Provision for Linked Liabilities	-	-	-	-	-	1,086,642	-	1,086,642	1,086,642
Funds for discontinued policies (Refer note 32 of schedule 16)	-	-	-	-	-	2,541	-	2,541	2,541
Sub-Total	-	7,858,112	1,942,811	-	34,817	1,089,183	79,345	1,168,528	11,004,268
FUNDS FOR FUTURE APPROPRIATIONS	-	647,902	-	29,567	13,527	-	-	-	690,997
TOTAL	3,582,374	8,506,014	1,942,811	29,567	48,344	1,089,183	79,345	1,168,528	15,277,639
APPLICATION OF FUNDS									
INVESTMENT									
Shareholders'	2,706,928	-	-	-	-	-	-	-	2,706,928
Policyholders'	-	7,815,834	2,068,400	20,412	22,017	-	56,299	56,299	9,982,962
ASSET HELD TO COVER LINKED LIABILITIES	-	-	-	-	-	1,089,183	-	1,089,183	1,089,183
LOANS	-	29,221	61,760	-	-	-	-	-	90,981
FIXED ASSETS	75,375	-	-	-	-	-	-	-	75,375
NET CURRENT ASSET / LIABILITIES	800,071	660,752	(387,141)	9,155	26,327	-	23,046	23,046	1,332,210
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	-	-	-	-	-	-	-	-	-
DEBIT BALANCE IN PROFIT & LOSS ACCOUNT (Shareholders' account)	-	-	-	-	-	-	-	-	-
TOTAL	3,582,374	8,505,807	1,943,019	29,567	48,344	1,089,183	79,345	1,168,528	15,277,639

For D.S. Shukla & Co.  
Chartered Accountants  
Firm Reg. No. 008773C

(A. K. Dwivedi)  
Partner  
(Membership No: 078297)

For S.K. Kapoor & Co.  
Chartered Accountants  
Firm Reg. No. 000745C

(V.B. Singh)  
Partner  
(Membership No: 073124)

Rana Zia  
Director  
DIN: 07083262

(Narendra Gija)  
Company Secretary

(Arun Kanti Dasgupta)  
Whole time Director & CEO  
DIN: 01462177

(Dhira] Goe]  
Appointed Actuary

(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000

(Santosh Kr. Mishra)  
Chief Financial Officer

Date: 25th Aug 2020  
Place: Lucknow

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004  
FORM A-PL  
**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2020**  
**SHAREHOLDERS' ACCOUNT (NON-TECHNICAL ACCOUNT)**

(₹ '000)

PARTICULARS	SCHEDULE	FY - 2019-20	FY - 2018-19
		Mar 2020	Mar 2019
Amounts transferred from the Policyholders' Account (Technical Account)		(8,943)	27,104
Income from Investments			
(a) Interest, Dividend & Rent - Gross		240,328	206,676
(b) Profit on sale / redemption of investments		-	-
(c) Loss on sale / redemption of investments		-	-
Transfer / Gain on Revaluation / Change in Fair Value		-	-
Other Income		15,589	1,563
<b>TOTAL(A)</b>		<b>255,917</b>	<b>208,239</b>
Expenses other than those directly related to the insurance business	3A.	295,432	15,601
Bad Debts written off		-	-
Provisions (other than taxation)		-	-
(a) For diminution in the value of investment (net)		25,000	10,000
(b) Provision for doubtful debts		-	-
(c) Others		(26,225)	-
Contribution to Policyholders' Fund		-	4,560
<b>TOTAL(B)</b>		<b>294,207</b>	<b>30,161</b>
<b>Profit / (Loss) before Tax</b>		<b>(47,233)</b>	<b>205,182</b>
Provision for Taxation		-	29,587
Provision for Deferred Tax		-	-
<b>Profit / (Loss) after Tax</b>		<b>(47,233)</b>	<b>175,595</b>
<b>APPROPRIATIONS</b>			
(a) Balance at the beginning of the year		1,178,230	1,281,870
(b) Interim dividends paid during the year		-	-
(c) Proposed final dividend/ (Reversal of Dividend)		(232,000)	232,000
(d) Dividend distribution tax/ (Reversal of DDT)		(47,235)	47,235
(e) Transfer to Reserve/ Other Accounts		-	-
(f) Adjustment to Reserves and Surplus due to EOM impact		322,342	-
(g) Re-statement of FFA from Policyholder's to Shareholders		39,110	-
<b>Profit / (Loss) Carried forward to the Balance Sheet</b>		<b>1,127,000</b>	<b>1,178,230</b>
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	16	-	-

The Schedules and accompanying notes are an integral part of the Profit & Loss Account  
**AUDITOR'S REPORT**  
As per our report of even date attached

For D.S. Shukla & Co.  
Chartered Accountants  
Firm Reg. No. 000773C

(A. K. Dwivedi)  
Partner  
(Membership No: 0182977)

For S.K. Kapoor & Co.  
Chartered Accountants  
Firm Reg. No. 000745C

(V.B. Singh)  
Partner  
(Membership No: 0731294)

Rana Zia  
Director  
DIN: 07083262

(Manendra Ojha)  
Company Secretary

(Arun Kanti Dasgupta)  
Whole time Director & CEO  
DIN: 01462177

(Chitra) Goel  
Appointed Actuary

(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000

(Santosh Kr. Mishra)  
Chief Financial Officer

Date: 25th Aug 2020  
Place: Lucknow

SAHARA INDIA LIFE INSURANCE COMPANY LIMITED									
SEGMENTAL BALANCE SHEET AS AT 31ST MARCH 2020									
36A SEGMENTAL REPORTING									
PARTICULARS	SHAREHOLDER	POLICYHOLDER				UNIT LINKED			GRAND TOTAL ( '000)
		PARTICIPATING	NON PARTICIPATING		PENSION	UNIT	NON-UNIT	TOTAL	
			TERM	GROUP					
<b>SOURCES OF FUND</b>									
<b>SHAREHOLDERS' FUND</b>									
Share Capital	23,20,000	-	-	-	-	-	-	-	23,20,000
Reserves and Surplus	11,60,932	-	-	-	-	-	-	-	11,60,932
Credit/(Debit)/ Fair value change account	13,722	-	-	-	-	-	-	-	13,722
<b>Sub-Total</b>	<b>34,94,654</b>	-	-	-	-	-	-	-	<b>34,94,654</b>
<b>BORROWINGS</b>	-	-	-	-	-	-	-	-	-
<b>POLICYHOLDERS' FUND</b>	-	-	-	-	-	-	-	-	-
Credit/(Debit)/ Fair Value Change Account	-	(16,827)	-	-	-	-	-	-	(16,827)
Policy Liabilities	-	87,03,470	19,58,034	-	34,534	-	57,585	57,585	1,02,53,623
Insurance Reserves	-	-	-	-	-	-	-	-	-
Provision for Linked Liabilities	-	-	-	-	-	7,47,428	-	7,47,428	7,47,428
Funds for discontinued policies (Refer note 32 of	-	-	-	-	-	1,589	-	1,589	1,589
<b>Sub-Total</b>	-	<b>81,86,643</b>	<b>19,58,034</b>	-	<b>34,534</b>	<b>7,49,017</b>	<b>57,585</b>	<b>8,06,602</b>	<b>1,09,85,813</b>
<b>FUNDS FOR FUTURE APPROPRIATIONS</b>	-	11,35,337	-	-	13,835	-	-	-	11,49,172
<b>TOTAL</b>	<b>34,94,654</b>	<b>93,21,980</b>	<b>19,58,034</b>	-	<b>48,369</b>	<b>7,49,017</b>	<b>57,585</b>	<b>8,06,602</b>	<b>1,56,29,639</b>
<b>APPLICATION OF FUNDS</b>									
<b>INVESTMENT</b>									
Shareholders'	27,54,546	-	-	-	-	-	-	-	27,54,546
Policyholders'	-	83,28,666	21,37,103	20,270	21,292	-	56,434	56,434	1,05,63,765
<b>ASSET HELD TO COVER LINKED LIABILITIES</b>	-	-	-	-	-	7,49,017	-	7,49,017	7,49,017
<b>LOANS</b>	-	91,386	60,236	-	-	-	-	-	91,622
<b>FIXED ASSETS</b>	66,919	-	-	-	-	-	-	-	66,919
<b>NET CURRENT ASSET / LIABILITIES</b>	6,73,189	9,61,928	(2,39,305)	(20,270)	27,077	-	1,151	1,151	14,03,770
<b>MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted )	-	-	-	-	-	-	-	-	-
<b>DEBIT BALANCE IN PROFIT &amp; LOSS ACCOUNT</b> (Shareholders' account )	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>34,94,654</b>	<b>93,21,980</b>	<b>19,58,034</b>	-	<b>48,369</b>	<b>7,49,017</b>	<b>57,585</b>	<b>8,06,602</b>	<b>1,56,29,639</b>

The Schedules and accompanying notes are an integral part of the Balance Sheet

#### AUDITOR'S REPORT

As per our report of even date attached

For D.S. Shukla & Co.  
Chartered Accountants  
Firm Reg. No. 000773C

(A. K. Dwivedi)  
Partner  
(Membership No: 078297)

For S.K. Kapoor & Co.  
Chartered Accountants  
Firm Reg. No. 000745C

(V.B. Singh)  
Partner  
(Membership No: 073124)

Rana Zia  
Director  
DIN: 07083262

(Santosh Kr. Mishra)  
Company Secretary

(Arun Kanti Dasgupta)  
Whole time Director & CEO  
DIN: 01462177

(Dhira) Goel  
Appointed Actuary

(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000

(Santosh Kr. Mishra)  
Chief Financial Officer

Date: 25th Aug 2020

Place: Lucknow



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004  
**FORM A-RA**  
**SEGMENTAL REVENUE ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2019**  
**POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)**

PARTICULARS	SCHEDULE	PARTICIPATING	NON-PARTICIPATING		PENSION	UNIT LINKED	TOTAL (₹ '000)
			INDIVIDUAL	GROUP			
Premiums earned - net							
(a) Premium	1	931,144	42,783	-	1,836	31,345	1,007,089
(b) Reinsurance ceded		(430)	(202)	-	(5)	(8)	(643)
<b>Sub-Total</b>		<b>930,714</b>	<b>42,581</b>	<b>-</b>	<b>1,831</b>	<b>31,340</b>	<b>1,006,446</b>
Income from Investments							
(a) Interest, Dividend & Rent - Gross		607,555	170,065	2,857	1,964	36,423	818,864
(b) Profit on sale / redemption of investments		500	-	-	-	111,295	111,895
(c) Loss on sale / redemption of investments		-	-	-	-	(8)	(8)
(d) Unrealised Gain		-	-	-	-	7,974	7,974
Transfer / Gain on Revaluation / Change in Fair Value		-	-	-	-	-	-
<b>Sub-Total</b>		<b>608,055</b>	<b>170,065</b>	<b>2,857</b>	<b>1,964</b>	<b>155,674</b>	<b>938,715</b>
Other Income -							
(a) Contribution from the Shareholders' Account		-	-	-	-	4,560	4,560
(b) Fees and Other charges		23,728	7,809	-	38	-	31,575
<b>Sub-Total</b>		<b>23,728</b>	<b>7,809</b>	<b>-</b>	<b>38</b>	<b>4,560</b>	<b>36,135</b>
<b>TOTAL (A)</b>		<b>1,562,597</b>	<b>220,435</b>	<b>2,857</b>	<b>3,833</b>	<b>191,574</b>	<b>1,981,296</b>
Commission	2	38,111	1,277	-	91	1,064	40,483
Operating Expenses related to Insurance Business	3	329,382	17,798	-	150	6,809	354,139
Provisions for doubtful debts		-	-	-	-	-	-
Bad debts written off		-	-	-	-	-	-
Provision for tax		-	4,147	420	-	-	4,567
Provision (other than taxation)		-	-	-	-	-	-
(a) For diminution in the value of investment (net)		5,000	-	-	-	-	5,000
(b) Others (to be specified)		-	-	-	-	-	-
Service tax charge on linked charges		-	-	-	-	3,302	3,302
<b>TOTAL (B)</b>		<b>372,493</b>	<b>23,222</b>	<b>420</b>	<b>181</b>	<b>11,175</b>	<b>407,491</b>
Benefits Paid (Net)	4	437,769	55,574	40	363	242,995	736,741
Interim Bonuses Paid		-	-	-	-	-	-
Change in valuation of liability against life policies in force		-	-	-	-	-	-
(a) Gross		933,153	117,027	(95)	3,302	27,974	1,081,360
(b) Amount ceded in Re-Insurance		-	-	-	-	-	-
(c) Amount accepted in Re-Insurance		-	-	-	-	-	-
Transfer to Linked Fund		-	-	-	-	(83,176)	(83,176)
<b>TOTAL (C)</b>		<b>1,370,921</b>	<b>172,601</b>	<b>(55)</b>	<b>3,665</b>	<b>187,793</b>	<b>1,734,925</b>
<b>SURPLUS/ (DEFICIT) (D) = (A) - (B) - (C)</b>		<b>(180,817)</b>	<b>24,612</b>	<b>2,492</b>	<b>(13)</b>	<b>(7,394)</b>	<b>(161,120)</b>
<b>APPROPRIATIONS</b>							
Transfer to Shareholders Account		-	24,612	2,492	-	-	27,104
Transfer to Other Reserves		-	-	-	-	-	-
Transfer to Funds for future Appropriations		(180,817)	-	-	(13)	(7,394)	(188,224)
<b>TOTAL (D)</b>		<b>(180,817)</b>	<b>24,612</b>	<b>2,492</b>	<b>(13)</b>	<b>(7,394)</b>	<b>(161,120)</b>
Details of Total Surplus:							
(a) Interim Bonus Paid:		-	-	-	-	-	-
(b) Allocation of Bonus to Policyholders:		154,869	-	-	440	-	155,310
(c) Surplus shown in the Revenue Account:		(180,817)	-	-	(13)	-	(180,830)
(d) Total Surplus: [(a)+(b)+(c)]:		<b>(25,948)</b>	<b>-</b>	<b>-</b>	<b>427</b>	<b>-</b>	<b>(25,520)</b>

For D.S. Shukla & Co.  
Chartered Accountants  
Firm Reg. No. 000773C

(A. K. Dawood)  
Partner  
(M No: 078297)

For S.K. Kapoor & Co.  
Chartered Accountants  
Firm Reg. No. 000745C

(V. B. Singh)  
Partner  
(M No: 073124)

Rana Zia  
Director  
DIN: 07083262

(Preendra Ojha)  
Company Secretary

(Arun Kanti Dasgupta)  
Whole time Director & CEO  
DIN: 01462177

(Dhiraj Goel)  
Appointed Actuary

(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000

(Santosh Kr. Mishra)  
Chief Financial Officer

Date: 25th Aug 2020  
Place: Lucknow

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

SCHEDULE -1 PREMIUM FOR THE PERIOD ENDED 31ST MARCH 2020							
	PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY - 2019-20 (₹ '000)
			INDIVIDUAL	GROUP			
1	First Year Premiums	112	5	-	-	-	117
2	Renewal Premiums	819,770	29,969	-	1,594	22,863	874,196
3	Single Premiums	-	-	-	-	-	-
	<b>TOTAL PREMIUM</b>	<b>819,882</b>	<b>29,974</b>	<b>-</b>	<b>1,594</b>	<b>22,863</b>	<b>874,313</b>

SCHEDULE -1 PREMIUM AS AT 31ST MARCH 2019							
	PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY - 2018-19 (₹ '000)
			INDIVIDUAL	GROUP			
1	First Year Premiums	656	28	-	-	-	684
2	Renewal Premiums	930,488	42,736	-	1,835	31,346	1,006,405
3	Single Premiums	-	-	-	-	-	-
	<b>TOTAL PREMIUM</b>	<b>931,144</b>	<b>42,764</b>	<b>-</b>	<b>1,835</b>	<b>31,346</b>	<b>1,007,089</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

**SCHEDULE -2**  
**COMMISSION EXPENSES**

**FOR THE PERIOD ENDED 31ST MARCH 2020**

PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY - 2019-20 (₹ '000)
		INDIVIDUAL	GROUP			
Commission Paid						
Direct - First year premiums	30	1	-	-	-	31
- Renewal Premiums	33,759	940	-	27	763	35,489
- Single Premiums	-	-	-	-	-	-
Add: Commission on Reinsurance Accepted	-	-	-	-	-	-
Less: Commission on Reinsurance Ceded	-	-	-	-	-	-
<b>Net commission</b>	<b>33,788</b>	<b>941</b>	<b>-</b>	<b>27</b>	<b>763</b>	<b>35,520</b>
<b>Break-up of the expenses (Gross) incurred to procure business:</b>						
Agents	36,449	1,250	-	21	885	38,604
Brokers	-	-	-	-	-	-
Corporate Agency	1,353	40	-	10	16	1,419
Referral	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>TOTAL</b>	<b>37,802</b>	<b>1,290</b>	<b>-</b>	<b>30</b>	<b>901</b>	<b>40,023</b>

**SCHEDULE -2**  
**COMMISSION EXPENSES**

**FOR THE PERIOD ENDED 31ST MARCH 2019**

PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY - 2018-19 (₹ '000)
		INDIVIDUAL	GROUP			
Commission Paid						
Direct - First year premiums	144	2	-	-	-	146
- Renewal Premiums	37,968	1,275	-	31	1,064	40,337
- Single Premiums	-	-	-	-	-	-
Add: Commission on Reinsurance Accepted	-	-	-	-	-	-
Less: Commission on Reinsurance Ceded	-	-	-	-	-	-
<b>Net commission</b>	<b>38,112</b>	<b>1,277</b>	<b>-</b>	<b>31</b>	<b>1,064</b>	<b>40,483</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

<b>SCHEDULE -3</b> <b>OPERATING EXPENSES RELATED TO INSURANCE BUSINESS</b> <b>FOR THE PERIOD ENDED 31ST MARCH 2020</b>							
							(₹ '000)
S.NO.	PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY - 2019-20 Mar 2020
			INDIVIDUAL	GROUP			
1	Employee's remuneration & welfare benefits	245,866	24,385	-	425	10,628	281,304
2	Travel, conveyance and vehicle running expenses	4,368	427	-	8	187	4,990
3	Training Expenses	-	-	-	-	-	-
4	Rents, rates & taxes	5,605	1,164	-	7	389	7,165
5	Repairs	847	176	-	1	59	1,083
6	Printing and Stationery	1,805	375	-	2	125	2,307
7	Communication expenses	914	190	-	1	63	1,168
8	Legal & professional charges	9,841	2,044	-	13	683	12,581
9	Medical Fees	-	-	-	-	-	-
10	Auditor's Fees, expenses, etc.	-	-	-	-	-	-
	(a) as auditor	808	168	-	1	56	1,033
	(b) as adviser or in any other capacity, in respect of	21	4	-	-	1	26
	(i) Taxation Matters	-	-	-	-	-	-
	(ii) Insurance Matters	-	-	-	-	-	-
	(iii) Management Services; and	-	-	-	-	-	-
	(c) in any other capacity (including out of Pocket Expenses)	-	-	-	-	-	-
11	Advertisement and publicity	-	-	-	-	-	-
12	Interest & Bank Charges	1,026	43	-	2	30	1,101
13	Others:	-	-	-	-	-	-
	a) Information Technology Expenses	19,533	4,056	2	26	1,356	24,973
	b) Service Tax on Premium	-	-	-	-	-	-
	c) Service Tax on Commission	-	-	-	-	-	-
	d) Entertainment	-	-	-	-	-	-
	e) Business Development Expenses	1,059	45	-	2	31	1,137
	f) Meeting & Conference	263	11	-	1	8	283
	g) Staff Welfare	1,163	241	-	1	81	1,486
	h) Membership & Subscription	1,054	219	-	1	73	1,347
	i) Electricity Expenses	1,595	331	-	2	111	2,039
	j) Postage & Courier	1,556	323	-	2	108	1,989
	k) Office Expenses	192	40	-	-	13	245
	l) Newspaper Expenses	69	14	-	-	5	88
	m) Books & Periodicals	57	12	-	-	4	73
	n) Miscellaneous Expenses	5,282	1,076	-	7	362	6,727
	o) Expenses related to Unit Link	-	-	-	-	-	-
14	Depreciation (Refer Schedule 10)	7,430	1,543	-	9	516	9,498
	Expenses transferred to Shareholder as per Expenses of Management Regulation 2016	(226,740)	(26,950)	(1)	(373)	(10,878)	(264,942)
	<b>TOTAL</b>	<b>83,614</b>	<b>9,937</b>	<b>1</b>	<b>138</b>	<b>4,011</b>	<b>97,701</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2019**

