

# Navigating Challenges

# Delivering Promises

ANNUAL REPORT

2020-21



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For more details, please visit:  
[www.pnbmetlife.com](http://www.pnbmetlife.com)

# Navigating Challenges Delivering Promises

FY 2020-21 was an exceptional year with the pandemic causing widespread disruption worldwide, India included. Navigating through these exceptional times, we stood resilient and moved with agility to make fast strategic shifts, leverage digital to push the limits of our intrinsic strengths and capabilities and delivered on our promises to our customers, employees, and shareholders.

Accelerating the pace of digitization and automation, we scaled up our service proposition to meet the full gamut of the transforming requirements of our customers through their lifecycle. As online became the new mantra to staying connected with customers and serving their myriad needs, our '**khUshi**' app provided 24x7 convenience to our customers through seamless and hassle-free service. Our device-agnostic, web-based platform helped onboard customers digitally adhering to social distancing norms. This year, we leveraged the power of analytics to understand their changing requirements and adapt to the new norms of business in the evolving eco-system.

Our focus on employees gained impetus during these times with several innovative digitization initiatives like touchless hiring and customized digital learning interventions leading to enhanced efficiency and productivity for employees. This has been a year where mental stress has been very high. Our 'We Care' employee engagement programs supported our employees on various aspects and helped keep them safe and motivated. We also launched digital platforms to strengthen governance viz. the Compliance management system and the Litigation management system which eased the work for our employees helping them work digitally. The launch of Business Continuity Management System helped improve organization resilience, helped employees deliver on their commitments even with continuous disruptions.

Amid the turbulence in the business environment, we, at PNB MetLife, continue to push forward on our transformation journey to win the future.



# Committed to Deliver on Promises

As an organization committed to deliver on its promises, we, at PNB MetLife, do not just provide financial security, we deliver a legacy of trust, backed by our unmatched expertise, with total transparency. Our wide range of need-based life insurance products and plans are designed to support a growing clientele across India. We offer our products to cater to the customers 'Circle of Life' - from Long Term Savings to Family Protection and Retirement. They are crafted to empower customers to fulfill their responsibility towards their family, achieve their goals and save for later stages of life.



A robust platform of expertise, experience and capabilities enable PNB MetLife to create strong foundations of scalable products and solutions. It facilitates the delivery of long-term sustainable and profitable growth through an increasing number of customer touchpoints, particularly in the underpenetrated segments of India's life insurance market.



We follow 'Circle of Life' philosophy for products & solutions and cater to the financial needs of customers covering different stages of their life - Long term savings, Family protection and Retirement. Our comprehensive product portfolio comprises 24 Retail and 14 Group Products including riders.

### OUR PRODUCT PORTFOLIO



### SUCCESS PRINCIPLES



**BUILD  
TOMORROW**

**We change and innovate for sustained performance**

- **Seize opportunity:**  
Drive responsible growth and identify areas for continuous improvement
- **Experiment with confidence:**  
Courageously learn and test new ideas without fear of failure
- **Act with urgency:**  
Demonstrate speed to action with agility and determination



**WIN  
TOGETHER**

**We collaborate and empower each other to succeed**

- **Seek diverse perspectives:**  
Source ideas and feedback to expand thinking and make informed decisions
- **Champion inclusion:**  
Foster an environment where everyone is valued, heard and can speak up
- **Create alignment:**  
Partner with others across the organization with candor and transparency



**OWN IT**

**We deliver for our customers**

- **Take responsibility:**  
Be accountable and act in pursuit of the right outcomes
- **Enable solutions:**  
Anticipate and address obstacles while managing risk
- **Deliver what matters:**  
Execute meaningful priorities and follow through on commitments

### BUILDING ON TRUST

With our track record of excellence in service, which we have continued even amid the challenging COVID-19 environment, we remain a trusted insurance provider for people across segments and regions. Driving the trust proposition is the combined legacy of MetLife Inc., a leading global insurance provider that lends its insurance expertise, as well as Punjab National Bank, the second largest bank in India (Source: RBI). This facilitates the delivery of sustainable and profitable growth through an increasing number of customer touchpoints, particularly in the underpenetrated segments of India's life insurance market.



**98.2%**

Retail business claims settled in FY 2020-21



**99.7%**

Group business claims settled in FY 2020-21



**ENHANCING CUSTOMER EXPERIENCE**

Customer delight is central to our business strategy, which is focused on ensuring smooth, hassle-free and uncomplicated service for them. During the pandemic, we further augmented our digital and technological edge to create a more seamless, transparent and secure customer service at every stage of their journey with PNB MetLife.

In line with the prevailing customer sentiment of seeking safety and security, we launched a guaranteed savings plan (PNB MetLife Guaranteed Future Plan), a comprehensive health plus life combi protection solution (Mera Mediclaim Plan), new age term life insurance plan (PNB MetLife Mera Term Plan Plus) and also revamped our guaranteed retirement income solution (Immediate Annuity Plan). Through this we continued to deliver on our promises to our customers and other stakeholders.

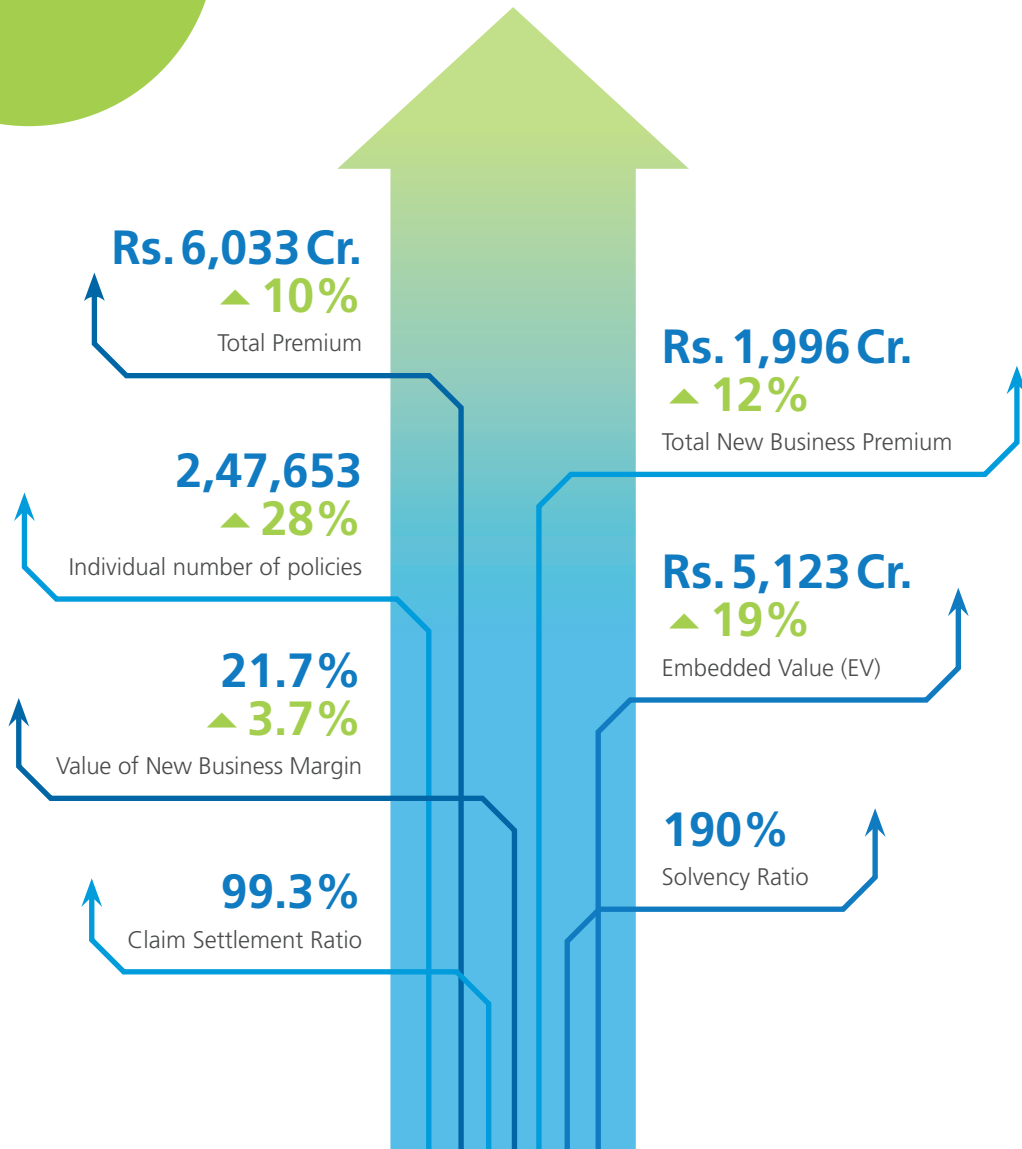
**NETWORKED TO CONNECT**

We work closely with our bank partners – PNB, JKB, KBL among others, and use our extensive Bancassurance network, one of the largest in the country, to connect with our customers. Direct Sales and Agency channels further supplement our distribution reach to cover lives across India. Over the last few years, we have added 80+ new partners ranging from Corporate Agency tieups (ESAF SFB, American Express), Credit Life partners (PNB Housing, UGRO, Centrum Housing, etc.), Digital and Fintech partners (Paytm, PhonePe, RenewBuy, etc.) and other partners in our Wholesale channel.

**13,000+**  
Bank Branch Network Access

**80+**  
New partners added since April 2019

**PERFORMANCE HIGHLIGHTS**



# Chairman's Message



PNB MetLife has evolved continually, delivering new digital tools for a seamless and contactless 24x7 consumer experience. With our customer-centric approach, we transitioned from “phygital” to an entirely online model across our full customer journey from digital buying and onboarding to servicing customers.

**MR. KISHORE PONNAVOLU**  
*Chairman, Non-Executive Director*



## DEAR SHAREHOLDERS

In the midst of the deadly coronavirus pandemic, I feel very privileged to be able to report that PNB MetLife has continued to deliver a strong performance in FY 2020-21, supported by our keen focus on our Next Horizon strategy and the commitment of our more than 25 thousand employees and agents. Basis New Business Premium in FY 2020-21, our Company has been ranked amongst the top 10 life insurance companies in India due, in large part, to their hard work.

### A Challenging Year

This has been such a difficult year for everyone. FY 2020-21 saw significant disruptions in all our lives, across so many industries, and not the least, large shifts in the overall insurance industry landscape. The COVID-19 virus has spread across India in a devastating second wave which has had significant impact on its economic environment and on the lives of so many of our compatriots. In response, PNB MetLife has evolved continually, delivering new digital tools for a seamless and contactless 24x7 consumer experience. With our customer-centric approach, we transitioned from “phygital” to an entirely online model across our full customer journey from digital buying and onboarding to servicing customers. We particularly recognize the support of the regulator for the industry in minimizing the disruption through timely interventions enabling the shift towards the new normal.

### Value Accretive Growth

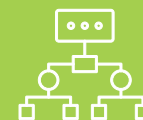
I could not be more proud of the associates and leaders in PNB MetLife, who delivered 10% growth on Total Premiums, while New Business Premiums grew at 12%. We improved our margins to 21.7%, and our Embedded Value increased to Rs. 5,123 Crore, representing an increase of 19% compared to the previous year, emphasizing our focus on driving both value and growth. We could not have done any of this without their extraordinary dedication to our customers and our business in the midst of the turmoil of the last 12 months. These results also validate our strong multi-channel distribution network and balanced product mix that addresses the diverse life insurance needs of our customers.

### Impacting Communities

We, at PNB MetLife, believe in giving back to society. Our business activities have direct and indirect impact on communities where we operate. We take pride in our positive impact on the lives of thousands of underprivileged individuals through our various Corporate Social Responsibility (CSR) activities. Additionally, our global MetLife Foundation donated US\$ 1 Million to India to boost medical infrastructure in India and alleviate the pressure placed on India’s healthcare system owing to the pandemic. India is at the heart of our MetLife network, and the health and safety of our people and the communities we live in are of paramount importance to us.

### Conclusion

I cannot express strongly enough my appreciation to all of PNB MetLife’s customers, employees, shareholders, and partners for standing with us as we navigate this dynamic and uncertain environment. The pandemic is expected to continue influencing our lives in the near foreseeable future, but I am confident that PNB MetLife is strongly positioned to adapt to these challenges and will continue to deliver on our purpose to build a more confident future for our customers and our people.



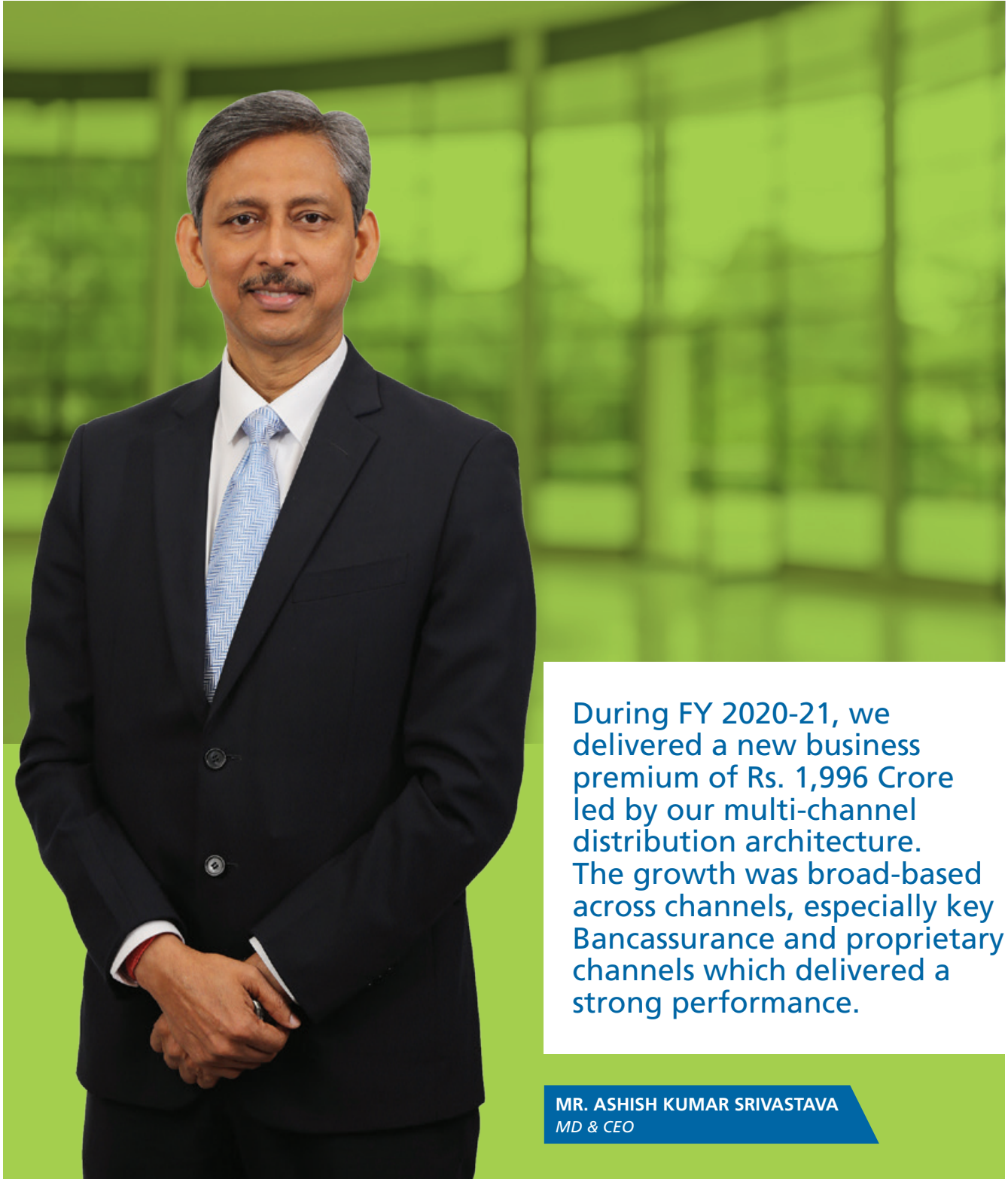
**10%**  
growth on Total  
Premiums



Embedded Value  
increased to

**Rs. 5,123 Cr.**

## MD's Message



During FY 2020-21, we delivered a new business premium of Rs. 1,996 Crore led by our multi-channel distribution architecture. The growth was broad-based across channels, especially key Bancassurance and proprietary channels which delivered a strong performance.

**MR. ASHISH KUMAR SRIVASTAVA**  
MD & CEO

## DEAR SHAREHOLDERS

It gives me immense pleasure to share the FY 2020-21 results with you. Driven by a strong sense of purpose that drives "Customer Centricity", we delivered a resilient performance this year in line with our value-accretive growth strategy. Combining the insurance expertise of MetLife Inc, a leading global insurance provider, and the vast distribution reach of Punjab National Bank, we stand tall today as one of the leading private life insurance companies in India.

### Facing the disruption

Last 15 months have been unprecedented times for human mankind. There is a change in the way businesses are conducted and what consumers want - globally. For the insurance industry, consumer behavior has seen the pivots changing. This is substantiated by a report by MetLife, which covers customer behavior across Asia, and by a separate report published by Google.

In these times, a proactive approach by us, augmented by the regulator's engagement with the Industry, helped support our customers in minimizing the disruption. Noteworthy initiatives like simplifying the Claims process, introduction of standard products like Saral Jeevan Bima Plan, etc., enhanced consumer confidence. Regulators support on relaxation of time for payment of premium and easier Know Your Customer (KYC) norms have boded well for the industry.

The "Black Swan" incident, has actually made us more determined. We are adopting / adapting new ways. We do see increased awareness amongst customers, and our endeavor will be to continue to serve them, add new, and continue to deliver on our value-accretive growth strategy.

### Business Continuity & Digitization

Aligned with our brand purpose of "Milkar Life Aage Badhaein", we ensured 24x7 service to our customers specially during these challenging times. Actions true to our values of customer-centricity and our robust technology-supported Business Continuity Processes helped ensure seamless online onboarding of new customers and servicing of existing customers. We also launched new products keeping customer's needs during these times.

The pandemic acted as a catalyst towards digitization, and we continually evolved with new digital and technological tools to deliver a seamless consumer experience across business functions. Few key initiatives taken to support the customers include:

- Launched 'Claim Assure', a 3-hour claim decisioning engine
- Digital Policy servicing through 'khUshi' app
- Increased Tele and Video MER (medical examination report)
- Centralized helpdesk to manage Claims Payout
- Digitally-enabled sales processes

Our employees are our greatest assets. Their safety and well-being is of paramount importance which we continued to ensure in the current environment. Some of the key initiatives taken to support the employees were:

- Provision of 12 Oxygen concentrators, provided by MetLife Asia Regional office, that will be available across key offices for employees and their families
- 24x7 COVID-19 Helpline managed by trained Doctors to address initial response and concerns
- Wellness Sessions with Experts
- Enhanced Medical Insurance Coverage for employees and family
- Additional Sick Leaves for COVID-19 as well as vaccination
- Employee volunteered helpline to share database resources in association with an NGO
- Financial aid for vaccination
- Work from home with a staggered return to office plan in place

### Performance review

During FY 2020-21, we delivered a new business premium of Rs. 1,996 Crore led by our multi-channel distribution architecture. The growth was broad-based across channels, especially key Bancassurance and proprietary channels which delivered a strong performance. We continued to maintain a balanced product mix to meet our customers' needs. In line with our strategy to widen our distribution access, we onboarded over 60 new partners. Despite the increased investments towards this, we have maintained our operating expense ratio. The hard work, dedication, and perseverance of our employees has been equally important, enabling us to emerge stronger through this crisis and in meeting our customer's needs and better servicing them.

### Commitment to Serve

We continue to serve society with our commitment to the well-being of underprivileged communities. I take great pride in sharing that even during these unprecedented times, we have provided education to 1,388 underprivileged girls through Damini and empowered 3,000 underprivileged women through skill development training. The MetLife Foundation donated an aid of US\$ 1 Million for addressing the requirements of our community and for standing by us during these trying times. Our quest to give back to society remains our top priority and we will continue to add value to the lives of these communities.

### Concluding Note

I would like to thank our key stakeholders – customers, employees, shareholders, partners – for their trust in us, as we continue on the journey of value-accretive growth thereby delivering strong outcomes for them. I am certain that we will successfully steer through the challenging times ahead and will continue to evolve our offering in line with customers' changing needs.

# Board of Directors



**Mr. Kishore Ponnnavolu**  
Chairman, Non-Executive Director

He did his masters from Osmania University in Hyderabad, India, and a Ph.D from Drexel University. He is president of MetLife's Asia region and a member of the Company's Executive Group since 1<sup>st</sup> September 2018. Under his leadership, MetLife Auto and Home achieved strong financial results, while launching many first-to-market initiatives across product, distribution and customer areas.



**Mr. Ashish Kumar Srivastava**  
Managing Director & CEO

He is an accomplished professional with over 29 years of experience in various sectors including insurance, banking, manufacturing, and service. He holds a post graduate diploma in Personnel Management from Xavier Institute, Ranchi and has attended advanced courses at Cornell University, Richard Ivy school and Michigan Business School.



**Mr. CH. S.S. Mallikarjuna Rao**  
Non-Executive Director

A professional banker for over 34 years, Mr. Rao is MD & CEO of Punjab National Bank (PNB). Presently, he is also the deputy chairman at India Bank's Association and is a member of Insolvency Law Committee. He has vast exposure and experience in Credit, Recovery, Treasury, Risk Management, Information Technology, Management Information System, Retail Banking, Marketing, Publicity & Alternative Delivery Channels. He holds degrees in B.Sc., LLB and CAIIB.



**Mr. Sanjay Kumar**  
Non-Executive Director

He is the Executive Director of PNB. Earlier, he was Executive Director of United Bank of India. He holds degree in M.Sc., Certified Associate member of Indian Institute of Bankers and Diploma in Treasury, Investment and Risk Management from Indian Institute of Banking and Finance. Over the last 35 years, he has functioned in almost all areas of banking especially Treasury, Corporate Accounts, Credit, Recovery & Credit Monitoring and Branch Banking.



**Mr. Pheroze Kersasp Mistry**  
Non-Executive Director

Equipped with many years of experience in business administration, Mr. Mistry is associated with companies across the areas of logistics, industrial coating and painting, on a contract basis, as well as in setting up wind turbines. A fellow of the Institution of Engineers (India), he holds a Bachelor's degree in Science from University of California, USA, and a Master's degree in Business Administration from Cornell University, USA.



**Mr. Surbhit Dabriwala**  
Non-Executive Director

He holds a bachelor's degree in arts from University of Pennsylvania. He has many years of experience in manufacturing and real estate sectors. He is currently a promoter and non-executive non-independent director on the board of EIL.



**Mr. Ashish Bhat**  
Non-Executive Director

Senior Vice President and Chief Financial Officer for MetLife, Asia, Mr. Bhat has more than 21 years of experience in the life insurance industry, across Europe and Asia. He holds a Bachelor's degree in Technology from IIT Delhi and PGDM from IIM Calcutta.



**Mr. Atinder Jit Singh**  
Non-Executive Director

He is currently Chief Distribution Officer for MetLife, Asia. He holds a Bachelor's from National Defense Academy, India, Masters in Computer Science from the University of California and MBA from the Booth School of Business at the University of Chicago. He has served as Global Head of Retail Underwriting & Sales Support, Strategy, Planning & Governance for Global Operations.



**Mr. Stephen Barnham**  
Non-Executive Director

Mr. Stephen Barnham is currently Chief Information Officer for MetLife, Asia. He holds Bachelor of Science in Computing from the University of Kent. He has more than 30 years of experience in Global Banking and Technology.



**Mr. Thallapaka Venkateswara Rao**  
Non-Executive Director

With over 36 years of experience in Banking, Foreign Trade and Housing Finance Sectors, Mr. T V Rao specializes in Management of Treasury, Investment and Corporate Finance Operations, Securitization and Structured Finance, Product Development (Reverse Mortgage etc.), Training, Research, Capacity Building and Regulation, as well as Supervision of Housing Finance Institutions. He is Director on the Boards of several corporates in NBFC, Housing Finance Companies and Manufacturing sectors.



**Mr. Arvind Kumar Jain**  
Non-Executive Director

Armed with around 41 years of banking experience, Mr. Jain has expertise in Treasury & Credit. A former Executive Director of Punjab & Sind Bank, he has, during his career, headed various branches and controlled offices, besides working in the bank's head office. He holds degrees in B.Sc (Hons) M.Sc, LLB, and CAIIB.



**Mr. Erach Kotwal**  
Non-Executive Director

He holds a master's degree in law from University of Cambridge. An Advocate, practicing in the High Court at Mumbai since 1984, he has more than 30 years of legal experience.



**Mr. Sunil Gulati**  
Independent Director

Mr. Gulati comes with over 36 years of global experience in banking, across the areas of relationship management, corporate finance, investment banking, risk management and corporate strategy. He is advisor/independent Board member at various financial services companies, start-ups and funds, and also a member of SEBI's Mutual Fund Advisory Committee. He was part of the transformation/rapid growth processes at RBL Bank Ltd, Yes Bank and ING Barings/ING Vysya Bank. He is a B.Tech in Electrical Engineering/Computer Science from IIT, Delhi, and a Gold Medalist from IIM, Ahmedabad.



**Ms. Sonu Bhasin**  
Independent Director

Ms. Sonu Bhasin holds a bachelor's degree of science in mathematics from St. Stephen's College, Delhi University and a master's degree in business administration from Faculty of Management Studies, Delhi University. She is also the author of the book 'The Inheritors – Stories of Entrepreneurship and Success'.



**Ms. Padma Chandrasekaran**  
Independent Director

She holds a Bachelor's degree in Mathematics/Statistics from the University of Calcutta, an MBA (PGP 1984) from IIM Ahmedabad and an MBA with specialization in Telecommunications from the University of San Francisco, California. Over 30 years work experience at executive and board levels and as entrepreneur for world class organizations in the for-profit and philanthropic sectors in India, UK and USA.

# Management Team



**Mr. Khalid Ahmad**  
Chief Financial Officer

He holds a bachelor's degree in science from University of Calcutta and a postgraduate diploma in management studies from Management Development Institute, Gurgaon. He has 18 years of experience in insurance, banking and logistics.



**Mr. P. K. Dinakar**  
Chief Actuary & Products Officer

He holds a bachelor's degree in science from Calicut University and a master's degree in statistics from Cochin University of Science and Technology and is a fellow of the Institute of Actuaries of India. He has 31 years of experience in life insurance industry and handling actuarial functions.



**Mr. Sameer Bansal**  
Chief Distribution Officer

He holds a bachelor's degree in engineering from Manipal Institute of Technology and Master's degree in Marketing & Finance from International Management Institute, New Delhi. He has 24 years of experience in management.



**Mr. Samrat Ashim Das**  
Chief Operating Officer

He holds a master's degree of business administration from Pune University. He has 25 years of experience across industries like pharmaceuticals, IT consulting, insurance and investment management and mutual funds.



**Mr. Sanjay Kumar**  
Chief Investment Officer

He holds a bachelor's degree in chemical engineering from Jadavpur University and master's degree in business administration from Faculty of Management Studies (FMS), University of Delhi. He has 26 years of experience in financial services.



**Ms. Viraj Taneja**  
Chief Internal Auditor

She holds a bachelor's degree in commerce from University of Mumbai and is a chartered accountant, registered with the Institute of Chartered Accountants of India. She has more than 20 years of experience in governance, internal audit, risk management and assurance.



**Mr. Agnipushp Singh**  
Chief Legal Officer &  
Head-Board Affairs

He holds a bachelor's degree in commerce from University of Delhi and a bachelor's degree in law from Symbiosis School of Law, Pune. He has 21 years of experience in legal advisory.



**Mr. Sarang Kamalkishore Cheema**  
Chief Compliance Officer

He holds a bachelor's degree in commerce and is a qualified chartered accountant. He has also cleared the Certified Information Systems Auditor examination. He has more than 17 years of experience in ethics and compliance, risk management, forensics, internal audit and finance.



**Mr. Shishir Vijaykumar Agarwal**  
Chief Human Resources Officer

He holds a bachelor's degree in engineering in industrial electronics from University of Pune and a post graduate diploma in personnel management and industrial relations from XLRI, Jamshedpur. He has 26 years of experience in human resource management, employee relations and talent management.



**Mr. Vineet Maheshwari**  
Chief Strategy Officer

He is a Chartered Accountant, registered with the Institute of Chartered Accountants of India. He has 19 years of experience in Finance & Strategy.



**Mr. Nipun Kaushal**  
Chief Marketing Officer

He holds a bachelor's degree in mechanical engineering from Karnataka University and a post graduate diploma in management from International Management Institute, Delhi. He also holds a Sloan master's degree in leadership and strategy from London Business School. He has 20 years of experience in Sales, Marketing and Corporate Communications.



**Mr. Anjan Bhattacharya**  
Chief Risk Officer

He holds a bachelor's degree in science from University of Delhi and a postgraduate diploma in management from International Management Institute, Delhi. He has 20 years of experience in internal audit, enterprise risk management, governance and controls, forensics and business advisory.

# Industry Scenario

Riding on recovering macro-economic environment, widespread digitalization, and greater public awareness about the need for life insurance following the pandemic, the life insurance industry is expected to witness strong growth in the coming years. PNB MetLife with its customer-centric approach and multiple digital initiatives is well-positioned to gain ground.

The Indian insurance industry has weathered a fiscal year dominated by two waves of the COVID-19 pandemic. It has though increased awareness among people to consider insurance to tackle unforeseen circumstances. In this scenario, life insurance companies with the best value proposition stand to gain substantially in a national market that has a huge mortality protection gap of 83%.





## ECONOMIC OVERVIEW

FY 2021 has been a challenging year for the Indian economy. COVID-19 pandemic and the subsequent restrictions on movement of people as well as stringent lockdown led to significant slowdown in first quarter (Q1) of the financial year. As a result, Moody's also downgraded India's sovereign rating to the lowest investment grade with stable to negative outlook.

Following this, the economy reopened in Q2 and has since then staged a consistent recovery further supported by growing global trade activity. Corporate India benefited from lower operational costs due to a combination of internal (digitalization, salary cuts, the work from home system) and external (benign interest rates and lower crude and commodity prices) factors.

CRISIL estimates the Indian economy to shrink 7.3% in FY 2020-21 on account of the pandemic. However, forecasts a strong growth rebound in FY 2021-22 on the back of a weak base, a counter-cyclical Union Budget 2021-22 that is conducive

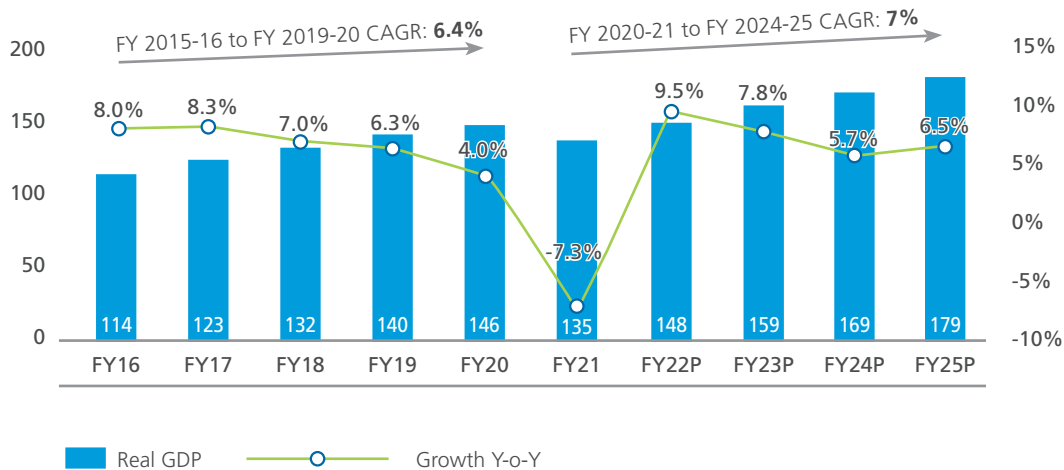
for investments, and recovering global economy. The gradual increase in vaccinations is also likely to support recovery.

Though the resurgence in COVID-19 infections since March 2021 which saw several states going into lockdown may pose some challenge to recovery. Though these lockdowns have been less restrictive, and the economic activity including manufacturing, construction, agriculture and other essential activities continued in most states. This ensured the Purchasing Managers' Index of the manufacturing sector stayed above the 50 level, indicating some resilience.

Considering the various scenarios, CRISIL has forecasted the Indian economy to grow 9.5% in FY 2021-22 in an optimistic scenario or by 8% in a pessimistic scenario. It also forecasts the economy to remain strong with broad-based growth in FY 2022-23 with large population getting covered by vaccination.

### INDIAN ECONOMY ON THE PATH OF RECOVERY DESPITE COVID-19 BLOW

(Rs. Trillion)



Note: E - Estimated and P - Projected

Source: National Statistics Office (NSO), International Monetary Fund (IMF) and CRISIL Research estimates

## LIFE INSURANCE INDUSTRY OVERVIEW

### Global life insurance industry

As per Swiss Re Institute's sigma research publication (No. 4/2020) on world insurance, the global insurance industry grew at a noticeable pace in recent years. In CY 2019, the total global direct premium written (DPW) increased nearly 3% supported by the non-life sector in advanced markets, and both life and non-life sectors in China. The total insurance premium underwritten in CY2019 reached US\$ 6.3 Trillion or 7.2% of global GDP with more than 60% of all insurance markets reporting outperformance over real GDP growth.

The global life insurance premiums grew at a slower pace of 2.2% in CY 2019 to US\$ 2,916 Billion as compared to 2.6% growth recorded in CY 2018. Life premiums in the emerging markets and the advanced markets grew 5.6% and 1.3% respectively in CY 2019.

In CY 2020, with the pandemic tightening its grip on all countries, the life insurance industry saw a significant decline in business during the first six months. However, since Q2 CY 2021, the industry saw a strong rebound with individuals realizing its importance in preventing financial shocks and increasingly seeking life cover. The insurers too responded innovatively launching pandemic-specific covers, driving more customization in policies and moving towards digital services model to deliver a completely seamless and contactless experience.

The global life insurance premiums grew at a slower pace of 2.2% in CY 2019 to US\$ 2,916 Billion as compared to 2.6% growth recorded in CY 2018. Life premiums in the emerging markets and the advanced markets grew 5.6% and 1.3% respectively in CY 2019. However, since Q2 CY 2021, the industry saw a strong rebound.



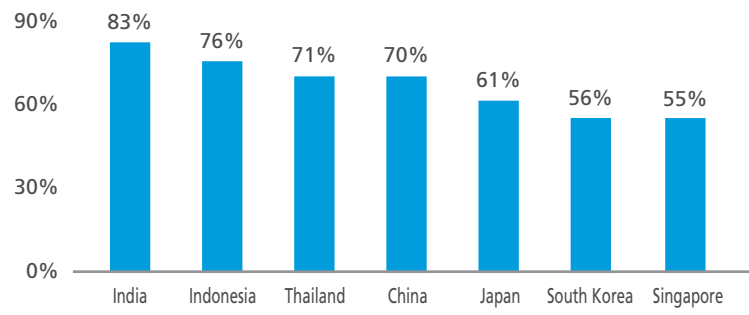
## INDIAN LIFE INSURANCE INDUSTRY

### Overview

In India, the life insurance industry has grown rapidly in the past two decades. Rising household savings and income levels, growing awareness, tax benefits, product innovation and customization have contributed to this growth.

Despite this, there is a huge room for growth given the significant under-penetration and under-insurance relative to their needs. In CY 2019, India's life insurance density was 58 compared with the global life insurance density of 379. Penetration was at 2.8% versus 3.4% globally. Further, the country's protection gap at 83% (or US\$ 16.5 Trillion) in CY 2019 was the highest in Asia as per the Swiss Re report 'Mortality Protection Gap – Asia Pacific 2019'.

## ASIA-PACIFIC: PROTECTION GAP IN 2019



Source: Swiss Re, Economic Research & Consulting "Mortality Protection Gap Asia-Pacific 2019", IRDAI

## PERFORMANCE FY 2020-21

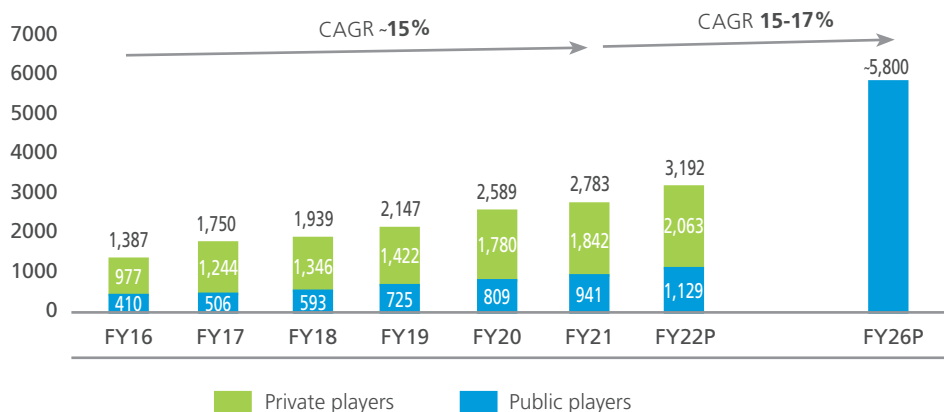
In FY 2020-21, the life insurance in India continued to be one of the fastest-growing segments with gross total premium reaching Rs. 6.1 Trillion, growing at 11% CAGR during FY 2016-21. This was driven by a ~7% growth in the new business premium (NBP) to Rs. 2.78 Trillion, though this was slower than the ~21% growth achieved last year. This temporary slump, especially in the first quarter, was due to the pandemic which impacted cash position of individuals, drove uncertainties and prevented in-person interaction which was a key mode of sales. However, since then, the industry adopted more digital ways of selling and servicing which led to some rebound.

The year saw surge in demand for guaranteed products as interest rates declined and for protection business as market volatility impacted linked business. Private sector grew at 16% and the public sector at 3%.

With increased awareness, large insurable population, improvement in economic environment, income levels and financial savings, and greater digital adoption, the industry is expected to grow in the coming years. As per CRISIL, during FY 2022-26, the industry's total premium is likely to grow at a CAGR of 12-14% and NBP at 15-17%.

## TRENDS IN NEW BUSINESS PREMIUM GROWTH

(Rs. Billion)

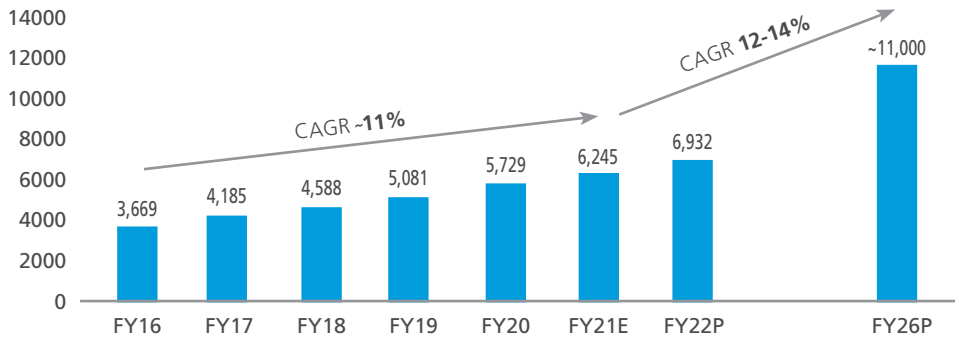


P: Projected

Source: IRDAI, Life Insurance Council, CRISIL Research

### STRONG GROWTH IN TOTAL PREMIUM FOR THE LIFE INSURANCE INDUSTRY

(Rs. Billion)



Note: E: Estimated;  
P: Projected

Source: IRDAI,  
CRISIL Research

### GROWTH DRIVERS

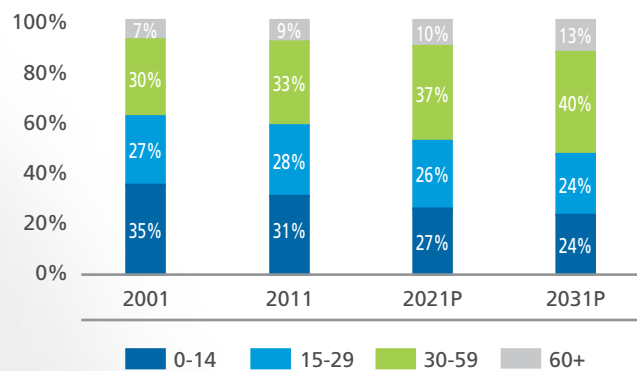
#### FDI reform:

The Union Budget 2021-22's proposal to increase the FDI limit in Indian insurance companies from 49% to 74% is likely to attract foreign investment. This will aid insurance penetration by facilitating funds for companies to expand and lead to more choices for consumers.

#### Demographics:

India has one of the world's largest youth population with nearly 53% below the age of 29 and 90% below 60 years. This is a huge pool of working age people who will earn, marry, have children, and potentially insure themselves to protect their families.

### INDIA'S DEMOGRAPHIC DIVIDEND



Note: P: Projected

Source: United Nations Department of Economic and Social Affairs,  
CRISIL Research





**COVID-19 insurance policy:**

The pandemic has led to individuals increasingly opting to purchase all-encompassing life covers. Even the Government has increased its focus on offering innovative life cover products.

**Emergence of new distribution channels:**

With increasing internet and mobile penetration, digitization of life insurance products and development into a web-based/app-based models is likely to play a greater role in driving scalability and reducing costs. It will help in increasing insurance penetration by enabling remote access of services like policy buying, renewals and claims, and thus clients in remote areas can onboard without worrying about maintaining physical documentation. Digitalization will also facilitate in building applications that can drive financial literacy, especially in small towns and rural areas.

Despite emergence of new digital distribution channels, banks as distributors are likely to continue playing an active role. Their one-stop-shop model of providing multiple services through optimal use of technology is sustainable and it will be vital for life insurers to continue using this channel for sales.

**Boost in household and financial savings:**

Household savings in India have declined from 23.6% in FY 2011-12 to 19.6% in FY 2019-20. However, with decline in discretionary spending during the pandemic and lower spending to be prepared for future exigencies, household savings is expected to rise. With growing financial literacy in India, a growing share of this savings is likely to channelize towards financial assets (i.e. insurance and mutual funds) over the next five years.

**Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY):**

A universal social security system, especially for the poor and the under-privileged, PMJJBY is a one-year renewable life insurance scheme. Offering a cover of Rs. 0.2 Million at a nominal premium of Rs. 330 per annum per member, it is seeing increased acceptance and driving penetration.

**Increasing healthcare spending by Government:**

The Government has raised its healthcare budget by ~10% for FY 2020-21 to Rs. 690 Billion and intends to increase its healthcare spending to 2.5% of GDP by 2025 under the National Health Policy 2017. This is likely to boost health coverage in the coming years.

**Advancements in diagnosis and treatments:**

The healthcare industry is evolving with technology advancements which ensures faster and reliable services. This is likely to enhance reach and quality of healthcare delivery systems and improve efficiency of healthcare delivery providers with better resource planning and patient record maintenance. In the coming years, the advent of 5G, smartphone penetration and increasing health awareness is likely to enhance digital healthcare penetration and improve mortality rate.



## CHALLENGES

### Rise in mortality rate:

Though the ultimate mortality impact of COVID-19 will depend on the timing and effectiveness of vaccine, it definitely has an increased risk of mortality among the elderly and individuals with comorbidities as suggestive in higher deaths. Life insurers in India are likely to be affected negatively with rising mortality as cases rise.

### Non-applicability of the force majeure clause:

Given that the force majeure clause is not applicable to COVID-19 death claims, the insurers have to pay out all such claims that fulfill the required conditions laid out in the agreements and are likely to be adversely impacted.

### New business and risk selection:

Social distancing and Government restrictions have impacted new business applications and underwriting of life insurers as such activities were highly dependent on in-person contact. However, due to pandemic they are now being done remotely. All players are likely to be affected, and those who have increased their digital presence are likely to have a limited downside.

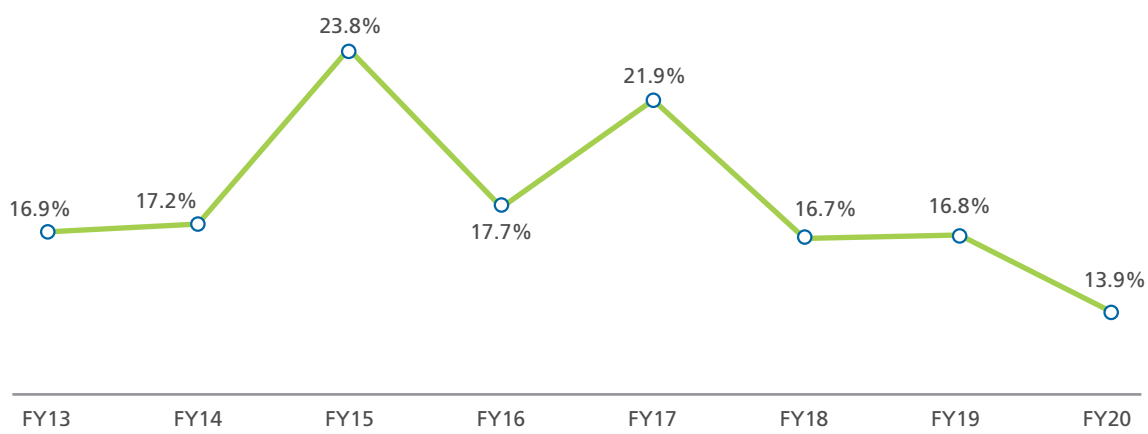
### Market environment:

While the Indian economy is gradually recovering from the second wave of COVID-19, consumers continue to face challenges of unemployment and income loss, impacting their appetite to buy life insurance and annuity products. It will be important for companies to monitor consumer behavior and manage their mix of business and risk appetite accordingly.

Life insurers got affected due to restricted in-person interactions. They are also likely to face increased competition from other financial savings instruments such as mutual funds, bank deposits, and small-savings instruments, apart from physical savings.

However, unlike others, life insurance products offers the dual benefits of protection and long-term savings which is likely to offset competition. It will be important for life insurers to focus on increasing awareness, value proposition, transparency, and ensuring cost competitiveness to make products more attractive.

## THE SHARE OF LIFE INSURANCE FUNDS IN FINANCIAL SAVINGS HAS REDUCED OVER THE YEARS



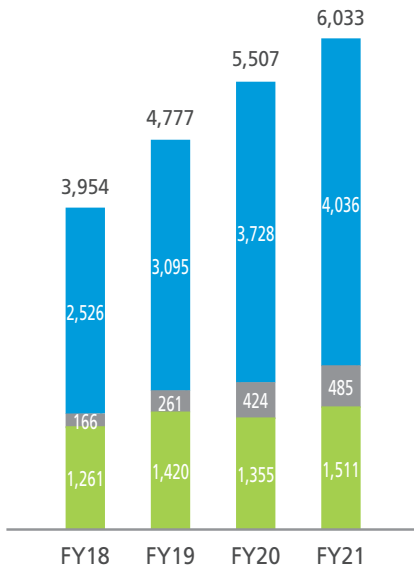
Source: National Account Statistics 2021, CRISIL Research



# Our Performance Metrics

## TOTAL PREMIUM

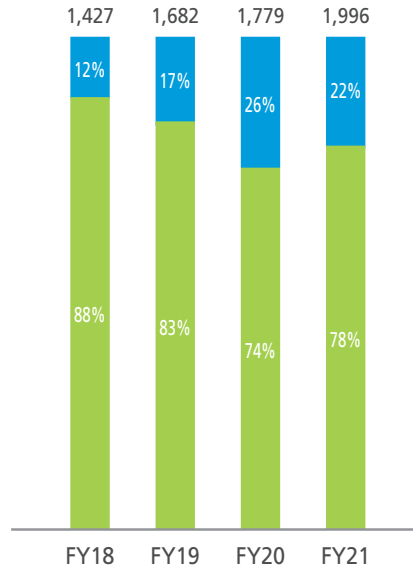
(Rs. in Crore)



- First year premium
- Single premium
- Renewal premium

## TOTAL NEW BUSINESS PREMIUM

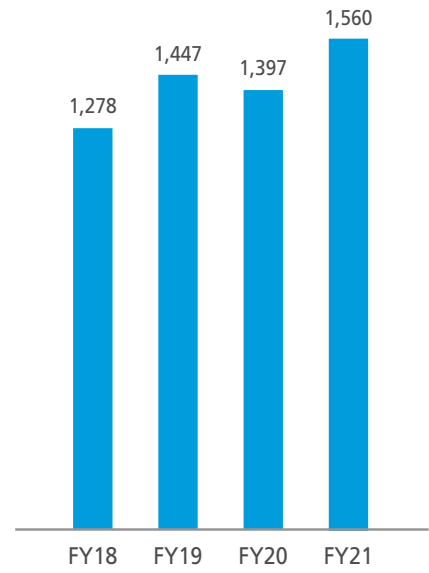
(Rs. in Crore)



- Individual NBP
- Group NBP

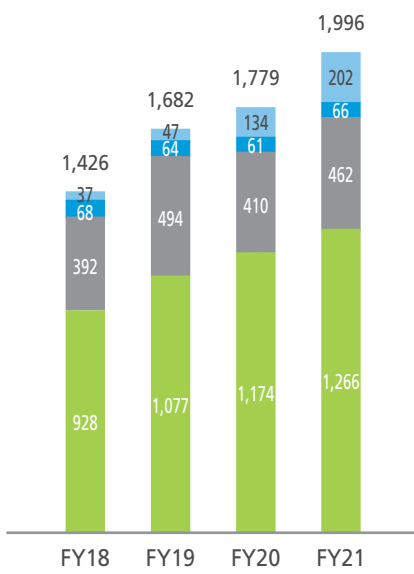
## WEIGHTED RECEIVED PREMIUM

(Rs. in Crore)



## DISTRIBUTION MIX BY TOTAL NBP

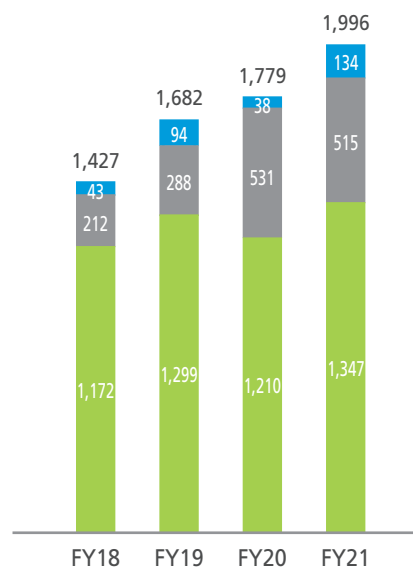
(Rs. in Crore)



- Bancassurance
- Direct
- Agency
- Others

## PRODUCT MIX BY TOTAL NEW BUSINESS PREMIUM

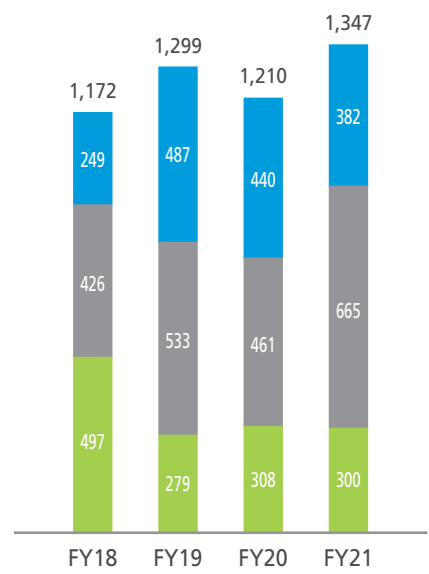
(Rs. in Crore)



- Savings
- Protection
- Pension

## SAVINGS MIX BY TOTAL NEW BUSINESS PREMIUM

(Rs. in Crore)

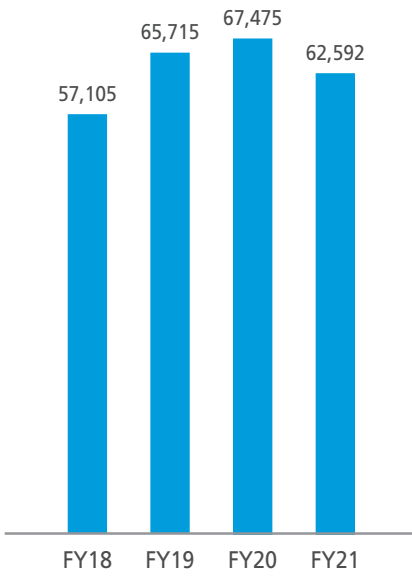


- Participating
- Non-Participating
- Unit Linked



### ATS (INDIVIDUAL) NEW BUSINESS PREMIUM

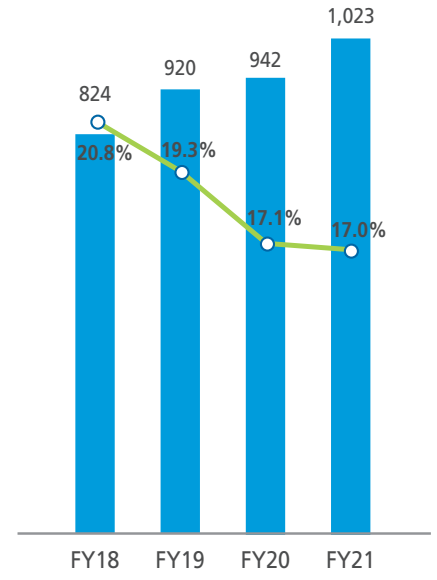
(Rs.)



### SOLVENCY RATIO

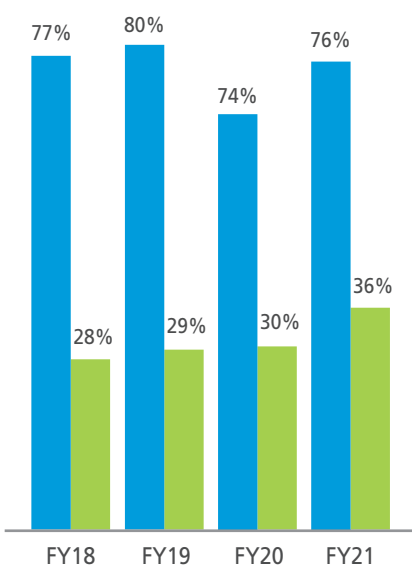


### EFFICIENCY



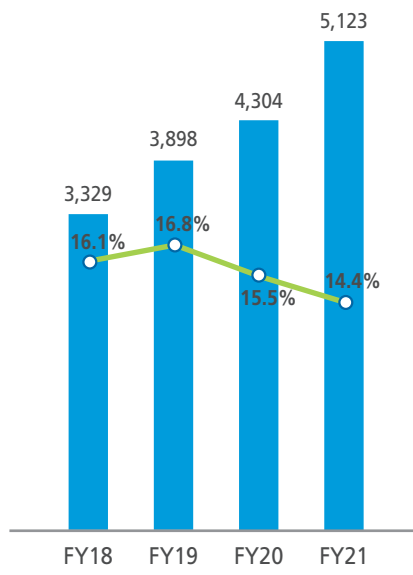
■ Admin expenses (Rs. in Crore)  
—○— Admin expenses to total premium\*

### PERSISTENCY



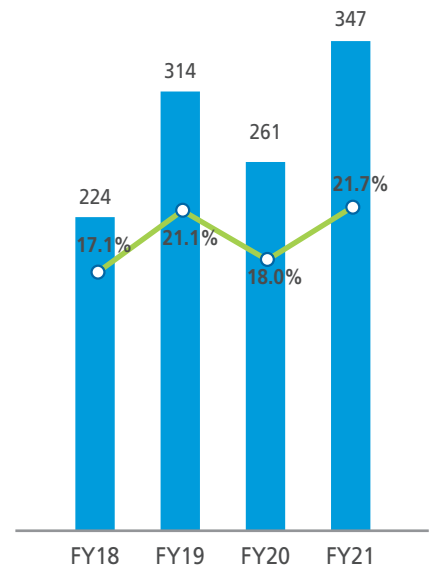
■ 13th month persistency  
■ 61st month persistency

### INDIAN EMBEDDED VALUE



■ Indian Embedded Value (Rs. in Crore)  
—○— Operating return on Embedded Value

### VALUE OF NEW BUSINESS



■ Value of New Business (VNB) (Rs. in Crore)  
—○— VNB margin

\* Admin Expenses includes operating expenses related to both insurance & other than insurance business and advances & recoveries

# Tiding through Challenges with Enduring Strengths

PNB MetLife is amongst India's top 10 private life insurers based on total new business premium in FY 2020-21, posting a 3-year CAGR of 12% in new business premium and 15% in total premium during FY 2017-18 to FY 2020-21. With the immense opportunities in the life insurance industry, we are consolidating our strengths to drive sustainable growth.



## PARENTAGE

Strong parentage, built on MetLife's global expertise and PNB's vast distribution network in India.



## CORE VALUE OF CUSTOMER-CENTRICITY

Customer is at the center of everything we do and our strategy. We are continuously reimagining and simplifying the customer experience journey with digital tools and innovation. We also offer products for all life stage needs.



## EXTENSIVE DISTRIBUTION NETWORK

- Access to large banks' branches including PNB
- Multi-channel distribution structure with over 37% of business coming from non-banking channels



## SCALABLE PLATFORM FOR PROFITABLE GROWTH

Value accretive growth by productive sales force and calibrated increase in manpower deployment

## COMPETENCIES DRIVING OUR EDGE

### Pan-India multichannel distribution

We have multiple, geographically diversified distribution channels across India which provides us access to a wider customer base, including from the under-penetrated segments. It is enabling us to sustainably grow business and unleash value accretive growth. We are focused on scaling and driving distribution excellence through maximizing value from existing relationships and acquiring new profitable relationships such as digital partners, credit life partners and large brokers.

### Punjab National Bank

Punjab National Bank is the second largest bank in India with over 11,692 branches as of 31<sup>st</sup> March, 2021 (Source: RBI). It is our largest bancassurance partner providing access to a large number of India's geographic market segments.

### Other key bancassurance partnerships

Our other bancassurance partnerships include Jammu and Kashmir Bank Limited (JKBL) and Karnataka Bank Limited (KBL). They enable us to effectively reach out to the underpenetrated segments in India. We have further augmented our bancassurance network with strategic distribution agreements with American Express Banking Corporation, Shinhan Bank and ESAF Small Finance Bank for the distribution of our life insurance products. Additionally, we have relationships with Regional Rural Banks (RRBs) sponsored by PNB.

### Direct sales and agency

We had a well-entrenched network of 5,986 Insurance Managers and 9,286 exclusive agents during FY 2020-21, providing us a powerful avenue for reaching out to customers. We also had 396 loyalty managers who focus on servicing existing policies and cross-selling with the support of our lead management systems. We are continually undertaking efforts to develop and strengthen our Direct sales and Agency channels.

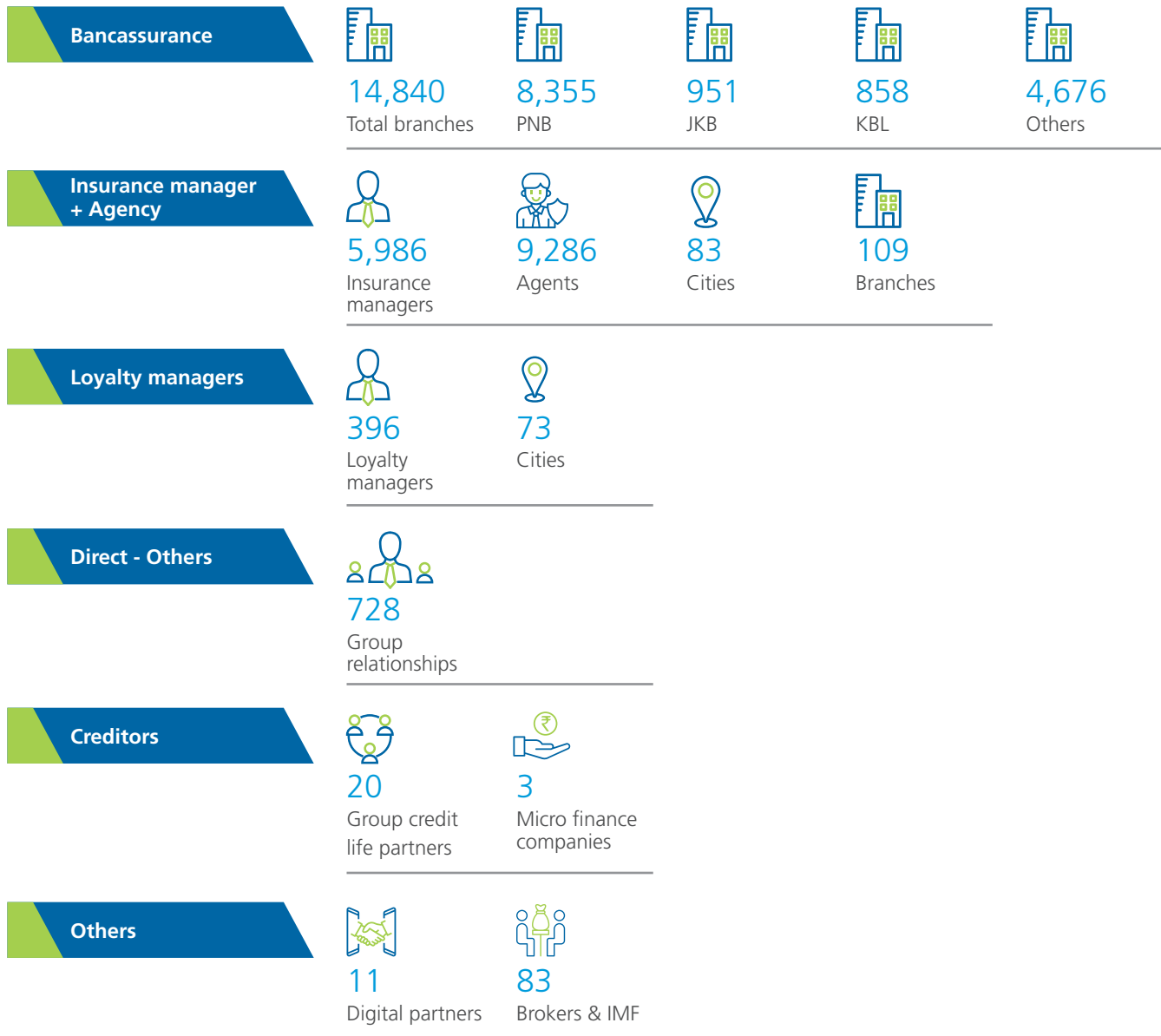
### Others

We have tie-ups with 10 Insurance Marketing Firm (IMF) and 73 brokers as of 31<sup>st</sup> March 2021 which is further helping us reinforce our distribution network. We endeavor to look for profitable long-term distribution partners to complement the other channels.

