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Financial Statements

For the year ended 31st March, 2019

Together with Auditor's Report

Lamba saath,
bharose ki baat

EXIDE Life Insurance


Money is more than just money.
It is someone's blessing.

K. P. Rao & Co.
Chartered Accountants
Poornima,
25, State Bank Road,
Bengaluru 560 001

R.G.N. Price & Co.,
Chartered Accountants
No.202, 3rd Floor,
Infantry Road,
Bengaluru 560 001.

25th April 2019

To,
The Board of Directors,
M/s. Exide Life Insurance Company Limited.

Report On The Audit Of The Ind AS Financial Statements

We have audited the Ind AS financial statements of M/s. Exide Life Insurance Company Limited, ('the Company'), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. The Ind AS financial statements have been prepared by the Management of the Company for the purpose of aiding the holding company to prepare Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Loss, changes in equity and its cash flows for the year ended on that date.

Basis Of 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS 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.

Emphasis Of Matter

We draw attention to Note 57 to the Ind AS financial statement which indicates the impairment of Rs.100,000 thousands made against investments in non-convertible debentures ('NCD') of Infrastructure Leasing and Financial Services Limited and IL&FS Financial Services Limited (together referred as ILFS group) and non-recognition of income against investment amounting to Rs.52,337 thousands. Though these investments are classified as performing assets as at 31st March 2019, in terms of IRDA's master circular on Investments of May 2017, impairment of Rs. 100,000 thousands, and further Rs. 25,000 thousands marked-to-market loss, considered in the Ind AS financial statements by the Management, as a prudent measure, representing 25% of the total exposure represents a fair assessment of possible loss as at 31st March 2019, the outcome of which depends on the future developments and possible regulatory action in this regard.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the year ended 31st March 2019. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

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Description of KAM	**How our audit addressed the KAM**
Litigations and provisions The Company is exposed to a variety of legal and tax risks, including claims under dispute pertaining to policy holders and pending litigation. As indicated in Note 2.15 of Significant Accounting Policies – 'Provisions' to the financial statements, these risks are covered by provisions in accordance to requirements of Ind AS 37 on Provisions, Contingent Liabilities and Contingent Assets and amounts to Rs.3,243,964 thousands as at 31 March 2019. Significant Contingent Liabilities for these risks and litigations, the amount and timing of which cannot be reliably estimated, are described in "Note 26 - Contingent liabilities" to the financial statements. The identification of risks and litigations, the valuation of provisions for such risks and litigations constitute a key audit matter given the amounts involved, high degree of estimation and judgment required by the Management.	In order to get a sufficient understanding of litigation, contingent liabilities and related valuations, we reviewed the process of identification, qualification and valuation implemented by the Management for such provisions through various discussions with Company's legal and finance departments. The following audit steps were performed: a. Conducted a critical review of the internal analysis for the likelihood and potential impact of each risk, examining the available procedural elements (letters, claims, judgments, notifications, etc.). b. Discussed with the legal department of the Company to confirm our understanding of risks and litigations and assessed the adequacy of the amount of provisions considered. c. Assessed the relevance and reliability of underlying data and calculations applied; d. Compared amounts paid to previously recognized provisions to assess the quality of the management estimates. e. Wherever applicable, relied upon legal opinion obtained by the Company. f. Exercised our professional judgment to assess, in particular, the positions held by Management within risk assessment ranges and the validity of the changes over time of such positions.
Valuation of actuarially determined life insurance liabilities The Company's valuation of the actuarially determined life insurance liabilities (present value of expected future outflow including benefits to policyholders and future expenses less present value of expected future premium) is based on complex actuarial methodologies and models involving comprehensive assumption setting processes with regards to future events. Actuarial assumptions selected by the Company with respect to interest rates, investment returns, mortality, morbidity, longevity, persistency, expenses, stock market	To address the KAM, we performed the following audit steps: a. Tested the completeness and accuracy of material underlying data to source documentation. b. Reviewed the consistency of actuarial methods used by the Company in determining the life insurance liabilities. In addition to the above, we have relied upon Appointed Actuary's certificate in this

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Description of KAM	How our audit addressed the KAM
volatility and future policyholder behaviour which may result in material impacts on the valuation of actuarially determined life insurance liabilities.	regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at the date of the financial statements of the Company.
Investments – Valuation and impairment Total investments made by the Company for shareholders and policyholders put together as disclosed in Schedule 5 of the Ind AS financial statements as at 31st March 2019 was Rs.14011,00,83 thousands. Of this, Rs.3,00,31,366 thousands is invested in non-convertible debentures of various corporates which are fair valued. Refer Note 2.20 of Significant Accounting Policies relating to valuation and impairment of investments. The Company's Management determines whether objective evidence of impairment exists for these investments. Given the inherent subjectivity in the assessment of impairment, we determined this to be a key audit matter.	We have conducted the following audit procedure to address this: a. Verified the latest rating report obtained by the Company on a sample basis. b. Verified certain key controls performed by the Investment team for reviewing the quality of the investments made. c. Evaluated Management's assessment of indications of impairment and challenged management's rationale for identifying significant decline in the fair value and discussed with the key management.

Responsibilities Of Management And Those Charged With Governance For The Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

a. Identify and assess the risks of material misstatement of the Ind AS 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.

b. 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 Act, we are also responsible for expressing an opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d. 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 Ind AS 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;

e. Evaluate the overall presentation, structure and contents of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

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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.

Other Matter

Financial Statements prepared under another financial reporting framework:

We have also issued our report of even date on the audit of the financial statements of the Company which comprise the Balance Sheet as at 31st March 2019, the Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Profit and Loss account (also called the "Shareholders' Account" or the "Non-Technical Account") and the Receipts and Payments Account for the year ended 31st March 2019, and a summary of significant accounting policies and other explanatory information. The aforesaid financial statement were prepared in accordance with the Insurance Act 1938 (amended by the Insurance Laws (Amendment) Act, 2015) (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority Act (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statement Regulation") and the Companies Act, 2013 (the "Act") to the extent applicable and in the manner so required.

Restriction on use: The Ind AS financial statements prepared under Companies (Indian Accounting Standards) Rules, 2015 and amended thereto and dealt with this in this report, are for the purposes of submission to holding company for the purpose of preparing consolidated financial statements. The Ind AS financial statements prepared under Companies (Indian Accounting Standards) Rules 2015 and amended thereto is not expected to be used for other than the above stated purpose.

For K.P.Rao & Co.
Chartered Accountants
Firm Registration No: 003135S

Desmond J Rebello
Partner
Membership No: 015140
Place: Bangalore
Date:25th April 2019

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

For R.G.N. Price & Co.
Chartered Accountants
Firm Registration No: 002785S

Sriraam Alevoor M
Partner
Membership No: 221354
Place: Bangalore
Date: 25th April 2019

R.G.N. PRICE & CO. Chartered Accountants

Exide Life Insurance Company Limited
(Registration No: 114; Date of registration: 2 August 2001)
Balance Sheet as at 31 March 2019

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Particulars	Note No.	31 March 2019	31 March 2018
ASSETS			
1) Non-current assets			
a) Property, Plant and Equipment	3	274,351	258,622
b) Capital work-in-progress	3	8,359	14,495
c) Other Intangible assets	4	94,185	96,551
d) Intangible assets under development	4	5,034	42,966
e) Reinsurance asset		824,024	551,022
f) Financial assets			
i) Investments	5	131,625,377	114,813,098
ii) Loans	6	189,384	96,924
iii) Other financial assets	9	-	-
g) Deferred tax asset		96,072	66,540
h) Other non-current assets	10	508,720	267,314
		133,625,506	116,207,529
2) Current assets			
a) Financial assets			
i) Investments	5	8,484,706	7,470,519
ii) Trade receivables	7	1,102,535	965,688
iii) Cash and cash equivalents	8	2,206,538	2,095,744
iv) Bank balances other than (iii) above		253,500	3,500
v) Loans	6	16,290	103,300
vi) Other financial assets	9	3,294,580	3,388,224
b) Other current assets	10	888,572	782,451
		16,246,720	14,809,427
Total assets		149,872,227	131,016,956
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	11	18,500,000	17,500,000
b) Other Equity			
i) Reserves and surplus	12	(8,426,931)	(8,371,266)
ii) Other reserves	12	1,503,054	694,344
Total Equity		11,576,123	9,823,078
Liabilities			
1) Non-current liabilities			
a) Financial liabilities			
i) Other financial liabilities	17	4,749	5,772
b) Insurance contract liabilities	15	113,230,237	97,990,754
c) Investment contract liabilities	15A	10,736,819	10,995,650
d) Provisions	13	24,347	30,887
e) Employee benefit obligations	14	42,291	41,175
f) Other non-current liabilities			
ii) Fund for discontinued policies (Linked and Non-Linked)		1,326,673	1,289,077
iii) Fund for future appropriation (Linked and Non-Linked)		1,415,034	715,084
		126,780,151	111,068,400
2) Current liabilities			
a) Financial liabilities			
i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	2,894,516	2,996,018
ii) Other financial liabilities	17	663,850	883,288
b) Insurance contract liabilities	15	7,411,706	5,769,066
c) Investment contract liabilities	15A	32	14
d) Provisions	13	4,571	758
e) Employee benefit obligations	14	17,846	48,234
f) Other current liabilities	18	523,431	428,101
		11,515,953	10,125,479
Total Equity and Liabilities		149,872,227	131,016,956
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

003135S

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

[illegible]
Partner
Membership No: 015140
Place: Mumbai/Bangalore
Date: 25 April 2019

For R.G.N. Price & Co

C Anil Kumar
Chief Financial Officer

Exide Life Insurance Company Limited

Exide Life Insurance Company Limited
(Registration No: 114; Date of registration: 2 August 2001)
Statement of Profit and Loss for the year ended 31 March 2019

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Particulars	Notes	31 March 2019	31 March 2018
Income			
Revenue from operations	19	37,888,089	33,090,243
Other income	20	79,235	188,753
Total income		37,967,324	33,278,996
Expenses			
Benefits and claims paid	21	10,251,962	10,313,925
Change in valuation of liability in respect of life insurance policies in force	22	17,345,644	13,500,811
Employee benefit expenses	23	3,092,540	2,905,517
Depreciation and amortisation expenses	3	157,816	99,298
Impairment loss on financial assets	57	152,337	
Other expenses	24	6,103,322	5,398,680
Finance cost	25	948,899	963,696
Total expenses		38,052,521	33,181,927
(Loss)/ Profit before tax		(85,197)	97,069
Tax expense			
Current tax	28		
Deferred tax	28	(29,532)	(2,082)
Total tax expense		(29,532)	(2,082)
(Loss)/ Profit for the year		(55,665)	99,151
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
a) Remeasurement of actuarial gains and losses		4,284	(2,402)
b) Net gain on derecognition of equity instruments measured at fair value through other comprehensive income		281,014	397,066
c) Unrealized fair value changes in equity securities		136,705	(48,595)
d) Income tax relating to items that will not be reclassified to profit or loss			
(ii) Items that will be reclassified to profit or loss			
a) Change in fair valuation of debt securities (net)		387,710	(865,119)
d) Income tax relating to items that will not be reclassified to profit or loss			
Other comprehensive income for the year		809,713	(519,050)
Total comprehensive income for the year		754,048	(419,898)
Earnings per equity share [nominal value of share ₹ 10 (Previous year: ₹ 10]			
Basic and diluted	44	(0 03)	0.06
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

For K.P. Rao & Co

Desmond J. Rebello
Partner
Membership No: 015140
Place: Mumbai/Bangalore
Date: 25 April 2019

For R.G.N. Price & Co
Chartered Accountants
Firm Registration Number :002785S

C Anil Kumar
Chief Financial Officer

Exide Life Insurance Company Limited

Exide Life Insurance Company Limited
(Registration No: 114; Date of registration: 2 August 2001)
Statement of Profit and Loss for the year ended 31 March 2019

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A. Equity Share Capital	**31 March 2019**		**31 March 2018**	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Balance at the beginning of the reporting period	1,750,000,000	17,500,000	1,750,000,000	17,500,000
Changes in equity share capital during the year	100.000.000	1.000.000		
Balance at the end of the reporting period	**1,850,000,000**	**18,500,000**	**1,750,000,000**	**17,500,000**

B. Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Deficit in Revenue Account (Policyholders Account-Par)	Items of Other comprehensive income				Total
			Capital Reserve	Securities Premium Reserve	Other Reserves	Retained Earnings		Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Revaluation Surplus	Other items of Other Comprehensive Income	
Balance at 1 April 2017	-	-	-	-		**(8,470,417)**	-	**629,227**	**603,276**	-	**(19,110)**	**(7,257,024)**
Profit for the year	-	-	-			99,151	-	-	-	-		99,151
Other comprehensive income for the year	-	-	-	-		-	-	(865,119)	348,471	-	(2,402)	(519,048)
At 31 March 2018	-	-	-	-		**(8,371,266)**	-	**(235,892)**	**951,747**	-	**(21,512)**	**(7,676,922)**
Profit for the year		-		-		(55,665)	-	-	-	-		(55,665)
Other comprehensive income for the year		-	-	-			-	387,710	417,719	-	3,283	808,712
At 31 March 2019		-	-		-	**(8.426.931)**		**151,818**	**1.369.466**	-	**(18.229)**	**(6.923.875)**

For K.P. Rao & Co
Chartered Accountants n Number

Desmond J. Rebello
Partner
Membership No: 015140
Place: Mumbai/Bangalore
Date" 25 April 2019

For R.G.N. Price & Co
Chartered Accountants
Firm Registration Number :002785S

Sriraam Aleyoor M
Partner
Membership No. 221354
Place: Mumbai/Bangalore
Date: 25 April 2019

C Anil Kumar
Chief Financial Officer

Exide Life Insurance Company Limited

Exide Life Insurance Company Limited
(Registration No: 114; Date of registration: 2 August 2001)
Cash Flow Statement for the year ended 31 March 2019

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Particulars	31 March 2019	31 March 2018
A) Cash flow from Operating activities		
Profit before tax	(85,197)	97,069
Adjustments for expenses -		
Depreciation/ Amortisation	157,816	99,298
Net gain on sale of Property, plant & equipment	(577)	(193)
Dividend Income	(190,964)	(223,682)
Interest Income	(8,420,363)	(6,818,819)
Gain/ (loss) on revaluation/ change in fair value	(842,104)	675,636
Net Profit on sale of investments	(858,799)	(2,884,222)
Net decrease in income on account of fair valuation	(270,648)	-
Change in valuation of liability against life policies	17,345,644	13,197,530
	6,834,808	**4,142,617**
Changes in operating assets & liabilities		
Decrease/(Increase) in trade receivable	(136,847)	(228,856)
Decrease/(Increase) in other assets	(341,275)	(284,842)
Decrease/(Increase) in other financial assets	461,884	(98,210)
Decrease/(Increase) in loans and advances	(5,450)	(12,361)
Increase/(Decrease) in other current liabilities	95,330	197,542
Increase/(Decrease) in other financial liabilities	220,460	318,610
Increase/(Decrease) in trade payables	251,585	(102,265)
Increase/(Decrease) in provisions	(31,999)	17,676
Net cash provided by operating activities before taxes	**6,907,576**	**3,949,912**
Income tax paid	(6,252)	(8,285)
Net cash provided by operating activities	**6,901,325**	**3,941,627**
B) Cash flow from Investing activities		
Purchase of Property, plant & equipment	(128,546)	(183,976)
Proceeds of Property, plant & equipment	645	405
Purchase of investments	(61,282,327)	(77,365,444)
Proceeds of investments	47,077,077	66,867,512
Investment in money market instruments and in liquid mutual fund (net)	(717,375)	(718,425)
Loan against policies	(867,818)	(586,644)
Interest / Dividends received	8,382,562	7,289,059
Net cash provided by investing activities	**(7,535,783)**	**(4,697,513)**
C) Cash flow from Financing activities		
Proceeds from issuance of share capital	1,000,000	-
Net cash provided by financing activities	**1,000,000**	**-**
Net increase in cash and cash equivalents	365,542	(755,886)
Cash and cash equivalents at the beginning of the year	2,105,757	2,861,643
Cash and cash equivalents at the end of the year	**2,471,299**	**2,105,757**
Cash on hand	141,272	136,838
Cheques on hand	448,849	282,370
Balance with banks- on current accounts	766,416	686,536
Balance with banks- in term deposit	850,000	990,000
Bank balances included in net current assets of assets held to cover linked	11,261	6,513
Bank balances other than above	253,500	3,500
	2,471,298	**2,105,757**

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

M/s. G.N. PRICE & CO. Chartered Accountants

Exide Life Insurance Company Limited

Exide Life Insurance Company Limited
(Registration No: 114; Date of registration: 2 August 2001)
Cash Flow Statement for the year ended 31 March 2019

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Reconciliatin of cash and cash equivalents as per the cash flow statement		
Presentation of Cash & bank balance in balance sheet :		
Note 13: Cash and cash equivalents		
Balance with banks in current accounts	766,416	686,536
Balance with banks in term deposits	850,000	990,000
Balance with banks other than above	253,500	3,500
Balance with banks in margin money deposits		
Cash on hand (including cheques, drafts and stamps)	590,121	419,208
	2,460,038	**2,099,244**
Note 9: Assets held to cover linked liabilities		
Net current assets		
Bank balances	11,261	6,513
Total cash and bank balance	**2,471,298**	**2,105,757**

The accompanying schedules are an integral part of the financial statements.