SCHEDULE -3							
OPERATING EXPENSES RELATED TO INSURANCE BUSINESS							
FOR THE PERIOD ENDED 31ST MARCH 2019							
	PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY-2018-19 (₹000)
			INDIVIDUAL	GROUP			
1	Employee's remuneration & welfare benefits	246,600	10,469	-	102	4,129	261,300
2	Travel, conveyance and vehicle running expenses	4,744	319	-	2	118	5,183
3	Training Expenses	-	-	-	-	-	-
4	Rents, rates & taxes	7,003	212	-	3	92	7,310
5	Repairs	879	49	-	-	18	946
6	Printing and Stationery	2,497	185	-	1	67	2,750
7	Communication expenses	960	53	-	-	19	1,032
8	Legal & professional charges	7,165	1,012	-	6	366	8,549
9	Medical Fees	-	-	-	-	-	-
10	Auditor's Fees, expenses, etc.	-	-	-	-	-	-
	(a) as auditor	1,018	75	-	-	27	1,120
	(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-
	(i) Taxation Matters	-	-	-	-	-	-
	(ii) Insurance Matters	-	-	-	-	-	-
	(iii) Management Services; and	-	-	-	-	-	-
	(c) in any other capacity (including out of Pocket Expenses)	26	2	-	-	1	29
11	Advertisement and publicity	-	-	-	-	-	-
12	Interest & Bank Charges	1,023	33	-	1	23	1,080
13	Others:	-	-	-	-	-	-
	a) Information Technology Expenses	30,765	3,763	-	24	1,359	35,911
	b) Service Tax on Premium	-	-	-	-	-	-
	c) Service Tax on Commission	-	-	-	-	-	-
	d) Entertainment	-	-	-	-	-	-
	e) Business Development Expenses	1,036	-	-	-	-	1,036
	f) Meeting & Conference	465	4	-	-	3	472
	g) Staff Welfare	1,424	79	-	-	28	1,531
	h) Membership & Subscription	2,075	115	-	1	41	2,232
	i) Electricity Expenses	2,035	112	-	1	41	2,189
	j) Postage & Courier	1,640	90	-	1	33	1,764
	k) Office Expenses	757	56	-	-	20	833
	l) Newspaper Expenses	56	3	-	-	1	60
	m) Books & Periodicals	-	-	-	-	-	-
	n) Miscellaneous Expenses	3,846	429	-	3	156	4,434
	o) Expenses related to Unit Link	-	-	-	-	-	-
14	Depreciation (Refer Schedule 10)	13,369	738	-	5	266	14,378
	Expenses transferred to Shareholder as per Expenses of Management Regulation 2015	-	-	-	-	-	-
	<b>TOTAL</b>	<b>329,383</b>	<b>17,798</b>	<b>-</b>	<b>150</b>	<b>6,808</b>	<b>354,139</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

<b>SCHEDULE -3A</b>		<b>(₹ '000)</b>	
<b>OPERATING EXPENSES OTHER THAN THOSE RELATED TO INSURANCE BUSINESS</b>		<b>FY - 2019-20</b>	<b>FY - 2018-19</b>
		<b>Mar 2020</b>	<b>Mar 2019</b>
1	Employee's remuneration & welfare benefits	5,696	4,310
2	Travel, conveyance and vehicle running expenses	679	190
3	Training Expenses	-	-
4	Rents, rates & taxes	-	-
5	Repairs	-	-
6	Printing and Stationery	-	-
7	Communication expenses	-	-
8	Legal & professional charges	1,513	877
9	Medical Fees	-	-
10	Auditor's Fees, expenses, etc.	-	-
	(a) as auditor	344	369
	(b) as adviser or in any other capacity, in respect of	9	-
	(i) Taxation Matters	-	-
	(ii) Insurance Matters	-	-
	(iii) Management Services; and	-	-
	(c) in any other capacity (including out of Pocket Expenses)	-	9
11	Advertisement and publicity	1,033	1,123
12	Interest & Bank Charges	-	-
13	<b>Others:</b>	-	-
	a) Information Technology Expenses	3,230	4,268
	b) Entertainment	-	-
	c) Preliminary Expenses	-	-
	d) Preoperative Expenses	-	-
	e) Meeting & Conference	-	-
	f) Staff Welfare	-	-
	g) Membership & Subscription	-	-
	h) Electricity Expenses	-	-
	i) Directors Sitting Fees	-	504
	j) Postage & Courier	-	-
	k) Office Expenses	-	-
	l) Newspaper Expenses	-	-
	m) CSR Expenses	-	-
	n) Miscellaneous Expenses	17,987	3,951
	o) Penalty - IRDA	-	-
14	Depreciation (Refer Schedule 10)	-	-
	Expenses transferred from Policyholder's A/c as per Expenses of Management Regulation 2016	264,941	-
	<b>TOTAL</b>	<b>295,432</b>	<b>15,601</b>





SAHARA INDIA LIFE INSURANCE COMPANY LIMITED  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020

SCHEDULE -4 BENEFITS PAID [NET]							
FOR THE PERIOD ENDED 31ST MARCH 2020							
PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY - 2019-20 (₹ '000)	
		INDIVIDUAL	GROUP				
1 Insurance Claims							
(a) Claims by Death,	45,424	9,341	-	47	4,925		59,737
(b) Claims by Maturity	195,290	123,016	-	2,251	34,932		355,489
(c) Annuities/Pension payment,	-	-	-	-	-		-
(d) Other benefits	-	-	-	-	-		-
Surrender	54,948	40,809	-	921	141,528		238,206
Survival	369,517	14,066	-	-	-		383,583
Others	4,762	-	-	-	920		5,682
2 (Amount ceded in reinsurance):							
(a) Claims by Death,	-	59	-	-	-		59
(b) claims by Maturity,	-	-	-	-	-		-
(c) Annuities/Pension in payment,	-	-	-	-	-		-
(d) Other benefits	-	-	-	-	-		-
3 Amount accepted in reinsurance							
(a) Claims by Death,	-	-	-	-	-		-
(b) claims by Maturity,	-	-	-	-	-		-
(c) Annuities/Pension in payment,	-	-	-	-	-		-
(d) Other benefits	-	-	-	-	-		-
<b>TOTAL</b>	<b>669,941</b>	<b>187,291</b>	<b>-</b>	<b>3,219</b>	<b>182,305</b>		<b>1,042,638</b>

SCHEDULE -4 BENEFITS PAID [NET]							
FOR THE PERIOD ENDED 31ST MARCH 2019							
PARTICULARS	PARTICIPATING	NON PARTICIPATING		PENSION	UNIT LINKED	TOTAL FY - 2018-19 (₹ '000)	
		INDIVIDUAL	GROUP				
1 Insurance Claims							
(a) Claims by Death,	40,956	6,610	40	(269)	4,703		52,040
(b) Claims by Maturity	78,893	4,963	-	259	38,754		122,869
(c) Annuities/Pension payment,	-	-	-	-	-		-
(d) Other benefits	-	-	-	-	-		-
Surrender	51,330	23,959	-	373	198,637		274,299
Survival	266,208	20,042	-	-	-		286,250
Others	382	-	-	-	901		1,283
2 (Amount ceded in reinsurance):							
(a) Claims by Death,	-	-	-	-	-		-
(b) claims by Maturity,	-	-	-	-	-		-
(c) Annuities/Pension in payment,	-	-	-	-	-		-
(d) Other benefits	-	-	-	-	-		-
3 Amount accepted in reinsurance							
(a) Claims by Death,	-	-	-	-	-		-
(b) claims by Maturity,	-	-	-	-	-		-
(c) Annuities/Pension in payment,	-	-	-	-	-		-
(d) Other benefits	-	-	-	-	-		-
<b>TOTAL</b>	<b>437,769</b>	<b>55,574</b>	<b>40</b>	<b>364</b>	<b>242,995</b>		<b>736,741</b>



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020

SCHEDULE -5  
SHARE CAPITAL

(₹ '000)

	PARTICULARS	Mar 2020	Mar 2019
1	Authorised Capital 500000000 Equity Shares of Rs. 10 Each (Previous Year 500000000 Equity Shares of Rs.10)	5,000,000	5,000,000
2	Issued Capital 232000000 Equity Shares of Rs. 10 Each	2,320,000	2,320,000
3	Subscribed Capital 232000000 Equity Shares of Rs. 10 Each	2,320,000	2,320,000
4	Called-up Capital Equity Shares of Rs. 10 Each	2,320,000	2,320,000
5	Less : Calls unpaid Add : Shares forfeited (Amount Originally paid up )  Less : Par value of Equity Shares bought back  Less : Preliminary Expenses ( Expenses including commission or brokerage on underwriting or subscription on shares )	 . . .  .  . .	 . . .  .  . .
	<b>TOTAL</b>	<b>2,320,000</b>	<b>2,320,000</b>

SCHEDULE 5A  
PATTERN OF SHAREHOLDING  
(As certified by the Management)

	PARTICULARS	Mar 2020 Number of Shares	% of Holding	Mar 2019 Number of Shares	% of Holding
1	Promoters				
	• Indian				
	Sahara India Financial	116,000	50%	116,000	50%
	Corporation Limited				
	Sahara Care Limited	92,800	40%	92,800	40%
	• Foreign	-		-	
2	Others	23,200	10%	23,200	10%
	<b>TOTAL</b>	<b>232,000</b>	<b>100%</b>	<b>232,000</b>	<b>100%</b>





**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

<b>SCHEDULE -6</b>			
<b>RESERVES AND SURPLUS</b>			
	<b>PARTICULARS</b>	<b>Mar 2020 (₹ '000)</b>	<b>Mar 2019 (₹ '000)</b>
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	-	-
4	Revaluation Reserve	-	-
	Opening Balance	34,530	35,129
	Adjustment During the year	598	599
	Closing Balance	33,932	34,530
5	General Reserve	-	-
	Add: Employee Benefit Transitional Period	-	-
	Sub Total	-	-
	Less : Debit balance in Profit & Loss Account, If any	-	-
	Less: Amount utilized for Buy-back	-	-
6	Catastrophe Reserve	-	-
7	Other Reserves	-	-
8	Balance of profit in Profit and Loss Account	1,127,000	1,178,230
	<b>TOTAL</b>	<b>1,160,932</b>	<b>1,212,760</b>

<b>SCHEDULE -7</b>			
<b>BORROWINGS</b>			
	<b>PARTICULARS</b>	<b>Mar 2020 (₹ '000)</b>	<b>Mar 2019 (₹ '000)</b>
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

<b>SCHEDULE -8</b>			
<b>INVESTMENTS - SHAREHOLDERS</b>			
	<b>PARTICULARS</b>	<b>Mar 2020 (₹ '000)</b>	<b>Mar 2019 (₹ '000)</b>
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	1,725,139	1,710,206
2	Other Approved Securities	74,568	74,465
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual fund	-	-
	(c) Derivative instruments	-	-
	(d) Debenture / Bonds	-	-
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties - Real Estate	-	-
4	Investments in infrastructure & Social sector	804,573	711,434
5	Other than Approved Investments	50,000	50,000
	<b>Sub Total (A)</b>	<b>2,654,280</b>	<b>2,546,105</b>
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	-	-
2	Other Approved Securities	-	34,664
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	90,267	126,159
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative instruments	-	-
	(d) Debenture / Bonds	-	-
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties - Real Estate	-	-
4	Investments in infrastructure & Social sector	9,999	-
5	Other than Approved Investments	-	-
	<b>Sub Total (B)</b>	<b>100,266</b>	<b>160,823</b>
	<b>TOTAL (A+B)</b>	<b>2,754,546</b>	<b>2,706,928</b>

**Note:** The Market Value of Investments, other than listed equity securities is ₹25,82,408/- thousand (Previous Year ₹25,10,934/- thousand) against their Book Value ₹ 25,80,769/- thousand (Previous year ₹ 24,47,359/- thousand)



SAHARA INDIA LIFE INSURANCE COMPANY LIMITED  
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020

SCHEDULE -8A INVESTMENTS - POLICYHOLDERS							
AS AT 31ST MARCH 2020							
(₹ '000)							
	PARTICULARS	PARTICIPATING	NON-PARTICIPATING		PENSION	UNIT LINKED	TOTAL
			INDIVIDUAL TERM	GROUP			(₹ '000)
1	<b>LONG TERM INVESTMENTS</b>						
2	Government securities and Government guaranteed bonds including Treasury Bills	4,283,377	911,848	20,270	19,293	26,434	5,261,221
3	Other Approved Securities	448,896	274,356				723,252
3	Other Investments						
	(a) Shares						
	(aa) Equity	169,049					169,049
	(bb) Preference						
	(b) Mutual fund						
	(c) Derivative instruments						
	(d) Debenture / Bonds						
	(e) Other Securities						
	(f) Subsidiaries						
	(g) Investment Properties - Real Estate						
4	Investments in Infrastructure & Social sector	2,930,879	899,899		999	30,000	3,861,776
5	Other than Approved Investments	100,000					100,000
	<b>Sub Total (A)</b>	<b>7,932,201</b>	<b>2,086,103</b>	<b>20,270</b>	<b>20,292</b>	<b>56,434</b>	<b>10,115,299</b>
1	<b>SHORT TERM INVESTMENTS</b>						
2	Government securities and Government guaranteed bonds including Treasury Bills	71,471					71,471
3	Other Approved Securities	74,997					74,997
3	Other Investments						
	(a) Shares						
	(aa) Equity						
	(bb) Preference						
	(b) Mutual Funds						
	(c) Derivative instruments						
	(d) Debenture / Bonds						
	(e) Other Securities						
	(f) Subsidiaries						
	(g) Investment Properties - Real Estate						
4	Investments in Infrastructure & Social sector	249,999	51,000		1,000		301,999
5	Other than Approved Investments						
	<b>Sub Total (B)</b>	<b>296,466</b>	<b>51,000</b>		<b>1,000</b>		<b>448,466</b>
	<b>TOTAL (A+B)</b>	<b>8,228,667</b>	<b>2,137,103</b>	<b>20,270</b>	<b>21,292</b>	<b>56,434</b>	<b>10,563,765</b>

Note: The Market Value of investments, other than listed equity securities, is ₹ 1094,40,77,672/- against their Book Value ₹ 1039,47,15,815/-

SCHEDULE -8A INVESTMENTS - POLICYHOLDERS							
AS AT 31ST MARCH 2019							
(₹ '000)							
	PARTICULARS	PARTICIPATING	NON-PARTICIPATING		PENSION	UNIT LINKED	TOTAL
			INDIVIDUAL TERM	GROUP			(₹ '000)
1	<b>LONG TERM INVESTMENTS</b>						
2	Government securities and Government guaranteed bonds including Treasury Bills	3,740,724	811,118	20,397	19,283	26,299	4,617,821
3	Other Approved Securities	523,533	274,081				797,614
3	Other Investments						
	(a) Shares						
	(aa) Equity	251,698					251,698
	(bb) Preference						
	(b) Mutual fund						
	(c) Derivative instruments						
	(d) Debenture / Bonds						
	(e) Other Securities						
	(f) Subsidiaries						
	(g) Investment Properties - Real Estate						
4	Investments in Infrastructure & Social sector	2,976,872	952,179		1,998	30,000	3,961,049
5	Other than Approved Investments	100,000					100,000
	<b>Sub Total (A)</b>	<b>7,592,827</b>	<b>2,037,378</b>	<b>20,397</b>	<b>21,281</b>	<b>56,299</b>	<b>9,728,182</b>
1	<b>SHORT TERM INVESTMENTS</b>						
2	Government securities and Government guaranteed bonds including Treasury Bills	134,009	1,022	14	735		135,780
3	Other Approved Securities						
3	Other Investments						
	(a) Shares						
	(aa) Equity						
	(bb) Preference						
	(b) Mutual Funds						
	(c) Derivative instruments						
	(d) Debenture / Bonds						
	(e) Other Securities	39,000	30,000				69,000
	(f) Subsidiaries						
	(g) Investment Properties - Real Estate						
4	Investments in Infrastructure & Social sector	50,000					50,000
5	Other than Approved Investments						
	<b>Sub Total (B)</b>	<b>223,009</b>	<b>31,022</b>	<b>14</b>	<b>735</b>		<b>254,780</b>
	<b>TOTAL (A+B)</b>	<b>7,815,836</b>	<b>2,068,400</b>	<b>20,411</b>	<b>22,016</b>	<b>56,299</b>	<b>9,982,961</b>

Note: The Market Value of investments, other than listed equity securities, is ₹ 98,13,255/- thousand against their Book Value ₹ 97,31,266/- thousand



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

## SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020

**SCHEDULE -8B**  
**ASSETS HELD TO COVER LINKED LIABILITIES**

	PARTICULARS	Mar 2020 (₹ '000)	Mar 2019 (₹ '000)
	<b>LONG TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	-	-
2	Other Approved Securities	55,799	53,103
3	Other Investments	-	25,335
	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual fund	-	-
	(c) Derivative Instruments	-	-
	(d) Debenture / Bonds	-	-
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties - Real Estate	-	-
4	Investments in infrastructure & Social sector	1,410	90,656
5	Other than Approved Investments	-	-
	<b>Sub Total (A)</b>	<b>57,209</b>	<b>169,094</b>
	<b>SHORT TERM INVESTMENTS</b>		
1	Government securities and Government guaranteed bonds including Treasury Bills	27,741	-
2	Other Approved Securities	25,056	42,942
3	Other Investments	-	-
	(a) Shares	530,724	-
	(aa) Equity	-	861,090
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative instruments	-	-
	(d) Debenture / Bonds	-	-
	(e) Other Securities	-	3,000
	(f) Subsidiaries	-	-
	(g) Investment Properties - Real Estate	-	-
4	Investments in infrastructure & Social sector	88,553	-
5	Other than Approved Investments	-	-
	(a) Net Current Assets	19,734	13,057
	<b>Sub Total (B)</b>	<b>691,808</b>	<b>920,089</b>
	<b>TOTAL (A+B)</b>	<b>749,017</b>	<b>1,089,183</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

<b>SCHEDULE -9 LOANS</b>			
	<b>PARTICULARS</b>	<b>Mar 2020 (₹ '000)</b>	<b>Mar 2019 (₹ '000)</b>
<b>1</b>	<b>SECURITY-WISE CLASSIFICATION</b>		
	<b>Secured</b>	-	-
	(a) On mortgage of property	-	-
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) On Shares, Bonds, Government Securities etc.	-	-
	(c) Loan against Policies	91,622	90,981
	(d) Others	-	-
	<b>Unsecured</b>	-	-
	<b>TOTAL</b>	<b>91,622</b>	<b>90,981</b>
<b>2</b>	<b>BORROWER-WISE CLASSIFICATION</b>		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Companies	-	-
	(e) Loan against policies	91,622	90,981
	(f) Others	-	-
	<b>TOTAL</b>	<b>91,622</b>	<b>90,981</b>
<b>3</b>	<b>PERFORMANCE-WISE CLASSIFICATION</b>		
	(a) Loans classified as standard :	-	-
	(aa) In India	91,622	90,981
	(bb) Outside India	-	-
	(b) Non standard Loans less provisions:	-	-
	(aa) In India	-	-
	(bb) Outside India	-	-
	<b>TOTAL</b>	<b>91,622</b>	<b>90,981</b>
<b>4</b>	<b>MATURITY-WISE CLASSIFICATION</b>		
	(a) Short-Term	91,622	90,981
	(b) Long-Term	-	-
	<b>TOTAL</b>	<b>91,622</b>	<b>90,981</b>





**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS UPTO 31-03-2020**

**SCHEDULE-10  
FIXED ASSETS**

(₹ '000)

S.NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Opening	Additions	Deductions	Closing	Upto Last Year	For the year	On Sales/ Adjustment	To Date	As at Year end	Previous year
1	INTANGIBLES(SOFTWARE)	178,299	-	-	178,299	168,726	5,577	-	174,303	3,996	9,574
2	INFORMATION TECHNOLOGY EQUIPMENT	99,147	273	-	99,420	84,688	3,002	-	87,690	11,730	14,460
3	FURNITURE & FIXTURES*	7,102	-	-	7,102	5,599	380	-	5,979	1,123	1,502
4	OFFICE EQUIPMENT	5,905	260	-	6,165	5,433	179	-	5,612	553	473
5	MOTOR CAR	4,103	-	-	4,103	3,782	105	-	3,887	216	321
6	BUILDING	53,879	-	-	53,879	4,834	855	-	5,689	48,190	49,045
7	WORK-IN-PROGRESS INTANGIBLES(Desktop Lenevo)	-	1,111	-	1,111	-	-	-	-	1,111	-
	<b>Total</b>	<b>348,435</b>	<b>1,644</b>	<b>-</b>	<b>350,079</b>	<b>273,062</b>	<b>10,098</b>	<b>-</b>	<b>283,160</b>	<b>66,919</b>	<b>75,375</b>
	<b>Previous Year</b>	<b>347,530</b>	<b>906</b>	<b>1</b>	<b>348,435</b>	<b>258,086</b>	<b>14,975</b>	<b>1</b>	<b>273,060</b>	<b>75,375</b>	<b>-</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

**SCHEDULE - 11**  
**CASH AND BANK BALANCES**

	PARTICULARS	Mar 2020 (₹ '000)	Mar 2019 (₹ '000)
1	Cash (including cheques, drafts and stamps)	3,175	3,285
2	Bank Balances	-	-
	(a) Deposit Accounts	-	-
	(aa) Short-term (due within 12 months of the date of Balance Sheet)	278,122	119,834
	(bb) Others	-	-
	(b) Current Accounts	259,074	417,913
	(c) Others	-	-
3	Money at call and short notice	-	-
	(a) With banks	-	-
	(b) With other Institutions	-	-
4	Others	-	-
	<b>TOTAL</b>	<b>540,371</b>	<b>541,032</b>
	Balances with non-scheduled banks included in 2 and 3 above	-	-
	<b>CASH &amp; BANK BALANCES</b>	-	-
1	In India	540,371	541,032
2	Outside India	-	-
	<b>TOTAL</b>	<b>540,371</b>	<b>541,032</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