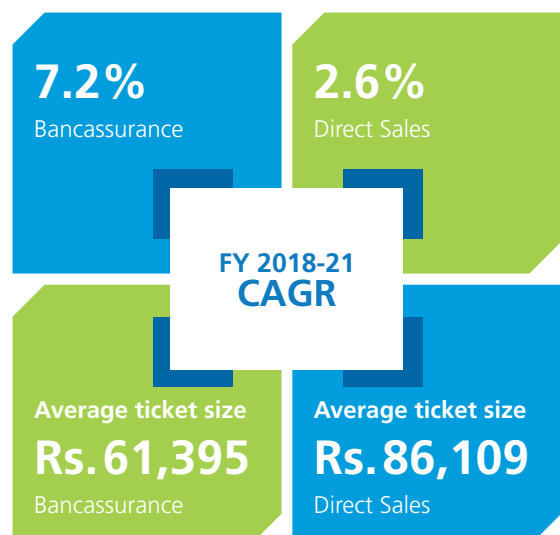
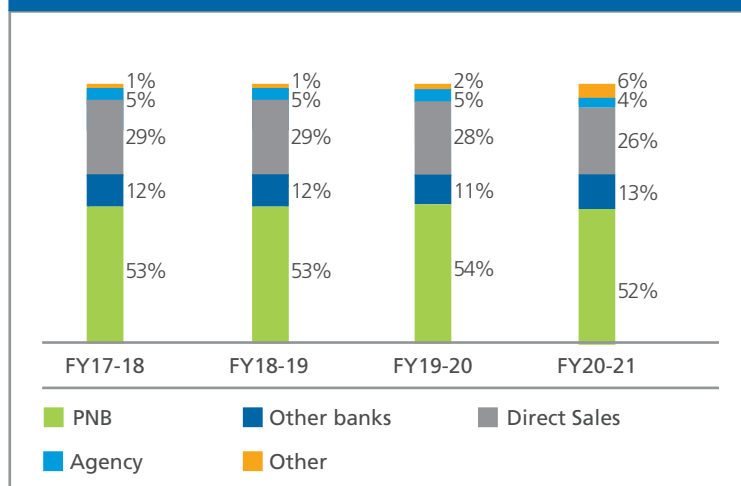
### New partner acquisition

With the ongoing evolution happening in the life insurance industry, we are exploring partnership opportunities with distributors in identified archetypes which can generate incremental business, drive profitable growth and help us to deliver superior customer value proposition. In FY 2020-21, we have made significant strides in this journey, on-boarding over 60 new partners including 4 in credit life space. Since April 2019, we have onboarded over 80 new partners which together generated new business premium of Rs. 129 Crore during FY 2020-21.

## OUR EXTENSIVE, MULTI-CHANNEL DISTRIBUTION ARCHITECTURE



## DISTRIBUTION MIX BY INDIVIDUAL NEW BUSINESS PREMIUM





### ABILITY TO DELIVER SUPERIOR CUSTOMER EXPERIENCE

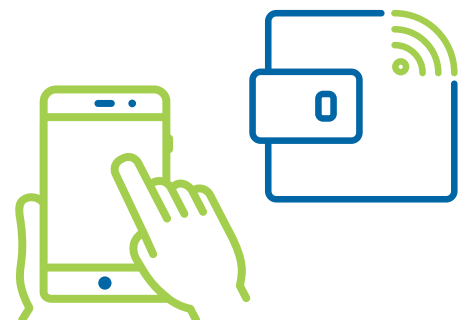
Our focus has been to build best-in-class digital capabilities to provide a seamless experience to our customers, partners, and employees.

In line with this, we have completely digitized processes right from onboarding to claim settlement to ensure a seamless and hassle-free experience. An 'e-branch next' platform was created which is greatly contributing towards improving on-boarding journey and making it completely paperless. Its adaptive user interface and simplicity delivers a user-friendly and delightful experience right until policy issuance.

In our effort to improve quality of sales, a concept of pre-issuance video verification has been initiated. It is helping validate customers' understanding of the policy features and accuracy of contact details captured by sales team. This will help us to reduce queries and complaints. Corporate website being our first point of contact in many cases, we have revamped it with simplified content and customization capabilities based on user browsing behavior, location, etc.

Towards improving customer servicing, CRMNEXT, an end-to-end solution has been introduced. It allows designing dynamic workflows for service and lead management. Measures have been taken to simplify underwriting resulting in 74% straight-through processing. We have also widened digital payment modes to enable our customers make payment using their preferred mode.

On the claims side, we are continually undertaking efforts to improve experience. We have launched Claims Assure, a pioneering 3-hour claims decisioning process. It ensures a simplified claims journey and has considerably reduced time and documentation in case of any unfortunate event. With this, we are amongst the few in the industry to offer such a quick decisioning on claims and thus offering peace of mind to our customers.





### ROBUST AND DIVERSIFIED PRODUCT PORTFOLIO

Customers are at center of everything we do at PNB MetLife and through our Circle of Life philosophy, we offer products and solutions that address their diverse needs of Family Protection, Long-term Savings and Retirement. The pandemic led to heightened customer need for protection against uncertain circumstances and building a financial shield. Going by the prevailing customer sentiment of seeking safety and security, we launched a guaranteed savings plan (PNB MetLife Guaranteed Future Plan), a comprehensive health plus life combi protection solution (Mera Mediclaim Plan) and a new age term life insurance plan (PNB MetLife Mera Term Plan Plus). We also revamped a guaranteed retirement income solution (Immediate Annuity Plan) which now offers one of the most competitive life-long income for golden years.

### SCALABLE BUSINESS MODEL

We have successfully built a scalable business model which is key to our growth, and long-term sustainability. Focused on this, we are continually taking measures to enhance our cost efficiencies and make strategic investments in enhancing distribution network, improving processes and technology, and training people. We continue to have strong focus on investments and have created a diversified portfolio which is enabling us to generate risk adjusted returns. We have created a robust digital platform which provide capabilities to seamlessly handle large growth in business volumes with existing resources.



### SCALING BANCASSURANCE

Punjab National Bank has a huge customer base and we will continue to work toward fulfilling the bank potential. We have increased bancassurance relationship managers in PNB from an average of 2,614 in FY 2019-20 to an average of 3,077 in FY 2020-21.

### SCALING DIRECT/AGENCY SALES CHANNELS

We continue to undertake interventions around training and digital tool empowerment for better managing and improving productivity of our direct sales and agency sales channels. In FY 2020-21, we further increased sales manager count from an average of 1,147 in FY 2019-20 to an average of 1,240 and sales manager monthly productivity from Rs. 3.0 Lakhs in FY 2019-20 to Rs. 3.1 Lakhs in FY 2020-21.

### SCALING VALUE

We maintain sharp focus on our expenses and undertake sustained efforts to reduce them along with measures to control expenses. Due to the pandemic, this year, we have also managed to greatly reduce travel costs and office expenses as we adopted new ways of working like work from home (WFH) and conducting virtual meetings. We intend to continue these practices in a balanced manner over the long run. Overall, our operating expense ratio reduced from 20.8% in FY 2017-18 to 17.0% in FY 2020-21. During the same period, our new business premium grew at 12%, underscoring the efficacy of these initiatives. In FY 2020-21, our operating return on embedded value was 14.4% and our value of new business margin improved to 21.7%.

### MANAGEMENT EXPERTISE TO POWER GROWTH

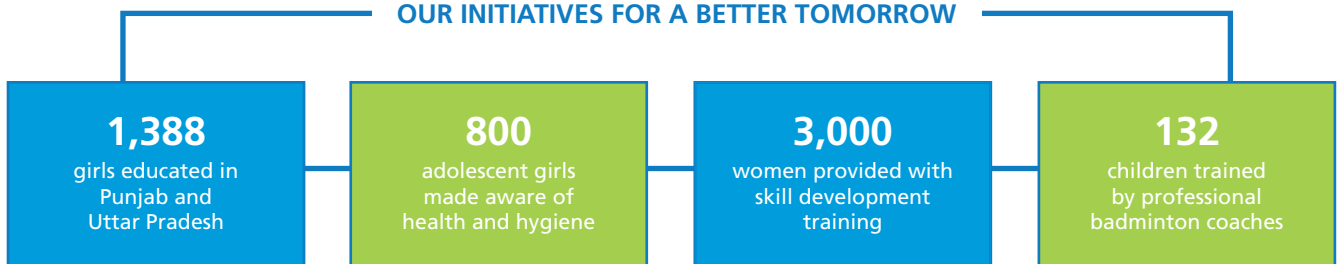
Our management team has rich experience in the insurance industry in particular. Their collective knowledge has been crucial in driving the growth and long-term sustainability of the Company. As of 31<sup>st</sup> March 2021, our Key Managerial Personnel had an average of ~23 years of experience, equipping us with the ability to effectively harness our strengths for the realization of our short-term goals and long-term purpose. With continued augmentation of our management team ushering in fresh perspectives and modern methodologies, we are well positioned to seize the emerging opportunities in the fast-growing Indian life insurance market.

# Corporate Social Responsibility

## POSITIVELY IMPACTING THE COMMUNITIES

Our CSR program 'DAMINI' is aligned to our values and resonates with our tagline – Milkar Life Aage Badhaein. Making way for holistic development across the stage from a Girl Child to Women, initiatives focus on Education, Health & Hygiene and Financial Empowerment. We are also supporting budding badminton players at the grassroots level. A special focus this year was on providing support to underprivileged communities during the pandemic.

### OUR INITIATIVES FOR A BETTER TOMORROW



## EMPOWERING GIRLS AND WOMEN WITH PROJECT 'DAMANI'

'Damini' is our flagship program under which we take multiple initiatives for the girls and women of our society. These include:

### Educating for a bright tomorrow

We in association with K.C. Mahindra Education Trust's Project Nanhi Kali, support the education of underprivileged girls in Moga, Punjab and Varanasi, Uttar Pradesh. Under this ongoing project, 1,388 girls are provided with access to quality education and empowered to complete their schooling. The project provides every girl with year-round support including comprehensive academic support, access to a cutting-edge personalised EdTech learning platform pre-loaded on digital tablets, trained women tutors, a professionally designed sports program, school supplies and hygiene material. In FY 2020-21, 1,342 of these girls were in primary sections (Class I to V) and 46 progressed to secondary section (Class VI). Further, we rolled out virtual financial literacy modules for tutoring ~21,000 underprivileged girls studying in Class VIII to X across the country to equip them with basic financial knowledge for future employment opportunities.

### Creating entrepreneurs

In partnership with the NGO Drishtee, we have launched 'Sakhi Swavlamban', an ongoing project to empower underprivileged women for achieving self reliance through financial and livelihood capacity building. Through the program, women are provided various skilling training along with access to financial tools and services that help open livelihood opportunities. The program is enabling a group and community building approach within the rural women beneficiaries so that the impact of the initiative is maximized for this rural women's network.

### Case study

#### HELPING SUNEHA TIDE THROUGH THE PANDEMIC



Suneha hails from Moga and is a keen learner. But during the pandemic, she faced the challenge of not being able to continue education as her mother, a widow and sole breadwinner working as domestic help, struggled to make ends meet due to loss of income. She also has three married sisters and two unmarried younger sisters. We helped Suneha in continuing studies by facilitating regular coaching at Academic Support Center and an academic kit.

**"We deeply appreciate the immense and continued support from PNB MetLife in our journey to transform the lives of underprivileged girls in India."**

**Sheetal Mehta,**

Senior Vice President – CSR, Mahindra Group

In FY 2020-21, 3,000 women across 117 villages of Varanasi were reached for enrollment into Sakhi Swavlamban program. 80 women became a part of the different Micro Enterprise Groups (MEGs) producing value-added products and 1,000 rural women producers could be linked with various production opportunities.

Their goods including organic vegetables, textile, home furnishing, dairy farming, spices, and pickles were regularly supplied to ~2,750 households across the urban locations of the Varanasi district generating an income of ~Rs. 11.70 Lakhs.

To further support the beneficiaries and drive the Government's agenda of financial inclusion, we also introduced Financial Literacy programs for these budding entrepreneurs. The course modules were based on RBI's Financial Literacy Guide and were attended by 1,000 beneficiaries.

### Case study

#### A TEXTILE LIVELIHOOD TRAINER AND PRODUCER WHO INSPIRED YOUNG WOMEN FOR GROWTH



Kusum Chaurasia, aged 30 years, was faced with a challenge of inadequate family income to support education of her children. Determined to turnaround situation, she undertook training on stitching and used her skills to run a livelihood center with six trained producers where 40

women from her villages were trained on stitching. She now earns Rs. 2,000 every month with which she is able to pay the school fees of her children.

**"The balance between accountability and experimentation is required for innovation to thrive within a livelihood project. With a partner like PNB MetLife at our side, we are now exploring a sustainable income, localized governance, and above all a replicable model for the rural livelihood space."**

**Satyan Mishra,**  
Founder, Drishtee

### Health and happiness

We have partnered with LittleBigHelp India Trust NGO to drive awareness on maintaining good menstrual hygiene and supporting 800 adolescent girls from six slums across Kolkata and Howrah, West Bengal. The program focuses on conducting awareness sessions, distribution of sanitary napkins through donation drives and sanitary vending machines and periodic health check-ups of the beneficiaries. It further aims at developing change agents from the beneficiary group who can further help in spreading the message. To foster the well-being of the beneficiaries and their neighborhood community during the pandemic, we donated hygiene kits to 1,000 families to help them fight against this deadly disease.

### Case study

#### ENDING THE MENSTRUATION STIGMA



Sneha, a 13-year-old girl, was facing the issue of irregular menstruation due to malnutrition. Through our program, she received health consultations and undertook awareness sessions which helped her regularize her menstruation. She is now keeping healthy and also wishes to guide her younger sisters on this.

**"Our association with PNB MetLife has brought in a great value to foster good health and hygiene among adolescent girls in six slums across Kolkata and Howrah. Through the vigorous training, health tests & doctor consultations, mobilization, awareness, and accessibility of hygienic menstrual supplies and proper disposal instruments, we can bring positive changes in the knowledge, attitude, and practices of these underprivileged and otherwise ignorant adolescent girls."**

**Debasish Guha,**  
Director, LittleBigHelp India Trust



## BADMINTON TRAINING FOR UNDERPRIVILEGED CHILDREN

Badminton is one of the most popular sports in India. To take this sport to the grassroots, we, in association with CRY NGO have been supporting young talents from the underprivileged community for four years. During FY 2020-21, we supported 132 underprivileged children across Delhi, Mumbai, Kolkata, Dhanbad, Bhopal and Chennai with training and nutrition. However, given the pandemic situation, this was only done during the second half of the year and beneficiaries were also provided hygiene kits for safety. CRY has tied-up with Prakash Padukone Sports Management (PPSM), which along with the coaching, training and nutritional assessment of the beneficiaries also provides regular inputs on their technical capacity and physical strength.



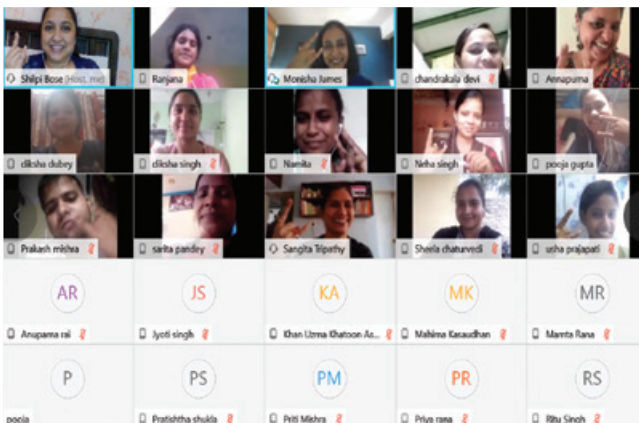
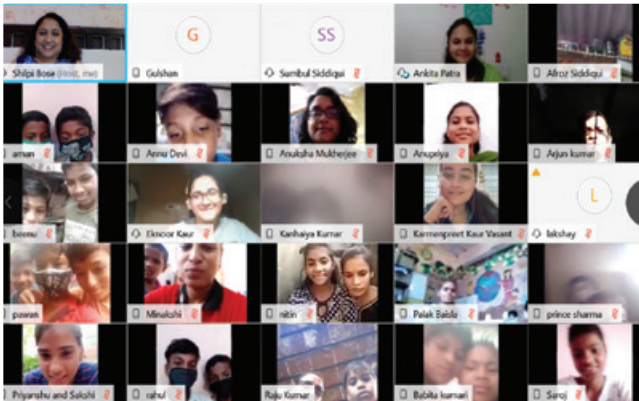
### Our beneficiaries in FY 2020-21

Joy Chatterjee, AIR (all India rank) U17 – 40 and  
Sujal Rakshit, AIR U13 – 7

## EMPLOYEE VOLUNTEERING

The pandemic made FY 2020-21 more challenging for the underprivileged sections of society who had to struggle for daily needs and faced heightened sense of insecurity due to lockdown. To foster good mental health and upgrade skills, we organized employee engagement programs for underprivileged women and children. 34 virtual sessions were conducted by our employees benefiting 970+ individuals. The various topics covered in these sessions included:

- Personality development and course modules for community associates of Nanhi Kali
- Tips to scale up business for women entrepreneurs from Drishtee
- Fun sessions and Math and Science modules for children (7-14 years) from CRY
- Educative and Awareness Sessions for adolescent girls from LittleBigHelp India Trust



“Our heartfelt thanks to the PNB MetLife team for their contribution towards creating happy childhood. Our children loved the storytelling sessions and the functional learning classes conducted by your employees. In a year when the children were confined to their homes due to the coronavirus outbreak, this human interaction boosted their spirits and helped in honing their skills.”

**Soha Moitra,**  
Regional Director, CRY

# Awards



Best Brands 2020 for the second year in a row by The Economic Times



Virtue Funds ranked among top 10 by globally renowned fund rating organization



HR Excellence Awards 2020 – Certificate of Recognition for leading practices in Health & Well-Being and Diversity & Inclusion by People First



**Data Driven Marketing** – Gold at the 9<sup>th</sup> Global Customer Engagement Awards 2020, by ACEF and Bronze at Indian Digital Marketing Awards 2020, by Exchange4Media



Initiative of the Year for 2020 by Indian Legal Awards

# Corporate Information

## BOARD OF DIRECTORS

**Mr. Kishore Ponnawolu**

Chairman & Non-Executive Director

**Mr. Ashish Kumar Srivastava**

Managing Director & CEO

**Mr. CH. S.S. Mallikarjuna Rao**

Non-Executive Director

**Mr. Sanjay Kumar**

Non-Executive Director

**Mr. Pheroze Kersasp Mistry**

Non-Executive Director

**Mr. Surbhit Dabriwala**

Non-Executive Director

**Mr. Ashish Bhat**

Non-Executive Director

**Mr. Atinder Jit Singh**

Non-Executive Director

**Mr. Stephen Barnham**

Non-Executive Director

**Mr. Thallapaka Venkateswara Rao**

Non-Executive Director

**Mr. Arvind Kumar Jain**

Non-Executive Director

**Mr. Erach Kotwal**

Non-Executive Director

**Mr. Sunil Gulati**

Independent Director

**Ms. Sonu Bhasin**

Independent Director

**Ms. Padma Chandrasekaran**

Independent Director

## MANAGEMENT COMMITTEE

**Mr. Khalid Ahmad**

Chief Financial Officer

**Mr. P. K. Dinakar**

Chief Actuary & Products Officer

**Mr. Sameer Bansal**

Chief Distribution Officer

**Mr. Samrat Ashim Das**

Chief Operating Officer

**Mr. Sanjay Kumar**

Chief Investment Officer

**Ms. Viraj Taneja**

Chief Internal Auditor

**Mr. Agnipushp Singh**

Chief Legal Officer &  
Head - Board Affairs

**Mr. Sarang Kamalkishore Cheema**

Chief Compliance Officer

**Mr. Shishir Vijaykumar Agarwal**

Chief Human Resources Officer

**Mr. Vineet Maheshwari**

Chief Strategy Officer

**Mr. Nipun Kaushal**

Chief Marketing Officer

**Mr. Anjan Bhattacharya**

Chief Risk Officer

## STATUTORY AUDITORS

**K. S. Aiyar & Co.**

Chartered Accountants

**M. P. Chitale & Co.**

Chartered Accountants

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Ms. Yagya Turker**

## BANKERS

**Punjab National Bank**

**Citibank N.A.**

**HDFC Bank Limited**

## REGISTERED OFFICE

Unit No. 701, 702 & 703, 7<sup>th</sup> Floor,  
West Wing Raheja Towers,  
26/27, M G Road,  
Bangalore - 560001,  
Karnataka

## CORPORATE OFFICES

1<sup>st</sup> Floor, Techniplex - 1,  
Techniplex Complex,  
Off Veer Savarkar Flyover,  
Goregaon (W),  
Mumbai - 400062

Unit no. 302, 3<sup>rd</sup> floor,  
Tower - 3, Worldmark,  
Sector 65, District Gurugram,  
Haryana - 122018

**Website:** [www.pnbmetlife.com](http://www.pnbmetlife.com)

**CIN No.:** U66010KA2001PLC028883

# Directors' Report

## Dear Shareholders, PNB MetLife India Insurance Company Limited

Your Directors take pleasure in presenting the Twentieth Annual Report for the year ended 31<sup>st</sup> March 2021 along with audited financial statements for the year ended 31<sup>st</sup> March 2021.

### INDUSTRY PERFORMANCE

The life insurance in India continues to be one of the fastest-growing segments, with gross total premium at Rs. 6.1 Trillion in FY 2020-21 and compounded at a robust 11% CAGR in the last five years. This has been made possible with high-teen growth in the new business premium in the same period. These double-digit growth numbers are attributable to factors such as rising household savings and income levels, increasing awareness/education about the products, tax benefits, product innovation and customization by the players and new distribution channels.

This fiscal, amid the COVID-19 pandemic, the new business premium (NBP) witnessed a temporary slump as the cash position of people has been unstable. Despite this, the inclination of people to avoid unforeseen risks amid COVID-19 and increasing penetration of the products in the online market caused NBP to grow ~7% to Rs. 2.78 Trillion in FY 2020-21 compared with Rs. 2.58 Trillion in FY 2019-20. This growth was significantly lower than the ~21% growth in FY 2019-20.

The life insurance sector in India has been growing rapidly in the past two decades, but it is still far from reaching its

potential. India remains significantly under-insured (density and penetration) compared with global peers.

In CY 2019, India's life insurance density was 58 compared with the global life insurance density of 379. India's life insurance industry penetration stood at 2.8% versus 3.4% globally.

### THE STATE OF COMPANY AFFAIRS

We have consistently maintained our position in the top 10 private life insurance companies in India based on total New Business Premium (NBP). Our promoters are MetLife, which is a leading global insurance company (including its subsidiaries and affiliates), and PNB, which is the second largest banks in India based on total branches as of 31<sup>st</sup> March 2021 (Source: RBI). MetLife International Holdings, LLC, a subsidiary of MetLife, has been our shareholder since August 2001. PNB has been our shareholder since January 2013.

FY 2020-21 posed various challenges due to the onset of the global pandemic situation. Even then, we demonstrated strong delivery in business, while strengthening our core systems. During the year, we continued our 'Circle of Life' philosophy of partnering with our customers to cater to various financial needs at specific life stages depending on customers financial preparedness and risk appetite. At the same time, we also focused on strengthening our pan-India, multi-channel distribution network, comprehensive product portfolio and providing an end-to-end customer-centric service experience.

The FY 2020-21 results of the key performance metrics of your Company is summarized in the table below:

Key performance metrics	FY 2020-21	FY 2019-20
<b>Value metrics</b>		
Operating return on Embedded Value*	14.4%	15.5%
VNB margin*	21.7%	18.0%
Shareholders' profit	101	93
<b>Growth metrics</b>		
Individual New Business Premium	1,550	1,310
Total New business Premium	1,996	1,779
Total Premium	6,033	5,507
<b>Efficiency and quality metrics</b>		
Admin expenses to total premium	1,023	942
13 <sup>th</sup> month persistency <sup>#</sup>	76.1%	73.7%

All numbers in Rs. Crore

\* As per report/ letter by Independent Actuary Willis Towers Watson Actuarial Advisory LLP; #13th month persistency for FY 2020-21 based on April 2019 to March 2020 block as on April 2021

Our total Premium increased by 10% and total NBP increased by 12% in FY 2020-21 compared to FY 2019-20. Our admin expense ratio has been stable at 17.0% in FY 2020-21 from 17.1% in FY 2019-20. In FY 2020-21, our Embedded Value growth was 19% and our operating return on embedded value was 14.4%. Our value of new business margin has improved from 18.0% in FY 2019-20 to 21.7% in FY 2020-21.

Our distribution network consists of our bancassurance, direct sales, agency and other distribution channels, through which we generated 63%, 23%, 3% and 10% of our total NBP, respectively, and 64%, 26%, 4% and 6% of our individual NBP, respectively, in FY 2020-21. Customers are at center-stage of everything we do at PNB MetLife and through our Circle of Life philosophy, we offer products and solutions that address the needs of long-term savings, family protection, and retirement. The pandemic led to heightened customer need for protection against uncertain circumstances and building a financial shield. Going by the prevailing customer sentiment of seeking safety and security, we launched guaranteed savings plan (PNB MetLife Guaranteed Future Plan), a comprehensive health plus life combi protection solution (Mera Mediclaim Plan), new age term life insurance plan (MMTP Plus) and also revamped a guaranteed retirement income solution (Immediate Annuity Plan) offering one of the most competitive life-long income for golden years. During FY 2020-21, these customer need categories (long-term savings, family protection, and retirement) comprised 67%, 26% and 7% of our total NBP, respectively, and 87%, 6% and 7% of our individual NBP, respectively.

We expect that our product portfolio and our customer services will continue to drive improvements in our persistency ratios over the longer-term, including for subsequent premium. Our overall claims settlement ratio for FY 2020-21 was 99.30%; 98.17% for individual segment and 99.65% for group segment.

Our strategy is well defined and our focus is on execution. We have a clear vision of where we will focus, what will we simplify, and how can we differentiate.

- Focus: We are focused on maximizing and reimagining our distribution including onboarding new partners and fulfilling the potential of our partner bank branch network
- Simplify: We are strengthening the core and creating efficiency, improving quality by adopting a value mind set.
- Differentiate: We have embarked on a well-defined long-term digital transformation to simplify our process and services through digitization and enhance the experience of our customers PNB MetLife has some competitive strengths as a company that will help us drive growth this year:
  - o We have the parentage of PNB and MetLife - two big promoter companies that have stood the test of time. In times like these, 'The PNB MetLife' brand

gives our customers and employees the confidence that we are always there for a more secure future.

- o We are focused on our core value of keeping the customer at the center of everything we do. Our business strategy is structured around this focus, and we are continuously crafting the customer journey experience with the intent of empowering the customer in everything we do
- o We have access to large banks' distribution network, including PNB. We have strong proprietary channels (Agency and Direct), and we are adding new partnerships every year to increase our distribution strength to reach customers. PNB MetLife has a successful multi-channel distribution structure in terms of geographical distribution, with over 37% of our business coming from non-banking channels.

#### **THE AMOUNT, IF ANY, WHICH IT RECOMMENDS SHOULD BE PAID BY WAY OF DIVIDEND**

The Company reported profits during the year. However, the Directors did not recommend any dividend in view of the accumulated losses.

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

The Company has reported profits during the year. No amount is transferred to reserves due to accumulated losses as on 31<sup>st</sup> March 2021.

#### **PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES**

In line with the clarification given by the Ministry of Corporate Affairs under the Removal of Difficulty Order dated 13<sup>th</sup> February 2015, the provisions of Section 186 of the Companies Act 2013 relating to loans, guarantees and investments do not apply to the Company.

#### **SUBSIDIARY / ASSOCIATE COMPANY / JOINT VENTURE COMPANY**

The Company does not have any subsidiary or associate or Joint Venture company.

#### **CHANGE IN NATURE OF BUSINESS**

During the year under review, there has been no change in nature of the business activity of the Company.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no material orders passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL PERFORMANCE OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE BALANCE SHEET RELATES TO AND DATE OF THIS REPORT

There have been no material changes and commitments, if any, affecting the financial performance of the Company which have occurred between the end of the financial year to which the Balance Sheet relates to and date of this report.

The Company has assessed the impact of COVID-19 to the extent possible, on its operations as well as on its financial statements, including but not limited to the areas of valuation of investment assets, valuation of policy liabilities and solvency as at 31<sup>st</sup> March 2021. Further, there is no material impact on the financial statements due to changes in the controls or processes followed during COVID-19 pandemic situation. The Company will however continue to monitor any material changes to the future economic conditions that may have any impact on its business and financial position. Further, the Company has activated the business continuity plan (BCP) since March 2020. Employee safety continues to be a key priority for the Company and work from home facilities are enabled for all employees.

## DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

### Directors

The Board of Directors ("the Board") of the Company has been appointed in accordance with the provisions of the Companies Act, 2013 and in line with the provisions contained in the Articles of Association of the Company. As on the date of this report, the Board comprises of Fifteen (15) Directors with three (3) being Independent Directors, one (1) being the Managing Director & Chief Executive Officer and others being representatives of various shareholder groups.

As on the date of the Directors Report, following are the Directors and Key Managerial Personnel of the Company as defined under the Companies Act, 2013:

Sr. No.	Name of Director/KMPs	Category
1.	Kishore Ponnvalu	Chairman - Non-Executive Director
2.	Ashish Kumar Srivastava	Managing Director & CEO
3.	Ashish Bhat	Non-Executive Director
4.	Atinder Jit Singh	Additional Director
5.	Stephen Barnham	Additional Director
6.	CH. S.S. Mallikarjuna Rao	Non-Executive Director
7.	Thallapaka Venkateswara Rao	Non-Executive Director
8.	Sanjay Kumar	Additional Director
9.	Arvind Kumar Jain	Non-Executive Director
10.	Pheroze Kersasp Mistry	Non-Executive Director
11.	Erach Homi Kotwal	Non-Executive Director

Sr. No.	Name of Director/KMPs	Category
12.	Surbhit Dabriwala	Non-Executive Director
13.	Sunil Gulati	Independent Director
14.	Sonu Bhasin	Additional Independent Director
15.	Padma Chandrasekaran	Additional Independent Director
16.	Khalid Ahmad	Chief Financial Officer
17.	Yagya Turker	Company Secretary

The change in composition of the Board during FY 2020-21 is covered under Corporate Governance Report, forming part of this Directors Report.

The Nomination and Remuneration Committee (NRC) scrutinizes the declarations and details submitted by the aspirants before being appointed as Director or Key Management Persons (KMPs). The Committee also assesses desired skill set, experience and competency profile of the applicants in line with the Company's policy on appointment of Directors and KMPs and the requirements under the Insurance Regulatory and Development Authority of India (Corporate Governance) Guidelines, 2016. Thereafter, the Committee recommends the appointment of candidature for the approval of the Board of Directors. Basis this fit and proper criteria analysis performed by NRC before appointing and recommending candidature to the Board, the Board is of the opinion that the Directors of the Company appointed during the year are eminent persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as the Director of the Company. Further, the Non-Executive directors of the Company do not hold any shares and convertible instruments of the Company.

### Declaration of Independent Directors

The Independent Directors have submitted their disclosures/declarations to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed / continue to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the rules framed thereunder.

Further, the Independent Directors have got their names registered and included in the databank maintained by the "Indian Institute of Corporate Affairs" ("Institute") as required under Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014. Also, where applicable, Independent Directors have cleared proficiency self-assessment test conducted by the institute within the statutory timeline.

### Separate Meeting of Independent Directors:

As stipulated under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 10<sup>th</sup> February 2021 to review the performance of the Board as a whole, non-independent Directors and the Chairman of the Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board which is necessary to effectively and reasonably perform and discharge their duties.

## The manner of formal annual evaluation of the performance of the Board, its Committees and of individual directors

The annual performance evaluation by the Board is covered in the Corporate Governance Report under the heading "Annual performance evaluation by the Board".

### Retirement by Rotation

As per Article 7.26 of the Articles of Association of the Company, the term of office of all the Directors, other than the Managing Director and the Independent Directors expire at the ensuing Annual General Meeting (AGM) and all the retiring directors are eligible for re-appointment.

## AUDITORS

### Statutory Auditors

M/s. K S Aiyar & Co, (Registration No. 100186W) Chartered accountants and M/s. M. P. Chitale & Co., (Registration No. 101851W) Chartered Accountants, are the joint statutory auditors of the Company.

The joint statutory auditors have not made any qualification, reservation or adverse remark in their audit report for FY 2020-21. The report of the joint statutory auditors forms part of the Annual report.

In accordance with the provisions of the Section 139 of the Companies Act, 2013 and other relevant provisions of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, and guidelines issued by the Insurance Regulatory and Development Authority of India ("IRDAI") for appointment of Statutory Auditors, M/s. K. S. Aiyar & Co. (Registration No. 100186W), Chartered Accountants & M/s. M. P. Chitale & Co. (Registration No. 101851W), Chartered Accountants have been appointed as the Joint Statutory Auditors of the Company till the conclusion of the 21<sup>st</sup> Annual General Meeting of the Company to be held for the financial year ending 31<sup>st</sup> March 2022 and till the conclusion of the 24<sup>th</sup> Annual General Meeting of the Company to be held for the financial year ending 31<sup>st</sup> March 2025 respectively.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. BMP & Co. LLP, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure 1". There is no qualification made by the Secretarial Auditors in their Report.

## DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

None during the financial year.

## MANAGEMENT REPORT

Pursuant to the provisions of Regulation 3 of The Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2000, and circulars/guidelines issued by IRDAI thereafter, the Management Report is placed separately and forms part of this Annual Report.

## ANNUAL RETURN

An unsigned copy of the annual return for FY 2020-21 is placed on the website of the Company at <https://www.pnbmetlife.com/investor-relations/financial-information/annual-return.html> in accordance with the provisions of the Section 92 and 134 of the Companies Act, 2013. Since the statutory requirement of filing of MGT-7 is within 60 days from the date of Annual General Meeting (AGM), a copy of signed MGT-7 shall be updated as soon as possible but no later than 60 days from the date of the AGM.

## PARTICULARS OF EMPLOYEES

The Company's employee strength was 16,319 including 7,214 full-time employees and 9,105 part-time employees as on 31<sup>st</sup> March 2021.

## RURAL AND SOCIAL BUSINESS

The Company complied with the Rural and Social Sector obligations as prescribed under the IRDAI Regulations.

## SHARE CAPITAL

The Authorised Share Capital of the Company has remained at the same level as that of the previous year at Rs. 3,000 Crore. The Issued, Subscribed and Paid-up share capital of the Company, has also remained at the same level as that of previous year at Rs. 2,012.88 Crore.

## THE DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE ACT

During the year under review, the Company has not accepted any deposits from the public as per Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

## CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

At PNB MetLife, our CSR initiative is in line with our overall brand ethos – 'Milkar Life Aage Badhaein' and focuses on spreading awareness and catalyzing change in a woman's life, right from the stages of girl child to woman. The initiative is centered around aiding and standing by women across all their life stages through partnerships with various NGOs catering to their diverse needs. The program focuses on sensitizing communities about essential education, health, sanitation, and skills. Additionally, to inculcate fitness among the kids and take badminton to the grassroots level, PNB MetLife has been training several talented young badminton players across the country from underprivileged background.



## Damini

'Damini', exemplifies the inner light, and focuses on creating interventions across the various stages of girl to woman. PNB MetLife has partnered with leading NGOs to implement the initiatives under:

- a) **Girl Child Education** – PNB MetLife in association 'Nanhi Kali', an NGO run by the K.C. Mahindra Education Trust, supports the education for the underprivileged girls from Moga district in Punjab and Varanasi district in Uttar Pradesh. This is an ongoing project, which provides grants to 1388 girls for pursuing education under a formal school structure. In FY 2020-21, out of 1388 beneficiaries, 1342 girls studied in primary sections, from Class I to Class V, and 46 girls progressed to Class VI – the secondary section.

In addition to education to girl child, the program also provided employment opportunity to 46 local women as Community Associates or part-time teachers during FY 2020-21. COVID-19 pandemic kept the schools closed throughout the year, however, the intervention of the Community Associates provided private coaching to the girls in small groups and imparted education through digital modules. This resulted in no school drop-out and continuity of the academic year even in unprecedented times like COVID-19.

An effort to tutor underprivileged girls studying in Class VIII to X, PNB MetLife launched virtual financial literacy modules for ~21,000 girls across country. The program was rolled out to equip the secondary standard girls with basic knowledge on financial literacy, as they seek future employment opportunities.

- b) **Women Empowerment** – In partnership with Drishtee NGO, PNB MetLife launched the initiative, "Sakhi Swavlamban", an ongoing project to financially empower the underprivileged women through various skilling programs, which will provide them access to livelihood opportunities. The program is enabling a group and community building approach within the rural women beneficiaries so that the impact of the initiative is maximised for this rural women's network.

Through this program, 3,000 women have been reached across 117 villages of Varanasi in FY 2020-21. 80 women became a part of the different Micro Enterprise Groups (MEGs) producing value added products and 1,000 rural women producers could be linked with various production opportunities and the goods created by these beneficiaries have reached ~2,750 households across the urban locations of Varanasi district. There were 6 volume channels set-up during the year including – Organic Vegetables, Textile, Home Furnishing, Dairy-Farming, Spices and Pickles. Approximately Rs. 11.70 Lakhs income was generated this year from the sale of these goods.

To further support the beneficiaries and drive Government's agenda of Financial Inclusion, PNB MetLife

also introduced Financial Literacy programs for these budding entrepreneurs. The course modules were based on the Financial Literacy Guide by RBI and was attended by 1,000 beneficiaries.

- c) **Awareness on Health and Hygiene for Adolescent girls:** In an effort to build awareness on maintaining good menstrual among underprivileged adolescent girls, PNB MetLife partnered with 'LittleBigHelp India Trust' NGO to conduct awareness programs and support 800 adolescent girls from 6 slums of Kolkata, West Bengal. The program focuses on conducting awareness sessions on maintaining good menstrual hygiene, distribution of sanitary napkins through donation drives and sanitary vending machines, periodic health check-ups of the beneficiaries and developing change agents from the beneficiary group, who can further help in spreading the message of maintaining good menstrual health among the community members.

To ensure the overall well-being of its beneficiaries. PNB MetLife also donated hygiene kits to 1,000 families so that the community, where beneficiaries reside can fight against this deadly disease.

## Badminton Training to the underprivileged children

Badminton is the second most popular sports in India. With an agenda to take this sport to the grassroots, PNB MetLife in association with its NGO partner – CRY, has been supporting the young talents from the underprivileged community since past 4 years.

During FY 2020-21, PNB MetLife supported 132 underprivileged children across 6 cities – Delhi, Mumbai, Kolkata, Dhanbad, Bhopal and Chennai with Badminton trainings and nutrition. The year was challenging for the young badminton players as COVID-19 pandemic and subsequent lockdowns, restricted them from outdoor trainings for first half of the year. Physical trainings were conducted during the latter half of the year to all 132 children along with nutrition support. PNB MetLife also assisted beneficiaries with hygiene kits to ensure their safety during the pandemic.

The NGO partner has tied-up with Prakash Padukone Sports Academy, which along with the coaching, training and nutritional assessment of the beneficiaries also provides regular inputs on their technical capacity and physical strength.

## CSR Spends:

An amount of Rs. 2,14,57,300 has been spent on various CSR activities, as approved by the CSR Committee and the Board, during FY 2020-21 as against the initial budgeted amount of Rs. 2,58,49,000. The unspent amount of Rs. 43,91,700 has been allotted towards the ongoing projects – Girl Child Education and Sakhi Swavalamban.

The unspent amount has been deposited to a separate bank account – Citi Bank A/c no. - 0035216243.

Below is a bifurcation of the overall CSR spend for FY 2020-21

Amount in Rs.

Details		
Previous Year's Balance	0	
CSR budget for FY 2020-21 on 2% avg. profit*	2,58,49,000	
<b>Total Funds available during the FY 2020-21 (A)</b>	<b>2,58,49,000</b>	
<b>CSR Project and Implementation Partner</b>	<b>Budget (Rs.)</b>	<b>Spent (Rs.)</b>
<b>Education for underprivileged girls – Nanhi Kali</b>	1,03,22,800	83,22,800
1. Education to 1388 girls - Rs. 69,99,000		
2. Financial Literacy – Rs. 8,00,000		
3. Additional amount spent from the contingency budget – Rs. 5,23,800		
4. Additional budget allocated from Contingency fund – Rs. 20,00,000		
<b>Women Empowerment through Sakhi Swavlamban project – Drishtee</b>	1,08,93,700	85,02,000
1. Project cost for Sakhi Swavlamban – Rs. 70,00,000		
2. Financial Literacy – Rs. 15,02,000		
3. Additional budget allocated from Contingency fund – Rs. 23,91,700		
<b>Awareness to adolescent girls on Health and Hygiene – LittleBigHelp India Trust</b>	16,00,000	16,00,000
1. Health and hygiene program – Rs. 13,00,000		
2. Additional amount spent from Contingency fund for distribution of hygiene kits – Rs. 3,00,000		
<b>Badminton coaching for underprivileged children – CRY</b>	20,22,500	20,22,500
1. Badminton coaching to underprivileged children – Rs. 20,00,000		
2. Additional amount spent from Contingency fund for distribution of hygiene kits – Rs. 22,500		
<b>Admin cost</b>		
CSR consultant fees – Soulace Consulting Pvt. Ltd	10,10,000	10,10,000
<b>Total Expenditure</b>	<b>2,58,49,000</b>	<b>2,14,57,300</b>
<b>Amount carried forward to FY 2021-22 towards the ongoing CSR projects</b>	<b>43,91,700</b>	

\*Includes dividends received from other companies in India

The Annual report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as '**Annexure 2**' forming part of the Directors' Report.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the Related Party Transactions entered during the financial year were on arm's length basis and in ordinary course of business. All related party transactions are placed before the Audit Committee of the Board for its approval. During the year, there were no material contracts or arrangements or transactions with related parties that need to be disclosed in Form AOC-2 as per Rule 8 of the Companies (Accounts) Rules, 2014.

The Company has a Board approved policy on related party transactions, which has been hosted on the website of the Company.

## INTERNAL FINANCIAL CONTROLS, COMPLIANCE, INTERNAL AUDIT AND FRAUD PREVENTION

The Company has established a governance framework and a control environment, commensurate with the size, scale and complexity of its operations. 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 non-executive directors/independent directors to oversee critical areas. The Board committees are supported by executive committees to oversee at an operational level. All employees are bound by the Code of Business Ethics approved by the Board of Directors.

### Statement in respect of adequacy of internal financial controls with reference to the financial statements

The Company has a reporting and review framework comprising quarterly reporting and review of audited financials and investment returns to key stakeholders. The financials are audited by joint statutory auditors and are reviewed by the Audit Committee on a quarterly basis and subsequently submitted to the IRDAI. The Company has in place adequate framework for monitoring internal financial controls across all major processes with respect to financial statements. There are processes in place to continuously monitor the adequacy of such controls.

### Compliance

The Company follows a strong 3 lines of defense model, wherein the business functions form the first line of defense, the compliance and risk functions form the second line of defense and the internal audit function forms the third line of defense.

Our Board of Directors, through our Audit Committee, oversees our compliance framework. The Chief Compliance Officer of the Company reports to the Board Audit Committee on various compliance matters.

We have implemented Code of Business Ethics and various internal policies and procedures to support compliance and

govern day to day activities. Compliance team identifies and disseminates to all functions, all relevant and applicable Corporate and IRDAI laws, regulations and circulars. These regulatory changes are monitored by the respective departments for compliances. Also, quarterly certification process has been established whereby the head of each Company department certifies compliance, on a quarterly basis, to their respective compliance requirements.

We also have a well-defined Compliance Risk Management Program ("CRMP"), and branch office review program to monitor compliance risks associated with our business and addresses any such risks through implementing required policies and procedures. Key issues observed as part of this monitoring are reported to the Board Audit Committee and implementation of recommendations is actively monitored. A compliance certificate signed by the Managing Director & CEO, based on the certification from respective functional heads, is placed at the Board Audit Committee on a quarterly basis.

Our compliance efforts are further supported through a risk-based internal audit approach, which is aimed to provide reasonable assurance to the Audit Committee and the senior management regarding the adequacy and effectiveness of the Company's risk management and control framework.

#### 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 Audit Committee and top management about the adequacy and effectiveness of the risk management and control framework in the Company. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Chief Internal Auditor has a functional reporting relationship to the Audit Committee of the Board.

Review of controls is undertaken by internal audit through execution of internal audits as per risk based audit plan. The internal audit covers auditing of processes, transactions and systems, monitoring and evaluating the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board every quarter. Implementation of the corrective action is actively monitored.

#### Fraud prevention

The Company has a Board approved fraud risk management policy. The Company has an Executive Risk Management Committee (eRMC) which monitors attempted frauds, if any. The eRMC in turn reports to Board ALM and Risk Management Committee (BALMR). The fraud management framework consists of preventive measures and management of identified

/ reported incidents. Preventive management includes investigation triggers across policy life cycle, proactive use of analytics to identify fraud patterns and fraud risk assessment for design of processes, as required. Incident management includes recovery of loss, detailed investigation & root cause analysis and fraud incident reporting to eRMC and BALMR. The Company ensures financial recovery process, disciplinary action against involved employees, and actions through law enforcement authorities based on severity of the incident. The Company also undertakes several measures from time to time to create awareness amongst its employees and customers against fraudulent practices.

#### IND AS IMPLEMENTATION

- ICAI releases Exposure Draft of Amendments to Ind AS 117 - Insurance Contracts on 26<sup>th</sup> December 2020, with effective date for annual reporting periods beginning on or after 1<sup>st</sup> April 2023.
- Awaiting guidance on implementation modalities including effective date from the regulator.
- Company has started assessing the implementation requirements along with the impact assessment.

#### ENTERPRISE RISK MANAGEMENT

The Company is committed to integrate and strengthen the role of risk management in business processes and decisions. The Company holds the certificate of compliance towards "ISO 31000:2018 Risk Management Framework" from British Standard Institute (BSI). The Company's Business Continuity Management System (BCMS) is ISO 22301 certified and its Information Security Management System (ISMS) is ISO 27001 certified. This is a testimony of Company's continuous efforts towards building a robust, resilient and efficient organization.

In compliance with the Corporate Governance Guidelines issued by IRDAI, the risk governance structure of the Company consists of

- i) the Board of Directors
- ii) the Board Asset Liability Management and Risk Management Committee (ALMR)
- iii) the Executive Risk Management Committee (eRMC) and its supporting committees
- iv) The Charter of the ALMR is two-fold
  - a. This is a supervisory body to set up the Company's risk/reward objectives to formulate and implement optimal ALM strategies to meet these objectives,
  - b. Lay down the Company's Risk Management Strategy

The Board approved Enterprise Risk Management policy ("the policy") & processes support our business to control, manage and effectively mitigate critical risks. The Policy is aligned and in compliance to ISO 31000:2018 Risk Management Framework, and covers aspects related to:

- i. Financial Risk Management: covering market risk, capital risk, credit risk, liquidity risk and insurance risk
- ii. Operational Risk Management: covering reputational, fraud, legal & regulatory, people, system, cyber, transactional, business execution and business continuity
- iii. Risk Identification, Analysis, Measurement, and Treatment framework

The key objectives of the Policy are as follows:

- Determining the risk profile of the Company i.e. the aggregate level of risks that the Company has undertaken in pursuit of profitable business
- Identification, analysis, measuring, managing, treating, monitoring and reporting of risk for the purpose of protecting the interests of key stakeholders
- Enhancing the Company's ability to identify and pursue opportunities that offer attractive risk-adjusted returns by providing transparent, accurate and timely risk information
- Embedding risk-based decision making in key management processes and fostering a culture of risk awareness
- Limiting the Company's exposure to adverse outcomes through risk limits. The Company has formulated a comprehensive Risk Appetite Statement at the corporate as well as the functional level which are reviewed and monitored by the Board level Risk Management Committee and Executive Risk Management Committee respectively
- Ensuring compliance with regulatory requirements
- Focusing on ensuring that the Company possesses the appropriate capabilities and experience in managing and transferring risks
- Minimizing reputational risk

The risk management function is headed by the 'Chief Risk Officer' and is responsible for establishing sound risk management practices by proactively identifying, measuring, mitigating and monitoring the organization's risk exposures. The risk management framework of the Company is based on four guiding principles viz. 'Controlled Risk-Taking', 'Ownership, Accountability & Authority', 'Specialization' & 'Change Management'.

The Company's risk exposure could be in the areas of business continuity in case of disasters / natural calamities including pandemics, adverse claims experience, shortfall in investment performance and high expense levels. Mitigation steps in each of these areas are being taken and monitored on an ongoing basis. From Regulatory standpoint, we continuously monitor new advisories and directives from Central / State / Insurance regulator and authorities, and ensure strict compliance & adherence to the guidelines.

- The Company's underwriting policy and implementation of the same are subject to continuous monitoring and review. Adequate and suitable reinsurance treaties

are in force with Internationally reputed and highly rated reinsurers

- The investments of the Company are in accordance with IRDAI guidelines and as per the Investment Policy approved by the Investment Committee ('IC') of the Board which stipulates appropriate risk exposures. For achieving the objectives, Credit, Liquidity and Market risks are evaluated on a continuous basis. The assets of the Company are invested in accordance with the requirements prescribed by the IRDAI.
- Expenses are continuously monitored to ensure that the expense levels are commensurate with the level of operations of the Company.

## KEY POLICIES & FRAMEWORK

### A. Corporate Social Responsibility (CSR) Policy

The Company has CSR policy in line with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII and the rules made thereunder. The Policy lays down the guiding principles for selection, implementation and monitoring of CSR initiatives at PNB MetLife. The CSR policy is uploaded on the website of the Company at <https://www.pnbmetlife.com/investor-relations/company-policies.html>

### B. Whistle Blower Policy/Vigil Mechanism

The Company has a Whistle Blower policy in place which encourages its employees to report matters without the risk of subsequent victimization. It provides a mechanism to employees and other persons dealing with the Company to report any instance of actual or suspected fraud, raise concerns internally about possible irregularities, governance weaknesses, financial reporting issues or other such matters. Access to the Chairperson of the Audit Committee is also provided to the employees under the policy to report any matter as well as a direct hotline number to raise any concerns. During FY 2020-21, the Company received 3 whistle blower complaints out of which 2 have been disposed of and actions have been taken as per Company's policies. 1 case is under investigation.

### C. Remuneration Policy

In terms of the provisions of Section 178 (4) of the Companies Act, 2013 and IRDAI (Corporate Governance) Guidelines, the Company has policy on appointment and remuneration of Non- Executive Directors, Managing Director/CEO and Whole-time Directors and also Compensation Policy for its full time employees excluding the Managing Director/CEO and Whole-time Directors duly recommended by the Nomination and Remuneration Committee, and approved by the Board of Directors.

The aforesaid policies is placed on the website of the Company at <https://www.pnbmetlife.com/investor-relations/company-policies.html>

#### D. Prevention of Sexual Harassment at Workplace Policy

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 seeks to provide protection against sexual harassment of women at workplace and provides for the prevention and redressal of complaints of sexual harassment. The Company has laid down a policy to prevent and redress sexual harassment at workplace. The Policy is uploaded on the Company's Intranet which is accessible to all employees. The Company believes in providing a safe and secure working environment at the workplace. On an ongoing basis, the Company creates awareness amongst employees through various mediums including but not limited to training program, e-mail campaigns etc. The Company has deployed an e-learning module "Respect at Workplace" to create understanding and awareness amongst all employees on mutual respect and to practice prevention of sexual harassment at workplace.

Further the Internal Complaints Committee as required to be constituted under the aforesaid act is duly constituted and the composition of the Committee as on date is as below:

Internal Committee	Designation	Role
Ms. Monisha James	Director - Human Resources	Presiding Officer
Ms. Sonal Mattoo	Advocate	Independent third party
Mr. Motty John	Director – Legal	Member
Ms. Juhi Chaturvedi	Associate General Manager – Marketing	Member
Ms. Kamaldeep Kaur Kuldip Singh Sagar	Associate General Manager – Legal	Member

#### a) Technology Absorption

##### Technology absorption, adoption and innovation

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>Efforts made towards technology absorption</li> </ol>   | <ul style="list-style-type: none"> <li>Realtime verification of the status of PAN (Permanent Account Number) Verification</li> <li>CIBIL Income Estimator</li> </ul>  |
| <ol style="list-style-type: none"> <li>Benefits derived as a result of the above efforts (eg product improvement, cost reduction, product development, import substitution and so on)</li> </ol> | <p><b>Benefits derived in terms of process / product improvement / cost reduction include:</b></p> <ul style="list-style-type: none"> <li>Realtime verification of the status of PAN that helps blocking Fake / Deleted / Not existing PANs there by reducing number of Fraud cases coming (where fake PAN is provided)</li> <li>Integration with Customer onboarding platform eBranch-NXT for making it a Seamless journey for Sales.</li> <li>TransUnion CIBIL Limited is a credit information company operating in India, it helps in realtime integration for fetching Estimated Income of an Individual basis their Identity &amp; other details (Name, Gender, DOB, Occupation, Mobile Number etc.)</li> <li>Basis the eligibility, the information fetched and further logics applied, Financial documents (Income Proof) of the customer are waived where criteria is met.</li> </ul> |

Internal Committee	Designation	Role
Mr. Atanu Mandal	Chief Manager – Employee Relations	IC Coordinator

#### Disclosure under the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013

The summary of sexual harassment complaints received and disposed of during the FY 2020-21:

- No. of complaints received: 10
- No of complaints disposed off: 10
- No of complaints Open / in process: 0

#### ADDITIONAL INFORMATION

##### Certificate of Registration

Pursuant to the provisions of the Insurance Laws Amendment Act, 2015, the process of annual renewal of Certificate of Registration issued to the Insurers u/s 3 of the Insurance Act, 1938 has been dispensed with and Certificate of Registration issued in 2014, pursuant to our payment of relevant fees for FY 2020-21, continues to remain valid.

##### Dematerialization of Equity Shares

The Company's equity shares are admitted on the records of National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). Members may note that the Company, being an unlisted Company and considering the provisions of the Articles of Association read with the Insurance Act, 1938, as amended, has kept its ISIN with CDSL and NSDL under frozen/ suspended status.

#### CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Information required as per Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, is as below:

### Technology absorption, adoption and innovation

3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –	Nil
	i. The details of technology imported;	
	ii. The year of import;	
	iii. Whether the technology been fully absorbed;	
	iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
4.	Expenditure incurred on Research and Development	Nil

#### b) Conservation of energy

##### i) the steps taken or impact on conservation of energy

- Moving to LED based lighting fixtures.
- Corporate Office has LED lights which is more energy efficient and has a longer life span.
- Similarly, in branches which are getting refurbished or where fixtures are replaced we are using LED tube lights which are cheaper as compared to LED fixtures and help conserve light.

##### ii) the steps taken by the company for utilizing alternate sources of energy - Nil

##### iii) the capital investment on energy conservation equipment – Nil

#### c) Foreign Exchange Earning & Outgo

There is a foreign exchange outgo of Rs. 39.96 Crore during the year under review.

#### SOLVENCY

The IRDAI requires life insurers to maintain a minimum Solvency Ratio of 150%. The Solvency Ratio is calculated as prescribed under Section 64VA of the Insurance Act, 1938 (as amended from time to time) and the IRDAI (Assets, Liabilities, and Solvency Margin of Life Insurance Business) Regulations, 2016. As compared to the minimum requirement of 150%, the Company's Solvency Ratio, as on 31<sup>st</sup> March 2021, was at 190%.

#### ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, ESOP

NIL

#### NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met four times during the year. Detailed information about dates of meetings and attendance

of Directors thereat is given in Corporate Governance Report, forming part of this Directors Report.

#### DETAILS OF COMMITTEES OF BOARD

At present, the Board has following seven (7) Committees:

- Audit Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee
- Policyholders' Protection Committee
- Investment Committee
- ALM & Risk Management Committee
- With Profit Committee

The composition of the Committees and relative compliances are in line with the applicable provisions of the Companies Act, 2013 and IRDAI Corporate Governance Guidelines. Key terms of reference of the Committees, Committees' Membership and attendance at meetings of the Committees are provided in the Corporate Governance Report.

#### SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meeting', respectively, have been duly followed by the Company.

#### CORPORATE GOVERNANCE REPORT

The Corporate Governance philosophy of the Company is to comply with not only the statutory requirements, but also to voluntarily formulate and adhere to a strong set of corporate governance practices which includes code of business conduct, corporate ethics, values, risk management etc. It has been our constant endeavor to enhance the economic value, trust and confidence of all the stakeholders through good corporate governance practices. A report on compliance with Corporate Governance Guidelines issued by IRDAI is contained as

'Annexure 3' along with the Certificate from the Company Secretary of the Company.

### DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134(5) of the Companies Act, 2013, the Board of Directors confirm the following:

- that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March 2021 and of the profit or loss of the Company for the year ended 31<sup>st</sup> March 2021;
- that the directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- that the directors have prepared the annual accounts on a going concern basis and

- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ACKNOWLEDGEMENTS

The Directors are grateful for the support, guidance and the co-operation received from the Insurance & Regulatory Development Authority of India, Life Council and all other statutory/regulatory body. The Directors also wish to express their gratitude to its shareholders for their continued trust and support.

The Directors also take this opportunity to thank all Financial Advisors, Corporate Agents, Bank partners, Brokers and other business associates and the employees for their continued support during the year.

The Directors would also like to take this opportunity to express sincere thanks to its valued customers and policyholders for their continued patronage.

For and on behalf of the Board of Directors

**Kishore Ponnawolu**  
Chairman  
(DIN: 08226069)

Place: Mumbai  
Date: 12<sup>th</sup> August 2021

**Annexure-1**  
**FORM MR 3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2021

[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,  
**PNB Metlife India Insurance Company Limited**  
U66010KA2001PLC028883  
Unit No. 701, 702 & 703, 7<sup>th</sup> Floor,  
West Wing Raheja Towers, 26/27 M G Road,  
Bangalore - 560001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices, under the Companies Act, 2013, by PNB Metlife India Insurance Company Limited., (hereinafter called **the 'Company'**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 2021, has 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 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder – to the extent applicable to an unlisted Company;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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. Securities and Exchange Board of India Act, 1992 ('SEBI Act.') and the regulations framed thereunder to the extent of its applicability to an unlisted Company;
- vi. Other laws applicable to the Company namely:
  1. The Insurance Act, 1938;
  2. Insurance Regulatory and Development Authority Act, 1999 and the regulations framed thereunder as amended from time to time;
  3. Reserve Bank of India Act, 1934 and the rules, regulations, directions and orders made thereunder;
  4. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, PPF Schemes;
  5. The Maternity Benefit Act, 1961 & its Rules;
  6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

We have also examined compliance with following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – to the extent applicable to an unlisted Company;
- iii. SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time - to the extent applicable to an unlisted Company;

During the period under review the Company has materially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

We further report that

- a) The Board of Directors of the Company is duly constituted. 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.
- b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Chief Compliance



Officer and Managing Director and reported by the Company Secretary to the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

**For BMP & Co. LLP,**  
Company Secretaries

Place: Bangalore  
Date: 12<sup>th</sup> August 2021  
UDIN: F008750C000773382

**Pramod S M Partner**  
FCS No: 7834  
CP No: 13784

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

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### 'Annexure A'

To,  
The Members,  
**PNB MetLife India Insurance Company Limited**  
CIN:U66010KA2001PLC028883  
Unit No. 701, 702 & 703, 7<sup>th</sup> Floor,  
West Wing Raheja Towers, 26/27 M G Road,  
Bangalore - 560001

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my 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 my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures 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.
7. Due to the lockdown, only soft copies of the documents were verified.
8. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws.
9. We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

**For BMP & Co. LLP,**  
Company Secretaries

**Pramod S M Partner**  
FCS No: 7834  
CP No: 13784

Place: Bangalore  
Date: 12<sup>th</sup> August 2021

## ANNEXURE-2

### ANNUAL REPORT ON CSR ACTIVITIES

(For the FY 2020-21)

#### 1. Brief outline on CSR Policy of the Company.

We at PNB MetLife, believe in giving back to society. Our business activities have direct and indirect impacts on communities where we operate. We take pride in witnessing the lives we have been able to impact across India through our various Corporate Social Responsibility (CSR) activities.