For **K.P. Rao & Co**
Chartered Accountants
Firm Registration Number : 003135S

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Desmond J. Rebello
Partner
Membership No: 015140
Place: Mumbai/Bangalore
Date: 25 April 2019

Managing Director & CEO

For **R.G.N. Price & Co**
Chartered Accountants
Firm Registration Number :002785S

Partner
Membership No: 221354
Place: Mumbai/Bangalore
Date: 25 April 2019

C Anil Kumar
Chief Financial Officer

Exide Life Insurance Company Limited

1.1 Corporate information

Exide Life Insurance Company Limited ('the Company') was incorporated as a private limited company in India on 13 December, 2000 to carry on the business of life insurance and annuity. The company has obtained a license from Insurance Regulatory and Development Authority of India ('IRDAI') dated 2 August, 2001 for carrying on the business of life insurance and annuity and has commenced its operating activities thereafter. The Company converted into a Public Limited Company on 2 February, 2007 after obtaining all the necessary approvals.

On 22 March 2013, post the IRDAI approval, Exide Industries Limited acquired the entire stake of ING Insurance International B.V. and other strategic investors (50% of paid up share capital in aggregate). With this acquisition, Exide Industries Limited ("EIL") owns 100% of the paid up share capital of the Company.

Subsequently, the name of the Company was changed to Exide Life Insurance Company Limited w.e.f. 29 April, 2014.

The Company offers a range of life insurance products to the customers through various distribution channels including individual agents, corporate agents, banks, etc. These products include whole life, endowment, money back, unit linked, pension, annuity and term policies etc. with the option of purchasing additional riders with the basic policy.

1.2 Basis of preparation

The financial statements for the period ended 31 March 2019 comprises of the Balance sheet including Statement of profit and loss, Statement of changes in equity, Cash flow statement and notes to accounts.

The financial statements of the Company have been prepared in accordance with measurement and recognition principles of Indian Accounting Standards ("Ind-AS") as issued by the Ministry of Corporate Affairs ("MCA"), to the extent applicable, and in accordance with the provisions of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation, 2002, provisions of the Insurance Act, 1938, Insurance Regulatory and Development Authority Act 1999, various circulars issued by IRDAI and the practices prevailing within the Insurance Industry in India.

These are the Company's annual Ind AS financial statements for the limited purpose of group reporting. For the purposes of statutory reporting, the Company is currently complying with the accounting framework as prescribed by the IRDAI.

IRDAI through its circular no. IRDA/F&A/CIR/ACTS/146/ 06/2017 dated 28 June 2017 deferred the implementation of Ind AS in the insurance sector in India for a period of two years. Accordingly, Ind AS for Indian insurance companies would be applicable from 1 April 2020 (instead of 1 April 2018).

1.3 Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

i. **Income taxes:** Significant judgements are involved in determining provision for income taxes, including the amount to be paid or recovered in connection with uncertain tax positions.

ii. **Measurement of defined benefit obligations:** The cost of the defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iii. **Fair valuation of financial instruments:** The Company determines the fair value of financial instruments that are not traded in an active market using valuation techniques. The Company uses its judgement to select a particular valuation method and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

iv. **Impairment of financial assets:** The Company assesses on a forward looking basis the expected credit losses associated with financial assets carried at amortised cost.

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v. **Property, plant and equipment and Intangible assets:** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically.

vi. **Contingent liabilities:** The Company assesses the contingent liabilities on a periodic basis for appropriate footnotes in its financial statements.

As permitted by the Ind AS 104 Insurance Contracts, the Company continues to apply the existing accounting policies that were applied prior to the adoption of Ind AS, with certain modifications allowed by the standard subsequent to adoption for its insurance contracts and investment contracts with a discretionary participation feature (DPF).

1.4 Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been denominated in thousands.

2. Significant accounting policies

2.1 Product classification

Insurance and investment contracts are classified as being either with or without DPF. DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits that meet the following conditions:

- Likely to be a significant portion of the total contractual benefits

- The amount or timing of which is contractually at the discretion of the issuer

That are contractually based on:

- The performance of a specified pool of contracts or a specified type of contract

- Realized and/or unrealized investment returns on a specified pool of assets held by the issuer

- The profit or loss of the Company, fund or other entity that issues the contract

2.2 Life insurance contract liabilities

Life insurance liabilities are recognized when contracts are entered into and premiums are charged. These liabilities are measured using the gross premium method. The liability is determined as the sum of the discounted value of the expected future benefits, claims handling and policy administration expenses, policyholder options and guarantees and investment income from assets backing such liabilities, which are directly related to the contract, less the discounted value of the expected premiums that would be required to meet the future cash outflows based on the actuarial valuation assumptions used.

2.3 Investment contract liabilities

Investment contracts are classified between contracts with and without DPF. The accounting policies for investment contract liabilities with DPF are the same as those for life insurance contract liabilities. Investment contract liabilities without DPF are recognized when contracts are entered into and premiums are charged. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition, the investment contract liabilities are measured at fair value through profit or loss.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the Balance sheet and are not recognized as gross premium in the Statement of profit and loss.

Fair values are determined at each reporting date and fair value adjustments are recognized in the Statement of profit and loss in "Gross change in contract liabilities.

Non-unitized contracts are subsequently also carried at fair value. The liability is derecognized when the contract expires, discharged or cancelled. For a contract that can be cancelled by the policyholder, the fair value of the contract cannot be less than the surrender value.

When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating

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to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the Balance sheet as described above.

2.4 Reinsurance assets

Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting period.

2.5 Liability adequacy test

The Company performs adequacy testing on its insurance liabilities to ensure that the carrying amounts (net of related deferred acquisition costs) and, where relevant, present value of acquired in-force business is sufficient to cover current estimates of future cash flows. Any deficiency is immediately charged to the Statement of profit and loss.

2.6 Revenue recognition

i. Premium Income

Premium for non-linked policies is recognized as income when due. Premium on lapsed policies is recognized as income when such policies are reinstated.

Products having regular premium paying plans with limited premium payment term and/or pre-determined policy term are treated as regular business with due classification of premium into first year and renewal. Premium income on products other than aforesaid is classified as single premium.

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

Premium income pertaining to investment contracts are accounted as investment liabilities.

ii. Investment contract fee

Investment contract policyholders are charged fees for policy administration, investment management, surrenders or other contract services. The fees may be for fixed amounts or vary with the amounts being managed, and will generally be charged as an adjustment to the policyholder's balance. Fees related to investment management services are recognised as revenue over time, as performance obligations are satisfied. In most cases this revenue is recognised in the same period in which the fees are charged to the policyholder.

Fees that are related to services to be provided in future periods are deferred and recognised when the performance obligation is fulfilled. Variable consideration, such as performance fees and commission subject to claw back arrangements, is not recognised as revenue until it is reasonably certain that no significant reversal of amounts recognised would occur. Initiation and other 'front-end' fees (fees that are assessed against the policyholder balance as consideration for origination of the contract) are charged on some non-participating investment and investment fund management contracts.

Where the investment contract is recorded at amortised cost, these fees are deferred and recognised over the expected term of the policy by an adjustment to the effective yield. Where the investment contract is measured at fair value, the front-end fees that relate to the provision of investment management services are deferred and recognised as the services are provided.

iii. Income from investments

Interest/dividend income on investments is recognized on accrual basis. Amortization of discount/ premium relating to debt securities is recognized over the remaining maturity period on effective interest basis.

Dividend income is recognized when the right to receive dividend is established. Bonus entitlements are recognized as investments on the 'ex- bonus date'.

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iv. Reinsurance Premium

Cost of reinsurance ceded is accounted at the time of recognition of premium income in accordance with the treaty or in principle arrangement/agreement with the reinsurers.

v. Income from linked policies

For linked business, premium income is recognized as income when the associated units are created. Income from unit linked funds which include policy administration charges, mortality charges, etc. and are recovered in accordance with terms and conditions of policy and is recognized when due. Fund management charges are adjusted in the unit price computed on each business date.

vi. Interest on policy loans

Interest on loans against policies is recognized on effective interest basis.

vii. Amortization of premium /discount on securities Income/Cost

Premium or discount on acquisition, as the case may be, in respect of debt securities /fixed income securities, pertaining to non-linked investments is amortized on effective interest rate basis over the expected life of the financial instrument.

viii. Realized Gain/ (Loss) on Debt Securities for Linked Business

Realized gain/(loss) on debt securities for linked business is the difference between the sale consideration net of expenses and the book cost, which is computed on weighted average basis, as on the date of sale.

ix. Realized Gain/ (Loss) on Debt Securities for Non-Linked Business

Realized gain/(loss) on debt securities for other than linked business is the difference between the sale consideration net of expenses and the amortized cost, which is computed on a weighted average basis, as on the date of sale.

x. Realized Gain/ (Loss) on sale of Equity Shares/ Equity ETF/ Mutual Fund

Realized gain/ (Loss) on sale of equity shares/ equity ETF/ mutual fund units is the difference between the sale consideration net of expenses and the book cost computed on weighted average basis as on the date of sale (mutual fund sale considerations would be based on the latest available NAV).

xi. Unrealized Gain/ (Loss) for Linked Business

Unrealized gains and losses for Linked Business are recognized in the Statement of profit and loss.

xii. Fees and Charges

Fees and charges including policy reinstatement fee (if any) are recognised as follows:

a) relating to Insurance contracts - on receipt basis

b) relating to Investment contracts - over time, as the services are provided.

Initial and other front-end fees received for rendering future investment management services relating to investment contracts without DPF, are deferred and recognised as revenue when the related services are rendered.

2.7 Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside Statement of profit and loss is recognized outside Statement of profit and loss (either in other comprehensive income or equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

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Deferred tax

Deferred tax is provided using the Balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside Statement of profit and loss is recognized outside Statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Goods and Service Tax (GST)

GST liability on life insurance services is offset against available input credit. The unutilized input credit, if any, is carried forward under 'Advances and Other Assets'. At each Balance sheet date, the Company assesses the unutilized input Credit for set off in future periods. A provision, if required, is created based on estimated realization of such unutilized input credit.

2.8 Property, plant and equipment

Property, plant and equipment (PPE) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Depreciation on PPE is provided using the straight-line method prorated from the date of capitalization/up to the date of sale based on the economic useful lives of assets as estimate by the management, which are equal to or less than those prescribed in the Schedule II to the Companies Act, 2013. Management's estimates of the economic useful lives of the various PPE are as follows:-

Asset head	Estimated useful life
Information technology assets:	
- Personal computers	3 years
- Mainframe/mini computers[1]	4 years
- Peripheral equipment, local area network[1]	5 years
Furniture and fittings[1]	5 years
Office equipment	5 years
Mobile phones[1]	2 years
Vehicles[1]	4 years
Leasehold improvements	Period of lease/useful life, not exceeding 10 years

[1] Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work in progress - Assets not ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

2.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The Company has intangible assets with finite useful lives as follows:-

Asset head	Estimated useful life
Intangibles(application software)	Period of license/estimated useful life

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

2.10 Benefits paid (including claims)

Benefits paid comprise policy benefit amount and bonus declared to policyholders. Death & surrender claims are accounted for on receipt of intimation based on the terms of policy. Maturity benefits, survival benefits and declared bonuses are accounted for on the respective due dates. Withdrawals and benefits under linked policies are accounted in the respective schemes when the associated units are cancelled.

Repudiated claims disputed before judicial authorities are provided for based on management prudence and considering the fact and evidences available in respect of such claims. Reinsurance recoveries on claims are accounted for, in the same period as the related claims.

Amounts paid under investment contracts other than those with a discretionary participating feature are recorded as reductions of the investment contract liabilities. Amounts received under investment contracts, are not recorded through Statement of profit and loss, except for fee income and investment income attributable to those contracts, but are accounted for directly through the Balance sheet as an adjustment to investment contract liabilities.

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2.11 Actuarial liability valuation

The estimation of liability for life policies is determined by the Appointed Actuary in accordance with accepted actuarial practice, requirements of Insurance Act 1938, amended by the Insurance Laws (Amendment) Act, 2015, IRDAI regulations and the actuarial practice standards issued by The Institute of Actuaries of India.

2.12 Acquisition & maintenance costs

Acquisition and maintenance costs are costs that vary with and are primarily related to the acquisition of new and renewal insurance contracts. Such costs are expensed in the year in which they are incurred.

2.13 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Payments made under operating leases are charged to the Statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Assets acquired under finance leases are capitalized at the inception of the lease and depreciated on straight line basis over the useful life in accordance with the Company's depreciation policy.

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. Refer note 2.30 for applicability of Ind AS 116.

2.14 Impairment of non - financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.15 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.16 Liability for Life Policies

The valuation exercise is done to protect the interests of the existing policyholders. For policies with profit, the reasonable expectations of policyholders (PRE) are also considered. The reserves should be adequate to provide for all the policyholders

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benefits in various future scenarios. Adequate use of Margin for Adverse Deviation (MAD) is made to ensure that policyholders' benefits are protected even in some plausible adverse scenarios.

Actuarial liability for life policies in force and for policies in respect of which premium has been discontinued but a liability exists, is determined using the gross premium method and in case of group business (except for Credit Life Business and Reverse Mortgage Loan Enabled Annuity where gross premium method is used), the actuarial liabilities have been calculated on the basis of Unearned Premium Reserve method. Linked liabilities comprise unit liability representing the fund value of policies and non-unit liability for meeting insurance claims, expenses etc. The main governing guidelines considered for valuation are Insurance Act 1938, IRDA Act 1999, IRDAI (Actuarial Report & Abstract) Regulations 2016, IRDAI (Assets, Liabilities and Solvency Margin of Life Insurance Business) Regulations 2016, Actuarial Practice Standards and Guidance notes issued by Institute of Actuaries of India, Circulars issued by IRDAI from time to time.

2.17 Loans against policies

Loans are stated at historical costs subject to provision for impairment. Interest on loans, if any, is recognized on an accrual basis.

2.18 Transfer of investments between Shareholders and Policyholders

In order to meet the deficit in the Policyholders' account the Company transfers cash or investments from Shareholders' fund to Policyholders' fund in compliance with IRDAI circulars.

2.19 Employee benefits

Employee benefits comprise both defined contribution & defined benefit plans.

Short term benefits

All employee benefits payable within 12 months of rendering the service are classified as Short term employee benefits. All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by the employees.

Long term employment benefits

Defined Contribution Plan

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

National Pension Scheme: The Company makes contribution to the National Pension Scheme for certain employees, which is managed and administered by Pension Fund Management Company licensed by the Pension Fund Regulatory and Development Authority (PFRDA). Contribution made to national pension scheme is charged to the Statement of profit and loss.

Defined Benefit Plan

Gratuity: The Company is required to pay gratuity to the eligible employees under the Payment of Gratuity Act, 1972. The liability is determined by an independent actuary at each Balance sheet date using projected unit cost method and gains / losses arising due to actuarial valuation are charged to other comprehensive income.

The Company contributes towards its liability to Exide Life Insurance Employees Group Gratuity Cum Life Assurance Scheme (Trust). The Company recognizes the net obligation of the scheme in the Balance Sheet as an asset or liability.

Compensated absences

The Company's liability towards leave compensated absences is accounted for on the basis of an actuarial valuation at each Balance sheet date carried out by an independent actuary and the actuarial gains/ losses are charged to the Statement of profit and loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance sheet with a corresponding debit or credit to retained

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earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

i. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

ii. Net interest expense or income

The current and non-current bifurcation is done as per the Actuarial valuation report.

2.20 Financial instruments

a. ***Financial assets***

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Based on business model assessment, for purposes of subsequent measurement, financial assets are classified in four categories:

i. *Debt instruments at amortized cost*

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

Basis above evaluation, Investments in debt securities which are specifically procured and held for Par, Pension and Annuity segments are measured at amortized cost.

ii. Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate basis.

Basis above evaluation, Investments in debt securities which are specifically procured and held for Non-par funds and shareholder funds are measured at FVTOCI.

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iii. Equity and Exchange Traded Fund instruments are measured at fair value through other comprehensive income (FVTOCI)

All equity and exchange traded fund investments in scope of Ind AS 109 are measured at fair value. For such instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity or exchange traded fund instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Dividend income for quoted shares is recognized on ex-dividend date, and for non-quoted shares the dividend is recognized when the right to receive the dividend is established.

Basis above evaluation, the Company has classified Investments in equity and exchange traded fund securities specifically procured and held for Par and Pension funds are measured at FVTOCI.

iv. Debt instruments, derivatives, equity and exchange traded fund instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss

Refer note 34 of notes to accounts for the classification of investments opted by the Company.