<b>SCHEDULE - 12</b>			
<b>ADVANCES AND OTHER ASSETS</b>			
	<b>PARTICULARS</b>	<b>Mar 2020</b> (₹ '000)	<b>Mar 2019</b> (₹ '000)
	<b>Advances</b>		
1	Reserve deposits with ceding companies	942	-
2	Application money for investments	-	-
3	Prepayments	6,562	4,619
4	Advances to officers/directors	-	-
5	Advances tax paid and taxes deducted at source. (Net of Provision of Taxation)	28,584	26,545
6	<b>Other advances -</b>		
	(a) Travel Advance	11	2
	(b) Salary Advances	-	-
	(c) Other Staff Loan	729	677
	(d) Advance to Suppliers	1,803	3,305
	<b>Total (A)</b>	<b>38,631</b>	<b>35,148</b>
	<b>Other Assets</b>		
1	Income accrued on Investments	336,544	359,870
2	Outstanding Premiums	111,661	77,783
3	Agent's Balances	593	57
4	Foreign Agent's Balances	-	-
5	Due from other Entities carrying on insurance business (including reinsures)	-	-
6	Due from subsidiaries/holding company	-	-
7	Deposit with Reserve Bank of India [pursuant to section 7 of Insurance Act,1938]	-	-
8	<b>Others:</b>		
	(a) Security & Other Deposit	782,429	782,429
	(b) Service Tax un-utilised credit	8,540	4,204
	(c) Sundry Recoverable	83,052	92,330
	(d) Dividend Receivable	45	182
	(e) Assets held for unclaimed amount of Policyholder	117,457	109,547
	<b>Total (B)</b>	<b>1,440,321</b>	<b>1,426,402</b>
	<b>Total (A + B)</b>	<b>1,478,952</b>	<b>1,461,550</b>

<b>SCHEDULE - 13</b>			
<b>CURRENT LIABILITIES</b>			
	<b>PARTICULARS</b>	<b>Mar 2020</b> (₹ '000)	<b>Mar 2019</b> (₹ '000)
1	Agent's Balances	3,609	7,265
2	Balances due to other insurance companies	-	-
3	Deposits held on reinsurance ceded	-	-
4	Premiums received in advance	-	-
5	Unallocated Premium	8,476	23,136
6	Sundry Creditors	66,738	47,080
7	Due to Subsidiaries/holding companies	-	-
8	Claims outstanding	748	2,368
9	Annuities Due	-	-
10	Due to Officers/Directors	-	-
11	<b>Others:</b>		
	(a) Statutory Dues	29,851	32,973
	(b) Surrender Payable	200,269	113,703
	(c) Expenses Payable	24,633	9,368
	(d) Security Deposit	86	86
	(e) Book Overdraft	-	-
	(f) Others - Deferred Tax Liability	-	-
12	Unclaimed Amount of Policyholders	131,583	98,987
	<b>TOTAL</b>	<b>465,993</b>	<b>334,966</b>





**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2020**

<b>SCHEDULE - 14</b>			
<b>PROVISIONS</b>			
	<b>PARTICULARS</b>	<b>Mar 2020</b> <b>(₹ '000)</b>	<b>Mar 2019</b> <b>(₹ '000)</b>
1	For taxation (less payments and taxes deduction at source)	29,246	34,154
2	For proposed dividends	-	232,000
3	For dividend distribution tax	-	47,235
4	Others:	-	-
	(a) Provision for Leave Encashment	7,949	6,637
	(b) Provision for Gratuity	-	380
	(c) Provision for Pension	-	-
	(d) Provision for Investments	100,000	15,000
	(e) Provision for Advances	12,365	-
	<b>TOTAL</b>	<b>149,560</b>	<b>335,406</b>

<b>SCHEDULE - 15</b>			
<b>MISCELLANEOUS EXPENDITURE</b>			
<b>(To the extent not written off or adjusted)</b>			
	<b>PARTICULARS</b>	<b>Mar 2020</b> <b>(₹ '000)</b>	<b>Mar 2019</b> <b>(₹ '000)</b>
1	Discount allowed in issue of shares/debentures	-	-
2	Others	-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**NOTES TO ACCOUNTS**  
**FY- 2019-20**

**Schedule 16:**

**SIGNIFICANT ACCOUNTING POLICIES & PRACTICES AND NOTES TO  
ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2020**

**A. SIGNIFICANT ACCOUNTING POLICIES & PRACTICES**

**1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements are prepared and presented in accordance with the Generally Accepted Accounting Practices followed in India under the historical cost convention and accrual basis of accounting and in accordance with the statutory requirements of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), the Insurance Regulatory and Development Authority (IRDA) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and orders and directions issued by the IRDAI in this behalf, Companies Act, 2013 to the extent applicable and comply with the accounting standards notified therein and current practices prevailing in the Insurance Industry.

**2. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

**3. REVENUE RECOGNITION**

**a. Premium Income**

Premium is recognized as income when due from policyholders except on unit linked policies, where the premium is recognized when associated units are created.

In accordance with the terms of insurance policies, uncollected premium on lapsed policies is not recognized as income until revived

Products with regular premium paying plans and/or pre-determined policy term are treated as regular business with due classification into first year premium and renewal premium. Products other than aforesaid are classified as single premium.

Top up premiums paid by unit linked policyholders' are considered as single premium and recognised as income when the associated units are created.



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

### b. Income from Linked Fund

Income from Linked policies including assets management fees and other charges etc. are recovered in accordance with the terms and conditions of the policies and are recognized when due.

### c. Reinsurance Premium

Reinsurance premium ceded is accounted on due basis at the time of recognition of premium income in accordance with the treaty arrangements with the re-insurers.

### d. Income on Investments

Interest income is recognized on accrual basis. Dividend income is recognized on ex-dividend date

The discount or premium being the difference between the purchase price and the redemption price of debt securities including govt. securities, held under non-linked funds or shareholders' investments are accreted or amortized, as the case may be, on straight line basis over the holding/maturity period.

Realized gain/loss on debt securities is the difference between the net sale consideration and weighted average amortised cost in the books of the company as on the date of sale.

In case of listed equity securities and mutual fund units, the realized gain or loss on sale of investments includes the accumulated changes in the fair value previously recognized under "Fair Value Change Account".

## 4. BENEFITS PAID (INCLUDING CLAIMS)

Maturity claims are accounted for when due for payment. Death, Surrender and other claims for basic sum assured, if any are accounted for on the receipt of intimation. Reinsurance recoveries with respect to aforesaid claims, if any are accounted for in the same period as the related claims and are reduced from claim expenses. Withdrawals under linked policies are accounted for in the respective schemes when the associated units are cancelled.

## 5. ACQUISITION COSTS

Acquisition costs such as commission to insurance intermediaries and policy issue expenses are the costs that are primarily related to the acquisition of new and renewal insurance contracts. Such costs are expensed in the year in which they are incurred.

## 6. LIABILITY FOR LIFE POLICIES

Liability for life policies in force and for policies in respect of which premium has been discontinued but a liability exists, is provided on actuarial valuation done by the Appointed Actuary as per gross premium method in accordance with the accepted actuarial practices, requirements of IRDAI and the Institute of Actuaries of India.

In respect of linked liabilities, Unit liability portion is represented by the fund value of the policies and non-unit liability portion for meeting insurance claims etc. is provided on actuarial valuation done by the Appointed Actuary.



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

Actuarial policies and assumptions are given in Note No.B 5 below.

### 7. Funds for Future Appropriations (FFA)

The Funds for Future Appropriations (FFA), in the participating segment, represents the surplus, which is not allocated to policyholders or shareholders as at the Balance Sheet date. Transfers to and from the fund reflect the excess or deficit of income over expenses respectively and appropriations in each accounting period arising in the Company's Policyholders' Fund. Any allocation to the par policyholders would also give rise to a transfer to Shareholders' Profit and Loss Account in the required proportion.

### 8. INVESTMENTS

Investments are made in accordance with the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended and various circulars / notifications issued by IRDAI in this context from time to time.

Investments are recorded on trade date at cost, which includes brokerage and related taxes, if any and excludes pre-acquisition interest, if any.

Bonus entitlements are recognized as investments on the 'ex-bonus date'  
Rights entitlements are recognized as investments on the 'ex-right date'

#### (a) Classification

Investments maturing within twelve months from the Balance Sheet date and Investments made with the specific intention to dispose them within twelve months from the Balance Sheet date are classified as Short Term Investments. Investments other than short term are classified as Long Term Investments.

#### (b) Valuation—Shareholders' Investment and Non Linked Policyholders' Investments

All debt securities including govt. securities are considered as 'held to maturity' and accordingly recorded at historical cost (excluding interest paid, if any) subject to amortization of premium or accretion of discount.

Listed equity securities are valued at fair value for respective equity shares being the last quoted closing prices on the Primary Exchange i.e. National Stock Exchange ("NSE") at the Balance Sheet date. In case, the equity shares are not traded on the Primary Exchange on the Balance Sheet date, the closing prices on the Secondary Exchange i.e. Bombay Stock Exchange ("BSE") are considered.

Mutual Fund units are valued at the latest available net asset values of the respective fund.

Any unrealized gains arising due to changes in the fair value are recognized under the head 'Fair Value Change Account', in the balance sheet. Any unrealized losses arising due to changes in the fair value are recognized in the revenue account and profit and loss account as applicable.



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

Investment in real estate is at historical cost subject to revaluation (done in atleast once in three years) & provision for impairment, if any. The change in the carrying amount of investment in real estate is taken to revaluation reserve.

Money market instruments like Commercial Papers, Certificate of Deposit, Treasury Bills (T-Bills) and Collateralised Borrowing and Lending Obligation (CBLO) are valued at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a straight line basis.

Redeemable preference shares are considered as "held to maturity" and accordingly valued at historical cost, subject to amortisation of premium or accretion of discount.

Listed preference shares other than redeemable preference shares are valued at fair value, being the last quoted closing price on the Primary Exchange i.e. National Stock Exchange (NSE) at the Balance Sheet date. In case, the preference shares are not traded on the Primary Exchange on the Balance Sheet date, the closing price on the Secondary Exchange i.e. Bombay Stock Exchange (BSE) are considered.

Unrealised gains or losses arising due to changes in fair value are recognised under the head 'Fair Value Change Account' in the Balance Sheet.

Unlisted preference shares (other than redeemable preference shares) and listed preference (other than redeemable preference) shares that are not regularly traded in active markets and which are classified as "thinly traded" as per the guidelines governing Mutual Funds for valuation of thinly traded securities laid down by Securities Exchange Board of India (SEBI) are valued at historical cost, subject to provision for diminution in the value, if any, of such investments determined separately for each individual investment.

### (c) Valuation-Linked Business

Investments pertaining to Linked Business are at Market Value. It has been done as below:

#### In case Market Price is readily available

- All debt securities including govt. securities are valued at prices obtained from Credit Rating Information Services of India Ltd. ('CRISIL').
- Listed equity securities are valued at Fair Value, being the last quoted closing price of The National Stock Exchange ("NSE") and if not listed on NSE then last quoted closing price of The Bombay Stock Exchange ("BSE") at the Balance Sheet.
- Mutual Fund units are valued at the latest available net asset values of the respective fund.
- Money market instruments like Commercial Papers, Certificate of Deposit, Treasury Bills (T-Bills) and Collateralised Borrowing and Lending Obligation (CBLO) are valued at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a straight line basis.





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### **In case Market Price is not readily available**

Debt Securities other than Government securities are valued as per the assessment of the management based on certain criterions such as CRISIL Bond Valuer, Issuer, Tenure, Market Conditions, etc.

### **(d) Transfer of Investments**

Transfer of debt securities from shareholders' to policyholders' fund is done at the lower of net amortised cost or fair value on the date of transfer and in relation to other securities at the lower of cost or market value on the date of transfer.

Inter fund transfer / sale from shareholders funds relating to linked business are effected at Market Price on the date of transfer.

### **(e) Impairment of investments**

The Company periodically assesses at each Balance Sheet date, whether there is any indication of impairment of investments or reversal of impairment loss earlier recognised. An impairment loss is accounted for as an expense and disclosed under the head 'Provision for diminution in the value of investment (net)' in the Revenue Account or the Profit and Loss Account to the extent of the difference between the remeasured fair value of the investments and its acquisition cost as reduced by any earlier impairment loss accounted for as an expense in the Revenue Account or the Profit and Loss Account.

Any reversal of impairment loss, earlier recognised for in the Revenue Account or the Profit and Loss Account, is accounted in the Revenue Account or the Profit and Loss Account respectively.

## **9. Provision for Non Performing Assets (NPA)**

All assets where the interest and/or installment of principal repayment remain overdue for more than 90 days at the Balance Sheet date are classified as NPA and provided for in the manner required by the IRDAI regulations on this behalf.

## **10. FIXED ASSETS AND DEPRECIATION**

- a. Fixed assets are stated at their original cost of acquisition including non-refundable taxes & duties, freight and other incidental expenses related to acquisition and installation of the relevant assets less accumulated depreciation.
- b. Software expenses incurred for purchase of licenses for bought out software and related customization (other than maintenance/ updation of existing software), which results in a benefit of enduring nature are capitalized. Other software expenses are expensed as incurred. Intangible assets are recognized at the consideration paid for acquisition.
- c. Capital work in progress comprises advances paid to acquire fixed assets and the cost of fixed assets which are not yet ready for their intended use at the date of balance sheet.
- d. Depreciation on Fixed Assets other than intangible assets is provided pro-rata to the period of use under Straight Line method based on the balance useful life as



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

specified in Schedule II to the Companies Act, 2013. Depreciation on the assets costing up to ₹ 5000/- is provided at the rate of 100%. Intangible assets in the form of Computer software is amortised over a period of five years from the date it has become ready to use, on straight-line basis.

Pursuant to the Companies Act, 2013 and amendment thereof, the Company has reassessed the useful life of its' fixed assets and has aligned it with the useful life specified in Schedule II of the Companies Act 2013, other than assets costing upto ₹ 5,000.

- e. Revaluation of Fixed assets: Depreciation on the increased amount of assets due to revaluation is computed on the basis of the residual life of the assets as estimated by the valuers on straight-line method.

### 11. IMPAIRMENT OF ASSETS

The carrying amount of assets is reviewed at the balance sheet date if there is any indication of Impairment based on internal / external factors. An impairment loss is recognized whenever the carrying cost would exceed there coverable amount of cash generating asset. If there is an indication that an impairment loss recognised for an asset in earlier accounting periods is no longer required or has decreased; reversal of impairment loss is recognised. The recoverable amount is reassessed and the asset is reflected at recoverable amount, subject to a maximum of depreciable historical cost.

### 12. FOREIGN EXCHANGE TRANSACTIONS

- a) Transactions denominated in foreign currency are recorded at the rate of exchange prevailing on the transaction date.
- b) Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated using the rate of exchange prevailing on that date.
- c) Exchange differences either on settlement or on translation are recognized in the Revenue Account/Profit and Loss Account, as applicable.
- d) Non-monetary items are carried at cost.

### 13. EMPLOYEE BENEFITS

- a) Short term employee benefits are recognized as an expense at the undiscounted amount in the Revenue Account of the year in which the related service is rendered.
- b) The company is registered with Provident Fund department and monthly contributions of employees are charged to Revenue Account every year. Company's PF plan is a defined contribution plan.
- c) Gratuity is a post retirement "defined benefit plan" Gratuity liability is provided for on the basis of an actuarial valuation made at the end of each financial year. The Company has purchased Group Gratuity Policy from Life Insurance Corporation Of India by making contribution and contributions are made as and when demanded by LIC.
- d) Provision for Leave encashment is accrued and provided for on the basis of an actuarial valuation made at the end of each financial year.
- e) Actuarial gains/losses are immediately taken to Revenue Account and are not deferred.





#### 14. SEGMENT REPORTING

Based on the primary segments identified under IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) regulations 2002 ('the Regulations') read with AS 17 on "Segmental Reporting", the company has classified & disclosed segmental information into Shareholder & Policyholder – Participating, Non-Participating (Individual & Group), Pension & Unit Linked.

There are no reportable geographical segments, since all business is written in India.

#### 15. ALLOCATION OF EXPENSES

Operating expenses relating to insurance business are allocated to specific business segments as follows:

- a) Expenses which are directly attributable and identifiable to the respective business segments are directly allocated in the respective business segment.
- b) Expenses, which are not directly identifiable to a business segment, are allocated on either of the following basis:
  - Number of policies
  - Premium income
  - Sum assured
  - Medical cases
  - Average Assets under management
- c) The method of allocation has been decided based on the nature of the expense and its logical co-relation with various business segments and as per Board Approved Expense Allocation Policy.

#### 16. LEASES

Lease arrangements, where the risks and rewards incidental to ownership of an asset solely vest with the lessor, are classified as operating lease. Lease rental payments / receipts under operating lease are recognized as expense / income on accrual basis in accordance with the respective lease agreements.

Assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Initial direct costs in respect of lease are expensed in the year in which such costs are incurred. Income from lease assets is accounted by applying the interest rate implicit in the lease to the net investment.

#### 17. TAXATION

##### Current Tax:

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with Section 44 of Income Tax Act, 1961 read with Schedule I of the said Act.

##### Deferred Tax:

Deferred Income Tax is recognized, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year and reversal of timing differences of earlier years.

Deferred Tax Assets / Liability are recognized and carried forward to the extent there is



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

reasonable certainty, except arising from unabsorbed depreciation and carried forward losses which are recognized to the extent of deferred tax liabilities or there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### 18. GOODS AND SERVICE TAX

Input Credit is utilized against the GST Liability on risk premium. Any unutilized portion of Input Credit is carried forward under "Advances and Other Current Assets" for set off in subsequent periods.

### 19. CONTRIBUTION FROM SHAREHOLDERS FUND TO POLICYHOLDERS FUNDS

The sums from the shareholders fund are required to be transferred to the policyholder's funds to maintain an appropriate level of solvency in each of the policyholder's funds and in the case of the Participating Fund and Pension Fund such contributions are also required to provide sufficient surplus to allow bonuses to be declared.

The contributions from the Shareholders Fund to the Participating Fund and the Pension Fund for the purpose of declaring bonus are irreversible in nature and once the contribution from the shareholders funds has been made shall not get reverted back to the shareholders at any point of time in the future except as provided by the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015) or any other laws or by regulations or by any of their successors or as allowed by the IRDAI and its successors.

Contributions from the Shareholders Fund to the non-linked Policyholders Funds have been made at lower of market price and the net amortized cost in the case of debt securities and at the lower of cost or market value in all other cases, so as to comply with circulars issued by the IRDAI.

However, No contribution have been made from Shareholders Fund to Policyholders fund.

### 20. EARNINGS PER SHARE (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the year attributed to equity shareholders by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the equity weighted numbers of shares outstanding during the year are adjusted for effects of all dilutive equity shares.

### 21. PROVISIONS, CONTINGENT LIABILITY & CONTINGENT ASSETS

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Loss contingencies arising from litigations etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.



**22. Cash and Cash Equivalents**

Cash and cash equivalents for the purpose of Receipts and Payments account include cash and cheques in hand and bank balances. Receipts and Payments Account is prepared and reported using the Direct Method in accordance with Accounting Standard (AS) 3, "Cash Flow Statements"



# SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

## B. NOTES TO ACCOUNTS

### 1. Contingent Liabilities not provided for in respect of:

₹'000

Sr. No.	Particulars	Current Year	Previous Year
		As at 31/03/2020	As at 31/03/2019
1	Partly paid - up investments	-	-
2	Claims, other than against policies, not acknowledged as debts by the company	-	-
3	Underwriting commitments outstanding (in respect of shares and securities)	-	-
4	Guarantees given by or on behalf of the Company	-	-
5	Statutory demands / liabilities in dispute, not provided for *	3,89,669	4,42,524
6	Reinsurance obligations to the extent not provided for in accounts	-	-
7	Others – Policy related claims under litigation	7,295	5,236
	<b>TOTAL</b>	<b>3,96,964</b>	<b>4,47,760</b>

Note- ₹ 2,63,370 thousand is an account of demand raised by Office of the Commissioner of Service Tax, Lucknow. This demand has been deleted by the Custom Excise & Service Tax Appellate Tribunal under their Order No.70810/2018 dated 22.02.2018. The CGST and Central Excise Department has gone into appeal to Hon'ble High Court, Allahabad, Lucknow Bench, Lucknow. . Hon'ble High Court has dismissed the appeal with respect to its circular dated 26/27 August 2018, wherein it is clearly stated that Appeals in which amount involved is less than ₹1 cr, would not be pursued before the high Court.

2. As at Balance sheet date, there are no encumbrances on the assets of the Company, within India as well as outside India
3. Estimated amount of Contracts remaining to be executed on capital account and not provided for is ₹ 781 thousands - payable to M/s Deloitte Touche Tohmatsu India LLP. For up gradation of the financial software named SUN System from version 4.33 to version 4.4. (Previous Year ₹. NIL.).

In Insurance contracts, actuarial valuation of liabilities for policies in force is done by the Appointed Actuary of the Company. The assumptions used in valuation of liabilities for policies in force are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI.



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

### 4. Claims

- a) Claims intimated to the Company and outstanding as at 31<sup>st</sup> March 2020 aggregated to ₹5,796 thousand (Previous Year ₹2,368 thousand).
- b) As at 31<sup>st</sup> March 2020 there was 2Nos claim outstanding to ₹ 206.85 thousand (Previous Year 2 claims of ₹459.60thousand) settled and remaining unpaid for a period of more than six months.
- c) All the claims are paid / payable in India.