Aligned with our values, our CSR programs are all about what we stand for - 'Milkar Life Aage Badhaein'. Making way for an inclusive growth, our primary initiatives focus on spreading awareness and catalysing change in a woman's life, across all stages of life. Our CSR programs have been classified under two broad heads 1) Damini, which focusses on creating intervention across various stages from girl child to women and 2) Badminton training for young players from underprivileged sections, thus aiming to take the sports to the grassroots.

#### 2. Composition of CSR Committee (as on 31<sup>st</sup> March 2021):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Neeraj Swaroop*	Independent Director	1	1
2	Mr. Surbhit Dabriwala	Director	1	1
3	Mr. Ashish Kumar Srivastava	MD & CEO	1	1

\*Ceased to be Director of the Company as of the date of the Report

#### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

The details of the CSR Committee composition, CSR Policy and CSR Projects approved by the Board are available at the website of PNB MetLife through the following links

- CSR Committee – <https://www.pnbmetlife.com/investor-relations/csr-committee-at-the-board.html>
- CSR Policy - <https://www.pnbmetlife.com/investor-relations/company-policies.html>
- CSR Projects approved by the Board - <https://www.pnbmetlife.com/investor-relations/projects-approved-by-the-csr-committee-for-fy-2020-21.html>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.: **NIL**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1		<b>NIL</b>	
	<b>Total</b>		

#### 6. Average net profit of the company as per section 135(5). – Rs. **1,292,468,000**

#### 7. (a) Two percent of average net profit of the company as per section 135(5) – Rs. **2,58,49,000**

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years. - **NIL**

(c) Amount required to be set off for the financial year, if any. - **NIL**

(d) Total CSR obligation for the financial year (7a+7b- 7c). – Rs. **2,58,49,000**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
2,14,57,300	43,91,700	30 <sup>th</sup> Apr 2021	Not Applicable	NIL	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Project Duration	Amount allocated for the project in FY 2020-21 (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Name	CSR Registration number
1.	Education for underprivileged girls	Category II, Promoting Education	Yes	Punjab, Uttar Pradesh	Moga and Varanasi	FY 2020-21 – FY 2023-24	1,03,22,800	83,22,800	20,00,000	Through NGO	K.C. Mahindra Education Trust	CSR00000511
2.	Sakhi Swavlamban – Livelihood trainings and financial independence to underprivileged women	Category II – Promoting education, employment enhancing vocation skills especially among women and livelihood enhancement project Category III- Promoting gender equality, empowering women	Yes	Uttar Pradesh	Varanasi	FY 2020-21 – FY 2023-24	1,08,93,700	85,02,000	23,91,700	Through NGO	Drishtee Foundation	CSR00000958
<b>TOTAL</b>							<b>2,12,16,500</b>	<b>1,68,24,800</b>	<b>43,91,700</b>			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation – Direct (Yes/No)	Name	CSR Registration number
1.	Awareness programs on Health and Hygiene for adolescent girls from underprivileged section	Category I – Promoting health care, including preventive health care and sanitation	Yes	West Bengal	Kolkata	16,00,000	Through NGO	LittleBigHelp India Trust	CSR00002705
2.	Badminton Training for underprivileged children	Category VII – Training to promote rural sports, nationally recognized sports and Olympic sports	Yes	Jharkhand, West Bengal, Maharashtra, Delhi, Tamil Nadu, Madhya Pradesh	Dhanbad, Kolkata, Mumbai, Delhi, Chennai, Bhopal	20,22,500	Through NGO	CRY – Child Rights and You	CSR00000805
<b>TOTAL</b>						<b>36,22,500</b>			

- (d) **Amount spent in Administrative Overheads:** Rs. 10,10,000
- (e) **Amount spent on Impact Assessment, if applicable:** Not Applicable
- (f) **Total amount spent for the Financial Year:** Rs. 2,14,57,300 (8b+8c+8d+8e)
- (g) **Excess amount for set off, if any:** NIL

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) **Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) <sup>^</sup>	Amount spent in the reporting Financial Year (in Rs.). <sup>*</sup>	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	
1.	FY 2019-20	Not Applicable	26,676,389	Not applicable	Not applicable	Not applicable	Nil
2.	FY 2018-19	Not Applicable	3,95,36,409	Not applicable	Not applicable	Not applicable	51,461
3.	FY 2017-18	Not Applicable	87,11,132	Not applicable	Not applicable	Not applicable	18,732,378
	<b>TOTAL</b>	<b>NIL</b>					Nil All unspent CSR amount from last preceding years have been spent

\* includes spend towards unspent amount of prior year as well

<sup>^</sup>The provisions relating to transfer of unspent CSR amount to a separate account was notified pursuant to amendment in the Companies (Corporate Social Responsibility Policy) Rules, 2014 dated 22<sup>nd</sup> January 2021.

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**  
Not Applicable\*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1.								
	<b>TOTAL</b>							

\* The CSR projects of the Company viz. "Education to underprivileged girls" and "Sakhi Swavlamban – Livelihood trainings to underprivileged women" were identified and approved as ongoing projects by the Board of Directors on 12<sup>th</sup> March 2021, pursuant to amendment in the Companies (Corporate Social Responsibility Policy) Rules, 2014 dated 22<sup>nd</sup> January 2021.

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL (asset-wise details).**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

Owing to COVID-19 pandemic and consequent lockdowns during FY 2020-21, few of the CSR activities were temporarily suspended. Hence from the annual allocated CSR budget of Rs. 2,58,49,000, an amount of Rs. 2,14,57,300 could be spent during the year. The balance unspent amount of Rs. 43,91,700 has been carried forward to the CSR budget of FY 2021-22 and allocated towards two ongoing projects – 'Education for underprivileged girls' and 'Sakhi Swavlamban – Livelihood trainings and financial independence to underprivileged women'.

Sd/-

**Ashish Kumar Srivastava**

Managing Director & CEO

DIN: 00355075

Sd/-

**Padma Chandrasekaran**

Chairperson – CSR Committee

DIN: 06609477

## ANNEXURE 3

### REPORT ON CORPORATE GOVERNANCE

The Board presents the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March 2021.

#### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company remains committed to transparency in all its dealings and places high emphasis on business ethics and principles. It strongly believes that good governance goes beyond working results and financial propriety and is a pre-requisite for attainment of excellence in performance. Your Company adheres to the philosophy of ethical corporate behaviour and fairness in its dealings with all its stakeholders, comprising policyholders, banks, regulatory authorities, employees and society at large. Your Company and your Board of Directors are committed to following the best corporate governance practices in their dealings.

#### GOVERNANCE STRUCTURE

PNB MetLife's Governance structure broadly comprises of the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

#### BOARD OF DIRECTORS

The PNB MetLife Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interests of the Company;

ensuring fairness in the decision-making process, integrity and transparency in the Company's dealings with its Members and other stakeholders.

#### COMPOSITION OF THE BOARD

The Composition of the Board of Directors of the Company is governed by the provisions of the Companies Act, 2013 and Clause 5.1 of the Corporate Governance Guidelines issued by the IRDAI. The Directors on the Board of the Company are from diverse backgrounds and possess a wide range of experience and expertise in various fields. The Board oversees the Company's overall business affairs, its strategic direction, reviews corporate performance, authorizes and monitors investments, keeps an oversight on regulatory compliance and corporate governance matters. The Board is responsible for overall corporate strategy and other responsibilities as laid down by the IRDAI under the Corporate Governance guidelines and the Companies Act, 2013. The Board's actions and decisions are aligned with the Company's best interests. It oversees implementation of strategy and achievement of the business plan.

#### BOARD STRUCTURE

The Board of Directors of the Company represents an optimum combination of Executive, Non-Executive and Independent Directors for its independent functioning. The Board of Directors are eminent personalities with significant expertise in the fields of insurance, finance, law, banking, strategy etc. As on 31<sup>st</sup> March 2021, the Board strength was Fifteen (15) Directors comprising of One (1) Managing Director & CEO, Three (3) Independent Directors and Eleven (11) Non-Independent Non-Executive Directors. The composition of the Board is in conformity with the provisions of IRDAI Corporate Governance Guidelines 2016 and the Companies Act, 2013.

The Chairman of the Board, Mr. Kishore Ponnawolu, is a Non-Executive Director. The composition of the Board of Directors as on 31<sup>st</sup> March 2021 is as under:

#### Composition, Brief Profile of the Board of Directors as on 31<sup>st</sup> March 2021

Names of directors	Designation	Qualification	Specialization	Category	No. of other Directorship*	DIN
Mr. Kishore Ponnawolu	Chairman	Doctor of Philosophy; Master's Degree in Arts	Financial Services, Insurance, Business Management	Non-Executive, Non-Independent Director	0	08226069
Mr. Ashish Kumar Srivastava	Managing Director and CEO	B.Sc (Chemistry) PG in Personnel Management	Insurance & Business Management	Executive Director	0	00355075
Mr. Stephen Barnham	Additional Director	B.Sc. in Computing	Global Banking & Technology	Non-Executive, Non-Independent Director	0	08889005
Mr. Atinder Jit Singh	Additional Director	Master's in Computer Science & MBA	Insurance, Banking and Finance	Non-Executive, Non-Independent Director	0	08900694
Mr. Ashish Bhat	Nominee Director	B.Tech (IIT) PGDM (IIM)	Insurance and Finance	Non-Executive, Non-Independent Director	0	08652335
Mr. CH. S.S. Mallikarjuna Rao	Nominee Director	B.Sc., LLB, CAIIB	Banking	Non-Executive, Non-Independent Director	5	07667641
Mr. Thallapaka Venkateswara Rao	Nominee Director	B.Com, CAIIB	Banking	Non-Executive, Non-Independent Director	9	05273533
Mr. Sanjay Kumar	Additional Director	M.Sc., CAIIB & DTIRM	Banking	Non-Executive, Non-Independent Director	2	06741352
Mr. Arvind Kumar Jain	Nominee Director	M.Sc., LLB, CAIIB	Banking & Finance	Non-Executive, Non-Independent Director	6	07911109
Mr. Surbhit Dabriwala	Director	Bachelor of Arts & Science from University of Pennsylvania	Business	Non-Executive, Non-Independent Director	4	00083077
Mr. Pheroze Kersasp Mistry	Director	MBA	Business	Non-Executive, Non-Independent Director	16	00344590
Mr. Erach Homi Kotwal	Nominee Director	LLB & LLM (Cambridge, England)	Law	Non-Executive, Non-Independent Director	0	07617479
Mr. Sunil Gulati	Independent Director	B. Tech, PGDM	Banking & Financial Services	Non-Executive, Independent Director	11	00016990
Mr. Neeraj Swaroop	Additional Independent Director	B. Tech, MBA	Banking & Financial Services	Non-Executive, Independent Director	2	00061170
Ms. Ranjana Agarwal	Additional Independent Director	BA (Hons) Economics, Chartered Accountant	Audit and Tax	Non-Executive, Independent Director	7	03340032

\*denotes public and private limited Companies incorporated in India.

### Details of Change in Directorship during the year 2020-21:

Sr. No.	Name of Director	Change
1.	Mr. Sunil Gulati	Re-appointed as an Additional Independent Director w.e.f. 05 <sup>th</sup> April 2020, further regularized in Annual General Meeting (AGM) held on 03 <sup>rd</sup> July 2020
2.	Ms. Archana Hingorani	Completion of term as an Independent Director of the Company w.e.f. EOD of 30 <sup>th</sup> June 2020
3.	Mr. Vivek Jha	Regularized as a Nominee Director of Punjab National Bank (PNB) in AGM held on 03 <sup>rd</sup> July 2020
4.	Mr. Ashish Bhat	Regularized as a Nominee Director of MetLife International Holdings LLC (MIHL) in AGM held on 03 <sup>rd</sup> July 2020
5.	Mr. Charles Scully	Regularized as a Nominee Director of MIHL in AGM held on 03 <sup>rd</sup> July 2020, further nomination withdrawn by MIHL w.e.f. 27 <sup>th</sup> July, 2020
6.	Mr. CH S.S. Mallikarjuna Rao	Regularized as a Nominee Director of PNB in AGM held on 03 <sup>rd</sup> July 2020
7.	Mr. Thallapaka Venkateswara Rao	Regularized as a Nominee Director of PNB in AGM held on 03 <sup>rd</sup> July 2020
8.	Mr. Arvind Kumar Jain	Regularized as a Nominee Director of PNB in AGM held on 03 <sup>rd</sup> July 2020
9.	Mr. Erach Kotwal	Regularized as a Nominee Director of Pallonji group in AGM held on 03 <sup>rd</sup> July 2020
10.	Ms. Rebecca Tadikonda	Nomination withdrawn as a Director by MIHL w.e.f. 27 <sup>th</sup> July 2020
11.	Mr. Stephen Barnham	Appointed as an Additional Nominee Director of MetLife International Holdings LLC w.e.f. 23 <sup>rd</sup> September 2020
12.	Ms. Ranjana Agarwal	Appointed as an Additional Independent Director w.e.f. 23 <sup>rd</sup> September 2020
13.	Mr. Neeraj Swaroop	Re-appointed as an Additional Independent Director w.e.f. 10 <sup>th</sup> October 2020
14.	Mr. Atinder Jit Singh	Appointed as an Additional Nominee Director of MetLife International Holdings LLC w.e.f. 06 <sup>th</sup> October 2020
15.	Mr. Vivek Jha	Resigned as a Nominee Director of PNB w.e.f. 27 <sup>th</sup> November 2020
16.	Mr. Sanjay Kumar	Appointed as an Additional Nominee Director of PNB w.e.f. 01 <sup>st</sup> January 2021

## BOARD MEETINGS

### Notice, Agenda and Minutes

The Board meets 4 times during the year. Additional meetings are held as and when necessary. 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 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, and IRDAI (Corporate Governance) Guidelines, 2016.

The Companies Act, 2013 read with rules issued thereunder, allows conducting of meetings through audio-visual means or video-conferencing. Accordingly, the Directors are given an option to participate at the meetings through video conferencing mode. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is confirmed in the next Board Meeting. The Company Secretary is responsible for collation, preparation and distribution of the Agenda papers submitted to the Board and preparation of minutes. The Chief Legal Officer & Head - Board Affairs and the Company Secretary attend all the meetings of the Board and its Committees.

## MEETINGS OF THE BOARD:

### Board Meetings held during the Year

During the year under review, four (4) Board Meetings were held on the following dates –

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors present
26 <sup>th</sup> May 2020	15	15
11 <sup>th</sup> August 2020	12	12
09 <sup>th</sup> November 2020 and adjourned meeting held on 23 <sup>rd</sup> November 2020	15	15
10 <sup>th</sup> February 2021	15	15



All the Board and Committee meetings during the FY 2020-21 were held through video conference mode, as allowed by the Ministry of Corporate Affairs. The attendance record of the Directors at the Board Meetings during the year ended 31<sup>st</sup> March 2021, and at the last AGM is as under:

Name of Director	Category	No. of Board Meetings attended during the year <sup>#</sup>	Attendance at Last AGM (held on 03.07.2020)
Mr. Kishore Ponnayolu	Chairman of the Board & Non-Executive Director	5/5*	No
Mr. Ashish Kumar Srivastava	Managing Director & CEO	5/5*	Yes
Ms. Rebecca Tadikonda	Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> July 2020)	1/1*	No
Mr. Charles Sheridan Scully	Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> July 2020)	1/1*	No
Mr. Ashish Bhat	Non-Executive Director	5/5*	No
Mr. Stephen Barnham	Non-Executive Director (Appointed w.e.f. 23 <sup>rd</sup> September 2020)	3/3*	NA**
Mr. Atinder Jit Singh	Non-Executive Director (Appointed w.e.f. 06 <sup>th</sup> October 2020)	3/3*	NA**
Mr. CH S.S. Mallikarjuna Rao	Non-Executive Director	5/5*	No
Mr. Thallapaka Venkateswara Rao	Non-Executive Director	5/5*	No
Mr. Arvind Kumar Jain	Non-Executive Director	5/5*	No
Mr. Vivek Jha	Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> November 2020)	4/4*	No
Mr. Sanjay Kumar	Non-Executive Director (Appointed w.e.f. 01 <sup>st</sup> January 2021)	1/1*	NA**
Mr. Pheroze Kersasp Mistry	Non-Executive Director	5/5*	No
Mr. Surbhit Dabriwala	Non-Executive Director	5/5*	No
Mr. Erach Homi Kotwal	Non-Executive Director	5/5*	Yes
Dr. Archana Hingorani	Independent Director (Resigned w.e.f. 30 <sup>th</sup> June 2020)	1/1*	NA**
Mr. Neeraj Swaroop	Independent Director	5/5*	Yes
Mr. Sunil Gulati	Independent Director (Appointed w.e.f. 05 <sup>th</sup> April 2020)	5/5*	No
Ms. Ranjana Agarwal	Independent Director (Appointed w.e.f. 23 <sup>rd</sup> September 2020)	3/3*	NA**

\*Includes attendance through video conferencing

\*\* They were not directors on the Board as on the date of AGM

# for the purpose of attendance calculation, the adjourned meeting has been counted as a separate meeting

#### Induction & Training of Board Members:

The Company has a robust process for induction of new members on the Board. As per the requirements of the Companies Act 2013, the letter of appointment has been issued to all Independent Directors setting out the terms of appointment, duties and responsibilities. Each newly appointed Director is taken through a formal induction program including the presentation from the Managing Director & CEO on the Company's important aspects. The Directors are updated about their legal & regulatory responsibilities, governance structures, Board procedures and expected time commitments as a Director. The induction for Independent Directors also includes interactive sessions with Business and Function Heads, etc, as necessary.

#### COMMITTEES OF THE BOARD

The Committees constituted by the Board play a very important role in the governance structure of the Company and they deal in specific areas/ activities that need close 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 and IRDAI (Corporate Governance) Guidelines 2016. The Chairperson of each Committee briefs the Board on the important deliberations and decisions of the respective Committees. Also, the minutes of all the Committee meetings are placed before the Board of Directors in its next meeting.

In line with the regulatory requirements and with a view to have more focused attention on various aspects of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, ALM & Risk Management Committee, Corporate Social Responsibility Committee, Investment Committee, Nomination and Remuneration Committee, With Profit Committee and Policyholders' Protection Committee. Each of these Committees has been mandated to operate within a given framework.

## (A) AUDIT COMMITTEE

Audit Committee is established as a sub-committee of the Board in compliance with the Corporate Governance Guidelines issued by IRDAI and the provisions of section 177 of the Companies Act, 2013 read with the Companies (Meetings of the Board and its Powers) Rules, 2014.

### Functions and Responsibilities of the Audit Committee include:

- 1) Examination of Financial statements and Auditors report thereon. The Committee shall oversee the 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 to ensure that the financial statement is correct, sufficient and credible.
- 2) Oversee 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.
- 3) 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 change in processes wherever deficiencies have come to notice.
- 4) Reviewing and approving Related Party transactions, any subsequent modification of such transactions, and Related Party Transaction Policy
- 5) Grant omnibus approval for Related party Transactions proposed to be entered into by the Company subject to the such conditions as specified in the Related Party Transaction Policy of the Company.
- 6) Recommendation of the appointment, remuneration, performance and to provide oversight to the work of the auditors (internal/statutory/Concurrent/Any other Auditor as per regulatory stipulations). 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). Further, the requirement of specific approval by the Board is limited to cases wherein work, other than statutory audit, is proposed to be assigned to statutory auditors or their associates. The Audit committee will also review and monitor the auditors independence and performance.

- 7) 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. Further, discuss with the statutory auditors periodically about internal control systems, the scope of the audit including the observations of the auditors (where applicable) and review and approve the quarterly/half yearly and annual financial statements as the case may be and submit to the Board of Directors and also ensure compliance with the Internal control systems.
- 8) Act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks and shall monitor and report to the Board on any significant compliance breaches.
- 9) Authority to investigate into any matter in relation to items specified below or referred to it by the Board and for this purpose shall have full access to information contained in the records of the company and external professional advice if necessary.
  - a) reviewing the findings of any internal investigations by the Internal Auditors / Ethics & Compliance into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature (as per the materiality policy approved by the Board) and reporting the matter to the board;
  - b) oversight on stewardship activities and voting mechanism for Investee companies on quarterly basis
  - c) Any other matter, as may be stipulated under the Companies Act 2013 / IRDAI regulations / such other regulations as may be applicable from time to time.

### Number of Audit Committee Meetings held during FY 2020-21

During the year under review, four (4) Audit Committee Meetings were held on the following dates

- 25<sup>th</sup> May 2020
- 11<sup>th</sup> August 2020
- 09<sup>th</sup> November 2020 and adjourned meeting held on 23<sup>rd</sup> November 2020
- 10<sup>th</sup> February 2021

**Meetings, Composition & Attendance record of the members in the Meetings of the Audit Committee held during the FY 2020-21**

Name of Member	Category	No. of Meetings attended during the year <sup>#</sup>
Dr. Archana Hingorani	Chairman of the Committee & Independent Director (Ceased to be Director w.e.f. 30 <sup>th</sup> June 2020)	1/1*
Mr. Sunil Gulati	Chairman of the Committee & Independent Director (Appointed w.e.f. 05 <sup>th</sup> April 2020)	5/5*
Mr. Neeraj Swaroop	Independent Director	5/5*
Ms. Ranjana Agarwal	Independent Director (Appointed w.e.f. 23 <sup>rd</sup> September 2020)	3/3*
Mr. Ashish Bhat	Non-Executive Director	5/5*
Mr. Thallapaka Venkateswara Rao	Non-Executive Director	5/5*

\*Includes attendance through video conferencing

# for the purpose of attendance calculation, the adjourned meeting has been counted as a separate meeting

Further, there have been no instances during the year where the recommendations of the Audit Committee are not accepted by the Board.

**(B) ALM & RISK MANAGEMENT COMMITTEE**

Assets & Liabilities Management and Risk Management Committee (ALMR) is established as a sub-committee of the Board in compliance with the Corporate Governance Guidelines issued by the IRDAI. The Committee shall oversee the Company's entire Risk Management Strategy and will also act as a supervisory body to set up and review Company's implementation of optimal AML strategies so as to meet appropriate risk/reward objectives.

**Functions and Responsibilities of the Committee include:**

**a) Risk Management:**

- Establishing effective and strong Risk Management framework and recommend to the Board the Risk Management policy and processes for the organization.
- Approve the risk tolerance limits and assess the cost and benefits associated with risk exposure.
- Discussing and considering best practices in risk management in the market and advise the management;
- Assisting the Board in effective operation of the risk management system by performing specialized analysis and quality reviews; and for this purpose, to monitor, review and approve the recommendations made by the Management regarding appropriate mitigation strategies.
- Reviewing the solvency position of the Company on a regular basis.
- Monitoring and reviewing regular updates on business continuity.

- Monitoring implementation of Anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds. Reviewing compliance with the guidelines on Insurance Fraud Monitoring Framework as may be issued by the IRDAI from time to time.
- Monitoring and reviewing information technology risks, including risks relating to cyber security.
- Such other matters as may be delegated by the Board from time to time.

**b) Assets & Liabilities Management**

ALM is an ongoing process of formulating, implementing, monitoring and revising strategies related to assets and liabilities to achieve an organization's financial objectives, given the organization's risk appetite, risk tolerances, and business profile. It lays down the framework to ensure that the insurer invests in a manner which would enable it to meet its cash flow needs and capital requirements at a future date to mitigate liquidity risk and solvency stipulations. As part of its ALM responsibilities, the functions of the Committee shall include:

- Setting the insurer's risk/reward objectives and access policyholder expectations.
- Quantifying the level of risk exposure and assessing the expected rewards and costs associated with the risk exposure.
- Formulating and implementing optimal ALM strategies and meeting risk/reward objectives.
- Monitoring risk exposure at periodic intervals and revising ALM Strategies where required.
- Regular review and monitoring of mismatch between assets and liabilities and the acceptable tolerance limits for mismatch, if any.

- Submitting the ALM information before the Board at periodic intervals. Annual review of strategic asset allocation.
- Reviewing key methodologies and assumptions including actuarial assumptions, used to value assets and liabilities.
- Managing capital requirements at the company level using the regulatory solvency requirements
- Reviewing, approving and monitoring capital plans and related decisions over capital transactions (e.g. dividend payments, acquisitions, disposals, etc.)

**c) Formulating, reviewing and recommending various Policies and processes as may be directed and delegated to it by the Board.**

Number of ALM & Risk Management Committee Meetings held during FY 2020-21

During the year under review, four (4) ALM & Risk Management Committee Meetings were held on the following dates –

- 25<sup>th</sup> May 2020
- 11<sup>th</sup> August 2020
- 09<sup>th</sup> November 2020
- 10<sup>th</sup> February 2021

**Meetings, Composition & Attendance record of the members in the Meetings of the ALM & Risk Management Committee held during the year 2020-21**

Name of the Member	Category	No. of Meetings attended during the year
Dr. Archana Hingorani	Chairman of the Committee & Independent Director (Ceased to be Director w.e.f. 30 <sup>th</sup> June 2020)	1/1*
Mr. Neeraj Swaroop	Chairman of the Committee & Independent Director	2/2*
Mr. Ashish Kumar Srivastava	Managing Director and CEO	4/4*
Mr. Stephen Barnham	Non-Executive Director (appointed w.e.f. 23 <sup>rd</sup> September 2020)	2/2*
Mr. Erach Kotwal	Non-Executive Director	4/4*
Mr. Surbhit Dabriwala	Non-Executive Director	1/4*
Ms. Rebecca Tadikonda	Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> July 2020)	1/1*
Mr. Vivek Jha	Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> November 2020)	3/3*
Mr. Sanjay Kumar	Non-Executive Director (Appointed w.e.f. 01 <sup>st</sup> January 2021)	1/1*

\*Includes attendance through video conferencing

**(C) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee ("CSR Committee") of the Board has been set up in compliance with the provisions of Section 135 of the Companies Act 2013 read with the IRDAI (Corporate Governance) Guidelines, 2016.

**Functions and Responsibilities of the CSR Committee include:**

- Formulation and recommendation to the Board, of the "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013;
- Review and recommend to the Board the amount of expenditure to be incurred on the activities referred to in clause (a), the appointment of the CSR implementation partners, annual CSR Plan, ongoing projects etc;
- Approve annual CSR report forming part of the Directors Report;
- Review and Monitor the Corporate Social Responsibility Policy of the Company from time to time;

- Monitor progress in establishing and delivering the CSR project;
- Details of need and impact assessment, if any, for the projects undertaken by the Company.
- Key decisions on any additional spends on CSR initiatives by PNB MetLife before presenting to Board for approval;
- report progress to the Board of Directors of the Company.
- ensuring that the CSR activities and the calculation of CSR expenditure are in line with the IRDAI regulatory Guidelines and the Companies Act 2013, and rules framed therewith;
- and any other functions as may be prescribed under the Act and the Rules made thereunder, as amended from time to time.

**Number of Corporate Social Responsibility Committee Meetings held during FY 2020-21**

During the year under review, one (1) Corporate Social Responsibility Committee Meeting was held on the following date –

- 25<sup>th</sup> May 2020

### Meetings, Composition & Attendance record of the members in the Meetings of the Corporate Social Responsibility Committee held during the year 2020-21

Name of the Member	Category	No. of Meetings attended during the year
Mr. Neeraj Swaroop	Chairman & Independent Director	1/1*
Dr. Archana Niranjana Hingorani	Non-Executive Director	1/1*
Mr. Surbhit Dabhiwala	Managing Director & CEO	1/1*

\*Includes attendance through video conferencing

#### (D) INVESTMENT COMMITTEE

Investment Committee is established as a mandatory sub-committee of the Board in line with the requirements prescribed under the IRDAI (Investment) Regulations 2016, and IRDAI (Corporate Governance) Guidelines, 2016.

#### Functions and Responsibilities of the Investment Committee include:

The Committee plays a crucial role in managing investments out of policyholders' funds and shareholders' funds of the Company, and shall be responsible for:

- Recommending the investment policy and laying down and monitoring the operational framework for the investment operations of the Company. 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.

- Implementing the Investment Policy duly approved by the Board, and to review it from time to time based

on the performance of investments and evaluation of dynamic market conditions.

- Formulation of an effective reporting system to ensure compliance with the policy set out by it apart from Internal / Concurrent Audit mechanisms for a sustained and ongoing monitoring of Investment Operations.
- Such other matters as may be specified by the IRDAI and as directed by the Board from time to time.

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.

#### Number of Investment Committee Meetings held during FY 2020-21

During the year under review, four (4) Investment Committee Meetings were held on the following dates –

- 25<sup>th</sup> May 2020
- 11<sup>th</sup> August 2020
- 09<sup>th</sup> November 2020
- 10<sup>th</sup> February 2021

### Meetings, Composition & Attendance record of the members in the Meetings of the Investment Committee held during the year 2020-21

Name of the Member	Category	No. of Meetings attended during the year
Mr. Charles Sheridan Scully	Chairman of the Committee & Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> July 2020)	1/1*
Mr. Ashish Bhat	Chairman & Non-Executive Director	2/2*
Mr. Ashish Kumar Srivastava	Managing Director and CEO	4/4*
Mr. Surbhit Dabhiwala	Non-Executive Director	3/4*
Mr. Arvind Kumar Jain	Non-Executive Director	4/4*
Mr. Khalid Ahmad	Chief Financial Officer	4/4*
Mr. Sanjay Kumar	Chief Investment Officer	4/4*
Mr. Anjan Bhattacharya	Chief Risk Officer	4/4*
Ms. Shobhna Sharma	Appointed Actuary (Appointed w.e.f. 21 <sup>st</sup> November 2020)	1/1*
Mr. P K Dinakar	Appointed Actuary (Ceased to be appointed actuary & member of the Committee w.e.f. 01 <sup>st</sup> October 2020)	2/2*

\*Includes attendance through video conferencing

## (E) NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC Committee") has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and the IRDAI (Corporate Governance), Guidelines, 2016.

### Functions and Responsibilities of the NRC Committee include:

- a) To identify persons who are qualified to become directors in accordance with laid down criteria, to scrutinize their declarations before appointment / reappointment and recommend to the Board their appointment and removal.
- b) To scrutinize the applications and details submitted by the aspirants for appointment as the Key Managerial Persons (as defined under the IRDAI Guidelines and the Companies Act), and to recommend their appointment / termination to the Board for its approval and to ensure that such proposed appointments/ re-appointments of KMPs are in conformity with the Board approved policy on retirement/ superannuation.
- c) To determine, review and formulate on behalf of the Board and on behalf of the shareholders with agreed terms of reference, the Company's policy on remuneration packages and any compensation payment, for the CEO, the Executive Directors, Key Management Persons (KMPs) and the Senior Management of the Company. Further to ensure that the remuneration package is aligned appropriately with the performance objectives laid down and as per the Remuneration Policy of the Company.
- d) 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; relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and 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.
- e) To develop measures to carry out evaluation of Board and Directors performance, and for this purpose, to formulate the Performance Evaluation Policy for the Board as a whole, its various Committees and individual Directors.
- f) To review the talent management and succession process to ensure business continuity.
- g) To formulate, review and recommend various Policies and processes as may be required under the IRDAI guidelines, the Listing regulations or under the Companies Act or as may be directed and delegated to it by the Board from time to time.
- h) Other terms as may be delegated to it by the Board of Directors or as may be specified under the Companies Act 2013 or IRDAI regulations.

### Number of Nomination & Remuneration Committee Meetings held during FY 2020-21

During the year under review, one (1) Nomination & Remuneration Committee Meeting was held on the following date –

- 26<sup>th</sup> May 2020

### Meetings, Composition & Attendance record of the members in the Meetings of the Nomination & Remuneration Committee held during the year 2020-21

Name of the Member	Category	No. of Meetings attended during the year
Mr. Neeraj Swaroop	Chairman & Independent Director	1/1 *
Dr. Archana Niranjana Hingorani	Non-Executive Independent Director	1/1 *
Mr. Sunil Gulati	Non-Executive Independent Director (Appointed w.e.f. 05 <sup>th</sup> April 2020)	1/1 *
Mr. Kishore Ponnawolu	Non-Executive Director	1/1 *
Mr. Pheroze Mistry	Non-Executive Director	1/1 *
Mr. Surbhjit Dabhiwala	Non-Executive Director	1/1 *

\*Includes attendance through video conferencing

## (F) WITH PROFIT COMMITTEE

The With Profit Committee has been constituted pursuant to Chapter XII of IRDAI (Non- Linked Insurance Products) Regulations, 2013 and other applicable provisions of the Insurance Act, 1938 & Regulations as amended from time to time.

### Functions and Responsibilities:

- a. **The Committee shall review and approve**
  - Appropriateness of the Methodology and basis used in calculation of asset shares, and justification for any change.
  - Bonus earning capacity including its calculation.

- Sensitivity analysis of bonus rates and basis as appropriate.
  - A brief note on how Policyholders' reasonable expectations (PRE) are met.
  - Any change in special surrender value with justification.
  - Treatment of Fund for Future Appropriation.
  - The expenses debited to the With Profit fund and its appropriateness.
- b. The Committee shall also review**
- the investment income attributable to the participating fund of policyholders
  - manner in which asset shares are developed e.g. Expense allocation, charges towards capital and taxes etc. and ensuring that the methods (allocation of expenses, investment income allocated, charges etc.), models and assumptions adopted by the Appointed Actuary are appropriate
  - Bonus levels across different categories of policyholders and if the bonus declarations are in line with the policyholders' reasonable expectations
- balance between regular and terminal bonuses
  - any other related matters therein and as may be directed by the Board from time to time.
- c. The Committee shall ensure appropriate process control to ensure the safety of the par fund assets and its separation and independence from the life company funds, and that the par fund is managed equitably across the par policyholders and meets the policyholder reasonable expectations.
- d. The Committee will prepare a report on the With Profit business every year which should be shared with the Board of the insurer and attached to the Actuarial Report and Abstract furnished by the Insurer to IRDAI.
- e. The Committee will formulate various Policies and processes as may be required for discharging its responsibilities under this Charter.

**Number of With Profit Committee Meetings held during FY 2020-21**

During the year under review, one (1) With Profit Committee Meeting was held on the following date –

- 18<sup>th</sup> March 2021

**Meetings, Composition & Attendance record of the members in the Meetings of the With Profit Committee held during the year 2020-21**

Name of the Member	Category	No. of Meetings attended during the year
Mr. Sunil Gulati	Chairman & Independent Director	1/1 *
Mr. Ashish Kumar Srivastava	Managing Director and CEO	1/1 *
Mr. Khalid Ahmad	Chief Financial Officer	1/1 *
Mr. Chandan Kumar Khasnobis	Independent Actuary	1/1 *
Ms. Shobhna Sharma	Appointed Actuary (Appointed w.e.f. 21 <sup>st</sup> November 2020)	1/1 *

\*Includes attendance through Video Conferencing

**(G) POLICYHOLDERS' PROTECTION COMMITTEE**

Policyholders' Protection Committee (PPC) is established as a committee of the Board in compliance with the Corporate Governance Guidelines issued by IRDAI to protect the Policyholders' Interest to address the various compliance issues relating to protection of their interests, as also relating to keeping the policyholders well informed of and educated about insurance products and complaint-handling procedures.

**Functions and Responsibilities of the PPC include:**

- a) Adoption of standard operating procedures to treat the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof.
- b) Establish effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries.
- c) Put in place a framework for review of awards given by Insurance Ombudsman/Consumer Forums. Analyze 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 therefor and report the same to the Board for initiating remedial action, where necessary.
- d) Review the measures and take steps to reduce customer complaints at periodic intervals.
- e) Review of Claims Report, Repudiated claims with analysis of reasons, including status of Outstanding Claims and ageing thereof.
- f) Review of unclaimed amounts of Policyholders, as required under the Circulars and guidelines issued by the Authority.

- g) The Committee shall recommend a policy on customer education for approval of the Board and ensure proper implementation of the same.
- h) The Committee is also to be apprized about the ageing analysis of unclaimed amount of Policyholders ('Form A'), progress of settlement of unclaimed amount of Policyholders ('Form B') and the steps taken to identify the claimants and create awareness.
- i) Such other matters as may be prescribed by the IRDAI and by the Board of Directors from time to time, including review and recommendation of

various Policies and processes as may be directed and delegated to it by the Board.

#### Number of Policyholders' Protection Committee Meetings held during FY 2020-21

During the year under review, four (4) Policyholder Protection Committee Meetings were held on the following dates –

- 25<sup>th</sup> May 2020
- 11<sup>th</sup> August 2020
- 09<sup>th</sup> November 2020
- 10<sup>th</sup> February 2021

#### Meetings, Composition & Attendance record of the members in the Meetings of the Policyholders' Protection Committee held during the year 2020-21

Name of the Member	Category	No. of Meetings attended during the year
Mr. Ashish Kumar Srivastava	Managing Director and CEO	4/4*
Ms. Rebecca Tadikonda	Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> July 2020)	1/1*
Mr. Erach Kotwal	Non-Executive Director	4/4*
Mr. Sunil Gulati	Independent Director (Appointed w.e.f. 05 <sup>th</sup> April 2020)	4/4*
Mr. Vivek Jha	Non-Executive Director (Resigned w.e.f. 27 <sup>th</sup> November 2020)	3/3*
Mr. Atinder Jit Singh	Non-Executive Director (Appointed w.e.f. 06 <sup>th</sup> October 2020)	2/2*
Mr. Sanjay Kumar	Non-Executive Director (Appointed w.e.f. 01 <sup>st</sup> January 2021)	1/1*
Mr. Neeraj Swaroop	Customer Representative & Independent Director	4/4*

\*Includes attendance through video conferencing

#### ANNUAL PERFORMANCE EVALUATION BY THE BOARD

In terms of the provisions of Section 134, 178 and Schedule IV of the Companies Act, 2013, the Board of Directors of the Company and the Independent Directors have carried out performance evaluation for the calendar year ended December 2020 in the following manner:

- a) The evaluation is based on various areas which include Board Structure and Governance, Conduct of Board meetings, Board strategy, performance review and Risk Management, Board and Management relations and Board Committees.

Online Questionnaires were circulated to each Director for evaluation of performance of the Board as whole, its Committees and Individual Directors including all the Independent Directors and the Chairman of the Board (except for the Director being evaluated) for the year under review.

- b) On the basis of ratings given by each of the Director, a consolidated report on performance evaluation was prepared.
- c) The consolidated report of performance evaluation was presented to and discussed by the Independent Directors and the Board of Directors at their respective meetings held on 10<sup>th</sup> February 2021.

#### PECUNIARY RELATIONSHIPS OR TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

The Non-Executive Directors (including Independent Directors) do not have any pecuniary relationships with the Company, its Directors or its senior management other than sitting fees paid for attending Board and Committee Meetings and insurance policies, if any, taken by any of them in ordinary course of business.

#### DETAILS OF THE REMUNERATION PAID TO DIRECTORS

- i) As enumerated in immediately above paragraph, details of sitting fees paid to non-executive directors (including independent directors) as approved by the Board, during the FY 2020-21 is as below;

Name of the Director	Total Sitting Fees
Mr. Kishore Ponnawolu	NIL
Ms. Rebecca Tadikonda*	NIL
Mr. Charles Scully*	NIL
Mr. Ashish Bhat	NIL
Mr. Stephen Barnham	NIL
Mr. Atinder Jit Singh	NIL
Mr. CH. S.S. Mallikarjuna Rao	NIL
Mr. Thallapaka Venkateswara Rao	4,00,000
Mr. Arvind Kumar Jain	4,00,000



Name of the Director	Total Sitting Fees
Mr. Vivek Jha*	NIL
Mr. Sanjay Kumar	NIL
Mr. Pheroze Mistry	NIL
Mr. Erach Kotwal	6,00,000
Mr. Surbhit Dabriwala	NIL
Mr. Neeraj Swaroop	8,50,000
Mr. Sunil Gulati	7,50,000
Ms. Ranjana Agarwal	2,50,000
Ms. Archana Hingorani*	2,00,000

\*Ceased to be the Director of the Company

- ii) Details of remuneration paid to MD & CEO is covered under heading 'Elements of remuneration package (including incentives) of MD & CEO and all other Directors and Key Managerial Personnel' forming part of this CG Report.

#### ADDITIONAL DISCLOSURES UNDER CORPORATE GOVERNANCE GUIDELINES

In response to point no. 9 "Disclosure Requirements" of CORPORATE GOVERNANCE GUIDELINES FOR INSURANCE COMPANIES, following are the additional disclosures:

- (i) **Quantitative & qualitative information on the insurer's financial and operating ratios, namely, incurred claim, commission and expenses ratios:**

Particulars	Year ending March, 2021	Year ending March, 2020
<b>(1) Claims Ratio:</b>		
a. Claims as % of Gross Premium (Claims does not include Surrender, Annuity, Maturity, Health and Survival Benefits)	12.0%	8.3%
b. Surrender, Annuity, Maturity, Health, Survival and other benefits as % of Gross Premium	33.0%	35.7%
<b>(2) Commission Ratio:</b>		
a. New Business Commission as a % of New Business Premium	11.4%	10.6%
b. Total Commission as a % of Gross Premium	5.6%	5.2%
<b>(3) Expenses Ratio:</b>		
a. Operating Expenses (excluding commission) as a % of Gross Premium	16.7%	16.5%
b. Ratio of expenses of management (Commission + Operating Expenses) /Gross Premium	22.3%	21.6%

- (ii) **Actual Solvency margin details vis-à-vis the required margin:**

Particulars	Year ending March, 2021	Year ending March, 2020
Actual	190%	189%
Required	150%	150%

- (iii) **Persistency Ratio:**

Persistency ratio is furnished as a part of the financial statements- Refer 'Accounting ratios' note 3.25 of Schedule 16 of financial statements

- (iv) **Financial performance including growth rate and current financial position of the insurer:**

Covered in Schedule 16 of financial statements Refer note 3.24 'Summary of Financial Statement' and note 3.25 'Accounting ratios'

- (v) **A description of the risk management architecture:**

Covered in Management report - Refer note 8 'Risk Exposure and Mitigation Strategies'

(vi) Details of number of claims reported, settled, repudiated, rejected and transferred to unclaimed account disposed and pending with details of duration:

Claims Experience	Individual - Death	Group - Death	Individual - Maturity	Group - Maturity	Individual - SB	Group- SB	Annuities/ Pension	Surrender	Other Benefits - Health
Claims O/S at the Beginning of period	0	0	1701	2	8267	0	59	9626	9
Claims Reported During the period	5315	16706	11851	28	80617	0	1220	73880	113
Claims Settled During the period	5218	16648	12514	28	88211	0	1259	80889	72
Claims Repudiated During the period	97	55	0	0	0	0	0	0	12
Claim Rejected	0	0	0	0	0	0	0	0	37
Claims transferred to unclaimed	0	0	480	1	198	0	0	2319	0
Claims O/S at end of Period	0	3	558	1	475	0	20	298	1
<b>Ageing of Claims O/S from date of inception at end of year</b>	<b>0</b>	<b>3</b>	<b>558</b>	<b>1</b>	<b>475</b>	<b>0</b>	<b>20</b>	<b>298</b>	<b>1</b>
Less than 3 month	0	3	290	1	340	0	19	240	1
3 months and less than 6 months	0	0	268	0	135	0	1	57	0
6 months and less than 1 year	0	0	0	0	0	0	0	1	0
1 year and above	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>3</b>	<b>558</b>	<b>1</b>	<b>475</b>	<b>0</b>	<b>20</b>	<b>298</b>	<b>1</b>

(vii) Elements of remuneration package (including incentives) of MD & CEO and all other Directors# and Key Managerial Personnel

(Rs. in Crore)

Elements of Remuneration	MD & CEO	KMP*	Total
Basic	1.03	5.32	6.35
Non-taxable Reimbursement	0.003	0.11	0.11
Bonus	1.41	4.64	6.05
Retirals (PF + NPS)	0.13	0.79	0.92
Other Allowances (incl. HRA etc.)	1.51	7.21	8.72
LTI	0.40	1.26	1.66
<b>Total</b>	<b>4.49</b>	<b>19.32</b>	<b>23.81</b>

\*excludes CEO remuneration

\*KMP as defined in IRDAI Corporate Governance guidelines 2016 (excluding CEO) are considered for the purpose of this disclosure

#The details of sitting fees paid to the Directors are disclosed in Financial Statement under '3.13 – Managerial Remuneration' of Schedule 16, forming part of the financial statements.

(viii) Payment made to group entities from the Policyholders Funds

Refer Note no. 3.27 (Annexure 3) – 'Related Party Disclosures as per AS 18' of Schedule 16 – Significant accounting policies and notes forming part of financial statements for the year ended 31<sup>st</sup> March 2021.

**DISCLOSURE AS REQUIRED TO BE MADE UNDER IRDAI GUIDELINES ON REMUNERATION OF NON-EXECUTIVE DIRECTORS AND MANAGING DIRECTOR/CEO/WTD IS AS UNDER:**

**QUALITATIVE MEASURES**

**(i) Design and structure of remuneration processes and the key features and objectives of remuneration policy**

The Nomination & Remuneration Committee of the Board (NRC) oversees the remuneration aspects and the functions of NRC include reviewing criteria to carry out evaluation of Board and Director's performance; to determine, review and formulate on behalf of the Board, the Company's policy on appointment and remuneration of Non- Executive Directors, Managing Director/CEO and Whole-time Directors and also Compensation Policy of full time employees excluding the Managing Director/CEO and Whole-time Directors; to scrutinize application and details for appointment as KMPs including doing independent reference checks and recommending their appointment; to review the talent management and succession process to ensure business continuity

and roll out and administer any Share based employee benefit scheme including ESOP, ESPS, ESOS etc. as may be approved by the Shareholders of the Company and further subject to statutory and regulatory approvals including that of the Insurance Regulatory and Development Authority or such other body or authority as may be applicable.

The key principles guiding the design of the Company's compensation program are as follows:

**Performance:** Rewards are linked to organizational and individual performance against both qualitative and quantitative goals and objectives.

**Values:** Rewards are also linked to how employees go about their work or, more specifically, their demonstration of the PNB MetLife Values which are essentially the behaviors expected of the Company's employees.

**Market aligned:** Reward opportunities are competitive with the external labor market in order to ensure parity. Market analysis should involve comparing jobs in the Company to similar jobs in similar companies in a recognized market survey.

**Internal Equity:** Reward opportunities are internally equitable, subject to the individual's experience, performance and other relevant factors.

**Prudent Risk:** Rewards, particularly in the form of incentive compensation, must not encourage excessive risk and should be based in part on the long-term performance outcomes of risks taken. Risk should always be taken within approved policies, limits and Organization's ability to effectively identify and manage such risk.

Also, while designing the remuneration policy / processes, it is ensured that it is not only a proper balance between fixed pay and variable pay but is also based on performance as evaluated by the Board or the NRC and approved by the Board. The deterioration in the financial performance of PNB MetLife and the other parameters is considered by the NRC/ Board while deciding on the total amount of variable remuneration to be paid.

**(ii) Ways in which current and future risks are taken into account in the remuneration processes**

PMLI policy ensures that the remuneration is in line with the overall enterprise risk management framework of the organization and also the variable pay schemes are designed to ensure applicability over a time period thereby covering the associated risks.

The annual compensation is linked to achievement of predefined and Board approved financial parameters

covering the Growth, Value metrics, Efficiency and Quality parameters of the organization

Significant component of the remuneration like short-term and long-term incentives are spread across a certain time period and linked to financial performance of the Company to take care of the inherent risks.

Additionally, Incentive compensation awards (either cash or equity based) provided to any current or former employee may be reduced prospectively and/ or retrospectively in the event of one or more of the following circumstances:

- It is determined that an employee has engaged in conduct, detrimental to PNB MetLife either through direct action or failure to act in carrying out his/her responsibilities;
- There is evidence of a serious breach of internal risk management or compliance procedures on the part of the employee;
- There is evidence of a serious breach of internal risk management or compliance procedure

**(iii) Ways in which the Company seeks to link performance during a performance measurement period with levels of remuneration**

PNB MetLife follows a compensation philosophy of pay for performance and aligns the Company's compensation plans with its short-term and long-term business strategies. Our compensation philosophy reinforces the Company's pay for performance culture by making a material portion of total compensation variable and differentiating awards based on individual and company performance. Our performance management process requires goals to be defined on an annual basis with the evaluation having equal emphasis on 'What is achieved' and 'How it is achieved'. For senior management, the variable pay-outs are largely dependent upon the achievement of company's financial performance where each manager considers the performance during the annual pay for performance process and makes recommendations for each element of pay. Further, the financial metrics used for calculating bonus funding is approved by the Board.

**QUANTITATIVE MEASURES**

Disclosure	Remarks / Amount
Number of MD/CEO/ WTDs having received a variable remuneration award during the financial year	One
Number and total amount of sign on awards made during the financial year	Nil

Disclosure	Remarks / Amount
Details of guaranteed bonus, if any, paid as joining /signing bonus	Nil
Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms	<b>LTI Cash:</b> 1.71
Total amount of deferred remuneration paid out in the FY	0.21
Breakup of amount of remuneration awarded for the FY to show fixed and variable, deferred and non-deferred	<b>Fixed</b> <sup>1</sup> : 2.64 <b>Variable:</b> 2.91 <b>Deferred:</b> 1.18 Non-deferred: 1.73

All numbers in the above table is in Rs. Crore

- 1 Fixed pay includes basic salary, Special Allowance, Taxable Reimbursements, contribution to National Pension Scheme, Employer contribution to PF, and Non-taxable reimbursement

### CERTIFICATION FOR COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES

I, Yagya Turker, Company Secretary hereby certify that the Company has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and formation as well as constitution of various committees, and nothing has been concealed or suppressed.

Date: 12<sup>th</sup> August 2021

Place: Mumbai

**Yagya Turker**

Company Secretary

# Independent Auditors' Report

K. S. Aiyar & Co.  
Chartered Accountants  
No. F-7, Shakti Mills Lane,  
Off Dr. E. Moses Road,  
Mahalaxmi, Mumbai-400011

M. P. Chitale & Co.  
Chartered Accountants  
First Floor, Hamam House,  
Ambalal Doshi Marg,  
Fort, Mumbai- 400001

To,  
**The Shareholders**  
PNB MetLife India Insurance Company Limited

REPORT ON AUDIT OF THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021

## 1. OPINION

We have audited the accompanying financial statements of PNB MetLife India Insurance Company Limited ("the Company"), which comprise of the Balance Sheet as at 31<sup>st</sup> March, 2021, the related Revenue Account (also called the "Policy Holders' Account" or "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 ended on that date and notes to the financial statements, including a 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 the aforesaid financial statements are prepared in accordance with, and give the information required by the Insurance Act, 1938 as amended from time to time (the "Insurance Act"), the Insurance Regulatory and Development Authority Act (the "IRDAI Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDAI Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI"/"Authority") and the Companies Act, 2013 ("the Act"), to the extent applicable in this regard and the Accounting Standards specified under Section 133 of the Act read with Companies (Accounts) Rules 2014, as amended from time to time, 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, as applicable to Insurance Companies;

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021;
- (b) In the case of Revenue Account, of the surplus for the year ended on 31<sup>st</sup> March, 2021;

- (c) In the case of the Profit and Loss account, of the profit for the year ended on 31<sup>st</sup> March, 2021; and
- (d) In the case of the Receipts and Payments Account, of the receipts and payments for the year ended on 31<sup>st</sup> March, 2021.

## 2. BASIS FOR OPINION

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 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 opinion.

## 3. EMPHASIS OF MATTER

We draw attention to Note No. 3.3 of Schedule 16 to the Financial Statements on the possible effects of the COVID 19 Pandemic and management assessment of uncertainties related thereto.

Our opinion is not modified in respect of these matters.

## 4. OTHER MATTERS

We report that the actuarial valuation of liabilities for life policies in force and for policies in respect of which premium is discontinued but liability exists as at 31<sup>st</sup> March, 2021 is the responsibility of the Company's Appointed Actuary ('the Appointed Actuary') in accordance with regulations. The Appointed Actuary has estimated and duly certified the actuarial valuation of liabilities for policies as at 31<sup>st</sup> March, 2021 and has also certified that in his opinion the assumptions for such valuation 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. Accordingly, we have relied

upon the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Our opinion is not modified in respect of this matter.

## 5. INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Corporate Governance Report but does not include the financial statements and our auditors' report thereon. The Other Information is 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 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 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 Information, if we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance.

## 6. RESPONSIBILITY OF MANAGEMENT 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, financial performance, and receipts and payments of the Company in accordance with the requirements of the Insurance Act read with IRDA Act, IRDAI Financial Statements Regulations, orders/directions/ circulars/guidelines issued by the Insurance Regulatory and Development Authority of India ('Authority'/IRDAI) in this regard and in accordance with the accounting principles generally accepted in India and other applicable Accounting Standards specified under section 133 of the Act read with Companies (Accounts) Rules 2014, as amended from time to time, to the extent applicable and in the manner so required.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement 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.

## 7. AUDITOR'S RESPONSIBILITY 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 of assurance, but is not a guarantee that an audit conducted in accordance with SAs 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, they 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the Financial Statements, 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.

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.

## 8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated 24<sup>th</sup> May, 2021 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statements Regulations.
2. As required by 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 maintained by the Company so far as it appears from our examination of those books.
  - c. As the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches of the Company.
  - d. The Balance Sheet, the Revenue Account, the Profit and Loss Account and Receipts and Payments Account for the year ended on 31<sup>st</sup> March, 2021, dealt with by this Report are in agreement with the books of account.
  - e. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with Companies (Accounts) Rules 2014, as amended from time to time, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by the IRDA in this regard.
  - f. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - g. 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 relevant provisions of the Insurance Act, IRDAI Financial Statements Regulations and/or orders/directions issued by the IRDAI in this regard;
  - h. 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 orders the applicable Accounting Standards specified under section 133 of the Act read with Companies (Accounts) Rules 2014, as amended from time to time, to the extent they are not inconsistent with the accounting principles as prescribed in IRDAI Financial Statements Regulations and /directions issued by the IRDAI in this regard.
  - i. With respect to the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
  - j. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that managerial remuneration paid to the Managing Director and Chief Executive Officer (MD & CEO) of insurance companies is governed by Section 34A of the Insurance Act, 1938 and requires IRDAI approval. Accordingly, the provisions of Section 197 (16) read with schedule V to the Act are not applicable. However, sitting fees

paid to the Directors is in compliance with Section 197(5) of the Act.

3. 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, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position

For **K. S. Aiyar & CO**  
Chartered Accountants  
FRN: 100186W

**Rajesh S Joshi**  
Partner  
M. No. 038526  
UDIN: 21038526AAAABZ2690

Place: Mumbai  
Date: May 25, 2021

in its financial statements – Refer Note 3.1 of Schedule 16 to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company for the year ended 31<sup>st</sup> March, 2021.

For **M. P. Chitale & Co.**  
Chartered Accountants  
FRN: 101851W

**Murtuza Vajhi**  
Partner  
M. No. 112555  
UDIN: 21112555AAAABX3408

Place: Mumbai  
Date: May 25, 2021



## Annexure - A

**Referred to in paragraph 8 (2) (i) under Report on Other Legal and Regulatory Requirements of our report of even date.**

### **Report on the Internal Financial Controls with reference to 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 with reference to financial reporting of PNB MetLife India Insurance Company Limited ("the Company") as of 31 March 2021 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 controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act"), including the provisions of the Insurance Act, 1938 as amended from time to time (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, ("the IRDAI Financial Statements Regulations") and orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial reporting 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 Standards 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was 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 controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls with reference to financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks 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 internal financial controls with reference to financial statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING**

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 WITH REFERENCE TO FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls with reference to financial reporting, 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 with reference to financial reporting to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion, the Company has in all material respects, internal financial controls with reference to the financial statements of the Company and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated

For **K. S. Aiyar & CO**  
Chartered Accountants  
FRN: 100186W

**Rajesh S Joshi**  
Partner  
M. No. 038526  
UDIN: 21038526AAAABZ2690

Place: Mumbai  
Date: May 25, 2021

in the Guidance Note on Audit of Internal Financial Controls with reference to Financial Reporting issued by the Institute of Chartered Accountants of India.

### OTHER MATTER

The actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the regulations, and has been relied upon by us, as mentioned in "other matter" para of our audit report on the standalone financial statements for the year ended March 31, 2021. Accordingly, our opinion on the internal financial controls with reference to financial statements does not include reporting on the operating effectiveness of the management's internal controls over the valuation and accuracy of the aforesaid actuarial valuation.

For **M. P. Chitale & Co.**  
Chartered Accountants  
FRN: 101851W

**Murtuza Vajih**  
Partner  
M. No. 112555  
UDIN: 21112555AAAABX3408

Place: Mumbai  
Date: May 25, 2021

# Independent Auditor's Certificate

## TO THE SHAREHOLDERS OF PNB METLIFE INDIA INSURANCE COMPANY LIMITED

K. S. Aiyar & Co.  
Chartered Accountants  
No. F-7, Shakti Mills Lane,  
Off Dr. E. Moses Road,  
Mahalaxmi, Mumbai-400011

(Referred to in paragraph 8 (1) of our Report on Other Matters forming part of the Independent Auditor's Report dated 24<sup>th</sup> May, 2021)

This certificate is issued to PNB MetLife India Insurance Company Limited (the Company) to comply with the provisions of paragraph 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 IRDAI Financial Statements Regulations") read with Regulation 3 of the IRDAI Financial Statements Regulations

The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 as amended from time to time (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDAI Act"), the IRDAI Financial Statements Regulation and 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.

Our responsibility for the purpose of this certificate is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the IRDA Financial Statements Regulations.

We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI'), which include the concepts of test checks and materiality. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

For **K. S. Aiyar & CO**  
Chartered Accountants  
FRN: 100186W

**Rajesh S Joshi**  
Partner  
M. No. 038526  
UDIN: 21038526AAAABZ2690

Place: Mumbai  
Date: May 25, 2021

M. P. Chitale & Co.  
Chartered Accountants  
First Floor, Hamam House,  
Ambalal Doshi Marg,  
Fort, Mumbai- 400001

Based on our audit of financial statements for the year ended March 31, 2021 and in accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company for the year ended 31<sup>st</sup> March, 2021, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended 31<sup>st</sup> March, 2021, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements.
2. Based on the management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, we certify that the Company has complied with the terms and conditions of registration stipulated by IRDAI;
3. We have verified the cash balances by actual inspection, to the extent considered necessary or on the basis of certificate/confirmation received from the Branches and on the basis of subsequent deposits thereof in the Bank and Securities relating to the Company's investments and policy loans as at March 31, 2021, on the basis of certificates/confirmations received from the Custodian and/or Depository Participants appointed by the Company, as at March 31, 2021, 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 to the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 relating to the application and investments of the Policyholders' Funds.