The fair value of debt, equity securities, exchange traded funds (ETFs) and mutual funds measured either at fair value through other comprehensive income or fair value through profit and loss is arrived as follows:

Debt securities: Credit and State Government securities are valued as per the valuation price provided by CRISIL Limited (CRISIL). Debt securities other than government securities with a residual maturity over 182 days are valued on a yield to maturity basis, by using spreads over the benchmark rate (based on the matrix released by CRISIL on a daily basis) to arrive at the yield for pricing the security. Debt securities with a residual maturity up to 182 days are valued at last valuation price plus the difference between the redemption value and the last valuation price, based on straight line basis over the remaining term of the instrument.

Equity securities: Listed equity shares are valued at fair value, at the last quoted closing price on the National Stock Exchange Limited (NSE) being the primary exchange and if not quoted on NSE, then at the last quoted closing price on the Bombay Stock Exchange (BSE). Unlisted equity shares are measured using an appropriate technique including discounted cash flow analysis.

Exchange traded funds: The primary exchange for valuation of an exchange traded fund is the last quoted price on NSE. In case the ETF is not listed on NSE, then the secondary exchange for valuation is BSE. If not listed on both the exchanges, then valued at the same days end net asset value of respective mutual fund.

Mutual funds: Mutual fund units as at the balance sheet date are valued at previous day's net asset value of respective mutual fund.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's Balance sheet) when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure.

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At each reporting date, the Company assesses whether financial assets carried at amortised cost and non-equity financial assets carried at FVTOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred since initial recognition.

b. Financial liabilities

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

c. Financial liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in Statement of profit and loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

d. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of profit and loss.

Basis above evaluation, the Company has designated their financial liabilities as at fair value through profit or loss in the following instances:

- Financial liabilities for the account and risk of the Company's customers where the insurance benefits are linked to unit values of investment funds.
- Financial liabilities related to assets measured at fair value in order to reduce or eliminate an accounting mismatch.

iii. Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Accordingly the reinsurance assets and liabilities have been grossed up in the financial statements.

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e. Investments

Investments are made and accounted in accordance with the Insurance Act, 1938, amended by the Insurance laws (Amendment) Act, 2015 and the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, Insurance Regulation and Development Authority (Investment) Regulations, 2016 and Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation, 2002 and other circulars/notifications issued by the IRDAI in this context from time to time.

Investment in debt and equity securities are accounted as per the business model assessment. The Company is maintaining separate funds for Shareholders and Policyholders as per section 11 (1B) of the Insurance Act, 1938. Investments and related incomes are segregated between Participating, Non-Participating, Unit Linked, Par Pension, VIP Non Par Pension, Annuity, and Pension funds.

f. Embedded derivative

Certain derivatives embedded in insurance contracts are treated as separate derivatives when their economic characteristics and risks are nor closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the Statement of profit and loss.

2.21 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

ii. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

iii. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyzes the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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2.22 Foreign currency transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the closing rate of exchange at the balance sheet date. Exchange differences arising on foreign currency transactions settled during the year are recognized as income or expense in the period in which they arise in the Statement of profit and loss.

2.23 Segment Reporting

Business segments

Based on the primary segments identified by chief operating decision maker ('CODM') under IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 ('the Regulations') and in accordance with the "Indian Accounting Standard 108 - Operating Segments", the Insurer's business in India is segmented into Participating business, Non-participating business, Pension business, VIP Non Par Pension, Par Pension, Annuity, Unit Linked business and Shareholders. There are no reportable geographical segments, since all business is written in India.

Segmental revenue and expenses

All segment revenues are directly attributed to the respective individual segments. Expenses for Participating, Non-Participating, Pension, VIP Non Par Pension, Par Pension, Annuity, Unit Linked business, Shareholder funds relate to costs that are incurred to earn the related revenues, and transfer of funds to the Policyholders' Account to meet their expenses.

Allocation of Operating expenses for Segment Reporting

Operating expenses relating to insurance business are assigned to Participating, Non-Participating, Pension, VIP Non Par Pension, Annuity, Par Pension and Unit Linked business segments as follows:

i. Expenses directly identifiable to the business segments are allocated on an actual basis.

ii. Other expenses, which are not directly identifiable, are apportioned to the business segment at the end of the year on either (a) total number of policies issued during the year or (b) annualized premium income or (c) total sum assured for policies issued during the year or (d) total premium income (with or without Group) , nos. of medical cases and no. of renewal policies/in force or (e) Asset under management or (f) weighted average number of policies issued during the year as considered appropriate by the management.

Segmental assets and liabilities

Segment assets and liabilities include those, which are employed by a segment in its operating activity. Other common assets and liabilities, if any, are allocated to the segment on a pre-determined basis. Net PPE are disclosed in the shareholder's segment.

2.24 Deferred acquisition costs (DAC)

Those direct and indirect costs incurred during the financial period arising from the acquiring or renewing of insurance contracts and/or investment contracts with DPF, are deferred to the extent that these costs are recoverable out of future premiums from insurance contract and over duration of investment contracts with DPF. All other acquisition costs are recognized as an expense when incurred.

Subsequent to initial recognition, this DAC asset for life insurance and investment contracts with DPF is amortized over the expected life of the contracts as a constant percentage of expected premiums. DAC for general insurance and health products are amortized over the period in which the related revenues are earned. The deferred acquisition costs for reinsurers are amortized in the same manner as the underlying asset amortization and is recorded in the Statement of profit and loss.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method and are treated as a change in an accounting estimate

An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value, an impairment loss is recognized in the Statement of profit and loss. DACs are also considered in the liability adequacy test for each reporting period.

DACs are derecognized when the related contracts are either settled or disposed of.

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2.25 Cash and cash equivalents

Cash and cash equivalent in the Balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.26 Funds for future appropriation

Linked business

Amounts estimated by Appointed Actuary as Funds for Future Appropriation – Linked are required to be set aside in the Balance sheet and are not available for distribution to shareholders until the expiry of the revival period.

Participating business

At each balance sheet date, the management with the approval of the Board decides to distribute the surplus among policyholders, shareholders and funds for appropriation at a future date. Surplus arising in the participating business after allowing for current year cost of bonus to policyholder is held as funds for future appropriation, which includes the surplus not appropriated during the year either to the policyholders or to the shareholders.

2.28 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period available 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 weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.

2.29 Discretionary Participation Features (DPF)

A DPF gives holders of these contracts the right to receive, as a supplement to guaranteed benefits, significant additional benefits which are based on the performance of the assets held within the DPF portfolio. The amount or timing of the additional benefits is contractually at the discretion of the Company. Under the terms of the contracts, surpluses in the DPF funds to be distributed to policyholders and shareholders on a 90/10 basis. The Company has the discretion over the amount and timing of the distribution of these surpluses to policyholders. All DPF liabilities including unallocated surpluses at the end of the reporting period are held within insurance or investment contract liabilities, as appropriate.

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2.30 Recent accounting pronouncements

Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Full retrospective: Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective: Retrospectively, with cumulative effect of initially applying the Standard recognised at the date of initial application.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is currently assessing the impact of adopting Ind AS 116 on the Company's financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Amendment to Ind AS 12 – Income taxes: On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement: On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in Statement of profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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Amendments to Ind AS 109 Financial Instruments - Prepayment Features with Negative Compensation: Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract. The Company is evaluating the impact on account of this amendment.

Applicability of Ind AS 117 – Insurance Contracts: IRDAI through its circular no. IRDA/F&A/CIR/ACTS/146/ 06/2017 dated 28 June 2017 deferred the implementation of Ind AS in the insurance sector in India for a period of two years. Accordingly, Ind AS for Indian insurance companies would be applicable from 1 April 2020 (instead of 1 April 2018).

Ind AS 117 applies to all types of insurance contracts as well as to certain guarantees and financial instruments with discretionary participation features. In contrast to the requirements in Ind AS 104, which are largely based on grandfathering of previous local accounting policies, Ind AS 117 provides a comprehensive and consistent approach to insurance contracts. The core of Ind AS 117 is the general model, supplemented by a specific adaption for contracts with direct participation features (the variable fee approach) and a simplified approach (the premium allocation approach) mainly for short-duration contracts.

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	Leasehold improvements	Furniture and Fixtures	Information Technology Equipment	Vehicles	Office Equipment	Total	Capital work in progress
3 Property, plant and equipment							
Gross carrying value							
At 1 April 2017	556,220	110,199	250,166	76,039	185,073	1,177,697	4,730
Additions	27,055	5,772	50,801	-	13,444	97,071	9,870
Disposals	4,305	1,487	-	59,735	840	66,368	105
At 1 April 2018	578,971	114,483	300,967	16,304	197,676	1,208,400	14,495
Additions	24,405	7,658	56,409	-	21,097	109,570	21,213
Disposals	3,959	3,042	-	-	3,471	10,472	27,349
At 31 March 2019	599,417	119,099	357,376	16,304	215,303	1,307,498	8,359
Accumulated Depreciation							
At 1 April 2017	475,274	84,952	166,736	71,162	146,736	944,860	-
Additions	13,569	7,713	33,869	2,512	13,410	71,073	-
Disposals	4,110	1,487	-	59,735	823	66,155	-
At 1 April 2018	484,733	91,178	200,605	13,938	159,323	949,778	-
Charge for the year	15,419	8,737	48,846	2,254	18,517	93,773	-
Disposals	3,959	3,012	-	-	3,434	10,404	-
At 31 March 2019	496,194	96,903	249,450	16,192	174,407	1,033,146	-
Net Book Value							
At 31 March 2019	103,224	22,196	107,926	112	40,896	274,351	8,359
At 1 April 2018	94,237	23,305	100,362	2,365	38,353	258,622	14,495

	Software	Intangible assets under development
4 Intangible assets		
Gross carrying value		
At 1 April 2017	358,751	23,586
Additions	57,540	19,705
Disposals	-	325
At 1 April 2018	416,291	42,966
Additions	61,676	8,285
Disposals	-	46,217
At 31 March 2019	477,967	5,034
Amortization		
At 1 April 2017	291,514	-
Additions	28,225	-
Disposals	-	-
At 1 April 2018	319,739	-
Charge for the year	64,044	-
Disposals	-	-
At 31 March 2019	383,783	-
Net Book Value		
At 31 March 2019	94,185	5,034
At 1 April 2018	96,551	42,966

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Particulars	Non-Current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
5 Financial assets - Investments				
a. Financial assets held at Amortised Cost				
Policyholders' Investments				
Trade, quoted Investments				
Government securities and government guaranteed bonds including treasury bills	55,085,655	45,445,567	832,798	703,256
Debentures/ bonds	4,008,608	3,995,354	236,182	148,156
Investments in infrastructure and social sector bonds*	15,456,591	13,514,790	254,473	163,776
Others (CBLO)	-	-	111,369	185,516
Unquoted Investments				
Other securities (Policy Loan)	3,711,767	2,843,949	-	-
Total [A]	**78,262,623**	**65,799,660**	**1,434,821**	**1,200,704**
Less: Impairment loss [B]	(37,500)	-	-	-
Net Investments [A-B]	**78,225,123**	**65,799,660**	**1,434,821**	**1,200,704**
b. Financial assets held at FVOCI				
Policyholders' Investments				
Trade, quoted Investments				
Government securities and government guaranteed bonds including treasury bills	16,891,169	12,777,234	145,235	50,011
Debentures/ bonds	1,399,541	1,636,912	91,568	-
Investments in infrastructure and social sector bonds*	3,229,283	2,709,503	45,574	-
Equity securities	4,099,555	5,217,142	-	-
Unquoted Investments				
Equity securities	220,063	185,000	-	-
Shareholders' investments				
Trade, quoted investments				
Government securities and government guaranteed bonds including treasury bills	7,591,187	6,137,045	58,472	-
Debentures/ bonds	211,497	225,317	19,991	-
Investments in infrastructure and social sector bonds*	1,796,825	1,751,712	191,198	351,144
Total	**35,439,120**	**30,639,865**	**552,038**	**401,156**
c. Financial assets held at FVTPL				
Shareholders' investments				
Trade, quoted investments				
Mutual funds	-	-	248,737	541,916
Policyholders' Investments				
Trade, quoted Investments				
Mutual funds		-	3,215,544	2,050,736
Equity securities	749,497	959,719	-	-
Unquoted Investments				
Equity securities	77,319	65,000	-	-
Assets held to cover linked liabilities:				
Trade, quoted Investments				
Government securities and government guaranteed bonds including treasury bills	2,842,432	3,668,512	1,289,924	1,650,918
Equity securities	11,481,480	12,102,371	-	-
Debentures/ bonds	869,247	590,577	202,107	142,819
Investments in infrastructure and social sector bonds	1,941,159	987,393	77,521	393,741
Mutual funds	-	-	1,002,380	673,699
Others (CBLO)	-	-	287,574	138,952
Net current assets				
Bank balances	-	-	11,261	6,513
Interest and dividend accrued on Investment	-	-	146,280	153,166
Outstanding contract (net)	-	-	(81,379)	251,741
Other current assets	-	-	137,073	228,544
Other current liabilities	-	-	(39,174)	(364,085)
	17,961,134	18,373,572	6,497,847	5,868,660
Aggregate carrying value of quoted investments	127,616,228	111,719,149	8,310,645	7,194,641
Aggregate market value of quoted investments	129,676,192	113,277,320	8,291,867	7,183,167
Aggregate value of unquoted investments	4,009,149	3,093,949	-	-
Aggregate amount of impairment in value of investments	37,500	-	-	-

*Refer note 57 for details on provision on IL&FS securities

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	Non-current		Current	
	31 March 2019	**31 March 2018**	**31 March 2019**	**31 March 2018**
6 Financial assets - Loans				
Loans against policies	-	-	-	-
Loans to employees	428	471	954	1,046
Security deposits (net of allowance for credit loss)#	188,956	96,453	15,336	102,254
	189,383	96,924	16,290	103,300
#The movement in allowance is presented as follows:				
Balance at the beginning of the year	10,292	19,682	-	-
Add : Allowance created during the year	-	-	-	-
Less : Amount reversed during the year	(60)	(9,390)	-	-
Balance at the end of the year	10,232	10,292	-	-
Break-up of security details				
Loans considered good - Secured	-	-	-	-
Loans considered good - Unsecured	199,615	107,216	16,290	103,300
Loans which have significant increase in credit risk	-	-	-	-
Loans - credit impaired	-	-	-	-
Total	**199,615**	**107,216**	**16,290**	**103,300**
Loss allowance	(10,232)	(10,292)	-	-
Total loans	189,383	96,924	16,290	103,300
7 Financial asset - Trade receivables				
Due from policyholders	-	-	892,983	881,378
Due from agents, brokers and intermediaries	-	-	209,552	84,310
	-	-	1,102,535	965,688
Break-up of security details				
Trade receivables considered good - Secured	-	-	-	-
Trade receivables considered good - Unsecured	-	-	1,102,535	965,688
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables - credit impaired	-	-	-	-
Total	-	-	**1,102,535**	**965,688**
Loss allowance	-	-	-	-
Total loans	-	-	1,102,535	965,688
8 Cash and cash equivalents				
Balances with banks:				
In current accounts	-	-	766,416	686,536
Cheques on hand	-	-	448,849	282,370
Cash on hand*	-	-	141,272	136,838
	-	-	1,356,538	1,105,744
In term deposits (Refer Note (i))	-	-	850,000	990,000
	-	-	850,000	990,000
	-	-	2,206,538	2,095,744

(i) Includes ₹ 900 with commercial tax department (Govt. of J&K) as security under GST and ₹ 100 with Kotak Mahindra Bank as margin money for Bank Guarantee.

* Cash on hand includes stamps on hand.

	Non-current		Current	
	31 March 2019	**31 March 2018**	**31 March 2019**	**31 March 2018**
9 Other financial assets				
Salary advances	-	-	1,883	2,914
Income Accrued on Investments (net of impairment loss)*	-	-	2,708,846	2,340,607
Investments held to meet policyholders' dues	-	-	555,480	618,804
FFS recovery	-	-	28,370	22,715
Others (includes last day units, contracts for sale of equity etc.)	-	-	-	403,184
	-	-	3,294,580	3,388,224

*includes impairment loss of INR 52,337

	Non-current		Current	
	31 March 2019	**31 March 2018**	**31 March 2019**	**31 March 2018**
10 Other assets				
Prepayments	33,265	54,659	69,438	63,298
Advances to employees	-	-	21,862	35,624
Advance Income Tax	21,735	15,484	-	-
GST input credit receivable	-	-	342,253	376,437
Advances to suppliers	-	-	266,119	304,363
Deposits with customs, excise etc.	453,720	197,171	185,179	-
Others (includes claims receivable)	-	-	3,719	2,729
	508,720	267,314	888,571	782,451

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Particulars	31 March 2019	31 March 2018
11 Equity share capital		
(a) Authorised		
1,900,000,000 (Previous year: 1,900,000,000) equity shares of ₹ 10 each	19,000,000	19,000,000
Issued, subscribed and fully paid-up share capital		
1,850,000,000 (Previous Year: 1,750,000,000) Equity shares of ₹10 each	18,500,000	17,500,000
Total	**18,500,000**	**17,500,000**

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period are as given below:

	31 March 2019		31 March 2018	
	No.	₹000	No.	₹000
Number of shares outstanding at the beginning of the year	1,750,000,000	17,500,000	1,750,000,000	17,500,000
Rights issue during the year	100,000,000	1,000,000	-	-
Number of shares outstanding at the end of the year	**1,850,000,000**	**18,500,000**	**1,750,000,000**	**17,500,000**

(c) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Par Pension*

(d) Rights issue

During the Financial Year 2018-19, Rights issue of 100,000,000 equity shares of ₹ 10/- each on October 04, 2018 were made to the existing equity shareholders of the Company. The issue was fully subscribed.