### 5. Actuarial Valuation

The actuarial liabilities for life insurance policies have been determined by using prospective gross premium method of valuation based on assumptions as to the future experience of the policies. The principal assumptions are related to interest, mortality, morbidity, persistency, expenses and inflation, additionally in the case of participating policies, bonuses together with allowance for shareholders' share of profit and tax. The assumptions are based on prudent estimates of the future experience, and hence include margins for adverse deviations over and above the best estimate assumptions. In the financial statements, appointed actuary is responsible only for determining the policyholder liabilities. A brief of the assumptions used in actuarial valuation is as below:

- Interest rate assumptions - The interest rates used for valuing the policy holder liabilities are in the range of 4.75% to 5.75% per annum.
- Lapse assumptions - The lapse assumptions are based on the most recent experience of the Company and IRDA regulations. Future policy lapses varies with the type of policy and the duration for which the policy has been in force.
- Expense assumptions - The expense assumptions are set on the basis of expected level of renewal expenses according to the future estimates of the company with allowance for adverse deviations and taking into account the assumptions used in pricing. Per policy renewal expenses are inflated at 4.50% p.a.
- Mortality assumptions - Mortality assumptions are set in reference to the published Indian Assured Lives Mortality Table (2012-2014) Ultimate with adjustment to reflect expected experience and allowance for adverse deviations.
- Morbidity (for Critical Illness rider) - Morbidity rates used are based on CIBT 93 table, adjusted for risk rates supplied by reinsurers.
- Morbidity (other riders) - Based on reinsurers' rates. Unit liability in respect of linked business has been taken as the value of the units standing to the credit of policyholders, using the net asset value (NAV) prevailing at the valuation date. Non-unit liability under unit-linked business is taken as higher of value using gross premium method and three times of the mortality charges deducted for the month.

The reserves for attached riders are taken as higher of value using gross premium method and annualised rider premium method.



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

Certain additional provisions are made, which consists of:

- a) Reserves for additional expenses that the Company may have to incur if it were to close to new business twelve months after the valuation date.
- b) Reserves for substandard lives.
- c) Reserves for lapsed policies eligible for revivals.
- d) Reserves for Paid-Up policies eligible for revivals.
- e) Reserves for Policies where claim event has incurred but not yet reported (IBNR) to the company.
- f) Reduction in yield reserves for Unit Linked policies.
- g) Reserves for unforeseen errors in data

### 6. Taxation

The company carries on Life Insurance business and hence the provisions of Section 44 and the First Schedule of Income Tax Act, 1961, are applicable for the computation of Profits and Gains of its business. Provision for taxation has been made in the accounts since the company has taxable income in the current accounting period.

Based on legal opinion taken by the Company Minimum Alternate Tax (MAT) provisions are not applicable on the company.

### 7. Value of contracts in relation to Investments for:

(₹ in '000)

Particulars	Non Linked Business		Linked Business	
	Current Year	Previous year	Current Year	Previous year
Purchases where deliveries are pending	-	-	-	-
Sales where receipts are overdue	-	-	-	-

### 8. Deferred Tax Assets/Liabilities

The company has no carried forward losses hence no deferred tax assets/liability has been provided.

### 9. Managerial Remuneration

The details of the managerial remuneration included in employee remuneration & welfare benefits and other expenses are as follows:

(₹ in '000)

Particulars	Current Year	Previous year
Salary & Perquisites	14375	4,188
Other Allowances	-	-
Director Sitting Fee	284	400

The appointment of managerial personnel is in accordance with the requirements of





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Section 34A of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015). Expenses towards gratuity and leave encashment are determined actually on an overall company basis at the end of each year and accordingly have not been considered in the above information.

10. In accordance with Accounting Standard (AS-20) – “Earning Per Share”, the following reconciles the numerator and denominator used to calculate basic/diluted earnings per share-

(₹in'000)		
Particulars	Current Year	Previous year
Weighted average number of Equity Shares outstanding	232,000	232,000
Profit/(Loss) after tax	(47,233)	175,595
Basic & Diluted Earnings per share (Rs.)	(0.20)	0.76

As there were no dilutive equity shares or potential equity shares, no reconciliation between the denominator used for computation of basic and diluted earnings per share is provided.

11. Re-insurance treaties have been signed with Cologne Reinsurance Company plc (Gen Re) in respect of the Company's life business where cover is in excess of the company's retention limit and the premium paid thereon has been accordingly reflected in the accounts.

### 12. Unclaimed amount of policyholders.

Assets held for unclaimed amount of policyholders is created and maintained in accordance with the requirement of IRDAI circular No. IRDA/F&A/CIR/GLD/195/08/124 dated August 14, 2014, IRDA/F&A/CIR/CPM/134/07/2015 dated July 24, 2015, IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 Master circular on Unclaimed Amount of Policyholders IRDA/F&A/CIR/Misc/173/07/2017 dated July 25, 2017 and Investment Regulations, 2016 as amended from time to time

- a) Unclaimed amount of policyholders is invested in money market instruments and / or fixed deposits of scheduled banks which is valued at historical cost, subject to amortisation of premium or accretion of discount over the period of maturity/holding on a straight line basis.
- b) Amount Payable on account of income earned on assets held for unclaimed amount of Policyholders is accounted for on accrual basis.
- c) With reference to IRDAI Master Circular IRDA/F&A/CIR/Misc/173/2017 regarding specific segregated fund against unclaimed amount of policyholder of Rupees 131582.96 Thousands, the management has filed an application before the IRDAI to allot Segregated Fund Identification Number (SFIN). The company is already maintaining separate investment for such liability, value of which as on 31-03-2020 was Rs. 117456.87 Thousand and has sufficient fund in their other portfolios to compensate any shortfall. But specific segregation is possible only after getting SFIN and approval of Administrator which is awaited. Further, company has requested Administrator to



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

give approval to transfer the unclaimed amount of Rs.1234.73 Thousand which is continuing for more than 10 years to Senior Citizens' Welfare Fund (SCWF). Approval is awaited.

13. All the Investments of the company are performing Investments except the exposure in ILFS, which has been downgraded by CRISIL to rating "D"

### 14. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The amount of ₹ 2,065 Lacs, which was supposed to be spent towards CSR during FY 2019-20, has been transferred to the PM CARES FUND on the date of 01st may, 2020 hence the company is no more required to spend the CSR amount in other fields.

### 15. Foreign Currency Payments

(₹in'000)		
Particulars	Current Year	Previous Year
Reinsurance	-	452
Professional Fees	-	-
<b>Total</b>	-	452

### 16. Percentage of business sector-wise

Particulars	Current Year		Previous year	
	No. of policies	Percentage of policies	No. of policies	Percentage of policies
<b>Total Business</b>	-	-	-	-
<b>Rural</b>	-	-	-	-
<b>Urban</b>	-	-	-	-

31 <sup>st</sup> March 2020				
Total business * in the preceding Financial Year	Number of lives covered under Social Sector in the FY for which figures are reported	Rural Sector lives as % to the column (1)	Required % as per the above Regulations	Compliance with the above Regulations (Yes/No)
(1)	(2)	(3)	(4)	(5)
..	-	-	-	-





**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**31<sup>st</sup> March 2019**

<b>Total business * in the preceding Financial Year</b>	<b>Number of lives covered under Social Sector in the FY for which figures are reported</b>	<b>Rural Sector lives as % to the column (1)</b>	<b>Required % as per the above Regulations</b>	<b>Compliance with the above Regulations (Yes/No)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
-	-	-	-	-

**17. Outstanding Premium & Commission thereon**

Premium figure of ₹8,74,313 thousand (Previous year ₹ 10,07,088 thousand) includes Outstanding Premium of ₹1,11,660 thousand (Previous year ₹777,83 thousand) and Commission figure of ₹35,520 thousand (Previous year ₹40,483 thousand) includes Commission on outstanding Premium ₹5,336 thousand (Previous year ₹3,734 thousand.)

**18.** In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of the business. The provisions for all known liabilities have adequately been made and are not in excess of the amounts reasonably necessary.

**19.** There are no Micro Enterprises and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March 2020. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.



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**20. Percentage of Risk Retained & Risk Insured**

Particulars	Current Year		Previous year	
	Amount (₹Lakhs)	Percentage	Amount (₹Lakhs)	Percentage
<b>Individual Business(Non Linked Life Product)</b>				
Risk Retained	2,04,818	98.27%	2,07,029.62	98.12%
Risk Reinsured	3,600	1.73%	4,037.21	1.88%
<b>Individual Business(Non- Linked Pension Product)</b>				
Risk Retained	469	93.22%	460.95	92.73%
Risk Reinsured	34	6.78%	39.21	7.27%
<b>Individual Business (Unit Linked Life Products)</b>				
Risk Retained	11,709	100%	12,762.03	99.63%
Risk Reinsured	Nil	0%	47.49	0.37%
<b>Individual Business (Unit Linked Pension Products)</b>				
Risk Retained	477	100%	492.35	97.68%
Risk Reinsured	Nil	0%	11.95	2.32%
<b>Group Business (Linked Products)</b>				
Risk Retained	Nil	0%	Nil	0.00%
Risk Reinsured	Nil	0%	Nil	0.00%
<b>Group Business (Non Linked Products)</b>				
Risk Retained	Nil	0%	Nil	0.00%
Risk Reinsured	Nil	0%	Nil	0.00%

**21. In accordance with the Accounting Standard on Employee Benefits (AS 15) (Revised 2005) as notified the following disclosures have been made:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company has taken Group Gratuity Policy since Mar-19 from Life Insurance Corporation of India and contributions for each year are paid to the LIC accordingly. The Company has also provided for Leave Encashment which is unfunded.

The following tables summarize the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plans (as per Actuarial Valuation as on March 31, 2019).

Net employee benefits expense (recognized in the Statement of Profit & Loss):



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

(₹ in '000)

Particulars	Current Year		Previous Year	
	Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
Current Service Cost	2,185	3,721	2,722	3,352
Interest Cost on benefit obligation	492	5,867	346	6,218
Expected return on plan assets	-	(5,364)	-	-
Past Service Cost	-	-	-	-
Actuarial (gain) / loss recognized in the year	(532)	4,742	(534)	(8,949)
<b>Net (benefit) expense</b>	<b>2,145</b>	<b>8,966</b>	<b>(2,534)</b>	<b>621</b>

Net Asset / (Liability) recognized in the Balance Sheet:

Particulars	Current Year		Previous Year	
	Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
Present Value of Defined Benefit Obligation	7,949	90,681	6,636	79,442
Fair Value of Plan Assets	-	93,195	-	75,352
<b>Net Asset / (Liability) recognized in the Balance Sheet</b>	<b>(7,949)</b>	<b>2,516</b>	<b>(6,636)</b>	<b>(4,090)</b>

Changes in the present value of Defined Benefit Obligation are as follows:

Particulars	Current Year		Previous Year	
	Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
Opening defined benefit obligation	6,636	79,442	4,880	82,677
Interest Cost	492	5,867	346	6,218
Current Service Cost	2,185	3,721	2,722	3,352
Benefits Paid	(832)	(3,331)	(778)	(3,856)
Actuarial (gain) / loss on obligation	(532)	4,982	(534)	(8,949)
<b>Closing defined benefit obligation</b>	<b>7,949</b>	<b>90,681</b>	<b>6,636</b>	<b>79,442</b>

Changes in the Fair value of Plan Assets in respect to Gratuity are as follows:

Particulars	Current Year	Previous Year
Opening fair value of Plan Assets	75,352	-
Expected return on Plan Assets	5,364	-
Contribution by employer	15,570	78,968
Benefits paid	(3,331)	(3,856)
Actuarial (gain)/Loss on Plan Assets	240	240
<b>Closing fair value of Plan Assets</b>	<b>93,195</b>	<b>75,352</b>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Current Year	Previous Year
Administered by Own	100.00%	100.00%



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The principal assumptions used in determining gratuity and leave liability for the Company's plans are shown below:

Particulars	Current Year		Previous Year	
	Leave Encashment	Gratuity (Funded)	Leave Encashment	Gratuity (Funded)
Discount Rate (p.a.)	6.53%	6.53%	7.70%	7.70%
Rate of increase in Compensation (p.a.)	6.00%	6.00%	6.00%	6.00%
Rate of Return on Plan Assets	7.27%	7.27%	7.70%	7.70%
Average Outstanding Service of Employees upto Retirement (years)	8.61%	8.61%	12.87%	12.87%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### 22. Depreciation

Depreciation is provided based on the useful life of various category of assets as per accounting policy stated in AS-10 and lives are given under:

Assets	Useful lives considered for the F.Y. 2019-20	Useful lives considered for the F.Y. 2018-19
Information Technology Equipment	3 Years	3 Years
Furniture and Fixtures	10 Years	10 Years
Server	6 Years	6 Years
Office Equipment's	5 Years	5 Years
Vehicle (Two Wheeler)	10 Years	10 Years
Vehicle (Four Wheeler)	8 Years	8 Years
Leasehold Improvements	Over the period of lease or as per useful life whichever is shorter.	Over the period of lease or as per useful life whichever is shorter.

### 23. RELATED PARTY DISCLOSURE OF M/S SAHARA INDIA LIFE INSURANCE COMPANY LIMITED FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019:

#### (a) Subsidiaries and fellow subsidiaries of the Company:

- i. All subsidiaries including foreign subsidiaries and subsidiaries of Foreign/Indian subsidiaries. N.A.
- ii. List of enterprises where reporting enterprises holds control: N.A.



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(b) **Associates**

(i) All Joint ventures and Partnership firms  
**Partnership Firm**

- N.A

**Joint Ventures**

- N.A.

(ii) All Enterprises over which Company has a significant influence (other than subsidiaries and joint ventures) (Significant Influence means holding directly or indirectly or through intermediaries 20% or more of the voting power.  
N.A.

(iii) Companies which hold more than 20% in reporting enterprise:

<u>Name of company</u>
1. Sahara India Financial Corporation Limited – 50.00%
2. Sahara Care Limited – 40.00%

(c) **Individuals and their relatives having more than 20% of shareholding of the Company**

N.A

(d) **Key Management Personnel and relatives of such Personnel**

1. Shri O.P.Srivastava (Chairman & Director)
2. Shri Arun Kanti Dasgupta
3. Shri K. K. Singhal (Chief Financial Officer) till 30<sup>th</sup> September, 2019
4. Shri Santosh Kumar Mishra (Chief Financial Officer) w.e.f. 25th Sep 2019
5. Ms. Sakshi Pandey (Company Secretary) till 6th June 2019
6. Mr. Narendra Ojha (Company Secretary) w.e.f. 6th June 2019



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7. Mr. Umesh Kumar (Compliance Officer)

(e) Enterprises over which any person mentioned in (c) and (d) above being able to exercise significant influence

Shri O.P. Srivastava has significant influence in the following Companies:

1. Sahara India Financial Corporation Limited
2. Sahara India Infrastructural Development Limited
3. Sahara Superb Mining Corporation Limited
4. Humara Multi Energy Corporation Limited
5. Eric City Homes Development Private Limited
6. Sahara Hospitality Limited
7. Sain Processing and Weaving Mills Private Limited
8. Sahara India Medical Institute Limited
9. Sahara Welfare Foundation





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**24. Transaction with the related parties for the year ending 31<sup>st</sup> March 2020:**

(₹in'000)

Particulars	Promoter Shareholders	Key Management Personnel	Enterprises where KMP Has significant influence
Rent paid	1,502		2,000
Electricity Bill			149
Gross Remuneration		13,089	
Director Sitting Fees		1,080	
Reimbursement of Fuel			196
Office Expenses			3
CSR Expenses			1,134
<b>Outstanding Balance</b>			
-Amount Receivable			
-Amount Payable	5,910		11,110



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**Transaction with the related parties for the year ending 31<sup>st</sup> March 2020**

(₹ in '000)

Particulars	Promoter Shareholder	Key Management Personnel	Enterprises where KMP has significant influence	Total
Rent paid	Sahara India Financial Corporation Limited		Sahara India Commercial Corp Ltd	2,000
				1,502
Gross Remuneration		Mr. Kamal Kishore Singhal		1,950
		Mr. Arun Kanti Dasgupta		9,600
		Mr. Santosh Kumar Mishra		1,079
		Mr. Narendra Dev Nath Ojha		459
Director Sitting Fees		Mr. O.P. Srivastava		500
		Mr. Arun Kanti Dasgupta		580
Electricity Bill			Sahara India Commercial Corp Ltd	149
Fuel Purchased			Sahara India Commercial Corp Ltd	196
Office Expenses			Sahara Q Shop Unique Product	3
CSR expenses			Sahara Welfare Foundation	1,134





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**Transaction with the related parties for the year ending 31<sup>st</sup> March 2019:**

(₹ in '000)

Promoter Shareholder	Key Management Personnel	Enterprises where KMP Has significant influence
1,476	-	2,272
84	-	414
-	8,018	-
-	1,000	-
-	-	50
-	-	-
-	-	-
-	-	-
1,560		7,81,655
		2,738



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

Transaction with the related parties for the year ending 31<sup>st</sup> March 2019

(₹ in '000)

Particulars	Promoter Shareholder	Key Management Personnel	Enterprises where KMP has significant influence	Total
Rent paid	Sahara India Financial Corporation Limited			1,476
			Sahara India Commercial Corp Ltd	1,842
			Sahara India (a partnership firm)	430
		Mr Sanjay Agarwal		1,466
		Mr K. K. Bajpai		1,238
		Ms Sakshi Pandey		437
Gross Remuneration		Mr Kamal Kishore Singhal		2,156
		Mr. Arun Kanti Dasgupta		2,721
		Mr O.P. Srivastava		600
Director Sitting Fees		Mr Sanjay Agarwal		380
		Mr. Arun Kanti Dasgupta		20
	Sahara India Financial Corporation Limited			84
Electricity Bill			Sahara India Commercial Corp Ltd	139
			Sahara India (a partnership firm)	275
Fuel Purchased			Sahara India Commercial Corp Ltd	50
Office Expenses			Sahara Q Shop Unique Product	0
CSR expenses			Sahara Welfare Foundation	-



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## 25. Loan Asset Restructured during the year are as follows:-

(₹ in '000)

Particulars	Current Year	Previous Year
Total amount of Loan Assets subject to restructuring	NIL	NIL
Total amount of Standard Assets subject to restructuring	NIL	NIL
Total amount of Sub-Standard Assets subject to restructuring	NIL	NIL
Total amount of Doubtful Assets subject to restructuring	NIL	NIL

## 26. Assets taken on operating lease

The company has also entered into operating lease agreements for office premises. These lease Agreements are cancelable in nature and range upto 3 years and are subject to further renewal. Lease rentals are charged to the Revenue Account in the current year is ₹ 6,571 thousand (previous year ₹ 6,620 thousand)

## 27. Details of penal action by various Government Authorities

As on 31st March 2020

Sl No.	Authority	Non-Compliance/ Violation	Amount in (₹ '000)		
			Penalty Awarded	Penalty Paid	Penalty/ Waived/ Reduced
1	Insurance Regulatory and Development Authority	-	-	-	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	20	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act,1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India*	-	-	-	-
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/ Local Government/ Statutory Authority	-	-	-	-

\* Post Listing



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**As on 31st March 2019**

Sl No.	Authority	Non-Compliance/ Violation	Amount in (₹ '000)		
			Penalty Awarded	Penalty Paid	Penalty/ Waived/ Reduced
1	Insurance Regulatory and Development Authority	-	-	-	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	614	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act,1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India*	-	-	-	-
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/ Local Government/ Statutory Authority	-	-	-	-

\* Post Listing



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28. Following are the details of the Controlled Funds in pursuant to IRDAI circular no. IRDA/F&I/CIR/F&A/045/03/2010 dated 17<sup>th</sup> March 2010

(₹in crores)

		2019-20	2018-19
1	<b>Computation of Controlled fund as per the Balance Sheet</b>		
	Policyholders' Fund (Life Fund)	-	-
	Participating	-	-
	Individual Assurance	820.35	779.19
	Individual Pension	3.45	3.48
	Any other (Pl. Specify)	-	-
	Fair Value Change Account	(1.68)	6.62
	Non-participating	-	-
	Individual Assurance	201.39	201.98
	Group Assurance	-	-
	Individual Pension	0.17	0.23
	Any other (Pl. Specify)	-	-
	Linked	-	-
	Individual Assurance	71.19	103.67
	Group Assurance	0.03	0.03
	Individual Pension	3.69	5.22
	Group Superannuation	-	-
	Group Gratuity	-	-
	Any other (Pl. Specify)	-	-
	Funds for Future Appropriations	114.92	69.10
	<b>Total (A)</b>	<b>1,213.50</b>	<b>1,169.53</b>
	Shareholders' Fund	-	-