For **M. P. Chitale & Co.**  
Chartered Accountants  
FRN: 101851W

**Murtuza Vajih**  
Partner  
M. No. 112555  
UDIN: 21112555AAAABX3408

Place: Mumbai  
Date: May 25, 2021

## FORM A - BS

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration Number: 117 dated August 6, 2001 with IRDAI

# Balance Sheet

as at March 31, 2021

(₹ in '000)

Particulars	Schedule	As at March 31, 2021	As at March 31, 2020
<b>SOURCES OF FUNDS:</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	5	20,128,843	20,128,843
Reserves and surplus	6	43,977	-
Credit/(Debit) Fair value change account		51,374	(38,436)
<b>Total shareholders' funds</b>		<b>20,224,194</b>	<b>20,090,407</b>
Borrowings	7	-	-
<b>POLICYHOLDERS' FUNDS</b>			
Credit/(Debit) Fair value change account (including for derivative contract: Refer Note 3.17 of schedule 16)		1,882,745	(718,438)
Policy liabilities		193,836,535	157,969,292
Insurance reserves		-	-
Provision for linked liabilities -Non unit		617,329	529,000
Provision for linked liabilities - Unit		63,347,018	47,030,829
<b>Total policyholders' funds</b>		<b>259,683,627</b>	<b>204,810,683</b>
Funds for discontinued policies			
- Discontinued on account of non- payment of premium		6,277,629	5,658,369
Funds for future appropriations (Refer Note 2.20 of schedule 16)		6,424,452	4,422,583
<b>TOTAL</b>		<b>292,609,902</b>	<b>234,982,042</b>
<b>APPLICATION OF FUNDS:</b>			
Investments			
Shareholders'	8	13,640,818	12,248,559
Policyholders'	8A	199,240,646	158,973,541
Assets held to cover linked liabilities	8B	69,624,647	52,689,198
Loans	9	920,908	582,598
Fixed assets	10	1,218,513	1,145,174
Current assets			
Cash and bank balances	11	2,666,963	3,613,848
Advances and other assets	12	9,833,172	9,155,296
<b>Total Current assets (A)</b>		<b>12,500,135</b>	<b>12,769,144</b>
Less:			
Current liabilities	13	9,775,226	9,643,479
Provisions	14	767,221	800,330
<b>Total Current Liabilities and Provisions (B)</b>		<b>10,542,447</b>	<b>10,443,809</b>
<b>Net current assets (C) = (A)-(B)</b>		<b>1,957,688</b>	<b>2,325,335</b>
Miscellaneous expenditure (to the extent not written off or adjusted)	15	-	-
Debit balance in Profit and Loss Account (Shareholders' Account)		6,006,682	7,017,637
Deficit in Revenue Account (Policyholders' Account)		-	-
<b>TOTAL</b>		<b>292,609,902</b>	<b>234,982,042</b>
Contingent liabilities (Refer Note 3.1 of schedule 16)			
Significant accounting policies and notes	16		
Schedules referred to herein form an integral part of the Balance Sheet			

This is the Balance Sheet referred to in our report of even date

For **K.S. Aiyar & Co.**  
Chartered Accountants

For **For M. P. Chitale & Co.**  
Chartered Accountants

**Rajesh S. Joshi**  
Partner

**Murtuza Vajih**  
Partner

For and on behalf of the Board of Directors

**Kishore Ponnayolu**  
Chairman  
DIN No. 08226069

**Ashish Kumar Srivastava**  
Managing Director & CEO  
DIN No. 00355075

**Sunil Satyapal Gulati**  
Director  
DIN No. 00016990

**Ashish Bhat**  
Director  
DIN No. 08652335

**Khalid Ahmad**  
Chief Financial Officer

**Shobhna Sharma**  
Appointed Actuary

**Yagya Turker**  
Company Secretary  
M No. 19493

Place: Mumbai  
Date: May 25, 2021

## FORM A - RA

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration Number: 117 dated August 6, 2001 with IRDAI

# Revenue Account

for the year ended March 31, 2021

### Policyholders' Account (Technical Account)

(₹ in '000)

Particulars	Schedule	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Premiums earned - net</b>			
(a) Premium	1	60,328,187	55,069,552
(b) Reinsurance ceded (Refer Note 2.5 of schedule 16)		(2,191,952)	(1,588,569)
(c) Reinsurance accepted		-	-
		<b>58,136,235</b>	<b>53,480,983</b>
<b>Income from investments</b>			
(a) Interest, dividends and rent - gross		15,049,521	12,837,962
(b) Profit on sale/redemption of investments		7,403,329	5,280,047
(c) (Loss) on sale/ redemption of investments		(1,749,960)	(2,376,989)
(d) Transfer/gain on revaluation/change in fair value*		15,311,612	(12,645,255)
(e) Amortisation of premium/discount on investments		122,747	535,711
<b>Other Income</b>			
(a) Interest on policy loans (Refer Note 2.4 of schedule 16)		73,122	54,806
(b) Miscellaneous income		18,419	76,075
Contribution from the Shareholders' Account (Refer Note 3.34 of schedule 16)		588,027	344,520
Contribution from the Shareholders' Account towards excess of EOM (Refer: Note 3.47 of schedule 16)		29,874	5,677
<b>Total (A)</b>		<b>94,982,926</b>	<b>57,593,537</b>
Commission	2	3,389,189	2,836,468
Operating expenses related to Insurance business	3	10,085,010	9,071,068
Goods and Services tax on charges		454,647	455,561
Provision for doubtful debts		-	-
Bad debts written off		-	-
Provision for Income Tax (Refer Note 3.12 of of schedule 16)		364,713	290,847
Provisions (other than taxation)			
(a) For diminution in the value of investments (Net)		-	-
(b) Advances & Recoveries		12,998	12,851
<b>Total (B)</b>		<b>14,306,557</b>	<b>12,666,795</b>
Benefits paid (net)	4	25,084,370	23,218,158
Interim & Other bonuses paid		31,854	30,187
Change in valuation of liability in respect of life policies			
(a) Gross**		54,015,456	19,221,723
(b) Amount ceded in reinsurance		(1,124,435)	242,325
(c) Amount accepted in reinsurance		-	-
<b>Total (C)</b>		<b>78,007,245</b>	<b>42,712,393</b>
<b>Surplus/(Deficit ) (D) = (A) - (B) - (C)</b>		<b>2,669,124</b>	<b>2,214,349</b>

## FORM A - RA

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration Number: 117 dated August 6, 2001 with IRDAI

# Revenue Account

for the year ended March 31, 2021

### Policyholders' Account (Technical Account)

(₹ in '000)

Particulars	Schedule	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Appropriations</b>			
Transfer to Shareholders' account		667,255	719,260
Transfer to other reserves		-	-
Balance being Funds for future appropriations		2,001,869	1,495,089
Surplus/(Deficit) after appropriation		-	-
<b>Total (D)</b>		<b>2,669,124</b>	<b>2,214,349</b>
<b>Details of Total Surplus/(Deficit)</b>			
(a) Interim bonuses paid		31,854	30,187
(b) Allocation of bonus to Policyholders'		3,289,195	3,024,133
(c) Surplus shown in the Revenue Account		2,669,124	2,214,349
<b>Total Surplus/(Deficit)</b>		<b>5,990,173</b>	<b>5,268,669</b>

\* Represents the deemed realised gain as per norms specified by the Authority

\*\* Represents mathematical reserves after allocation of bonus

Significant accounting policies and notes

16

We state that all expenses of the Management incurred by the company in respect of Life Insurance business transacted in India by the company have been fully debited to the Policyholders Revenue Account as expenses.

This is the Revenue Account referred to in our report of even date

For and on behalf of the Board of Directors

For **K.S. Aiyar & Co.**  
Chartered Accountants

For **M. P. Chitale & Co.**  
Chartered Accountants

**Kishore Ponnawolu**  
Chairman  
DIN No. 08226069

**Ashish Kumar Srivastava**  
Managing Director & CEO  
DIN No. 00355075

**Rajesh S. Joshi**  
Partner

**Murtuza Vajhi**  
Partner

**Sunil Satyapal Gulati**  
Director  
DIN No. 00016990

**Ashish Bhat**  
Director  
DIN No. 08652335

**Khalid Ahmad**  
Chief Financial Officer

**Shobhna Sharma**  
Appointed Actuary

Place: Mumbai  
Date: May 25, 2021

**Yagya Turker**  
Company Secretary  
M No. 19493

## FORM A - PL

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration Number: 117 dated August 6, 2001 with IRDAI

# Profit and Loss Account

for the year ended March 31, 2021

### Shareholders' Account (Non-technical Account)

(₹ in '000)

Particulars	Schedule	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount transferred from the Policyholders' Account (Technical Account)		667,255	719,260
<b>Income from Investments</b>			
(a) Interest, dividends and rent - gross		1,014,643	944,683
(b) Profit on sale/redemption of investments		232,115	22,175
(c) Loss on sale/redemption of investments		(9,160)	-
(d) Amortisation of (premium)/discount on investments		(25,300)	(14,255)
<b>Total</b>		<b>1,212,298</b>	<b>952,603</b>
Other income		-	-
<b>Total Income (A)</b>		<b>1,879,553</b>	<b>1,671,863</b>
Expenses other than those directly related to the insurance business	3A	95,618	304,176
Contribution to Policyholders Account towards excess of EOM (Refer: Note 3.47 of schedule 16)		29,874	5,677
Contribution towards Remuneration of Managing Director (Refer: Note 3.13 of schedule 16)		34,375	26,905
Bad debts written off		-	-
Provisions (other than taxation)			
(a) For diminution in the value of investments		-	-
(b) Provision for doubtful debts		-	-
(c) Others (Refer: Note 3.35 of schedule 16)		-	47,294
Contribution to the Policyholders' Account		588,027	344,520
<b>Total (B)</b>		<b>747,894</b>	<b>728,572</b>
<b>Profit / (Loss) before tax</b>		<b>1,131,659</b>	<b>943,291</b>
Provision for taxation (Refer Note 3.12 of schedule 16)		120,704	15,578
<b>Profit / (Loss) after tax</b>		<b>1,010,955</b>	<b>927,713</b>
<b>Appropriations</b>			
(a) Balance at beginning of the year		(7,017,637)	(7,945,350)
(b) Interim dividends paid during the year		-	-
(c) Proposed final dividend		-	-
(d) Dividend distribution tax		-	-
<b>Profit / (Loss) carried forward to balance sheet</b>		<b>(6,006,682)</b>	<b>(7,017,637)</b>
Earning / (Loss) Per Share (Basic) (₹) (Refer Note 3.31 of schedule 16)		0.50	0.46
Earning / (Loss) Per Share (Diluted) (₹) (Refer Note 3.31 of schedule 16)		0.50	0.46

Significant accounting policies and notes

16

Schedules referred to herein form an integral part of the Profit and Loss Account

This is the Profit and Loss Account referred to in our report of even date

For and on behalf of the Board of Directors

For **K.S. Aiyar & Co.**  
Chartered Accountants

For **For M. P. Chitale & Co.**  
Chartered Accountants

**Kishore Ponnnavolu**  
Chairman  
DIN No. 08226069

**Ashish Kumar Srivastava**  
Managing Director & CEO  
DIN No. 00355075

**Rajesh S. Joshi**  
Partner

**Murtuza Vajih**  
Partner

**Sunil Satyapal Gulati**  
Director  
DIN No. 00016990

**Ashish Bhat**  
Director  
DIN No. 08652335

**Khalid Ahmad**  
Chief Financial Officer

**Shobhna Sharma**  
Appointed Actuary

Place: Mumbai  
Date: May 25, 2021

**Yagya Turker**  
Company Secretary  
M No. 19493

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration Number: 117 dated August 6, 2001 with IRDAI

# Receipts and Payments Account for the year ended March 31, 2021

(₹ in '000)

Particulars	Schedule	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Cash Flows from the Operating Activities:</b>			
Premium received from policyholders, including advance receipts		62,594,989	56,083,018
Other receipts		96,150	222,171
Payments to other entities carrying on insurance business (including reinsurers), net of commissions and benefits		(260,982)	(435,287)
Payments of claims/benefits		(27,870,029)	(23,736,832)
Payments of commission and brokerage		(3,266,481)	(2,867,758)
Payments of other operating expenses		(10,819,221)	(9,631,216)
Deposits, advances and staff loans		(16,811)	19,781
Income taxes paid (Net)		(489,028)	(332,798)
Goods and Services Tax paid		(1,449,586)	(1,272,324)
Cash flows before extraordinary items		18,519,001	18,048,755
Cash flow from extraordinary operations		-	-
<b>Net cash flow from operating activities (A)</b>		<b>18,519,001</b>	<b>18,048,755</b>
<b>Cash flows from Investing Activities:</b>			
Purchase of fixed assets		(486,610)	(479,732)
Proceeds from sale of fixed assets		(1,390)	1,026
Purchase of Investments		(86,364,486)	(71,649,616)
Loans against policies		(340,588)	(115,231)
Sales/ Maturity of investments		48,346,668	40,940,822
Rents/Interests/ Dividends received		15,460,487	13,859,211
Investments in money market instruments and in liquid mutual funds (Net)		3,599,951	(34,916)
<b>Net cash flow from investing activities (B)</b>		<b>(19,785,968)</b>	<b>(17,478,436)</b>
<b>Cash flows from Financing Activities:</b>			
Proceeds from issuance of share capital		-	-
Proceeds from borrowing		-	-
Repayments of borrowing		-	-
Interest/dividends paid		-	-
<b>Net cash flow from financing activities (C)</b>		<b>-</b>	<b>-</b>
Effect of foreign exchange rates on cash and cash equivalents, net		-	-
<b>Net increase/(decrease) in cash and cash equivalents: (A+B+C)</b>	<b>11</b>	<b>(1,266,967)</b>	<b>570,319</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11</b>	<b>3,294,090</b>	<b>2,723,771</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>2,027,123</b>	<b>3,294,090</b>
<b>Note:</b>			
Components of Cash and cash equivalents at the end of the year			
- Cash (including cheques in hand and stamps in hand)		779,476	368,525
- Bank Deposits (including Short-term FDs)		540,000	186,547
- Bank Balances		1,342,550	3,058,776
- Book overdraft (As per books) (Schedule 13)		(634,903)	(319,758)
		<b>2,027,123</b>	<b>3,294,090</b>
<b>Reconciliation of Cash &amp; Cash Equivalents with Cash &amp; Bank 'Balance (Schedule 11):</b>			
Cash and cash equivalents at the end of the year		2,027,123	3,294,090
Add: FD's earmarked against legal cases/legal authorities		4,937	-
Add: Book overdraft (As per books) (Schedule 13)		634,903	319,758
<b>Cash &amp; Bank Balances as per Schedule 11</b>		<b>2,666,963</b>	<b>3,613,848</b>

Schedules referred to above form an integral part of the Balance Sheet

This is the Revenue Account referred to in our report of even date

For and on behalf of the Board of Directors

For **K.S. Aiyar & Co.**  
Chartered Accountants

For **For M. P. Chitale & Co.**  
Chartered Accountants

**Kishore Ponnayalu**  
Chairman  
DIN No. 08226069

**Ashish Kumar Srivastava**  
Managing Director & CEO  
DIN No. 00355075

**Rajesh S. Joshi**  
Partner

**Murtuza Vajih**  
Partner

**Sunil Satyapal Gulati**  
Director  
DIN No. 00016990

**Ashish Bhat**  
Director  
DIN No. 08652335

**Khalid Ahmad**  
Chief Financial Officer

**Shobhna Sharma**  
Appointed Actuary

Place: Mumbai  
Date: May 25, 2021

**Yagya Turker**  
Company Secretary  
M No. 19493



## SCHEDULE 1 - PREMIUM

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
First year Premiums	15,112,727	13,546,597
Renewal Premiums	40,364,989	37,283,108
Single Premiums	4,850,471	4,239,847
<b>Total Premiums</b>	<b>60,328,187</b>	<b>55,069,552</b>
<b>Premiums Income from business written:</b>		
In India	60,328,187	55,069,552
Outside India	-	-
<b>Total Premiums</b>	<b>60,328,187</b>	<b>55,069,552</b>

## SCHEDULE 2 - COMMISSION EXPENSES

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Commission		
Direct		
- First year Premiums	2,087,769	1,688,455
- Renewal Premiums	1,072,508	944,542
- Single Premiums	179,433	192,640
<b>Gross commission</b>	<b>3,339,710</b>	<b>2,825,637</b>
Add: Commission on re-insurance accepted	-	-
Less: Commission on re-insurance ceded	-	-
<b>Net Commission</b>	<b>3,339,710</b>	<b>2,825,637</b>
Rewards and Remuneration to Agents, brokers and other intermediaries	49,479	10,831
<b>Total</b>	<b>3,389,189</b>	<b>2,836,468</b>
<b>Break-up of Gross commission expenses/ Referral fees</b>		
Agents	290,823	278,354
Brokers	331,773	166,387
Corporate Agency	2,766,593	2,391,727
Referral	-	-
Others	-	-
<b>Total</b>	<b>3,389,189</b>	<b>2,836,468</b>

## SCHEDULE 3 - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employees' remuneration and welfare benefits	6,525,063	5,843,195
Travel, conveyance and vehicle running expenses	56,942	144,734
Training expenses	6,418	126,328
Rents, rates and taxes	586,052	536,087
Repairs	25,813	10,017
Printing and stationery	37,834	40,523
Communication expenses	143,653	128,798
Legal & professional charges	173,864	131,708
Medical fees	88,910	75,652
Auditors' Fees, expenses, etc.		
(a) as auditor	7,000	7,000
(b) as advisor or in any other capacity, in respect of		
(i) Taxation matters	-	-

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity	969	3,380
Advertisement and publicity	806,776	545,581
Business Development ,Sales promotion & Sales conference	296,918	355,415
Interest and Bank Charges	58,106	56,520
Recruitment expenses	53,405	72,062
Information Technology expenses	687,974	483,246
Office expenses	105,983	128,162
Others	(16,920)	41,164
Depreciation	440,250	341,496
<b>Total</b>	<b>10,085,010</b>	<b>9,071,068</b>

### SCHEDULE 3A - EXPENSES OTHER THAN THOSE DIRECTLY RELATED TO THE INSURANCE BUSINESS

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employees' remuneration and welfare benefits	7,932	10,629
Travel, conveyance and vehicle running expenses	1	15
Training expenses	-	28
Rents, rates and taxes	198	96
Repairs	2	8
Printing and stationery	-	-
Communication expenses	2	40
Legal and professional charges	607	719
Medical fees	-	-
Auditors' Fees, expenses, etc.		
(a) as auditor	-	-
(b) as advisor or in any other capacity, in respect of		
(i) Taxation matters	-	-
(ii) Insurance matters	-	-
(iii) Management services; and	-	-
(c) in any other capacity	-	-
Advertisement and publicity	-	-
Business Development, Sales promotion & Sales conference	-	-
Interest and bank charges	203	263
Recruitment expenses	-	-
Information technology expenses	-	-
Office expenses	3	-
Others	65,213	18,712
Depreciation	-	-
Corporate Social Responsibility	21,457	26,676
Initial public offer expense - Offer for sale*	-	246,990
<b>Total</b>	<b>95,618</b>	<b>304,176</b>

\* As per the offer agreement, in the event the Offer of IPO - OFS is withdrawn or not completed for any reason whatsoever, all the expenses relating to the Offer shall be borne by the Company. Accordingly, IPO-OFS related expenses shown as recoverable in the financial statements of the Company upto September 30, 2019 was charged to the Profit and Loss Account (Shareholders' Account) - Schedule 3A during FY 2019-20.

## SCHEDULE 4 - BENEFITS PAID (NET)

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
1. Insurance claims		
(a) Claims by death	7,262,453	4,575,720
(b) Claims by maturity	2,079,592	1,951,132
(c) Annuities/ Pension payment	233,261	223,023
(d) Other benefits -		
(i) Surrenders	14,035,249	14,457,846
(ii) Periodical benefit	3,491,970	2,928,372
(iii) Health	50,072	79,721
(iv) Others	-	-
2. (Amount ceded in reinsurance)		
(a) Claims by death	(2,049,292)	(968,580)
(b) Claims by maturity	-	-
(c) Annuities/ Pension payment	-	-
(d) Other benefits -		
(i) Surrenders	-	-
(ii) Periodical benefit	-	-
(iii) Health	(18,935)	(29,076)
3. Amount accepted in reinsurance		
(a) Claims by death	-	-
(b) Claims by maturity	-	-
(c) Annuities/ Pension payment	-	-
(d) Other benefits -		
(i) Surrenders	-	-
(ii) Periodical benefit	-	-
(iii) Health	-	-
<b>TOTAL</b>	<b>25,084,370</b>	<b>23,218,158</b>
<b>Benefits paid to claimants:</b>		
In India	25,084,370	23,218,158
Outside India	-	-
<b>Benefits paid (net)</b>	<b>25,084,370</b>	<b>23,218,158</b>

## SCHEDULE 5 - SHARE CAPITAL

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised Capital</b>	30,000,000	30,000,000
3,000,000,000 (Previous year - 3,000,000,000) equity shares of ₹ 10/- each		
<b>Issued capital</b>	20,128,843	20,128,843
2,012,884,283 (Previous year - 2,012,884,283) equity shares of ₹ 10/- each		
<b>Subscribed, Called-up and Paid up Capital</b>	20,128,843	20,128,843
2,012,884,283 (Previous year - 2,012,884,283) equity shares of ₹ 10/- each fully paid up		
<b>Total</b>	<b>20,128,843</b>	<b>20,128,843</b>

Note: As there is no holding company, no part of the share capital is held by it.

## SCHEDULE 5A - PATTERN OF SHAREHOLDING (AS CERTIFIED BY MANAGEMENT)

(₹ in '000)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of holding	Number of shares	% of holding
<b>Promoters</b>				
Indian	603,865,285	30.00%	603,865,285	30.00%
Foreign	645,181,407	32.05%	645,181,407	32.05%
<b>Non Promoter</b>				
Indian *	722,726,480	35.91%	722,726,480	35.91%
Foreign (through indirect FDI)	41,111,111	2.04%	41,111,111	2.04%
<b>Total</b>	<b>2,012,884,283</b>	<b>100.00%</b>	<b>2,012,884,283</b>	<b>100.00%</b>

\*Includes 1,700,000 equity shares held by one of the Indian shareholder which was pledged with ICICI Bank limited ,who has demanded revocation of such pledge against which the said shareholder has obtained an injunction order from Civil court against the ICICI bank which is pending.

## SCHEDULE 6 - RESERVES AND SURPLUS

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital reserve	-	-
Capital redemption reserve	-	-
Share premium	-	-
Revaluation Reserve (Refer Note 3.45 of schedule 16)	44,594	-
Less: Depreciation charged on revaluation reserve	617	-
Closing Balance	43,977	-
General reserves	-	-
Less: Debit balance in profit and loss account	-	-
Less: Amount utilized for buy-back	-	-
Catastrophe reserve	-	-
Other reserves	-	-
Balance of profit and loss account	-	-
<b>Total</b>	<b>43,977</b>	<b>-</b>

## SCHEDULE 7 - BORROWINGS

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Debentures/Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## SCHEDULE 8 - INVESTMENTS - SHAREHOLDERS'

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>LONG TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury bills	5,027,653	5,550,136
Other approved securities	4,012,735	2,479,977
Other investments		
(a) Shares		
(aa) Equity	-	123,907
(bb) Preference	-	-
(b) Mutual funds	-	-

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
(c) Derivative instruments	-	-
(d) Debentures/Bonds	516,979	774,241
(e) Other securities (Infrastructure Investment Fund)	264,525	-
(f) Subsidiaries	-	-
Investment properties - Real estate	-	-
Investments in infrastructure and social sector		
- Equity	-	-
- Debt	3,717,285	2,265,213
Other than Approved investments		
- Equity	-	1,374
- Debt	-	75,000
<b>Total</b>	<b>13,539,177</b>	<b>11,269,848</b>
<b>SHORT TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury bills	27,556	-
Other approved securities	-	-
Other investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual funds	-	-
(c) Derivative instruments	-	-
(d) Debentures/Bonds	-	649,253
(e) Other securities - CP/CBLO/Bank Deposits	68,085	179,205
(f) Subsidiaries	-	-
Investment properties - Real estate	-	-
Investments in Infrastructure and Social Sector	6,000	150,253
Other than Approved investments		
- Debentures/ Bonds	-	-
- Mutual funds	-	-
- Other securities - Inter corporate deposit	-	-
- Other securities - Asset securitisation - Pass through certificates	-	-
<b>Total</b>	<b>101,641</b>	<b>978,711</b>
<b>Grand total</b>	<b>13,640,818</b>	<b>12,248,559</b>

**Note:** The market value of the above total investment is ₹14,286,445 (As at March 31, 2020 ₹ 1,30,08,260)

#### SCHEDULE 8A - INVESTMENTS - POLICYHOLDERS'

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>LONG TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury bills	88,418,486	70,797,227
Other approved securities	18,060,212	9,723,937
Other investments		
(a) Shares		
(aa) Equity	9,061,287	4,797,436
(bb) Preference	-	-
(b) Mutual funds	-	-
(c) Derivative instruments	-	-
(d) Debentures/Bonds	25,457,106	22,523,735
(e) Other securities (Infrastructure Investment Fund)	678,875	-
(f) Subsidiaries	-	-

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
(g) Investment properties - Real estate	2,860,062	1,992,469
Investments in infrastructure and social sector		
- Equity	497,887	267,365
- Debt	47,765,150	42,034,464
Other than Approved investments		
- Equity	1,549,637	1,296,946
- Debt	100,000	475,076
<b>Total</b>	<b>194,448,702</b>	<b>153,908,655</b>
<b>SHORT TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury bills	65,696	24,201
Other approved securities	14,073	-
Other investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual funds	-	-
(c) Derivative instruments	-	-
(d) Debentures/Bonds	50,000	549,123
(e) Other securities - CP/Bank Deposits/CBLO	3,052,617	3,779,062
(f) Subsidiaries	-	-
(g) Investment properties - Real estate	-	-
Investments in Infrastructure and Social Sector	1,509,558	612,500
Other than approved investments-Debenture / Bonds	100,000	100,000
<b>Total</b>	<b>4,791,944</b>	<b>5,064,886</b>
<b>Grand total</b>	<b>199,240,646</b>	<b>158,973,541</b>

**Note:** The Market Value of the above total investment is ₹ 213,183,941 (As at March 31, 2020 ₹ 172,260,027).

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

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>LONG TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury bills	4,318,939	5,524,957
Other approved securities	3,666,196	1,355,168
Other investments		
(a) Shares		
(aa) Equity	35,340,588	21,998,471
(bb) Preference	-	-
(b) Mutual funds	-	-
(c) Derivative instruments	-	-
(d) Debentures/Bonds	1,993,101	2,457,490
(e) Other securities	-	-
(f) Subsidiaries	-	-
(g) Investment properties - Real estate	-	-
Investments in Infrastructure and Social Sector		
- Debt Securities (including Housing)	6,511,317	6,527,676
- Equities	2,608,090	1,682,686
Other than approved investments		
(a) Equity	1,987,122	994,523
(b) Mutual Fund (ETF)	6,266,960	2,694,100
(c) Bonds/Debentures	200,000	560,000
<b>Total</b>	<b>62,892,313</b>	<b>43,795,071</b>

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>SHORT TERM INVESTMENTS</b>		
Government securities and Government guaranteed bonds including Treasury bills	3,155,647	4,810,993
Other approved securities	31,169	25,129
Other investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual funds	-	-
(c) Derivative instruments	-	-
(d) Debentures/Bonds	-	-
(e) Other securities	-	-
(f) Subsidiaries	-	-
(g) Fixed deposits	-	-
(h) Other securities - CP/CBLO/Bank Deposits	2,884,737	3,136,983
(i) Investment properties - Real estate	-	-
Investments in Infrastructure and Social Sector	-	100,938
Other than approved investments		
(a) Mutual funds	-	-
(b) Debentures/Bonds	80,000	-
<b>Total</b>	<b>6,151,553</b>	<b>8,074,043</b>
Other net current assets	580,781	820,084
<b>Grand total</b>	<b>69,624,647</b>	<b>52,689,198</b>

## SCHEDULE 9 - LOANS

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>SECURITY-WISE CLASSIFICATION</b>		
Secured		
(a) On mortgage of property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Government securities etc.	-	-
(c) Loans against policies	920,908	582,598
(d) Others	-	-
Unsecured	-	-
<b>Total</b>	<b>920,908</b>	<b>582,598</b>
<b>BORROWER-WISE CLASSIFICATION</b>		
(a) Central and state governments	-	-
(b) Banks and financial institutions	-	-
(c) Subsidiaries	-	-
(d) Companies	-	-
(e) Loans against policies	920,908	582,598
(f) Others	-	-
<b>Total</b>	<b>920,908</b>	<b>582,598</b>
<b>PERFORMANCE - WISE CLASSIFICATION</b>		
(a) Loans classified as standard		
(aa) In India	920,908	582,598
(bb) Outside India	-	-
(a) Non-standard loans less provisions		
(aa) In India	-	-
(bb) Outside India	-	-
<b>Total</b>	<b>920,908</b>	<b>582,598</b>
<b>MATURITY - WISE CLASSIFICATION</b>		
(a) Short term	23,409	51,329
(b) Long term	897,499	531,269
<b>Total</b>	<b>920,908</b>	<b>582,598</b>

## SCHEDULE 10- FIXED ASSETS

Particulars	Cost / Gross Block				Depreciation / Amortisation				Net Block		
	As at April 01, 2020	Additions	Deductions	Revaluation	As at March 31, 2021	As at April 01, 2020	For the Year	On sales / Adjustment	Revaluation	As at March 31, 2021	As at March 31, 2020
	(₹ in '000)										
<b>Intangible assets</b>											
Computer Software	1,553,542	125,331	169,258	-	1,509,615	1,109,271	241,909	169,258	-	1,181,922	444,271
<b>Other assets</b>											
Building	244,310	-	-	-	244,310	22,217	4,080	-	-	26,297	222,093
Value added on Revaluation to Building	-	-	-	44,595	44,595	-	-	-	617	617	-
Leasehold improvements	234,176	9,262	4,865	-	238,573	151,563	27,927	3,205	-	176,285	82,613
Furniture and fittings	71,416	2,562	712	-	73,266	46,558	4,994	493	-	51,059	24,858
Information technology equipment - Owned	769,354	171,852	131,446	-	809,760	526,957	116,512	130,106	-	513,363	242,397
Information technology equipment - Leased	195,708	-	-	-	195,708	163,090	32,618	-	-	195,708	32,618
Vehicles	5,779	-	-	-	5,779	709	722	-	-	1,431	4,348
Office equipment	124,468	13,529	3,388	-	134,609	94,373	11,488	3,388	-	102,473	30,095
<b>Total</b>	<b>3,198,753</b>	<b>322,536</b>	<b>309,669</b>	<b>44,595</b>	<b>3,256,215</b>	<b>2,114,738</b>	<b>440,250</b>	<b>306,450</b>	<b>617</b>	<b>2,249,155</b>	<b>1,084,015</b>
<b>Capital Work-in-Progress*</b>	<b>61,159</b>	<b>768,590</b>	<b>618,296</b>	<b>-</b>	<b>211,453</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,159</b>
<b>Total Fixed Assets</b>	<b>3,259,912</b>	<b>1,091,126</b>	<b>927,965</b>	<b>44,595</b>	<b>3,467,668</b>	<b>2,114,738</b>	<b>440,250</b>	<b>306,450</b>	<b>617</b>	<b>2,249,155</b>	<b>1,145,174</b>
<b>Previous year</b>	<b>2,792,402</b>	<b>1,290,957</b>	<b>823,447</b>	<b>-</b>	<b>3,259,912</b>	<b>1,826,061</b>	<b>341,496</b>	<b>52,819</b>	<b>-</b>	<b>2,114,738</b>	<b>1,145,174</b>

**Note:** \* Additions/deductions in CWIP includes ₹ 295,760 thousands during the year ended March 31, 2021 (₹ 69,150 thousands as at March 31, 2020) being amount funded by MetLife International Holdings, LLC towards information technology equipment. (Refer Note 3.27 of schedule 16).



## SCHEDULE 11 - CASH AND BANK BALANCES

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash (including cheques, drafts and stamps)	779,476	368,525
Bank balances		
(a) Deposit accounts		
(aa) Short-term (due within 12 months of the date of Balance Sheet)	540,314	183,450
(bb) Others	4,623	3,097
(b) Current accounts	1,342,550	3,058,776
(c) Others	-	-
Money at call and short notice		
(a) With banks	-	-
(b) With other institutions	-	-
Others	-	-
<b>Total</b>	<b>2,666,963</b>	<b>3,613,848</b>
Balances with non-scheduled banks included above	-	-
<b>CASH AND BANK BALANCES</b>		
(a) In India	2,666,963	3,613,848
(b) Outside India	-	-
<b>Total</b>	<b>2,666,963</b>	<b>3,613,848</b>

## SCHEDULE 12 - ADVANCES AND OTHER ASSETS

(₹ in '000)

Particulars	As at March 31, 2021		As at March 31, 2020	
<b>ADVANCES</b>				
Reserve deposits with ceding companies		-		-
Application money for investments		-		-
Prepayments		124,127		86,129
Advances to Directors/Officers		-		-
Advances to Suppliers	94,643		103,922	
Less: Provision for doubtful recoveries	7,277	87,366	5,078	98,844
Advances to Employees		14,845		14,449
Advance tax paid and taxes deducted at source (Net of provision for taxation)		83,612		79,733
Other advances		63,655		62,655
<b>Total (A)</b>		<b>373,605</b>		<b>341,810</b>
<b>OTHER ASSETS</b>				
Income accrued on investments and bank deposits		5,110,557		4,407,155
Outstanding premiums		1,977,151		2,102,814
Agents' balances	18,188		17,983	
Less: Provision for doubtful recoveries	18,188	-	17,983	-
Foreign agencies balances		-		-
Due from other entities carrying on insurance business (including reinsurers)		121,843		19,225
Due from subsidiaries/ holding company		-		-
Goods and Services Tax unutilized credit		40,140		61,794
Deposits	165,456		180,580	
Less: Provision for doubtful recoveries	47,744	117,712	47,201	133,379

(₹ in '000)

Particulars	As at March 31, 2021		As at March 31, 2020	
Other receivables	157,733		28,421	
Less: Provision for doubtful recoveries	21,922	135,811	21,262	7,159
Others:				
(a) Assets held for unclaimed amount of policyholders		1,630,366		1,762,541
(b) Income accrued on unclaimed fund		254,175		271,893
(c) Derivative Asset		71,812		47,526
<b>Total (B)</b>		<b>9,459,567</b>		<b>8,813,486</b>
<b>Total (A) + (B)</b>		<b>9,833,172</b>		<b>9,155,296</b>

### SCHEDULE 13 - CURRENT LIABILITIES

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Agents' balances	538,917	406,007
Balances due to other insurance companies	240,402	275,041
Deposits held on reinsurance ceded	-	-
Premiums received in advance	11,522	6,002
Unallocated premium	1,679,289	1,201,460
Sundry creditors	2,486,435	2,840,983
Due to subsidiaries/holding company	-	-
Claims outstanding	1,329,248	1,872,005
Annuities due	13,751	6,681
Due to Officers/Directors	-	-
Taxes deducted at source payable	169,776	145,989
Goods and Services Tax payable	251,650	126,771
Unclaimed amount of policyholders	1,630,366	1,762,539
Income accrued on unclaimed fund	254,175	271,893
Others:		
(a) Security Deposit	218,734	135,653
(b) Derivative Margin payable	-	18,310
(c) Due to Policyholders	316,058	254,387
(d) Book overdraft (As per books)	634,903	319,758
<b>Total</b>	<b>9,775,226</b>	<b>9,643,479</b>

### SCHEDULE 14 - PROVISIONS

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
For taxation (Net of Advance tax)	268	-
For proposed dividends	-	-
For dividend distribution tax	-	-
For gratuity	252,965	258,086
For compensated absences	93,921	84,551
For Litigated Claims & Other Liabilities	420,067	457,693
<b>Total</b>	<b>767,221</b>	<b>800,330</b>

### SCHEDULE 15 - MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Discount allowed on issue of shares/debentures	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## SCHEDULE – 16

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

#### 1. CORPORATE INFORMATION

PNB MetLife India Insurance Company Limited ('the Company') was incorporated in India on April 11, 2001 as a Private Limited Company and was converted into a Public Limited Company effective from January 9, 2008 under the Companies Act, 1956. On August 6, 2001, the Company obtained the certificate of registration to engage in the business of life insurance from the Insurance Regulatory and Development Authority of India ('IRDAI'). The certificate of registration continues to be in force as at March 31, 2021.

The Company's life insurance business comprises of individual life and group business, including participating, non-participating, pension, immediate annuity, unit-linked insurance products, health and micro insurance. Some of these policies have riders such as accident and disability benefit and critical illness.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 Basis of preparation

The accompanying financial statements have been prepared under the historical cost convention and on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) in compliance with the applicable accounting standards as specified under section 133 of the Companies Act, 2013 (the 2013 Act), read together with Rule 7 of the Company (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016, to the extent applicable and as prescribed by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ('the IRDAI Financial Statements Regulations'), provisions of the Insurance Regulatory and Development Authority Act, 1999, the Insurance Act, 1938, the Insurance Laws (Amendment) Act 2015, to the extent applicable, the relevant provisions of the Companies Act, 2013 and 'the IRDAI Financial Statements Regulations', the Master Circular on Preparation of Financial Statements and Filing of Returns of Life Insurance Business Ref No. IRDA/F&A/ Cir/232/12/2013 dated December 11, 2013 ('the Master Circular') and various orders/ directions/ circulars issued by the IRDAI and the practices prevailing within the insurance industry in India.

Accounting policies have been consistently applied to the extent applicable and in the manner so required

##### 2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires that the Company's

management make estimates and assumptions that affect the reported amount of income and expense for the year, reported balances of assets and liabilities and disclosures related to contingent liabilities as at the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results may differ from the estimates and assumptions used in preparing the financial statements. Any differences of actual to such estimates are recognised in the year in which the results are known or materialised. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### 2.3 Revenue recognition

###### Premium:

New business premium in respect of non-linked policies including rider premium is recognised on acceptance of risk/when due from policyholders (net of goods and services tax). For all the policies which are in force as at the Balance Sheet date, subsequent premium of the first year and renewal premium are recognised as income when due. In respect of linked policies, premium income including rider premium is recognised when the associated units are allotted.

Premium on lapsed policies are recognised as income when such policies are reinstated. Top up premiums are considered as single premium.

###### Income from unit linked policies:

Income from unit linked policies, which includes fund management charges, policy administration charges, mortality charges, etc., are recovered from the unit linked funds in accordance with the terms and conditions of policies issued and are recognized when due.

###### Income earned on Investments:

Interest income is recognized on an accrual basis for all funds.

Amortization of premium or accretion of discount at the time of purchase of debt securities is recognized over the remaining period of maturity on a straight line basis.

Dividend income is accounted for on "ex-dividend" date in case of listed equity and preference shares and in case of unlisted shares, income is recognized when the right to receive the dividend is established.

Rental income on Investment property is recognised on accrual basis and includes only the realizable rent and does not include any notional rent as prescribed by IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002. Costs related to operating and maintenance of investment property are recognised as expense in the Revenue Account.

Profit or loss on sale/redemption of debt securities for unit linked business, is the difference between the net sale proceeds and the weighted average cost as on the date of sale and for other than unit linked business, it is the difference between the net sale proceeds and the weighted average amortized cost as on the date of sale.

Profit or loss on sale/redemption of equity shares, equity exchange traded fund (ETF), Bond ETFs, Infrastructure Investment Trusts (InvITs), Real Estate Investment Trusts (REITs) and mutual fund units for unit linked business, is the difference between the net sale proceeds and the weighted average cost as on the date of sale and for other than unit linked business, the profit or loss includes the accumulated changes in the fair value previously recognized under "Fair Value Change Account" in the Balance Sheet.

Unrealized gains or losses arising out of valuation of unit Linked – Policyholders' Investments are recognized in the respective fund's Revenue Account.

#### 2.4 Income from loans against policies

Interest income on loans against policies is accounted for on an accrual basis.

#### 2.5 Reinsurance premium

Reinsurance premium ceded is accounted for on due basis at the time of recognition of premium income basis the treaty arrangement with the reinsurers.

#### 2.6 Acquisition costs

Acquisition costs are the expenses which are incurred to source and issue the insurance contract. These costs are expensed in the year in which they are incurred.

#### 2.7 Benefits paid (including claims settlement costs)

Death, health and surrender claims are accounted on receipt of intimation subject to eligibility as per policy terms and conditions. Maturity claims, periodical benefits & annuity benefits are accounted as and when due. Surrenders, lapses (after expiry of lock in period) and withdrawals of unit linked policies are accounted in the respective funds when the associated units are deallocated.

Repudiated claims disputed before judicial authorities are provided for based on management prudence considering the facts and evidences available in respect of such claims.

Reinsurance claim recoverable is accounted for when the corresponding claim expenditure is recognized

#### 2.8 Liability for life policies in force and paid up policies

Liabilities for life policies in force and also policies in respect of which premium has been discontinued but a liability exists, is calculated by the Appointed Actuary on the basis of gross premium valuation method in accordance with accepted actuarial practice, professional guidance notes issued by the Institute of Actuaries of India, provisions of the Insurance Act, 1938 (as amended from time to time) and the relevant regulations notified by the IRDAI from time to time. The liabilities are calculated in a manner that together with estimated future premium income and investment income, the Company can meet estimated future claims (including bonus entitlements to Policyholders) and expenses. The linked policies carry two types of liabilities – unit liability representing the fund value of policies and non-unit liability to meet any likely deficiencies in the charges under the policy which might arise on account of mortality, expenses and other elements.

Actuarial method and assumptions are given in note 3.2

#### 2.9 Investments:

Investments are made in accordance with the Insurance Act, 1938 (as amended in 2015), the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, and Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Investment Policy of the Company and various other circulars/notifications issued by the IRDAI in this context from time to time.

Investments are recognised at cost on the date of purchase which includes brokerage and related taxes and excludes pre-acquisition interest accrued, if any.

##### Classification of Investments:

Investments maturing within twelve months from Balance Sheet date and investment made with the specific intention to dispose them off within twelve months from Balance Sheet date are classified as short term investments. Investments other than short term investments are classified as long term investments.

##### Valuation – Shareholders' investments and non-linked Policyholders' investments:

All debt securities, including Government securities, are considered as 'held to maturity' and accordingly stated at amortized cost.

The difference between the acquisition price and the face value of treasury bills, certificate of deposits, commercial papers /Triparty Repo (TREPS) is amortised and recognized as income/expense over the remaining term of these instruments, on a straight line basis. In case of zero coupon bonds, redemption value is considered as the face value.

As prescribed by IRDAI, for valuation of listed equity shares and equity exchange traded fund (ETF), Bond

ETFs, InvITs, REITs, the Company has selected National Stock Exchange (NSE) as the primary exchange and the Bombay Stock Exchange (BSE) as the secondary exchange. Accordingly, the closing price of NSE is used for the purpose of valuation of equity shares, equity ETF, Bond ETFs, InvITs and REITs. If the security is not listed/not traded on the NSE but traded on the BSE, then the closing price of BSE is used. In case equity ETFs are not traded on the exchange then the equity ETFs are valued at previous day's NAV as declared by the Mutual fund. Investment in unlisted equity shares are stated at historical cost. Additional Tier 1 Bonds (AT-1 Bonds) are stated at market value, using applicable market yield rates published by SEBI registered rating agency (Credit Rating Information Services of India Ltd. (CRISIL)) Bond Valuer.

Investments in Liquid Mutual fund units as at the Balance Sheet date are valued at the previous business day's net asset values (NAV).

Rights/Bonus entitlements, if any, are accounted on ex-date basis of the stock exchange.

Unrealised gains/losses arising due to changes in the fair value of mutual funds, equity shares, InvITs and AT-1 Bonds are taken to "Fair value change Account" in the Balance Sheet. In case of diminution, other than temporary, the amount of diminution is recognised as an expense in the Revenue/Profit and Loss Account, as applicable.

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 to be 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. Impairment loss, if any, exceeding the amount of Revaluation Reserve is recognised as an expense in the Revenue Account.

Fixed deposits with banks and investments in reverse repo are valued at cost.

#### Valuation – Assets held to cover linked liabilities:

All debt securities, including Government securities, are valued at market value using CRISIL Bond Valuer / CRISIL Gilt Prices, as applicable.

Money market instruments – Treasury bills, certificate of deposits, commercial papers, TREPS are being stated at amortized cost.

As prescribed by IRDAI, for valuation of listed equity shares, equity ETFs, Bond ETFs, InvITs and REITs, the Company has selected NSE as the primary exchange and BSE as the secondary exchange. Accordingly, the closing price of NSE is used for the purpose of valuation of equity shares, equity ETFs, bond ETFs, InvITs and REITs. If the

security is not listed/not traded on the NSE but traded on the BSE, then the closing price of BSE is used for valuation. In case ETFs are not traded on exchange then the equity and bond ETFs are valued at previous day's NAV as declared by Mutual fund.

Investments in Liquid Mutual fund units as at the Balance Sheet date are valued at the previous business day's NAV.

Rights/Bonus entitlements, if any, are accounted on ex-date basis of the stock exchange.

Fixed deposits with banks are valued at cost.

#### Impairment of Investment

The Company periodically assesses using internal and external sources and at each Balance Sheet date whether there is an indication of impairment of investment. In case of impairment, other than temporary, the carrying value of such investment is reduced to its fair value and the impairment loss is recognised in the Revenue/Profit and Loss Account, as applicable. However, at the Balance Sheet date if there is an indication that a previously recognised impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

#### Valuation of Derivative Instrument:

- As part of the product offerings, the Company offers guaranteed products wherein the Policyholders are assured of a fixed rate of return for premiums to be received in future. These premiums are likely to be received over a longer tenure and the guaranteed rate of return is fixed at the beginning of the policy term. Any fall in interest rates would mean that each incremental investment of the Company would earn a lower rate of return. Accordingly, a fall in interest rates would mean lower interest earnings for the Company from future investments, thereby exposing the Company to interest rate risk.
- The Company enters into interest rate derivative transactions to hedge the interest rate risk arising out of highly probable forecasted future cash inflows which arise from already written policies or from interest income and redemption of investments.
- Derivatives Instruments i.e., FRA is valued at the difference between the market value of underlying bond at the spot reference yield taken from the SEBI approved rating agency and present value of contracted forward price of underlying bond including present value of intermediate coupon inflows from valuation date till FRA contract settlement date, at applicable INR-OIS rate curve
- Derivatives Instruments i.e., FRA, are initially recognized at fair value at the date of entering into the derivative contracts and are subsequently

re-measured to their fair value at the end of each reporting period.

The Company follows Cash Flow Hedge accounting. Hedge effectiveness is ascertained at the inception of the hedge and periodically thereafter.

Any fair value gain or loss on the date of inception of the transaction is recognized in Revenue account with a corresponding adjustment in the value of derivative asset or liability.

On subsequent re-measurement, in case the Hedging Instrument is found effective, then the movement in fair value gain or loss is directly adjusted in to Hedge Reserve which is included in 'Credit/(Debit) Fair Value Change Account' under Policyholders funds in the Balance Sheet with a corresponding adjustment in the value of derivative asset or liability.

On subsequent re-measurement, in case the Hedging Instrument is found ineffective, the ineffective portion of the movement in fair value of such instruments is recognised in the Revenue Account in the period in which they arise. Derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

- Hedge accounting is discontinued when the hedging instrument is terminated or when it becomes probable that the expected forecasted cash flow will no longer occur. On such termination, the accumulated fair value gains/ losses in Hedge Reserve account is reclassified into Revenue Account.
- If the Hedge forecast transaction subsequently results in recognition of financial asset or financial liability, the associated gains/losses that were recognized directly in the Hedge Reserve are reclassified into Revenue Account in the same period or periods during which the financial assets acquired or the financial liability assumed affects the Revenue account.
- IRDAI (Investment) Regulations, 2016 allows insurers to deal in Rupee denominated interest rate derivatives. The Company has defined Board approved Derivative Risk Management Policy and Process note covering various aspects related to functioning of the derivative transactions which are undertaken to mitigate interest rate risk as per the hedge strategy, thereby managing the volatility of returns from future fixed income investments, due to variations in market interest rates.
- Derivatives (FRA) are undertaken by Company solely for the purpose of hedging interest rate risks on account of following forecasted transactions: a) Reinvestment of maturity proceeds of existing fixed income investments; b) Investment of interest income receivable; and c) Expected policy premium income

receivable on insurance contracts which are already underwritten in Life and Pension & Annuity business.

#### Transfer of Investments:

Transfer of investments from Shareholders to Policyholders are effected at lower of cost (for debt securities net amortized cost) or market value on the previous day. The transfer of Investment between unit linked funds is done at the prevailing market price.

#### 2.10 Non-Performing Assets (NPA)

In accordance with the IRDAI regulations on "Prudential norms for income recognition, asset classification, provisioning and other related matters in respect of debt portfolio", all assets where the interest and / or instalment of principal repayment remain overdue for more than 90 days (i.e., one quarter) are classified as NPA as at the Balance Sheet date.

#### 2.11 Fixed assets and depreciation/amortisation

##### Tangible Assets and depreciation:

An item of property, plant & equipment that qualifies for recognition as an asset is stated at cost less accumulated depreciation and impairment losses, if any. Cost includes the purchase price and any cost directly attributable in bringing the asset to its working condition for its intended use.

Subsequent expenditure related to an item of asset is added to its book value only if such expenditure results in an increase in the future economic benefit from the existing assets. All other expenditure on existing assets is charged to the Revenue Account/ Profit & Loss Account, as the case may be, for the period during which such expenditure is incurred. Any additions to the original fixed assets are depreciated over the remaining useful life of the original asset.

Depreciation is charged on pro-rata basis from the date of such addition or, as the case may be, up to the date on which such asset has been sold or discarded

Depreciation is provided on the straight line method (SLM) as per the useful life of the assets as specified in Schedule II of the Companies Act, 2013. Any asset costing ₹ 5,000 or less is fully depreciated in the year of purchase. The estimated useful life of various asset class is as follows:

Asset class	Estimated useful life
Building	60 years
Leasehold improvements	Lease period, not exceeding 5 years
Furniture and fittings	10 years
Information technology equipment	3 years
Leased Information technology Equipment	3 years
Information technology server and network equipment	6 years
Vehicles	8 years
Office equipment	5 years

The residual value and the useful life of an asset is reviewed at each Balance Sheet date and if expectations differ from the previous estimates, the change is accounted for as a change in accounting estimate in accordance with AS 5 - Accounting for net profit or loss for the period, prior period items and changes in accounting policies.

The increase in Net Book Value of the owned building due to revaluation is credited to the Revaluation Reserve Account without routing through the Revenue Account. Depreciation provided on the incremental Net Book Value is recouped from Revaluation Reserve.

Revaluation of owned building will be done once in three years.

#### Intangible Assets and amortization:

Intangible assets comprising of software are stated at cost less amortisation. Significant expenditure on improvements to software are added to its book value only when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably.

Software expenses are amortised using straight line method over license period not exceeding 3 years. Subsequent expenditures are amortised over the remaining useful life of the original software.

#### Capital work-in-progress:

Cost of fixed assets, which are not ready for its intended use as at the Balance sheet date are disclosed as capital work-in-progress. Similarly, advances paid towards the acquisition of fixed assets as at the Balance Sheet date are disclosed as capital work-in-progress.

#### Funding for acquiring certain fixed assets:

Funding received by the Company from MetLife International Holdings, LLC for acquiring certain specified fixed assets for increasing efficiency and effectiveness of its existing processes/systems is shown as deduction from the gross value of that respective fixed asset in arriving at its book value.

### 2.12 Leases:

#### Finance lease:

Leases where lessor effectively transfers, substantially all the risks and benefits incidental to ownership of the leased assets, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to the Revenue Account.

#### Operating lease:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset, are classified as operating leases. Operating lease rentals including escalations are recognized as an expense in the Revenue Account on a straight-line basis over the lease period.

### 2.13 Impairment of assets

The Company periodically assesses, using internal and external sources at each Balance Sheet date, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net realisable value or value in use, as determined above.

### 2.14 Policy Loans

The loans against policies are stated at historical cost (less repayments), subject to provision for doubtful recovery, if any. Loans are classified as short term in case the maturity is less than twelve months. Loans other than short term are classified as long term.

### 2.15 Foreign currency transactions

Foreign currency transactions are initially recorded at the rates of exchange prevailing on the date of transactions. Foreign currency monetary items are subsequently reported using the closing rate. Nonmonetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

### 2.16 Taxation

#### A. Direct Taxes:

##### (i) Current taxes:

Current tax is the amount expected to be paid to the tax authorities after taking credit for allowances and exemptions in accordance with the Section 44 and first schedule of Income Tax Act, 1961, as amended from time to time, applicable to life insurance companies.

##### (ii) Deferred taxes:

Deferred tax is recognised on timing differences, being the difference between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. In case

of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation.

## B. Indirect Taxes

Goods & Services Tax (GST) liability is set-off against eligible tax credits available from tax paid on input services. Unutilized credits, if any, are carried forward for future set-off under 'Schedule 12 -Advances and other assets'.

### 2.17 Employee benefits

#### Short-term employee benefits:

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. These benefits include performance incentives, short term compensated absence, etc. The undiscounted amount of short-term employee benefits expected to be paid are recognised during the period when the employee renders the service.

#### Defined contribution plans:

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made during the period when service is rendered by the employees. There are no other obligations other than the contribution payable to the respective funds.

#### Defined benefit plans:

The Company has incorporated a PNB MetLife Employee Group Gratuity Trust to fund the gratuity liability. The Company makes contribution to a Gratuity fund administered by trustees. For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and/or losses are recognised in the Revenue Account/Profit and Loss account, as the case may be, in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation and the same is determined based on the actuarial valuation as at the Balance Sheet date using the projected unit credit method.

#### Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date. Actuarial gains and/or losses due to change in actuarial valuation of such employee benefit plans are recognised in the Statement of Revenue Account/Profit and Loss account in the period of occurrence for all employee benefits.

#### Long term Incentive plan (LTIP):

Performance stock units (PSU) and restricted stock units (RSU) were granted to eligible employees' basis defined parameters until December 31<sup>st</sup>, 2016. The vesting price of these stock units were based on common stock (share) price of MetLife Inc. as at the vesting date. The liability and corresponding expense is accounted for on the basis of actuarial valuation carried out by an independent actuary as at the Balance Sheet date and is trued-up at the time of vesting/payment.

The Company has also formulated other LTI schemes such as local LTI, Cash LTI and deferred LTI for the eligible employees subject to fulfilment of defined criteria as per policy. The proportionate liability and corresponding expenses are accounted for in line with the vesting period.

### 2.18 Statement of Receipts and Payments

The statement of receipts and payments has been prepared in accordance with the direct method prescribed in Accounting Standard 3, 'Cash Flow Statement'.

### 2.19 Segment Reporting

As per Accounting Standard 17 on 'Segment Reporting' read with the IRDAI Regulations, the Company is required to prepare Revenue account and Balance sheet separately for the primary business segments ('the business segments') namely participating, non-participating, linked business for ordinary life, general annuity, pension and health. Accordingly, the Company has provided segment information for the business segments, as disclosed in Annexure 4.

There are no reportable geographical segments since the Company provides services to customers in the Indian market only and does not distinguish any reportable regions within India.

The following basis has been used for allocation of revenue, expenses, assets and liabilities to the business segments:

- (a) Premium income, commission, benefits paid, operating expenses, investments and Policyholders' liabilities which are directly identifiable with business segments are disclosed under respective business segment.



- (b) Fixed assets, current assets, current liabilities and provisions, which cannot be directly attributable to the business segments, are allocated to the business segments on the basis of one of the below mentioned factors as deemed appropriate considering the nature of item:
- Average in-force policies/lives
  - Premium
- (c) Expenses which are not directly attributable to the business segments are apportioned based on relevant drivers considering the nature of expenses which includes:
- Number of policies/lives
  - Premium
  - Commission
  - Asset under management
- (d) The method of allocation of operating expenses has been decided based on the nature of the expense and its logical correlation with various business segments.

### 2.20 Funds for Future Appropriations (FFA)

The Funds for Future Appropriations (FFA) represents the surplus in participating segment which is not allocated to Policyholders or shareholders as at the Balance Sheet date. Transfers to and/or from the fund reflect the surplus/deficit of income over expense of par segment. Any allocation to

the par Policyholders by way of bonuses would also give rise to a transfer to Shareholders' Profit and Loss Account in the required proportion.

### 2.21 Earnings per share (AS 20)

As required by AS 20, Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 2.22 Provisions, Contingent liabilities and Contingent assets

The Company creates a provision for claims, litigation, assessment, fines, penalties, etc. when there is 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 the obligation. A disclosure for 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

## 3. NOTES TO ACCOUNTS

### 3.1 Contingent liabilities

		(₹ in '000)	
Sr. No.	Particulars	March 31, 2021	March 31, 2020
(a)	Partly paid up investments	3,250,000	4,550,000
(b)	Claims, other than those under Insurance policies, not acknowledged as debts <sup>#</sup>	7,642	6,408
(c)	Claims under Insurance policies not acknowledged as debts	528,265	464,133
(d)	Underwriting commitments outstanding (in respect of shares and securities)	Nil	Nil
(e)	Guarantees given by or on behalf of Company	4,026	2,500
(f)	Statutory demands/liabilities in dispute not provided for *	**150,627	150,627
(g)	Reinsurance obligations to the extent not provided for in accounts	Nil	Nil

\*Pertaining to demand from Service Tax authorities towards disallowance of CENVAT credit,

\*\*excludes ₹ 2 547,087 thousands as at March 31, 2021 (₹ 3,398,958 thousands as at March 31, 2020) in respect of statutory demands and liabilities in dispute, not provided for, relating to the demand notices/assessment orders received by the Company from the various tax authorities in respect of which, in the opinion of the management the likelihood of outflow of resources is remote.

<sup>#</sup>Reclassification done from 'Claims, other than those under policies, not acknowledged as debts category to 'Claims under policies not acknowledged as debts' category for March 2020 amounting to ₹ 61,285 for appropriate presentation.

### 3.2 Actuarial method and assumptions underlying the valuation of policy liabilities

The actuarial value of the policy liabilities as on March 31, 2021 has been estimated using actuarial assumptions and methods which are consistent with:

- (a) generally accepted actuarial practices;
- (b) the provisions of The Insurance Act, 1938 (as amended from time to time);

- (c) regulations and guidelines issued by the IRDAI; and
- (d) the relevant Actuarial Practice Standards (APS) and Guidance notes issued by the Institute of Actuaries of India

The following summarises the assumptions used for the year ended March 31, 2021 as compared to the same period last year i.e. March 31, 2020.

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. A brief on the assumptions used in actuarial valuation is as below:

- **Valuation rate of interest:**

For Participating products, the valuation rate of interest has been taken as 6.30 per cent for first 5 years and 5.80 per cent thereafter per annum. Same period last year the valuation rate of interest rate was taken as 6.30 per cent for first 5 years and 5.85 per cent thereafter per annum.

- o For Non-Participating Individual and Health products, there are no changes in valuation rate of interest as compared to the same period last year (i.e. the valuation rate of interest has been taken as 5.70 per cent for first 5 years and 5.40 per cent thereafter).
- o For Non-Participating Annuity products, there are no changes in valuation rate of interest as compared to the same period last year (i.e. the valuation rate of interest has been taken as 6.20 per cent for first 5 years and 5.60 per cent thereafter per annum).
- o For Non-Participating Group Credit products, there are no changes in valuation rate of interest as compared to the same period last year (i.e. the valuation rate of interest has been taken as 6.40 per cent for first 5 years and 5.80 per cent thereafter per annum).
- o These interest rates reflect the expected long term yields on the investments backing these liabilities with a margin for adverse deviations.
  - **Mortality:** Valuation mortality assumptions are set in accordance with Clause 5(2) of Schedule II of the IRDAI (Assets, Liabilities and Solvency Margin of Life Insurance Business) Regulations, 2016. For the year ending March 31, 2021 the mortality rates used are basis the published Indian Assured Lives Mortality (IALM) table (2012-14) in line with latest experience analysis of the business. In the case of annuity benefits for Non-participating policies, mortality assumption is based on the LIC Annuitants (1996-1998) table adjusted for mortality improvement. Morbidity rates used are based on CIBT 93 table, adjusted for expected experience.
  - **Expenses:** The allowance for commissions is on the basis of the actual rates of renewal commission payable as per the applicable file & use document. The renewal expenses are allowed in the valuation both as a percentage of premium and on per policy basis. Claim related expenses have also been factored for all the individual products. The expense inflation is taken as 5.50 per cent (which is same as last year same period) per annum.
  - **Persistency:** The expected persistency has been assumed based on the experience of the Company and varies by duration of the policy and by nature of products.
  - **Future Bonuses:** Provision made for future bonuses based on the estimated expected bonus payouts, allowing for the reserving interest rate.

The policy liability for the Group one-year renewable products has been calculated as the unexpired premium reserve. In case of group products with term more than one year, Gross Premium Valuation Method has been used. For group products administered as cash accumulation account, the account values of the policies are considered as reserve.

The reserves for unit-linked life and pension products comprise two parts - Unit reserves and non-unit reserves. Unit reserves represent the value of units attached to the unit linked policies as on the valuation date. Non-unit reserves are calculated taking into consideration the future expected cash outgoes and incomes in respect of all in-force unit linked policies.

The reinsurance cash flows have been appropriately factored into the calculation of the reserves by projecting the expected mortality benefits that would arise on account of reinsurance net of the expected reinsurance premiums payable.

Other provisions include

- Provisions for free look cancellations have been allowed for individual non-linked, linked and group credit life products based on experience.
- Provisions for IBNR claims have been made for Individual and Group business.
- Provision has been made for any additional expenses that the Company may have to incur if it were to close to new business twelve months after the valuation date.
- Reserves have been kept for lapsed and reduced paid up policies eligible for revivals.
- Extra mortality risk premiums charged for extra risk have been set aside as reserve.
- Adequate rider reserves have been set aside
- Additional reserves have been set where deaths have already occurred, but liability continues to exist, like cases wherein waiver of premium benefits have been triggered

Adequate margins for adverse deviations are taken in the valuation assumptions as per the regulations and guidelines issued by IRDAI and the APS and Guidance Note issued by Institute of Actuaries of India. All in-force policies as per the policy administration database have been considered for the estimation of policy liabilities.