(e) Shares held by Holding Company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its Holding Company and their subsidiaries/ associates are as below:

Name	31 March 2019 ₹ 000	31 March 2018 ₹ 000
Exide Industries Limited, the holding Company		
1,850,000,000 (Previous Year: 1,750,000,000) equity shares of ₹ 10 each fully paid *	18,500,000	17,500,000

(f) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	31 March 2019		31 March 2018	
	No.	% holding	No.	% holding
(Equity shares of ₹ 10 each fully paid)				
Exide Industries Limited**	1,850,000,000	100.00	1,750,000,000	100.00

** The shares held by Exide Industries Limited (EIL) include 60 (Previous Year: 60) shares jointly held with six individual nominee shareholders of EIL.

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(g) There are no shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of five years immediately preceding the balance sheet date.

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Particulars	31 March 2019	31 March 2018
12 Other equity		
Reserves and Surplus		
Retained earnings balance		
Opening balance	(8,371,267)	(8,470,417)
Net (loss)/ profit for the period (restated)	160,265	493,815
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of post-employment benefit obligation	(4,284)	2,402
- Transfer of realized gain for the year on equity measured at FVTOCI	(281,014)	(397,066)
- Reclass of share issue expenses	1,001	-
Closing balance [A]	(8,495,299)	(8,371,266)
FVTOCI Reserve [B]	1,521,284	715,855
Other reserves [C]	(18,229)	(21,512)
Total [A+B+C]	(6,992,243)	(7,676,923)

Nature and purpose of other reserves

i. Debt instruments through OCI

The Company has elected to recognise changes in the fair value of certain investments in debt instruments in other comprehensive income. These changes are accumulated within the Debt instruments through OCI reserve within equity. The Company transfers the amount from this reserve to retained earnings when the relevant debt securities are derecognised. Refer Note 34 for details of debt securities measured at FVTOCI.

ii. Equity instruments through OCI

The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within the Equity instruments through OCI reserve within equity and do not get transferred to retained earnings on derecognition of the equity securities. Refer Note 34 for details of equity securities measured at FVTOCI.

iii. Other reserves

The Company transfers the actuarial gains and losses arising on remeasurement of defined benefit obligation to Other items of OCI. Share issue expenses incurred by the Company are adjusted in Other items of OCI.

	31 March 2019	31 March 2018	31 March 2019	31 March 2018
13 Provisions				
Provision for rent equalization	24,347	30,887	4,571	758
	24,347	30,887	4,571	758
14 Employee benefit obligation				
Provision for compensated absences	42,291	41,175	11,914	11,361
Provision for gratuity	-	-	-	23,436
Salary payable	-	-	5,932	13,437
	42,291	41,175	17,846	48,234

Movement of provisions	**Compensated**	**Gratuity**	**Rent equalization**	**Total**
At 31 March 2018	52,536	23,436	31,647	107,619
Arising during the year	1,669	-	-	1,669
Utilized / Reversed	-	(23,436)	(2,728)	(26,164)
At 31 March 2019	54,205	-	28,918	83,123

15 Insurance Contract Liabilities*	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Policy liabilities				
Insurance Contracts Liabilities*				
- Par	61,484,196	52,284,628	6,002,801	4,529,558
- Par Pension	24,136	-	3,237	-
- Non Par	24,312,636	19,183,366	1,276,321	1,106,205
- Annuity	756,218	475,642	-	-
- VIP Non Par Pension	9,142,339	8,234,142	8,113	7,865
Provision for linked liabilities	15,163,207	16,295,735	121,234	125,438
Fair value change (linked)	2,250,247	1,408,144	-	-
Non-unit liabilities	97,258	109,097	-	-
	113,230,237	97,990,754	7,411,706	5,769,066

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15A Investment Contract Liabilities**

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
- Pension	8,602,624	8,610,913	-	-
- VIP Non Par Pension	221,996	209,097	21	7
- Linked	1,912,198	2,175,640	11	7
	10,736,819	**10,995,650**	**32**	**14**

*** Movement of Policyholders' Funds, Funds for Discontinued Policies, Funds for Future Appropriation and Embedded Derivative liability during the year ended 31 March 2019**

Particulars	With DPF	Linked Business	Others	Total
Gross Liability at the beginning of the year	57,529,271	18,561,906	29,678,578	105,769,755
Add/(Less)				
Expected Premium	13,806,269	1,645,342	4,777,186	**20,228,797**
Unwinding of the discount/ interested credited	5,371,033	1,581,842	4,314,564	**11,267,439**
Changes in valuation for expected future benefits	-	-	-	-
Insurance liabilities released	(7,520,964)	(4,032,365)	(1,547,957)	**(13,101,285)**
Undistributed participating policyholders surplus	699,950	-	-	**699,950**
Others - Non-unit liabilities	(956,155)	599,950	(1,120,052)	**(1,476,257)**
Gross Liability at the end of the year	**68,929,406**	**18,356,675**	**36,102,320**	**123,388,399**
Recoverable from Reinsurance	(2,683)	(1,164)	(820,177)	(824,024)
Net Liability	**68,926,723**	**18,355,511**	**35,282,143**	**122,564,376**
Closing UPPS included in gross liability at the end of the year	1,415,034	-	-	1,415,034

**** Movement of Investment Contracts Liabilities during the year ended 31 March 2019**

Particulars	With DPF	Linked Business	Others	Total
At the beginning of the year	-	2,175,647	8,820,018	**10,995,665**
Additions				
Premium	-	154,105	399,883	**553,988**
Interest & Bonus credited to policyholders	-	183,805	765,094	**948,899**
Others (to be specified)	-	-	-	-
Deductions				
Withdrawals/ Claims	-	597,207	1,150,193	**1,747,400**
Fee Income & Other Expenses	-	4,140	10,161	**14,301**
Others (to be specified)	-	-		
At the end of the year	-	**1,912,210**	**8,824,641**	**10,736,851**

*** Movement of Policyholders' Funds, Funds for Discontinued Policies, Funds for Future Appropriation and Embedded Derivative liability during the year ended 31 March 2018**

Particulars	With DPF	Linked Business	Others	Total
Gross Liability at the beginning of the year	47,188,273	20,209,241	24,520,904	**91,918,419**
Add/(Less)				
Expected Premium	11,846,612	1,300,606	3,985,906	**17,133,124**
Unwinding of the discount/ interested credited	4,283,523	1,768,680	2,196,385	**8,248,588**
Changes in valuation for expected future benefits	-	-	-	-
Insurance liabilities released	(5,431,448)	(6,075,027)	(268,034)	**(11,774,509)**
Undistributed participating policyholders surplus	299,477	-	-	**299,477**
Others - Non-unit liabilities	(657,166)	1,358,405	(756,583)	**(55,344)**
Gross Liability at the end of the year	**57,529,271**	**18,561,906**	**29,678,577**	**105,769,755**
Recoverable from Reinsurance	(2,432)	(988)	(547,601)	(551,022)
Net Liability	**57,526,838**	**18,560,917**	**29,130,976**	**105,218,732**
Closing UPPS included in gross liability at the end of the year	715,084	-	-	715,084

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** Movement of Investment Contracts Liabilities during the year ended 31 March 2018

Particulars	With DPF	Linked Business	Others	Total
At the beginning of the year	-	2,242,585	9,056,361	11,298,945
Additions				
Premium	-	350,919	401,138	752,057
Interest & Bonus credited to policyholders	-	177,535	786,161	963,696
Others (to be specified)	-	-	-	
Deductions				
Withdrawals/ Claims	-	590,093	1,414,277	2,004,370
Fee Income & Other Expenses	-	5,298	9,364	14,663
Others (to be specified)				
At the end of the year	-	2,175,648	8,820,018	10,995,666

	Non-current		Current	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
16 Financial liabilities - Trade payables				
Trade payables - micro and small enterprises	-	-	-	-
Trade payables - others	-	-	2,894,516	2,996,018
Trade payables to related parties	-	-	-	-
	-	-	2,894,516	2,996,018
17 Other financial liabilities				
Embedded Derivative Liability	4,749	5,772	-	-
Others (includes Policy deposits and last day units (net))	-	-	663,850	883,288
	4,749	5,772	663,850	883,288
18 Other liabilities				
Premium received in advance	-	-	192,345	123,578
Statutory dues payable:				
Provident fund	-	-	22,937	21,469
Tax deducted at source	-	-	57,028	55,256
Service tax	-	-	244,875	221,714
Others (includes ESI, professional tax)	-	-	6,246	6,084
Temporary overdraft (as per books of account only)	-	-	-	-
	-	-	523,431	428,101
	4,749	5,772	4,081,798	4,307,407

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	Particulars	31 March 2019	31 March 2018
19	**Revenue from operations**		
	Gross premiums on insurance contracts (includes fee from investment contracts)	28,322,283	24,581,472
	Premiums ceded to reinsurers on insurance contracts	(746,426)	(742,313)
	Investment Income	8,611,327	7,042,498
	Net realised gains and losses	858,799	2,884,222
	Fair value gains and losses on financial assets at FVTPL	842,104	(675,636)
	Total revenue from operations	37,888,088	33,090,243

Revenue includes revenue from insurance contracts that are covered in the scope of Ind AS 104, 'Insurance Contracts'. Any amount (excluding the fee) received with respect to contracts classified as investment contracts form part of investment contract liability in the Balance sheet. Therefore, all amounts received or receivable from insurance and investment contracts do not fall within the purview of Ind AS 115, 'Revenue from contracts with customers'. Further, the fee charged to the investment contract policyholders for policy administration, investment management, surrenders etc. is covered under the scope of Ind AS 115 and is recognised as revenue over time, as and when the performance obligations are satisfied. In all the cases, this revenue is recognised in the same period in which the fee is charged to the policyholders and therefore, no revenue is deferred. Consequently, the Company does not have any contract asset or contract liability with respect to unsatisfied performance obligations as at the Balance sheet date.

	Particulars	31 March 2019	31 March 2018
20	**Other income**		
	Gain on sale of fixed assets	577	-
	Net foreign exchange gain	10	-
	Unwinding of interest income on security deposits	6,577	6,412
	Miscellaneous income	72,070	182,341
		79,234	188,753
21	**Net benefits and claims**		
	a. Gross benefits and claims paid		
	Life insurance contracts	10,251,963	10,313,925
		10,251,963	10,313,925
22	**Change in valuation of liability in respect of life insurance policies in force**		
	Change in valuation of liability in respect of life Insurance policies in force	16,645,692	13,201,333
	Surplus/ (Deficit) in par and unit linked funds adjusted from existing surplus	1,018,091	567,406
	Release from funds for future appropriations	(318,140)	(267,929)
		17,345,644	13,500,811
23	**Employee benefit expenses**		
	Salaries, allowances and bonus (including managerial remuneration) (Refer Note 40)	2,813,047	2,625,827
	Contributions to provident and other funds	153,898	149,650
	Gratuity expense (refer note 31)	25,849	30,854
	Leave compensation	24,613	28,750
	Staff welfare expenses	75,133	70,436
		3,092,540	2,905,517
24	**Other expenses**		
	Sales commission	1,852,772	1,449,874
	Sales and business promotion expenses	1,866,685	1,471,099
	Repairs and maintenance		
	Leasehold improvements	4,920	6,906
	Office and IT equipments	271,076	283,998
	Others	100,441	91,440
	Rent (Refer Note 29)	363,183	354,332
	Rates and taxes	205,206	273,772
	Insurance	1,510	1,667
	Professional charges	559,724	498,383
	Communication expenses	46,044	51,992
	Advertisement and publicity	316,169	402,939
	Travel and conveyance	153,625	139,969
	Electricity charges	73,670	73,035
	Loss on sale of assets	-	193
	Auditors' fees (refer note 33)	4,808	4,131
	Miscellaneous expenses	266,070	277,180
	Corporate social responsibility expenses (refer note 52)	17,419	17,770
	Total	6,103,322	5,398,680

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25 Finance cost

Income earned by the Company on investments pertaining to investment contracts of ₹ 948,899 (Previous Year: ₹ 963,696) needs to be repaid to the policyholders as part of benefits paid. Therefore, the same forms part of the finance cost in the statement of profit and loss.

26 Contingent liabilities not provided for

Particulars	31 March 2019	31 March 2018
a. Partly paid up investments (On account of right issue of Tata Steel)	-	28,972
b. Underwriting commitments outstanding (in respect of shares and securities)	-	-
c. Claims, other than those under policies, not acknowledged as debts by the Company	-	-
d. Guarantees given by or on behalf of the Company	-	-
e. Statutory demands / liabilities in dispute, not provided for (*)	2,594,631	2,997,954
f. Re-insurance obligations to the extent not provided for in accounts	-	-
g. Others		-
- Including policy claims under dispute	80,003	179,616
- Claim under Arbitration**	569,330	467,658
Total	**3,243,964**	**3,674,200**

(*) Indirect tax

Notes

* i) The Company had received three demand orders on December 28, 2012 from the Office of the Commissioner of Service tax with respect to excess utilization of CENVAT credit for payments of service tax liability for the financial years 2008-09, 2009-10 & 2010-11 amounting to ₹ 2,312,311 along with interest and penalty. The Company has made a deposit of ₹ 170,000 on May 26, 2014 in respect of the above demands based on the stay order passed by Central Excise and Service Tax Appellate Tribunal (CESTAT) on April 01, 2014. The main matter is pending for hearing.

ii) The Company has received a demand order of ₹ 123,489 along with interest and penalty on December 24, 2014 from Director General of Central Excise Intelligence (DGCEI) with respect to non-inclusion of sales promotion and agent training expenses from the FY 2008 - 2013 in the service tax liability computation under reverse charge mechanism. The Company has made a pre-deposit of ₹ 9,262, appeal filed before the CESTAT against the order on March 20, 2015.

iii) The Company received a demand order of ₹ 41,920 along with interest and penalty on 18 December 2017 from Commissioner of Service Tax with respect to non-inclusion of sales promotion and agent training expenses from the FY 2013-14 to 2014-15 in the service tax liability computation under reverse charge mechanism. The Company has made a pre-deposit of ₹ 3,144, appeal filed before the CESTAT against the order on March 16, 2018.

iv) The Company received a demand order of ₹ 44,107 along with interest and penalty on 23 April 2018 from Commissioner of Service Tax with respect to non-inclusion of sales promotion and agent training expenses for the FY 2015-16 in the service tax liability computation under reverse charge mechanism. The Company has submitted reply against the order on 20th May 2018.

v) The Company received a demand order of ₹ 30,638 along with interest and penalty on 13 March 2019 from Commissioner of Service Tax with respect to non-inclusion sales promotion and agent training expenses from the FY 2016-17 and Q1 2017-18 in the service tax liability computation under reverse charge mechanism. The Company has submitted reply against the order on 15 April 2019.

vi) The Company received a demand order of ₹ 25,100 along with interest and penalty on 18 December 2017 from Commissioner of Service Tax with respect to office housekeeping expenses from the FY 2011-12 to 2014-15. The Company has made a pre-deposit of ₹ 1,883, appeal filled before CESTAT against the order on 16 March 2018.

vii) The Company received a demand order of ₹ 5,183 along with interest and penalty on 20 July 2018 from Commissioner of Service Tax with respect to input credit availed by the Company on Surrender Charges collected for the period May 2011 to July 2011. The Company has filed an appeal before Commissioner (Appeals) against the order on 04 Sep 2018, hearing scheduled on 24 April 2019.

viii) The Company received a demand order of ₹ 11,884 along with interest and penalty on 21 December 2018 from Joint Commissioner of Service Tax with respect to input credit availed by the Company on Overdue Premium for the period Feb 2009 to March 2013. The Company has filled appeal before Commissioner (Appeals) against the said order, hearing scheduled on 24 April 2019.