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	Paid up Capital	232.00	232.00
	Reserves & Surpluses	116.09	121.28
	Fair Value Change	1.37	4.96
	<b>Total (B)</b>	<b>349.47</b>	<b>358.24</b>
	Misc. expenses not written off	-	-
	Credit / (Debit) from P&L A/c.	-	-
	<b>Total (C)</b>	<b>-</b>	<b>-</b>
	Total shareholders' funds (B+C)	349.47	358.24
	<b>Controlled Fund (Total (A+B-C))</b>	<b>1,562.96</b>	<b>1,527.76</b>
<b>2</b>	<b>Reconciliation of the Controlled Fund from Revenue and Profit &amp; Loss Account</b>		
	Opening Balance of Controlled Fund	1,527.76	1,453.91
	Add: Inflow	-	-
	Income	-	-
	Premium Income	87.43	100.71
	Less: Reinsurance ceded	(0.05)	(0.06)
	Net Premium	87.38	100.64
	Investment Income	59.41	93.87
	Other Income	2.49	3.61
	Fair Value Change Account	(8.30)	2.12
	Funds transferred from Shareholders' Accounts	-	-
	<b>Total Income</b>	<b>140.98</b>	<b>200.25</b>
	Less: Outgo	-	-
	(i) Benefits paid (Net)	93.86	73.67
	(ii) Interim Bonus Paid	10.40	-
	(iii) Change in Valuation of Liability	6.46	99.82
	(iv) Commission	3.55	4.05





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	(v) Operating Expenses	9.77	36.24
	(vi) Provision for Taxation	2.47	0.46
	(vii) Other Provisions	6.17	-
	<b>Total Outgo</b>	<b>132.68</b>	<b>214.24</b>
	Surplus of the Policyholders' Fund	8.30	(13.99)
	Less: transferred to Shareholders' Account	(0.89)	2.71
	Net Flow in Policyholders' account	9.19	(16.70)
	Add: Net income in Shareholders' Fund	(4.78)	17.50
	Net In Flow / Outflow	-	-
	Add: change in valuation Liabilities	6.46	99.82
	Add: Increase in Paid up Capital	-	-
	Less: Dividend & dividend distribution tax	(27.92)	27.92
	Fair Value Change Account	(3.59)	1.16
	<b>Closing Balance of Controlled Fund</b>	<b>1,562.96</b>	<b>1,527.76</b>
	<b>As Per Balance Sheet</b>	<b>1,562.96</b>	<b>1,527.76</b>
	<b>Difference, if any</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Reconciliation with Shareholders' and Policyholders' Fund</b>		
<b>3.1</b>	<b>Policyholders' Funds</b>	<b>-</b>	<b>-</b>
	Policyholders' Funds - Traditional-PAR and NON-PAR	-	-
	Opening Balance of the Policyholders' Fund	1,060.61	969.17
	Add: Surplus of the Revenue Account	45.82	(18.82)
	Add: change in valuation Liabilities	40.47	108.14
	Change in Fair Value	(8.30)	2.12
	<b>Total</b>	<b>1,138.60</b>	<b>1,060.61</b>
	<b>As per Balance Sheet</b>	<b>1,138.60</b>	<b>1,060.61</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

	<b>Difference, if any</b>	-	-
<b>3.2</b>	<b>Policyholders' Funds - Linked</b>	-	-
	Opening Balance of the Policyholders' Fund	108.92	117.24
	Add: Surplus of the Revenue Account	-	-
	Add: change in valuation Liabilities	(34.02)	(8.32)
	Total	74.90	108.92
	As per Balance Sheet	74.90	108.92
	<b>Difference, if any</b>	-	-
	Shareholders' Funds	-	-
	Opening Balance of Shareholders' Fund	358.24	367.50
	Add: net income of Shareholders' account (P&L)	(4.78)	17.50
	Add: Infusion of Capital	(28.32)	-
	Less: Dividend & dividend distribution tax	27.92	(27.92)
	Change in fair value change	(3.59)	1.16
	Closing Balance of the Shareholders' fund	349.47	358.24
	As per Balance Sheet	349.47	358.24
	<b>Difference, if any</b>	-	-





## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

### 29. Disclosure of certain Expenses

As required under Circular No. 067/IRDA/F&A/CIR/Mar-08 dated 28<sup>th</sup> March 2008, expenses incurred under the following heads are as follows:

( ₹000)		
Particulars	2019-20	2018-19
Outsourcing Expenses	20,135	1,774
Business Development	1,137	1,036
Marketing Support	282	472

### 30. Following is the disclosure relating to discontinued policies in pursuant to IRDA Notification No. IRDA/Reg/2/52/2010 dated 01st July, 2010

( ₹ '000)			
	Particulars	2019-20	2018-19
1.	Amount refunded to the policyholders	1,257	1135.84
2.	Amount transferred to the "Funds for discontinued policies"	1,047	597.99
3.	Number of policies discontinued during the financial year	10	20
4.	% of discontinued to total policies during the year:-	0.27%	0.54%
	Sahara Sugam	0.57%	1.13%
	Sahara Shikhar	0	0
	Sahara Utkarsh	0.25%	0.51%
5.	Policies revived during the year		
	No. of policies	21	29
	% of policies revived	31.34%	23.2%
6.	Charges imposed on account of discontinued policies	16.23	38.88
7.	Charges readjusted on account of revival	12.80	36.45



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**31. Statement of Age-wise Analysis of the Unclaimed Amount of the Policyholders (IRDA circular no. -IRDA/F&I/CIR/CMP/174/11/2010, dated 04-11-2010)**

March 2020

( ₹ '000)

Particulars	Total Amount	Age-wise Analysis						
		1-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
Claims settled but not paid to the policyholders / Insured due to any reasons except under litigation from the insured / policyholders	-	-	-	-	-	-	-	-
Sum due to the insured/ policyholders on maturity or otherwise	109,006	20,517	19,807	6,479	12,782	7,038	9,018	33,364
Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as may be directed by the Authority but not refunded	16,091	1,184	1,125	655	440	613	1,124	10,950
Cheques issued but not encashed by the policyholder/insured	61,297	1,236	267	232	442	409	227	58,484
<b>Total</b>	<b>186,394</b>	<b>22,937</b>	<b>21,199</b>	<b>7,366</b>	<b>13,665</b>	<b>8,060</b>	<b>10,369</b>	<b>102,798</b>

Excludes income earned on Un-Claimed Amount ₹ 6,486 (in thousands) as per IRDAI circular.



# SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

March 2019

(₹ '000)

Particulars	Total Amount	Age-wise Analysis						
		1-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
Claims settled but not paid to the policyholders / Insured due to any reasons except under litigation from the insured / policyholders	-	-	-	-	-	-	-	-
Sum due to the insured/ policyholders on maturity or otherwise	75,265	12,266	22,164	9,818	13,730	7,854	8,615	818
Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as may be directed by the Authority but not refunded	6,978	368	106	89	306	331	291	5,487
Cheques issued but not encashed by the policyholder/insured	14,227	558	747	637	654	223	635	10,773
<b>Total</b>	<b>96,470</b>	<b>13,192</b>	<b>23,017</b>	<b>10,544</b>	<b>14,690</b>	<b>8,408</b>	<b>9,541</b>	<b>17,078</b>

Excludes income earned on Un-Claimed Amount ₹ 2,517 (in thousands) as per IRDAI circular.

32. In accordance with circular IRDA/F&I/ CLD/114/05/2015 issued by IRDAI on May 28, 2015, the details of unclaimed amounts and investment income at March 31, 2020 is tabulated as below:

Particulars	March 31, 2020	March 31, 2019
Opening balance	98,987	1,04,722
Add: Amount transferred to unclaimed fund	36,778	41,523
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (stale cheques)	-	-
Add: Investment income (net of FMC)	7,910	7,003
Less: Amount paid out of unclaimed fund	12,092	54,261
<b>Closing balance</b>	<b>1,31,583</b>	<b>98,987</b>



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

33. The Company received communications from Insurance Regulatory & Development Authority of India (IRDAI) through letter dated 12th June 2017, seeking clarifications on certain governance, business and financial matters. IRDAI not being satisfied on the representation from the company issued an order exercising its power under Section 52A of the Insurance Act, 1938 and appointed an administrator for managing the affairs of the company. Based on the report of Administrator, IRDAI issued an order dated 23rd June 2017 under section 52B of the Insurance Act, 1938 directing company not to procure/collect proposal deposits/underwrite new business w.e.f. 23rd June 2017. IRDAI further ordered vide its order dated 28 July 2017 that ICICI prudential Insurance Co. Ltd. to take over the Life insurance portfolio of the company w.e.f. 31st July 2017 besides ordering order the company to not to carry on life insurance business after 31st July 2017 and surrender of certificate of registration and change of name. Aggrieved with order of IRDAI, company had filed appeal with the Hon'ble Securities Appellate Tribunal, Mumbai on 29th July 2017. The final order against the said appeal came on dated 11th January 2018 in which Hon'ble Tribunal has quashed dated 28th July order of IRDAI. However it has upheld 23rd June 2017 order and directed IRDAI to proceed from the stage of seeking a representation/response from the Company on the Administrator's report in question as well as providing opportunity of being heard to the Company in consonance with the principles of natural justice. The Hon'ble Tribunal has further directed to IRDAI that, during the fresh hearing to be offered by the IRDAI to the company under its order, any of the parties, if it wishes to produce some documents or summon it from the other party, the said request shall also be considered as per law by affording an opportunity in this regard. Pursuant to honorable SAT's order dated 11/01/2018, IRDAI has issued a show cause notice dated 15 Jan 2019, to which the Company has replied suitably. Further, a letter No 113.7/5/F&A-Life/SLIC-AP/2018-19/137, dated 22nd Nov 2019, an opportunity of hearing as per Hon'ble SAT Order Dated 11th January 2018 was given by IRDAI. The date of personal hearing was 3rd Dec 2019. The meeting was chaired by the Chairman, IRDAI, and from our side our Chairman along with the team represented. All the issues were discussed at length and responses/information's were provided to the Regulators. We are awaiting the decision/outcome of the hearing. We hope that the IRDAI decision will be in our favor and we will get permission to write new business.
34. In the financial year 2014-15 and 2015-16, the company has given office rent security deposit of Rs 78.15 Crores to group entity M/s Sahara India to open its new branches, but new branches could not be opened because the regulator IRDAI did not granted permission. In the hearing held on 3<sup>rd</sup> Dec 2019, this matter was discussed and the Chairman of IRDAI has advised us that security deposit paid to Sahara India shall be brought back at the earliest as the opening of branches was not approved. We have approached to M/s Sahara India to take back our security deposit, M/s Sahara India have submitted a proposal to return back the money in 36 equal installments and the installment will be commence from April 2020. We have submitted the proposal of M/s Sahara India to IRDAI for their direction, but, we have not received any communication from the Regulator.
35. IRDAI through their Order IRDAI/F&A/ ORD/ 148/ 06/ 2017 dated 23rd June, 2017 had prohibited acceptance of new business from the date of such order. Considering such order, the board of directors decided to retain post prohibition period's expenses overrun in policyholders account because in their view it was unjustified to transfer such overrun expenses to the Shareholders accounts as it was not occurred in normal business conditions. However, considering the IRDAI letter dated 04-03-2020 and Email dated 27-07-2020 in this regard, the management of the company has decided to transfer the said overrun expenses to the shareholders accounts retrospectively from F.Y. 2017-18. The impacts of such changes on respective account are as under:



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

<u>IMPACT OF EOM</u>	<b>2017-18</b>	<b>2018-19</b>	<b>Impact taken during FY 2019-20</b>
Reserves and Surplus	14,18,48,095.33	18,04,94,068.68	32,23,42,164
Funds for Future Appropriation	-12,70,09,110.28	-20,25,60,591.70	(32,95,69,702)
Provision for Tax	-1,48,38,985.05	2,20,66,523.02	72,27,538

36. In the AGM for the financial year 2018-19, members of the company had approved dividend of Rupee 1/- per shares but due to some approval issues from Administrator and IRDAI letter dated 20th May 2020, the management of the company has reviewed the situation and decided for reversal of the such Dividend and the tax relating thereto. Such reversal has resulted in increase in Reserve and Surplus by Rupees 27,92,35,200/-.
37. During the year, the management has detected a Bank Account which was opened in the year 2009 in the company name and was being operated since then but transactions were not being recorded in the books of accounts. There were several transactions of deposits, withdrawals and payments but in absence of proper details of all these transactions only closing balance of as on 31-03-2020 has been considered for recognition in the books during the year and recognition of remaining transactions will be done as per investigation report. The Management has also detected several Term Deposit Receipts (TDRs) and payment to certain parties which were not recorded in the books. Purpose, Basis & modus operandi of transferring fund to the above said bank account, TDRs accounts and making payment to parties are not known to the management and in their view, prima facie these transactions appears to be suspicious, therefore, management of the company has decided to appoint a firm of Chartered Accountants for thorough investigation of all these transactions. Closing balances of said bank account, TDRs and payment to parties aggregating to Rupees 11.15 Crores have been accounted for in the books of account by crediting to a long pending unreconciled bank account having huge unreconciled debit balance as described in note B-38 to schedule 16. Once the final report of the investigation will be received, the above transactions will be placed in account from where the funds were originated. The management is of the view that affecting other normal accounts balances without knowing the fact and details of transactions which are subject matter of investigation, would not be proper. Accounting of all transactions in relevant and appropriate accounting heads shall be done as per the report of Investigator.
38. The cash and bank balance in schedule 11 to the financial statement includes a bank balance of Rs. 5.69 Crores of a bank accounts whose old transactions reconciliation is pending since long and opening unreconciled debit balance was Rs. 16.84 crores. During the year this account has been credited by Rs. 11.15 Crores on account of recognition of several unaccounted balances as described in note B-37 to schedule 16 to the financial statement. The said bank account is still under reconciliation.



## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

### 39. COVID-19

In light of the COVID-19 outbreak and information available upto the date of approval of these financial results, the Company has assessed the impact on assets, including valuation and impairment of investments, liabilities including policy liability and solvency position.

The Company has also assessed its solvency position as at the balance sheet date and is at 913%, which is above the prescribed regulatory limit of 150%. Further, based on the Company's current assessment of the business operations over next one year, it expects the solvency ratio to continue to remain above the minimum limit prescribed by the Insurance regulator. The Company will continue to closely monitor any material changes to future economic conditions.

### 40. Previous Year's Figures:

Prior year amounts have not been reclassified.





41-A SEGMENTAL REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020							
Policyholders' Account (Technical Account)							( '000)
Particulars	Participating Life	Non-Participating	Participating Pension	Linked Life			Total
	1	2	3	Non-Unit	Unit	Total Unit Linked	(7)=(1)+(2)+(3)+(4)+(5)+(6)+(7)
Premiums earned – net							
(a) Premium	819,882	29,973	1,594	289	22,574	22,863	874,313
(b) Reinsurance ceded	-333	-171	-5				508
Income from Investments							
(a) Interest, Dividend & Rent - Gross	614,294	142,022	1,847	-1,021	29,519	28,497	786,661
(b) Profit on sale/redemption of investments					99,183	99,183	99,183
(c) Loss on sale/redemption of investments					-73	-73	-73
(d) Unrealised gain/(loss)					-291,624	-291,624	-291,624
(f) Transfer / Gain on Revaluation / Change in Fair Value							
Other Income:							
(a) Linked Income				16,898		16,898	16,898
(b) Other Income	17,908	6,942	17				24,867
(c) Contribution from the Shareholders' a/c							
<b>TOTAL (A)</b>	<b>1,451,751</b>	<b>178,767</b>	<b>3,454</b>	<b>18,166</b>	<b>-140,422</b>	<b>-124,256</b>	<b>1,509,717</b>
Commission	33,788	941	27	763		763	35,520
Operating Expenses related to Insurance Business	83,614	9,939	138	4,011	16,898	20,910	114,600
Provision for Taxation	31,722	231	52	4,469		4,469	36,473
Provision for Taxation (FBT)							
Provision (other than taxation)							
(a) For diminution in the value of investment (net)	35,000	22,000		3,000		3,000	60,000
(b) Others (Prior Period Excess Provision Reversal)		-4,567					-4,567
Good and Service tax charge on linked charges					1,728	1,728	1,728
<b>TOTAL (B)</b>	<b>184,124</b>	<b>29,544</b>	<b>216</b>	<b>12,243</b>	<b>18,627</b>	<b>30,870</b>	<b>243,754</b>
Benefits Paid (Net)	567,037	187,174	2,087	2,067	180,238	182,305	938,603
Interim/ Terminal Bonuses Paid	102,905		1,131				104,036
Change in Valuation Liability (net of reinsurance ceded)	411,537	15,223	-283	-21,760		-21,760	404,717
Transfer to Linked Fund					-340,163	-340,163	-340,163
<b>TOTAL (C)</b>	<b>1,081,479</b>	<b>202,397</b>	<b>2,935</b>	<b>-19,693</b>	<b>-159,827</b>	<b>-179,629</b>	<b>1,107,190</b>
<b>SURPLUS/ (DEFICIT) (D) = (A)-(B)-(C)</b>	<b>186,148</b>	<b>-52,173</b>	<b>302</b>	<b>23,616</b>	<b>879</b>	<b>24,495</b>	<b>158,772</b>
<b>APPROPRIATIONS</b>							
Insurance reserve at the beginning of the year							
Transfer to Shareholders' a/c	18,670	-52,173	66	23,616		23,616	-9,821
Funds available for future appropriations	167,478		237		879	879	168,593
Funds available for future appropriations - Policyholders							
Funds available for future appropriations - Shareholders							
<b>Total (D)</b>	<b>186,148</b>	<b>-52,173</b>	<b>302</b>	<b>23,616</b>	<b>879</b>	<b>24,495</b>	<b>158,772</b>

41-B SEGMENTAL REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2019							
Policyholders' Account (Technical Account)							( '000)
Particulars	Participating Life	Non-Participating	Participating Pension	Linked Life			Total
	1	2	3	Non-Unit	Unit	Total Unit Linked	(7)=(1)+(2)+(3)+(4)+(5)+(6)+(7)
Premiums earned – net							
(a) Premium	931,144	42,763	1,836	1,766	29,580	31,346	1,007,089
(b) Reinsurance ceded	-430	-202	-5	-6		-6	-843
Income from Investments							
(a) Interest, Dividend & Rent - Gross	607,555	172,922	1,964	8,337	30,088	38,423	818,864
(b) Profit on sale/redemption of investments	600			42	111,243	111,285	111,885
(c) Loss on sale/redemption of investments					-8	-8	-8
(d) Unrealised gain/(loss)					7,974	7,974	7,974
(f) Transfer / Gain on Revaluation / Change in Fair Value							
Other Income:							
(a) Linked Income				17,562		17,562	17,562
(b) Other Income	23,728	7,809	38				31,575
(c) Contribution from the Shareholders' a/c				4,580		4,580	4,580
<b>TOTAL (A)</b>	<b>1,582,597</b>	<b>223,282</b>	<b>3,833</b>	<b>30,281</b>	<b>178,873</b>	<b>209,138</b>	<b>1,998,858</b>
Commission	38,111	1,277	31	1,084		1,084	40,483
Operating Expenses related to Insurance Business	329,382	17,798	150	8,809	17,582	24,371	371,701
Provision for Taxation		4,587					4,587
Provision for Taxation (FBT)							
Provision (other than taxation)							
(a) For diminution in the value of investment (net)	5,000			123	3,178	3,302	5,000
Service tax charge on linked charges							
<b>TOTAL (B)</b>	<b>372,493</b>	<b>23,642</b>	<b>181</b>	<b>7,896</b>	<b>20,741</b>	<b>28,737</b>	<b>425,853</b>
Benefits Paid (Net)	437,789	55,814	363	1,685	241,310	242,995	738,741
Interim Bonus Paid							
Change in Valuation Liability (net of reinsurance ceded)	833,152	116,932	3,302	27,974		27,974	1,081,360
Transfer to Linked Fund					-83,178	-83,178	-83,178
<b>TOTAL (C)</b>	<b>1,370,921</b>	<b>172,548</b>	<b>3,665</b>	<b>28,659</b>	<b>158,134</b>	<b>187,793</b>	<b>1,734,925</b>
<b>SURPLUS/ (DEFICIT) (D) = (A)-(B)-(C)</b>	<b>-180,817</b>	<b>27,104</b>	<b>-13</b>	<b>-7,394</b>	<b>-</b>	<b>-7,394</b>	<b>-161,126</b>
<b>APPROPRIATIONS</b>							
Insurance reserve at the beginning of the year							
Transfer to Shareholders' a/c		27,104					27,104
Funds available for future appropriations	-180,817		-13	-7,394		-7,394	-188,224
Funds available for future appropriations - Policyholders							
Funds available for future appropriations - Shareholders							
<b>Total (D)</b>	<b>-180,817</b>	<b>27,104</b>	<b>-13</b>	<b>-7,394</b>	<b>-</b>	<b>-7,394</b>	<b>-161,126</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004  
Fund Revenue Account for the year ended 31st March, 2020

Form A - RA (UL)