### 3.3 COVID-19 pandemic

The current wave of COVID pandemic, where the number of new cases has increased significantly in India, has resulted in various restriction measures across the country. The Company has assessed the impact of COVID, to the extent possible, on its operations as well its financial statements, including but not limited to the areas of valuation of investment assets, valuation of policy liabilities and solvency as at March 31, 2021. Based on the current assessment, the Company expects the carrying amount of assets will not be adversely impacted. The Company has earmarked reserve of ₹ 20 crore under Participating portfolio and ₹ 85 crore under Non-Participating portfolio for COVID related claims as at the Balance Sheet date over and above the policy level liabilities calculated in line with prescribed IRDAI regulations. The solvency position of the Company as at March 31, 2021 stands at 190%, which is above the prescribed regulatory limit of 150%. The Company will however continue to closely monitor any material changes to the future economic and operating conditions that may have any impact on its business and financial position.

### 3.4 Encumbrances on assets

Assets of the Company are free from encumbrances, other than information technology equipment on finance lease, which have been capitalised in accordance with Accounting Standard 19 on 'Leases' as notified by the Companies (Accounting Standards) Amendment Rules, 2016. There are no assets including loans subjected to restructuring (as at March 31, 2020 – ₹ Nil). The Company has placed Fixed deposit of ₹4,026 thousands (As at March 31, 2020 - ₹ 2,500 thousands) with Punjab National Bank against Bank Guarantee of ₹1,526 thousands issued to The Jammu and Kashmir Bank and ₹2,500 thousands issued to Unique Identification Development Authority of India (UIDAI).

### 3.5 Capital commitments

There are no commitments made and outstanding for loans and investments as at March 31, 2021 (as at March 31, 2020 – ₹ Nil). The estimated amount of commitments made by the Company and not provided (net of advances) for fixed assets as at March 31, 2021 is ₹ 47,386 thousands (as at March 31, 2020 – ₹ 43,650 thousands).

### 3.6 Lease commitments

The Company has acquired premises, fit outs, computers and motor vehicles on operating lease. Lease payments on cancellable and non-cancellable lease arrangements were charged to the Revenue Account/ Profit and Loss Account, as the case may be. The future minimum lease payments in respect of non- cancellable operating leases as at the Balance Sheet date are as follows:

(₹ in '000)

Particulars	March 31, 2021	March 31, 2020
Not later than 1 year	41,820	34,201
1 to 5 years	48,970	30,774
Later than 5 years	-	-
Total MLPs outstanding	90,790	64,975

The total of operating lease payments recognized in the Revenue Account for the year ended March 31, 2021 is ₹ 158,104 thousands (for the year ended March 31, 2020 – ₹ 181,982 thousands).

There are no transactions in the nature of sub-lease.

### 3.7 Vendors balances

The Company has an internal process of quarterly vendor balance reconciliation. In addition, confirmations of balances are sought from all the vendors on an annual basis and reconciliations are performed. For March, 2021, considering the COVID 19 pandemic situation, confirmation of balances were sent through email to the vendors instead of physical letter. Reconciliation is performed for all balance confirmation received.

### 3.8 Death claims outstanding

The Company has claims settled and unpaid for more than six months amounting to ₹ Nil thousands as at March 31, 2021 (as at March 31, 2020 – ₹ Nil thousands).

Benefits paid includes claims pertaining to earlier years amounting to ₹ 55,834 thousands.

### 3.9 Value of investment contracts where settlement or delivery is pending:-

(₹ in '000)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Linked Business	Non-Linked Business	Linked Business	Non-Linked Business
Purchases where deliveries are pending	331,444	298,018	219,862	510,474
Sales where receipts are pending *	38,454	Nil	44,077	NIL

\* There are no investment contracts where sales have been made and payments are overdue.

### 3.10 NAV (Net Asset Value) for applications received on the last day of the financial year

In accordance with the IRDAI (Investment) Regulations 2016 and IRDAI circular IRDA/F&I/INV/CIR/062/03/2013 dated March 26, 2013, the Company has complied with the direction indicated in Schedule I-B 11(d) of the Regulation relating to applicable NAV for the applications for unit linked business received on the last business day of the financial year:

- The Company has declared March 31, 2021 as a business day. NAV for all unit linked segments were declared on March 31, 2021.
- All applications received till 3 PM on March 31, 2021, were processed with NAV of March 31, 2021.
- Applications received after this cut-off for unit linked funds are taken into the next financial year.

### 3.11 Deposits under Local Laws:

The Company does not have any assets that are required to be deposited under local laws or otherwise encumbered in or outside India as required under Para C of Part II of Schedule A of IRDA (Preparation of Financial Statements and Auditors report) Regulations, 2002. However, an amount of ₹ 597 thousands as at March 31, 2021 (as at March 31, 2020 ₹ 597 thousands) has been held as security deposit with J&K State Commercial Tax department.

### 3.12 Taxation

During the year ended March 31, 2021, the Company has made provision for tax (net of ₹ 4,588 thousands of FY 2019-20) amounting to ₹ 485,417 thousands (year ended March 31, 2020 ₹ 306,425 thousands) in accordance with the Income tax Act 1961 and rules and regulations there under as applicable to the Company. Out of this, ₹ 364,713 thousands (net of ₹ 4,359 thousands of FY 2019-20) (year ended March 31, 2020 ₹ 290,847 thousands) charged to the Revenue Account and ₹ 120,704 thousands (net of ₹ 229 thousands of FY 2019-20) (year ended March 31, 2020 ₹ 15,578 thousands) charged to the Profit and Loss Account.

### 3.13 Managerial Remuneration

- a) The appointment and remuneration of managerial personnel is in accordance with the requirements of Section 34A of the Insurance Act, 1938 as amended from time to time including the amendment brought by the Insurance Laws (Amendment) Act, 2015 and has been approved by the IRDAI.

- b) Details of the remuneration paid/payable to the Managing Director & CEO of the Company are as follows:

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salary & Allowances (Refer note (i) below)	47,685	40,264
Contribution to provident fund	1,219	1,133
Value of perquisites	471	508
<b>Total</b>	<b>49,375</b>	<b>41,905</b>
Charged to Revenue Account	15,000	15,000
Charged to Shareholder's Account	34,375	26,905

**Notes:**

- (i) Salary & Allowances include performance bonus and LTIP of ₹ 23,891 thousands (for the year ended March 31, 2020 – ₹ 17,798 thousands)
- (ii) The above figures do not include provision for Gratuity and Leave encashment benefits, which are actuarially determined for the Company as a whole in accordance with AS 15 Employee benefits.
- c) Sitting fees paid to directors during the for the year ended March 31, 2021 was ₹ 3,450 thousands (for the year ended March 31, 2020 – ₹ 5,450 thousands).

**3.14** Statement containing names, descriptions, occupations of and Directorships held by the Persons in charge of management of the business Under Section 11(3) Of The Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 is as follows:

Name	Description	Directorship held	Occupation
Mr. Ashish Kumar Srivastava	Managing Director & CEO	PNB MetLife India Insurance Company Limited	Employment

**3.15** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company is in process of evaluating the financial impact, if any.

**3.16 Historical cost of investments**

As at March 31, 2021, the aggregate cost and market value of investments which are valued on fair value basis is ₹ 67,189,894 thousands and ₹ 81,676,859 thousands (as at March 31, 2020; ₹ 62,505,985 thousands and ₹ 59,176,226 thousands) respectively.

**3.17 Nature and term of outstanding derivative contract**

- Total notional principal amount of Forward Rate Agreement undertaken during the year ended March 31, 2020 and outstanding as at March 31, 2020;

(₹ in '000)

Sr. No.	Particulars	FY 2020-21	FY 2019-20
1	7.50% GOI CG 10-08-2034	4,06,778	1,578,018
2	7.62% GOI CG 15-09-2039	22,42,177	1,068,300
3	7.73% GOI CG 19-12-2034	5,50,386	2,653,704
4	7.40% GOI CG 09-09-2035	9,66,894	Nil
5	7.95% GOI CG 28-08-2032	4,19,801	Nil
6	8.30% GOI CG 02-07-2040	23,34,162	Nil
7	8.30% GOI CG 31-12-2042	9,57,295	Nil
8	8.24% GOI CG 10-11-2033	Nil	5,010,309
9	6.22% GOI CG 16-03-2035	14,26,177	Nil
	<b>Total</b>	<b>93,03,670</b>	<b>10,310,331</b>

- Total notional principal amount of Forward Rate Agreement outstanding;

(₹ in '000)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	7.50% GOI CG 10-08-2034	14,71,853	1,578,018
2	7.62% GOI CG 15-09-2039	33,10,477	1,068,300
3	7.73% GOI CG 19-12-2034	21,45,739	2,653,704

(₹ in '000)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
4	8.24% GOI CG 10-11-2033	22,24,366	5,010,309
5	7.40% GOI CG 09-09-2035	9,66,893	Nil
6	7.95% GOI CG 28-08-2032	4,19,801	Nil
7	8.30% GOI CG 31-12-2042	23,34,162	Nil
8	8.30% GOI CG 31-12-2042	9,57,295	Nil
9	6.22% GOI CG 16-03-2035	14,26,177	Nil
	<b>Total</b>	<b>1,52,56,763</b>	<b>10,310,331</b>

- Others;

(₹ in '000)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	Notional principal amount of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	Nil	Nil
2	Mark-to-market value of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	Nil	Nil

- The fair value gains or losses (MTM) with respect to Forward Rate Agreement including incidental charges outstanding as at the Balance Sheet date is stated below;

(₹ in '000)

Sr. No.	Hedging Instrument	As at March 31, 2021	As at March 31, 2020
1	7.50% GOI CG 10-08-2034	22,504	3,104
2	7.62% GOI CG 15-09-2039	(23,867)	7,258
3	7.73% GOI CG 19-12-2034	49,425	15,689
4	8.24% GOI CG 10-11-2033	43,012	21,474
5	7.40% GOI CG 09-09-2035	(12,319)	Nil
6	7.95% GOI CG 28-08-2032	2,822	Nil
7	8.30% GOI CG 02-07-2040	(49,216)	Nil
8	8.30% GOI CG 31-12-2042	(24,705)	Nil
9	6.22% GOI CG 16-03-2035	(6,205)	Nil
	<b>Total</b>	<b>1,451</b>	<b>47,525</b>

- Movement in Hedge reserve;

(₹ in '000)

Sr. No.	Hedging Instrument	As at March 31, 2021			As at March 31, 2020		
		Realised	Unrealised	Total	Realised	Unrealised	Total
1	Balance at the beginning of the year	Nil	1,07,476	1,07,476	Nil	Nil	Nil
2	Add: changes in the fair value during the year (Gain)	266,568	10,901	277,469	Nil	1,07,476	1,07,476
3	Less: Amounts reclassified to revenue a/c	4,599	Nil	4,599	Nil	Nil	Nil
4	Balance at the end of the year	2,61,969	1,18,377	3,80,346	Nil	1,07,476	1,07,476

- Counterparty wise details:

Sr. No.	Particulars	Nature of the derivative contract
1	J. P. Morgan Chase	Forward Rate agreement
2	HSBC	Forward Rate agreement
3	Standard Chartered Bank	Forward Rate agreement
4	Citi Bank NA	Forward Rate agreement
5	Credit Suisse AG	Forward Rate agreement
6	DBS Bank India Ltd.	Forward Rate agreement

### 3.18 Statutory investments

All investments have been made in accordance with the Insurance Act, 1938 (as amended in 2015), the Insurance and Regulatory Development Authority (Investment) Regulations 2016 and various other circulars, guidelines and notifications issued by the IRDAI in this context from time to time.

### 3.19 Non-performing investments

None of the investments of the Company have been classified as non-performing except investments in IL&FS and DHFL Bonds for the face value of ₹ 15,30,000 thousands (as at March 31, 2021: ₹ 15,30,000 thousands) on which interest accrued and due exceeded ninety days as on March 31, 2021. These investments are in unit-linked funds and the Company is not accruing interest. The Company has valued IL&FS bonds at zero value and DHFL bonds @20% as at March 31, 2021 for the face value of ₹14,00,000 thousands (as at March 31, 2020 – ₹ 14,00,000 thousands).

### 3.20 Repo / Reverse Repo Transactions

During the year ended March 31, 2021 trades in in reverse repo was ₹ 58,98,000 thousands (for the year ended March 31, 2020 – ₹ Nil)

### 3.21 Allocation of investments and income

The Company is maintaining separate funds for Shareholders and Policyholders as per Sec. 11(1B) of the Insurance Act, 1938 (as amended in 2015). Investments held on behalf of the Shareholders and the Policyholders are included in Schedules 8, 8A and 8B of the financial statements. The investment income arising from the investments held on behalf of Shareholders is recognized in the Profit and Loss Account and those held on behalf of Policyholders in the Revenue Account respectively.

### 3.22 Sector-wise percentage of business

Sector wise break-up of policies issued, lives covered and gross premium underwritten during the year is as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Rural</b>		
Gross Premium underwritten (₹ in 000)	4,698,384	4,015,955
No. of New Policies	74,532	60,404
% of rural sector policies to total Policies	30.07%	31.09%
Required % as per regulations	20.00%	20.00%
<b>Social</b>		
Gross Premium underwritten for new lives (₹ in 000)	694,057	10,546
No. of New Policies (including group business)	17	55
No. of New lives covered	1,044,014	141,300
Social sector lives as a % to total lives	37.40%	3.39%
Social sector lives as a % to total lives of preceding financial year	25.04%	12.86%
required % or no. of lives as per regulations	5.00%	5.00%
<b>Total</b>		
<b>No. of New Policies</b>	<b>247,824</b>	<b>194,312</b>
<b>No of New Lives</b>	<b>2,791,376</b>	<b>4,168,709</b>

Total business for the purpose of these regulations is the total policies (net) issued in case of individual business and number of lives (net) covered in case of Group business.

### 3.23 Foreign exchange transactions

Transactions in foreign currencies are recorded at exchange rate prevailing on the date of transaction. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement and/or reporting date is recognised as income or expense, as the case may be. The net foreign exchange gain/loss in Revenue Account for the year ended March 31, 2021 is ₹ 520 thousands (for the year ended March 31, 2020: ₹ 183 thousands)

### 3.24 Summary of financial statements

The summary of financial statements of the Company as prescribed by the IRDAI in 'the Master Circular' is presented in Annexure 1.

### 3.25 Accounting ratios

The accounting ratios as prescribed by the IRDAI in 'the Master Circular' are presented in Annexure 2.

### 3.26 Risk retained and risk ceded

Extent of risk retained and risk ceded based on the sum insured is given below:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Individual Business</b>		
Risk retained	47%	50%
Risk ceded	53%	50%
<b>Group Business</b>		
Risk retained	52%	54%
Risk ceded	48%	46%
<b>Total</b>		
Risk retained	51%	53%
Risk ceded	49%	47%

### 3.27 Related Party Disclosure

Details of related party transactions as defined in Accounting Standard 18 on 'Related Party Disclosures' is presented in Annexure 3.

3.28 Disclosure relating to Controlled Fund is presented in Annexure 5.

3.29 The financial statements of each of the fund under Unit linked business are presented in Annexure 6.

3.30 Unit linked disclosures is presented in Annexure 7.

### 3.31 Earnings / (Loss) Per Share

In accordance with the Accounting Standard 20 on 'Earnings Per Share (EPS)', the following table reconciles the numerator and denominator used to calculate basic / diluted earnings per share:

Particulars	As at March 31, 2021	As at March 31, 2020
Profit / (Loss) after tax and before / after extra-ordinary items (A) (₹ In '000)	1,010,955	927,713
Weighted average number of equity shares (par value of ₹ 10 each)-Basic (B)	2,012,884,283	2,012,884,283
Weighted average number of equity shares (par value of ₹ 10 each)-Diluted (C)	2,012,884,283	2,012,884,283
Basic Earnings / (Loss) per share (A/B) (₹)	0.50	0.46
Diluted Earnings / (Loss) per share (A/C) (₹)	0.50	0.46

### 3.32 Micro, Small and Medium Enterprises Development Act (MSMED), 2006

As per the information available with the management and intimations received from suppliers, regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the details of amounts due to Micro and Small Enterprises under the said Act as at March 31, 2021 are as follows:

		(₹ in '000)	
Sr. No.	Hedging Instrument	March 31, 2021	March 31, 2020
a)	(i) The principal amount remaining unpaid to any supplier	9,351	1,163
	(ii) The interest due on above.	2	24
	The total of (i) & (ii)	9,353	1,187
b)	The amount of interest paid by the Company in terms of section 16 of the MSMED Act.	408	1,718
c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d)	The amounts of interest accrued and remaining unpaid at the end of financial year	57	1
e)	The amount of further interest remaining due and payable even in the succeeding years, included in (d) above, until such date when the interest dues as above are actually paid to the small enterprises.	-	-



### 3.33 Additional disclosure requirements as per Corporate Governance Guidelines

Sr. No.	Particulars	Remarks
1)	Risk management architecture	<p>In compliance with the Corporate Governance Guidelines issued by IRDAI, the risk governance structure of the Company consists of</p> <ul style="list-style-type: none"> <li>i) the Board of Directors</li> <li>ii) the Board Asset Liability Management and Risk Management Committee of the Board (ALMR)</li> <li>iii) the Executive Risk Management Committee (eRMC) and its supporting committees.</li> <li>iv) The Charter of the ALMR is two-fold <ul style="list-style-type: none"> <li>a. This is a supervisory body to set up the Company's risk/reward objectives to formulate and implement optimal ALM strategies to meet these objectives,</li> <li>b. Lay down the Company's Risk Management Strategy</li> </ul> </li> </ul> <p>The Board approved Enterprise Risk Management policy ("the policy") &amp; processes support our business to control, manage and effectively mitigate critical risks. The Policy is aligned and in compliance to ISO 31000:2018 Risk Management Framework, and covers aspects related to:</p> <ul style="list-style-type: none"> <li>i) Financial Risk Management: covering market risk, capital risk, credit risk, liquidity risk and insurance risk</li> <li>ii) Operational Risk Management: covering reputational, fraud, legal &amp; regulatory, people, system, cyber, transactional, business and business continuity</li> <li>iii) Risk Assessment and Management framework</li> </ul>

### 3.34 Transfer from/to Revenue Account to/from Profit and Loss Account and Funds for Future Appropriations

The Non-par surplus of ₹ 301,789 thousands and Par surplus of ₹ 2,001,869 thousands for the year ended March 31, 2021 (year ended March 31, 2020 - ₹ 383,245 thousands and ₹ 1,495,089 thousands respectively) has been transferred to the Profit and Loss Account (Shareholders' Account) and Funds of Future Appropriation, respectively. The Non par deficit in few segments amounting to ₹ 588,027 thousands for the year ended March 31, 2021 (year ended March 31, 2020 - ₹ 344,520 thousands) has been transferred from the Profit and Loss Account (Shareholders' Account) to Revenue Account (Policyholders' Account)

### 3.35 The cost of unit compensation:

The cost of unit compensation represents amount credited to the policyholders' unit-linked fund to compensate them for the NAV fluctuation due to difference in unit creation date and money realization date. An amount of ₹ Nil (year ended March 31, 2020 ₹ 47,294 thousands) is charged to the Shareholders' Profit & Loss Account.

### 3.36 Retirement benefits

#### A) Defined contribution plans

The Company has charged ₹ 333,209 thousands for the year ended March 31, 2021 (Year ended March 31, 2020 ₹ 224,549 thousands) towards contribution paid/ accrued for the provident fund scheme under 'Employees remuneration and welfare benefits'.

There has been a supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the employment Provident Fund Act. The Company has prospectively included the component of salary in the definition of basic salary and accordingly deducted PF in line with the said judgement of Supreme Court. With respect to retrospective implementation, the Company has considered an estimated amount of ₹ 101,844 crore as a contingency provision during the year ended March 31, 2021.

#### B) Defined benefit plans

The amounts recognized in Balance Sheet as at March 31, 2021 and as at March 31, 2020 are as follows:

#### Liabilities included under "Provisions"

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Long term compensated absences	93,921	84,551
Gratuity	252,965	258,086

The amounts recognised in the Revenue account towards unfunded gratuity liability are as follow

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	41,201	37,298
Interest on Defined Benefit obligation	12,995	14,287
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Net actuarial losses/(gains) recognised in the year	22,428	11,418
Total, included in 'employees remuneration and welfare benefits'	76,623	63,002

Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances of gratuity liability are as follows:

(₹ in '000)

Particulars	As at March 31, 2021	As at March 31, 2020
Obligations at period beginning	258,086	231,392
Current service cost	41,201	37,298
Interest on obligation	12,995	14,287
Net actuarial losses/(gains) recognised in year	23,382	11,418
Benefits paid	(25,794)	(36,309)
Obligations at period end	309,869	258,086

Principal actuarial assumptions as at the Balance Sheet date (expressed as weighted averages) include the discount rate as at March 31, 2021 of 4.80 % per annum (as at March 31, 2020 5.30% per annum). Further, 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. The mortality rate has been assumed to follow IALM 2012-14 table.

Experience Adjustments

(₹ in '000)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Defined Benefit Obligation	309,869	258,086	231,392	207,851	182,578
Plan Assets	56,904	-	-	-	-
(Surplus)/Deficit	252,969	258,086	231,392	207,851	182,578
Exp. Adj. On Plan Assets	955	-	-	-	-
Assumptions (Gain)/Loss	(2,091)	625	596	(9,199)	-
Exp. Adj. On Plan Liabilities	25,473	10,793	7,058	16,330	383
Total Actuarial (Gain)/Loss	23,382	11,418	7,654	7,131	-

### 3.37 Long term Incentive Plan (LTIP)

#### A. Stock Unit Scheme

- The Company has charged ₹ 1,943 thousands for the year ended March 31, 2021 (Year ended March 31, 2020 ₹ 4,729 thousands) under 'Employees remuneration and welfare benefits'.
- The amount recognized in Balance Sheet as at March 31, 2021 was ₹Nil thousands (As at March 31, 2020 ₹ 6,174 thousands).

#### B. Cash LTI scheme & Deferred LTI Scheme

The Company has charged an amount of ₹ 76,750 thousands for the year ended March 31, 2021 (Year ended March 31, 2020 ₹ 34,227 thousands) under "Employees remuneration and welfare benefits". The amount outstanding as at March 31, 2021 was ₹ 82,937 thousands (As at March 31, 2020 ₹ 30,726 thousands).

### 3.38 Additional Disclosure of expenses:

As required by IRDAI in 'the Master Circular', the details of the following expenses are furnished below:

(₹ in '000)

Heads of Expenses*	Grouped Under	For the year ended March 31, 2021	For the year ended March 31, 2020
Outsourcing Expenses (manpower)	Employee's remuneration and welfare benefits	401,805	310,762
Business Development	Business Development, Sales promotion & Sales conference	49,479	10,831
Marketing Support	Advertisement and publicity	-	-

### 3.39 Discontinued Policy Fund:

"Discontinued Policy Fund / Discontinued Policy Account Value" means the segregated fund/policy account of the insurer that is set aside and is constituted by the fund value/policy account value, as applicable, for all the discontinued policies determined in accordance with the Regulation.

Following is the disclosure relating to discontinued policies in accordance with the requirements of the Master Circular of IRDAI:

(₹ in '000)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Fund for Discontinued Policies</b>		
Opening Balance of Funds for Discontinued Policies	5,658,369	6,291,502
Add: Fund of policies discontinued during the year	4,672,978	3,548,843
Less: Fund of policies revived during the year	1,087,712	1,176,436
Add: Net Income/ Gains on investment of the Fund	255,666	4,02,931
Less: Fund Management Charges levied	32,600	39,291
Less: Amount refunded to Policyholders during the year	3,189,072	3,369,180
Closing Balance of Fund for Discontinued Policies	6,277,629	5,658,369

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Other disclosures</b>		
No. of policies discontinued during the year	20,809	16,978
Percentage of discontinued policies to total policies (product-wise) during the period		
Met Smart Platinum	11%	7%
Met Easy Super	0%	7%
Met Smart Child	4%	14%
Met Whole Life Wealth Plan	44%	36%
MetLife Mera Wealth Plan	39%	32%
No. of policies revived during the quarter	4,599	5,441
Percentage of policies revived (to discontinued policies) during the period	22%	32%
Charges imposed on account of discontinued policies (₹ In '000)	66,463	46,404
Charges readjusted on account of revival of policies (₹ In '000)	12,226	13,799

### 3.40 Unclaimed Amount of Policyholders:

In accordance with Master Circular on Unclaimed amounts of Policyholders dated July 25, 2017 and dated November 17, 2020, the Company maintains a single segregated fund to manage all unclaimed amounts. The amount is invested in money market instruments.

The amount in the unclaimed fund has been disclosed in schedule 12 as "Assets held for unclaimed amount of Policyholders" along with "Income accrued on unclaimed fund". Investment income accruing to the fund is disclosed in the revenue account. Such investment income net of fund management charges is disclosed in schedule 4 "Benefits paid as "interest on unclaimed amounts".

As required by IRDAI's Master circular on Unclaimed Amounts of Policyholders, following is the statement showing the age-wise analysis of the unclaimed amount of Policyholders:

As at March 31,2021

(₹ in '000)

Particulars	Total Amount	0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	36-120 months	Beyond 120 months
Claims settled but not paid to the policyholders or insured due to any reasons except under litigation from the insured or policyholders	36,965	1,543	1,253	1,981	17,449	-	70	14,669	-
Sum due to the insured or policyholders on maturity or otherwise	1,337,709	202,349	156,881	94,962	103,513	63,824	89,937	600,560	25,683
Any excess collection of the premium or tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	168,683	10,325	10,971	11,301	6,974	7,426	7,418	109,277	4,991
Cheques issued but not encashed by the policyholder or insured	341,185	51,863	36,488	30,068	22,685	18,895	14,976	163,786	2,424
<b>Total</b>	<b>1,884,542</b>	<b>266,080</b>	<b>205,593</b>	<b>138,312</b>	<b>150,621</b>	<b>90,145</b>	<b>112,401</b>	<b>888,292</b>	<b>33,098</b>

As at March 31,2020

(₹ in '000)

Particulars	Total Amount	0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	36-120 months	Beyond 120 months
Claims settled but not paid to the policyholders or insured due to any reasons except under litigation from the insured or policyholders	35,566	2,219	17,433	-	233	34	123	15,524	-
Sum due to the insured or policyholders on maturity or otherwise	14,83,002	254,854	192,210	140,023	117,391	98,461	27,253	652,666	144
Any excess collection of the premium or tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	152,935	11,421	6,416	8,263	5,696	6,738	2,605	107,510	4,286
Cheques issued but not encashed by the policyholder or insured	362,929	36,415	43,501	33,059	19,602	70,533	15,928	141,208	2,683
<b>Total</b>	<b>2,034,432</b>	<b>304,909</b>	<b>259,560</b>	<b>181,345</b>	<b>142,922</b>	<b>175,766</b>	<b>45,909</b>	<b>916,908</b>	<b>7,113</b>

**3.41 In line with Master Circular of IRDAI dated November 17, 2020 on Unclaimed amounts of policyholders, the details of unclaimed amounts and Investment Income is given below:**

(₹ in '000)

Hedging Instrument	Year ended March 31, 2021		Year ended March 31, 2020	
	Policy dues	Income accrued	Policy dues	Income accrued
Opening Balance	17,625	2,719	18,952	2,457
Add: Amount transferred to unclaimed fund	34,133	127	21,983	116
Add: Cheques issued out of the Unclaimed amount but not encashed by the policy holders (Stale cheques)	2,182	6	152	-
Add: Net Investment Income on Unclaimed fund	-	744	-	1,217
Less: Amount of claims paid during the period	37,384	968	23,318	1,029
Less: Amount transferred to SCWF	252	85	144	42
<b>Closing Balance of Unclaimed Amount Fund</b>	<b>16,304</b>	<b>2,542</b>	<b>17,625</b>	<b>2,719</b>

**3.42 Fines & Penalties:**

(₹ In '000)

Sl. No.	Authority	Non-Compliance/ Violation	Year ended March 31, 2021		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	Nil	Nil	Nil	Nil
2	Service Tax Authorities	Nil	Nil	Nil	Nil
3	Income Tax Authorities	Nil	Nil	Nil	Nil
4	Any other Tax Authorities	Nil	Nil	Nil	Nil
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	Nil	Nil	Nil
6	Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	Nil	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	Nil	Nil	Nil	Nil
8	Securities and Exchange Board of India	Nil	Nil	Nil	Nil
9	Competition Commission of India	Nil	Nil	Nil	Nil
10	Any other Central/State/Local Government/ Statutory Authority	Delay in remittance of ESIC/PF payment*	463	463	Nil

\* Includes Penalty amounting to ₹ 462 thousand on account of delay in remitting contribution to PF authorities on account of unavailability of updated Aadhar card details and generation of /UAN. details

(₹ In '000)

Sl. No.	Authority	Non-Compliance/ Violation	Year ended March 31, 2020		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	Nil	Nil	Nil	Nil
2	Service Tax Authorities	Nil	Nil	Nil	Nil
3	Income Tax Authorities	Nil	Nil	Nil	Nil
4	Any other Tax Authorities	Nil	Nil	Nil	Nil
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	Nil	Nil	Nil	Nil

(₹ In '000)

Sl. No.	Authority	Non-Compliance/ Violation	Year ended March 31, 2020		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
6	Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	Nil	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	Nil	Nil	Nil	Nil
8	Securities and Exchange Board of India	Nil	Nil	Nil	Nil
9	Competition Commission of India	Nil	Nil	Nil	Nil
10	Any other Central/State/Local Government/ Statutory Authority	Nil	Nil	Nil	Nil

### 3.43 Restructured Assets

Loan Assets restructured during the period:

(₹ in '000)

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1	Total amount of Loan Assets subject to restructuring	Nil	Nil
2	Total amount of Standard Assets subject to restructuring	Nil	Nil
3	Total amount of Sub-Standard Assets subject to restructuring	Nil	Nil
4	Total amount of Doubtful Assets subject to restructuring	Nil	Nil

### 3.44 Corporate Social responsibility (CSR)

As per section 135 of the Companies Act 2013, the Company needs to spend in every financial year, at least 2% of the average net profits of the Company made during the three immediate preceding financial years. We being an insurance company, the amount for CSR budget is calculated in accordance with IRDAI guidelines for Corporate Governance for life insurers on CSR related activities. Accordingly, an amount of ₹ 25,849 thousands (FY 2019-20 ₹ 26,456 thousands) was required to be spent by the Company towards CSR activities in FY 2020-21. The Company has spent ₹ 21,457 thousands for the year ended March 31, 2021 (year ended March 31, 2020 ₹ 26,676 thousands) on various CSR initiatives which have charged to the Profit and Loss account (Shareholder's ;account) as per details given below:

As per the requirements of 'Companies (CSR policy) Amendment rules, 2021', the Unspent amount of ₹ 4,392 thousand allocated to ongoing projects has been transferred to a separate bank account in April 2021.

(₹ in '000)

Sector in which the project is covered	Year ended March 31, 2021	Year ended March 31, 2020
Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports. Sports Infrastructure Support	2,000	12,000
Promoting education, including special education, and Employment-enhancing vocational skills, especially among children, women, elderly, and differently-abled, and livelihood enhancement projects	16,825	12,302
Eradication hunger, poverty and malnutrition; promoting healthcare, including preventive health care; and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation; and making available safe drinking water	1,622	1,154
Administration charges	1,010	1,220
<b>Total</b>	<b>21,457</b>	<b>26,676</b>

The amount spent during the year ended March 31, 2021 is as follows:

(₹ in '000)

Sr. No.	Particulars	Year ended March 31, 2021			Year ended March 31, 2020		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
1	(i) Construction/acquisition of any asset	-	-	-	-	-	-
2	(ii) On purpose other than (i) above	21,457	-	21,457	26,676	-	26,676
	<b>Total</b>	<b>21,457</b>	<b>-</b>	<b>21,457</b>	<b>26,676</b>	<b>-</b>	<b>26,676</b>

Movement in provision for CSR activities

(₹ in '000)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	100	133
Additional provision made during the period	-	-
Amount used during the period	100	133
Balance at the end of the period	-	0

### 3.45 Revaluation of Fixed Asset (Building)

The Company has done the revaluation of its premises as per AS 10 – 'Property, Plant and Equipment' by following revaluation model. The revaluation was carried out through independent valuer using "Direct Comparable Method" and the incremental amount has been taken to revaluation reserve. The revalued amount as on March 31, 2021 is ₹ 288,905 thousands as compared to the historical cost of ₹244,310 thousands. The value added of ₹ 44,595 thousands is credited to 'Revaluation Reserve' and corresponding depreciation on the revalued amount is 617 thousand for the year ended March 31, 2021.

The revaluation reserve is not available for distribution of dividend.

### 3.46 Disclosure of remuneration on other work given to statutory auditors

As per Corporate Governance guideline issued by IRDAI on May 18, 2016, the details of remuneration for other work entrusted to the joint statutory auditors is given below:

(₹ in '000)

Name of the Auditor	Services rendered	Year ended March 31, 2021	Year ended March 31, 2020
K S Aiyar & Co.	Certifications related to IPO*	-	910
	Reports on restated financial statements, related certificates and the comfort letters in relation to offering of the Company's equity shared by certain selling shareholders*	-	2,905
	Certification Charges	216	184
M. P. Chitale & Co.	Certification Charges	90	0
Thakur, Vaidyanath	Certifications related to IPO*	-	-
	Reports on restated financial statements, related certificates and the comfort letters in relation to offering of the Company's equity shared by certain selling shareholders*	-	2,942
Aiyar & Co.**	GST & Tax Audit Fees & Certification charges#	700	767

\*As per the offer agreement, in the event the Offer of IPO - OFS is withdrawn or not completed for any reason whatsoever, all the expenses relating to the Offer shall be borne by the Company. Accordingly, IPO-OFS related expenses shown as recoverable in the financial statements of the Company upto September 30, 2019 was charged to the Profit and Loss Account (Shareholders' Account) – Schedule 3A during FY 2019-20.

\*\* Statutory Auditor for FY 2019-20

### 3.47 Expenses of Management (EOM)

- As per the Expense of Management Regulations, 2016, the percentage of actual expense to allowable expense of the Company is within the defined limits as specified in the regulation at a Company level.
- An amount of ₹ 29,874 thousands for the year ended March 31, 2021 (for the year ended March 31, 2020 ₹5,677 thousands) being excess over allowable limit in a particular segment has been debited to Profit and Loss Account (Shareholder's Account) in accordance with clause 16 of the regulations.

### 3.48 Previous year ended comparatives:

Previous year ended figures have been reclassified/regrouped, wherever necessary & appropriate, to confirm to current year's presentation.

Sr. No.	Regroup From	Regroup To	(₹ In '000)	Reason
1	Schedule 4: Other benefits - Interest on unclaimed amount of policyholders	Revenue Account: Other Income – Miscellaneous Income	132,611	Reclassified for appropriate Presentation
2.	Schedule 8: Government securities and Government guaranteed bonds including Treasury bills	Schedule 8: Other approved securities	2,076,496	
3.	Schedule 8A: Government securities and Government guaranteed bonds including Treasury bills	Schedule 8A: Other approved securities	9,653,916	
4.	Schedule 8B: Long term investments Government: securities and Government guaranteed bonds including Treasury bills	Schedule 8B: Long term investments: Other approved securities	1,346,527	
5.	Schedule 11 - Cash and bank balances Current accounts	Schedule 13 - Current Liabilities Others	319,758	
6	Schedule 11 - Short-term Deposit accounts	Schedule 11 – Short-term: Others	2,500	
7	Schedule 12: Due from other entities carrying on insurance business	Schedule 13: Due from other entities carrying on insurance business	293,151	
8.	Schedule 12: Other Assets: Goods and Services Tax unutilized credit	Schedule 12: Advances: Other advances	4,375	
9.	Schedule 13 - Current Liabilities: Sundry Creditors	Schedule 13 - Current Liabilities: Agents' balances	559	
10.	Schedule 13 - Current Liabilities: Claims outstanding	Schedule 13 - Current Liabilities: Annuities due	6,681	
11	Schedule 13: Sundry creditors	Schedule 13: Claims outstanding	5,929	
12	Schedule 13 Premiums received in advance	Schedule 13: Unallocated premium	614,972	
13	Schedule 13: Sundry creditors	Schedule 14: Litigated Claims & Other Liabilities	6,883	
14	Schedule 13: Litigated Claims & Other Liabilities	Schedule 14: Litigated Claims & Other Liabilities	450,810	

This is the Balance Sheet referred to in our report of even date

For **K.S. Aiyar & Co.**  
Chartered Accountants

For **For M. P. Chitale & Co.**  
Chartered Accountants

**Rajesh S. Joshi**  
Partner

**Murtuza Vajih**  
Partner

For and on behalf of the Board of Directors

**Kishore Ponnawolu**  
Chairman  
DIN No. 08226069

**Ashish Kumar Srivastava**  
Managing Director & CEO  
DIN No. 00355075

**Sunil Satyapal Gulati**  
Director  
DIN No. 00016990

**Ashish Bhat**  
Director  
DIN No. 08652335

**Khalid Ahmad**  
Chief Financial Officer

**Shobhna Sharma**  
Appointed Actuary

Place: Mumbai  
Date: May 25, 2021

**Yagya Turker**  
Company Secretary  
M No. 19493



## 3.24 Summary of financial statements

## Annexure 1

(₹ in Lakhs)\*\*

Sl. No.	Particulars	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
	<b>POLICYHOLDERS' A/C</b>					
1	Gross premium income	603,282	550,696	477,720	395,351	323,608
2	Net premium income <sup>#</sup>	581,362	534,810	465,864	386,052	313,891
3	Income from investments (Net)	361,372	36,315	159,608	134,763	152,061
4	Other income	915	2,635	2,613	2,198	1,724
5	Contribution from the Shareholders' Account	5,880	3,445	7,564	4,843	-
6	Contribution from the Shareholders' Account towards excess of EOM	299	57	31	-	-
7	<b>Total income</b>	<b>949,830</b>	<b>577,261</b>	<b>635,649</b>	<b>527,856</b>	<b>467,676</b>
8	Commission	33,892	28,365	24,847	21,548	17,965
9	Brokerage	-	-	-	-	-
10	Operating expenses related to the insurance business	100,850	90,711	90,907	81,484	74,663
11	Goods and Services Tax/Service tax on Charges	4,546	4,556	4,309	3,859	3,585
12	Provision for Tax	3,647	2,908	1,913	-	-
13	Provision for Advances & Recoveries	130	129	(18)	(47)	485
14	<b>Total expenses</b>	<b>143,066</b>	<b>126,668</b>	<b>121,928</b>	<b>106,844</b>	<b>96,698</b>
15	Payment to policyholders*	251,162	233,810	193,900	211,103	177,076
16	Increase in actuarial liability	358,672	321,668	266,300	242,854	179,910
17	Provision for Linked Liabilities	170,238	(127,028)	26,850	(49,155)	9,932
18	<b>Surplus/(Deficit) from operations</b>	<b>26,692</b>	<b>22,143</b>	<b>26,671</b>	<b>16,210</b>	<b>4,060</b>
	<b>SHAREHOLDERS' A/C</b>					
19	Total income under Shareholders' Account	12,123	9,526	8,568	6,460	5,669
20	Total expenses under Shareholders' Account	956	3,515	808	976	751
21	Contribution to Policyholders Account towards excess of EOM	299	57	31	-	-
22	Contribution towards Remuneration of Managing Director & CEO	344	269	297	-	-
23	Contribution to the Revenue Account	5,880	3,445	7,564	4,843	-
24	Profit/(Loss) before tax	11,317	9,433	15,172	14,169	6,387
25	Provisions for tax	1,207	156	861	-	-
26	<b>Profit/(Loss) after tax</b>	<b>10,110</b>	<b>9,277</b>	<b>14,311</b>	<b>14,169</b>	<b>6,387</b>
27	<b>Profit/(Loss) carried to Balance Sheet</b>	<b>(60,067)</b>	<b>(70,176)</b>	<b>(79,454)</b>	<b>(93,765)</b>	<b>22,100</b>
	<b>MISCELLANEOUS</b>					
28	(A) Policyholders' account:					
	Total funds	2,659,613	2,104,691	1,921,174	1,624,462	1,430,637
	Total investments	2,688,653	2,116,627	1,923,246	1,618,808	1,445,578
	Yield on investments (%)	17.70%	1.83%	9.90%	9.64%	12.55%
	(B) Shareholders' account:					
	Total funds	141,735	130,728	121,855	107,522	93,383
	Total investments	136,408	122,486	112,051	105,324	70,328
	Yield on investments (%)	10.33%	8.84%	8.56%	7.94%	9.14%
29	Yield on total investments (%)	17.30%	2.19%	9.83%	9.55%	12.38%
30	Paid up equity capital	201,288	201,288	201,288	201,288	201,288
31	Networth	141,735	130,728	121,855	107,522	93,383
32	Total assets (Net of Current Liabilities)	2,866,032	2,279,644	2,072,776	1,750,945	1,540,954
33	<b>Earnings/(Loss) per share Basic/ (₹) (refer note 1 below) (₹)</b>	<b>0.50</b>	<b>0.46</b>	<b>0.71</b>	<b>0.70</b>	<b>0.32</b>
34	<b>Book value per share (₹) (refer note 2 below) (₹)</b>	<b>7.04</b>	<b>6.49</b>	<b>6.05</b>	<b>5.34</b>	<b>4.64</b>

**Note:**

# Net of reinsurance

\* Includes Interim Bonus paid, if any

\*\* Amount disclosed in lacs in accordance with IRDAI Master circular Ref No. IRDA/F&amp;A/Cir/232/12/2013 dated December 11, 2013.

1 Earnings per share are calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

2 Book Value per share =  $\frac{\text{Total Shareholders Funds} - \text{Debit balance in Profit and Loss Account} - \text{Debit balance in Revenue Account}}{\text{Total number of shares}}$ 

3 Net Worth = Share Capital + Free Reserves and Surplus + Credit / (Debit) Fair Value Change Account - Debit Balance in Profit and Loss Account

## Annexure 2

### 3.25 Accounting ratios (refer notes below)

Sl. No.	Description	As at March 31, 2021	As at March 31, 2020
1.	<b>New business premium income growth (segment-wise)</b>		
	Participating policies	(3%)	10%
	Non-participating policies	19%	21%
	Par Pension	6%	(17%)
	Non- Par Annuity	971%	8%
	Non- Par Pension	80%	167%
	Health	(101%)	(57%)
	Group - linked	64%	(82%)
	Individual Life - Linked	(13%)	(10%)
	Pension - linked	0%	(100%)
	(current year new business premium -previous year new business premium )/ previous year new business premium		
2.	<b>Net retention ratio</b> (net premium/gross premium)	96%	97%
3.	<b>Ratio of expenses of management</b> (expenses of management / total gross direct premium)	22%	22%
4.	<b>Commission ratio</b> (gross commission paid/gross premium)	6%	5%
5.	<b>Ratio of policyholders' liabilities to shareholders' funds</b> (policyholders' liabilities / shareholders' funds)	1916%	1644%
6.	<b>Growth rate of shareholders' funds</b> [current year shareholders' funds - previous year shareholders' funds) / previous year shareholders' funds)	9%	7%
7.	<b>Ratio of surplus/(deficit) to policyholders' liability</b> [surplus/(deficit) as per policyholders' liability]	1%	1%
8.	<b>Change in net worth (₹ in 000)</b> [current year shareholders' funds - previous year shareholders' funds]	1,100,765	887,226
9.	<b>Profit (loss) after tax/Total income</b>	1%	2%
10.	<b>(Total real estate + Loans)/Cash &amp; invested assets</b>	1%	1%
11.	<b>Total investments/[Capital + Surplus [Deficit]]</b>	1994%	1708%
12.	<b>Total affiliated investments/[Capital + Surplus (Deficit)]</b>	2%	2%
13.	<b>Investment yield (Gross &amp; Net)</b>		
	<b>A. With unrealised gains</b>		
	Shareholders' fund	9%	13%
	Policyholders' fund		
	Non linked		
	Participating	10%	14%
	Non Participating	8%	16%
	Linked		
	Non Participating	42%	(13%)
	<b>B. With realised gains</b>		
	Shareholders' fund	10%	8%
	Policyholders' fund		
	Non linked		
	Participating	8%	8%
	Non Participating	8%	8%
	Linked		
	Non Participating	11%	8%

Sl. No.	Description	As at March 31, 2021	As at March 31, 2020
14.	<b>Conservation Ratio</b>		
	Linked	63%	71%
	Non Linked	84%	86%
	Pension (both Linked and Non Linked)	76%	74%
	Health	89%	88%
15.	<b>Persistency Ratio (policies)</b>		
	For 13 <sup>th</sup> month	76%	74%
	For 25 <sup>th</sup> month	63%	63%
	For 37 <sup>th</sup> month	56%	53%
	For 49 <sup>th</sup> Month	50%	45%
	For 61 <sup>st</sup> month	39%	31%
	Persistency Ratio (premium)		
	For 13 <sup>th</sup> month	76%	74%
	For 25 <sup>th</sup> month	61%	63%
	For 37 <sup>th</sup> month	56%	54%
	For 49 <sup>th</sup> Month	51%	44%
	For 61 <sup>st</sup> month	36%	30%
16.	<b>NPA Ratio</b>		
	Gross NPA Ratio	0.4%	0.5%
	Net NPA Ratio	0.1%	0.3%

**Note:**

- The above ratios have been calculated based on Revenue Account, Profit and Loss Account for the year ended March 31, 2021 and for the year ended March 31, 2020 and the Balance Sheet as at March 31, 2021 and March 31, 2020.
- Shareholders' funds are net of accumulated deficit in Profit & loss account, for the purpose of calculating relevant ratios.
- Persistency Ratios are calculated as per IRDAI circular no. IRDA/ACT/CIR/MISC/035/01/2014 dated January 23, 2014. Persistency ratios for the year have been calculated using policies issued in April to March period, measured as on April 30th of the relevant years.

# Annexure 3

## 3.27 Related Party Disclosures as per Accounting Standard 18

### Related Parties and Nature of Relationship:

SI No	Name of Related parties	Nature of Relationship
1	MetLife International Holdings, LLC	Significant Influence
2	Punjab National Bank	Significant Influence
3	Ashish Kumar Srivastava	Key Management Personnel - Managing Director and CEO

### The following are the transactions between the Company and its related parties For the year ended March 31, 2021

Sr. No.	Name of the related Party with whom the transactions have been made	Description of the Relationship with the Party	Nature of Transaction	For the year ended March 31, 2021		As at March 31, 2021		For the year ended March 31, 2020		As at March 31, 2020	
				Received/Receivable towards -	Paid/Payable towards -	Amount outstanding as recoverable	Amount outstanding as payable	Amount outstanding as recoverable	Amount outstanding as payable		
1	MetLife international Holdings, LLC	Significant Influence	<b>Received/Receivable towards -</b> a) Compensation b) Funding of Information technology equipment (Refer Schedule 10) c) Travel and others <b>Paid/Payable towards -</b> a) Information technology	29,448 295,760 - - 105,467	17,247 127,297 - - -	- - - - 23,488	- 28,965 69,150 11,341 107,179	- 10,636 69,150 5,185 -	- - - - 107,179	- - - - -	
2	Punjab National Bank	Significant Influence	<b>Received/Receivable towards-</b> a) Interest/Dividend b) Bank balances (Current account/short term deposit) c) Investment in fixed deposit & bond <b>Paid/Payable towards -</b> a) Commission b) Bank charges c) Premium deposit d) Claims/surrender settled e) Compensation paid towards fraud committed by PMLI employee in connivance with others to enable PNB to make good the loss of its customers f) Earnest money a) Managerial Remuneration (Refer Note 3.14 of Schedule 16) b) Premium received	20,764 - - - 2,053,298 5,804 - 9,102 49,375 61	3,559 810,751 250,092 - - - - - - - -	- - - - 233,741 1,080 0 - - - - 23,891 - -	20,815 - - - 1,827,071 4,962 300 - - 100 41,905 61	3,308 1,988,796 250,116 - - - - - - - - - -	- - - - 164,233 1,350 (0) - - - - 18,838 -	- - - - - - - - - - - -	
3	Ashish Kumar Srivastava	Managing Director and CEO									

# Annexure 4

## STATEMENT OF SEGMENTAL ASSETS AND LIABILITIES AS AT MARCH 31, 2021

Particulars	(₹ in '000)											Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Shareholders		
<b>SOURCES OF FUNDS:</b>												
<b>SHAREHOLDERS FUNDS</b>												
Share capital	-	-	-	-	-	-	-	-	-	20,128,843	-	20,128,843
Reserves and surplus	-	-	-	-	-	-	-	-	-	43,977	-	43,977
Fair value change account - Net	-	-	-	-	-	-	-	-	-	51,374	-	51,374
<b>Total shareholders' funds</b>	-	-	-	-	-	-	-	-	-	<b>20,224,194</b>	-	<b>20,224,194</b>
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
<b>POLICYHOLDERS' FUNDS</b>												
Fair value change account	1,346,717	520,128	-	15,900	-	-	-	-	-	-	-	1,882,745
Policy liabilities	112,387,861	75,830,704	2,106,369	1,273,569	267,694	1,970,338	-	-	-	-	-	193,836,535
Insurance reserves	-	-	-	-	-	-	-	-	-	-	-	-
Provision for linked liabilities- Non unit	-	-	-	-	-	-	-	70	617,104	155	-	617,329
Provision for linked liabilities	-	-	-	-	-	-	-	1,971,359	60,829,084	546,575	-	63,347,018
<b>Total policyholders' funds</b>	<b>113,734,578</b>	<b>76,350,832</b>	<b>2,106,369</b>	<b>1,289,469</b>	<b>267,694</b>	<b>1,970,338</b>	-	<b>1,971,429</b>	<b>61,446,188</b>	<b>546,730</b>	-	<b>259,683,627</b>
Funds for discontinued policies	-	-	-	-	-	-	-	-	6,277,629	-	-	6,277,629
- Discontinued on account of non-payment of premium	-	-	-	-	-	-	-	-	-	-	-	-
- Others	5,953,099	-	471,353	-	-	-	-	-	-	-	-	6,424,452
Funds for future appropriations	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>119,687,677</b>	<b>76,350,832</b>	<b>2,577,722</b>	<b>1,289,469</b>	<b>267,694</b>	<b>1,970,338</b>	-	<b>1,971,429</b>	<b>67,723,817</b>	<b>546,730</b>	<b>20,224,194</b>	<b>292,609,902</b>
<b>APPLICATION OF FUNDS:</b>												
<b>INVESTMENTS</b>												
Shareholders'	-	-	-	-	-	-	-	-	-	-	13,640,818	13,640,818
Policyholders'	118,241,125	74,485,533	2,422,061	1,243,887	296,222	1,934,489	-	70	617,104	155	-	199,240,646
Assets held to cover linked liabilities	-	-	-	-	-	-	-	1,971,359	67,106,713	546,575	-	69,624,647
Loans	714,431	206,477	-	-	-	-	-	-	-	-	-	920,908
Fixed assets	235,704	616,933	1,816	6,275	245	1,904	-	273	137,268	82	218,013	1,218,513
Current assets	-	-	-	-	-	-	-	-	-	-	-	-
Cash and bank balances	786,914	1,414,118	9,068	26,073	20	31,608	-	77	397,605	1,480	-	2,666,963
Advances and other assets	4,021,943	5,258,385	98,344	12,703	4,035	66,936	-	34	98,873	661	271,258	9,833,172
Less:	4,808,857	6,672,503	107,412	38,776	4,055	98,544	-	111	496,478	2,141	271,258	12,500,135
Current liabilities	2,413,134	6,302,374	17,225	5,936	82	123,888	-	316	906,210	6,061	-	9,775,226
Provisions	234,632	429,551	1,675	577	8	12,046	-	31	88,112	589	-	767,221
Net current assets	2,647,766	6,731,925	18,900	6,513	90	135,934	-	347	994,322	6,650	-	10,542,447
Control Account	2,161,091	(59,422)	88,512	32,263	3,965	(37,391)	-	(236)	(497,844)	(4,509)	271,258	1,957,688
Miscellaneous expenditure (to the extent not written off)	(1,664,675)	1,101,311	65,333	7,045	(32,738)	71,335	-	(37)	360,575	4,427	87,423	-
Deficit/ (Surplus) in Policyholders account	-	-	-	-	-	-	-	-	-	-	-	-
Debit balance in profit and loss account	-	-	-	-	-	-	-	-	-	-	6,006,682	6,006,682
<b>TOTAL</b>	<b>119,687,677</b>	<b>76,350,832</b>	<b>2,577,722</b>	<b>1,289,469</b>	<b>267,694</b>	<b>1,970,338</b>	-	<b>1,971,429</b>	<b>67,723,817</b>	<b>546,730</b>	<b>20,224,194</b>	<b>292,609,902</b>

# Annexure 4

## STATEMENT OF SEGMENTAL ASSETS AND LIABILITIES AS AT MARCH 31, 2020

Particulars	(₹ in '000)										Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Shareholders	
<b>SOURCES OF FUNDS:</b>											
<b>SHAREHOLDERS FUNDS</b>											
Share capital	-	-	-	-	-	-	-	-	-	20,128,843	20,128,843
Reserves and surplus	-	-	-	-	-	-	-	-	-	(38,436)	(38,436)
Fair value change account - Net	-	-	-	-	-	-	-	-	-	20,090,407	20,090,407
<b>Total shareholders' funds</b>	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-
<b>POLICYHOLDERS' FUNDS</b>											
Fair value change account	(713,675)	(4,763)	-	-	-	-	-	-	-	-	(718,438)
Policy liabilities	96,909,233	57,226,507	1,713,006	361,107	213,503	1,545,936	-	-	-	-	157,969,292
Insurance reserves	-	-	-	-	-	-	-	-	-	-	-
Provision for linked liabilities- Non unit	-	-	-	-	-	-	182	528,640	178	-	529,000
Provision for linked liabilities	-	-	-	-	-	-	1,705,648	44,907,252	417,929	-	47,030,829
<b>Total policyholders' funds</b>	<b>96,195,558</b>	<b>57,221,744</b>	<b>1,713,006</b>	<b>361,107</b>	<b>213,503</b>	<b>1,545,936</b>	<b>1,705,830</b>	<b>45,435,892</b>	<b>418,107</b>	<b>-</b>	<b>204,810,683</b>
Funds for discontinued policies	-	-	-	-	-	-	-	-	-	-	-
- Discontinued on account of non-payment of premium	-	-	-	-	-	-	-	5,658,369	-	-	5,658,369
- Others	-	-	-	-	-	-	-	-	-	-	-
Funds for future appropriations	4,143,685	-	278,898	-	-	-	-	-	-	-	4,422,583
<b>TOTAL</b>	<b>100,339,243</b>	<b>57,221,744</b>	<b>1,991,904</b>	<b>361,107</b>	<b>213,503</b>	<b>1,545,936</b>	<b>1,705,830</b>	<b>51,094,261</b>	<b>418,107</b>	<b>20,090,407</b>	<b>234,982,042</b>
<b>APPLICATION OF FUNDS:</b>											
<b>INVESTMENTS</b>											
Shareholders'	-	-	-	-	-	-	-	-	-	12,248,559	12,248,559
Policyholders'	99,486,177	55,016,600	1,841,878	371,138	256,786	1,471,962	182	528,640	178	-	158,973,541
Assets held to cover linked liabilities	-	-	-	-	-	-	1,705,648	50,565,621	417,929	-	52,689,198
Loans	531,037	51,561	-	-	-	-	-	-	-	-	582,598
Fixed assets	304,008	379,099	1,220	786	78	2,969	-	234,370	157	222,092	1,145,174
<b>Current assets</b>											
Cash and bank balances	405,253	2,218,484	13,472	2,476	79	108,759	314	857,769	7,241	-	3,613,847
Advances and other assets	3,994,658	4,564,735	110,370	330	1,968	65,040	42	114,359	965	302,829	9,155,296
Less:	-	-	-	-	-	-	-	-	-	-	-
Current liabilities	2,906,620	5,285,219	20,552	3,628	116	159,366	460	1,256,906	10,611	-	9,643,478
Provisions	305,723	341,923	2,161	381	12	16,762	49	132,203	1,116	-	800,330
Net current assets	1,187,568	1,156,077	101,129	(1,203)	1,919	(2,329)	(153)	(416,981)	(3,521)	302,829	2,325,335
Control Account	(1,169,547)	618,407	47,677	(9,614)	(45,280)	73,334	(242)	182,611	3,364	299,290	-
Miscellaneous expenditure (to the extent not written off)	-	-	-	-	-	-	-	-	-	-	-
Deficit/(Surplus) in Policyholders account	-	-	-	-	-	-	-	-	-	-	-
Debit balance in profit and loss account	-	-	-	-	-	-	-	-	-	7,017,637	7,017,637
<b>TOTAL</b>	<b>100,339,243</b>	<b>57,221,744</b>	<b>1,991,904</b>	<b>361,107</b>	<b>213,503</b>	<b>1,545,936</b>	<b>1,705,830</b>	<b>51,094,261</b>	<b>418,107</b>	<b>20,090,407</b>	<b>234,982,042</b>

# Annexure 4

## SEGMENTAL REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

(₹ in '000)

Particulars	Schedule	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Total
Premiums earned - net											
(a) Premium	1	17,338,411 (22,443)	29,716,088 (2,053,931)	507,737 (10)	917,399	98,426	374,202 (18,533)	203,696 (1)	11,158,218 (97,034)	14,010	60,328,187 (2,191,952)
(b) Reinsurance ceded		-	-	-	-	-	-	-	-	-	-
(c) Reinsurance accepted		-	-	-	-	-	-	-	-	-	-
Income from investments		<b>17,315,968</b>	<b>27,662,157</b>	<b>507,727</b>	<b>917,399</b>	<b>98,426</b>	<b>355,669</b>	<b>203,695</b>	<b>11,061,184</b>	<b>14,010</b>	<b>58,136,235</b>
(a) Interest, dividends and rent - gross		8,113,594	4,874,035	162,302	48,072	16,171	128,610	110,101	1,585,868	10,768	15,049,521
(b) Profit on sale/redemption of investments		799,222	203,118	-	-	1,931	-	72,040	6,260,224	66,794	7,403,329
(c) (Loss) on sale/ redemption of investments		(40,169)	(18,913)	-	-	-	-	(5,708)	(1,676,393)	(8,777)	(1,749,960)
(d) Transfer/gain on revaluation/change in fair value		-	(86,990)	-	-	-	-	41,921	15,192,011	164,670	15,311,612
(e) Amortisation of premium/discount on investments		(5,245)	(69,264)	(2,089)	(379)	672	(2,358)	2,603	245,772	240	122,747
Other Income											
(a) Interest on policy loans		59,966	13,156	-	-	-	-	-	-	-	73,122
(b) Miscellaneous income		3,713	11,838	659	2	32	48	142	1,983	2	18,419
Contribution from the Shareholders' Account		-	512,220	-	53,835	-	21,972	-	-	-	588,027
Contribution from the Shareholders' Account towards excess of EOM		-	-	4,720	25,154	-	-	-	-	-	29,874
<b>Total (A)</b>		<b>26,199,844</b>	<b>33,101,357</b>	<b>673,319</b>	<b>1,044,083</b>	<b>117,232</b>	<b>503,941</b>	<b>424,794</b>	<b>32,670,649</b>	<b>247,707</b>	<b>94,982,926</b>
Commission	2	829,508	2,143,800	7,240	15,482	113	6,451	90	386,495	10	3,389,189
Operating expenses related to insurance business	3	2,640,848	6,009,121	25,293	55,676	2,332	24,859	3,017	1,323,003	861	10,085,010
Goods and Services tax on charges		-	-	-	-	-	-	2,132	452,395	120	454,647
Provision for doubtful debts		-	-	-	-	-	-	-	-	-	-
Bad debts written off		-	-	-	-	-	-	-	-	-	-
Provision for Income Tax		364,713	-	-	-	-	-	-	-	-	364,713
Provisions (other than taxation)		-	-	-	-	-	-	-	-	-	-
(a) For diminution in the value of investments		-	-	-	-	-	-	-	-	-	-
(b) Advances & Recoveries		3,556	7,005	21	356	7	152	-	1,894	7	12,998
<b>Total (B)</b>		<b>3,838,625</b>	<b>8,159,926</b>	<b>32,554</b>	<b>71,514</b>	<b>2,452</b>	<b>31,462</b>	<b>5,239</b>	<b>2,163,787</b>	<b>998</b>	<b>14,306,557</b>

# Annexure 4

## SEGMENTAL REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021 (CONTD...)

(₹ in '000)