** An Arbitral Award was passed by the Sole Arbitrator Justice RV Raveendran (Retd) on 15 May 2018 in the arbitration proceedings commenced by Kotak Mahindra Bank Limited (Kotak) against Exide Life Insurance Company Limited (Exide Life) where under Exide Life has inter alia been directed to pay renewal commission to Kotak. Based on the opinion from Counsel, Exide Life has challenged the Arbitral Award by filing a Section 34 petition before the City Civil Court, Bangalore on August 04, 2018 being AS 167/2018. The City Civil Court heard the matter on August 06, 2018 and granted stay of the Arbitral Award subject to deposit of the complete Award Amount in Court. Exide Life complied with the said stay order dated August 6, 2018 and an amount of ` 433,984 was deposited with the City Civil Court on August 8, 2018. On August 14, 2018 Kotak made an application to withdraw the entire amount deposited by Exide Life. Exide Life filed its conditional objections to Kotak's application to withdraw the entire amount deposited with the Court. After hearing the parties, the City Civil Court by its Order dated December 12, 2018 permitted Kotak to withdraw the deposited amount subject to certain conditions. Kotak did not satisfy the conditions and has not withdrawn the award amount deposited with the City Civil Court. Thereafter on February 2, 2019 Kotak filed its Statement of Objections to the Petition filed by Exide Life before the City Civil Court along with a Memo alleging that Exide Life has not complied with Order of the City Civil Court dated December 12, 2018. Exide Life has filed its Memo of Objections on April 5, 2019 and the matter is posted for hearing on June 6, 2019.

On March 29, 2019 Notice was served on Exide Life with respect to a Writ Petition being WP 10454/2019 filed by Kotak before the High Court of Karnataka seeking directions of the High Court to set aside the conditions imposed in Order dated December 12, 2018 passed by the City Civil Court in AS 167/2018. Exide Life has filed its Statement of Objections to the said Writ Petition on April 12, 2019. We are presently watching the matter for listing which will come up in due course, connected with the AS 167/2018.

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27 Capital and other commitments

Particulars	31 March 2019	31 March 2018
Commitments for acquisition of property, plant and equipment (net of advances)	32,920	27,276
Commitments made and outstanding for investments	-	28,972
Commitments made and outstanding for loans	-	-
	32,920	**56,248**

There are no other material commitments other than those disclosed above.

28 Taxation

a) Income tax expense:

The major components of income tax expense for the year ended March 31, 2019 and March 31, 2018 are as follows.

Particulars	**31 March 2019**	**31 March 2018**
Current tax expense	-	-
Deferred tax expense	(29,532)	(2,082)
Total Income tax expense recognized in Statement of Profit & Loss	(29,532)	(2,082)

b) Reconciliation of current tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2019 and March 31, 2018:

Particulars	31 March 2019	31 March 2018
Accounting profit before income tax from continuing operations	(85,197)	97,069
Income tax expense at applicable income tax rate of 14.56% (March 31, 2018: 14.56%)	-	14,133
Current tax expense reported in the statement of profit and loss (*)	-	-

As per Ind AS 12 on Income Taxes and as prescribed in Section 133 of the Companies Act 2013 and Companies (Indian Accounting Standards), Rules 2015 and other relevant provisions of the Act , deferred tax assets are recognized for unused tax losses to the extent it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amountof deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(*) The Company has unabsorbed carried forward tax losses of INR 2,117,294 as at the last day of the reporting period. Considering this, the Company based on future projections of availability of sufficient taxable profits and on conservative basis has recognised an additional deferred tax asset of INR 29,532 after considering the tax expense on current year profits.

29 Operating leases – as lessee

The Company has entered into agreements in the nature of cancellable and non-cancellable lease/leave and license agreements with different lessors / licensors for office premises, office equipment, vehicles, computers, servers, IT peripheral and modular furniture's and fixtures. These are generally in the nature of operating leases/leave and licenses and disclosures required as per Ind AS 17 "Leases" as prescribed in the Companies (India Accounting Standards), Rules 2015 and other relevant provisions of the Act (applicable as per the provisions of the Companies Act 2013) with regard to the above is as under:

Particulars	31 March 2019	31 March 2018
Payment for not later than 1 year	300,581	308,427
Payment for later than 1 year but not later than 5 years	997,668	1,012,299
Later than 5 years	58,419	279,588
	1,356,668	1,600,314

Lease rental payments recognised in the revenue account under the head Rents, rates and taxes for the current year are ₹388,340 (Previous Year: ₹311,859), these figures are exclusive of GST amount. There are no transactions in the nature of sub-leases.

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30 **Related party disclosures**

Details of transactions with Related Parties during the year as required by Ind AS 24 on 'Related Party Disclosures' have been disclosed on the basis of parties identified by the management to be within the definition of related parties as per the Standard and noted by the Board of Directors. Accordingly, the information is disclosed hereunder.

Names of related parties and nature of relationship:

Related parties where control exists irrespective of whether transactions have occurred or not

Nature of relationship	Name of the entity	Ownership interest	
		31 March 2019	31 March 2018
Holding Company	Exide Industries Limited	100%	100%

Related parties with whom transactions have taken place during the year

Nature of relationship	Name of the entity
Post employment benefit plan entity	Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)
Fellow subsidiaries	Chloride Power System and Solution Limited
Enterprises with common key managerial personnel	Raheja QBE General Insurance Company Limited Outlook Publishing (India) Private Limited Juhu Beach Resort Limited Hathway Cable & Datacom Limited Hathway Investment Private Limited Prism Johnson Limited
Key managerial personnel	Rajan Raheja, Chairman Kshitij Jain, Managing Director & Chief Executive Officer C Anil Kumar, Chief Financial Officer Rangarajan B N, Appointed Actuary & CRO Ashish Kumar Mukherjee, Director Mona Desai, Director Vinayak Aggarwal, Director Vijay Aggarwal, Director Atanu Sen, Director Manas Ranjan Panda , Company Secretary

Related party transactions
The Company has entered into transactions with related parties. The transactions along with the related balances as at 31 March 2019 and 31 March 2018 and for the year then ended are presented in the following table:

Particulars	Holding Company		Enterprises on which the Company has significant influence		Key management personnel		Total	
	Transaction Value	Balance outstanding as on 31 March 2019	Transaction Value	Balance outstanding as on 31 March 2019	Transaction Value	Balance outstanding as on 31 March 2019	Transaction Value	Balance outstanding as on 31 March 2019
Life insurance premium								
Exide Industries Limited	7,712	-	-	-	-	-	7,712	-
	(7,366)	-	-	-	-	-	(7,366)	-
Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	45,011	-	-	-	45,011	-
	-	-	(13,072)	-	-	-	(13,072)	-
Raheja QBE General Insurance Company Limited	-	-	281	-	-	-	281	-
	-	-	(352)	-	-	-	(352)	-
Hathway Investments Private Limited	-	-	8	-	-	-	8	-
	-	-	(8)	-	-	-	(8)	-
Hathway Cable & Datacom Limited	-	-	5,375	-	-	-	5,375	-
	-	-	(1,354)	-	-	-	(1,354)	-

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Juhu Beach Resort Limited	-	-	45	-	-	-	45	-
	-	-	(46)	-	-	-	(46)	-
Sonata Software Limited	-	-	3,224	-	-	-	3,224	-
	-	-	(2,469)	-	-	-	(2,469)	-
Chloride Power Systems & Solutions Limited	-	-	9,113	-	-	-	9,113	-
	-	-	(4,466)	-	-	-	(4,466)	-
Outlook Publishing (India) Private Limited	-	-	130	-	-	-	130	-
	-	-	(136)	-	-	-	(136)	-
Prism Johnson Limited	-	-	18,020	-	-	-	18,020	-
	-	-	(19,261)	-	-	-	(19,261)	-
Key Management Personnel	-	-	-	-	1,438	-	1,438	-
	-	-	-	-	(1,463)	-	(1,463)	-
Benefits paid								
Exide Industries Limited	2,704	-	-	-	-	-	2,704	-
	(5,807)	-	-	-	-	-	(5,807)	-
Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	20,761	-	-	-	20,761	-
	-	-	(19,401)	-	-	-	(19,401)	-
Hathway Cable & Datacom Limited	-	-	2,879	-	-	-	2,879	-
	-	-	(9,125)	-	-	-	(9,125)	-
Outlook Publishing (India) Pvt Ltd	-	-	156	-	-	-	156	-
	-	-	-	-	-	-	-	-
Prism Johnson Limited	-	-	19,743	-	-	-	19,743	-
	-	-	(13,895)	-	-	-	(13,895)	-
Sonata Software Limited	-	-	-	-	-	-	-	-
	-	-	(7,500)	-	-	-	(7,500)	-
Chloride Power Systems & Solutions Limited	-	-	152	-	-	-	152	-
	-	-	-	-	-	-	-	-

	Holding Company		Enterprises on which the Company has significant influence		Key management personnel		Total	
	Transaction Value	Balance outstanding as on 31 March 2019	Transaction Value	Balance outstanding as on 31 March 2019	Transaction Value	Balance outstanding as on 31 March 2019	Transaction Value	Balance outstanding as on 31 March 2019
Investments made in the funds of the Company								
Hathway Cable & Datacom Limited	-	-	-	101,675	-	-	-	101,675
	-	-	(101,675)	(101,675)	-	-	(101,675)	(101,675)
Expenditure incurred on behalf of the Company								
Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Contribution made to Gratuity Trust								
Exide Life Insurance Employee Group Gratuity cum Life Assurance Scheme (Trust)	-	-	45,001	-	-	-	45,001	-
	-	-	(13,000)	-	-	-	(13,000)	-

Amounts in thousands (₹000) unless otherwise stated

Services provided by the Company								
Raheja QBE General Insurance Company Limited	-	-	1,177	-	-	-	1,177	-
	-	-	(364)	-	-	-	(364)	-
Sonata Software Limited	-	-	44,858	-	-	-	44,858	-
	-	-	(45,330)	-	-	-	(45,330)	-
Share Capital								
Exide Industries Ltd	1,000,000	18,500,000	-	-	-	-	1,000,000	18,500,000
	-	(17,500,000)	-	-	-	-	-	(17,500,000)
Remuneration to key managerial personnel*								
- Salary and Bonus	-	-	-	-	79,765	-	79,765	-
	-	-	-	-	(79,680)	-	(79,680)	-
- Value of perquisites (including sitting fees)	-	-	-	-	2,019	-	2,019	-
	-	-	-	-	(919)	-	(919)	-

Particulars	31 March 2019	31 March 2018
Salaries and bonuses	79,765	79,680
Other short term employee benefits	2,019	919
Post employment benefits	-	-
Long term employment benefits	-	-
Termination benefits	-	-
Total Compensation	81,784	80,599

Note.
Figures in brackets relate to previous year.
The value of perquisites has been computed in accordance with the Income Tax Act, 1961.
The above figures do not include provision for gratuity and leave encashment payable, as the same is actuarially determined for the Company as a whole.
* Compensation details of Key Managerial Personnel

Amounts in thousands (₹000) unless otherwise stated

31 **Employee benefits:**

Provisions for employee benefits under Ind AS 19:

(a) Defined Contribution Plan: Amount recognized as expenses ₹ 118,316 (Previous Year: ₹ 115,913) for the year ended March 2019.

(b) Defined Benefit plan:

The provision for employees' benefit is reflected in the attached balance sheet in accordance with Ind AS 19 and is calculated, as at the reporting date based on an independent actuarial study performed by the actuarial valuer.

Actuarial study analysis	31 March 2019	31 March 2018
Principal actuarial assumptions		
Discount rate	7.15%	7.30%
Salary escalation rate:		
Year 1	6.00%	6.00%
After Year 1	6.00%	6.00%
Mortality rate	100% of IALM (2006-08) Ultimate	100% of IALM (2006-08) Ultimate
Complete duration in service years		
0 -3	30.00%	30.00%
4 -8	15.00%	15.00%
> 8 years	10.00%	10.00%
Retirement age	60 years	60 years
Components of income statement charge		
Current service cost	24,138	30,573
Interest cost (net)	1,711	281
Total income statement charge	**25,849**	**30,854**
Movements in net liability/(asset)		
Net liability/(asset) at the beginning of the period	23,435	3,181
Employer contributions	45,000	13,000
Total expense recognised in profit or loss	25,849	30,853
Total amount recognised in OCI	(4,284)	2,402
Net liability/(asset) at the end of the period	-	**23,436**
Reconciliation of benefit obligations		
Obligation at start of the period	143,317	124,272
Current service cost	24,138	20,891
Interest cost	10,462	8,129
Remeasurement arising from assumption change and experience variance	(4,432)	(95)
Benefits paid directly by the Company	(19,733)	(19,561)
Past service cost / (credit) vested and non-vested benefits	-	9,681
DBO at the end of the period	**153,753**	**143,317**
Re-measurement of net defined benefit liability/(asset) to be recognized in OCI		
Remeasurement of plan assets	148	2,497
Remeasurement arising from assumption change and experience variance:		
Experience adjustments on plan liabilities	(5,415)	1,752
Effect of change in demographic assumptions plan liabilities	-	-
Effect of change in financial assumptions plan liabilities	983	(1,847)
Components of defined benefit costs recognized in OCI	**(4,284)**	**2,402**

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Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	119,882	121,092
Expected return on plan assets	8,751	7,848
Actuarial gain/ (loss) on plan assets	(148)	(2,497)
Contributions made by Company	45,000	13,000
Benefits paid	(19,733)	(19,561)
Fair value of plan assets at the end of the year	**153,753**	**119,882**

c) Sensitivity analysis of significant assumptions

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would

	31 March 2019	31 March 2018
Discount rate		
+ 0.50% discount rate	(149,418)	(4,519)
- 0.50% discount rate	159,374	4,798
Salary escalation		
+ 0.50% salary growth	158,872	4,362
- 0.50% salary growth	(149,821)	(4,181)

d) Details of plan assets

Broad category of plan assets relating to gratuity as a percentage of total plan assets: The Company's gratuity fund is administered by the Exide Life Gratuity Trust. The plan assets under the fund are also managed by the Trust.

	1 April 2018 to 31 March 2019	1 April 2017 to 31 March 2018
The weighted-average asset allocations at the year end were as follows:		
Equities	0.00%	0.00%
Bonds	0.00%	0.00%
Gilts	0.00%	0.00%
Pooled assets with an insurance company	100.00%	100.00%
Other	0.00%	0.00%
Total	**100.00%**	**100.00%**
Actual return on plan assets	8,603,398	30,350,692

e) Maturity profile of defined benefit obligation

Weighted average duration of defined benefit obligations – 5.38

Timing of estimated future benefit payment	Amount
Estimated future benefit payments FY+1	17,850
Estimated future benefit payments FY+2	17,843
Estimated future benefit payments FY+3	17,519
Estimated future benefit payments FY+4	16,593
Estimated future benefit payments FY+5	16,800
Estimated future benefit payments FY+6 to FY+10	67,471

The Company expects to contribute INR Nil to its defined benefit during the next fiscal year.

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32 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Description of segments and principal business activities

a) Participative - Plans where policyholders are entitled to participate in the profits from the fund are knows as participating policies or with profit plans. Insurance companies distributes profits earned on savings components of the plan in form of bonus.

b) Non-Participative - Plans where policyholders are not entitled to participate in profits of the fund are knows as non-participating policies or without profit plan, pure term products where savings components are not available are knows as non-participating policies.

c) Pension Individual - Pension plan also referred as retirement plan aim to build a retirement corpus, on maturity the corpus is invested for generating a regular income stream which is referred as pension or annuity. Pension plans are different from the regular insurance plans which aim at risk coverage however pension plans are aim to generate regular income stream after the retirement.

d) VIP Non Par Pension - Plans where policyholders are not entitled to participate in profits of the fund are knows as non-participating policies or without profit plan, pure term products where savings components are not available are knows as non-participating policies.

e) Par Pension* - Plans where policyholders are entitled to participate in profits from the participating pension fund are known as Participating Pension policies. Insurance companies distribute profits earned in the fund in the form of bonus to the policyholders.

f) Annuity - Annuity includes Annuity Plans, Deferred Annuity Plans and Immediate Annuity Plans

Annuity Plans : Annuity is an agreement between Insurer and annuitant(s) to make periodic payments that continue during the survival of annuitant(s), till death or for a specified period, annuities are paid in different form like Annuity for Life, Joint Life Annuity and Annuity with return of corpus etc.

Deferred Annuity : An annuity plan in which annuitant start receiving annuity or pension at future dates, deferred annuity has two phases. (i) Savings phase, during this period annuitant pays premium to build corpus. (ii) Income phase , Corpus accumulated during the savings phase used at the time of vesting to purchase annuity of choice , the annuity or pension begins from the vesting period in the annuity mode chosen by annuitant.

Immediate Annuity : An Annuity plan in which annuitant purchase annuity with lump sum payment of single premium and he/she begin to receive payment immediately, an immediate annuity may either be fixed or variable, i.e. payments may remain constant throughout the life of annuity or may change according to the performance of investment.

g) Unit Linked - Insurance plans linked to stock markets are knows as Unit Linked Insurance plans, ULIP's offers a combination of Investment and protection with flexibility and choice to policyholder on how premiums are invested. The value of a ULIP is depends on fund performance as per prevailing market value (NAV) of units invested.

h) Shareholders' Funds - The main objective of Shareholders' fund is to manage and support solvency and liquidity adequately. In case of any deficit in the policyholders fund is supported by the shareholders' thereby ensuring that policyholders interests are protecting.