PARTICULARS	SCHEDULE	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL ( '000)
<b>INCOME FROM INVESTMENT</b>								
Interest Income		7,869	1,982	2,051	3,556	137	124	15,719
Dividend Income		592	11,115	606	-	1,487	-	13,800
Profit on Sale / Redemption of Investment		11,709	71,739	4,870	-	10,864	-	99,183
Profit/loss on inter fund transfer/ sale of investment		-	-	-	(73)	-	-	(73)
Appropriation / Expropriation Adjustment Account		-	-	-	-	-	-	-
Unrealised Gain/loss*		(21,583)	(225,188)	(13,959)	1,893	(32,775)	(13)	(291,624)
<b>TOTAL (A)</b>		<b>(1,413)</b>	<b>(140,352)</b>	<b>(6,432)</b>	<b>5,376</b>	<b>(20,286)</b>	<b>111</b>	<b>(162,996)</b>
<b>EXPENSES</b>								
Fund management expenses		1,204	6,412	641	343	987	13	9,600
Fund administration expenses		-	-	-	-	-	-	-
Other charges		1,287	4,037	498	469	1,008	-	7,298
<b>TOTAL (B)</b>		<b>2,491</b>	<b>10,448</b>	<b>1,139</b>	<b>812</b>	<b>1,995</b>	<b>13</b>	<b>16,898</b>
<b>NET INCOME FOR THE YEAR (A-B)</b>		<b>(3,904)</b>	<b>(150,800)</b>	<b>(7,571)</b>	<b>4,563</b>	<b>(22,281)</b>	<b>98</b>	<b>(179,895)</b>
Add: Fund revenue account at the beginning of the year		275,591	1,119,774	71,355	34,404	109,098	16,162	1,626,384
Fund revenue account at the end of the year		271,687	968,974	63,784	38,968	86,817	16,260	1,446,490

\* Net change in mark to market value of investments

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004  
BALANCE SHEET FOR UNIT LINKED BUSINESS AS ON 31ST MARCH, 2020

Form A - BS (UL)

PARTICULARS	SCHEDULE	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL ( '000)
<b>SOURCES OF FUND</b>								
Policyholders' Funds:								
Policyholders Contribution	F-1	(129,816)	(528,707)	(14,883)	9,742	(19,138)	(14,671)	(697,472)
Revenue Account		271,687	968,974	63,784	38,968	86,817	16,260	1,446,490
<b>TOTAL</b>		<b>141,871</b>	<b>440,267</b>	<b>48,901</b>	<b>48,710</b>	<b>67,679</b>	<b>1,589</b>	<b>749,017</b>
<b>APPLICATION OF FUND</b>								
Investments	F2	136,681	433,623	47,655	45,170	65,153	1,001	729,283
Current Assets	F3	10,167	12,959	2,454	7,000	4,998	1,177	38,755
Less: Current Liabilities & Provisions	F4	4,977	6,315	1,208	3,460	2,472	589	19,021
<b>Net Current Assets</b>		<b>5,190</b>	<b>6,643</b>	<b>1,246</b>	<b>3,540</b>	<b>2,526</b>	<b>589</b>	<b>19,734</b>
<b>TOTAL</b>		<b>141,871</b>	<b>440,267</b>	<b>48,901</b>	<b>48,710</b>	<b>67,679</b>	<b>1,589</b>	<b>749,017</b>

**Net Asset Value (NAV) per Unit:**

(a) Net Asset as per Balance Sheet (Total Assets less Current Liabilities and Provisions)	141,871	440,267	48,901	48,710	67,679	1,589	749,017
(b) Number of Units outstanding	4,743	18,641	2,444	1,953	5,101	97	
(c) NAV per Unit (a)/(b) ( ' )	29.91	23.62	20.01	24.95	13.27	16.31	





**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004  
**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Fund Revenue Account for the year ended 31st March, 2019

Form A - RA (UL)

PARTICULARS	SCHEDULE	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL ( '000)
<b>INCOME FROM INVESTMENT</b>								
Interest Income		9,487	2,968	2,419	4,461	137	150	19,622
Dividend Income		627	7,694	703	-	1,510	-	10,534
Profit on Sale / Redemption of Investment		12,411	85,937	3,169	-	9,768	-	111,285
Profit/loss on inter fund transfer/ sale of investment		-	-	(8)	-	-	-	(8)
Appropriation / Expropriation Adjustment Account		-	-	-	-	-	-	-
Unrealised Gain/loss*		(8,973)	12,113	295	438	4,111	(9)	7,975
<b>TOTAL (A)</b>		<b>13,552</b>	<b>108,712</b>	<b>6,578</b>	<b>4,899</b>	<b>15,526</b>	<b>141</b>	<b>149,408</b>
<b>EXPENSES</b>								
Fund management expenses		1,330	7,074	756	420	1,083	15	10,678
Fund administration expenses								
Other charges		1,508	5,746	757	662	1,366	10	10,049
<b>TOTAL (B)</b>		<b>2,838</b>	<b>12,820</b>	<b>1,513</b>	<b>1,082</b>	<b>2,449</b>	<b>25</b>	<b>20,727</b>
<b>NET INCOME FOR THE YEAR (A-B)</b>		<b>10,714</b>	<b>95,892</b>	<b>5,065</b>	<b>3,817</b>	<b>13,077</b>	<b>116</b>	<b>128,681</b>
Add: Fund revenue account at the beginning of the year		264,878	1,023,882	66,292	30,587	96,020	16,046	1,497,705
<b>Fund revenue account at the end of the year</b>		<b>275,592</b>	<b>1,119,774</b>	<b>71,357</b>	<b>34,404</b>	<b>109,097</b>	<b>16,162</b>	<b>1,626,386</b>

\* Net change in mark to market value of investments.

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004  
**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
BALANCE SHEET FOR UNIT LINKED BUSINESS AS ON 31ST MARCH, 2019

Form A - BS (UL)

PARTICULARS	SCHEDULE	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL ( '000)
<b>SOURCES OF FUND</b>								
<b>Policyholders' Funds:</b>								
Policyholders Contribution	F-1	(106,312)	(435,235)	(1,948)	22,771	(2,858)	(13,621)	(537,203)
Revenue Account		275,592	1,119,774	71,357	34,404	109,097	16,162	1,626,386
<b>TOTAL</b>		<b>169,280</b>	<b>684,539</b>	<b>69,409</b>	<b>57,175</b>	<b>106,239</b>	<b>2,541</b>	<b>1,089,183</b>
<b>APPLICATION OF FUND</b>								
Investments	F2	164,563	681,220	67,564	55,545	105,224	2,011	1,076,127
Current Assets	F3	5,892	8,382	3,101	1,914	1,578	530	21,397
Less: Current Liabilities & Provisions	F4	1,175	5,063	1,256	284	563	-	8,341
<b>Net Current Assets</b>		<b>4,717</b>	<b>3,319</b>	<b>1,845</b>	<b>1,630</b>	<b>1,015</b>	<b>530</b>	<b>13,056</b>
<b>TOTAL</b>		<b>169,280</b>	<b>684,539</b>	<b>69,409</b>	<b>57,175</b>	<b>106,239</b>	<b>2,541</b>	<b>1,089,183</b>

<b>Net Asset Value (NAV) per Unit:</b>								
(a) Net Asset as per Balance Sheet (Total Assets less Current Liabilities and Provisions) ( ' In '000)		169,280	684,539	69,409	57,175	106,239	2,541	1,089,183
(b) Number of Units outstanding		5,526,457	21,683,204	3,014,173	2,516,980	6,057,921	161,677	38,960,411
(c) NAV per Unit (a)/(b) ( ' )		<b>30.63</b>	<b>31.57</b>	<b>23.03</b>	<b>22.72</b>	<b>17.54</b>	<b>15.72</b>	



## Schedules to Fund Revenue Account

SAHARA INDIA LIFE INSURANCE COMPANY LIMITED  
Registration No.:127; Date of Registration: February 6, 2004

## Schedule: F-1

## POLICYHOLDERS' CONTRIBUTION AS ON 31ST MARCH, 2020

Particulars	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL
Opening balance	-106,310	-435,235	-1,947	22,771	-2,858	-11,622	(537,201)
Add: Additions during the year*	3,853	14,460	1,834	1,194	438	242	22,021
Less: Deductions during the year*	-27,359	-107,932	-14,769	-14,223	-16,717	-1,291	(182,292)
Closing balance	(129,816)	(528,707)	(14,883)	9,742	(19,138)	(14,671)	(697,472)

## Schedule: F-2

## INVESTMENTS AS ON 31ST MARCH, 2020

Particulars	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL
Approved Investments	-	-	-	-	-	-	-
Government Bonds	50,423	-	-	33,118	-	-	83,541
Corporate Bonds	12,027	2,004	7,016	4,009	-	-	25,056
Infrastructure Bonds	45,192	19,271	15,172	8,043	1,284	1,001	89,963
Equity	23,100	350,821	21,297	-	51,585	-	446,803
Money Market	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-
Total	130,742	372,096	43,484	45,170	52,869	1,001	645,362
Other Investments	-	-	-	-	-	-	-
Corporate Bonds	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-
Equity	5,939	61,527	4,171	-	12,284	-	83,921
Money Market	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-
Total	5,939	61,527	4,171	-	12,284	-	83,921
GRAND TOTAL	136,681	433,623	47,655	45,170	65,153	1,001	729,283
% of Approved Investments to Total	95.66	85.81	91.25	100.00	81.15	100.00	88.49
% of Other Investments to Total	4.34	14.19	8.75	-	18.85	-	11.51

## Schedule: F-3

## CURRENT ASSETS AS ON 31ST MARCH, 2020

Particulars	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL
Accrued Interest	3,924	-52	1,157	922	-169	82	5,864
Cash & Bank Balance*	6,243	13,011	1,298	6,078	5,166	1,095	32,892
Dividend Receivable	-	-	-	-	-	-	-
Receivable for Sale of Investments	-	-	-	-	-	-	-
Unit Collection A/c#	-	-	-	-	-	-	-
Other Current Assets (for Investments):	-	-	-	-	-	-	-
Total	10,167	12,959	2,454	7,000	4,998	1,177	38,755

\* Note: Cash &amp; Cheques in hand lying at Field offices

## Schedule: F-4

## CURRENT LIABILITIES AS ON 31ST MARCH, 2020

Particulars	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL
Payable for Purchase of Investments	-	-	-	-	-	-	-
Other Current Liabilities:	-	-	-	-	-	-	-
Unit Payable a/c#	-	-	-	-	-	-	-
Payable on account of surrender / maturity / claim	4,867	5,817	1,155	3,428	2,395	588	18,250
Management fees payable	109	498	53	32	77	3	770
Total	4,976	6,315	1,208	3,460	2,472	589	19,020

## BREAK UP OF OTHER EXPENSES UNDER ULIP

## Schedule: F-5

## OTHER EXPENSES\* FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	BALANCED	GROWTH	SMART	SECURED	PRIMA	DISCONTINUED	TOTAL
Policy Administration charge	743	2,322	293	322	671	-	4,354
Surrender charge	7	56	-	-	-	-	63
Switching charge	-	-	-	-	-	-	-
Mortality charge	303	915	110	70	178	-	1,576
Discontinued Charges	9	17	-	4	-	-	29
Penalty Charges	-	-	-	-	-	-	-
Miscellaneous charge	219	726	89	73	158	-	1,265
Total	1,282	4,037	498	469	1,008	-	7,298

\* Represents inter fund receivables or payables, if any



## ANNEXURE TO REVENUE ACCOUNT-Break up of Unit Linked Business (UL)

SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

Registration No.127, Date of Registration: February 6, 2004

## REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020

Policyholders' Account (Technical Account)										
( '000)										
Particulars	Schedule	Linked Life			Linked Pension			Linked Group		
		Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)
Premiums earned – net										
(a) Premium		277	20,025	20,302	12	2,550	2,562			22,863
(b) Reinsurance ceded										
Income from investments										
(a) Interest, Dividend & Rent - Gross		(991)	28,079	27,088	(30)	1,431	1,401	8	8	28,497
(b) Profit on sale/redemption of investments			94,346	94,346		4,810	4,810	28	28	99,183
(c) Loss on sale/redemption of investments			(70)	(70)		(4)	(4)	(0)	(0)	(73)
(d) Unrealised gain/(loss)			(277,401)	(277,401)		(14,141)	(14,141)	(82)	(82)	(291,624)
(e) Appropriation / Expropriation Adjustment Account										
Other Income:										
(a) Linked Income	UL1	16,074		16,074	819		819	5	5	16,898
(b) Other Income										
(c) Contribution from the Shareholders' a/c										
TOTAL (A)		15,360	(135,021)	(119,661)	801	(5,354)	(4,553)	5	(48)	(41)
Commission		720		720	43		43			763
Operating Expenses related to Insurance Business		3,825	16,074	19,899	186	819	1,006	5	5	20,910
Provision for Taxation		3,968		3,968	501		501			4,469
Provision for Taxation (FBT)										
Provision For diminution in the value of investment (net)		3,000		3,000						3,000
Service Tax			1,644	1,644		84	84	0	0	1,728
TOTAL (B)		11,513	17,718	29,231	730	903	1,633	5	5	30,870
Benefits Paid (Net)	UL2	2,067	180,238	182,305						182,305
Interim Bonus Paid										
Change in Valuation Liability		(21,138)		(21,138)	(622)		(622)			(21,760)
Transfer to Linked Fund			(324,799)	(324,799)		(15,360)	(15,360)		(6)	(340,165)
TOTAL (C)		(19,071)	(344,561)	(363,632)	(622)	(15,360)	(15,982)		(6)	(179,620)
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)		22,918	(8,179)	14,740	693	9,102	9,795	5	(45)	24,495
APPROPRIATIONS										
Insurance reserve at the beginning of the year										
Transfer to Shareholders' a/c		22,918	(8,179)	14,740	693	9,102	9,795	5	(45)	24,495
Funds available for future appropriations										
Funds available for future appropriations - Policyholders										
Funds available for future appropriations - Shareholders										
TOTAL (D)		22,918	(8,179)	14,740	693	9,102	9,795	5	(45)	24,495

## REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2019

Policyholders' Account (Technical Account)										
( '000)										
Particulars	Schedule	Linked Life			Linked Pension			Linked Group		
		Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)
Premiums earned – net										
(a) Premium		1,687	26,404	28,091	79	3,143	3,222	33	33	31,346
(b) Reinsurance ceded		(5)		(5)	(1)		(1)			(6)
Income from investments										
(a) Interest, Dividend & Rent - Gross		6,075	28,801	34,876	253	1,264	1,517	9	21	36,423
(b) Profit on sale/redemption of investments			106,188	106,188		5,021	5,021	42	34	111,285
(c) Loss on sale/redemption of investments			(8)	(8)						(8)
(d) Unrealised gain/(loss)			7,609	7,609		360	360	5	5	7,974
(e) Appropriation / Expropriation Adjustment Account										
Other Income:										
(a) Linked Income	UL1	16,974		16,974	571		571	17	17	17,562
(b) Other Income										
(c) Contribution from the Shareholders' a/c		4,560		4,560						4,560
TOTAL (A)		29,291	168,994	198,285	902	9,788	10,690	68	93	209,136
Commission		1,009		1,009	55		55			1,064
Operating Expenses related to Insurance Business		6,606	16,974	23,580	203	571	774	17	17	24,371
Provision for Taxation										
Provision for Taxation (FBT)										
Service Tax		123	3,073	3,196		103	103	3	3	3,302
TOTAL (B)		7,738	20,047	27,785	258	674	932	20	20	28,737
Benefits Paid (Net)	UL2	1,578	233,556	235,134	7	6,660	6,667	100	1,094	242,995
Interim Bonus Paid										
Change in Valuation Liability		26,759		26,759	1,410		1,410	(195)		(195)
Transfer to Linked Fund			(84,609)	(84,609)		2,454	2,454	(1,021)		(83,176)
TOTAL (C)		28,337	148,947	177,284	1,417	9,114	10,531	(95)	73	187,793
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)		(6,784)		(6,784)	(773)		(773)	163		(7,394)
APPROPRIATIONS										
Insurance reserve at the beginning of the year										
Transfer to Shareholders' a/c		(6,784)		(6,784)	(773)		(773)	163		(7,394)
Funds available for future appropriations										
Funds available for future appropriations - Policyholders										
Funds available for future appropriations - Shareholders										
TOTAL (D)		(6,784)		(6,784)	(773)		(773)	163		(7,394)



Schedules to Annexure to Revenue Account (UL) forming part of Financial Statements				
SAHARA INDIA LIFE INSURANCE COMPANY LIMITED				
Registration No.:127; Date of Registration: February 6, 2004				
Schedule-UL1				
Linked Income (recovered from linked funds)* for the year ended 31st March 2020				
( '000)				
Particulars	Life Linked Unit	Pension Linked Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4)= (1)+(2)+(3)
Fund Administration charges	-	-	-	-
Fund Management charge	9,132	466	3	9,601
Policy Administration charge	4,151	212	1	4,364
Surrender charge	60	3	-	63
Switching charge	-	-	-	-
Mortality charge	1,499	76	-	1,575
Discontinued Charges	28	1	-	29
Penalty Charges	-	-	-	-
Miscellaneous charge	1,205	61	-	1,266
<b>TOTAL (UL-1)</b>	<b>16,075</b>	<b>819</b>	<b>4</b>	<b>16,898</b>
* (net of service tax, if any)				

Schedules to Annexure to Revenue Account (UL) forming part of Financial Statements				
SAHARA INDIA LIFE INSURANCE COMPANY LIMITED				
Registration No.:127; Date of Registration: February 6, 2004				
Schedule-UL1				
Linked Income (recovered from linked funds)* for the year ended 31st March 2019				
( '000)				
Particulars	Life Linked Unit	Pension Linked Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4)= (1)+(2)+(3)
Fund Administration charges	-	-	-	-
Fund Management charge	10,189	482	7	10,678
Policy Administration charge	4,975	83	2	5,060
Surrender charge	52	-	-	52
Switching charge	-	-	-	-
Mortality charge	1,758	6	8	1,772
Discontinued Charges	-	-	-	-
Partial withdrawal charge	-	-	-	-
Miscellaneous charge	-	-	-	-
<b>TOTAL (UL-1)</b>	<b>16,974</b>	<b>571</b>	<b>17</b>	<b>17,562</b>
* (net of service tax, if any)				





**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004

Schedule-UL2 BENEFITS PAID [NET] for the year ended 31st March, 2020											
Sl. No.	Particulars	Linked Life			Linked Pension			Linked Group			Total Unit Linked
		Non Unit	Unit	Linked Life	Non-Unit	Unit	Linked Pension	Non-Unit	Unit	Linked Group	
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)	
1	Insurance Claims										
(a)	Claims by Death	1,147	3,779	4,926							4,926
(b)	Claims by Maturity		34,932	34,932							34,932
(c)	Annuities / Pension payment										
(d)	Other benefits										
	- Surrender		141,528	141,528							141,528
	- Survival										
	- Others	920		920							920
	<b>Sub Total (A)</b>	<b>2,067</b>	<b>180,239</b>	<b>182,306</b>							<b>182,306</b>
2	Amount Ceded in reinsurance										
(a)	Claims by Death										
(b)	Claims by Maturity										
(c)	Annuities / Pension payment										
(d)	Other benefits										
	- Surrender										
	- Survival										
	<b>Sub Total (B)</b>										
	<b>TOTAL (A) - (B)</b>	<b>2,067</b>	<b>180,239</b>	<b>182,306</b>							<b>182,306</b>
	Benefits paid to claimants:										
	In India	2,067	180,239	182,306							182,306
	Outside India										
	<b>TOTAL (UL2)</b>	<b>2,067</b>	<b>180,239</b>	<b>182,306</b>							<b>182,306</b>

**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**  
Registration No.:127; Date of Registration: February 6, 2004

Schedule-UL2 BENEFITS PAID [NET] for the year ended 31st March 2019											
Sl. No.	Particulars	Linked Life			Linked Pension			Linked Group			Total Unit Linked
		Non Unit	Unit	Linked Life	Non-Unit	Unit	Linked Pension	Non-Unit	Unit	Linked Group	
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)=(4)+(5)	(7)	(8)	(9)=(7)+(8)	
1	Insurance Claims										
(a)	Claims by Death	677	3,909	4,586	7		7	100	10	110	4,703
(b)	Claims by Maturity		38,754	38,754							38,754
(c)	Annuities / Pension payment										
(d)	Other benefits										
	- Surrender		190,893	190,893		6,660	6,660		1,084	1,084	198,637
	- Survival										
	- Others	901		901							901
	<b>Sub Total (A)</b>	<b>1,578</b>	<b>233,556</b>	<b>235,134</b>	<b>7</b>	<b>6,660</b>	<b>6,667</b>	<b>100</b>	<b>1,094</b>	<b>1,194</b>	<b>242,995</b>
2	Amount Ceded in reinsurance										
(a)	Claims by Death										
(b)	Claims by Maturity										
(c)	Annuities / Pension payment										
(d)	Other benefits										
	- Surrender										
	- Survival										
	<b>Sub Total (B)</b>										
	<b>TOTAL (A) - (B)</b>	<b>1,578</b>	<b>233,556</b>	<b>235,134</b>	<b>7</b>	<b>6,660</b>	<b>6,667</b>	<b>100</b>	<b>1,094</b>	<b>1,194</b>	<b>242,995</b>
	Benefits paid to claimants:										
	In India	1,578	233,556	235,134	7	6,660	6,667	100	1,094	1,194	242,995
	Outside India										
	<b>TOTAL (UL2)</b>	<b>1,578</b>	<b>233,556</b>	<b>235,134</b>	<b>7</b>	<b>6,660</b>	<b>6,667</b>	<b>100</b>	<b>1,094</b>	<b>1,194</b>	<b>242,995</b>