Particulars	Schedule	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Total
Benefits paid (net)	4	4,682,122	6,337,232	48,682	60,107	56,580	48,078	142,438	13,594,832	114,299	25,084,370
Interim bonuses paid		30,348	-	1,506	-	-	-	-	-	-	31,854
Change in valuation of liability in respect of life policies											
(a) Gross		15,454,144	19,722,696	393,363	912,462	54,191	430,857	265,598	16,653,523	128,622	54,015,456
(b) Amount ceded in reinsurance		24,484	(1,118,497)	-	-	-	(6,456)	-	(23,966)	-	(1,124,435)
(c) Amount accepted in reinsurance		-	-	-	-	-	-	-	-	-	-
<b>Total (C)</b>		<b>20,191,098</b>	<b>24,941,431</b>	<b>443,551</b>	<b>972,569</b>	<b>110,771</b>	<b>472,479</b>	<b>408,036</b>	<b>30,224,389</b>	<b>242,921</b>	<b>78,007,245</b>
<b>Surplus/(Deficit) (D) = (A) - (B) - (C)</b>		<b>2,170,121</b>	<b>-</b>	<b>197,214</b>	<b>-</b>	<b>4,009</b>	<b>-</b>	<b>11,519</b>	<b>282,473</b>	<b>3,788</b>	<b>2,669,124</b>
Appropriations											
Transfer to shareholders' account		360,707	-	4,759	-	4,009	-	11,519	282,473	3,788	667,255
Transfer to other reserves		-	-	-	-	-	-	-	-	-	-
Funds for future appropriations		1,809,414	-	192,455	-	-	-	-	-	-	2,001,869
Surplus/(Deficit) after appropriation		-	-	-	-	-	-	-	-	-	-
<b>Total (D)</b>		<b>2,170,121</b>	<b>-</b>	<b>197,214</b>	<b>-</b>	<b>4,009</b>	<b>-</b>	<b>11,519</b>	<b>282,473</b>	<b>3,788</b>	<b>2,669,124</b>
Details of Total Surplus/(Deficit)											
(a) Interim bonuses paid		30,348	-	1,506	-	-	-	-	-	-	31,854
(b) Allocation of bonus to policyholders'		3,246,366	-	42,829	-	-	-	-	-	-	3,289,195
(c) Surplus shown in the Revenue Account		2,170,121	-	197,214	-	4,009	-	11,519	282,473	3,788	2,669,124
<b>Total Surplus/(Deficit)</b>		<b>5,446,835</b>	<b>-</b>	<b>241,549</b>	<b>-</b>	<b>4,009</b>	<b>-</b>	<b>11,519</b>	<b>282,473</b>	<b>3,788</b>	<b>5,990,173</b>



# Annexure 4

## SEGMENTAL REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Schedule	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Total	(₹ in '000)	
Premiums earned - net													
(a) Premium	1	17,196,223	24,909,026	506,666	85,664	53,177	420,625	123,540	11,756,737	17,894	55,069,552		
(b) Reinsurance ceded		(28,849)	(1,437,923)	(10)	-	-	(20,145)	(1)	(101,641)	-	(1,588,569)		
(c) Reinsurance accepted		-	-	-	-	-	-	-	-	-	-		
<b>Income from investments</b>		<b>17,167,374</b>	<b>23,471,103</b>	<b>506,656</b>	<b>85,664</b>	<b>53,177</b>	<b>400,480</b>	<b>123,539</b>	<b>11,655,096</b>	<b>17,894</b>	<b>53,480,983</b>		
(a) Interest, dividends and rent - gross		7,150,184	3,659,976	121,386	22,973	16,840	97,050	106,318	1,650,535	12,700	12,837,962		
(b) Profit on sale/redemption of investments		599,035	146,715	-	-	762	-	11,221	4,450,690	71,624	5,280,047		
(c) (Loss) on sale/redemption of investments		(882,855)	(61,560)	-	-	-	-	(3,592)	(1,418,263)	(10,719)	(2,376,989)		
(d) Transfer/gain on revaluation/change in fair value		-	-	-	-	-	-	(78,750)	(12,373,565)	(192,940)	(12,645,255)		
(e) Amortisation of premium/discount on investments		17,822	(10,392)	1,205	698	562	1,026	2,618	521,859	313	535,711		
Other Income													
(a) Interest on policy loans		44,896	9,910	-	-	-	-	-	-	-	54,806		
(b) Miscellaneous income		7,460	16,548	115	6	422	307	165	49,862	1,190	76,075		
Contribution from the Shareholders' Account		-	343,907	-	-	613	-	-	-	-	344,520		
Contribution from the Shareholders' Account towards excess of EOM		-	-	1,427	4,250	-	-	-	-	-	5,677		
<b>Total (A)</b>		<b>24,103,916</b>	<b>27,576,207</b>	<b>630,789</b>	<b>113,591</b>	<b>72,376</b>	<b>498,863</b>	<b>161,519</b>	<b>4,536,214</b>	<b>(99,938)</b>	<b>57,593,537</b>		
Commission	2	689,247	1,675,821	9,013	(81)	1	7,967	55	454,441	4	2,836,468		
Operating expenses related to insurance business	3	3,041,650	4,434,155	19,810	8,752	2,173	26,207	3,104	1,534,073	1,144	9,071,068		
Goods and Services tax on charges		-	-	-	-	-	-	2,173	453,231	157	455,561		
Provision for doubtful debts		-	-	-	-	-	-	-	-	-	-		
Bad debts written off		-	-	-	-	-	-	-	-	-	-		
Provision for Income Tax		289,854	787	-	-	-	82	-	124	-	290,847		
Provisions (other than taxation)		-	-	-	-	-	-	-	-	-	-		
(a) For diminution in the value of investments		-	-	-	-	-	-	-	-	-	-		
(b) Advances & Recoveries		4,799	5,361	76	248	(1)	(9)	-	2,224	153	12,851		
<b>Total (B)</b>		<b>4,025,550</b>	<b>6,116,124</b>	<b>28,899</b>	<b>8,919</b>	<b>2,173</b>	<b>34,247</b>	<b>5,332</b>	<b>2,444,093</b>	<b>1,458</b>	<b>12,666,795</b>		

# Annexure 4

## SEGMENTAL REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020 (CONTD...)

Particulars	Schedule	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Total
Benefits paid (net)	4	3,821,116	4,431,634	40,547	22,729	53,096	58,225	151,952	14,399,159	239,700	23,218,158
Interim bonuses paid		29,416	-	771	-	-	-	-	-	-	30,187
Change in valuation of liability in respect of life policies											
(a) Gross		14,488,957	16,503,573	457,079	71,239	17,107	379,334	(174)	(12,344,725)	(350,667)	19,221,723
(b) Amount ceded in reinsurance		11,266	240,805	-	-	-	(2,521)	-	(7,225)	-	242,325
(c) Amount accepted in reinsurance		-	-	-	-	-	-	-	-	-	-
<b>Total (C)</b>		<b>18,350,755</b>	<b>21,176,012</b>	<b>498,397</b>	<b>93,968</b>	<b>70,203</b>	<b>435,038</b>	<b>151,778</b>	<b>2,047,209</b>	<b>(110,967)</b>	<b>42,712,393</b>
<b>Surplus/(Deficit) (D) = (A) - (B) - (C)</b>		<b>1,727,611</b>	<b>284,071</b>	<b>103,493</b>	<b>10,704</b>	<b>-</b>	<b>29,578</b>	<b>4,409</b>	<b>44,912</b>	<b>9,571</b>	<b>2,214,349</b>
Appropriations											
Transfer to shareholders' account		331,700	284,071	4,315	10,704	-	29,578	4,409	44,912	9,571	719,260
Transfer to other reserves		-	-	-	-	-	-	-	-	-	-
Funds for future appropriations		1,395,911	-	99,178	-	-	-	-	-	-	1,495,089
Surplus/(Deficit) after appropriation		-	-	-	-	-	-	-	-	-	-
<b>Total (D)</b>		<b>1,727,611</b>	<b>284,071</b>	<b>103,493</b>	<b>10,704</b>	<b>-</b>	<b>29,578</b>	<b>4,409</b>	<b>44,912</b>	<b>9,571</b>	<b>2,214,349</b>
Details of Total Surplus/(Deficit)											
(a) Interim bonuses paid		29,416	-	771	-	-	-	-	-	-	30,187
(b) Allocation of bonus to policyholders'		2,985,298	-	38,835	-	-	-	-	-	-	3,024,133
(c) Surplus shown in the Revenue Account		1,727,611	284,071	103,493	10,704	-	29,578	4,409	44,912	9,571	2,214,349
<b>Total Surplus/(Deficit)</b>		<b>4,742,325</b>	<b>284,071</b>	<b>143,099</b>	<b>10,704</b>	<b>-</b>	<b>29,578</b>	<b>4,409</b>	<b>44,912</b>	<b>9,571</b>	<b>5,268,669</b>

# Annexure 4

## SCHEDULE 1 - PREMIUM

(₹ in '000)

Particulars	For the year ended March 31, 2021										Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Individual Pension Linked	
First year Premiums	2,995,682	8,272,834	122,403	-	-	(47)	9	3,721,866	(20)		15,112,727
Renewal Premiums	14,342,729	17,911,381	382,033	-	2,186	374,249	699	7,337,682	14,030		40,364,989
Single Premiums	-	3,531,873	3,301	917,399	96,240	-	202,988	98,670	-		4,850,471
<b>Total Premium</b>	<b>17,338,411</b>	<b>29,716,088</b>	<b>507,737</b>	<b>917,399</b>	<b>98,426</b>	<b>374,202</b>	<b>203,696</b>	<b>11,158,218</b>	<b>14,010</b>		<b>60,328,187</b>

## SCHEDULE 2 - COMMISSION EXPENSES

(₹ in '000)

Particulars	For the year ended March 31, 2021										Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Individual Pension Linked	
Commission paid											
Direct											
-First year Premiums	439,126	1,363,625	3,316	-	-	(11)	-	281,715	(2)		2,087,769
-Renewal Premiums	359,660	598,832	3,704	-	-	6,460	-	103,840	12		1,072,508
-Single Premiums	-	163,692	66	15,437	113	-	86	39	-		179,433
<b>Gross commission</b>	<b>798,786</b>	<b>2,126,149</b>	<b>7,086</b>	<b>15,437</b>	<b>113</b>	<b>6,449</b>	<b>86</b>	<b>385,594</b>	<b>10</b>		<b>3,339,710</b>
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-		-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-		-
<b>Net Commission</b>	<b>798,786</b>	<b>2,126,149</b>	<b>7,086</b>	<b>15,437</b>	<b>113</b>	<b>6,449</b>	<b>86</b>	<b>385,594</b>	<b>10</b>		<b>3,339,710</b>
Rewards and Remuneration to Agents, brokers and other intermediaries	30,722	17,651	154	45	0	2	4	901	0		49,479
<b>Total</b>	<b>829,508</b>	<b>2,143,800</b>	<b>7,240</b>	<b>15,482</b>	<b>113</b>	<b>6,451</b>	<b>90</b>	<b>386,495</b>	<b>10</b>		<b>3,389,189</b>
Break-up of Gross commission expenses											
Agents	171,045	103,150	1,577	286	-	1,411	24	13,327	3		290,823
Brokers	87,139	244,125	26	1	113	11	66	291	1		331,773
Corporate Agency Referral	571,324	1,796,525	5,637	15,195	-	5,029	-	372,877	6		2,766,593
<b>Total</b>	<b>829,508</b>	<b>2,143,800</b>	<b>7,240</b>	<b>15,482</b>	<b>113</b>	<b>6,451</b>	<b>90</b>	<b>386,495</b>	<b>10</b>		<b>3,389,189</b>

# Annexure 4

## SCHEDULE 3 - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ in '000)

Particulars	For the year ended March 31, 2021										Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked		
Employees' remuneration and welfare benefits	1,860,227	3,736,106	18,064	36,327	1,558	17,829	2,061	852,306	585	6,525,063	
Travel, conveyance and vehicle running expenses	13,417	35,108	103	357	14	108	16	7,814	5	56,942	
Training expenses	1,512	3,956	12	40	2	12	2	881	1	6,418	
Rents, rates and taxes	63,161	474,754	702	1,531	71	980	96	44,729	28	586,052	
Repairs	6,091	15,903	47	162	6	49	7	3,546	2	25,813	
Printing and stationery	8,913	23,330	69	237	9	72	10	5,191	3	37,834	
Communication expenses	33,850	88,569	261	901	35	273	39	19,713	12	143,653	
Legal & professional charges	43,415	103,303	395	1,100	78	322	130	25,085	36	173,864	
Medical fees	1,838	78,650	9	(3)	-	525	-	7,891	-	88,910	
Auditors' Fees, expenses, etc.											
(a) as auditor	1,649	4,316	13	44	2	13	2	960	1	7,000	
(b) as advisor or in any other capacity, in respect of											
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	
(c) in any other capacity	228	598	2	6	-	2	-	133	-	969	
Advertisement and publicity	190,067	497,477	1,464	5,059	199	1,536	219	110,689	66	806,776	
Business Development & Sales promotion	104,345	133,582	1,727	1,626	22	625	47	54,937	7	296,918	
Interest and Bank Charges	14,510	34,523	132	367	26	108	44	8,384	12	58,106	
Recruitment expenses	12,581	32,931	97	335	13	102	15	7,327	4	53,405	
Information Technology expenses	162,079	424,222	1,248	4,314	169	1,309	187	94,390	56	687,974	
Office expenses	24,980	65,332	193	665	26	202	29	14,547	9	105,983	
Others	(5,732)	(15,008)	(44)	(153)	(6)	(46)	(7)	4,078	(2)	(16,920)	
Depreciation	103,717	271,469	799	2,761	108	838	120	60,402	36	440,250	
<b>TOTAL</b>	<b>2,640,848</b>	<b>6,009,121</b>	<b>25,293</b>	<b>55,676</b>	<b>2,332</b>	<b>24,859</b>	<b>3,017</b>	<b>1,323,003</b>	<b>861</b>	<b>10,085,010</b>	

# Annexure 4

## SCHEDULE 1 - PREMIUM

(₹ in '000)

Particulars	For the year ended March 31, 2020										Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked		
First year Premiums	3,081,428	6,001,093	118,212	-	51	5,627	14	4,340,172	-	-	13,546,597
Renewal Premiums	14,114,795	14,994,041	388,400	-	(342)	414,998	(27)	7,353,349	17,894	17,894	37,283,108
Single Premiums	-	3,913,892	54	85,664	53,468	-	123,553	63,216	-	-	4,239,847
<b>Total Premium</b>	<b>17,196,223</b>	<b>24,909,026</b>	<b>506,666</b>	<b>85,664</b>	<b>53,177</b>	<b>420,625</b>	<b>123,540</b>	<b>11,756,737</b>	<b>17,894</b>	<b>17,894</b>	<b>55,069,552</b>

## SCHEDULE 2 - COMMISSION EXPENSES

(₹ in '000)

Particulars	For the year ended March 31, 2020										Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked		
Commission paid											
Direct											
-First year Premiums	316,849	1,009,267	3,909	-	-	627	-	357,803	-	-	1,688,455
-Renewal Premiums	343,965	484,371	5,045	-	-	7,320	11	103,826	4	4	944,542
-Single Premiums	-	192,464	1	(87)	1	-	44	217	-	-	192,640
<b>Gross commission</b>	<b>660,814</b>	<b>1,686,102</b>	<b>8,955</b>	<b>(87)</b>	<b>1</b>	<b>7,947</b>	<b>55</b>	<b>461,846</b>	<b>4</b>	<b>4</b>	<b>2,825,637</b>
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-
<b>Net Commission</b>	<b>660,814</b>	<b>1,686,102</b>	<b>8,955</b>	<b>(87)</b>	<b>1</b>	<b>7,947</b>	<b>55</b>	<b>461,846</b>	<b>4</b>	<b>4</b>	<b>2,825,637</b>
Rewards and Remuneration to Agents, brokers and other intermediaries	28,433	(10,281)	58	6	0	20	0	(7,405)	0	0	10,831
<b>Total</b>	<b>689,247</b>	<b>1,675,821</b>	<b>9,013</b>	<b>-81</b>	<b>1</b>	<b>7,967</b>	<b>55</b>	<b>454,441</b>	<b>4</b>	<b>4</b>	<b>2,836,468</b>
Break-up of Gross commission expenses											
Agents	191,257	70,859	1,530	20	-	1,736	10	12,946	(4)	(4)	278,354
Brokers	59,970	104,051	18	(1)	1	34	45	2,268	1	1	166,387
Corporate Agency Referral	438,020	1,500,911	7,465	(100)	-	6,197	-	439,227	7	7	2,391,727
<b>Total</b>	<b>689,247</b>	<b>1,675,821</b>	<b>9,013</b>	<b>(81)</b>	<b>1</b>	<b>7,967</b>	<b>55</b>	<b>454,441</b>	<b>4</b>	<b>4</b>	<b>2,836,468</b>

# Annexure 4

## SCHEDULE 3 - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ in '000)

Particulars	For the year ended March 31, 2020										Total
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked		
Employees' remuneration and welfare benefits	2,080,210	2,730,140	14,009	5,754	1,405	18,618	2,093	990,196	770	5,843,195	
Travel, conveyance and vehicle running expenses	43,379	74,000	227	151	41	356	48	26,514	18	144,734	
Training expenses	37,901	64,520	200	132	36	312	44	23,167	16	126,328	
Rents, rates and taxes	76,139	400,572	528	249	69	1,075	88	57,333	34	536,087	
Repairs	3,020	5,089	17	10	3	25	4	1,847	2	10,017	
Printing and stationery	12,134	20,739	64	42	11	99	13	7,416	5	40,523	
Communication expenses	38,672	65,728	205	134	37	319	46	23,640	17	128,798	
Legal & professional charges	41,340	63,970	287	145	50	374	142	25,349	51	131,708	
Medical fees	4,219	58,018	138	-	-	458	-	12,819	-	75,652	
Auditors' Fees, expenses, etc.	-	-	-	-	-	-	-	-	-	-	
(a) as auditor	2,096	3,582	11	7	2	17	2	1,282	1	7,000	
(b) as advisor or in any other capacity, in respect of											
(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	
(c) in any other capacity	1,012	1,730	5	4	1	8	1	619	-	3,380	
Advertisement and publicity	163,370	279,216	851	567	154	1,339	172	99,846	66	545,581	
Business Development & Sales promotion	201,679	92,826	1,494	389	43	519	58	58,389	18	355,415	
Interest and Bank Charges	17,619	27,672	119	61	20	157	55	10,798	19	56,520	
Recruitment expenses	21,578	36,880	112	75	20	177	23	13,188	9	72,062	
Information Technology expenses	144,704	247,314	753	503	137	1,186	152	88,439	58	483,246	
Office expenses	38,377	65,590	200	133	36	315	41	23,455	15	128,162	
Others	11,943	21,798	58	41	12	15	14	7,279	4	41,164	
Depreciation	102,258	174,771	532	355	96	838	108	62,497	41	341,496	
<b>TOTAL</b>	<b>3,041,650</b>	<b>4,434,155</b>	<b>19,810</b>	<b>8,752</b>	<b>2,173</b>	<b>26,207</b>	<b>3,104</b>	<b>1,534,073</b>	<b>1,144</b>	<b>9,071,068</b>	

# Annexure 4

## SCHEDULE 4 - BENEFITS PAID (NET)

For the year ended March 31, 2021

(₹ in '000)

Particulars	For the year ended March 31, 2021											Total	
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked				
<b>1. Insurance claims</b>													
(a) Claims by death	901,103	5,436,522	13,150	24,660	3	-	(2,009)	888,388	636			7,262,453	
(b) Claims by maturity	1,418,698	150,303	10,487	-	-	-	-	462,990	37,114			2,079,592	
(c) Annuities/ Pension payment	-	-	-	35,447	54,617	-	-	-	-	-		233,261	
(d) Other benefits -	-	-	-	-	-	-	-	-	-	-	-	-	
(i) Surrenders	879,281	713,154	25,045	-	1,960	16,941	-	12,321,069	76,549			14,035,249	
(ii) Periodical benefit	1,501,944	1,990,026	-	-	-	-	-	-	-			3,491,970	
(iii) Health	-	-	-	-	-	50,072	-	-	-			50,072	
(iv) Others	-	-	-	-	-	-	-	-	-			-	
<b>2. (Amount ceded in reinsurance)</b>													
(a) Claims by death	(18,904)	(1,952,773)	-	-	-	-	-	(77,615)	-			(2,049,292)	
(b) Claims by maturity	-	-	-	-	-	-	-	-	-			-	
(c) Annuities/ Pension payment	-	-	-	-	-	-	-	-	-			-	
(d) Other benefits -	-	-	-	-	-	-	-	-	-			-	
(i) Surrenders	-	-	-	-	-	-	-	-	-			-	
(ii) Periodical benefit	-	-	-	-	-	-	-	-	-			-	
(iii) Health	-	-	-	-	-	(18,935)	-	-	-			(18,935)	
<b>3. Amount accepted in reinsurance</b>													
(a) Claims by death	-	-	-	-	-	-	-	-	-			-	
(b) Claims by maturity	-	-	-	-	-	-	-	-	-			-	
(c) Annuities/ Pension payment	-	-	-	-	-	-	-	-	-			-	
(d) Other benefits -	-	-	-	-	-	-	-	-	-			-	
(i) Surrenders	-	-	-	-	-	-	-	-	-			-	
(ii) Periodical benefit	-	-	-	-	-	-	-	-	-			-	
(iii) Health	-	-	-	-	-	-	-	-	-			-	
<b>Total</b>	<b>4,682,122</b>	<b>6,337,232</b>	<b>48,682</b>	<b>60,107</b>	<b>56,580</b>	<b>48,078</b>	<b>142,438</b>	<b>13,594,832</b>	<b>114,299</b>			<b>25,084,370</b>	
<b>Benefits paid to claimants:</b>													
In India	4,682,122	6,337,232	48,682	60,107	56,580	48,078	142,438	13,594,832	114,299			25,084,370	
Outside India	-	-	-	-	-	-	-	-	-			-	
<b>Benefits paid (net)</b>	<b>4,682,122</b>	<b>6,337,232</b>	<b>48,682</b>	<b>60,107</b>	<b>56,580</b>	<b>48,078</b>	<b>142,438</b>	<b>13,594,832</b>	<b>114,299</b>			<b>25,084,370</b>	

# Annexure 4

## SCHEDULE 4 - BENEFITS PAID (NET)

(₹ in '000)

Particulars	For the year ended March 31, 2020										
	Par	Non Par	Par Pension	Non Par Annuity	Non Par Pension	Health	Group Pension Linked	Individual Life Linked	Individual Pension Linked	Total	
<b>1. Insurance claims</b>											
(a) Claims by death	798,039	3,094,628	7,114	1,370	1	-	2,056	669,038	3,474	4,575,720	
(b) Claims by maturity	1,088,971	115,445	8,338	-	-	-	-	667,869	70,509	1,951,132	
(c) Annuities/ Pension payment	-	-	-	21,359	53,095	-	148,569	-	-	223,023	
(d) Other benefits -											
(i) Surrenders	643,299	518,898	25,095	-	-	7,572	1,327	13,095,938	165,717	14,457,846	
(ii) Periodical benefit	1,303,623	1,624,741	-	-	-	8	-	-	-	2,928,372	
(iii) Health	-	-	-	-	-	79,721	-	-	-	79,721	
(iv) Others	-	-	-	-	-	-	-	-	-	-	
<b>2. (Amount ceded in reinsurance)</b>											
(a) Claims by death	(12,816)	(922,078)	-	-	-	-	-	(33,686)	-	(968,580)	
(b) Claims by maturity	-	-	-	-	-	-	-	-	-	-	
(c) Annuities/ Pension payment	-	-	-	-	-	-	-	-	-	-	
(d) Other benefits -											
(i) Surrenders	-	-	-	-	-	-	-	-	-	-	
(ii) Periodical benefit	-	-	-	-	-	-	-	-	-	-	
(iii) Health	-	-	-	-	-	(29,076)	-	-	-	(29,076)	
<b>3. Amount accepted in reinsurance</b>											
(a) Claims by death	-	-	-	-	-	-	-	-	-	-	
(b) Claims by maturity	-	-	-	-	-	-	-	-	-	-	
(c) Annuities/ Pension payment	-	-	-	-	-	-	-	-	-	-	
(d) Other benefits -											
(i) Surrenders	-	-	-	-	-	-	-	-	-	-	
(ii) Periodical benefit	-	-	-	-	-	-	-	-	-	-	
(iii) Health	-	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>3,821,116</b>	<b>4,431,634</b>	<b>40,547</b>	<b>22,729</b>	<b>53,096</b>	<b>58,225</b>	<b>151,952</b>	<b>14,399,159</b>	<b>239,700</b>	<b>23,218,158</b>	
<b>Benefits paid to claimants:</b>											
In India	3,821,116	4,431,634	40,547	22,729	53,096	58,225	151,952	14,399,159	239,700	23,218,158	
Outside India	-	-	-	-	-	-	-	-	-	-	
<b>Benefits paid (net)</b>	<b>3,821,116</b>	<b>4,431,634</b>	<b>40,547</b>	<b>22,729</b>	<b>53,096</b>	<b>58,225</b>	<b>151,952</b>	<b>14,399,159</b>	<b>239,700</b>	<b>23,218,158</b>	



# Annexure 4

## ANNEXURE TO REVENUE ACCOUNT-Break up of Unit Linked Business (UL)

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

### REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

Policyholders' Account (Technical Account)

Particulars	Schedule		Linked Life		Linked Pension		Linked Group		Total Unit Linked	
	Non-Unit (1)	Unit (2)	Non-Unit (3)=(1) + (2)	Unit (4)	Non-Unit (5)	Unit (6)=(4) + (5)	Non-Unit (7)	Unit (8)	Non-Unit (9)=(7) + (8)	Unit (10)=(3)+(6)+(9)
<b>Premiums earned – net</b>										
(a) Premium	591,452 (97,034)	10,566,766 -	11,158,218 (97,034)	108	13,902	14,010	-	203,696	203,696	11,375,924 (97,035)
(b) Reinsurance ceded										
<b>Income from Investments</b>										
(a) Interest, Dividend & Rent - Gross	24,097	1,561,771	1,585,868	-	10,768	10,768	-	110,101	110,101	1,706,737
(b) Profit on sale/ redemption of investments	-	6,260,224	6,260,224	-	66,794	66,794	-	72,040	72,040	6,399,058
(c) Loss on sale/redemption of investments	-	(1,676,393)	(1,676,393)	-	(8,777)	(8,777)	-	(5,708)	(5,708)	(1,690,878)
(d) Transfer/gain on revaluation/change in fair value	-	15,192,011	15,192,011	-	164,670	164,670	-	41,921	41,921	15,398,602
(e) Amortisation of premium/ discount on investments	15,784	229,988	245,772	-	240	240	-	2,603	2,603	248,615
(f) Other Misc income										
<b>Other income:</b>										
(a) Linked Income	1,900,435	(1,900,435)	-	8,574	(8,574)	-	12,047	(12,047)	-	-
(b) Other Misc income	117,083	(115,100)	1,983	(4,013)	4,015	2	458	(316)	142	2,127
(c) Contribution from the Shareholders' a/c	-	-	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	<b>2,551,817</b>	<b>30,118,832</b>	<b>32,670,649</b>	<b>4,669</b>	<b>243,038</b>	<b>247,707</b>	<b>12,504</b>	<b>412,290</b>	<b>424,794</b>	<b>33,343,150</b>
Commission	386,495	-	386,495	10	-	10	90	-	90	386,595
Operating Expenses related to Insurance Business	1,323,003	-	1,323,003	861	-	861	3,017	-	3,017	1,326,881
Goods and Services tax on charges	-	452,395	452,395	-	120	120	-	2,132	2,132	454,647
Provision for Taxation	-	-	-	-	-	-	-	-	-	-
Provision for Advances & Recoveries	1,894	-	1,894	7	-	7	-	-	-	1,901
<b>TOTAL (B)</b>	<b>1,711,392</b>	<b>452,395</b>	<b>2,163,787</b>	<b>878</b>	<b>120</b>	<b>998</b>	<b>3,107</b>	<b>2,132</b>	<b>5,239</b>	<b>2,170,024</b>
Benefits Paid (Net)	469,488	13,125,344	13,594,832	26	114,273	114,299	(2,009)	144,447	142,438	13,851,569
Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-
Change in Valuation Liability	88,464	16,541,093	16,629,557	(23)	128,645	128,622	(113)	265,711	265,598	17,023,777
TOTAL (C)	557,952	29,666,437	30,224,389	3	242,918	242,921	(2,122)	410,158	408,036	30,875,346
<b>SURPLUS/ (DEFICIT) (D) = (A)-(B)-(C)</b>	<b>282,473</b>	<b>-</b>	<b>282,473</b>	<b>3,788</b>	<b>-</b>	<b>3,788</b>	<b>11,519</b>	<b>-</b>	<b>11,519</b>	<b>297,780</b>
<b>APPROPRIATIONS</b>										
Transfer to Shareholders' a/c	282,473	-	282,473	3,788	-	3,788	11,519	-	11,519	297,780
Funds available for future appropriations	-	-	-	-	-	-	-	-	-	-
Transfer to Deficit in Revenue Account	-	-	-	-	-	-	-	-	-	-
<b>Total (D)</b>	<b>282,473</b>	<b>-</b>	<b>282,473</b>	<b>3,788</b>	<b>-</b>	<b>3,788</b>	<b>11,519</b>	<b>-</b>	<b>11,519</b>	<b>297,780</b>

# Annexure 4

## ANNEXURE TO REVENUE ACCOUNT-Break up of Unit Linked Business (UL)

Name of the Insurer: PNB MetLife India Insurance Company Limited  
Registration No: 117 Date of Registration with IRDA: August 6, 2001

### REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

Policyholders' Account (Technical Account)

Particulars	Schedule		Linked Life		Linked Pension		Linked Group		Total Unit Linked	
	Non-Unit (1)	Unit (2)	Non-Unit (3)	Unit (4)	Non-Unit (5)	Unit (6)	Non-Unit (7)	Unit (8)	Non-Unit (9)	Unit (10)
<b>Premiums earned – net</b>										
(a) Premium	608,394	11,148,343	11,756,737	152	17,742	17,894	-	123,540	123,540	11,898,171
(b) Reinsurance ceded	(101,641)	-	(101,641)	-	-	-	-	-	-	(101,641)
<b>Income from Investments</b>										
(a) Interest, Dividend & Rent - Gross	21,581	1,628,954	1,650,535	-	12,700	12,700	-	106,318	106,318	1,769,553
(b) Profit on sale/edemption of investments	1,875	4,448,815	4,450,690	-	71,624	71,624	-	11,221	11,221	4,533,535
(c) Loss on sale/redemption of investments	(1,496)	(1,416,767)	(1,418,263)	-	(10,719)	(10,719)	-	(3,592)	(3,592)	(1,432,574)
(d) Transfer/gain on revaluation/change in fair value	-	(12,373,565)	(12,373,565)	-	(192,940)	(192,940)	-	(78,750)	(78,750)	(12,645,255)
(e) Amortisation of premium/ discount on investments	40,185	481,674	521,859	-	313	313	-	2,618	2,618	524,790
(f) Other Misc income	-	-	-	-	-	-	-	-	-	-
<b>Other income:</b>										
(a) Linked Income	1,892,259	(1,892,259)	-	10,286	(10,286)	-	11,323	(11,323)	-	-
(b) Other Misc income	(20,686)	70,548	49,862	1,145	45	1,190	(1,949)	2,114	165	51,217
(c) Contribution from the Shareholders' a/c	-	-	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	<b>2,440,471</b>	<b>2,095,743</b>	<b>4,536,214</b>	<b>11,583</b>	<b>(111,521)</b>	<b>(99,938)</b>	<b>9,374</b>	<b>152,146</b>	<b>161,520</b>	<b>4,597,796</b>
Commission	454,441	-	454,441	4	-	4	55	-	55	454,500
Operating Expenses related to Insurance Business	1,534,073	-	1,534,073	1,144	-	1,144	3,104	-	3,104	1,538,321
Goods and Services tax on charges	-	453,231	453,231	-	157	157	-	2,173	2,173	455,561
Provision for Taxation	124	-	124	-	-	-	-	-	-	124
Provision for Advances & Recoveries	2,224	-	2,224	153	-	153	-	-	-	2,377
<b>TOTAL (B)</b>	<b>1,990,862</b>	<b>453,231</b>	<b>2,444,093</b>	<b>1,301</b>	<b>157</b>	<b>1,458</b>	<b>3,159</b>	<b>2,173</b>	<b>5,332</b>	<b>2,450,883</b>
Benefits Paid (Net)	398,169	14,000,990	14,399,159	797	238,903	239,700	2,064	149,889	151,953	14,790,812
Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-
Change in Valuation Liability	6,528	(12,358,478)	(12,351,950)	(86)	(350,581)	(350,667)	(258)	84	(174)	(12,702,791)
TOTAL (C)	404,697	1,642,512	2,047,209	711	(111,678)	(110,967)	1,806	149,973	151,779	2,088,021
<b>SURPLUS / (DEFICIT) (D) = (A)-(B)-(C)</b>	<b>44,912</b>	<b>-</b>	<b>44,912</b>	<b>9,571</b>	<b>-</b>	<b>9,571</b>	<b>4,409</b>	<b>-</b>	<b>4,409</b>	<b>58,892</b>
<b>APPROPRIATIONS</b>										
Transfer to Shareholders' a/c	44,912	-	44,912	9,571	-	9,571	4,409	-	4,409	58,892
Funds available for future appropriations	-	-	-	-	-	-	-	-	-	-
Transfer to Deficit in Revenue Account	-	-	-	-	-	-	-	-	-	-
<b>Total (D)</b>	<b>44,912</b>	<b>-</b>	<b>44,912</b>	<b>9,571</b>	<b>-</b>	<b>9,571</b>	<b>4,409</b>	<b>-</b>	<b>4,409</b>	<b>58,892</b>

(₹ in '000)

## SCHEDULES TO ANNEXURE TO REVENUE ACCOUNT (UL) FORMING PART OF FINANCIAL STATEMENTS

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

### LINKED INCOME (RECOVERED FROM LINKED FUNDS)\*

#### Schedule-UL1

(₹ in '000)

Particulars	Current year 2021				Previous year 2020			
	Life Linked Unit	Pension Linked Unit	Linked Group Unit	Total	Life Linked Unit	Pension Linked Unit	Linked Group Unit	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
Fund Administration charges	-	-	-	-	-	-	-	-
Fund Management charge	735,253	8,028	11,844	755,125	747,966	9,571	11,123	768,660
Policy Administration charge	124,929	482	-	125,411	135,260	640	-	135,900
Surrender charge	827	-	-	827	4,840	-	-	4,840
Switching charge	-	-	-	-	-	-	-	-
Mortality charge	984,545	64	-	984,609	971,563	75	-	971,638
Rider Premium charge	-	-	-	-	-	-	-	-
Partial withdrawal charge	33	-	-	33	26	-	-	26
Discontinuance charge	54,237	-	-	54,237	32,605	-	-	32,605
Miscellaneous charge	611	-	203	814	(1)	-	200	199
<b>TOTAL (UL-1)</b>	<b>1,900,435</b>	<b>8,574</b>	<b>12,047</b>	<b>1,921,056</b>	<b>1,892,259</b>	<b>10,286</b>	<b>11,323</b>	<b>1,913,868</b>

\* (net of GST, if any)

# Annexure 4

Name of the Insurer: PNB MetLife India Insurance Company Limited  
Registration No: 117 Date of Registration with IRDA: August 6, 2001

## BENEFITS PAID [NET] FOR THE YEAR ENDED MARCH 31, 2021 Schedule-U12

(₹ in '000)

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)	(10)=(3)+(6)+(9)
1	Insurance Claims										
(a)	Claims by Death	545,256	343,132	888,388	26	610	636	(2,009)	-	(2,009)	887,015
(b)	Claims by Maturity	913	462,077	462,990	-	37,114	37,114	-	-	-	500,104
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	143,197	143,197	143,197
(d)	Other benefits										
	- Surrender	934	12,320,135	12,321,069	-	76,549	76,549	-	1,250	1,250	12,398,868
	- Periodical Benefits	-	-	-	-	-	-	-	-	-	-
	- Health	-	-	-	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A)</b>	<b>547,103</b>	<b>13,125,344</b>	<b>13,672,447</b>	<b>26</b>	<b>114,273</b>	<b>114,299</b>	<b>(2,009)</b>	<b>144,447</b>	<b>142,438</b>	<b>13,929,184</b>
2	Amount Ceded in reinsurance										
(a)	Claims by Death	77,615	-	77,615	-	-	-	-	-	-	77,615
(b)	Claims by Maturity	-	-	-	-	-	-	-	-	-	-
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-
(d)	Other benefits	-	-	-	-	-	-	-	-	-	-
	- Surrender	-	-	-	-	-	-	-	-	-	-
	- Periodical Benefits	-	-	-	-	-	-	-	-	-	-
	- Health	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)</b>	<b>77,615</b>	<b>-</b>	<b>77,615</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,615</b>
	<b>TOTAL (A) - (B)</b>	<b>469,488</b>	<b>13,125,344</b>	<b>13,594,832</b>	<b>26</b>	<b>114,273</b>	<b>114,299</b>	<b>(2,009)</b>	<b>144,447</b>	<b>142,438</b>	<b>13,851,569</b>
	<b>Benefits paid to claimants:</b>										
	In India	469,488	13,125,344	13,594,832	26	114,273	114,299	(2,009)	144,447	142,438	13,851,569
	Outside India										
	<b>TOTAL (U12)</b>	<b>469,488</b>	<b>13,125,344</b>	<b>13,594,832</b>	<b>26</b>	<b>114,273</b>	<b>114,299</b>	<b>(2,009)</b>	<b>144,447</b>	<b>142,438</b>	<b>13,851,569</b>

# Annexure 4

Name of the Insurer: PNB MetLife India Insurance Company Limited  
Registration No: 117 Date of Registration with IRDA: August 6, 2001

## BENEFITS PAID [NET] FOR THE YEAR ENDED MARCH 31, 2020 Schedule-U12

(₹ in '000)

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)	(10)=(3)+(6)+(9)
1	Insurance Claims										
(a)	Claims by Death	431,052	237,986	669,038	39	3,435	3,474	2,056	-	2,056	674,568
(b)	Claims by Maturity	(814)	668,683	667,869	778	69,731	70,509	-	-	-	738,378
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	148,569	148,569	148,569
(d)	Other benefits	-	-	-	-	-	-	-	-	-	-
	- Surrender	1,617	13,094,321	13,095,938	(20)	165,737	165,717	8	1,319	1,327	13,262,982
	- Periodical Benefits	-	-	-	-	-	-	-	-	-	-
	- Health	-	-	-	-	-	-	-	-	-	-
	- Others	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A)</b>	<b>431,855</b>	<b>14,000,990</b>	<b>14,432,845</b>	<b>797</b>	<b>238,903</b>	<b>239,700</b>	<b>2,064</b>	<b>149,888</b>	<b>151,952</b>	<b>14,824,497</b>
2	Amount Ceded in reinsurance										
(a)	Claims by Death	33,686	-	33,686	-	-	-	-	-	-	33,686
(b)	Claims by Maturity	-	-	-	-	-	-	-	-	-	-
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-
(d)	Other benefits	-	-	-	-	-	-	-	-	-	-
	- Surrender	-	-	-	-	-	-	-	-	-	-
	- Periodical Benefits	-	-	-	-	-	-	-	-	-	-
	- Health	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)</b>	<b>33,686</b>	<b>-</b>	<b>33,686</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,686</b>
	<b>TOTAL (A) - (B)</b>	<b>398,169</b>	<b>14,000,990</b>	<b>14,399,159</b>	<b>797</b>	<b>238,903</b>	<b>239,700</b>	<b>2,064</b>	<b>149,888</b>	<b>151,952</b>	<b>14,790,811</b>
	<b>Benefits paid to claimants:</b>										
	In India	398,169	14,000,990	14,399,159	797	238,903	239,700	2,064	149,888	151,952	14,790,811
	Outside India	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL (U12)</b>	<b>398,169</b>	<b>14,000,990</b>	<b>14,399,159</b>	<b>797</b>	<b>238,903</b>	<b>239,700</b>	<b>2,064</b>	<b>149,888</b>	<b>151,952</b>	<b>14,790,811</b>

## Annexure 5

### 3.28 Statement showing the Controlled Fund of PNB MetLife India Insurance Co. Ltd.

(₹ in Crores)

1 Computation of Controlled fund as per the Balance Sheet	2020-21	2019-20
Policyholders' Fund (Life Fund)		
Participating		
Individual Assurance	11,362	9,609
Individual Pension	211	171
Group Assurance	12	11
Non-participating		
Individual Assurance	6,700	4,980
Group Assurance	935	743
Individual Annuity	129	36
Group Pension	27	21
Health	197	155
Linked		
Individual Assurance	6,772	5,109
Group Assurance	-	-
Individual Pension	55	42
Group Superannuation	-	-
Group Gratuity	197	171
Funds for Future Appropriations	642	442
Total (A)	27,239	21,489
Shareholders' Fund		
Paid up Capital	2,013	2,013
Reserves & Surpluses	4	-
Fair Value Change	5	(4)
Total (B)	2,022	2,009
Misc. expenses not written off		
Credit / (Debit) from P&L A/c.	(601)	(702)
Total (C)	(601)	(702)
Total shareholders' funds (B+C)	1,421	1,307
<b>Controlled Fund (Total (A+B+C))</b>	<b>28,660</b>	<b>22,796</b>
<b>2 Reconciliation of the Controlled Fund from Revenue and Profit &amp; Loss Account</b>		
Opening Balance of Controlled Fund	22,796	20,723
Add: Inflow		
Income		
Premium Income	6,033	5,507
Less: Reinsurance ceded	(219)	(159)
<b>Net Premium</b>	<b>5,814</b>	<b>5,348</b>
Investment Income	3,613	363
Other Income	9	26
Funds transferred from Shareholders' Accounts	62	35
<b>Total Income</b>	<b>9,498</b>	<b>5,773</b>
Less: Outgo		
(i) Benefits paid (Net)	2,508	2,334
(ii) Interim Bonus Paid	3	3
(iii) Change in Valuation of Liability	5,289	1,946
(iv) Commission	339	284
(v) Operating Expenses	1,009	907
(vi) Goods and Services tax on charges	45	46
(vii) Provision for Taxation	36	29
(viii) Provision for Advances & Recoveries	1	1
<b>Total Outgo</b>	<b>9,230</b>	<b>5,550</b>

(₹ in Crores)

2	Reconciliation of the Controlled Fund from Revenue and Profit & Loss Account	2020-21	2019-20
	<b>Surplus of the Policyholders' Fund</b>	<b>268</b>	<b>222</b>
	<b>Less: transferred to Shareholders' Account</b>	<b>67</b>	<b>72</b>
	Net Flow in Policyholders' account	201	151
	Add: Net income in Shareholders' Fund	101	93
	<b>Net In Flow / Outflow</b>	<b>302</b>	<b>243</b>
	Add: change in valuation Liabilities	5,549	1,834
	Add: increase in Paid up Capital	-	-
	Add: Reserves & Surpluses	4	-
	Add: change in Fair Value	9	-
	Closing Balance of Controlled Fund	28,660	22,796
	<b>As Per Balance Sheet</b>	<b>28,660</b>	<b>22,796</b>
	Difference, if any	-	-
	Policyholders' Funds		
<b>3.1</b>	<b>Policyholders' Funds - Traditional-PAR and NON-PAR</b>		
	Opening Balance of the Policyholders' Fund	16,167	12,912
	Add: Surplus/(Deficit) of the Revenue Account	237	216
	Amount transferred from/ (to) Shareholders' account	(37)	(66)
	Add: change in valuation Liabilities	3,847	3,105
	<b>Total</b>	<b>20,214</b>	<b>16,167</b>
	As per Balance Sheet	20,214	16,167
	Difference, if any	-	-
<b>3.2</b>	<b>Policyholders' Funds - Linked</b>		
	Opening Balance of the Policyholders' Fund	5,322	6,592
	Add: Surplus/(Deficit) of the Revenue Account	-	-
	Add: change in valuation Liabilities	1,702	(1,270)
	Add: Transfer from Profit and Loss account (Shareholder's Account) to meet brought forward accumulated deficit in Revenue Account (Policyholder's Account)	-	-
	<b>Total</b>	<b>7,024</b>	<b>5,322</b>
	As per Balance Sheet	7,024	5,322
	Difference, if any	-	-
	Shareholders' Funds		
	Opening Balance of Shareholders' Fund	1,308	1,220
	Add: net income of Shareholders' account (P&L)	101	92
	Add: Infusion of Capital	-	-
	Add: Change in Fair value change	9	(4)
	Add: Reserves and surplus	4	-
	Closing Balance of the Shareholders' fund	1,422	1,308
	<b>As per Balance Sheet</b>	<b>1,422</b>	<b>1,308</b>
	Difference, if any	-	-

## Annexure 6

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

### FUND BALANCE SHEET AS AT MARCH 31, 2021

#### Form A-BS(UL)

(₹ in '000)

Particulars	Schedule	March 31, 2021	March 31, 2020
<b>Sources of Funds</b>			
<b>Policyholders' Funds:</b>			
Policyholder contribution	F-1	36,948,999	40,114,748
Revenue Account		32,675,648	12,574,450
Funds for future appropriation		-	-
<b>Total</b>		<b>69,624,647</b>	<b>52,689,198</b>
<b>Application of Funds</b>			
Investments	F-2	69,043,866	51,869,114
Current Assets	F-3	1,033,526	1,482,119
Less: Current Liabilities and Provisions	F-4	452,744	662,034
Net current assets		580,781	820,084
<b>Total</b>		<b>69,624,647</b>	<b>52,689,198</b>

### FUND REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2021

#### Form A-RA(UL)

(₹ in '000)

Particulars	Schedule	March 31, 2021	March 31, 2020
<b>Income from investments</b>			
Interest income		1,439,341	1,746,514
Dividend income		476,130	486,063
Profit/loss on sale of investment		4,708,180	3,100,582
Unrealised Gain/loss*		15,398,601	(12,645,255)
<b>Total (A)</b>		<b>22,022,253</b>	<b>(7,312,096)</b>
Fund management expenses		755,125	768,660
Fund administration expenses		-	-
Other charges:	F-5	1,165,931	1,145,207
<b>Total (B)</b>		<b>1,921,056</b>	<b>1,913,867</b>
<b>Net Income for the year (A-B)</b>		<b>20,101,197</b>	<b>(9,225,963)</b>
Add: Fund revenue account at the beginning of the year		12,574,451	21,800,414
<b>Fund revenue account at the end of the year</b>		<b>32,675,648</b>	<b>12,574,451</b>

\* Net change in mark to market value of investments



## Schedules to Fund Revenue Account

Name of the Insurer: PNB MetLife India Insurance Company Limited  
Registration No: 117 Date of Registration with IRDA: August 6, 2001

## Annexure 6

## SCHEDULE: F-1

## POLICYHOLDERS' CONTRIBUTION

Particulars	(₹ in '000)	
	March 31, 2021	March 31, 2020
Opening balance	40,114,748	43,597,759
Add: Additions during the year*	16,604,706	11,314,256
Less: Deductions during the year*	(19,770,455)	(14,797,267)
Less: Funds for future appropriation	-	-
<b>Closing balance</b>	<b>36,948,999</b>	<b>40,114,748</b>

\* Additions represents units creation and deductions represent unit cancellations

## SCHEDULE: F-2

## INVESTMENTS

Particulars	(₹ in '000)	
	March 31, 2021	March 31, 2020
<b>Approved Investments</b>		
Government Bonds	11,171,951	11,716,248
Corporate Bonds	1,993,101	3,017,491
Infrastructure Bonds (including Housing)	6,511,317	6,628,614
Equity/Preference shares	37,948,679	23,681,157
Money Market	-	-
Mutual Funds	-	-
Commercial Papers/CBLO/Bank Deposits	2,884,737	3,136,983
Fixed Deposits	-	-
<b>Total</b>	<b>60,509,784</b>	<b>48,180,493</b>
<b>Other Investments</b>		
Corporate Bonds	280,000	-
Infrastructure Bonds	-	-
Equity/Preference shares	1,987,122	994,523
Money Market	-	-
Mutual Funds	6,266,960	2,694,100
Commercial Papers/CBLO/Bank Deposits	-	-
Fixed Deposits	-	-
<b>Total</b>	<b>8,534,081</b>	<b>3,688,623</b>
<b>GRAND TOTAL</b>	<b>69,043,866</b>	<b>51,869,116</b>
<b>% of Approved Investments to Total</b>	<b>87.64%</b>	<b>92.89%</b>
<b>% of Other Investments to Total</b>	<b>12.36%</b>	<b>7.11%</b>

## Schedules to Fund Revenue Account

Name of the Insurer: PNB MetLife India Insurance Company Limited  
Registration No: 117 Date of Registration with IRDA: August 6, 2001

## Annexure 6

## SCHEDULE: F - 3

## CURRENT ASSETS

(₹ in '000)

Particulars	March 31, 2021	March 31, 2020
Accrued Interest	406,312	449,626
Cash & Bank Balance	2,942	176
Dividend Receivable	9,293	232
Receivable for Sale of Investments	38,454	44,077
Unit Collection A/c#	576,525	988,008
Other Current Assets (for Investments)	-	-
<b>Total</b>	<b>1,033,526</b>	<b>1,482,119</b>

## SCHEDULE: F - 4

## CURRENT LIABILITIES

(₹ in '000)

Particulars	March 31, 2021	March 31, 2020
Payable for Purchase of Investments	38,454	219,862
Other Current Liabilities	2,765	2,002
Unit Payable a/c#	411,525	440,172
<b>Total</b>	<b>452,744</b>	<b>662,036</b>

## SCHEDULE: F- 5

## OTHER EXPENSES\*

(₹ in '000)

Particulars	March 31, 2021	March 31, 2020
Policy Administration charge	125,411	135,900
Surrender charge	827	4,840
Switching charge	-	-
Mortality charge	984,609	971,638
Rider Premium charge	-	-
Partial withdrawal charge	33	26
Discontinuance charge	54,237	32,605
Miscellaneous charge	814	199
<b>Total</b>	<b>1,165,931</b>	<b>1,145,208</b>

\*Any expense which is 1% of the total expenses incurred should be disclosed as a separate line item.

# Represents inter fund receivables or payables, if any

Name of the Insurer: PNB MetLife India Insurance Company Limited  
Registration No: 117 Date of Registration with IRDA: August 6, 2001

## Annexure 6

### NET ASSET VALUE (NAV) PER UNIT AS AT MARCH 31, 2021

#### Form A-BS(UL)

SI No	Funds	Net Assets as per Balance Sheet (Total Assets less current liabilities and provisions)	Number of Units outstanding	NAV per unit (₹)
		(₹ in '000)	(Units in '000)	
		(a)	(b)	(a)/(b)
<b>1</b>	<b>Linked Individual Life</b>			
	Balancer	2,347,795	57,228	41.0253
	Multiplier	13,164,159	224,932	58.5251
	Accelerator	1,624,549	31,211	52.0508
	Preserver	447,603	16,005	27.9665
	Protector	754,209	27,617	27.3095
	Moderator	105,255	3,282	32.0684
	Virtue	743,634	23,726	31.3428
	Balancer 2	5,245,198	208,910	25.1075
	Multiplier 2	6,715,925	253,268	26.5171
	Preserver 2	886,217	39,037	22.7022
	Protector 2	9,110,412	399,824	22.7861
	Virtue 2	8,545,238	245,544	34.8012
	Flexi Cap	10,531,664	368,416	28.5864
	Multiplier 3	207,796	12,701	16.3603
	Liquid Fund	9,194	751	12.2363
	Mid Cap Fund	77,414	5,170	14.9729
	Premier Multi-Cap Fund	122,607	8,003	15.3204
	Crest (Thematic Fund)	146,389	10,772	13.5901
	Balanced Opportunities Fund	21,075	1,441	14.6272
	Bond Opportunities Fund	22,750	1,780	12.7786
	Discontinued Fund	6,277,629	325,192	19.3044
	<b>Total</b>	<b>67,106,713</b>	<b>2,264,810</b>	
<b>2</b>	<b>Linked Individual Pension</b>			
	Balancer	76,776	1,871	41.0253
	Multiplier	321,195	5,488	58.5251
	Accelerator	37,479	720	52.0508
	Preserver	15,527	555	27.9665
	Protector	7,744	284	27.3095
	Moderator	5,178	161	32.0684
	Virtue	16,415	524	31.3428
	Balancer 2	9,118	363	25.1075
	Multiplier 2	45,116	1,701	26.5171
	Preserver 2	777	34	22.7022
	Protector 2	3,399	149	22.7861
	Virtue 2	254	7	34.8012
	Flexi Cap	7,596	266	28.5864
	<b>Total</b>	<b>546,575</b>	<b>12,125</b>	
<b>3</b>	<b>Linked Group</b>			
	Debt Fund	1,194,840	56,236	21.2469
	Balanced Fund	719,615	25,909	27.7752
	Group Met Growth Fund	28,798	2,799	10.2892
	Group Met Secure Fund	28,107	2,796	10.0510
	<b>Total</b>	<b>1,971,360</b>	<b>87,740</b>	
	<b>Net asset as per Balance Sheet</b>	<b>69,624,647</b>		

Name of the Insurer: PNB MetLife India Insurance Company Limited  
Registration No: 117 Date of Registration with IRDA: August 6, 2001

## Annexure 6

### NET ASSET VALUE (NAV) PER UNIT AS AT 31ST MARCH , 2020

#### Form A-BS(UL)

SI No	Funds	Net Assets as per Balance Sheet (Total Assets less current liabilities and provisions)	Number of Units outstanding	NAV per unit (₹)
		(₹ in '000)	(Units in '000)	
		(a)	(b)	(a)/(b)
<b>1</b>	<b>Linked Individual Life</b>			
	Balancer	2,092,608	66,755	31.3474
	Multiplier	8,634,708	259,012	33.3371
	Accelerator	1,223,038	35,771	34.1909
	Preserver	496,627	18,757	26.4770
	Protector	878,752	33,322	26.3715
	Moderator	105,426	3,740	28.1864
	Virtue	500,726	26,811	18.6762
	Balancer 2	3,940,188	212,084	18.5784
	Multiplier 2	4,679,745	303,540	15.4172
	Preserver 2	816,802	38,146	21.4124
	Protector 2	10,383,859	479,034	21.6766
	Virtue 2	3,943,573	197,028	20.0153
	Flexi Cap	6,914,604	402,886	17.1627
	Multiplier 3	88,804	9,297	9.5519
	Liquid Fund	9,706	808	12.0106
	Mid Cap Fund	30,523	4,138	7.3769
	Premier Multi-Cap Fund	67,007	7,960	8.4186
	Crest (Thematic Fund)	68,965	8,685	7.9405
	Balanced Opportunities Fund	14,572	1,471	9.9036
	Bond Opportunities Fund	17,020	1,420	11.9888
	NAV Guarantee	-	-	-
	Discontinued Fund	5,658,370	303,775	18.6268
	<b>Total</b>	<b>50,565,623</b>	<b>2,414,441</b>	
<b>2</b>	<b>Linked Individual Pension</b>			
	Balancer	70,415	2,246	31.3474
	Multiplier	217,982	6,539	33.3371
	Accelerator	28,874	845	34.1909
	Preserver	15,371	581	26.4770
	Protector	9,004	341	26.3715
	Moderator	4,909	174	28.1864
	Virtue	13,011	697	18.6762
	Balancer 2	8,329	448	18.5784
	Multiplier 2	37,176	2,411	15.4172
	Preserver 2	8	0	21.4124
	Protector 2	3,829	177	21.6766
	Virtue 2	97	5	20.0153
	Flexi Cap	8,923	520	17.1627
	<b>Total</b>	<b>417,928</b>	<b>14,984</b>	
<b>3</b>	<b>Linked Group</b>			
	Debt Fund	1,140,878	56,852	20.0675
	Balanced Fund	564,769	25,395	22.2395
	<b>Total</b>	<b>1,705,647</b>	<b>82,247</b>	
	<b>Net asset as per Balance Sheet</b>	<b>52,689,198</b>		

# Annexure 6

## STATEMENT OF NET ASSETS AS AT MARCH 31, 2021

(₹ in '000)

Particulars	Individual									
	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2	Preserver 2
<b>Assets</b>										
Investments										
Government securities and Government guaranteed bonds	372,802	-	165,274	416,519	278,721	42,200	-	1,122,505	-	836,296
Equity Shares/Preference Shares	1,026,615	11,155,974	1,149,964	-	-	19,557	710,249	2,440,201	5,678,745	-
Corporate Bonds	124,729	-	48,192	-	46,668	2,478	-	256,139	-	-
Infrastructure Bonds (including Housing)	474,228	-	30,560	-	384,145	24,824	-	719,170	-	-
Mutual Funds	319,749	1,911,225	233,110	-	20,508	9,682	25,449	450,000	922,334	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Cash	66	1,703	72	17	4	7	82	95	352	21
Accrued Income	21,934	3,609	3,755	7,206	21,187	1,178	189	45,157	1,856	15,284
Other Receivables	3,197	-	3,228	-	434	-	6	111,837	53,800	8,658
Other securities - CP/CBLO/Bank Deposits	5,605	124,047	230	31,650	2,573	5,921	7,702	199,999	59,106	35,965
<b>Liabilities</b>										
Accrued Expenses	-	-	-	-	-	-	-	-	-	-
Other Liabilities	1,128	32,399	9,836	7,789	30	593	42	99,905	267	10,008
<b>Net Assets</b>	<b>2,347,795</b>	<b>13,164,159</b>	<b>1,624,549</b>	<b>447,603</b>	<b>754,209</b>	<b>105,255</b>	<b>743,634</b>	<b>5,245,198</b>	<b>6,715,925</b>	<b>886,217</b>

(₹ in '000)

Particulars	Individual									
	Protector 2	Virtue 2	Flexi Cap	Multiplier 3	Liquid Fund	Mid Cap Fund	Premier Multi-Cap Fund	Crest (Thematic Fund)	Balanced Opportunities Fund	Bond Opportunities Fund
<b>Assets</b>										
Investments										
Government securities and Government guaranteed bonds	2,505,500	-	-	-	-	-	-	-	5,025	15,334
Equity Shares/Preference Shares	-	7,681,006	8,925,394	173,129	-	72,778	110,267	133,435	11,802	-
Corporate Bonds	1,666,582	-	-	-	-	-	-	-	162	2,444
Infrastructure Bonds (including Housing)	4,095,615	-	-	-	-	-	-	-	432	2,569
Mutual Funds	411,038	426,458	1,416,367	25,748	-	-	8,832	8,702	208	1,036
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Cash	114	106	63	4	4	2	7	3	1	2
Accrued Income	213,634	1,173	1,570	26	-	-	7	20	104	388
Other Receivables	74,918	275,586	63,016	8,291	228	3,491	2,397	4,158	311	28
Other securities - CP/CBLO/Bank Deposits	243,155	223,931	125,673	7,553	8,962	4,384	3,508	6,366	3,181	3,446
<b>Liabilities</b>										
Accrued Expenses	-	-	-	-	-	-	-	-	-	-
Other Liabilities	100,143	63,021	419	6,955	0	3,241	2,411	6,295	153	2,498
<b>Net Assets</b>	<b>9,110,412</b>	<b>8,545,238</b>	<b>10,531,664</b>	<b>207,796</b>	<b>9,194</b>	<b>77,414</b>	<b>122,607</b>	<b>146,389</b>	<b>21,075</b>	<b>22,750</b>

# Annexure 6

## STATEMENT OF NET ASSETS AS AT MARCH 31, 2021

(₹ in '000)

Particulars	Individual Discontinued Fund	Pension						Multiplier 2			
		Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator		Virtue	Balancer 2	
<b>Assets</b>											
Investments											
Government securities and Government guaranteed bonds	4,638,386	12,191	-	3,813	14,449	2,862	2,076	-	1,951	-	-
Equity Shares/Preference Shares	-	33,572	272,197	26,530	-	-	962	15,678	4,242	38,149	-
Corporate Bonds	-	4,079	-	1,112	-	479	122	-	445	-	-
Infrastructure Bonds (including Housing)	-	15,508	-	705	-	3,944	1,221	-	1,250	-	-
Mutual Funds	-	10,456	46,632	5,378	-	211	476	562	782	6,196	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-	-
Cash	85	2	42	2	1	-	-	2	-	2	-
Accrued Income	36,257	717	88	87	250	218	58	4	78	12	-
Other Receivables	-	105	-	74	-	4	-	0	194	361	-
Other securities - CP/CBLO/Bank Deposits	1,674,851	183	3,027	5	1,098	26	291	170	348	397	-
<b>Liabilities</b>											
Accrued Expenses	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	71,950	37	790	227	270	-	29	1	174	2	-
<b>Net Assets</b>	<b>6,277,629</b>	<b>76,776</b>	<b>321,195</b>	<b>37,479</b>	<b>15,527</b>	<b>7,744</b>	<b>5,178</b>	<b>16,415</b>	<b>9,118</b>	<b>45,116</b>	

(₹ in '000)