Year ended 31 March 2019

Particulars	Participative	Par Pension*	Non-Participative	Pension Individual	VIP Non Par Pension	Annuity	Unit Linked	Shareholders' Funds	Total
Total revenue	21,346,311	128,759	9,260,189	1,015,418	1,063,721	298,839	4,069,264	784,820	**37,967,322**
Results									
Segment result	95,244	1,985	(1,142,468)	50,551	188,792	(52,115)	112,532	660,282	**(85,197)**
Unallocated expense	-		-	-	-	-	-	-	-
Interest income / Gain on sale of Investments	-		-	-	-	-	-	-	-
Operating profit	-		-	-	-	-	-	-	**(85,197)**
Finance cost	-		-	-	-	-	-	-	-
Other income	-		-	-	-	-	-	-	-
Profit before tax	-		-	-	-	-	-	-	**(85,197)**
Income taxes	-		-	-	-	-	-	-	(29,532)
Net profit	-		-	-	-	-	-	-	**(114,729)**

As at 31 March 2019									
Segment assets	68,483,057	78,084	25,815,552	8,766,925	10,192,281	754,851	19,625,487	16,155,991	**149,872,227**
Unallocated assets	-	-	-	-	-	-	-	-	-
Total assets	**68,483,057**	**78,084**	**25,815,552**	**8,766,925**	**10,192,281**	**754,851**	**19,625,487**	**16,155,991**	**149,872,227**
Segment liabilities	68,483,057	78,084	25,815,552	8,766,925	10,192,281	754,851	19,625,487	16,155,991	**149,872,227**
Unallocated liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	**68,483,057**	**78,084**	**25,815,552**	**8,766,925**	**10,192,281**	**754,851**	**19,625,487**	**16,155,991**	**149,872,227**

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PRICE & CO.
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Year ended 31 March 2018

Particulars	Participative	Par Pension*	Non-participative	Pension Individual	VIP Non Par Pension	Annuity	Unit Linked	Shareholders' Funds	Total
Total revenue	18,857,641	-	6,190,513	990,689	1,652,026	105,545	4,918,737	563,844	33,278,996
Results									
Segment result	(40,010)	-	425,539	69,706	93,160	2,189	29,892	(483,410)	97,069
Unallocated expense	-	-	-	-	-	-	-	-	-
Interest income / Gain on sale of Investments	-	-	-	-	-	-	-	-	-
Operating profit	-			-	-	-	-	-	97,069
Finance cost	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-
Profit before tax	-	-	-	-	-	-	-	-	97,069
Income taxes	-	-	-	-	-	-	-	-	(2,082)
Net profit	-	-	-	-	-	-	-	-	94,987

As at 31 March 2018									
Segment assets	57,733,590	-	20,228,402	8,756,864	9,222,929	475,645	20,818,912	13,780,614	131,016,957
Unallocated assets	-	-	-	-	-	-	-	-	-
Total assets	57,733,590	-	20,228,402	8,756,864	9,222,929	475,645	20,818,912	13,780,614	131,016,957
Segment liabilities	57,782,185	-	20,367,911	8,763,661	9,222,929	475,645	20,818,912	13,585,713	131,016,957
Unallocated liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	57,782,185	-	20,367,911	8,763,661	9,222,929	475,645	20,818,912	13,585,713	131,016,957

*The Company has introduced a new segement during the year, namely 'Par Pension', on acccount of launch of a new product. No other existing products have been regrouped under this segment. Hence, the corresponding segment figures for the previous year will be nil.

Reconciliation of reportable segments with the financial statements

	Revenues	Results	Assets	Liabilities
Total Segments	37,967,322	(85,197)	149,872,227	149,872,227
	(33,278,996)	(97,069)	(131,016,957)	(131,016,957)
Corporate - Unallocated	-	-	-	-
	-	-	-	-
As per Financial Statements	37,967,322	(85,197)	149,872,227	149,872,227
	33,278,996	94,987	131,016,957	131,016,957

Figures in bracket are in respect of previous year

The Company is domiciled in India. The amount of revenue derived by location of customers is as below :

Country	31 March 2019	31 March 2018
India	37,967,322	33,278,996
Outside India	-	-

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33 Details of auditor's remuneration

	31 March 2019	31 March 2018
As auditors		
For statutory audit	3,000	2,500
For limited review	700	500
For other certifications	750	755
As tax auditors	150	150
Out of pocket expenses	208	226
	4,808	4,131

34 Investments

a)The Company is maintaining separate funds for Shareholders and Policyholders as per section 11 (1B) of the Insurance Act, 1938. Investments and related incomes are segregated between Participating, Par Pension, Non-Participating, Unit Linked, VIP Non Par Pension, Annuity and Pension funds.

Investments are specifically purchased and held for the policyholders and shareholders independently. The income relating to these investments is recognized in the respective policyholders' / shareholders' account.

Investments are recorded at trade date on cost including acquisition charges (such as brokerage and related taxes), and exclude pre-acquisition interest paid, if any, on purchase.

b) The Company manages its business based on segments viz. Participating, Annuity, VIP Non Par Pension, Pension Individual, Par Pension, Non Participating, Unit Linked and Shareholders' Funds driving the business model test for investments. Accordingly, investments in each of these business have been analyzed as a portfolio and classified/measured accordingly. The classification has been tabulated as under :-

Segment Name	Type of Security	IGAAP classification	Revised classification under Ind AS
Par, Par Pension, VIP Non Par Pension*, Pension Individual, and Annuity	Debt securities	Amortized cost	Amortized cost
	Equity securities	Fair value through reserves	Fair value through OCI
	Mutual Funds	Fair value through reserves	Fair value through profit and loss
Non Participating and Shareholders' funds	Debt securities	Amortized cost	Fair value through OCI
	Equity securities	Fair value through reserves	Fair value through profit and loss
	Mutual Funds	Fair value through reserves	Fair value through profit and loss
Unit linked	All securities	Fair value through profit and loss	Fair value through profit and loss

**The Company has introduced a new segement during the year, namely 'Par Pension', on account of launch of a new product.*

35 Contribution by the Shareholders to Policyholders' Account

Any contribution made by the shareholder to the policyholders' account is irreversible in nature and shall not be recouped to the shareholders at any point of time in future.

36 Encumbrances on assets

There are no encumbrances on the assets of the Company as at the Balance Sheet date.

37 Value of contracts in relation to investments

Purchases where deliveries are pending: ₹88,896 (Previous Year:₹ 652,987).
Sales where payments are due: ₹7,517 (Previous Year: ₹ 770,747).

38 Restructured assets

During the year ended 31 March 2019, there were no assets including loans which were subject to restructuring. (Previous Year: Nil)

39 Claims

Claims settled and remaining unpaid for a period of more than six months amount to Nil (Previous Year: Nil).

40 (a) Managerial remuneration

Particulars	31 March 2019	31 March 2018
Remuneration paid to Managerial Personnel included in employee remuneration and welfare benefits:		
Salary and Bonus	79,765	79,680
Value of perquisites	2,019	919
	81,784	80,599

The appointment of managerial personnel is in accordance with the provisions of Section 34A of the Insurance Act, 1938.

a) The above includes provision for bonus, payment of which is subject to approval from IRDAI.
b) The value of perquisites has been computed in accordance with the Income Tax Act, 1961.
c) The above figures do not include provision for gratuity and leave encashment payable, as the same is actuarially determined for the Company as a whole.
d) Amounts in excess of ₹ 15,000 is charged to the Shareholders' account (Profit & Loss Account:₹ 36,890) for the year 2018-19 (Previous Year: ₹ 35,245) vide IRDAI letter dated 27 June 2018.

(b) Sitting fees (including profit based commission)

Sitting fees paid to directors during the current year ₹ 1,940 (31 March 2018: ₹ 840).

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41 Sector Wise % of new business

Particulars		31 March 2019			31 March 2018		
	Reference	No of Policies	No of Lives covered**	First year premium *	No of Policies	No of Lives covered**	First year premium *
Total New Business	a	200,630	1,938,153	8,022,433	194,105	2,040,443	7,600,950
Rural Sector	b	48,551	47,430	1,249,086	40,266	39,211	987,025
Rural as % of Total Business	**c = b/a**	**24.20%**			**20.74%**		
Social Sector* **	**d**	**28**	**1,393,799**	**127,399**	**27**	**924,800**	**78,097**
- Individual Policies	e		193,863			188,025	
- No of lives covered for Group Business	f		1,858,348			500,901	
Total Business******	**g = e+f**		**2,052,211**			**688,926**	
Social as % of total business	**d/g**		**67.90%**			**134.20%**	

** Represents cash premium*
*** Includes lives covered under Group Business*
**** Current financial year includes 443,835 (PY 107,663) no. of lives covered under renewal business*
***** Definition as per IRDAI (Obligation of rural and social sectors) Regulation 2015*

42 Risk, Retained and Reinsured *
The extent of risk retained and risk reinsured based on sum assured, is as follows:

Particulars	31 March 2019	31 March 2018
Risk retained	57.00%	61.00%
Risk reinsured	43.00%	39.00%
Total	**100.00%**	**100.00%**

** On an estimated basis*

43 Additional disclosure as per IRDAI circular 067/IRDA/F&A/CIR/MAR-08 dated 28 March 2008

Particulars	31 March 2019	31 March 2018
Outsourcing Expenses ^	206,109	186,874
Business Development *	1,866,685	1,471,099
Marketing Support **	316,169	402,939
Total	**2,388,963**	**2,060,912**

^ Amount disclosed as per IRDAI (Outsourcing of activities by indian insurer) Regulation, 2016 and Guideline on outsourcing of activities by insurance companies dated February 01, 2011
** Sales and business promotion expenses*
*** Advertisement and publicity*

44 Earnings/(Loss) Per Share

Particulars	31 March 2019	31 March 2018
Profit/(Loss) after Tax	(55,665)	99,151
Basic and dilutive earnings[A]	(55,665)	99,151
Weighted average number of equity shares (par value of ` 10/- each) for basic and diluted earnings [B]	1,799,315	1,750,000
Basic and diluted earnings / (loss) per share, in Rs [A/B]	**(0.03)**	**0.06**

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45 Ageing of unclaimed policyholder's amount (*)

In accordance with circular IRDA/F&I/CIR/CMP/174/11/2010 issued by the IRDAI on November 4, 2010, the age-wise analysis of unclaimed amount of the policyholders as at 31 March 2019 is as below:
(i) Claims settled but not paid to the policyholders / insured (except those under litigation)
(ii) Sum due to the insured / policyholders on maturity or otherwise
(iii) Any excess collection of the premium / tax or any other charges which is refundable to the policyholders either as per the terms and conditions of the policy or as per law or as may be directed by the Authority, but not refunded so far
(iv) Cheques issued by the Company and not en-cashed by the policyholders / insured

Category	1-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	31-120 months	Total
(i)	-	305	88	454	113	423	3,116	4,500
(ii)	6,471	2,933	2,890	2,648	1,531	1,593	10,324	28,389
(iii)	-	-	-	-	-	-	-	-
(iv)	53,519	44,611	23,687	50,616	34,830	66,410	249,918	522,591
Total	59,990	47,849	26,665	53,718	36,474	68,426	262,358	555,480

(*) The unclaimed amount disclosed above is inclusive of interest from the due date of respective payment / cheques date as applicable and investment income earned by the unclaimed fund.

Movement of unclaimed amount
In accordance with circular IRDA/F&A/CIR/CLD/114/05/2015 issued by IRDAI on 28 May 2015, the details of unclaimed amount and investment income as at 31 March 2019 is as under:

Particulars	31 March 2019	31 March 2018
Opening Balance	618,804	656,181
Add : Amount transferred to unclaimed amount	2,590	41,458
Add : Cheques issued out of the unclaimed amount but not encashed by the policyholders (to be included only when the cheques are stale)	169,649	237,400
Add : Investment Income	38,803	41,546
Less : Amount paid during the year	274,365	357,781
Closing balance of unclaimed amount	555,481	618,804

46 Expenses of management

The company has a board approved documented policy for allocation of direct expenses and apportionment of indirect expenses of management into various business segment and is in line with the requirements prescribed by Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting life insurance business) Regulation 2016. During the current financial year, expenses charged to the Policyholders' Account (Technical Account) are as per allowable limits prescribed in the regulation. Excess of expenses (over the allowable limits) with respect to Non-Par, Pension, VIP Non Par Pension, Par Pension, Annuity and Unit Linked-Pension have been transferred to Shareholders' Accounts.

Executive Committee of the Life Insurance Council vide its letter dated March 12, 2019 has submitted its recommendation to IRDAI pursuant to Section 64K of Insurance Act, 1938 to consider the issues faced by life insurers on Expense of Management (EoM) and to consider providing relief to the life insurers seeking forbearance from the Authority. In line with the recommendations of the Life Insurance Council, the Company has vide its letter dated March 29, 2019 made a request to IRDAI seeking forbearance and a request to increase the EoM limits from 100% to 120% for FY 2018-19.

47 Expenses other than those directly related to the insurance business

The details of expenses other than those directly related to insurance business are as under:

Description	31 March 2019	31 March 2018
Claims - Ex-Gratia	500	-
Director sitting fees	1,940	840
Board meeting / Other expenses	147	131
Legal cost	4,269	-
Penalties	500	-
Over / Short Premium	-	7
Managerial Remuneration in excess of ₹15,000	36,890	35,245
Total	44,246	36,223

48 Disclosure related to funds for Discontinued Policies (Linked & Non Linked)

Sl No	Particulars	31 March 2019	31 March 2018
1	**Fund for discontinued policies**		
	Opening Balance of Funds for discontinued policies	1,289,077	1,248,858
	Add: Funds for policies discontinued during the year	479,419	530,992
	Less: Fund of policies revived during the year	145,256	118,840
	Add: Net Income / Gains on investment of the fund	66,980	53,676
	Less: Fund Management Charges Levied	7,193	7,066
	Less: Amount refunded to the policyholder during the year	356,355	418,543
	Closing Balance of Funds for discontinued policies	1,326,673	1,289,077
2	**Other disclosures**		
	Number of policies discontinued during the financial year	3,461	3,206
	% of discontinued to total policies (product wise) during the year		
	Exide Life Golden Years Retirement Plan	8%	24%
	Exide Life Golden Years Retirement Plan (New)	31%	16%
	Exide Life Market Shield Plan (Old)	0%	0%
	Exide Life Market Shield Plan (New)	0%	1%
	Exide Life Uttam Jeevan	0%	0%
	Exide Life Uttam Jeevan - SP	0%	0%
	Exide Life Prospering Life	0%	0%
	Exide Life Prospering Life - SP	0%	0%
	Exide Life Smart Future	0%	2%
	Exide Life Prospering Life Plus	34%	27%
	Exide Life Wealth Maxima	24%	29%
	Exide Life Wealth Elite	2%	0%
	Number of the policies revived during the year	455	476
	% of the policies revived (to discontinued policies) during the year	13%	15%
	Charges imposed on account of discontinued policies (₹ '000)	12,952	12,638
	Charges readjusted on account of revival of policies (₹ '000)	7,285	5,934

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49 Details of various penal actions taken by Government Authorities
Additional disclosure as per Circular No. IRDA/F&A/CIR/232/12/2013 dated December 11, 2013

Sl No.	Authority	Non-Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty waived/reduced
1	Insurance Regulatory and Development Authority of India	Towards payments made to Corporate Agents	500	500	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, 2013	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

50 The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006
According to the information available with the management, on the basis of intimation received from suppliers, regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act), the amounts due to Micro and Small Enterprises under the said Act as at March 31, 2019 as follows:

Particulars	31 March 2019	31 March 2018
a. (i) Principal amount remaining unpaid to supplier under MSMED Act	NIL	NIL
(ii) Interest on a) (i) above	NIL	NIL
b. (i) Amount of principal beyond the appointed date	NIL	NIL
(ii) Amount of interest paid beyond the appointed date (as per section 16)	NIL	NIL
c. Amount of interest due and payable for the period of delay in making payment, but without adding the interest specified under section 16 of the MSMED Act	NIL	NIL
d. Amount of interest accrued and due	NIL	NIL
e. Amount of further interest remaining due and payable even in succeeding years	NIL	NIL

51 Long Term Contracts

For insurance contracts, actuarial valuation of liabilities for policies in force is done by the Appointed Actuary of the Company. The assumptions used in valuation of liabilities 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.

52 Corporate Social Responsibility

The Corporate Social Responsibility (CSR) Committee of the Board was formed on 23 April 2014 in compliance with section 135 of the Companies Act, 2013 read with Schedule VII. A policy on Corporate Social Responsibility was approved by the Board in its meeting held on 8 August 2014, on recommendation from the CSR Committee.

Section 135 of the Companies Act, 2013 and Rules made under it prescribe that every company having a net worth of ₹500 crore or more, or turnover of ₹1,000 crore or more, or a net profit of ₹5 crore or more during any financial year shall ensure that the Company spends in every financial year, at least 2% of the average net profits made during the immediately preceding three financial years in pursuance of its Corporate Social Responsibility (CSR) policy. This provision pertaining to CSR as prescribed under the Companies Act, 2013 are applicable to the Company.

Accordingly, the Company was required to spend in FY 2018-19: ₹17,419 (Previous Year: ₹17,770) towards CSR activities, out of which, the Company has spent ₹17,419 (in Previous Year ₹17,769) on various activities. Details are given in the table below.