#### 45-Summary of Financial Statements

Sr. No.	Particulars	Financial Year				₹(000)
		2019-20	2018-19	2017-18	2016-17	2015-16
	<b>POLICYHOLDERS ACCOUNT</b>					
1	Gross Premium Income	874,313	1,007,089	1,120,257	1,539,406	1,570,542
2	Net Premium Income	873,805	1,006,446	1,119,482	1,538,600	1,569,717
3	Income from Investments (Net)	594,146	933,715	837,236	897,355	408,802
4	Other Income	24,867	31,575	30,797	26,904	23,027
5	Contribution from Shareholders account	-	4,560	26,726	-	48,666
	<b>Total Income</b>	<b>1,492,818</b>	<b>1,976,296</b>	<b>2,014,241</b>	<b>2,462,859</b>	<b>2,050,212</b>
1	Commissions	35,520	40,483	49,322	78,265	80,599
2	Brokerage	-	-	-	-	-
3	Operating expenses relating to Insurance Business	97,701	354,139	327,872	254,440	373,947
4	Provision for Taxation	36,473	4,567	533	18,291	32,398
5	Good and Service tax charge on linked charges	1,728	3,302	4,185	5,218	7,084
	<b>Total expenses</b>	<b>171,422</b>	<b>402,491</b>	<b>381,912</b>	<b>356,214</b>	<b>496,028</b>
1	Payment to policyholders	938,603	736,741	937,387	1,294,366	1,330,705
2	Increase in actuarial liability	404,717	1,081,360	1,001,710	1,073,092	854,515
3	Transfer to Linked Fund	(340,165)	(83,176)	(281,215)	(434,754)	(827,011)
4	Transfer to Shareholders Account	(8,943)	27,104	3,212	72,323	55,364
5	Funds for Future Appropriations	167,715	(188,224)	(28,765)	99,618	140,611
		-	-	-	-	-
	<b>SHAREHOLDERS ACCOUNT</b>					
1	Amounts transferred from the Policyholders' Account (Technical Account)	(8,943)	27,104	3,212	72,323	55,364
2	Total income under Shareholders Account	255,917	208,239	222,587	214,824	83,014
3	Expenses other than those directly related to insurance business (including contribution to policyholders account)	294,207	30,161	135,292	273,279	72,877
4	Profit/(Loss) before Tax	(47,233)	205,182	90,507	13,868	85,501
5	Provision for Taxation	-	29,587	8,447	-	1,462
6	Profit/(Loss) after Tax	(47,233)	175,595	82,060	13,868	84,039
7	Profit/(Loss) carried to Balance Sheet	1,126,997	1,178,230	1,281,870	1,199,810	1,185,942
	<b>Miscellaneous</b>					
	<b>POLICYHOLDERS ACCOUNT</b>					
1	Total funds	12,134,984	11,695,265	10,864,099	10,160,536	9,387,439
2	Total Investments (including Bank Balance)	11,312,782	11,072,145	10,335,002	9,321,771	8,885,558
3	Yield on investments %	7.93	8.6	8.96	8.7	7.88
	<b>SHAREHOLDERS ACCOUNT</b>					
1	Total funds (net of debit balance in Profit & Loss Account)	3,494,651	3,582,374	3,675,023	3,593,781	3,542,267
2	Total Investments	2,754,546	2,706,928	2,561,928	2,699,876	2,429,261
3	Yield on investments %	6.17	7.50	8.60	8.23	7.61
4	Paid up equity capital	2,320,000	2,320,000	2,320,000	2,320,000	2,320,000
5	Net Worth	3,494,651	3,582,374	3,675,023	3,593,781	3,542,267
6	Total Assets	15,629,635	15,277,639	14,339,122	13,754,317	12,929,706
7	Earning per Share	(0.20)	0.76	0.35	0.06	0.28
8	Book Value per Share	15.06	15.44	15.84	15.49	15.27



46-Financial Ratios		2019-20	2018-19
		March, 2020	March, 2019
1)	<b>New Business Premium Income Growth (segment wise)</b> (New Business Premium for the current year divided by new business premium for previous year) <b>Particulars</b> Participating Business Non participating Business Pension Group Unit-Linked	  0.00% 0.00% 0.00% 0.00% 0.00%	  0.00% 0.00% 0.00% 0.00% 0.00%
2)	<b>Net Retention ratio</b> (Net Premium divided by Gross Premium) <b>Particulars</b> Net Premium Gross Premium Ratio %	  873,805 874,313 99.94%	  1,006,445 1,007,088 99.94%
3)	<b>Ratio of expenses of Management</b> (Operating expenses in relation to Insurance Business and commission divided by Total Gross direct Premium) Management Expenses Total Gross Premium Ratio	  133,221 874,313 15.24%	  394,623 1,007,088 39.18%
4)	<b>Commission Ratio</b> (Gross commission paid to Gross premium) Gross Commission Gross Premium Ratio %	  35,520 874,313 4.06%	  40,483 1,007,088 4.02%
5)	<b>Ratio of policyholders' liabilities to shareholders' funds</b> Policyholders liability Shareholders funds Ratio %	  12,134,984 3,494,651 347.24%	  11,695,264 3,582,371 326.47%
6)	<b>Growth rate of shareholders' funds</b> Shareholders funds Growth rate %	  3,494,651 -2.45%	  3,582,371 -2.52%
7)	<b>Ratio of Surplus/ deficit to Policy holders liability</b> Surplus / (Deficit) Policyholders liability Ratio	  158,772 12,134,984 1.31%	  -161,119 11,695,264 -1.38%
8)	<b>Change of net worth</b> Net Worth Change	  3,494,651 -87,720	  3,582,371 -92,647





9)	<b>Profit/Loss after tax / Total Income</b> Profit/Loss after tax Total Income Ratio %	-47,233 1,748,735 -2.70%	175,595 2,184,975 8.04%
10)	<b>(Total Real Estate + Loans) / Cash &amp; invested assets</b> <b>Particulars</b> Real Estate and Loans Cash & Invested Assets Ratio %	91,622 14,607,700 0.63%	90,981 14,320,108 0.64%
11)	<b>Total Investments / (Capital + Surplus)</b> <b>Particulars</b> Total Investments Capital Surplus / (Deficit) Ratio	14,067,329 2,320,000 1,160,929 404.13%	13,779,076 2,320,000 1,212,756 390.04%
12)	<b>Total affiliated investments / (Capital + Surplus)</b>	NIL	NIL
13)	<b>Investment Yield (Gross and Net)</b> Ø Policyholder's Fund (with realised gain) · Par · Non-Par · Linked (Non-Unit) Ø Shareholder's Fund (with realised gain) · Par · Non-Par · Linked (Non-Unit) Ø Policyholder's Fund (with Un-realised gain) · Par · Non-Par · Linked (Non-Unit) Ø Shareholder's Fund (with Un-realised gain) <i>Note: There is no difference between gross and net returns</i>	7.47% 5.28% -6.89% 6.17% 6.36% 5.82% -6.89% 4.77%	8.50% 8.90% 9.00% 7.50% 8.80% 8.90% 8.90% 8.00%
14)	<b>Conservation Ratio</b> Participating Non-Participating Pension Unit-Linked	88.04% 70.08% 86.88% 72.94%	92.21% 60.88% 108.64% 79.89%
15)	<b>Persistency Ratio</b> For 13th month For 25th month For 37th month For 49th Month for 61st month	N.A. 58.50% 42.50% 35.30% 26.60%	75.18% 67.18% 52.48% 44.13% 34.26%
16)	<b>NPA Ratio</b> Gross NPA Ratio Policyholder's Shareholder's Net NPA Ratio Policyholder's Shareholder's	1.15% 0.97% 1.15%	0.70% 0.25% 0.70% 0.25%



**Statement of Receipts and Payments Account for the year ended 31st March, 2020**

Particulars	Year ended 31-Mar-20 ( '000)	Year ended 31-Mar-19 ( '000)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Premium and Deposits from Policyholders	840,435	1,025,980
Reinsurance	-	(643)
Cash Paid to Employees and Suppliers	(309,638)	(344,956)
Loan and Advance	(861)	(11,200)
Income Tax and GST Paid	(35,627)	(33,142)
Claims and Benefits Paid	(1,033,414)	(894,486)
Cash paid to Agent	(33,918)	(41,406)
Net Cash from/(deployed in) Operating Activities	<b>(573,023)</b>	<b>(299,853)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase / Sales of Fixed Assets	(1,644)	(905)
Increase / Decrease in investment (net)	(452,982)	(612,471)
Interest, Dividend and Rent	1,026,988	1,018,921
Net Cash deployed in Investing Activities	<b>572,362</b>	<b>405,545</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	-	-
Interim Dividend Paid	-	-
Dividend Distribution Tax	-	-
Net Cash from Financing Activities	<b>-</b>	<b>-</b>
<b>NET (decrease)/Increase in Cash and Cash Equivalents</b>	<b>(661)</b>	<b>105,692</b>
<b>Cash and Cash Equivalents at Start of the year</b>	<b>541,032</b>	<b>435,340</b>
<b>Cash and Cash Equivalents at End of the year</b>	<b>540,371</b>	<b>541,032</b>
Notes:		
(a) Cash and Cash equivalents as per Schedule 11 at the end of the year includes:		
Cash (including cheques on hand, drafts and stamps)	3,175	3,285
Bank Balances (including deposits)	537,196	537,747

(b) The above Statement of Receipts and Payments has been prepared as prescribed by Insurance Regulatory (Preparation of Financial Statements & Auditor's Report of Insurance Companies) Regulations, 2002 under the Direct Method' laid out in Accounting Standard 3 - 'Cash Flow Statements' issued by the Institute of Chartered Accountants of India.



# SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

## 48. DISCLOSURES FOR ULIP BUSINESS

### 1. Performance of the Fund (Absolute Growth %)

Funds Name	Year of Inception	Year			Since inception
		Current Year 2019-20	2018-19	2017-18	
Balanced Fund	2005-06	-2.35%	7.09%	6.16%	7.80%
Growth Fund	2006-07	-25.19%	15.10%	9.24%	6.45%
Secured Fund	2006-07	9.82%	7.23%	2.84%	6.87%
Smart Fund	2008-09	-13.11%	7.76%	5.04%	6.26%
Prima Fund	2010-11	-24.35%	14.11%	6.81%	2.93%
Discontinued Fund	2011-12	2.70%	4.07%	2.16%	5.63%

### APPRECIATION/DEPRECIATION IN VALUE OF INVESTMENTS OF SEGREGATED ULIP FUNDS AS ON 31ST MARCH 2020

FUND NAME	ASSET	APPRECIATION/DEPRECIATION IN VALUE OF INVESTMENTS 31/03/2020	APPRECIATION/DEPRECIATION IN VALUE OF INVESTMENTS 31/03/2019
PH BALANCE FUND	CENTRAL GOVERNMENT SECURITIES	423	(459)
	CORPORATE BOND	27	165
	INFRASTRUCTURE BOND	193	150
	EQUITY	17,789	39,653
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>18,432</b>	<b>39,508</b>
PH DISCONTINUED FUND	CENTRAL GOVERNMENT SECURITIES	-	-
	CORPORATE BOND	-	-
	INFRASTRUCTURE BOND	1	14
	EQUITY	-	-
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>1</b>	<b>14</b>
PH GROWTH FUND	CENTRAL GOVERNMENT SECURITIES	-	-



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

	CORPORATE BOND	4	27
	INFRASTRUCTURE BOND	685	279
	EQUITY	274,000	498,964
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>274,690</b>	<b>499,269</b>
<b>PH PRIMA FUND</b>	CENTRAL GOVERNMENT SECURITIES	-	-
	CORPORATE BOND	-	-
	INFRASTRUCTURE BOND	146	160
	EQUITY	28,716	14,155
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>28,861</b>	<b>14,314</b>
<b>PH SECURED FUND</b>	CENTRAL GOVERNMENT SECURITIES	431	(1,607)
	CORPORATE BOND	10	67
	INFRASTRUCTURE BOND	44	116
	EQUITY	-	-
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>485</b>	<b>(1,425)</b>
<b>PH SMART FUND</b>	CENTRAL GOVERNMENT SECURITIES	-	-
	CORPORATE BOND	16	95
	INFRASTRUCTURE BOND	173	110
	EQUITY	11,715	25,521
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>11,904</b>	<b>25,727</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**APPRECIATION/DEPRECIATION IN VALUE OF INVESTMENTS OF SEGREGATED ULIP FUNDS AS ON 31ST MARCH 2019**

<b>FUND NAME</b>	<b>ASSET</b>	<b>APPRECIATION/DEPRECIATION IN VALUE OF INVESTMENTS 31/03/2019</b>	<b>APPRECIATION/DEPRECIATION IN VALUE OF INVESTMENTS 31/03/2018</b>
<b>BALANCE FUND</b>	CENTRAL GOVERNMENT SECURITIES	(459)	(737)
	CORPORATE BOND	165	282
	INFRASTRUCTURE BOND	491	1,718
	EQUITY	39,653	47,726
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>39,849</b>	<b>48,988</b>
<b>DISCONTINUED FUND</b>	CENTRAL GOVERNMENT SECURITIES	-	-
	CORPORATE BOND	-	-
	INFRASTRUCTURE BOND	14	23
	EQUITY	-	-
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>14</b>	<b>23</b>
<b>PH GROWTH FUND</b>	CENTRAL GOVERNMENT SECURITIES	-	-
	CORPORATE BOND	27	46
	INFRASTRUCTURE BOND	279	1,495
	EQUITY	4,98,964	4,86,223
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>4,99,269</b>	<b>4,87,764</b>
<b>PH PRIMA FUND</b>	CENTRAL GOVERNMENT SECURITIES	-	-
	CORPORATE BOND	-	-
	INFRASTRUCTURE BOND	-	200
	EQUITY	61,477	57,325
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>61,477</b>	<b>57,525</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

<b>PH SECURED FUND</b>	CENTRAL GOVERNMENT SECURITIES	(1,607)	(2,262)
	CORPORATE BOND	67	117
	INFRASTRUCTURE BOND	116	299
	EQUITY	-	-
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>(1,425)</b>	<b>(1,846)</b>
<b>PH SMART FUND</b>	CENTRAL GOVERNMENT SECURITIES	-	-
	CORPORATE BOND	95	163
	INFRASTRUCTURE BOND	110	503
	EQUITY	25,521	24,902
	FIXED DEPOSITS	-	-
	<b>TOTAL</b>	<b>25,727</b>	<b>25,568</b>

**NET ASSETS VALUE PER UNIT (NAV)-FUND WISE.**

**As on 31<sup>st</sup> March 2020**

NAV	Highest	Lowest	Closing
Balanced Fund	32.7584	29.0348	29.9124
Growth Fund	33.8035	21.4594	23.6178
Secured Fund	25.0350	22.6020	24.9456
Smart Fund	24.5937	18.9417	20.0089
Prima Fund	19.2843	11.8584	13.2669
Discontinued Fund	16.3121	15.7130	16.1379

**As on 31<sup>st</sup> March 2019**

NAV	Highest	Lowest	Closing
Balanced Fund	30.6309	28.2991	30.6309
Growth Fund	32.0739	27.3941	31.5700
Secured Fund	22.7232	20.9173	22.7157
Smart Fund	23.2672	21.1798	23.0273
Prima Fund	17.5383	14.9391	17.5373
Discontinued Fund	15.7137	15.0934	15.7137





## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

### 2. Investment Management

Particulars	2019-20	2018-19
Activities Outsourced	NIL	NIL
Fees Paid for various activities charged to Policy Holders Account	NIL	NIL
Basis of payment of Fees	NIL	NIL

### 3. Related party transactions

(i) Brokerage, custodial fee or any other payments and receipts made to/from related parties (as defined in AS-18 issued by ICAI).-NIL

(ii) Company-wise details of investments held in Promoter group along with its percentage to funds under management. This information is required to be given fund-wise and also for total funds under ULIPs.-NIL

4. Industry wise disclosure of Investments (with exposure of 10% and above) segregated at scrip level. Investments in industries where exposure is below 10%, should be grouped under the head "Others":

**Industry wise disclosure as on 31<sup>st</sup> March 2020.**

PH BALANCE FUND				
INDUSTRY	ISSUER	AMOUNT	AMOUNT IN (000)	%
GOVERNMENT OF INDIA	GOVERNMENT OF INDIA	50,422,961	50,423	35.45%
	SUB TOTAL	50,422,961	50,423	35.45%
INFRASTRUCTURE RELATED ACTIVITIES	LARSEN & TOUBRO LTD	34,122,714	34,123	23.99%
	RURAL ELECTRIFICATION CORP	10,966,930	10,967	7.71%
	POWER GRID CORP OF INDIA LTD	1,149,498	1,149	0.81%
	SUB TOTAL	46,239,141	46,239	32.51%
	MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	19,210,447	19,210	13.51%
OTHERS	SUB TOTAL	19,210,447	19,210	13.51%
	TOTAL	26,354,348	26,354	18.53%
	TOTAL	142,226,897	142,227	100.00%
PH DISCONTINUED FUND				
INDUSTRY	ISSUER	AMOUNT	AMOUNT IN (000)	%
INFRASTRUCTURE RELATED ACTIVITIES	LARSEN & TOUBRO LTD	1,000,701.63	1,001	54.01%
	SUB TOTAL	1,000,702	1,001	54.01%
NET CURRENT ASSETS	NET CURRENT ASSETS	852,068.96	852	45.99%
	SUB TOTAL	852,069	852	45.99%
	TOTAL	1,852,770.59	1,853	100.00%





# SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

PH GROWTH FUND				
INDUSTRY	ISSUER	AMOUNT	AMOUNT IN (000)	%
FINANCIAL AND INSURANCE ACTIVITIES	HDFC BANK LIMITED	47,719,094	47,719	10.76%
	HOUSING DEVELOPMENT FINANCE	31,429,010	31,429	7.09%
	ICICI BANK LTD	30,806,431	30,806	6.95%
	STATE BANK OF INDIA	21,948,775	21,949	4.95%
	AXIS BANK LTD	17,094,795	17,095	3.86%
	BANK OF BARODA	3,179,264	3,179	0.72%
	ADITYA BIRLA CAPITAL LIMITED	2,204,445	2,204	0.50%
	<b>SUB TOTAL</b>	<b>154,381,813</b>	<b>154,382</b>	<b>34.82%</b>
COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LTD	51,461,130	51,461	11.61%
	TATA CONSULTANCY SVCS LTD	31,481,964	31,482	7.10%
	HCL TECHNOLOGIES LTD	29,548,644	29,549	6.66%
	<b>SUB TOTAL</b>	<b>112,491,738</b>	<b>112,492</b>	<b>25.37%</b>
MANUFACTURE OF PHARMACEUTICALS; MEDICINAL CHEMICAL AND BOTANICAL PRODUCTS	MERCK LTD	17,187,723	17,188	3.88%
	DR. REDDYS LABORATORIES	17,179,729	17,180	3.87%
	LUPIN LTD	9,723,329	9,723	2.19%
	SUN PHARMACEUTICAL INDUS	8,826,877	8,827	1.99%
	<b>SUB TOTAL</b>	<b>52,917,657</b>	<b>52,918</b>	<b>11.94%</b>
OTHERS	<b>SUB TOTAL</b>	<b>123,580,119</b>	<b>123,580</b>	<b>27.87%</b>
	<b>TOTAL</b>	<b>443,371,326</b>	<b>443,371</b>	<b>100.00%</b>
PH PRIMA FUND				
INDUSTRY	ISSUER	AMOUNT	AMOUNT IN (000)	%
FINANCIAL AND INSURANCE ACTIVITIES	HDFC BANK LIMITED	7,313,222	7,313	10.75%
	STATE BANK OF INDIA	7,244,080	7,244	10.65%
	ICICI BANK LTD	7,118,291	7,118	10.47%
	HOUSING DEVELOPMENT FINANCE	6,034,305	6,034	8.87%
	AXIS BANK LTD	3,141,910	3,142	4.62%
	<b>SUB TOTAL</b>	<b>30,851,807</b>	<b>30,852</b>	<b>45.37%</b>
COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LTD	12,760,077	12,760	18.76%
	HCL TECHNOLOGIES LTD	4,817,856	4,818	7.08%
	<b>SUB TOTAL</b>	<b>17,577,933</b>	<b>17,578</b>	<b>25.85%</b>
OTHERS	<b>SUB TOTAL</b>	<b>19,577,018</b>	<b>19,577</b>	<b>28.79%</b>
	<b>TOTAL</b>	<b>68,006,758</b>	<b>68,007</b>	<b>100.00%</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

<b>PH SECURED FUND</b>				
<b>INDUSTRY</b>	<b>ISSUER</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>GOVERNMENT OF INDIA</b>	GOVERNMENT OF INDIA	33,117,840	33,118	67.39%
	<b>SUB TOTAL</b>	<b>33,117,840</b>	<b>33,118</b>	<b>67.39%</b>
<b>INFRASTRUCTURE RELATED ACTIVITIES</b>	LARSEN & TOUBRO LTD	5,003,508	5,004	10.18%
	RURAL ELECTRIFICATION CORP	1,015,043	1,015	2.07%
	<b>SUB TOTAL</b>	<b>6,018,551</b>	<b>6,019</b>	<b>12.25%</b>
<b>OTHERS</b>	<b>SUB TOTAL</b>	<b>10,008,116</b>	<b>10,008</b>	<b>20.36%</b>
	<b>TOTAL</b>	<b>49,144,507</b>	<b>49,145</b>	<b>100.00%</b>
<b>PH SMART FUND</b>				
<b>INDUSTRY</b>	<b>ISSUER</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>INFRASTRUCTURE RELATED ACTIVITIES</b>	RURAL ELECTRIFICATION CORP	8,120,344	8,120	16.38%
	LARSEN & TOUBRO LTD	4,534,212	4,534	9.15%
	<b>SUB TOTAL</b>	<b>12,654,557</b>	<b>12,655</b>	<b>25.53%</b>
<b>COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES</b>	INFOSYS LTD	7,401,627	7,402	14.93%
	HCL TECHNOLOGIES LTD	2,166,290	2,166	4.37%
	<b>SUB TOTAL</b>	<b>9,567,917</b>	<b>9,568</b>	<b>19.30%</b>
<b>MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS</b>	RELIANCE INDUSTRIES LTD	7,015,609	7,016	14.15%
	<b>SUB TOTAL</b>	<b>7,015,609</b>	<b>7,016</b>	<b>14.15%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>	ICICI BANK LTD	2,067,144	2,067	4.17%
	HOUSING DEVELOPMENT FINANCE	1,967,886	1,968	3.97%
	STATE BANK OF INDIA	1,483,265	1,483	2.99%
	AXIS BANK LTD	919,075	919	1.85%
	<b>SUB TOTAL</b>	<b>6,437,369</b>	<b>6,437</b>	<b>12.99%</b>
<b>OTHERS</b>	<b>SUB TOTAL</b>	<b>23,457,422</b>	<b>23,457</b>	<b>47.33%</b>
	<b>TOTAL</b>	<b>49,564,957</b>	<b>49,565</b>	<b>100.00%</b>



# SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

Industry wise disclosure as on 31<sup>st</sup> March 2019.