Particulars	Pension						Group				Total
	Preserver 2	Protector 2	Virtue 2	Flexi Cap	Debt Fund	Balancer Fund	Growth Fund	Secure Fund			
<b>Assets</b>											
Investments											
Government securities and Government guaranteed bonds	733	935	-	-	456,999	259,289	6,161	11,930	11,171,951		
Equity Shares/Preference Shares	-	-	228	6,437	-	228,372	15,460	4,857	39,935,801		
Corporate Bonds	-	622	-	-	98,427	16,968	986	2,466	2,273,101		
Infrastructure Bonds (including Housing)	-	1,528	-	-	582,476	170,646	-	2,494	6,511,317		
Mutual Funds	-	153	13	1,022	-	-	2,485	2,148	6,266,960		
Fixed Deposits	-	-	-	-	-	-	-	-	-		
Cash	-	-	-	-	30	41	7	6	2,942		
Accrued Income	13	80	-	1	27,586	11,318	150	408	415,605		
Other Receivables	8	28	8	45	-	569	-	-	614,979		
Other securities - CP/CBLO/Bank Deposits	32	91	7	91	61,387	32,428	3,549	3,799	2,884,737		
<b>Liabilities</b>											
Accrued Expenses	-	-	-	-	-	-	-	-	-		
Other Liabilities	9	37	2	-	32,066	15	-	-	452,744		
<b>Net Assets</b>	<b>777</b>	<b>3,399</b>	<b>254</b>	<b>7,596</b>	<b>1,194,840</b>	<b>719,615</b>	<b>28,798</b>	<b>28,107</b>	<b>69,624,647</b>		

# Annexure 6

## STATEMENT OF NET ASSETS AS AT MARCH 31, 2020

(₹ in '000)

Particulars	Individual									
	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2	Preserver 2
<b>Assets</b>										
Investments										
Government securities and Government guaranteed bonds including Treasury bills	326,430	-	140,018	453,360	307,100	36,582	-	957,913	-	710,970
Equity Shares/Preference Shares	817,567	7,613,833	803,591	-	-	20,180	476,585	1,384,466	4,022,445	-
Corporate Bonds	184,103	-	63,451	-	65,983	4,969	-	273,010	-	-
Infrastructure Bonds	579,086	-	36,599	-	434,049	20,705	-	875,644	-	-
Mutual Funds	136,268	893,577	152,588	-	-	5,939	-	225,537	508,193	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Cash	4	9	5	5	5	5	1	6	5	5
Accrued Income	31,026	-	4,264	8,429	25,235	1,418	-	58,666	-	13,219
Other Receivables	-	-	-	109	393	-	318	125,325	87,961	34,805
Other securities - CP/CBLO/Bank Deposits	18,599	128,337	24,076	34,744	46,022	15,823	23,850	53,745	83,301	57,828
<b>Liabilities</b>										
Accrued Expenses	-	-	-	-	-	-	-	-	-	-
Other Liabilities	475	1,048	1,554	20	35	195	28	14,124	22,160	25
<b>Net Assets</b>	<b>2,092,608</b>	<b>8,634,708</b>	<b>1,223,038</b>	<b>496,627</b>	<b>878,752</b>	<b>105,426</b>	<b>500,726</b>	<b>3,940,188</b>	<b>4,679,745</b>	<b>816,802</b>

(₹ in '000)

Particulars	Individual									
	Protector 2	Virtue 2	Flexi Cap	Multiplier 3	Liquid Fund	Mid Cap Fund	Premier Multi-Cap Fund	Crest (Thematic Fund)	Balanced Opportunities Fund	Bond Opportunities Fund
<b>Assets</b>										
Investments										
Government securities and Government guaranteed bonds including Treasury bills	3,280,031	-	-	-	-	-	-	-	7,007	15,476
Equity Shares/Preference Shares	-	3,290,673	5,611,150	68,805	-	24,597	53,978	53,587	6,151	-
Corporate Bonds	2,240,602	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	4,016,420	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	715,803	9,116	-	-	5,280	5,058	280	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Cash	16	26	18	-	-	-	-	-	-	-
Accrued Income	267,858	228	-	-	-	-	3	-	114	341
Other Receivables	276,803	242,069	243,819	4,848	286	1,515	3,696	7,080	915	743
Other securities - CP/CBLO/Bank Deposits	302,455	541,377	392,284	6,644	9,420	4,515	4,894	6,342	237	461
<b>Liabilities</b>										
Accrued Expenses	-	-	-	-	-	-	-	-	-	-
Other Liabilities	326	130,800	48,470	609	-	104	844	3,102	132	1
<b>Net Assets</b>	<b>10,383,859</b>	<b>3,943,573</b>	<b>6,914,604</b>	<b>88,804</b>	<b>9,706</b>	<b>30,523</b>	<b>67,007</b>	<b>68,965</b>	<b>14,572</b>	<b>17,020</b>

# Annexure 6

## STATEMENT OF NET ASSETS AS AT MARCH 31, 2020

Particulars	Individual Discontinued Fund	Pension							Multiplier 2			
		Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue		Balancer 2		
<b>Assets</b>												
Investments												
Government securities and Government guaranteed bonds including Treasury bills	4,810,994	10,984	-	3,306	14,033	3,146	1,703	-	2,025	-	-	-
Equity Shares/Preference Shares	-	27,511	192,210	18,972	-	-	940	12,384	2,926	31,954	-	-
Corporate Bonds	-	6,195	-	1,498	-	676	231	-	577	-	-	-
Infrastructure Bonds	-	19,486	-	864	-	4,447	964	-	1,851	-	-	-
Mutual Funds	-	4,585	22,558	3,602	-	-	277	-	477	4,037	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Cash	44	-	-	-	-	-	-	-	-	-	-	-
Accrued Income	-	1,044	-	101	261	259	66	-	124	-	-	-
Other Receivables	-	-	-	-	3	4	-	8	265	699	-	-
Other securities - CP/CBLO/Bank Deposits	1,284,899	626	3,240	568	1,075	472	737	620	114	662	-	-
<b>Liabilities</b>												
Accrued Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	437,567	16	26	37	1	-	9	1	30	176	-	-
<b>Net Assets</b>	<b>5,658,370</b>	<b>70,415</b>	<b>217,982</b>	<b>28,874</b>	<b>15,371</b>	<b>9,004</b>	<b>4,909</b>	<b>13,011</b>	<b>8,329</b>	<b>37,176</b>		

Particulars	Pension			Group				Total
	Preserver 2	Protector 2	Vitue 2	Flexi Cap	Debt Fund	Balance Fund	Growth Fund	
<b>Assets</b>								
Investments								
Government securities and Government guaranteed bonds including Treasury bills	7	1,209	-	-	401,826	232,126	-	-
Equity Shares/Preference Shares	-	-	81	7,241	-	133,852	-	-
Corporate Bonds	-	826	-	-	152,653	22,716	-	-
Infrastructure Bonds	-	1,481	-	-	492,988	144,031	-	-
Mutual Funds	-	-	-	924	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-
Cash	-	-	-	-	4	16	-	-
Accrued Income	-	99	-	-	26,505	10,598	-	-
Other Receivables	-	102	6	315	-	-	-	-
Other securities - CP/CBLO/Bank Deposits	1	112	13	506	66,943	21,444	-	-
<b>Liabilities</b>								
Accrued Expenses	-	-	-	-	-	-	-	-
Other Liabilities	-	-	3	63	41	14	-	-
<b>Net Assets</b>	<b>8</b>	<b>3,829</b>	<b>97</b>	<b>8,923</b>	<b>1,140,878</b>	<b>564,769</b>	<b>-</b>	<b>662,036</b>
								<b>52,689,198</b>



# Annexure 6

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in '000)

Particulars	Individual									
	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2	Preserver 2
<b>Income</b>										
Dividend	11,926	163,096	12,015	-	-	229	8,902	24,284	76,491	-
Interest Income	68,140	4,071	16,055	32,780	56,161	4,995	345	145,465	3,130	56,502
Others	-	-	-	-	-	-	-	-	-	-
<b>Expenses</b>										
Management Expenses	77,210	375,984	47,159	15,993	31,966	4,041	20,993	165,276	163,776	31,945
Others	-	-	-	-	-	-	-	-	-	-
Net Investment Income	77,210	375,984	47,159	15,993	31,966	4,041	20,993	165,276	163,776	31,945
<b>Gains/(Losses) on holdings</b>										
Net Realised gain/(loss) on Investments	186,559	1,680,113	106,256	7,680	16,856	6,333	84,713	166,248	725,786	6,898
Transfer/gain on revaluation/ change in fair value	397,254	4,673,918	519,813	(5,610)	(31,606)	4,383	248,814	1,021,422	2,402,540	(5,478)
<b>Net Gain/(Loss) on Investments</b>	<b>583,813</b>	<b>6,354,031</b>	<b>626,069</b>	<b>2,070</b>	<b>(14,750)</b>	<b>10,716</b>	<b>333,527</b>	<b>1,187,670</b>	<b>3,128,326</b>	<b>1,420</b>
<b>Increase/(Decrease) in Assets from operations</b>	<b>586,669</b>	<b>6,145,215</b>	<b>606,980</b>	<b>18,857</b>	<b>9,445</b>	<b>11,899</b>	<b>321,781</b>	<b>1,192,142</b>	<b>3,044,171</b>	<b>25,977</b>

(₹ in '000)

Particulars	Individual									
	Protector 2	Virtue 2	Flexi Cap	Multiplier 3	Liquid Fund	Mid Cap Fund	Premier Multi-Cap Fund	Crest (Thematic Fund)	Balanced Opportunities Fund	Bond Opportunities Fund
<b>Income</b>										
Dividend	-	71,083	96,045	1,326	-	434	718	1,038	98	-
Interest Income	641,040	5,529	6,600	132	260	54	42	66	400	1,156
Others	-	-	-	-	-	-	-	-	-	-
<b>Expenses</b>										
Management Expenses	276,043	304,192	339,801	4,304	260	1,848	3,514	3,883	636	748
Others	-	-	-	-	-	-	-	-	-	-
Net Investment Income	202,543	680,036	674,073	8,276	-	7,057	8,581	8,184	1,099	349
<b>Gains/(Losses) on holdings</b>										
Net Realised gain/(loss) on Investments	(246,658)	2,345,004	3,733,773	55,143	-	24,128	41,437	41,207	4,702	(228)
Transfer/gain on revaluation/ change in fair value	(44,115)	3,025,040	4,407,846	63,419	-	31,185	50,018	49,391	5,801	121
<b>Net Gain/(Loss) on Investments</b>	<b>320,882</b>	<b>2,797,460</b>	<b>4,170,690</b>	<b>60,572</b>	<b>-</b>	<b>29,825</b>	<b>47,263</b>	<b>46,611</b>	<b>5,663</b>	<b>529</b>
<b>Increase/(Decrease) in Assets from operations</b>										

# Annexure 6

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in '000)

Particulars	Individual Discontinued Fund	Pension							Multiplier 2		
		Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue		Balancer 2	
<b>Income</b>											
Dividend	-	390	3,979	277	-	-	11	197	42	514	
Interest Income	281,448	2,228	99	370	1,137	577	246	8	253	21	
Others	-	-	-	-	-	-	-	-	-	-	
<b>Expenses</b>											
Management Expenses	30,859	1,231	5,188	646	222	116	86	272	94	543	
Others	-	-	-	-	-	-	-	-	-	-	
Net Investment Income	30,859	1,231	5,188	646	222	116	86	272	94	543	
	250,589	1,387	(1,109)	2	915	461	171	(68)	201	(8)	
<b>Gains/(Losses) on holdings</b>											
Net Realised gain/(loss) on Investments	6,290	6,101	40,993	2,451	266	173	312	1,870	289	4,876	
Transfer/gain on revaluation/change in fair value	(32,072)	12,991	114,040	11,992	(195)	(325)	216	5,492	1,776	16,140	
<b>Net Gain/(Loss) on Investments</b>	<b>(25,782)</b>	<b>19,092</b>	<b>155,033</b>	<b>14,443</b>	<b>71</b>	<b>(152)</b>	<b>528</b>	<b>7,362</b>	<b>2,065</b>	<b>21,016</b>	
<b>Increase/(Decrease) in Assets from operations</b>	<b>224,807</b>	<b>20,479</b>	<b>153,924</b>	<b>14,445</b>	<b>986</b>	<b>309</b>	<b>699</b>	<b>7,294</b>	<b>2,266</b>	<b>21,008</b>	

(₹ in '000)

Particulars	Pension					Group				Total
	Preserver 2	Protector 2	Virtue 2	Flexi Cap	Debt Fund	Balancer Fund	Growth Fund	Secure Fund		
<b>Income</b>										
Dividend	-	-	2	69	-	2,900	47	16	476,130	
Interest Income	50	239	-	5	80,544	28,773	138	286	1,439,341	
Others	-	-	-	-	-	-	-	-	-	
	50	239	2	74	80,544	31,673	185	302	1,914,985	
<b>Expenses</b>										
Management Expenses	4	87	3	87	7,763	4,188	48	47	1,921,056	
Others	-	-	-	-	-	-	-	-	-	
	4	87	3	87	7,763	4,188	48	47	1,921,056	
Net Investment Income	46	152	-	(13)	72,781	27,485	137	255	(5,584)	
<b>Gains/(Losses) on holdings</b>										
Net Realised gain/(loss) on Investments	6	76	20	486	22,888	43,188	219	36	4,708,180	
Transfer/gain on revaluation/change in fair value	(5)	(92)	70	2,693	(28,063)	69,601	519	(135)	15,398,601	
<b>Net Gain/(Loss) on Investments</b>	<b>1</b>	<b>(16)</b>	<b>90</b>	<b>3,179</b>	<b>(5,175)</b>	<b>112,789</b>	<b>738</b>	<b>(99)</b>	<b>20,106,781</b>	
<b>Increase/(Decrease) in Assets from operations</b>	<b>47</b>	<b>136</b>	<b>90</b>	<b>3,166</b>	<b>67,606</b>	<b>140,274</b>	<b>875</b>	<b>156</b>	<b>20,101,197</b>	

# Annexure 6

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in '000)

Particulars	Individual									
	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2	Preserver 2
<b>Income</b>										
Dividend	15,946	186,404	15,856	-	-	303	10,768	22,346	86,105	-
Interest Income	91,335	2,717	21,405	37,759	70,364	6,031	474	167,704	9,462	50,039
Others	-	-	-	-	-	-	-	-	-	-
<b>Expenses</b>										
Management Expenses	88,128	424,775	50,582	16,708	38,405	4,462	22,263	151,739	178,791	23,583
Others	-	-	-	-	-	-	-	-	-	-
Net Investment Income	88,128	424,775	50,582	16,708	38,405	4,462	22,263	151,739	178,791	23,583
<b>Gains/(Losses) on holdings</b>										
Net Realised gain/(loss) on Investments	228,567	1,591,212	171,992	5,986	22,394	6,272	84,775	85,629	563,574	7,996
Transfer/gain on revaluation/change in fair value	(666,029)	(4,956,336)	(531,523)	14,268	(58,007)	(15,399)	(202,052)	(642,197)	(2,200,507)	17,954
<b>Net Gain/(Loss) on Investments</b>	<b>(437,462)</b>	<b>(3,365,124)</b>	<b>(359,531)</b>	<b>20,254</b>	<b>(35,613)</b>	<b>(9,127)</b>	<b>(117,277)</b>	<b>(556,568)</b>	<b>(1,636,933)</b>	<b>25,950</b>
<b>Increase/(Decrease) in Assets from operations</b>	<b>(418,309)</b>	<b>(3,600,778)</b>	<b>(372,852)</b>	<b>41,305</b>	<b>(3,654)</b>	<b>(7,255)</b>	<b>(128,298)</b>	<b>(518,257)</b>	<b>(1,720,157)</b>	<b>52,406</b>

(₹ in '000)

Particulars	Individual									
	Protector 2	Virtue 2	Flexi Cap	Multiplier 3	Liquid Fund	Mid Cap Fund	Premier Multi-Cap Fund	Crest Thematic Fund	Balanced Opportunities Fund	Bond Opportunities Fund
<b>Income</b>										
Dividend	-	47,039	89,243	1,153	-	345	621	748	75	-
Interest Income	725,902	20,215	24,699	332	443	169	184	214	380	895
Others	-	-	-	-	-	-	-	-	-	-
<b>Expenses</b>										
Management Expenses	311,149	212,803	318,377	5,310	269	1,622	3,424	3,869	700	756
Others	-	-	-	-	-	-	-	-	-	-
Net Investment Income	311,149	212,803	318,377	5,310	269	1,622	3,424	3,869	700	756
<b>Gains/(Losses) on holdings</b>										
Net Realised gain/(loss) on Investments	83,979	(20,030)	199,612	(89)	-	(568)	(69)	485	312	11
Transfer/gain on revaluation/change in fair value	23,629	(692,140)	(2,389,665)	(27,660)	-	(8,280)	(18,225)	(19,970)	(2,038)	643
<b>Net Gain/(Loss) on Investments</b>	<b>107,608</b>	<b>(712,170)</b>	<b>(2,190,053)</b>	<b>(27,749)</b>	<b>-</b>	<b>(8,848)</b>	<b>(18,294)</b>	<b>(19,485)</b>	<b>(1,726)</b>	<b>654</b>
<b>Increase/(Decrease) in Assets from operations</b>	<b>522,361</b>	<b>(857,719)</b>	<b>(2,394,488)</b>	<b>(31,574)</b>	<b>174</b>	<b>(9,956)</b>	<b>(20,913)</b>	<b>(22,392)</b>	<b>(1,971)</b>	<b>793</b>

# Annexure 6

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Pension										Multiplier 2	
	Individual Discontinued Fund	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2		
<b>Income</b>												
Dividend	-	526	4,787	344	-	-	10	273	53	855		
Interest Income	402,956	3,013	70	464	1,020	622	191	12	398	95		
Others	-	-	-	-	-	-	-	-	-	-		
<b>Expenses</b>												
Management Expenses	34,502	1,489	6,268	678	191	130	67	322	130	886		
Others	-	-	-	-	-	-	-	-	-	-		
Net Investment Income	34,502	1,489	6,268	678	191	130	67	322	130	886		
<b>Gains/(Losses) on holdings</b>												
Net Realised gain/(loss) on Investments	8	7,540	40,867	3,728	162	198	198	2,150	203	5,590		
Transfer/gain on revaluation/change in fair value	(33)	(21,970)	(127,293)	(11,521)	386	(513)	(487)	(5,124)	(1,523)	(21,821)		
<b>Net Gain/(Loss) on Investments</b>	<b>(25)</b>	<b>(14,430)</b>	<b>(86,426)</b>	<b>(7,793)</b>	<b>548</b>	<b>(315)</b>	<b>(289)</b>	<b>(2,974)</b>	<b>(1,320)</b>	<b>(16,231)</b>		
<b>Increase/(Decrease) in Assets from operations</b>	<b>368,429</b>	<b>(12,380)</b>	<b>(87,837)</b>	<b>(7,663)</b>	<b>1,377</b>	<b>177</b>	<b>(155)</b>	<b>(3,011)</b>	<b>(999)</b>	<b>(16,167)</b>		

(₹ in '000)

Particulars	Pension						Group				Total
	Preserver 2	Protector 2	Vitue 2	Flexi Cap	Debt Fund	Balance Fund	Balance Fund	Growth Fund	Secure Fund		
<b>Income</b>											
Dividend	-	-	1	115	-	-	2,150	-	-	486,066	
Interest Income	2	134	1	33	78,531	28,255	-	-	-	1,746,520	
Others	-	-	-	-	-	-	-	-	-	-	
<b>Expenses</b>											
Management Expenses	-	24	2	142	7,447	3,875	-	-	-	1,913,868	
Others	-	-	-	-	-	-	-	-	-	-	
Net Investment Income	2	110	-	6	71,084	26,530	-	-	-	318,718	
<b>Gains/(Losses) on holdings</b>											
Net Realised gain/(loss) on Investments	-	15	(1)	257	8,447	(818)	-	-	-	3,100,584	
Transfer/gain on revaluation/change in fair value	1	4	(17)	(3,062)	(30,797)	(47,953)	-	-	-	(12,645,257)	
<b>Net Gain/(Loss) on Investments</b>	<b>1</b>	<b>19</b>	<b>(18)</b>	<b>(2,805)</b>	<b>(22,350)</b>	<b>(48,771)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,544,673)</b>	
<b>Increase/(Decrease) in Assets from operations</b>	<b>3</b>	<b>129</b>	<b>(18)</b>	<b>(2,799)</b>	<b>48,734</b>	<b>(22,241)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,225,955)</b>	

(₹ in '000)

# Annexure 6

## STATEMENT OF CHANGES IN THE NET ASSETS AS AT MARCH 31, 2021

(₹ in '000)

Particulars	Individual									
	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2	Preserver 2
<b>Net Assets at the beginning of the year</b>	2,092,608	8,634,708	1,223,038	496,626	878,751	105,426	500,726	3,940,189	4,679,745	816,801
Add:										
Increase/(Decrease) in Assets from operations	586,669	6,145,215	606,980	18,857	9,445	11,899	321,781	1,192,142	3,044,171	25,977
Units Created	67,280	273,838	35,345	49,617	34,964	5,943	25,538	1,435,303	836,713	258,289
Others										
Less:										
Withdrawals	398,762	1,889,601	240,814	117,497	168,951	18,013	104,410	1,322,437	1,844,704	214,850
<b>Net Assets at the end of the year</b>	<b>2,347,795</b>	<b>13,164,159</b>	<b>1,624,549</b>	<b>447,604</b>	<b>754,209</b>	<b>105,255</b>	<b>743,635</b>	<b>5,245,197</b>	<b>6,715,925</b>	<b>886,217</b>

(₹ in '000)

Particulars	Individual									
	Protector 2	Virtue 2	Flexi Cap	Multiplier 3	Liquid Fund	Mid Cap Fund	Premier Multi-Cap Fund	Crest (Thematic Fund)	Balanced Opportunities Fund	Bond Opportunities Fund
<b>Net Assets at the beginning of the year</b>	10,383,859	3,943,573	6,914,602	88,806	9,706	30,523	67,009	68,965	14,572	17,021
Add:										
Increase/(Decrease) in Assets from operations	320,882	2,797,460	4,170,690	60,572	-	29,825	47,263	46,611	5,663	529
Units Created	2,544,264	3,290,836	2,636,111	84,728	2,480	26,008	40,689	44,980	5,451	8,431
Others										
Less:										
Withdrawals	4,138,593	1,486,630	3,189,738	26,310	2,990	8,942	32,354	14,168	4,612	3,231
<b>Net Assets at the end of the year</b>	<b>9,110,412</b>	<b>8,545,238</b>	<b>10,531,665</b>	<b>207,796</b>	<b>9,196</b>	<b>77,413</b>	<b>122,607</b>	<b>146,389</b>	<b>21,075</b>	<b>22,750</b>

# Annexure 6

## STATEMENT OF CHANGES IN THE NET ASSETS AS AT MARCH 31, 2021

(₹ in '000)

Particulars	Individual Discontinued Fund	Pension										
		Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2		
<b>Net Assets at the beginning of the year</b>	5,658,369	70,417	217,982	28,875	15,372	9,003	4,909	13,011	8,328	37,176		
Add:												
Increase/(Decrease) in Assets from operations	224,807	20,479	153,924	14,445	986	309	699	7,294	2,266	21,008		
Units Created	4,672,978	2,286	6,917	1,063	2,368	1,361	129	872	886	2,987		
Others												
Less:												
Withdrawals	4,278,524	16,406	57,627	6,903	3,199	2,929	559	4,762	2,362	16,054		
<b>Net Assets at the end of the year</b>	<b>6,277,629</b>	<b>76,776</b>	<b>321,195</b>	<b>37,479</b>	<b>15,527</b>	<b>7,744</b>	<b>5,178</b>	<b>16,415</b>	<b>9,118</b>	<b>45,117</b>		

(₹ in '000)

Particulars	Pension					Group					Total
	Preserver 2	Protector 2	Vitue 2	Flexi Cap	Debt Fund	Balance Fund	Growth Fund	Secure Fund			
<b>Net Assets at the beginning of the year</b>	8	3,829	97	8,923	1,140,878	564,770	-	-	-	52,689,198	
Add:											
Increase/(Decrease) in Assets from operations	47	136	90	3,166	67,606	140,274	875	156	20,101,197		
Units Created	755	543	79	540	93,616	49,690	30,029	30,800	16,604,707		
Others											
Less:											
Withdrawals	33	1,108	12	5,034	107,260	35,119	2,106	2,849	19,770,455		
<b>Net Assets at the end of the year</b>	<b>777</b>	<b>3,399</b>	<b>254</b>	<b>7,596</b>	<b>1,194,840</b>	<b>719,615</b>	<b>28,798</b>	<b>28,107</b>	<b>69,624,647</b>		

# Annexure 6

## STATEMENT OF CHANGES IN THE NET ASSETS AS AT MARCH 31, 2020

(₹ in '000)

Particulars	Individual									
	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2	Preserver 2
<b>Net Assets at the beginning of the year</b>	3,234,390	15,077,855	1,874,366	580,495	1,240,476	145,399	776,689	4,267,641	6,998,542	690,787
Add:										
Increase/(Decrease) in Assets from operations	(418,310)	(3,600,778)	(372,851)	41,305	(3,653)	(7,256)	(128,299)	(518,257)	(1,720,157)	52,405
Units Created	76,602	313,405	36,360	8,646	11,390	2,258	17,606	1,220,913	1,013,284	255,334
Others										
Less:										
Withdrawals	800,074	3,155,775	314,837	133,820	369,462	34,975	165,271	1,030,108	1,611,925	181,724
<b>Net Assets at the end of the year</b>	<b>2,092,608</b>	<b>8,634,708</b>	<b>1,223,038</b>	<b>496,626</b>	<b>878,751</b>	<b>105,426</b>	<b>500,726</b>	<b>3,940,189</b>	<b>4,679,745</b>	<b>816,801</b>

(₹ in '000)

Particulars	Individual									
	Protector 2	Virtue 2	Flexi Cap	Multiplier 3	Liquid Fund	Mid Cap Fund	Premier Multi-Cap Fund	Crest (Thematic Fund)	Balanced Opportunities Fund	Bond Opportunities Fund
<b>Net Assets at the beginning of the year</b>	10,917,099	2,601,618	7,942,639	103,714	7,045	28,269	48,952	72,953	12,405	11,264
Add:										
Increase/(Decrease) in Assets from operations	522,362	(857,719)	(2,394,488)	(31,574)	174	(9,957)	(20,913)	(22,392)	(1,971)	792
Units Created	2,999,049	2,698,668	2,356,347	42,608	2,997	17,322	45,541	38,088	6,541	7,540
Others										
Less:										
Withdrawals	4,054,651	498,994	989,895	25,942	510	5,112	6,571	19,684	2,403	2,576
<b>Net Assets at the end of the year</b>	<b>10,383,859</b>	<b>3,943,573</b>	<b>6,914,602</b>	<b>88,806</b>	<b>9,706</b>	<b>30,523</b>	<b>67,009</b>	<b>68,965</b>	<b>14,572</b>	<b>17,021</b>

# Annexure 6

## STATEMENT OF CHANGES IN THE NET ASSETS AS AT MARCH 31, 2020

(₹ in '000)

Particulars	Pension										
	Individual Discontinued Fund	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer 2	Multiplier 2	
<b>Net Assets at the beginning of the year</b>	6,291,502	118,841	422,773	45,871	21,801	13,857	6,652	24,022	16,501	75,476	
Add:											
Increase/(Decrease) in Assets from operations	368,429	(12,380)	(87,837)	(7,663)	1,377	177	(156)	(3,011)	(1,000)	(16,171)	
Units Created	-	3,110	8,736	1,140	467	331	185	544	545	2,554	
Others											
Less:											
Withdrawals	1,001,563	39,154	125,690	10,474	8,273	5,361	1,773	8,544	7,718	24,683	
<b>Net Assets at the end of the year</b>	<b>5,658,369</b>	<b>70,417</b>	<b>217,982</b>	<b>28,875</b>	<b>15,372</b>	<b>9,003</b>	<b>4,909</b>	<b>13,011</b>	<b>8,328</b>	<b>37,176</b>	

(₹ in '000)

Particulars	Pension				Group				Total
	Preserver 2	Protector 2	Vitue 2	Flexi Cap	Debt Fund	Balance Fund	Group Met	Group Met Secure	
<b>Net Assets at the beginning of the year</b>	349	5,372	452	16,542	1,137,354	568,210	-	-	65,398,173
Add:									
Increase/(Decrease) in Assets from operations	2	130	(18)	(2,802)	48,734	(22,240)	-	-	(9,225,964)
Units Created	58	36	14	539	87,186	38,304	-	-	11,314,247
Others									-
Less:									
Withdrawals	401	1,709	351	5,355	132,395	19,503	-	-	14,797,258
<b>Net Assets at the end of the year</b>	<b>8</b>	<b>3,829</b>	<b>97</b>	<b>8,923</b>	<b>1,140,878</b>	<b>564,770</b>	<b>-</b>	<b>-</b>	<b>52,689,198</b>



## Disclosures for ULIP Business for the year ended March 31, 2021

## Annexure 7

## 1) Performance of the fund (Absolute Growth %)

Fund Name	SFIN Code	Year of Inception	Financial Year			Since Inception (CAGR)
			2020-21	2019-20	2018-19	
Preserver Fund	ULIF00125/01/05PRESERVERF117	2005	5.63%	10.07%	7.25%	6.58%
Protector Fund	ULIF00225/01/05PROTECTORF117	2005	3.56%	1.85%	5.23%	6.41%
Moderator Fund	ULIF00325/01/05MODERATORF117	2005	13.77%	-4.54%	7.53%	7.48%
Balancer Fund	ULIF00425/01/05BALANCERFN117	2005	30.87%	-14.90%	9.46%	9.13%
Accelerator Fund	ULIF00525/01/05ACCELERATO117	2005	52.24%	-22.29%	11.27%	10.75%
Multiplier Fund	ULIF00625/01/05MULTIPLIER117	2005	75.56%	-28.02%	13.29%	11.56%
Gratuity Debt	ULGF00105/06/04GRADEBTFFND117	2010	5.88%	4.33%	4.46%	7.60%
Virtue Fund	ULIF00719/02/08VIRTUEFUND117	2008	67.82%	-18.97%	6.03%	9.11%
Gratuity Balanced	ULGF00205/06/04GRABALANCE117	2009	24.89%	-4.13%	9.20%	9.09%
Multiplier II Fund	ULIF01115/12/09MULTIPLIE2117	2009	72.00%	-26.05%	12.99%	9.03%
Virtue II Fund	ULIF01215/12/09VIRTUE2FND117	2010	73.87%	-16.53%	6.60%	11.75%
Protector II Fund	ULIF00915/12/09PROTECTOR2117	2010	5.12%	7.17%	5.95%	7.61%
Flexi Cap	ULIF01315/12/09FLEXICAPFN117	2009	66.56%	-25.67%	10.16%	9.76%
Preserver II Fund	ULIF00815/12/09PRESERVER2117	2010	6.02%	10.07%	7.60%	7.58%
Balancer II Fund	ULIF01015/12/09BALANCER2F117	2009	35.14%	-10.21%	8.59%	8.50%
Discontinued Policy Fund	ULIF01721/12/10DISCONTINU117	2010	3.64%	5.62%	6.30%	6.61%
Multiplier III Fund	ULIF01809/10/15MULTIPLIE3117	2016	71.28%	-26.97%	11.85%	11.09%
Liquid Fund	ULIF01909/10/15LIQUIDFUND117	2016	1.88%	5.09%	5.55%	4.40%
Mid Cap Fund	ULIF02501/01/18MIDCAPFUND117	2018	102.97%	-26.44%	0.06%	14.25%
Crest (Thematic Fund)	ULIF02201/01/18CRESTTHEMF117	2018	71.15%	-27.59%	9.70%	10.65%
Balanced Opportunities Fund	ULIF02301/01/18BALANCEOPP117	2018	47.70%	-10.76%	10.32%	13.37%
Bond Opportunities Fund	ULIF02401/01/18BONDOPPORT117	2018	6.59%	11.48%	7.23%	8.43%
Premier Multi-Cap Fund	ULIF02101/01/18MULTICAPFN117	2018	81.98%	-24.69%	11.64%	15.12%
Group Met Growth Fund	ULGF00510/09/14METGROWTHF117	2020	2.89%	NA	NA	2.89%
Group Met Secure Fund	ULGF00410/09/14METSECUREF117	2020	0.51%	NA	NA	0.51%

## 2) Investment Management

- Activities outsourced - Nil
- Fee paid for various activities charged to Policyholders' Account - Not applicable
- Basis of Payment of Fees - Not Applicable

## 3) Related Party Transactions

- Brokerage, custodial fee or any other payments and receipts made to/from related parties (As defined in AS 18 issued by ICAI) - Nil

## 4) Industrywise disclosure of Investments (with exposure of 10 % and above)

Details vide annexure 11

## Annexure 7

### Disclosures for ULIP Business for the year ended March 31, 2021

#### 5) NAV: Highest, Lowest and Closing For the year ended March 31, 2021

Fund Name	SFIN Code	Highest	Lowest	Closing
Preserver Fund	ULIF00125/01/05PRESERVERF117	28.3444	26.2318	27.9665
Protector Fund	ULIF00225/01/05PROTECTORF117	27.5537	25.8819	27.3095
Moderator Fund	ULIF00325/01/05MODERATORF117	32.4111	27.6150	32.0684
Balancer Fund	ULIF00425/01/05BALANCERFN117	41.9610	30.3393	41.0253
Accelerator Fund	ULIF00525/01/05ACCELERATO117	53.9372	32.4052	52.0508
Multiplier Fund	ULIF00625/01/05MULTIPLIER117	61.0779	31.5500	58.5251
Gratuity Debt	ULGF00105/06/04GRADEBTFND117	21.4721	19.7090	21.2469
Virtue Fund	ULIF00719/02/08VIRTUEFUND117	32.1861	18.0428	31.3428
Gratuity Balanced	ULGF00205/06/04GRABALANCE117	28.0682	21.8866	27.7752
Multiplier II Fund	ULIF01115/12/09MULTIPLIE2117	27.6922	14.5582	26.5171
Virtue II Fund	ULIF01215/12/09VIRTUE2FND117	35.3871	19.4169	34.8012
Protector II Fund	ULIF00915/12/09PROTECTOR2117	23.0105	21.2647	22.7861
Flexi Cap	ULIF01315/12/09FLEXICAPFN117	29.7993	16.2139	28.5864
Preserver II Fund	ULIF00815/12/09PRESERVER2117	22.9717	21.1931	22.7022
Balancer II Fund	ULIF01015/12/09BALANCER2F117	25.6159	18.0643	25.1075
Discontinued Policy Fund	ULIF01721/12/10DISCONTINU117	19.3056	18.6284	19.3044
Multiplier III Fund	ULIF01809/10/15MULTIPLIE3117	16.9625	9.0559	16.3603
Liquid Fund	ULIF01909/10/15LIQUIDFUND117	12.2363	12.0096	12.2363
Mid Cap Fund	ULIF02501/01/18MIDCAPFUND117	15.2690	7.1591	14.9729
Crest (Thematic Fund)	ULIF02201/01/18CRESTTHEMF117	14.0438	7.5895	13.5901
Balanced Opportunities Fund	ULIF02301/01/18BALANCEOPP117	14.9058	9.6521	14.6272
Bond Opportunities Fund	ULIF02401/01/18BONDOPPORT117	12.9462	11.8073	12.7786
Premier Multi-Cap Fund	ULIF02101/01/18MULTICAPFN117	15.8739	8.0709	15.3204
Group Met Growth Fund	ULGF00510/09/14METGROWTHF117	10.5290	9.8401	10.2892
Group Met Secure Fund	ULGF00410/09/14METSECUREF117	10.0722	9.9046	10.0510

#### For the year ended March 31, 2020

Fund Name	SFIN Code	Highest	Lowest	Closing
Preserver Fund	ULIF00125/01/05PRESERVERF117	26.6261	23.8134	26.4770
Protector Fund	ULIF00225/01/05PROTECTORF117	26.9491	25.6258	26.3715
Moderator Fund	ULIF00325/01/05MODERATORF117	30.3655	27.4070	28.1864
Balancer Fund	ULIF00425/01/05BALANCERFN117	37.6651	29.6397	31.3474
Accelerator Fund	ULIF00525/01/05ACCELERATO117	45.4302	31.0924	34.1909
Multiplier Fund	ULIF00625/01/05MULTIPLIER117	48.3023	29.7160	33.3371
Gratuity Debt	ULGF00105/06/04GRADEBTFND117	20.2590	19.0515	20.0675
Virtue Fund	ULIF00719/02/08VIRTUEFUND117	24.4602	16.8584	18.6762
Gratuity Balanced	ULGF00205/06/04GRABALANCE117	24.3940	21.3676	22.2395
Multiplier II Fund	ULIF01115/12/09MULTIPLIE2117	21.7459	13.7084	15.4172
Virtue II Fund	ULIF01215/12/09VIRTUE2FND117	25.6689	18.3707	20.0153
Protector II Fund	ULIF00915/12/09PROTECTOR2117	21.8815	20.0425	21.6766
Flexi Cap	ULIF01315/12/09FLEXICAPFN117	24.1686	15.4251	17.1627
Preserver II Fund	ULIF00815/12/09PRESERVER2117	21.5710	19.2573	21.4124
Balancer II Fund	ULIF01015/12/09BALANCER2F117	21.8357	17.4897	18.5784
Discontinued Policy Fund	ULIF01721/12/10DISCONTINU117	18.6268	17.6394	18.6268
Multiplier III Fund	ULIF01809/10/15MULTIPLIE3117	13.5048	8.5765	9.5519
Liquid Fund	ULIF01909/10/15LIQUIDFUND117	12.0112	11.4304	12.0106
Mid Cap Fund	ULIF02501/01/18MIDCAPFUND117	10.9036	6.8559	7.3769
Crest (Thematic Fund)	ULIF02201/01/18CRESTTHEMF117	11.5022	7.2197	7.9405
Balanced Opportunities Fund	ULIF02301/01/18BALANCEOPP117	12.1374	9.3932	9.9036
Bond Opportunities Fund	ULIF02401/01/18BONDOPPORT117	12.0692	10.7051	11.9888
Premier Multi-Cap Fund	ULIF02101/01/18MULTICAPFN117	11.9491	7.5986	8.4186

## Annexure 7

### 6) Expenses charged to Fund (%) - Annualised expense ratio to average daily assets of the fund

Fund Management Charges	SFIN Code	2020-21	2019-20
Accelerator	ULIF00525/01/05ACCELERATO117	1.75%	1.75%
Balancer	ULIF00425/01/05BALANCERFN117	1.50%	1.50%
Balancer II	ULIF01015/12/09BALANCER2F117	1.15%	1.15%
Flexi Cap	ULIF01315/12/09FLEXICAPFN117	1.25%	1.25%
Gratuity Balanced	ULGF00205/06/04GRABALANCE117	0.65%	0.65%
Gratuity Debt	ULGF00105/06/04GRADEBTEND117	0.65%	0.65%
Moderator	ULIF00325/01/05MODERATORF117	1.50%	1.50%
Multiplier	ULIF00625/01/05MULTIPLIER117	1.75%	1.75%
Multiplier II	ULIF01115/12/09MULTIPLIE2117	1.25%	1.25%
Preserver	ULIF00125/01/05PRESERVERF117	1.25%	1.25%
Preserver II	ULIF00815/12/09PRESERVER2117	1.00%	1.00%
Protector	ULIF00225/01/05PROTECTORF117	1.25%	1.25%
Protector II	ULIF00915/12/09PROTECTOR2117	1.00%	1.00%
Virtue	ULIF00719/02/08VIRTUEFUND117	1.75%	1.75%
Virtue II	ULIF01215/12/09VIRTUE2FND117	1.25%	1.25%
Multiplier III	ULIF01809/10/15MULTIPLIE3117	1.25%	1.25%
Liquid	ULIF01909/10/15LIQUIDFUND117	1.00%	1.00%
Discontinued Policy fund	ULIF01721/12/10DISCONTINU117	0.50%	0.50%
Mid Cap	ULIF02501/01/18MIDCAPFUND117	1.25%	1.25%
Crest (Thematic Fund)	ULIF02201/01/18CRESTTHEMF117	1.25%	1.25%
Balanced Opportunities	ULIF02301/01/18BALANCEOPP117	1.15%	1.15%
Bond Opportunities	ULIF02401/01/18BONDOPPORT117	1.00%	1.00%
Premier Multi-Cap	ULIF02101/01/18MULTICAPFN117	1.25%	1.25%
Group Met Growth Fund	ULGF00510/09/14METGROWTHF117	0.65%	NA
Group Met Secure Fund	ULGF00410/09/14METSECUREF117	0.65%	NA

### 7) Ratio of gross income (including unrealised gains to average daily net assets)

Fund Management Charges	SFIN Code	2020-21	2019-20
Accelerator	ULIF00525/01/05ACCELERATO117	43.16%	-19.19%
Balancer	ULIF00425/01/05BALANCERFN117	28.46%	-11.90%
Balancer II	ULIF01015/12/09BALANCER2F117	30.65%	-8.71%
Flexi Cap	ULIF01315/12/09FLEXICAPFN117	50.81%	-25.84%
Gratuity Balanced	ULGF00205/06/04GRABALANCE117	22.49%	-3.11%
Gratuity Debt	ULGF00105/06/04GRADEBTEND117	6.47%	5.01%
Moderator	ULIF00325/01/05MODERATORF117	14.62%	-2.18%
Multiplier	ULIF00625/01/05MULTIPLIER117	56.61%	-24.19%
Multiplier II	ULIF01115/12/09MULTIPLIE2117	54.35%	-23.91%
Preserver	ULIF00125/01/05PRESERVERF117	7.11%	11.00%
Preserver II	ULIF00815/12/09PRESERVER2117	6.83%	10.72%
Protector	ULIF00225/01/05PROTECTORF117	4.98%	3.29%
Protector II	ULIF00915/12/09PROTECTOR2117	6.33%	8.06%
Virtue	ULIF00719/02/08VIRTUEFUND117	51.80%	-15.69%
Virtue II	ULIF01215/12/09VIRTUE2FND117	53.44%	-19.86%
Multiplier III	ULIF01809/10/15MULTIPLIE3117	51.21%	-25.83%
Liquid	ULIF01909/10/15LIQUIDFUND117	3.04%	6.07%
Discontinued Policy fund	ULIF01721/12/10DISCONTINU117	4.17%	6.05%
Mid Cap	ULIF02501/01/18MIDCAPFUND117	69.91%	-26.89%
Crest (Thematic Fund)	ULIF02201/01/18CRESTTHEMF117	52.27%	-25.40%
Balanced Opportunities	ULIF02301/01/18BALANCEOPP117	39.80%	-10.02%
Bond Opportunities	ULIF02401/01/18BONDOPPORT117	6.99%	12.00%
Premier Multi-Cap	ULIF02101/01/18MULTICAPFN117	58.40%	-28.04%
Group Met Growth Fund	ULGF00510/09/14METGROWTHF117	3.15%	NA
Group Met Secure Fund	ULGF00410/09/14METSECUREF117	0.71%	NA

### 8) Provision for doubtful debts on the assets of the respective fund - Nil

## Annexure 7

### 9) Fund wise disclosure of appreciation and/or (depreciation) in value of investments segregated class wise

Financial year ended March 31 2021

(₹ in '000)

Security Class	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer II
Debt Securities	(80,510)	(0)	(16,563)	(5,805)	(32,649)	(4,601)	(0)	(53,693)
Equity	381,894	4,044,393	443,130	-	-	7,333	248,238	923,351
Mutual fund	108,860	743,564	105,238	-	719	1,867	6,068	153,539
Total	410,245	4,787,957	531,805	(5,805)	(31,930)	4,598	254,306	1,023,197

(₹ in '000)

Security Class	Multiplier II	Preserver II	Protector II	Virtue II	Flexi Cap	Gratuity Balanced	Gratuity Debt	Multiplier III
Debt Securities	(0)	(5,483)	(257,942)	(0)	(0)	(12,758)	(28,063)	(0)
Equity	2,059,470	-	-	2,253,262	3,241,375	82,359	-	47,231
Mutual fund	359,209	-	11,191	91,812	495,092	-	-	7,912
Total	2,418,680	(5,483)	(246,750)	2,345,073	3,736,466	69,601	(28,063)	55,143

(₹ in '000)

Security Class	Liquid	Discontinued Policy	Mid Cap Fund	Crest (Thematic Fund)	Balanced Opportunities Fund	Bond Opportunities Fund	Premier Multi-Cap Fund	Group Met Growth Fund	Group Met Secure Fund	Total
Debt Securities	(0)	(32,072)	(0)	(0)	(47)	(264)	(0)	(163)	(371)	(530,983)
Equity	-	-	24,128	37,799	4,571	-	37,783	649	226	13,837,192
Mutual fund	-	-	-	3,408	178	36	3,655	34	10	2,092,392
Total	(0)	(32,072)	24,128	41,207	4,702	(228)	41,437	519	(135)	15,398,601

Financial year ended March 31 2020

(₹ in '000)

Security Class	Balancer	Multiplier	Accelerator	Preserver	Protector	Moderator	Virtue	Balancer II
Debt Securities	(153,092)	0	(41,732)	14,654	(58,519)	(5,326)	0	(3,676)
Equity	(446,652)	(4,439,903)	(409,628)	-	-	(9,302)	(207,175)	(505,598)
Mutual fund	(88,256)	(643,726)	(91,684)	-	-	(1,258)	-	(134,445)
Total	(688,000)	(5,083,628)	(543,043)	14,654	(58,519)	(15,887)	(207,175)	(643,720)

(₹ in '000)

Security Class	Multiplier II	Preserver II	Protector II	Virtue II	Flexi Cap	Gratuity Balanced	Gratuity Debt	Multiplier III
Debt Securities	0	17,955	23,634	0	0	(3,579)	(30,797)	0
Equity	(1,855,389)	-	-	(692,157)	(1,905,594)	(44,374)	-	(21,457)
Mutual fund	(366,939)	-	-	-	(487,132)	-	-	(6,202)
Total	(2,222,328)	17,955	23,634	(692,157)	(2,392,726)	(47,953)	(30,797)	(27,660)

(₹ in '000)

Security Class	Liquid	Discontinued Policy	Mid Cap Fund	Crest (Thematic Fund)	Balanced Opportunities Fund	Bond Opportunities Fund	Premier Multi-Cap Fund	Group Met Growth Fund	Group Met Secure Fund	Total
Debt Securities	0	(33)	0	0	105	643	0	-	(371)	(530,983)
Equity	-	-	(8,280)	(16,565)	(1,952)	-	(14,953)	-	226	13,837,192
Mutual fund	-	-	-	(3,405)	(191)	-	(3,272)	-	10	2,092,392
Total	0	(33)	(8,280)	(19,970)	(2,038)	643	(18,225)	-	(135)	15,398,601

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund ACCELERATOR (ULIF00525/01/05ACCELERATO117)

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	HDFC BANK LTDFV-1	87,358	5.26%
	ICICI BANK LTD FV 2	82,819	4.98%
	BAJAJ FINANCE LIMITED FV -2	35,395	2.13%
	8.45% SUNDARAM FINANCE LTD 21-02-2028	32,904	1.98%
	BAJAJ FINSERV LIMITED	23,688	1.43%
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	20,893	1.26%
	KOTAK MAHINDRA BANK LTD	20,309	1.22%
	HDFC	16,140	0.97%
	HDFC LIFE INSURANCE COMPANY LIMITED	14,205	0.85%
	SBI LIFE INSURANCE CO. LTD	12,982	0.78%
	STATE BANK OF INDIA FV-1	12,632	0.76%
	8.90% DEWAN HOUSING FINANCE CORPN. LTD. 04-06-2023	12,000	0.72%
	AXIS BANK LTD.	6,589	0.40%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	4,400	0.26%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>382,314</b>	<b>23.00%</b>
<b>MUTUAL FUND</b>			
	KOTAK MAHINDRA MF-KOTAK BANKING ETF - DIV PAYOUT	64,524	3.88%
	SBI-ETF NIFTY BANK	63,437	3.82%
	RSHARES BANK BEES ETF FV1	59,286	3.57%
	ICICI PRUDENTIAL BANK ETF NIFTY BANK INDEX	36,738	2.21%
	EDELWEISS BHARAT BOND ETF -APRIL 2025 15AP25	14,503	0.87%
<b>MUTUAL FUND Total</b>		<b>238,488</b>	<b>14.35%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	129,054	7.76%
	TATA CONSULTANCY SERVICES LTD.	49,085	2.95%
	HCL TECHNOLOGIES LIMITED	36,956	2.22%
	TECH MAHINDRA LIMITED FV-5	14,976	0.90%
	WIPRO	6,717	0.40%
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES Total</b>		<b>236,788</b>	<b>14.25%</b>
<b>GOVERNMENT OF INDIA</b>			
	7.26% GOI 14-01-2029	105,483	6.35%
	6.22% GOI16-03-2035	25,814	1.55%
	7.57% GOI 17-06-2033	24,140	1.45%
	8.13% GSEC 22-06-2045	11,556	0.70%
	7.17% GOI 08-01-2028	2,093	0.13%
<b>GOVERNMENT OF INDIA Total</b>		<b>169,087</b>	<b>10.17%</b>
<b>Other</b>		<b>638,197</b>	<b>38.40%</b>
<b>Current Assets and Liabilities</b>		<b>(2,845)</b>	<b>-0.17%</b>
<b>Grand Total</b>		<b>1,662,028</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund **BALANCED OPPORTUNITIES FUND [ULIF02301/01/18BALANCEOPP117]**

INDUSTRY	Security Description	Market Value (₹ In 000)	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	7.29% WEST BENGAL SDL 28-12-2026	1,353	6.42%
	7.99% MAHARASHTRA SDL 28-10-2025	1,080	5.12%
	7.26% GOI 14-01-2029	1,050	4.98%
	7.88% GOI 19-03-2030	871	4.13%
	5.77% GOI 03-08-2030	481	2.28%
	6.22% GOI16-03-2035	191	0.91%
<b>GOVERNMENT OF INDIA Total</b>		<b>5,025</b>	<b>23.84%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	HDFC BANK LTDFV-1	777	3.69%
	ICICI BANK LTD FV 2	643	3.05%
	AXIS BANK LTD.	249	1.18%
	STATE BANK OF INDIAFV-1	173	0.82%
	8.45% BAJAJ FINANCE LTD 29-09-2026	162	0.77%
	KOTAK MAHINDRA BANK LTD	147	0.70%
	HDFC	140	0.66%
	REPCO HOME FINANCE LIMITED	124	0.59%
	CAN FIN HOMES LIMITED FV-2	114	0.54%
	INDUSIND BANK LTD	113	0.53%
	LIC HOUSING FINANCE LTD.	111	0.53%
	BAJAJ FINSERV LIMITED	87	0.41%
	EQUITAS HOLDINGS LTD.	83	0.39%
	CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED	79	0.38%
	SHRIRAM TRANSPORT FINANCE CO. LTD.	77	0.36%
	BANDHAN BANK LIMITED	75	0.36%
	INDIAN ENERGY EXCHANGE LTD.	75	0.36%
	MAX FINANCIAL SERVICES LTD	75	0.35%
	MULTI COMMODITY EXCHANGE OF INDIA LTD.	73	0.34%
	BAJAJ FINANCE LIMITED FV -2	67	0.32%
	CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED	61	0.29%
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	53	0.25%
	MUTHOOT FINANCE LTD.	49	0.23%
	AU SMALL FINANCE BANK LTD	37	0.17%
	HDFC LIFE INSURANCE COMPANY LIMITED	33	0.16%
	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	24	0.11%
	SBI LIFE INSURANCE CO. LTD	13	0.06%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>3,713</b>	<b>17.62%</b>
<b>TRI PARTY REPO Total</b>	<b>TREP 3.35% 31/05-04-2021</b>	<b>3,181</b>	<b>15.09%</b>
<b>Other</b>		<b>8,892</b>	<b>42.19%</b>
<b>Current Assets and Liabilities</b>		<b>264</b>	<b>1.25%</b>
<b>Grand Total</b>		<b>21,075</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund BALANCER [ULIF00425/01/05BALANCERFN117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	91,930	3.79%
	8.45% SUNDARAM FINANCE LTD 21-02-2028	65,807	2.71%
	HDFC BANK LTDFV-1	57,939	2.39%
	ICICI BANK LTD FV 2	54,847	2.26%
	8.90% DEWAN HOUSING FINANCE CORPN. LTD. 04-06-2023	40,000	1.65%
	BAJAJ FINANCE LIMITED FV -2	33,917	1.40%
	HDFC	31,279	1.29%
	BAJAJ FINSERV LIMITED	24,462	1.01%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	23,000	0.95%
	HDFC LIFE INSURANCE COMPANY LIMITED	13,616	0.56%
	SBI LIFE INSURANCE CO. LTD	13,017	0.54%
	KOTAK MAHINDRA BANK LTD	8,916	0.37%
	STATE BANK OF INDIAFV-1	5,820	0.24%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>464,549</b>	<b>19.16%</b>
<b>INFRASTRUCTURE SECTOR</b>			
	8.37% REC LTD 07-12-2028	112,067	4.62%
	7.20% POWER GRID CORPORATION 09-08-2027	104,023	4.29%
	7.70% RECL 10-12-2027	53,013	2.19%
	8.15% L&T INFRA DEBT FUND LTD 16-01-2023	52,360	2.16%
	BHARTI AIRTEL LTD	23,653	0.98%
	8.10% POWER FINANCE CORPN. NCD 04-06-2024	18,627	0.77%
	8.93% POWER GRID CORPORATION 20-10-2024	16,601	0.68%
	POWER GRID CORPORATION	11,219	0.46%
	8.11% RECL 07-10-2025	10,749	0.44%
	GAIL (INDIA) LTD	3,521	0.15%
<b>INFRASTRUCTURE SECTOR Total</b>		<b>405,833</b>	<b>16.74%</b>
<b>GOVERNMENT OF INDIA</b>			
	8.13% GSEC 22-06-2045	69,338	2.86%
	7.26% GOI 14-01-2029	58,472	2.41%
	9.23% GOI 23-12-2043	57,458	2.37%
	8.17% GSEC 01-12-2044	50,070	2.07%
	6.22% GOI16-03-2035	47,804	1.97%
	6.19% GOI 16-09-2034	43,057	1.78%
	5.77% GOI 03-08-2030	19,229	0.79%
	7.59% GOI 20-03-2029	14,991	0.62%
	GOI LOAN 7.95% 2032	10,677	0.44%
	7.16% GSEC 20-05-2023	9,469	0.39%
	7.35% GOI 22-06-2024	2,656	0.11%
	8.40% OIL SPL BONDS 2025	932	0.04%
	8.13% GOI OIL Bond 2021	840	0.03%
<b>GOVERNMENT OF INDIA Total</b>		<b>384,993</b>	<b>15.88%</b>
<b>MUTUAL FUND</b>			
	KOTAK MAHINDRA MF-KOTAK BANKING ETF - DIV PAYOUT	84,923	3.50%
	SBI-ETF NIFTY BANK	83,300	3.44%
	EDELWEISS BHARAT BOND ETF -APRIL 2025 15AP25	62,156	2.56%
	RSHARES BANK BEES ETF FV1	53,987	2.23%
	ICICI PRUDENTIAL BANK ETF NIFTY BANK INDEX	45,480	1.88%
	NIPPON INDIA ETF NIFTY IT	360	0.01%
<b>MUTUAL FUND Total</b>		<b>330,205</b>	<b>13.62%</b>
<b>Other</b>		<b>814,136</b>	<b>33.58%</b>
<b>Current Assets and Liabilities Total</b>		<b>24,855</b>	<b>1.03%</b>
<b>Grand Total</b>		<b>2,424,572</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund **BALANCER II FUND [ULIF01015/12/09BALANCER2F117]**

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	219,378	4.18%
	HDFC BANK LTDFV-1	167,244	3.18%
	9.00% SHRIRAM TRANSPORT FINANCE CO. LTD. 28-03-2028	163,838	3.12%
	ICICI BANK LTD FV 2	129,408	2.46%
	HDFC	83,332	1.59%
	8.45% SUNDARAM FINANCE LTD 21-02-2028	54,840	1.04%
	KOTAK MAHINDRA BANK LTD	48,290	0.92%
	BAJAJ FINANCE LIMITED FV -2	35,874	0.68%
	CAN FIN HOMES LIMITED FV-2	30,401	0.58%
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	25,110	0.48%
	STATE BANK OF INDIAFV-1	24,422	0.46%
	8.90% DEWAN HOUSING FINANCE CORPN. LTD. 04-06-2021	20,000	0.38%
	AXIS BANK LTD.	18,584	0.35%
	INDUSIND BANK LTD	17,832	0.34%
	8.67% IDFC FIRST BANK 03-01-2025	15,907	0.30%
	SBI LIFE INSURANCE CO. LTD	15,415	0.29%
	MAX FINANCIAL SERVICES LTD	14,826	0.28%
	BAJAJ FINSERV LIMITED	14,590	0.28%
	LIC HOUSING FINANCE LTD.	12,968	0.25%
	HDFC LIFE INSURANCE COMPANY LIMITED	12,727	0.24%
	MUTHOOT FINANCE LTD.	11,436	0.22%
	EQUITAS HOLDINGS LTD.	9,607	0.18%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	2,000	0.04%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>1,148,028</b>	<b>21.85%</b>
<b>GOVERNMENT OF INDIA</b>			
	8.08% GUJARAT SDL 26-12-2028	162,020	3.08%
	5.15% GOI 09-11-2025	146,686	2.79%
	9.20% GSEC 30-09-2030	117,726	2.24%
	7.73% GOI 19-12-2034	109,088	2.08%
	7.62% GUJARAT SDL 01-11-2027	105,332	2.00%
	6.22% GOI16-03-2035	78,207	1.49%
	5.85% GOI 01-12-2030	63,550	1.21%
	8.38% KARNATAKA SDL 27-01-2026	54,388	1.04%
	8.27% GUJARAT SDL 13-01-2026	54,286	1.03%
	8.25% PUNJAB SDL 09-09-2025	54,270	1.03%
	6.97% KARNATAKA SDL 26-02-2028	50,730	0.97%
	6.19% GOI 16-09-2034	47,842	0.91%
	7.06% GOI 10-10-2046	30,999	0.59%
	8.25% MAHARASHTRA SDL 13-01-2026	21,668	0.41%
	7.16% GSEC 20-05-2023	11,205	0.21%
	7.35% GOI 22-06-2024	7,969	0.15%
	7.26% GOI 14-01-2029	6,822	0.13%
	8.40% OIL SPL BONDS 2025	1,668	0.03%
<b>GOVERNMENT OF INDIA Total</b>		<b>1,124,456</b>	<b>21.4%</b>
<b>Other</b>		<b>2,924,548</b>	<b>55.66%</b>
<b>Current Assets and Liabilities</b>		<b>57,283</b>	<b>1.09%</b>
<b>Grand Total</b>		<b>5,254,315</b>	<b>100.00%</b>



## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund **BOND OPPORTUNITIES FUND [ULIF02401/01/18BONDOPPORT117]**

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	5.15% GOI 09-11-2025	2,934	12.90%
	7.29% WEST BENGAL SDL 28-12-2026	2,602	11.44%
	7.26% GOI 14-01-2029	2,309	10.15%
	8.17% TAMILNADU SDL 26-11-2025	2,067	9.09%
	7.17% GOI 08-01-2028	1,570	6.90%
	5.77% GOI 03-08-2030	1,442	6.34%
	6.22% GOI16-03-2035	956	4.20%
	7.06% GOI 10-10-2046	620	2.73%
	6.19% GOI 16-09-2034	478	2.10%
	8.15% RAJASTHAN SDL 23-06-2021	303	1.33%
	7.16% GSEC 20-05-2023	53	0.23%
<b>GOVERNMENT OF INDIA Total</b>		<b>15,334</b>	<b>67.40%</b>
<b>TRI PARTY REPO</b>	<b>TREP 3.35% 31/05-04-2021</b>	<b>3,446</b>	<b>15.15%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	8.45% BAJAJ FINANCE LTD 29-09-2026	1,458	6.41%
	6.49% NABARD 30-12-2030	986	4.34%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>2,444</b>	<b>10.75%</b>
<b>Other</b>		<b>3,605</b>	<b>15.85%</b>
<b>Current Assets and Liabilities</b>		<b>(2,080)</b>	<b>-9.14%</b>
<b>Grand Total</b>		<b>22,750</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund **CREST (THEMATIC FUND) [ULIF02201/01/18CRESTTHEMF117]**