Particulars	31 March 2019	31 March 2018
Average net profit of the company for last three financial years	870,990	888,438
Prescribed CSR expenditure (2% of the average net profit as computed above)	17,419	1,770
CSR expenditure during the financial year	17,419	1,770
Amount unspent	-	-

In the current financial year, the company has disbursed ₹17,419 towards CSR activities as per details below:

• The Akshaya Patra Foundation: To contribute and make a difference in the lives of the children by ensuring them access to food and education, the Company has sponsored provisioning and distribution of the mid-day meals to students of selected government schools under "Akshaya Patra" scheme. The sponsorship amount of ₹3,500 have been disbursed to The Akshaya Patra Foundation during the year.

• SOS Children's Villages of India: To contribute and support for complete child care requirements including education, health, nutrition, psychological and career development, the Company has sponsored orphaned and abandoned children across cities and sponsorship of one family home at Bangalore. The sponsorship amount of ₹4,500 have been disbursed to SOS Children's Villages of India during the year.

• The Indian Cancer Society (ICS): A sum of ₹1,520 have been disbursed to Indian Cancer Society to conduct Awareness Camps in the slums & resettlement colonies of Delhi targeting the vulnerable underprivileged people, above the age of 25 years, who have no access to cancer information. The message emphasizes the fact that Cancer is a Lifestyle Disease, caused by ignorance about correct diet and the role of quitting tobacco use.

• Wheeling Happiness: A sum of ₹200 have been disbursed to Wheeling Happiness for world disability day.

• Road Safety Programs: A sum of ₹7,699 have been spent to promote road safety through "Helmet Saves" campaign to reach out to the large audience to prevent loss of lives, create an awareness and educate two wheeler rider on the importance of wearing a helmet.

53 Update on Implementation of Indian Accounting Standard in Insurance sector

IRDAI vide its notification IRDA/F&A/CIR/ACTS/146/06/2017 dated 28th June 2017, issued a circular on implementation of Indian Accounting Standards in Insurance Sector. Through this circular, IRDAI therefore, approved the deferment of implementation of Ind AS in the insurance sector in India for a period of two years and the same shall now be implemented effective from 2020-21. Therefore, all insurers to comply with the Ind AS for financial statements for accounting periods beginning on or after 1 April 2020, with comparatives for the periods ending 31 March 2019.

The Holding Company, namely, Exide Industries Limited is covered under the Phase I of the Ind AS Implementation Roadmap laid down by MCA, and thereby needs to report annual Ind AS financial statements for the financial year 2018-19. Consequently, the Company is preparing these Ind AS financial statements solely for the purpose of consolidation.

54 Previous year figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. The details are as under:

Note reference	Reclassification
Note 9 - Other financial assets - Advances to employees	Advances to employees has been bifurcated into other financial assets and other assets, shown under Note 10.

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55 Actuarial method and assumptions

Liability for policies in force ('the Liability') is determined by the Appointed Actuary in accordance with generally accepted actuarial practice as well as the requirements of the Insurance Act, 1938 and the regulations notified by IRDAI and relevant actuarial practice standards issued by Institute of Actuaries of India.

(a) Traditional individual business

The Liability on a policy is calculated using the 'Gross Premium Method', representing the present value of expected future outgo including benefits (including future bonuses for participating policies) and future expenses less present value of expected future premium. Further, a reserve for death claims that may have been Incurred But Not yet Reported to the Company (IBNR) is also maintained. The reserves for the Best Years Retirement Plan, Exide Life New Best Year Retirement Plan,Exide Life Golden Years and Exide Life Assured Return have been set up as the sum of the policy fund balances as at 31 March 2018 plus additional reserves for excess of expenses over policy charges.

The assumptions used for calculating the liability are provided below:

i. Mortality & morbidity:
Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate\ Annuitant tables a9698 and varies between 60% and 180% of the table (last year 70% and 180% of Indian Assured Lives Mortality Table (2006-08). Morbidity assumption is based on the CIBT 93 Table. For CI riders, mortality assumption is 60.8% (Last Year's 60.8%). For term products, mortality assumption varies between 20.5% - 100% of the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate (Last Year mortality assumptions for term products were 33% - 100% of the Indian Assured Lives Mortality Table (2006-08)).

ii. Expenses:
Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has been made at actual rates payable.

iii. Valuation discount rate
Between 6.0% to 7.65% p.a. for all products (Last Year between 6.0% to 6.75% p.a. for all products)

Assumptions on future bonus rates for participating business have been set to be consistent with valuation interest rate assumptions.

iv. Lapses:
Future policy lapses have been assumed based on the type of policy and the duration for which the policy has been in force. The lapse rates are based on current experience of the Company.

v. Longevity:
Mortality for annuity products are considered as per Indian annuitant table 96-98 : 63% up to age 80 & 81% thereafter of LIC a9698 with 1.3% p.a improvement.

Margins for adverse deviation
The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations and actuarial practice standards issued by The Institute of Actuaries of India.

(b) Linked individual business

The reserves held under the unit-linked products are the fund balances (unit reserve) as at 31 March 2019 plus non-unit reserves. Additional adjustments have also been made to allow for the following:

a) Unearned Premium Reserve in respect of mortality charge/rider charge deducted from the policyholder's account every month

b) IBNR reserve for death claims incurred but not reported to Company as on the valuation date

c) Reserve to meet the guarantees for unit linked products

d) Non Unit reserves are calculated by discounting future non unit cash flow, determined based on assumptions given below

i. Mortality & Morbidity:
Mortality is considered according to the Indian Assured Lives Mortality Table (2006-08) - Modified Ultimate and is 100% of the table. (last year 100% of the table of Indian Assured Lives Mortality Table (2006-08)).

ii. Expenses:
Appropriate allowance for maintenance expenses increasing with inflation has been made. Provision for initial and renewal commission has also been made at actual rates payable.

iii. Valuation discount rate (for setting up of Non unit reserve).
4.5% p.a. (last year 4.5% p.a.)

iv. Unit growth rate: 3.5%
to 9.5% (last year 3.5% to 9.5%) depending on the type of fund

v. Longevity:
Mortality for annuity products are considered as per Indian annuitant table 96-98 : 63% up to age 80 & 81% thereafter of LIC a9698 with 1.3% p.a improvement.

Margins for adverse deviation
The assumptions allow for suitable Margins for Adverse Deviation in the mortality, morbidity, expenses, lapses and valuation discount rate assumptions as required under regulations.

(c) Group business:

Unearned Premium method for reserving is adopted for the Group yearly renewable term product. The Group Single Premium Mortgage/Credit products have been valued using the Gross Premium Method with allowance for future expected expenses.

Provision for IBNR reserve has also been made as appropriate.

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(d) **Linked group business:**

The reserves held under the unit-linked products are the fund balances and non-unit balance as at 31 March 2019.

(e) **Reinsurance credit**

All products other than Term/TROP products: RThe reinsurance credit is calculated on unearned premium basis, based on the expected reinsurance premium outgo.

Term/TROP products: Reinsurance credit is calculated based on cash-flow projections, by taking credit of expected reinsurance recoverables net of reinsurance premium payable in the future.

(f) **Provision for freelook period**

An additional reserve is held for policies that are expected to be cancelled during the Free Look period. The method used to estimate this reserve is given below:

a) A proportion of New Business Premium income during the period January 2019 to March 2019 is held as reserve.
b) The proportion is arrived on the basis of actual reserving strain due to free look cancellations at previous year.

The proportion is determined as: (Reserving strain from free look cancelled NB policies that are sold during January 2018 - March 2018) / (NB Premium Income for the period January 2018 - March 2018)

Expected number of free-look cancellations is calculated on the basis of the past experience and it is assumed that the business sold three months prior to the valuation date has a potential for cancellation.

The proportion varies by line of business. Based on latest study, the proportion is in the range of ~1%

Discontinued Fund (Unit Linked): As per the regulations, the fund value of lapsed policies is transferred to a separate fund namely, Discontinued Fund (UL), the returns for this funds are guaranteed as per Regulation 11 of IRDAI (Treatment of Discontinued Linked Insurance Policies) Regulations, 2010

Discontinued Fund (VIP Pension): As per the regulations, the fund value of lapsed policies is transferred to a separate fund namely, Discontinued Fund (Pension), the returns for this funds are guaranteed as per Regulation 11 of IRDAI (Treatment of Discontinued Linked Insurance Policies) Regulations, 2010

56 **Insurance risk framework**

The principal risk the Company faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long–term claims. Therefore, the objective of the Company is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The Company purchases reinsurance as part of its risks mitigation programme. Reinsurance ceded is placed on both a proportional and non–proportional basis. The majority of proportional reinsurance is surplus reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business.

Life insurance contracts and Investment contracts with DPF
Life insurance contracts offered by the Company include: whole life, term assurance,conventional endowment, deferred pensions, non-guaranteed annuity pensions, pure endowment pensions and mortgage protection. Investment contracts with DPF offered by the Company are deferred pensions.

Whole life, endowment and term assurance are conventional regular premium products when lump sum benefits are payable on death or permanent disability and most of the products have Surrender Value.

Pensions are contracts where retirement benefits are converted to a form of annuity payable at retirement age. If death occurs before retirement, contracts generally return the value of the fund accumulated or premiums. Some of the contracts give the policyholder the option at retirement to take the annuity from open market allowing the policyholders the option of availing the highest available annuity from market. Under unitised pensions, a percentage of the premium is applied towards the purchase of accumulation units in one or more of the internal linked funds. Provision of additional death benefits may be provided by cancellation of units or through supplementary term assurance contracts. Certain personal pension plans also include contribution protection benefits that provide for payment of contributions on behalf of policyholders in periods of total disability.

Guaranteed annuities are single premium products which pay a specified payment to the policyholder while they are alive. Payments are generally fixed for the lifetime.

Death benefits of endowment products are subject to a guaranteed minimum amount. The maturity value usually depends on the investment performance of the underlying assets or may be fixed at inception. For contracts with DPF the guaranteed minimum may be increased by the addition of bonuses. These are set at a level that takes account of expected market fluctuations, such that the cost of the guarantee is generally met by the investment performance of the assets backing the liability. However, in circumstances where there has been a significant fall in investment markets, the guaranteed maturity benefits may exceed investment performance and these guarantees become valuable to the policyholder. Certain pure endowment pensions contain the option to apply the proceeds towards the purchase of an annuity earlier than the date shown on the contract or to convert the contract to 'paid up' on guaranteed terms. The mortgage protection contracts offered by the Company provide pure risk cover only.

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The main risks that the Company is exposed to are as follows:

Mortality risk – risk of loss arising due to policyholder death experience being different than expected
Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
Longevity risk – risk of loss arising due to the annuitant living longer than expected
Investment return risk – risk of loss arising from actual returns being different than expected
Expense risk – risk of loss arising from expense experience being different than expected
Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

These risks do not vary significantly in relation to the location of the risk insured by the Company, type of risk insured or by industry.

The Company's underwriting strategy is designed to ensure that risks are well diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography, the use of medical screening in order to ensure that pricing takes account of current health conditions and family medical history, regular review of actual claims experience and product pricing, as well as detailed claims' handling procedures.

The following tables show the concentration of life insurance contract liabilities and investment contract liabilities with DPF by type of contract.

31 March 2019	Gross			Net		
Particulars	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Total gross insurance contract liabilities and investment contract liabilities with DPF	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Net of insurance contract liabilities and investment contract liabilities with DPF
Whole life	17,298,885	-	17,298,885	17,298,885	-	17,298,885
Term assurance	-	2,102,124	2,102,124	-	1,283,511	1,283,511
Guaranteed annuity	-	-	-	-	-	-
Pure endowment	-	-	-	-	-	-
Mortgage endowments	-	-	-	-	-	-
Total life insurance	50,215,486	52,356,870	102,572,356	50,212,803	52,354,143	102,566,946
Unitised pensions	-	-	-	-	-	-
Total investment	-	10,736,851	10,736,851	-	10,736,851	10,736,851
Total	**67,514,371**	**65,195,845**	**132,710,215**	**67,511,687**	**64,374,504**	**131,886,192**

31 March 2018	Gross			Net		
Particulars	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Total gross insurance contract liabilities and investment contract liabilities with DPF	Insurance contract and investment contract liabilities with DPF	Insurance contract liabilities without DPF	Net of insurance contract liabilities and investment contract liabilities with DPF
Whole life	14,563,755	-	14,563,755	14,563,755	-	14,563,755
Term assurance	-	746,245	746,245	-	419,707	419,707
Guaranteed annuity	-	-	-	-	-	-
Pure endowment	-	-	-	-	-	-
Mortgage endowments	-	-	-	-	-	-
Total life insurance	42,250,432	58,478,908	100,729,340	42,248,000	58,256,857	100,504,857
Unitised pensions	-	-	-	-	-	-
Total investment	-	10,996	10,996	-	10,996	10,996
Total	**56,814,187**	**59,236,149**	**116,050,336**	**56,811,755**	**58,687,559**	**115,499,315**

The geographical concentration of the Company's life insurance contract liabilities and investment contract liabilities with DPF is within India only.

The assumptions that have substantial impact on statement of financial position and statement of profit and loss of the Company are listed below :-

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Portfolio assumptions by type of business impacting net liabilities	Mortality and morbidity rates			Persistency			Investment return			Expenses		
	31 March 2019	31 March 2018	31 March 2017	31 March 2019	31 March 2018	31 March 2017	31 March 2019	31 March 2018	31 March 2017	31 March 2019	31 March 2018	31 March 2017
Non Participating Endowment	66% -180% of LIC 06-08	72% -180% of LIC 06-08	72% -180% of LIC 06-08	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 5% in year 1 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 5% in year 1 and 0% thereafter	6% to 7.65%	6% to 6.75%	5.5% to 6.75%	INR 81.32 to INR 801.41	INR 78.19 to INR 770.59	INR 75.19 to INR 740.94
Term Plans	20.5% -100% of L	33% -100% of LIC 06-08	40% -100% of LIC 06-08	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 10% in year 1, 3% to 5% in year 2 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 10% in year 1, 3% to 5% in year 2 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 10% in year 1, 3% to 5% in year 2 and 0% thereafter	6.00%	6.00%	5.50%	INR 525.37 – INR 664.56	INR 505.16 - INR 639	INR 485.73
Unit Linked	100% of LIC 06-08	100% of LIC 06-08	100% of LIC 06-08	Paid-up rates: 24% year 1,8% year2, 24%, year3 ,20%, in year 4,5,6 and 12% thereafter	Paid-up rates: 24% year 1,8% year2, 24%, year3 ,20%, in year 4,5,6 and 12% thereafter	Paid-up rates: 24% year 1,8% year2, 24%, year3 ,20%, in year 4,5,6 and 12% thereafter	4.50%	4.50%	4.50%	INR 771.24	INR 741.58	INR 713.06
Pension	100% of LIC 06-08	100% of LIC 06-08	100% of LIC 06-08	Paid-up rates 24% to 45% in year1, 6% to 20% in year 2 4% to 15% in year 3, 4% to 10% in year 4 and 4% to 5% thereafter	Paid-up rates 24% to 45% in year1, 6% to 20% in year 2 4% to 15% in year 3, 4% to 10% in year 4 and 4% to 5% thereafter	Paid-up rates 24% to 45% in year1, 6% to 20% in year 2 4% to 15% in year 3, 4% to 10% in year 4 and 4% to 5% thereafter	4.50%	4.50%	4.50%	INR 369.89 To INR 801.41	INR 355.66 To INR 770.59	INR 341.98 To INR 740.94
Participating Endowment	100% -148.50% of LIC 06-08	100% -148.50% of LIC 06-08	100% -148.50% of LIC 06-08	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 5% in year 1 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 5% in year 1 and 0% thereafter	Lapse rate for RP: 10% in year 1, 5% in year 2 and 0% thereafter For LP: 5% in year 1 and 0% thereafter	6.50%	6.50%	6.50%	INR 388.59 To INR 801.41	INR 373.64 To INR 770.59	INR 483.86 To INR 740.94

Sensitivity analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

It should be noted that movements in these assumptions are non–linear. Sensitivity information will also vary according to the current economic assumptions, mainly due to the impact of changes to both the intrinsic cost and time value of options and guarantees. When options and guarantees exist, they are the main reason for the asymmetry of sensitivities. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period.