PH BALANCE FUND				
INDUSTRY	ISSUER	AMOUNT IN (₹'000)	AMOUNT IN (₹ '000)	%
GOVERNMENT OF INDIA	GOVERNMENT OF INDIA	5,16,77,164	51,677	30.53%
	<b>SUB TOTAL</b>	<b>5,16,77,164</b>	<b>51,677</b>	<b>30.53%</b>
INFRASTRUCTURE RELATED ACTIVITIES	LARSEN & TOUBRO LTD	3,61,25,989	36,125	21.34%
	RURAL ELECTRIFICATION CORP	1,19,45,508	11,945	7.06%
	POWER GRID CORP OF INDIA LTD	19,79,000	1,979	1.17%
	<b>SUB TOTAL</b>	<b>5,00,50,497</b>	<b>50,050</b>	<b>29.57%</b>
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	RELIANCE INDUSTRIES LTD	2,43,62,023	24,362	14.39%
	<b>SUB TOTAL</b>	<b>2,43,62,023</b>	<b>24,362</b>	<b>14.39%</b>
FINANCIAL AND INSURANCE ACTIVITIES	HDFC BANK LIMITED	91,71,250	9,171	5.42%
	STATE BANK OF INDIA	58,21,613	5,821	3.44%
	ICICI BANK LTD	56,27,025	5,627	3.32%
	<b>SUB TOTAL</b>	<b>2,06,19,887</b>	<b>20,619</b>	<b>12.18%</b>
OTHERS	<b>SUB TOTAL</b>	<b>2,25,70,873</b>	<b>22,570</b>	<b>13.33%</b>
	<b>TOTAL</b>	<b>16,92,80,444</b>	<b>1,69,280</b>	<b>100.00%</b>
PH DISCONTINUED FUND				
INDUSTRY	ISSUER	AMOUNT IN (₹ '000)	AMOUNT IN (₹'000)	%
INFRASTRUCTURE RELATED ACTIVITIES	LARSEN & TOUBRO LTD	10,13,918	1,013	39.91%
	<b>SUB TOTAL</b>	<b>10,13,919</b>	<b>1,013</b>	<b>39.91%</b>
GOVERNMENT OF INDIA	GOVERNMENT OF INDIA	9,97,003	997	39.24%
	<b>SUB TOTAL</b>	<b>9,97,003</b>	<b>997</b>	<b>39.24%</b>
NET CURRENT ASSETS	NET CURRENT ASSETS	5,29,619	529	20.85%
	<b>SUB TOTAL</b>	<b>5,29,619</b>	<b>529</b>	<b>20.85%</b>
	<b>TOTAL</b>	<b>25,40,541</b>	<b>2,540</b>	<b>100.00%</b>
PH GROWTH FUND				
INDUSTRY	ISSUER	AMOUNT IN (₹ '000)	AMOUNT IN (₹ '000)	%
FINANCIAL AND INSURANCE ACTIVITIES	HDFC BANK LIMITED	7,62,22,243	76,222	11.13%
	HOUSING DEVELOPMENT	4,53,09,115	45,309	6.62%



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

	FINANCE			
	ICICI BANK LTD	4,52,98,553	45,298	6.62%
	AXIS BANK LTD	4,08,67,805	40,867	5.97%
	STATE BANK OF INDIA	4,07,99,400	40,799	5.96%
	BANK OF BARODA	86,83,875	8,683	1.27%
	ADITYA BIRLA CAPITAL LIMITED	52,05,060	5,205	0.76%
	<b>SUB TOTAL</b>	<b>26,23,86,051</b>	<b>2,62,386</b>	<b>38.33%</b>
COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LTD	6,99,73,970	69,973	10.22%
	HCL TECHNOLOGIES LTD	4,26,00,854	42,600	6.22%
	TATA CONSULTANCY SVCS LTD	4,20,14,634	42,014	6.14%
	<b>SUB TOTAL</b>	<b>15,45,89,457</b>	<b>1,54,589</b>	<b>22.58%</b>
OTHERS	<b>SUB TOTAL</b>	<b>26,75,60,801</b>	<b>2,67,560</b>	<b>39.09%</b>
	<b>TOTAL</b>	<b>68,45,36,309</b>	<b>6,84,536</b>	<b>100.00%</b>

**PH PRIMA FUND**

INDUSTRY	ISSUER	AMOUNT IN (₹'000)	AMOUNT IN (₹'000)	%
FINANCIAL AND INSURANCE ACTIVITIES	STATE BANK OF INDIA	1,45,05,919	14,505	13.65%
	HDFC BANK LIMITED	1,21,27,847	12,127	11.42%
	ICICI BANK LTD	1,07,20,184	10,720	10.09%
	HOUSING DEVELOPMENT FINANCE	86,70,141	8,670	8.16%
	AXIS BANK LTD	78,11,363	7,811	7.35%
	<b>SUB TOTAL</b>	<b>5,38,35,453</b>	<b>53,835</b>	<b>50.67%</b>
COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LTD	1,83,03,173	18,303	17.23%
	HCL TECHNOLOGIES LTD	69,59,680	6,959	6.55%
	<b>SUB TOTAL</b>	<b>2,52,62,853</b>	<b>25,262</b>	<b>23.78%</b>
OTHERS	<b>SUB TOTAL</b>	<b>2,71,40,986</b>	<b>27,140</b>	<b>25.55%</b>
	<b>TOTAL</b>	<b>10,62,39,292</b>	<b>1,06,239</b>	<b>100.00%</b>

**PH SECURED FUND**

INDUSTRY	ISSUER	AMOUNT IN (₹ '000)	AMOUNT IN (₹'000)	%
GOVERNMENT OF INDIA	GOVERNMENT OF INDIA	4,33,71,073	43,371	75.86%
	<b>SUB TOTAL</b>	<b>4,33,71,073</b>	<b>43,371</b>	<b>75.86%</b>
INFRASTRUCTURE	LARSEN & TOUBRO LTD	50,69,589	5,069	8.87%





# SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

RELATED ACTIVITIES	RURAL ELECTRIFICATION CORP	10,16,422	1,016	1.78%
	<b>SUB TOTAL</b>	<b>60,86,011</b>	<b>6,086</b>	<b>10.64%</b>
OTHERS	<b>SUB TOTAL</b>	<b>77,17,852</b>	<b>7,717</b>	<b>13.50%</b>
	<b>TOTAL</b>	<b>5,71,74,936</b>	<b>57,174</b>	<b>100.00%</b>

PH SMART FUND				
INDUSTRY	ISSUER	AMOUNT IN (₹ '000)	AMOUNT IN (₹ '000)	%
INFRASTRUCTURE RELATED ACTIVITIES	RURAL ELECTRIFICATION CORP	81,31,378	8,131	11.72%
	LARSEN & TOUBRO LTD	63,45,694	6,345	9.14%
	<b>SUB TOTAL</b>	<b>1,44,77,072</b>	<b>14,477</b>	<b>20.86%</b>
FINANCIAL AND INSURANCE ACTIVITIES	ICICI BANK LTD	31,97,993	3,197	4.61%
	PUNJAB NATIONAL BANK	30,00,000	3,000	4.32%
	HOUSING DEVELOPMENT FINANCE	28,34,280	2,834	4.08%
	STATE BANK OF INDIA	28,09,770	2,809	4.05%
	AXIS BANK LTD	21,37,438	2,137	3.08%
	<b>SUB TOTAL</b>	<b>1,39,79,480</b>	<b>13,979</b>	<b>20.14%</b>
COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES	INFOSYS LTD	1,05,90,936	10,590	15.26%
	HCL TECHNOLOGIES LTD	32,91,711	3,291	4.74%
	<b>SUB TOTAL</b>	<b>1,38,82,647</b>	<b>13,882</b>	<b>20.00%</b>
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	RELIANCE INDUSTRIES LTD	70,93,879	7,093	10.22%
	<b>SUB TOTAL</b>	<b>70,93,879</b>	<b>7,093</b>	<b>10.22%</b>
OTHERS	<b>SUB TOTAL</b>	<b>1,99,72,660</b>	<b>19,972</b>	<b>28.78%</b>
	<b>TOTAL</b>	<b>6,94,05,738</b>	<b>69,405</b>	<b>100.00%</b>



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

**Industry/Security wise disclosure as on 31<sup>st</sup> March 2020.**

<b>PH BALANCE FUND</b>				
<b>INDUSTRY</b>	<b>SECURITY</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>GOVERNMENT OF INDIA</b>	91 D TB 11-06-2020	27,741,401	27,741	19.51%
	6.97% GOI BS 06-09-2026	22,681,560	22,682	15.95%
	<b>SUB TOTAL</b>	<b>50,422,961</b>	<b>50,423</b>	<b>35.45%</b>
<b>INFRASTRUCTURE RELATED ACTIVITIES</b>	8.80% LARSEN & TOUBRO LTD DB 13-04-2020	33,023,154	33,023	23.22%
	8.80% REC BS 25-10-2020	10,150,430	10,150	7.14%
	POWER GRID CORP OF INDIA LTD	1,149,498	1,149	0.81%
	LARSEN & TOUBRO LTD	1,099,560	1,100	0.77%
	RURAL ELECTRIFICATION CORP	816,500	817	0.57%
	<b>SUB TOTAL</b>	<b>46,239,141</b>	<b>46,239</b>	<b>32.51%</b>
<b>MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS</b>	8.75% RELIANCE BS 07-05-2020	12,026,759	12,027	8.46%
	RELIANCE INDUSTRIES LTD	7,183,688	7,184	5.05%
	<b>SUB TOTAL</b>	<b>19,210,447</b>	<b>19,210</b>	<b>13.51%</b>
	OTHERS	26,354,348	26,354	18.53%
	<b>SUB TOTAL</b>	<b>26,354,348</b>	<b>26,354</b>	<b>18.53%</b>
	<b>TOTAL</b>	<b>142,226,897</b>	<b>142,227</b>	<b>100.00%</b>
<b>PH DISCONTINUED FUND</b>				
<b>INDUSTRY</b>	<b>SECURITY</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>INFRASTRUCTURE RELATED ACTIVITIES</b>	8.80% LARSEN & TOUBRO LTD DB 13-04-2020	1,000,702	1,001	54.01%
	<b>SUB TOTAL</b>	<b>1,000,702</b>	<b>1,001</b>	<b>54.01%</b>
<b>NET CURRENT ASSETS</b>	NET CURRENT ASSETS	852,069	852	45.99%
	<b>SUB TOTAL</b>	<b>852,069</b>	<b>852</b>	<b>45.99%</b>
	<b>TOTAL</b>	<b>1,852,771</b>	<b>1,853</b>	<b>100.00%</b>
<b>PH GROWTH FUND</b>				
<b>INDUSTRY</b>	<b>SECURITY</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>	HDFC BANK LIMITED FV-1	47,719,094	47,719	10.76%
	HOUSING DEVELOPMENT FINANCE	31,429,010	31,429	7.09%
	ICICI BANK LTD FV2	30,806,431	30,806	6.95%
	STATE BANK OF INDIA FV-1	21,948,775	21,949	4.95%
	AXIS BANK LTDFV-2	17,094,795	17,095	3.86%
	BANK OF BARODA FV-1	3,179,264	3,179	0.72%
	ADITYA BIRLA CAPITAL LIMITED	2,204,445	2,204	0.50%
	<b>SUB TOTAL</b>	<b>154,381,813</b>	<b>154,382</b>	<b>34.82%</b>
<b>COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES</b>	INFOSYS LTD	51,461,130	51,461	11.61%
	TATA CONSULTANCY SVCS LTD	31,481,964	31,482	7.10%
	HCL TECHNOLOGIES LTD	29,548,644	29,549	6.66%
	<b>SUB TOTAL</b>	<b>112,491,738</b>	<b>112,492</b>	<b>25.37%</b>
<b>MANUFACTURE OF  PHARMACEUTICALS; MEDICINAL CHEMICAL AND BOTANICAL</b>	MERCK LTD	17,187,723	17,188	3.88%
	DR. REDDYS LABORATORIES	17,179,729	17,180	3.87%
	LUPIN LTD	9,723,329	9,723	2.19%
	SUN PHARMACEUTICAL INDUS	8,826,877	8,827	1.99%



**SAHARA INDIA LIFE INSURANCE COMPANY LIMITED**

<b>PRODUCTS</b>	<b>SUB TOTAL</b>	<b>52,917,657</b>	<b>52,918</b>	<b>11.94%</b>
	OTHERS	123,580,119	123,580	27.87%
	<b>SUB TOTAL</b>	<b>123,580,119</b>	<b>123,580</b>	<b>27.87%</b>
	<b>TOTAL</b>	<b>443,371,326</b>	<b>443,371</b>	<b>100.00%</b>
<b>PH PRIMA FUND</b>				
<b>INDUSTRY</b>	<b>SECURITY</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>	HDFC BANK LIMITEDFV-1	7,313,222	7,313	10.75%
	STATE BANK OF INDIAFV-1	7,244,080	7,244	10.65%
	ICICI BANK LTD FV2	7,118,291	7,118	10.47%
	HOUSING DEVELOPMENT FINANCE	6,034,305	6,034	8.87%
	AXIS BANK LTDFV-2	3,141,910	3,142	4.62%
	<b>SUB TOTAL</b>	<b>30,851,807</b>	<b>30,852</b>	<b>45.37%</b>
<b>COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES</b>	INFOSYS LTD	12,760,077	12,760	18.76%
	HCL TECHNOLOGIES LTD	4,817,856	4,818	7.08%
	<b>SUB TOTAL</b>	<b>17,577,933</b>	<b>17,578</b>	<b>25.85%</b>
	OTHERS	19,577,018	19,577	28.79%
	<b>SUB TOTAL</b>	<b>19,577,018</b>	<b>19,577</b>	<b>28.79%</b>
	<b>TOTAL</b>	<b>68,006,758</b>	<b>68,007</b>	<b>100.00%</b>
<b>PH SECURED FUND</b>				
<b>INDUSTRY</b>	<b>SECURITY</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>GOVERNMENT OF INDIA</b>	6.97% GOI BS 06-09-2026	28,867,440	28,867	58.74%
	8.08% GOI CG 02-08-2022	4,250,400	4,250	8.65%
	<b>SUB TOTAL</b>	<b>33,117,840</b>	<b>33,118</b>	<b>67.39%</b>
<b>INFRASTRUCTURE RELATED ACTIVITIES</b>	8.80% LARSEN & TOUBRO LTD DB 13-04-2020	5,003,508	5,004	10.18%
	8.80% REC BS 25-10-2020	1,015,043	1,015	2.07%
	<b>SUB TOTAL</b>	<b>6,018,551</b>	<b>6,019</b>	<b>12.25%</b>
	OTHERS	10,008,116	10,008	20.36%
	<b>SUB TOTAL</b>	<b>10,008,116</b>	<b>10,008</b>	<b>20.36%</b>
	<b>SUB TOTAL</b>	<b>49,144,507</b>	<b>49,145</b>	<b>100.00%</b>
<b>PH SMART FUND</b>				
<b>INDUSTRY</b>	<b>SECURITY</b>	<b>AMOUNT</b>	<b>AMOUNT IN (000)</b>	<b>%</b>
<b>INFRASTRUCTURE RELATED ACTIVITIES</b>	8.80% REC BS 25-10-2020	8,120,344	8,120	16.38%
	8.80% LARSEN & TOUBRO LTD DB 13-04-2020	3,002,105	3,002	6.06%
	LARSEN & TOUBRO LTD	1,532,108	1,532	3.09%
	<b>SUB TOTAL</b>	<b>12,654,557</b>	<b>12,655</b>	<b>25.53%</b>
	INFOSYS LTD	7,401,627	7,402	14.93%
<b>COMPUTER PROGRAMMING; CONSULTANCY AND RELATED ACTIVITIES</b>	HCL TECHNOLOGIES LTD	2,166,290	2,166	4.37%
	<b>SUB TOTAL</b>	<b>9,567,917</b>	<b>9,568</b>	<b>19.30%</b>
<b>MANUFACTURE OF COKE AND REFINED</b>	8.75% RELIANCE BS 07-05-2020	7,015,609	7,016	14.15%
	<b>SUB TOTAL</b>	<b>7,015,609</b>	<b>7,016</b>	<b>14.15%</b>





## SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

<b>PETROLEUM PRODUCTS</b>				
	ICICI BANK LTD FV2	2,067,144	2,067	4.17%
	HOUSING DEVELOPMENT FINANCE	1,967,886	1,968	3.97%
	STATE BANK OF INDIA FV-1	1,483,265	1,483	2.99%
	AXIS BANK LTDFV-2	919,075	919	1.85%
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>	<b>SUB TOTAL</b>	<b>6,437,369</b>	<b>6,437</b>	<b>12.99%</b>
	OTHERS	13,889,506	13,890	28.02%
	<b>SUB TOTAL</b>	<b>13,889,506</b>	<b>13,890</b>	<b>28.02%</b>
	<b>TOTAL</b>	<b>49,564,957</b>	<b>49,565</b>	<b>100.00%</b>

5. Unclaimed redemptions of units. NIL

6. Expenses charged to Fund

Annualized expense ratio to average daily assets of the Fund:

As on 31<sup>st</sup> March 2020

NAV	AVERAGE DAILY FUNDS (Rs '000)	FUND CHARGES (Rs '000)	%
BALANCE FUND	160,588.23	1,204.41	0.75%
GROWTH FUND	641,168.38	6,411.68	1.00%
SECURED FUND	52,845.53	343.50	0.65%
SMART FUND	64,122.53	641.23	1.00%
PRIMA FUND	98,666.89	986.67	1.00%
DISCONTINUED FUND	2,585.15	12.93	0.50%

As on 31<sup>st</sup> March 2019

NAV	Average Daily Funds (₹ '000)	Fund charges (₹ '000)	%
BALANCE FUND	1,77,391	1,330	0.75%
GROWTH FUND	7,07,371	7,073	1.00%
SECURED FUND	64,543	419	0.65%
SMART FUND	75,555	755	1.00%
PRIMA FUND	1,08,342	1,083	1.00%
DISCONTINUED FUND	2,992	15	0.50%



# SAHARA INDIA LIFE INSURANCE COMPANY LIMITED

## 7. Ratio of gross income (including unrealized gains) to average daily net assets

As on 31<sup>st</sup> March 2020

NAV	Average Daily Funds( ₹ '000)	Gross Income / (Loss) (₹ '000)	Ratio
BALANCE FUND	160,588.23	(2,813.29)	(0.02)
GROWTH FUND	641,168.38	(147,917.52)	(0.23)
SECURED FUND	52,845.53	4,970.40	0.09
SMART FUND	64,122.53	(7,209.23)	(0.11)
PRIMA FUND	98,666.89	(21,450.50)	(0.22)
DISCONTINUED FUND	2,585.15	95.52	0.04

As on 31<sup>st</sup> March 2019

NAME OF FUND	Average Daily Funds(₹ '000)	Gross Income / (Loss) (₹ '000)	Ratio
BALANCE FUND	1,77,391	13,552	0.08
GROWTH FUND	7,07,371	108,712	0.15
SECURED FUND	64,543	4,899	0.08
SMART FUND	75,555	6,578	0.09
PRIMA FUND	1,08,342	15,526	0.14
DISCONTINUED FUND	2,992	141	0.05

## 8. Provision for doubtful debts on assets. – Rs. 10 crore

For D.S. Shukla & Co.  
Chartered Accountants  
Firm Reg. No. 000773C

(A. K. Dwivedi)  
Partner  
M no: 078297

For S.K. Kapoor & Co  
Chartered Accountants  
Firm Reg. No. 000745C

(V. B. Singh)  
Partner  
M no: 073124

(A.K. Dasgupta)  
Whole Time Director  
DIN: 01462177

(Nandini Chhaya)  
Company Secretary

(Rana Zia)  
Director  
DIN: 07083262

(Dhiraj Goel)  
Appointed Actuary

(O.P. Srivastava)  
Chairman & Director  
DIN: 00144000

(Santosh Kumar Mishra)  
Chief Financial Officer