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	ICICI BANK LTD FV 2	5,957	4.07%
	HDFC BANK LTDFV-1	5,876	4.01%
	HDFC	2,151	1.47%
	CAN FIN HOMES LIMITED FV-2	1,806	1.23%
	STATE BANK OF INDIAFV-1	1,567	1.07%
	INDUSIND BANK LTD	1,246	0.85%
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	1,083	0.74%
	SHRIRAM TRANSPORT FINANCE CO. LTD.	973	0.66%
	INDIAN ENERGY EXCHANGE LTD.	947	0.65%
	AXIS BANK LTD.	914	0.62%
	KOTAK MAHINDRA BANK LTD	889	0.61%
	MUTHOOT FINANCE LTD.	856	0.58%
	SBI CARDS & PAYMENT SERVICES LTD.	817	0.56%
	BANDHAN BANK LIMITED	799	0.55%
	HDFC LIFE INSURANCE COMPANY LIMITED	794	0.54%
	CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED	756	0.52%
	MAX FINANCIAL SERVICES LTD	700	0.48%
	BAJAJ FINSERV LIMITED	648	0.44%
	CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED	645	0.44%
	LIC HOUSING FINANCE LTD.	609	0.42%
	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	577	0.39%
	EQUITAS HOLDINGS LTD.	553	0.38%
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD.	547	0.37%
	AU SMALL FINANCE BANK LTD	443	0.30%
	REPCO HOME FINANCE LIMITED	367	0.25%
	BAJAJ FINANCE LIMITED FV -2	124	0.08%
	<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>	<b>32,643</b>	<b>22.30%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	6,980	4.77%
	TATA CONSULTANCY SERVICES LTD.	2,301	1.57%
	HCL TECHNOLOGIES LIMITED	1,994	1.36%
	BIRLASOFT LIMITED	913	0.62%
	ORACLE FINANCIAL SERVICES SOFTWARE LTD	867	0.59%
	TECH MAHINDRA LIMITED FV-5	739	0.50%
	KPIT TECHNOLOGIES LIMITED	735	0.50%
	MPHASIS LTD	666	0.46%
	MASTEK LTD	659	0.45%
	WIPRO	245	0.17%
	<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES Total</b>	<b>16,098</b>	<b>11.00%</b>
	<b>Other</b>	<b>99,763</b>	<b>68.15%</b>
	<b>Current Assets and Liabilities</b>	<b>(2,114)</b>	<b>-1.44%</b>
	<b>Grand Total</b>	<b>146,389</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund FLEXI CAP FUND [ULIF01315/12/09FLEXICAPFN117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	ICICI BANK LTD FV 2	507,202	4.81%
	HDFC BANK LTDFV-1	499,432	4.74%
	HDFC	316,849	3.01%
	BAJAJ FINANCE LIMITED FV -2	137,846	1.31%
	STATE BANK OF INDIAFV-1	112,024	1.06%
	INDUSIND BANK LTD	102,803	0.98%
	KOTAK MAHINDRA BANK LTD	94,252	0.89%
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	76,461	0.73%
	MUTHOOT FINANCE LTD.	73,568	0.70%
	MAX FINANCIAL SERVICES LTD	69,115	0.66%
	EQUITAS HOLDINGS LTD.	67,687	0.64%
	AXIS BANK LTD.	61,106	0.58%
	BAJAJ FINSERV LIMITED	55,498	0.53%
	LIC HOUSING FINANCE LTD.	54,787	0.52%
	SBI CARDS & PAYMENT SERVICES LTD.	50,126	0.48%
	HDFC LIFE INSURANCE COMPANY LIMITED	47,814	0.45%
	SHRIRAM TRANSPORT FINANCE CO. LTD.	32,987	0.31%
	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	676	0.01%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>2,360,234</b>	<b>22.39%</b>
<b>MUTUAL FUND</b>			
	SBI-ETF NIFTY BANK	393,562	3.73%
	RSHARES BANK BEES ETF FV1	351,297	3.33%
	NIPPON INDIA ETF NIFTY IT	220,339	2.09%
	KOTAK MAHINDRA MF-KOTAK BANKING ETF - DIV PAYOUT	188,389	1.79%
	ICICI PRUDENTIAL BANK ETF NIFTY BANK INDEX	179,321	1.70%
	AXIS BANKING ETF	84,479	0.80%
	NIPPON INDIA MUTUAL FUND	50,745	0.48%
<b>MUTUAL FUND Total</b>		<b>1,468,133</b>	<b>13.93%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	651,779	6.18%
	TATA CONSULTANCY SERVICES LTD.	302,693	2.87%
	HCL TECHNOLOGIES LIMITED	176,320	1.67%
	TECH MAHINDRA LIMITED FV-5	74,597	0.71%
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES Total</b>		<b>1,205,389</b>	<b>11.44%</b>
<b>Other</b>		<b>5,441,229</b>	<b>51.63%</b>
<b>Current Assets and Liabilities</b>		<b>64,276</b>	<b>0.61%</b>
<b>Grand Total</b>		<b>10,539,260</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund GRATUITY BALANCED [ULGF00205/06/04GRABALANCE117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	7.26% GOI 14-01-2029	57,202	7.95%
	8.13% GSEC 22-06-2045	34,669	4.82%
	5.85% GOI 01-12-2030	34,219	4.76%
	8.25% MAHARASHTRA SDL 13-01-2026	32,502	4.52%
	5.15% GOI 09-11-2025	29,337	4.08%
	5.77% GOI 03-08-2030	19,229	2.67%
	7.73% GOI 19-12-2034	19,090	2.65%
	7.57% GOI 17-06-2033	16,094	2.24%
	8.96% KERALA SDL 08-04-2035	11,896	1.65%
	7.16% GSEC 20-05-2023	5,050	0.70%
<b>GOVERNMENT OF INDIA Total</b>		<b>259,289</b>	<b>36.03%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	41,786	5.81%
	HDFC BANK LTDFV-1	18,297	2.54%
	ICICI BANK LTD FV 2	12,082	1.68%
	HDFC	11,729	1.63%
	8.45% SUNDARAM FINANCE LTD 21-02-2028	10,968	1.52%
	STATE BANK OF INDIAFV-1	7,164	1.00%
	AXIS BANK LTD.	6,829	0.95%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	6,000	0.83%
	KOTAK MAHINDRA BANK LTD	5,617	0.78%
	BAJAJ FINSERV LIMITED	3,867	0.54%
	BAJAJ FINANCE LIMITED FV -2	3,378	0.47%
	INDIAN ENERGY EXCHANGE LTD.	2,494	0.35%
	INDUSIND BANK LTD	2,099	0.29%
	SBI LIFE INSURANCE CO. LTD	1,222	0.17%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>133,532</b>	<b>18.56%</b>
<b>INFRASTRUCTURE SECTOR</b>			
	8.15% L&T INFRA DEBT FUND LTD 16-01-2023	36,652	5.09%
	7.32% N T P C LTD. 17-07-2029	21,124	2.94%
	7.04% POWER FINANCE CORPN. LTD. 16-12-2030	19,952	2.77%
	8.10% POWER FINANCE CORPN. NCD 04-06-2024	10,644	1.48%
	BHARTI AIRTEL LTD	4,540	0.63%
	NTPC	4,023	0.56%
	POWER GRID CORPORATION	3,338	0.46%
	GAIL (INDIA) LTD	1,145	0.16%
	C E S C LTD.	685	0.10%
<b>INFRASTRUCTURE SECTOR Total</b>		<b>102,103</b>	<b>14.19%</b>
<b>Other</b>		<b>212,779</b>	<b>29.57%</b>
<b>Current Assets and Liabilities</b>		<b>11,912</b>	<b>1.66%</b>
<b>Grand Total</b>		<b>719,615</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund MODERATOR [ULIF00325/01/05MODERATORF117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	7.57% GOI 17-06-2033	16,094	14.57%
	7.59% GOI 11-01-2026	10,688	9.68%
	6.22% GOI16-03-2035	9,561	8.66%
	6.19% GOI 16-09-2034	4,784	4.33%
	5.77% GOI 03-08-2030	2,884	2.61%
	8.13% GOI OIL Bond 2021	266	0.24%
<b>GOVERNMENT OF INDIA Total</b>		<b>44,276</b>	<b>40.09%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	7,313	6.62%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	2,600	2.35%
	HDFC BANK LTDFV-1	1,331	1.21%
	ICICI BANK LTD FV 2	1,330	1.20%
	BAJAJ FINANCE LIMITED FV -2	664	0.60%
	HDFC	510	0.46%
	BAJAJ FINSERV LIMITED	435	0.39%
	KOTAK MAHINDRA BANK LTD	354	0.32%
	STATE BANK OF INDIAFV-1	264	0.24%
	HDFC LIFE INSURANCE COMPANY LIMITED	258	0.23%
	SBI LIFE INSURANCE CO. LTD	252	0.23%
	AXIS BANK LTD.	142	0.13%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>15,453</b>	<b>13.99%</b>
<b>INFRASTRUCTURE SECTOR</b>			
	8.15% L&T INFRA DEBT FUND LTD 16-01-2023	9,425	8.53%
	IRFC 8.50% 2023	3,782	3.42%
	BHARTI AIRTEL LTD	425	0.38%
	POWER GRID CORPORATION	224	0.20%
	GAIL (INDIA) LTD	66	0.06%
<b>INFRASTRUCTURE SECTOR Total</b>		<b>13,922</b>	<b>12.61%</b>
<b>Other</b>		<b>36,161</b>	<b>32.74%</b>
<b>Current Assets and Liabilities</b>		<b>621</b>	<b>0.56%</b>
<b>Grand Total</b>		<b>110,433</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund GRATUITY DEBT [ULGF00105/06/04GRADEBTFND117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	8.96% KERALA SDL 08-04-2035	142,753	11.95%
	5.15% GOI 09-11-2025	78,232	6.55%
	7.57% GOI 17-06-2033	61,692	5.16%
	7.20% MAHARASHTRA SDL 09-08-2027	51,504	4.31%
	5.77% GOI 03-08-2030	48,072	4.02%
	8.83% GSEC 12-12-2041	30,557	2.56%
	7.59% GOI 11-01-2026	26,719	2.24%
	8.40% GSEC 28-07-2024	16,397	1.37%
	8.13% GOI OIL Bond 2021	745	0.06%
	GOI LOAN 7.95% 2032	327	0.03%
<b>GOVERNMENT OF INDIA Total</b>		<b>456,999</b>	<b>38.25%</b>
<b>INFRASTRUCTURE SECTOR</b>			
	8.12% N H P C LTD. 22-03-2029	54,978	4.60%
	8.72% L&T INFRA DEBT FUND LTD 27-03-2026	54,966	4.60%
	7.20% POWER GRID CORPORATION 09-08-2027	52,012	4.35%
	8.45% IRFC 04-12-2028	44,761	3.75%
	7.95% SIKKA PORTS & TERMINALS LTD. 28-10-2026	32,107	2.69%
	8.54% RECL 15-11-2028	28,114	2.35%
	7.04% POWER FINANCE CORPN. LTD. 16-12-2030	26,935	2.25%
	8.10% POWER FINANCE CORPN. NCD 04-06-2024	23,949	2.00%
	8.93% POWER GRID CORPORATION 20-10-2026	22,291	1.87%
	8.65% POWER FINANCE CORPN. LTD. 28-12-2024	21,619	1.81%
	8.93% POWER GRID CORPORATION 20-10-2024	11,067	0.93%
	7.32% N T P C LTD. 17-07-2029	10,562	0.88%
	9.98% IL&FS 05-12-2021	0	0.00%
<b>INFRASTRUCTURE SECTOR Total</b>		<b>383,361</b>	<b>32.08%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	9.00% SHRIRAM TRANSPORT FINANCE CO. LTD. 28-03-2028	54,613	4.57%
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	52,233	4.37%
	8.67% IDFC FIRST BANK 03-01-2025	31,814	2.66%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	12,000	1.00%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>150,660</b>	<b>12.61%</b>
<b>HOUSING SECTOR</b>			
	7.40% L I C HOUSING FINANCE LTD. 06-09-2024	52,067	4.36%
	6.43% HDFC LTD 29-09-2025	50,609	4.24%
	8.55% HDFC 27-03-2029	44,207	3.70%
<b>HOUSING SECTOR Total</b>		<b>146,882</b>	<b>12.29%</b>
<b>Other</b>		<b>61,387</b>	<b>5.14%</b>
<b>Current Assets and Liabilities</b>		<b>(4,450)</b>	<b>-0.37%</b>
<b>Grand Total</b>		<b>1,194,840</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund **MULTIPLIER [ULIF00625/01/05MULTIPLIER117]**

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	HDFC BANK LTDFV-1	734,919	5.45%
	HDFC	678,232	5.03%
	ICICI BANK LTD FV 2	597,396	4.43%
	STATE BANK OF INDIAFV-1	312,865	2.32%
	BAJAJ FINANCE LIMITED FV -2	209,053	1.55%
	AXIS BANK LTD.	190,249	1.41%
	INDUSIND BANK LTD	175,863	1.30%
	BAJAJ FINSERV LIMITED	163,438	1.21%
	KOTAK MAHINDRA BANK LTD	112,579	0.83%
	SBI LIFE INSURANCE CO. LTD	83,117	0.62%
	HDFC LIFE INSURANCE COMPANY LIMITED	31,329	0.23%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>3,289,041</b>	<b>24.39%</b>
<b>MUTUAL FUND</b>			
	SBI-ETF NIFTY BANK	581,249	4.31%
	RSHARES BANK BEES ETF FV1	579,687	4.30%
	KOTAK MAHINDRA MF-KOTAK BANKING ETF - DIV PAYOUT	426,757	3.16%
	ICICI PRUDENTIAL IT ETF	144,082	1.07%
	NIPPON INDIA ETF NIFTY IT	120,089	0.89%
	ICICI PRUDENTIAL BANK ETF NIFTY BANK INDEX	105,995	0.79%
<b>MUTUAL FUND</b>		<b>1,957,858</b>	<b>14.52%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	844,024	6.26%
	TATA CONSULTANCY SERVICES LTD.	513,483	3.81%
	HCL TECHNOLOGIES LIMITED	239,710	1.78%
	TECH MAHINDRA LIMITED FV-5	187,873	1.39%
	WIPRO	51,769	0.38%
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES Total</b>		<b>1,836,858</b>	<b>13.62%</b>
<b>Other</b>		<b>6,429,345</b>	<b>47.68%</b>
<b>Current Assets and Liabilities</b>		<b>(27,746)</b>	<b>-0.21%</b>
<b>Grand Total</b>		<b>13,485,356</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund DISCONTINUED POLICY FUND [ULIF01721/12/10DISCONTINU117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	364 DAY TBILL 19-08-2021	888,261	14.15%
	364 DAY TBILL 16-09-2021	886,047	14.11%
	364 DAY TBILL 26-08-2021	493,077	7.85%
	364 DAY TBILL 09-09-2021	492,397	7.84%
	364 DAY TBILL 22-07-2021	395,865	6.31%
	7.98% KARNATAKA SDL 14-10-2025	323,628	5.16%
	7.89% GUJARAT SDL 15-05-2025	267,270	4.26%
	8.29% TAMILNADU SDL 29-07-2025	217,421	3.46%
	7.99% MAHARASHTRA SDL 28-10-2025	215,941	3.44%
	8.08% UTTARPRADESH SDL 25-02-2025	215,175	3.43%
	7.27% GOI 08-04-2026	105,540	1.68%
	5.15% GOI 09-11-2025	97,791	1.56%
	5.95% TAMILNADU SDL 13-05-2025	39,972	0.64%
<b>GOVERNMENT OF INDIA Total</b>		<b>4,638,386</b>	<b>73.89%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	BAJAJ FINANCE LTD. CP 16-02-2022	528,728	8.42%
	HDFC LTD CP 24-02-2022	480,526	7.65%
	HDB FIN. SERV. CP 06-08-2021	394,134	6.28%
	L I C HOUSING FINANCE LTD. CP 14-02-2022	96,283	1.53%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>1,499,671</b>	<b>23.89%</b>
<b>Other</b>		<b>175,181</b>	<b>2.79%</b>
<b>Current Assets and Liabilities</b>		<b>(35,608)</b>	<b>-0.57%</b>
<b>Grand Total</b>		<b>6,277,629</b>	<b>100.00%</b>

### Name of Fund LIQUID FUND [ULIF01909/10/15LIQUIDFUND117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>TRI PARTY REPO</b>	<b>TREP 3.35% 31/05-04-2021</b>	<b>8,962</b>	<b>97.48%</b>
<b>Current Assets and Liabilities</b>		<b>232</b>	<b>2.52%</b>
<b>Grand Total</b>		<b>9,194</b>	<b>100.00%</b>



## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund MID CAP FUND [ULIF02501/01/18MIDCAPFUND117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	SHRIRAM TRANSPORT FINANCE CO. LTD.	1,509	1.95%
	CAN FIN HOMES LIMITED FV-2	1,443	1.86%
	AU SMALL FINANCE BANK LTD	1,170	1.51%
	CHOLAMANDALAM INVESTMENT & FINANCE CO. LTD.FV-2	1,077	1.39%
	REPCO HOME FINANCE LIMITED	1,059	1.37%
	CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED	1,008	1.30%
	EQUITAS HOLDINGS LTD.	907	1.17%
	LIC HOUSING FINANCE LTD.	728	0.94%
	INDIAN ENERGY EXCHANGE LTD.	691	0.89%
	MUTHOOT FINANCE LTD.	681	0.88%
	BANDHAN BANK LIMITED	679	0.88%
	STATE BANK OF INDIAFV-1	674	0.87%
	INDUSIND BANK LTD	668	0.86%
	MULTI COMMODITY EXCHANGE OF INDIA LTD.	635	0.82%
	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	629	0.81%
	MAX FINANCIAL SERVICES LTD	555	0.72%
	CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED	366	0.47%
	BAJAJ HOLDINGS AND INVESTMENT LIMITED	296	0.38%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>14,775</b>	<b>19.09%</b>
<b>Other</b>		<b>62,388</b>	<b>80.59%</b>
<b>Current Assets and Liabilities</b>		<b>252</b>	<b>0.33%</b>
<b>Grand Total</b>		<b>77,414</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund MULTIPLIER II FUND [ULIF01115/12/09MULTIPLIE2117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	HDFC BANK LTDFV-1	368,598	5.45%
	HDFC	356,359	5.27%
	ICICI BANK LTD FV 2	340,043	5.03%
	STATE BANK OF INDIAFV-1	145,208	2.15%
	BAJAJ FINSERV LIMITED	72,843	1.08%
	BAJAJ FINANCE LIMITED FV -2	70,759	1.05%
	INDUSIND BANK LTD	66,552	0.98%
	KOTAK MAHINDRA BANK LTD	63,497	0.94%
	SBI LIFE INSURANCE CO. LTD	35,234	0.52%
	AXIS BANK LTD.	33,748	0.50%
	HDFC LIFE INSURANCE COMPANY LIMITED	33,007	0.49%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>1,585,849</b>	<b>23.46%</b>
<b>MUTUAL FUND</b>			
	SBI-ETF NIFTY BANK	302,528	4.47%
	RSHARES BANK BEES ETF FV1	222,461	3.29%
	KOTAK MAHINDRA MF-KOTAK BANKING ETF - DIV PAYOUT	138,417	2.05%
	NIPPON INDIA ETF NIFTY IT	93,939	1.39%
	ICICI PRUDENTIAL BANK ETF NIFTY BANK INDEX	71,745	1.06%
	AXIS BANKING ETF	56,215	0.83%
	ICICI PRUDENTIAL IT ETF	43,225	0.64%
<b>MUTUAL FUND Total</b>		<b>928,530</b>	<b>13.73%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	463,728	6.86%
	TATA CONSULTANCY SERVICES LTD.	238,800	3.53%
	HCL TECHNOLOGIES LIMITED	138,976	2.06%
	TECH MAHINDRA LIMITED FV-5	20,870	0.31%
	WIPRO	17,722	0.26%
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES Total</b>		<b>880,096</b>	<b>13.02%</b>
<b>MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS</b>			
	RELIANCE INDUSTRIES	580,130	8.58%
	BPCL	109,767	1.62%
	INDIAN OIL CORPN. LTD.	17,937	0.27%
<b>MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS Total</b>		<b>707,834</b>	<b>10.47%</b>
<b>Other</b>		<b>2,602,619</b>	<b>38.49%</b>
<b>Current Assets and Liabilities</b>		<b>56,114</b>	<b>0.83%</b>
<b>Grand Total</b>		<b>6,761,041</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund PROTECTOR [ULIF00225/01/05PROTECTORF117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	8.96% KERALA SDL 08-04-2035	142,753	18.74%
	GOI 8.24% 2027	44,034	5.78%
	7.17% GOI 08-01-2028	37,669	4.94%
	8.83% GSEC 12-12-2041	30,557	4.01%
	5.77% GOI 03-08-2030	9,614	1.26%
	6.19% GOI 16-09-2034	9,568	1.26%
	9.23% GOI 23-12-2043	4,763	0.63%
	7.26% GOI 14-01-2029	2,624	0.34%
<b>GOVERNMENT OF INDIA Total</b>		<b>281,583</b>	<b>36.96%</b>
<b>INFRASTRUCTURE SECTOR</b>			
	8.45% IRFC 04-12-2028	67,141	8.81%
	8.12% N H P C LTD. 22-03-2029	54,978	7.22%
	8.27% RECL 06-02-2025	53,785	7.06%
	8.93% POWER GRID CORPORATION 20-10-2026	33,437	4.39%
	8.65% POWER FINANCE CORPN. LTD. 28-12-2024	32,428	4.26%
	7.32% N T P C LTD. 17-07-2029	21,124	2.77%
	9.98% IL&FS 05-12-2021	0	0.00%
<b>INFRASTRUCTURE SECTOR Total</b>		<b>262,893</b>	<b>34.50%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	72,604	9.53%
	9.00% SHRIRAM TRANSPORT FINANCE CO. LTD. 28-03-2028	21,845	2.87%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	20,000	2.62%
	8.67% IDFC FIRST BANK 03-01-2025	5,302	0.70%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>119,751</b>	<b>15.72%</b>
<b>Other</b>		<b>75,910</b>	<b>9.96%</b>
<b>Current Assets and Liabilities</b>		<b>21,816</b>	<b>2.86%</b>
<b>Grand Total</b>		<b>761,953</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund VIRTUE [ULIF00719/02/08VIRTUEFUND117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS</b>			
	PI INDUSTRIES LTD.	13,486	1.77%
	DABUR	13,280	1.75%
	BERGER PAINTS INDIA LTD.	12,240	1.61%
	BAYER CROPSOURCE LTD.	10,844	1.43%
	ASIAN PAINTS LTD	10,320	1.36%
	HINDUSTAN UNILEVER LTD	8,085	1.06%
	GODREJ CONSUMER PRODUCTS LTD.	5,015	0.66%
	AARTI INDUSTRIES LTD.	3,952	0.52%
	UNITED PHOSPHORUS LTD.	3,451	0.45%
	ARTI SURFACTANTS LTD.	140	0.02%
<b>MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS Total</b>		<b>80,812</b>	<b>10.63%</b>
<b>Other</b>		<b>678,997</b>	<b>89.34%</b>
<b>Current Assets and Liabilities</b>		<b>240</b>	<b>0.03%</b>
<b>Grand Total</b>		<b>760,049</b>	<b>100.00%</b>

### Name of Fund VIRTUE II FUND [ULIF01215/12/09VIRTUE2FND117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS</b>			
	HINDUSTAN UNILEVER LTD	176,559	2.07%
	ATUL LIMITED	97,760	1.14%
	DABUR	93,297	1.09%
	NAVIN FLUORINE INTERNATIONAL LIMITED	89,656	1.05%
	ASIAN PAINTS LTD	72,813	0.85%
	SRF LTD.	57,160	0.67%
	DEEPAK NITRITE LTD	56,087	0.66%
	GODREJ CONSUMER PRODUCTS LTD.	55,898	0.65%
	T T K PRESTIGE LTD.	55,462	0.65%
	FINE ORGANIC INDUSTRIES LTD	45,805	0.54%
	AARTI INDUSTRIES LTD.	44,135	0.52%
	PI INDUSTRIES LTD.	38,601	0.45%
	KANSAI NEROLAC PAINTS LTD.FV-1	37,320	0.44%
	PIDILITE INDUSTRIES LTD.	19,017	0.22%
	ANUPAM RASAYAN INDIA LTD.	508	0.01%
<b>MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS Total</b>		<b>940,078</b>	<b>11.00%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	290,010	3.39%
	TATA CONSULTANCY SERVICES LTD.	128,747	1.51%
	PERSISTENT SYSTEMS LIMITED	88,856	1.04%
	HCL TECHNOLOGIES LIMITED	78,137	0.91%
	BIRLASOFT LIMITED	70,803	0.83%
	KPIT TECHNOLOGIES LIMITED	62,977	0.74%
	MPHASIS LTD	60,479	0.71%
	ORACLE FINANCIAL SERVICES SOFTWARE LTD	53,035	0.62%
	MINDTREE LIMITED	41,678	0.49%
	WIPRO	7,739	0.09%
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES Total</b>		<b>882,462</b>	<b>10.33%</b>
<b>Other</b>		<b>6,509,103</b>	<b>76.17%</b>
<b>Current Assets and Liabilities</b>		<b>213,849</b>	<b>2.50%</b>
<b>Grand Total</b>		<b>8,545,492</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund GROUP MET GROWTH FUND [ULGF00510/09/14METGROWTHF117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	5.15% GOI 09-11-2025	6,161	21.39%
<b>GOVERNMENT OF INDIA Total</b>		<b>6,161</b>	<b>21.39%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	HDFC BANK LTDFV-1	1,304	4.53%
	ICICI BANK LTD FV 2	1,118	3.88%
	6.49% NABARD 30-12-2030	986	3.43%
	HDFC	907	3.15%
	STATE BANK OF INDIAFV-1	549	1.91%
	BAJAJ FINANCE LIMITED FV -2	433	1.50%
	KOTAK MAHINDRA BANK LTD	431	1.50%
	AXIS BANK LTD.	173	0.60%
	INDUSIND BANK LTD	170	0.59%
	SBI LIFE INSURANCE CO. LTD	71	0.25%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>6,142</b>	<b>21.33%</b>
<b>TRI PARTY REPO</b>	<b>TREP 3.35% 31/05-04-2021</b>	<b>3,549</b>	<b>12.32%</b>
<b>Other</b>		<b>12,789</b>	<b>44.41%</b>
<b>Current Assets and Liabilities</b>		<b>157</b>	<b>0.54%</b>
<b>Grand Total</b>		<b>28,797</b>	<b>100.00%</b>

### Name of Fund GROUP MET SECURE FUND [ULGF00410/09/14METSECUREF117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	5.15% GOI 09-11-2025	8,019	28.53%
	6.50% GUJARAT SDL 11-11- 2030	3,911	13.91%
<b>INFRASTRUCTURE SECTOR Total</b>		<b>11,930</b>	<b>42.44%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	6.49% NABARD 30-12-2030	2,466	8.77%
	HDFC BANK LTDFV-1	358	1.28%
	HDFC	327	1.16%
	ICICI BANK LTD FV 2	285	1.01%
	STATE BANK OF INDIAFV-1	183	0.65%
	BAJAJ FINANCE LIMITED FV -2	170	0.60%
	KOTAK MAHINDRA BANK LTD	144	0.51%
	INDUSIND BANK LTD	70	0.25%
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	62	0.22%
	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD.	59	0.21%
	AXIS BANK LTD.	57	0.20%
	SBI LIFE INSURANCE CO. LTD	34	0.12%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>4,214</b>	<b>14.99%</b>
<b>TRI PARTY REPO</b>	<b>TREP 3.35% 31/05-04-2021</b>	<b>3,799</b>	<b>13.52%</b>
<b>Other</b>		<b>7,750</b>	<b>27.57%</b>
<b>Current Assets and Liabilities</b>		<b>413</b>	<b>1.47%</b>
<b>Grand Total</b>		<b>28,106</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund **MULTIPLIER III FUND [ULIF01809/10/15MULTIPLIE3117]**

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	HDFC BANK LTDFV-1	10,012	4.82%
	ICICI BANK LTD FV 2	9,205	4.43%
	HDFC	6,580	3.17%
	STATE BANK OF INDIAFV-1	3,083	1.48%
	KOTAK MAHINDRA BANK LTD	2,922	1.41%
	INDUSIND BANK LTD	2,057	0.99%
	CAN FIN HOMES LIMITED FV-2	2,055	0.99%
	BAJAJ FINANCE LIMITED FV -2	1,725	0.83%
	EQUITAS HOLDINGS LTD.	1,621	0.78%
	INDIAN ENERGY EXCHANGE LTD.	1,122	0.54%
	HDFC LIFE INSURANCE COMPANY LIMITED	1,111	0.53%
	AXIS BANK LTD.	946	0.46%
	BAJAJ FINSERV LIMITED	928	0.45%
	MUTHOOT FINANCE LTD.	843	0.41%
	LIC HOUSING FINANCE LTD.	825	0.40%
	BANDHAN BANK LIMITED	443	0.21%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>45,480</b>	<b>21.89%</b>
<b>MUTUAL FUND</b>			
	KOTAK MAHINDRA MF-KOTAK BANKING ETF - DIV PAYOUT	7,087	3.41%
	RSHARES BANK BEES ETF FV1	5,759	2.77%
	SBI-ETF NIFTY BANK	5,048	2.43%
	NIPPON INDIA ETF NIFTY IT	5,023	2.42%
	AXIS BANKING ETF	1,713	0.82%
	NIPPON INDIA MUTUAL FUND	1,323	0.64%
	ICICI PRUDENTIAL BANK ETF NIFTY BANK INDEX	1,117	0.54%
<b>MUTUAL FUND Total</b>		<b>27,071</b>	<b>13.03%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	11,234	5.41%
	TATA CONSULTANCY SERVICES LTD.	5,580	2.69%
	HCL TECHNOLOGIES LIMITED	3,865	1.86%
	TECH MAHINDRA LIMITED FV-5	1,411	0.68%
	ORACLE FINANCIAL SERVICES SOFTWARE LTD	832	0.40%
	WIPRO	515	0.25%
<b>MUTUAL FUND Total</b>		<b>23,437</b>	<b>11.28%</b>
<b>Other</b>		<b>110,442</b>	<b>53.15%</b>
<b>Current Assets and Liabilities</b>		<b>1,366</b>	<b>0.66%</b>
<b>Grand Total</b>		<b>207,796</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund **PREMIER MULTI-CAP FUND [ULIF02101/01/18MULTICAPFN117]**

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	HDFC BANK LTDFV-1	5,355	4.37%
	ICICI BANK LTD FV 2	4,276	3.49%
	HDFC	2,158	1.76%
	BAJAJ FINANCE LIMITED FV -2	1,684	1.37%
	REPCO HOME FINANCE LIMITED	1,570	1.28%
	AXIS BANK LTD.	1,472	1.20%
	KOTAK MAHINDRA BANK LTD	1,057	0.86%
	BAJAJ FINSERV LIMITED	1,006	0.82%
	STATE BANK OF INDIAFV-1	995	0.81%
	MAX FINANCIAL SERVICES LTD	866	0.71%
	LIC HOUSING FINANCE LTD.	823	0.67%
	INDUSIND BANK LTD	812	0.66%
	HDFC LIFE INSURANCE COMPANY LIMITED	766	0.62%
	CHOLAMANDALAM INVESTMENT & FINANCE CO. LTD.FV-2	690	0.56%
	SHRIRAM TRANSPORT FINANCE CO. LTD.	647	0.53%
	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD.	643	0.52%
	CHOLAMANDALAM FINANCIAL HOLDINGS LIMITED	629	0.51%
	AU SMALL FINANCE BANK LTD	592	0.48%
	SBI CARDS & PAYMENT SERVICES LTD.	557	0.45%
	SBI LIFE INSURANCE CO. LTD	467	0.38%
	EQUITAS HOLDINGS LTD.	467	0.38%
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	456	0.37%
	BANDHAN BANK LIMITED	296	0.24%
	MUTHOOT FINANCE LTD.	152	0.12%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>28,434</b>	<b>23.19%</b>
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES</b>			
	INFOSYS LTD.	6,086	4.96%
	HCL TECHNOLOGIES LIMITED	1,684	1.37%
	TECH MAHINDRA LIMITED FV-5	1,042	0.85%
	PERSISTENT SYSTEMS LIMITED	692	0.56%
	MINDTREE LIMITED	667	0.54%
	BIRLASOFT LIMITED	605	0.49%
	MPHASIS LTD	547	0.45%
	KPIT TECHNOLOGIES LIMITED	544	0.44%
	WIPRO	389	0.32%
<b>COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES Total</b>		<b>12,257</b>	<b>10.00%</b>
<b>Other</b>		<b>81,916</b>	<b>66.81%</b>
<b>Current Assets and Liabilities</b>		<b>(0)</b>	<b>0.00%</b>
<b>Grand Total</b>		<b>122,607</b>	<b>100.00%</b>

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

### Name of Fund PRESERVER [ULIF00125/01/05PRESERVERF117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	8.39% RAJASHTAN SDL UDAY 15-03-2024	80,543	17.39%
	7.59% GOI 11-01-2026	59,679	12.89%
	7.69% GOI 17-06-2043	55,188	11.92%
	7.68% GSEC 15-12-2023	53,463	11.54%
	7.35% GOI 22-06-2024	53,125	11.47%
	8.00% HARYANA SDL 08-04-2030	32,312	6.98%
	5.15% GOI 09-11-2025	31,782	6.86%
	5.77% GOI 03-08-2030	28,843	6.23%
	6.50% GUJARAT SDL 11-11- 2030	15,643	3.38%
	7.26% GOI 14-01-2029	10,496	2.27%
	7.99% MAHARASHTRA SDL 28-10-2025	6,824	1.47%
	8.13% GOI OIL Bond 2021	3,068	0.66%
<b>GOVERNMENT OF INDIA Total</b>		<b>430,968</b>	<b>93.06%</b>
<b>Other</b>		<b>32,748</b>	<b>7.07%</b>
<b>Current Assets and Liabilities</b>		<b>(585)</b>	<b>-0.13%</b>
<b>Grand Total</b>		<b>463,131</b>	<b>100.00%</b>

### Name of Fund PRESERVER II FUND [ULIF00815/12/09PRESERVER2117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>GOVERNMENT OF INDIA</b>			
	7.35% GOI 22-06-2024	148,750	16.77%
	7.59% GOI 11-01-2026	101,532	11.45%
	8.39% RAJASHTAN SDL UDAY 15-03-2024	80,543	9.08%
	8.00% HARYANA SDL 08-04-2030	75,395	8.50%
	7.69% GOI 17-06-2043	55,188	6.22%
	7.72% GOI 25-05-2025	53,650	6.05%
	7.68% GSEC 15-12-2023	53,463	6.03%
	7.20% MAHARASHTRA SDL 09-08-2027	51,504	5.81%
	5.22% GOI 15-06-2025	49,300	5.56%
	5.15% GOI 09-11-2025	39,116	4.41%
	5.77% GOI 03-08-2030	38,458	4.34%
	8.40% GSEC 28-07-2024	38,260	4.31%
	6.50% GUJARAT SDL 11-11- 2030	29,331	3.31%
	7.16% GSEC 20-05-2023	11,047	1.25%
	5.95% TAMILNADU SDL 13-05-2025	9,993	1.13%
	7.99% MAHARASHTRA SDL 28-10-2025	1,080	0.12%
	8.13% GOI OIL Bond 2021	419	0.05%
<b>GOVERNMENT OF INDIA Total</b>		<b>837,030</b>	<b>94.37%</b>
<b>Other</b>		<b>35,997</b>	<b>4.06%</b>
<b>Current Assets and Liabilities</b>		<b>13,967</b>	<b>1.57%</b>
<b>Grand Total</b>		<b>886,994</b>	<b>100.00%</b>



## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

Name of Fund PROTECTOR II FUND [ULIF00915/12/09PROTECTOR2117]

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
<b>INFRASTRUCTURE SECTOR</b>			
	7.95% SIKKA PORTS & TERMINALS LTD. 28-10-2026	433,448	4.76%
	7.50% RECL 28-02-2030	402,718	4.42%
	7.32% N T P C LTD. 17-07-2029	369,676	4.06%
	7.90% SIKKA PORTS & TERMINALS LTD. 18-11-2026	320,575	3.52%
	8.35% IRFC NCD 13-03-2029	277,473	3.04%
	8.72% L&T INFRA DEBT FUND LTD 27-03-2026	274,831	3.02%
	8.12% N H P C LTD. 22-03-2029	219,910	2.41%
	7.48% IRFC 13-08-2029	158,806	1.74%
	7.50% N H P C LTD. 07-10-2026	158,803	1.74%
	8.8% POWER FINANCE CORPORATION 15-01-202	108,690	1.19%
	8.39% POWER FINANCE CORPN 19-04-2025	107,832	1.18%
	7.48% IRFC 29-08-2034	104,808	1.15%
	8.37% REC LTD 07-12-2028	56,034	0.61%
	8.40% PGC LTD 27-05-2027	55,101	0.60%
	7.49% POWER GRID CORPORATION 25-10-2034	52,740	0.58%
	7.54% IRFC 29-07-2034	52,561	0.58%
	7.30% PGC LTD 19-06-2027	52,205	0.57%
	8.11% RECL 07-10-2025	42,996	0.47%
	8.54% RECL 15-11-2028	28,114	0.31%
	9.82% IL&FS 24-01-2022	0	0.00%
<b>INFRASTRUCTURE SECTOR Total</b>		<b>3,277,320</b>	<b>35.96%</b>
<b>GOVERNMENT OF INDIA</b>			
	8.17% GSEC 01-12-2044	257,365	2.82%
	8.00% HARYANA SDL 08-04-2030	215,414	2.36%
	7.80% HARYANA SDL 24-03-2030	212,712	2.33%
	5.15% GOI 09-11-2025	195,581	2.15%
	6.19% GOI 16-09-2034	181,320	1.99%
	6.79% GOI 26-12-2029	177,154	1.94%
	7.61% GSEC 09-05-2030	160,646	1.76%
	7.83% MAHARASHTRA SDL 08-04-2030	160,236	1.76%
	7.72% GOI 26-10-2055	112,327	1.23%
	8.38% HARYANA SDL 27-01-2026	108,629	1.19%
	8.05% GUJARAT SDL 31-01-2028 I	107,110	1.18%
	7.06% GOI 10-10-2046	71,711	0.79%
	7.96% MAHARASHTRA SDL 14-10-2025	53,899	0.59%
	8.22% PUNJAB SPL SDL 30-03-2026	53,720	0.59%
	6.97% KARNATAKA SDL 26-02-2028	50,730	0.56%
	6.98% MAHARASHTRA SDL 26-02-2028	50,701	0.56%
	7.98% KARNATAKA SDL 14-10-2025	44,208	0.49%
	8.17% TAMILNADU SDL 26-11-2025	43,239	0.47%
	7.59% GOI 20-03-2029	38,547	0.42%
	7.73% GOI 19-12-2034	35,454	0.39%

## Annexure 7

Name of the Insurer: PNB MetLife India Insurance Company Limited

Registration No: 117 Date of Registration with IRDA: August 6, 2001

Industry wise disclosure of Investments as at March 31, 2021 (with exposure of 10% and above)

INDUSTRY	Security Description	Market Value ( ₹ In 000 )	% of NAV
	7.72% GOI 25-05-2025	33,628	0.37%
	7.88% GOI 19-03-2030	31,784	0.35%
	6.22% GOI16-03-2035	28,682	0.31%
	8.15% RAJASTHAN SDL 23-06-2021	24,924	0.27%
	5.77% GOI 03-08-2030	24,036	0.26%
	7.16% GSEC 20-05-2023	15,782	0.17%
	7.17% GOI 08-01-2028	10,987	0.12%
	7.29% WEST BENGAL SDL 28-12-2026	5,309	0.06%
	8.13% GOI OIL Bond 2021	603	0.01%
<b>GOVERNMENT OF INDIA Total</b>		<b>2,506,435</b>	<b>27.50%</b>
<b>FINANCIAL AND INSURANCE ACTIVITIES</b>			
	8.85% INDIABULLS HOUSING FINANCE 26-09-2026	590,755	6.48%
	9.00% SHRIRAM TRANSPORT FINANCE CO. LTD. 28-03-2028	305,831	3.36%
	8.85% BAJAJ FINANCE LTD. 21-07-2026	274,601	3.01%
	8.67% IDFC FIRST BANK 03-01-2025	265,117	2.91%
	8.45% SUNDARAM FINANCE LTD 21-02-2028	109,679	1.20%
	8.70% IDFC FIRST BANK 20-05-2025	106,697	1.17%
	7.10% NABARD 08-02-2030	102,472	1.12%
	9.05% DEWAN HOUSING FINANCE CORPN. LTD. 09-09-2023	70,000	0.77%
	8.90% DEWAN HOUSING FINANCE CORPN. LTD. 04-06-2021	60,000	0.66%
	8.45% BAJAJ FINANCE LTD 29-09-2026	55,621	0.61%
	7.43% NABARD 31-01-2030	52,376	0.57%
	6.49% NABARD 30-12-2030	44,883	0.49%
	8.90% DEWAN HOUSING FINANCE CORPN. LTD. 04-06-2023	8,000	0.09%
<b>FINANCIAL AND INSURANCE ACTIVITIES Total</b>		<b>2,046,031</b>	<b>22.45%</b>
<b>Other</b>		<b>1,095,433</b>	<b>12.02%</b>
<b>Current Assets and Liabilities</b>		<b>188,592</b>	<b>2.07%</b>
<b>Grand Total</b>		<b>9,113,811</b>	<b>100.00%</b>

# Management Report FOR THE YEAR ENDED MARCH 31, 2021

With respect to the operations of PNB MetLife India Insurance Company Limited ('the Company') for the year ended March 31, 2021 and results thereof, the Management of the Company confirms and declares that:

## 1. CERTIFICATE OF REGISTRATION:

The Certificate of Registration granted by the Insurance Regulatory and Development Authority of India (IRDAI) continues to be in force as at March 31, 2021. Pursuant to the provisions of the Insurance Laws Amendment Act, 2015, the process of annual renewal of Certificate of Registration issued u/s 3 of the Insurance Act, 1938 has been dispensed with and Certificate of Registration issued in 2014, pursuant to payment of relevant fees for FY 2020-21, continues to remain valid.

## 2. STATUTORY LIABILITIES/DUES:

We certify, to the best of our knowledge and belief, that all material 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:

We hereby confirm that the shareholding pattern of the Company is in accordance with the requirements of the Insurance Act, 1938 (amended by Insurance Laws (Amendment) Act, 2015) and the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000.

Further, during the year under review there was no transfer of shares.

There was no capital infusion by the promoters during the year. The shareholding pattern is available in Schedule 5A, forming part of financial statements.

## 4. INVESTMENT OUTSIDE INDIA:

The Company has not invested policyholders fund directly or indirectly outside India

## 5. SOLVENCY MARGIN:

We hereby confirm that the Company has maintained adequate assets to cover both its liabilities and required solvency margin as prescribed under Section 64VA of the Insurance Act, 1938 and the IRDAI (Assets, Liabilities and Solvency Margin of Life Insurance Business) Regulations, 2016.

The solvency ratio as compared to required minimum solvency ratio of 150% are as below:

Particulars	March 31, 2021	March 31, 2020
Solvency Ratio	190%	189%

## 6. VALUATION OF ASSETS IN THE BALANCE SHEET:

The Company has reviewed the values of all the assets as at March 31, 2021. We certify to the best of our knowledge and belief, that the value of the assets as set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value under the several headings – "Loans", "Investments", "Agents balances", "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", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Receivables"

## 7. APPLICATION OF INVESTMENTS OF LIFE INSURANCE FUND:

We certify that no part of the life insurance fund has been directly or indirectly applied in contravention of the Insurance Act, 1938 (as amended in 2015), IRDA (Investment) Regulation, 2016 as amended and applicable circulars and guidelines relating to the application and investments of the life insurance funds.

## 8. RISK EXPOSURE AND MITIGATION STRATEGIES:

The company is committed to integrate and strengthen the role of risk management in business processes and decisions. The Company holds the certificate of compliance towards "ISO 31000:2018 Risk Management Framework from British Standard Institute (BSI). The Company's Business Continuity Management System (BCMS) is ISO 22301 certified and its Information Security Management System (ISMS) is ISO 27001 certified. This is a testimony of Company's continuous efforts towards building a robust, resilient and efficient organization.

In compliance with the Corporate Governance Guidelines issued by IRDAI, the risk governance structure of the Company consists of

- i) the Board of Directors
- ii) the Board Asset Liability Management and Risk Management Committee of the Board (ALMR)
- iii) the Executive Risk Management Committee (eRMC) and its supporting committees.
- iv) The Charter of the ALMR is two-fold
  - a. This is a supervisory body to set up the Company's risk/reward objectives to formulate and implement optimal ALM strategies to meet these objectives,

b. Lay down the Company's Risk Management Strategy

The Board approved Enterprise Risk Management policy ("the policy") & processes support our business to control, manage and effectively mitigate critical risks. The Policy is aligned and in compliance to ISO 31000:2018 Risk Management Framework, and covers aspects related to:

- i) Financial Risk Management: covering market risk, capital risk, credit risk, liquidity risk and insurance risk
- ii) Operational Risk Management: covering reputational, fraud, legal & regulatory, people, system, cyber, transactional, business execution and business continuity
- iii) Risk Identification, Analysis, Measurement, and Treatment framework

The key objectives of the Policy are as follows:

- Determining the risk profile of the Company i.e. the aggregate level of risks that the Company has undertaken in pursuit of profitable business.
- Identification, analysis, measuring, managing, treating, monitoring and reporting of risk for the purpose of protecting the interests of key stakeholders.
- Enhancing the Company's ability to identify and pursue opportunities that offer attractive risk-adjusted returns by providing transparent, accurate and timely risk information.
- Embedding risk-based decision making in key management processes and fostering a culture of risk awareness.
- Limiting the Company's exposure to adverse outcomes through risk limits. The Company has formulated a comprehensive Risk Appetite Statement at the corporate as well as the functional level which are reviewed and monitored by the Board level Risk Management Committee and Executive Risk Management Committee respectively.
- Ensuring compliance with regulatory requirements.

- Focusing on ensuring that the Company possesses the appropriate capabilities and experience in managing and transferring risks.

- Minimizing reputational risk.

The risk management function is headed by the 'Chief Risk Officer' and is responsible for establishing sound risk management practices by proactively identifying, measuring, mitigating and monitoring the organization's risk exposures. The risk management framework of the Company is based on four guiding principles viz. 'Controlled Risk-Taking', 'Ownership, Accountability & Authority', 'Specialization' & 'Change Management'.

The Company's risk exposure could be in the areas of business continuity in case of disasters / natural calamities including pandemics, adverse claims experience, shortfall in investment performance and high expense levels. Mitigation steps in each of these areas are being taken and monitored on an ongoing basis. From Regulatory standpoint, we continuously monitor new advisories and directives from Central / State / Insurance regulator and authorities, and ensure strict compliance & adherence to the guidelines.

- The Company's underwriting policy and implementation of the same are subject to continuous monitoring and review. Adequate and suitable reinsurance treaties are in force with Internationally reputed and highly rated reinsurers.
- The investments of the Company are in accordance with IRDAI guidelines and as per the Investment Policy approved by the Investment Committee ('IC') of the Board which stipulates appropriate risk exposures. For achieving the objectives, Credit, Liquidity and Market risks are evaluated on a continuous basis. The assets of the Company are invested in accordance with the requirements prescribed by the IRDAI.
- Expenses are continuously monitored to ensure that the expense levels are commensurate with the level of operations of the Company.

**9. OPERATIONS IN OTHER COUNTRIES:**

The Company is not operating in any other country and hence there is no country risk and exposure risk

**10. AGEING OF CLAIMS:**

Death claims registered and not settled (where all the documentations have been completed) as on March 31, 2021 is ₹ 122.55 Lakhs

Trends in death claim settlement time for the last five financial years are given below:

Financial year	2020-21	2019-20	2018-19	2017-18	2016-17
Average claim settlement period (in days)	5.72	2.69	1.00	2.38	3.14

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

(a) Linked Claims:

(₹ in lakhs)

Period	Mar-21		Mar-20		Mar-19		Mar-18		Mar-17	
	No. of Claims	Amount Involved	No. of Claims	Amount Involved	No. of Claims	Amount Involved	No. of Claims	Amount Involved	No. of Claims	Amount Involved
30 days;	-	-	-	-	-	-	-	-	5	97.88
30 days to 6 months;	-	-	-	-	-	-	1	102.00	9	173.89
6 months to 1 year;	-	-	-	-	-	-	-	-	-	-
1 year to 5 years	-	-	-	-	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-

(b) Non Linked Claims:

(₹ in lakhs)

Period	Mar-21		Mar-20		Mar-19		Mar-18		Mar-17	
	No. of Claims	Amount Involved	No. of Claims	Amount Involved	No. of Claims	Amount Involved	No. of Claims	Amount Involved	No. of Claims	Amount Involved
30 days;	-	-	-	-	-	-	3	19.98	26	396.67
30 days to 6 months;	3	122.55	-	-	-	-	9	340.03	70	961.77
6 months to 1 year;	-	-	-	-	-	-	1	25.15	2	47.90
1 year to 5 years	-	-	-	-	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-

## 11. VALUATION OF INVESTMENTS:

We certify that the values as shown in the Balance Sheet pertaining to investments are as under:

- Debt securities: In case of shareholders' and non-linked policyholders' investments, Bonds & Debentures are valued at amortised cost. Additional Tier I Bonds (AT-1 Bonds) are stated at market value. In case of linked policyholders, Bonds & Debentures are valued at market value using CRISIL Bond Valuer and money market instruments are being stated at amortised cost.
- Government securities: In case of shareholders and non-linked policyholders' investments, Government securities are valued at amortised cost. In case of linked policyholders' investments, Government securities are valued at market price using CRISIL Gilt Prices
- Liquid mutual funds are valued at the previous day's net asset values
- Listed equity shares and ETF Investments are valued at fair value being the closing price on the National Stock Exchange ('NSE'). If the security is not listed/traded on NSE, then the closing price on the Bombay Stock Exchange ('BSE') is used.
- Unlisted equities, Investment property and Fixed deposits with banks are valued at cost.

## 12. REVIEW OF ASSET QUALITY AND PERFORMANCE OF INVESTMENTS:

The Company ensures that policyholders' and shareholders' funds are invested in high grade fixed income securities with a minimum rating of AAA and equities of high quality

based on fundamental research. Management reviews the performance of these investments on regular basis.

## 13. MANAGEMENT RESPONSIBILITY STATEMENT:

**Management of the Company certifies that:**

- The financial statements of the Company have been prepared in accordance with applicable accounting standards, the regulations stipulated and the circulars issued by the IRDAI in this context from time to time and the provisions of the Insurance Act, 1938 (as amended in 2015) with no material deviations.
- Management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the operating profit of the Company for the year ended March 31, 2021.
- Management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 (4 of 1938) amended by the Insurance Laws (Amendment) Act, 2015 and the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- Management has prepared the financial statements on a going concern basis.
- Management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

#### 14. DETAILS OF PAYMENTS TO INDIVIDUALS, FIRMS, COMPANIES AND ORGANISATIONS IN WHICH DIRECTORS ARE INTERESTED:

Sl. No.	Name of the Director	Status	Entity in which Director is interested	Interested as	Amount of payment during the financial year (₹ in lakhs)
1	CH S.S. Mallikarjuna Rao	Appointed w.e.f January 27,2020	Punjab National Bank	Managing Director & CEO	Commission - ₹ 20,533 Bank charges - ₹ 58
2	Thallapaka Venkateswara Rao	Appointed w.e.f March 19, 2020		Punjab National Bank Nominee Director	Compensation paid towards fraud committed by PMLI employee in connivance with others to enable PNB to make good the loss of its customers ₹ 91
3	Arvind Kumar Jain	Appointed w.e.f March 19, 2020		Punjab National Bank Nominee Director	
4	Sanjay Kumar	Appointed w.e.f January 01, 2021		Punjab National Bank Nominee Director	
5	CH S.S. Mallikarjuna Rao	Appointed w.e.f January 27,2020	The Oriental Insurance Company Limited	Common Directorship	Insurance Premium Paid – ₹ 5
6	Ranjana Agarwal	Appointed w.e.f September 23, 2020	ICRA Analytics Limited	Common Directorship	Professional Fees towards publishing of Fact Sheet - ₹ 3

For and on behalf of the Board of Directors

**Kishore Ponnvalu**

Chairman  
DIN No. 08226069

**Ashish Kumar Srivastava**

Managing Director & CEO  
DIN No. 00355075

**Sunil Satyapal Gulati**

Director  
DIN No. 00016990

**Ashish Bhat**

Director  
DIN No. 08652335

**Khalid Ahmad**

Chief Financial Officer

**Shobhna Sharma**

Appointed Actuary

**Yagya Turker**

Company Secretary  
M No. 19493

Place: Mumbai  
Date: May 25, 2021

# Embedded Value Report – FY 2020-21

This report on Embedded Value results as at 31<sup>st</sup> March 2021 has been prepared by the Company and the results presented in the report have been reviewed by Willis Towers Watson Actuarial Advisory LLP.

## 1. BASIS OF PREPARATION

The embedded value is a measure of the consolidated value of shareholders' interest in the covered life insurance business. The Indian embedded value (IEV) results presented below have been determined by following a market consistent methodology, as per the requirements and principles set forth by the Institute of Actuaries of India (IAI) within the Actuarial Practice Standard 10 (APS10). A detailed description of the IEV methodology is provided in Section 3.

## 2. KEY RESULTS

	(Rs. in Crore)	
	FY 2020-21	FY 2019-20
Indian Embedded Value (IEV)	5,123	4,304
Operating return on EV (EVOP %) <sup>(1)</sup>	14.4%	15.5%
VNB Margin	21.7%	18.0%
Value of New Business (VNB)	347	261
APE <sup>(2)</sup>	1,601	1,447

(1) Calculated as annualized EVOP (Embedded Value Operating Profit) to Opening EV.

(2) Annualized Premium Equivalent is calculated as 100% of annualized regular premium for new business plus 10% of single premium.

## 3. METHODOLOGY

IEV is calculated as the sum of Adjusted Net Worth (ANW) and Value of In-Force business (VIF).

ANW comprises Free Surplus (FS) and Required Capital (RC).

VIF consists of the following components:

- Present Value of Future Profits (PVFP) expected to emerge from the covered business;
- Less: Frictional Cost of Capital (FCoC);
- Less: Time Value of Financial Options and Guarantees (TVFOG);
- Less: Cost of Residual Non-Hedgeable Risks (CRNHR).

### 3.1. Components of ANW

**Free Surplus (FS):** Free Surplus represents the market value of any assets in excess of liabilities and Required Capital which is potentially distributable to shareholders

immediately. Free Surplus has been calculated as the excess of ANW over the Required Capital.

**Required Capital (RC):** Required Capital is the amount of assets attributed to the covered business over and above that required to back liabilities for the covered business, whose distribution to shareholders is restricted. Required Capital has been set at 170% of the Required Solvency Margin (RSM), based on the Company's internal capital target. RSM has been projected by applying the solvency margin factors prescribed by the IRDAI appropriate to each line of business.

### 3.2. Components of VIF

**Present Value of Future Profits (PVFP):** PVFP represents the present value of future post taxation shareholder cash-flows projected to emerge from the in-force covered business and the assets backing liabilities of the in-force covered business. The PVFP incorporates an allowance for the intrinsic value of financial options and guarantees.

**Frictional Cost of Capital (FCoC):** FCoC reflects the impact of taxation on investment returns and investment costs on the assets backing required capital. Required Capital is assumed to be maintained throughout the lifetime of the underlying liabilities, at the internal target level of 170% of the RSM, calculated based on the factors prescribed by IRDAI.

**Cost of Residual Non-Hedgeable Risks (CRNHR):** The CRNHR is an allowance for risks to shareholder value to the extent that such risks are not already allowed for in the TVFOG or the PVFP. The CRNHR has been determined using a cost of capital approach. The CRNHR makes allowance for mortality; pandemic and catastrophe; persistency; mass lapse; expense and inflation; and operational risk. For each risk, stand-alone risk capital has been computed to be consistent with a 99.5% confidence level over a one year time horizon using the economic capital model consistent with the EU Solvency II Standard Formula. Diversification benefits are considered overall at a Company level. Risk-capital is projected over the lifetime of the underlying risks using appropriate capital drivers.

**Time value of financial options and guarantees (TVFOG):** The TVFOG reflects the value of the additional cost to shareholders that may arise from embedded

financial options and guarantees attaching to the covered business. The intrinsic value of such options and guarantees is reflected in the PVFP.

An assessment for the asymmetric impact on the shareholder value due to any financial options and guarantees within the covered business of the Company has been conducted as at valuation date. Based on the investigations undertaken, the cost of financial options and guarantees, where they arise, have been assessed to be fully allowed within the statutory liabilities of the Company; and hence captured within the ANW without any further release into PVFP considered for such reserves held.

A stochastic approach is used to determine the TVFOG using methods and assumptions consistent with the underlying embedded value.

#### 4. Assumptions used

##### Demographic assumptions:

The best estimate assumptions for persistency, mortality and morbidity have been determined by having regard to the past, current and expected future experience for the Company.

##### Commission and Expenses:

The expense assumptions have been derived based on the Company's actual expenses during FY 2020-21 with no anticipation of productivity gains or cost efficiencies. The fixed renewals are inflated from FY 2021-22 onwards using the best estimate inflation rate.

The commission rates under different products are based on the actual commission payable (if any) to distributors.

##### Tax rates:

In determining the IEV, allowance has been made for future taxation costs expected to be incurred by the Company. This includes both corporate taxes and Goods and services tax ('GST'). Individual pensions and annuities business are considered exempt from taxation.

##### Economic assumptions:

Investment returns and discount rates are based on reference rates, used as proxy for risk free rates based on zero coupon central government bond yield curve published by FBIL.



22 May 2021

The Board of Directors  
PNB MetLife India Insurance Company Limited  
1<sup>st</sup> Floor, Techniplex 1, Techniplex Complex, Off Veer Sawarkar Flyover  
Goregaon (West), Mumbai - 400 062

Dear Sirs,

### **Willis Towers Watson Opinion on Embedded Value as at 31 March 2021**

Willis Towers Watson Actuarial Advisory LLP (“Willis Towers Watson”, “we”, “us” or “our”) has been engaged by PNB MetLife India Insurance Company Limited (“PNB MetLife” or “the Company”) to review and provide an independent actuarial opinion on the embedded value results prepared by PNB MetLife. The review covered the embedded value as at 31 March 2021 and the value of one year’s new business written during the period 1 April 2020 to 31 March 2021 (together, “embedded value results”).

### **Scope of work**

Our scope of work covered:

- A review of the methodology and assumptions used to determine the embedded value results;
- A review of the results of PNB MetLife’s calculation of the embedded value results;
- A review of the analysis of movement in embedded value from 31 March 2020 to 31 March 2021; and
- A review of select sensitivities as defined by the Company

### **Opinion**

Willis Towers Watson has concluded that the methodology and assumptions used to determine the embedded value results of PNB MetLife comply with the standards issued by the Institute of Actuaries of India within the Actuarial Practice Standard 10 (“Indian Embedded Value Principles”), and in particular that:

- the economic assumptions used are internally consistent and result in the projected cash-flows being valued in line with the prices of similar cash-flows that are traded on the capital markets;
- the operating assumptions have been set with appropriate regard to the past, current and expected future experience;
- the Required Capital has been determined and projected on the basis of PNB MetLife’s internal capital target of 170% of the Required Solvency Margin and has been assessed from a shareholders’ perspective;
- allowance has been made for the Cost of Residual Non-Hedgeable Risks; and
- for participating business, the assumed bonus rates, and allocation of profit between policyholders and shareholders, are consistent with the projection assumptions, established company practice and local market practice.

Willis Towers Watson has also performed a number of checks on the models, processes and results of the calculations performed by PNB MetLife. On the basis of this review, Willis Towers Watson has confirmed that no issues have been discovered that have a material impact on the disclosed embedded value as at 31 March 2021, the value of one year’s new business written during the period 1 April 2020 to 31 March 2021, the analysis of movement in embedded value for FY2020-21 and the sensitivity analysis as at 31 March 2021.

In arriving at these conclusions, Willis Towers Watson has relied on data and information provided by PNB MetLife. This Opinion is made solely to PNB MetLife in accordance with the terms of Willis Towers Watson’s engagement letter dated 19 February 2021. To the fullest extent permitted by applicable law, Willis Towers Watson does not accept or assume any responsibility, duty of care or liability to anyone other than PNB MetLife for or in connection with its review work, the opinions it has formed or for any statements set forth in this opinion.

COVID-19 is an ongoing and continuously evolving issue which has and will continue to have significant effects on global economic activity and insurance claims experience. The actual effects of COVID-19 could have an unexpected material impact on our findings. The level of uncertainty affecting our conclusions and the underlying volatility of actual outcomes is increased because of the emergence and contingent evolution of COVID-19.

**Vivek Jalan, FIAI**

Partner

**Kunj Behari Maheshwari, FIAI**

Partner

### **Willis Towers Watson Actuarial Advisory LLP**

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Gurugram-122003, India





PNB MetLife India Insurance Company Limited. Registered Office address: Unit No. 701, 702 & 703, 7<sup>th</sup> Floor, West Wing, Raheja Towers, 26/27 M G Road, Bengaluru - 560 001, Karnataka, IRDAI Registration Number 117. CIN U66010KA2001PLC028883. For more details on risk factors, please read the sales brochure carefully before concluding the sale. Terms and Conditions apply. The marks "PNB" and "MetLife" are registered trademarks of Punjab National Bank and Metropolitan Life Insurance Company, respectively. PNB MetLife India Insurance Company Limited is a licensed user of these marks.

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