Insurance contracts (In lacs)

Particulars	Change in assumptions	31 March 2019				31 March 2018				31 March 2017			
		Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity
Mortality/morbidity rate	+10%	13,250	13,250	13,250		10,404	10,404	10,404		8,265	8,265	8,265	
Longevity	+10%												
Investment return	+1%												
Expenses	+10%	6,830	6,830	6,830		4,025	4,025	4,025		5,370	5,370	5,370	
Lapse and surrenders rate	+10%	(376)	(376)	(376)		(171)	(171)	(171)		(124)	(124)	(124)	
Discount rate	+1%	(89,728)	(89,728)	(89,728)		(70,126)	(70,126)	(70,126)		(31,262)	(31,262)	(31,262)	
Mortality/morbidity rate	-10%	(11,857)	(11,857)	(11,857)		(13,069)	(13,069)	(13,069)		(17,872)	(17,872)	(17,872)	
Longevity	-10%												
Investment return	-1%												
Expenses	-10%	(6,640)	(6,640)	(6,640)		(45,641)	(45,641)	(45,641)		(10,025)	(10,025)	(10,025)	
Lapse and surrenders rate	-10%	600	600	600		395	395	395		125	125	125	
Discount rate	-1%	165,452	165,452	165,452		75,338	75,338	75,338		31,012	31,012	31,012	

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57 **Financial risk management framework**

The Company is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets, and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

I) **Credit risk**

"Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

a) Company's credit risk policy which sets out the assessment and determination of what constitutes credit risk for the it. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

b) Net exposure limits are set for each counterparty or group of counterparties, geographical and industry segment (i.e., limits are set for investments and cash deposits, foreign exchange trade exposures and minimum credit ratings for investments that may be held).

c) Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment.

d) The Company sets the maximum amounts and limits that may be advanced to corporate counterparties by reference to their long-term credit ratings.

The table below provides information regarding the credit risk exposure of the Company by classifying assets according to the credit ratings of the counterparties. AAA is the highest possible rating. Assets that fall outside the range of AAA to BBB are classified as speculative grade.

31 March 2019 ₹000

Particulars	AAA	AA	AA-	BBB	BB	D	Not rated	Unit linked	Total
a) Financial Instruments :-									
Amortized cost financial assets									
- Debt securities	75,615,005	225,713	44,967	-	-	62,492	3,711,767	-	79,659,944
- Equity securities	-	-	-	-	-	-	-	-	-
- Mutual Funds	-	-	-	-	-	-	-	-	-
Financial assets at FVTOCI									
- Debt securities	31,135,020	193,572	155,447	-	-	187,500	-	-	31,671,539
- Equity securities	-	-	-	-	-	-	4,319,618	-	4,319,618
- Mutual Funds	-	-	-	-	-	-	-	-	-
Financial assets at FVTPL									
- Debt securities	-	-	-	-	-	-	-	7,509,966	7,509,966
- Equity securities	-	-	-	-	-	-	826,816	11,481,479	12,308,295
- Mutual Funds	3,464,281	-	-	-	-	-	-	1,002,380	4,466,661
Total									139,936,023
b) Reinsurance assets	-	-	-	-	-	-	824,024	-	824,024
c) Insurance receivables	-	-	-	-	-	-	1,102,535	-	1,102,535
d) Cash and short term deposits	2,460,038	-	-	-	-	-	-	-	2,460,038
Total credit risk exposure	112,674,344	419,285	200,414	-	-	249,992	10,784,760	19,993,825	144,322,619

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31 March 2018

Particulars	AAA	AA	AA-	BBB	BB	D	Not rated	Unit linked	Total
a) Investments									
Amortized cost financial assets									
- Debt securities	63,495,685	615,738	44,994	-	-	-	2,843,949	-	67,000,364
- Equity securities	-	-	-	-	-	-	-	-	-
- Mutual Funds	-	-	-	-	-	-	-	-	-
Financial assets at FVTOCI									
- Debt securities	25,482,562	-	156,318	-	-	-	-	-	25,638,880
- Equity securities	-	-	-	-	-	-	5,402,142	-	5,402,142
- Mutual Funds	-	-	-	-	-	-	-	-	-
Financial assets at FVTPL									
- Debt securities	-	-	-	-	-	-	-	7,572,913	7,572,913
- Equity securities	-	-	-	-	-	-	1,024,719	12,102,372	13,127,091
- Mutual Funds	2,592,652	-	-	-	-	-	-	673,699	3,266,351
Total									**122,007,742**
b) Reinsurance assets	-	-	-	-	-	-	551,022	-	551,022
c) Insurance receivables	-	-	-	-	-	-	965,688	-	965,688
d) Cash and short term deposits	2,099,244	-	-	-	-	-	-	-	2,099,244
Total credit risk exposure	**93,670,142**	**615,738**	**201,312**	-	-	-	**10,787,520**	**20,348,984**	**125,623,695**

As compared to 31 March 2018, the credit rating of "Infrastructure Leasing & Financial Services Ltd" (ILFS) have downgraded from 'AAA' to' D' as at the reporting date. Therefore on account of significant increase in the credit risk, the Company has created an impairment loss of INR 100,000 thousand as at 31 March 2019. The following table provides information about the exposure to credit risk and expected credit loss associated with such financial assets carried at amortised cost. Further, the interest accrued on ILFS securities of INR 52,337 has been completely provided for during the year.

The Company had a total investment of INR 500,480 in non-convertible debentures (NCD) issued by Infrastructure Leasing and Financial Services Limited Group (IL&FS Group), of which NCDs with Face value of INR 50,000 were due for maturity on 28 March 2019 and interest on all of the securities was due in February and March 2019. The principal and the interest due thereon have not been paid by IL&FS Group as on the date of signing the balance sheet. The Management estimates that the provision made in respect of its exposure in IL&FS Group adequately represents the likely un-recoverability of the investment. The Company, however, continues to monitor the developments in this matter and take appropriate action as needed.

Breakup of Impairment loss on financial assets	31 March 2019	31 March 2018
Amortised cost securities	37,500	-
FVOCI securities	62,500	-
Financial assets (Interest accrued on investments)	52,337	-
Total	152,337	-

Particulars	31 March 2019			31 March 2018		
	Trade Receivables	**Loans and advances**	**Other Financial Assets**	**Trade Receivables**	**Loans and advances**	**Other Financial Assets**
Past due 1-30 days	1,102,535	16,290	3,294,580	965,688	103,300	3,423,848
Past due 31-90 days	-	-	-	-	-	-
Past due 91-120 days	-	-	-	-	-	-
Past due by more than 120 days	-	189,383	-	-	96,924	-
Total of past due but not impaired Financial Assets	**1,102,535**	**205,673**	**3,294,580**	**965,688**	**200,224**	**3,423,848**

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II) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash out-flows and expected reinsurance recoveries.

Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and comply with other covenants.

The following policies and procedures are in place to mitigate the Company's exposure to liquidity risk:

a) Company's liquidity risk policy which sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
b) Guidelines are set for asset allocations, portfolio limit structures and maturity profiles of assets, in order to ensure sufficient funding available to meet insurance and investment contracts obligations.
c) Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.

The table below details the Company's remaining contractual maturity for its financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

31 March 2019	Contractual cash flows			Total carrying value
Particulars	**1 year or less**	**1 year to 5 years**	**5 years or more**	
Assets				
Amortized cost financial assets	1,437,598	2,838,104	75,421,741	79,697,444
Financial assets at FVTOCI	552,036	3,296,703	32,142,418	35,991,158
Financial assets at FVTPL	6,323,788	1,715,775	16,245,359	24,284,922
Loans and receivables	16,290	-	189,383	205,674
Reinsurance assets	-	-	824,024	824,024
Insurance receivables	1,102,535	-	-	1,102,535
Other financial assets	3,294,580	-	-	3,294,580
Cash and cash equivalents	2,460,038	-	-	2,460,038
Total	15,186,865	7,850,583	124,822,926	147,860,374
Liabilities				
Insurance contract liabilities :				
with DPF	(7,806,908)	(8,594,649)	339,694,831	323,293,273
without DPF	(3,648,253)	(3,787,794)	99,056,497	91,620,450
Investment contract liabilities :				
with DPF	-	-	-	-
without DPF	523,571	5,008,794	6,931,027	12,463,392
Trade and other payables	2,894,516	-	-	2,894,516
Other financial liabilities	663,850	-	4,749	668,599
Insurance payables	-	-	-	-
Other liabilities	523,431	-	-	523,431
Total	(6,849,793)	(7,373,648)	445,687,103	431,463,663
Total liquidity gap	**(22,036,657)**	**(15,224,232)**	**320,864,178**	**283,603,289**

31 March 2018	Contractual cash flows			Total carrying value
Particulars	**1 year or less**	**1 year to 5 years**	**5 years or more**	
Assets				
Amortized cost financial assets	1,203,481	4,150,525	61,646,359	67,000,365
Financial assets at FVTOCI	401,154	2,769,914	27,869,954	31,041,022
Financial assets at FVTPL	5,592,782	1,104,638	17,268,935	23,966,355
Loans and receivables	103,300	-	96,924	200,224
Reinsurance assets	-	-	551,022	551,022
Insurance receivables	965,688	-	-	965,688
Other financial assets	3,388,224	-	-	3,388,224
Cash and cash equivalents	2,099,244	-	-	2,099,244
Total	13,753,874	8,025,077	107,433,193	129,212,144

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Liabilities				
Insurance contract liabilities :				
with DPF	12,914,084	26,738,638	(207,534,719)	(167,881,997)
without DPF	6,528,937	18,633,115	(39,002,070)	(13,840,018)
Investment contract liabilities :				
with DPF	-	-	-	-
without DPF	352,431	378,689	2,734,327	3,465,447
Trade and other payables	3,009,455	-	-	3,009,455
Other financial liabilities	883,288		5,772	889,060
Insurance payables	-	-	-	-
Other liabilities	428,101	-	-	428,101
Total	24,116,296	45,750,442	(243,796,691)	(173,929,952)
Total liquidity gap	10,362,423	37,725,366	(351,229,884)	(303,142,096)

III) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity/commodity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is primarily exposed to risk arising due to changes in interest rates and equity prices impacting the Company's value of holdings of financial instruments.

The following policies and procedures are in place to mitigate the Company's exposure to market risk:

a) Company's Investment policy and liquidity risk policy which sets out the assessment and determination of what constitutes market risk for the Company. Compliance with these policies is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

b) Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains for policyholders which are in line with their expectations and management of interest sensitivity of products sold. Market risk is also managed by setting risk limits such as Earnings at Risk and Regulatory capital at risk and risk is managed to be within these limits.

c) The Company stipulates diversification benchmarks by type of instrument , as it is exposed to guaranteed benefits when interest rates fall.

IV) Currency risk

"Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates." The Company has no significant concentration of currency risk.

V) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates. The Company's ALM policy requires it to manage interest rate risk by maintaining an appropriate mix of instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities. The Company monitors the Duration Gap and cash flow matching on regular basis to manage this risk.

Exposure to interest rate risk

The Company's interest rate risk primarily arises on account of investments in interest bearing securities. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	Carrying amount in 000's	
	31 March 2019	31 March 2018
Fixed-rate instruments		
Financial assets :		
a) Government securities and government guaranteed bonds including treasury bills	84,736,871	70,432,543
b) Debentures/ bonds	7,038,742	6,739,135
c) Investments in infrastructure and social sector bonds	22,955,124	19,872,060
d) Others (CBLO & Policy Loan)	4,110,710	3,168,417
Financial liabilities	135,134,255	118,777,577
	(16,292,808)	(18,565,422)
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
Total	(16,292,808)	(18,565,422)

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VI) Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. The Company's equity price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices, principally investment securities not held for the account of unit-linked business. The Company's Investment Mandates require it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on investments in each sector,security and market and exploration of use of any derivative financial instruments.

VII) Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process.

58 Capital management

The primary source of capital used by the Company is Equity . The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital requirements are routinely forecast on a periodic basis and assessed against both the forecast available capital and the expected internal rate of return, including risk and sensitivity analyses. The process is ultimately subject to approval by the Board.

During the Financial Year 2018-19, Rights issue of 100,000,000 equity shares of ₹ 10/- each on October 04, 2018 were made to the existing equity shareholders of the Company. The issue was fully subscribed. Refer note 11 for details.

Particulars	31 March 2019 Life Insurance	31 March 2018 Life Insurance
Total Equity	11,576,123	9,823,080
Borrowings	-	-
Total Shareholders' Funds as per FS	11,576,123	9,823,080
Adjustments onto a regulatory basis	-	-
Available capital resources	**11,576,123**	**9,823,080**

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59 Fair values hierarchy

I) Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:

	Date of valuation	Note Reference	Carrying value	Fair value measurement using		
				Level 1	Level 2	Level 3
Financial assets						
1) Amortised Cost						
Policyholders' Investments						
Government securities and government guaranteed bonds including treasury bills	31 March 2019	5	55,918,454	57,693,493	-	-
Debentures/ bonds	31 March 2019	5	4,244,790	4,289,399	-	-
Investments in infrastructure and social sector bonds	31 March 2019	5	15,673,564	15,895,100	-	-
Others (CBLO)	31 March 2019	5	111,369	111,369	-	-
Policy loans	31 March 2019	5	3,711,767	-	-	3,711,767
2) FVTOCI Investments						
Shareholders' Investments						
Government securities and government guaranteed bonds including treasury bills	31 March 2019	5	7,649,658	7,649,658	-	-
Debentures/ bonds	31 March 2019	5	231,488	231,488	-	-
Investments in infrastructure and social sector bonds	31 March 2019	5	1,944,272	1,988,023	-	-
Policyholders' Investments						
Government securities and government guaranteed bonds including treasury bills	31 March 2019	5	17,036,404	17,036,404	-	-
Debentures/ bonds	31 March 2019	5	1,491,109	1,491,109	-	-
Investments in infrastructure and social sector bonds	31 March 2019	5	3,243,606	3,274,857	-	-
Equity	31 March 2019	5	4,319,618	4,099,555	-	220,063
3) FVTPL Investments						
Shareholders' Investments (Note 5)						
Mutual Funds	31 March 2019	5	248,737	248,737	-	-
Policyholders' Investments (Note 5)						
Mutual Funds	31 March 2019	5	3,215,544	3,215,544	-	-
Equity	31 March 2019	5	826,816	749,497	-	77,319
4) Assets held to cover linked liabilities (Note 5)						
Government securities and government guaranteed bonds including treasury bills	31 March 2019	5	4,132,356	4,132,356	-	-
Equity	31 March 2019	5	11,481,480	11,481,480	-	-
Debentures/ bonds	31 March 2019	5	1,071,354	1,071,354	-	-
Investments in infrastructure and social sector bonds	31 March 2019	5	2,018,680	2,018,680	-	-
Mutual funds	31 March 2019	5	1,002,380	1,002,380	-	-
Others (CBLO)	31 March 2019	5	287,574	287,574	-	-
5) Embedded derivative liability	31 March 2019	17	4,749	-	-	4,749

Note 1:- All financial assets and financial liabilities (excluding the ones mentioned above) reasonably approximate their carrying amounts to fair value.

Note 2:- Unquoted equity shares - The fair value for unlisted equity securities have been determined based on discounted cash flow analysis on the financial projections using a suitable discount rate.

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I) Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018:

	Date of valuation		Carrying value	Fair value measurement using		
				Level 1	Level 2	Level 3
Financial assets						
1) Amortised Cost						
Policyholders' Investments						
Government securities and government guaranteed bonds including treasury bills	31 March 2018	5	46,148,823	47,102,383	-	-
Debentures/ bonds	31 March 2018	5	4,143,510	4,240,465	-	-
Investments in infrastructure and social sector bonds	31 March 2018	5	13,678,566	14,174,747	-	-
Others (CBLO)	31 March 2018	5	185,516	185,516	-	-
Policy loans	31 March 2018	5	2,843,949	-	-	2,843,949
2) FVTOCI Investments						
Shareholders' Investments						
Government securities and government guaranteed bonds including treasury bills	31 March 2018	5	6,296,672	6,137,046	-	-
Debentures/ bonds	31 March 2018	5	235,652	225,318	-	-
Investments in infrastructure and social sector bonds	31 March 2018	5	2,101,009	2,102,856	-	-
Policyholders' Investments						
Government securities and government guaranteed bonds including treasury bills	31 March 2018	5	13,010,448	12,827,245	-	-
Debentures/ bonds	31 March 2018	5	1,620,141	1,636,912	-	-
Investments in infrastructure and social sector bonds	31 March 2018	5	2,610,848	2,709,503	-	-
Equity	31 March 2018	5	5,402,142	5,217,142	-	-
3) FVTPL Investments						
Shareholders' Investments						
Mutual Funds	31 March 2018	5	541,916	541,916	-	-
Policyholders' Investments (Note 5)		5				
Mutual Funds	31 March 2018	5	2,050,736	2,050,736	-	-
Equity	31 March 2018	5	1,024,719	959,719	-	-
4) Assets held to cover linked liabilities (Note 5)						
Government securities and government guaranteed bonds including treasury bills	31 March 2018	5	5,319,431	5,319,431	-	-
Equity	31 March 2018	5	12,102,371	12,102,371	-	-
Debentures/ bonds	31 March 2018	5	733,396	733,396	-	-
Investments in infrastructure and social sector bonds	31 March 2018	5	1,381,134	1,381,134	-	-
Mutual funds	31 March 2018	5	673,699	673,699	-	-
Others (CBLO)	31 March 2018	5	138,952	138,952	-	-
5) Embedded derivative liability	31 March 2018	17	5,772	-	-	5,772

Note 1:- All financial assets and financial liabilities (excluding the ones mentioned above) reasonably approximate their carrying amounts to fair value.

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