

Board of Directors

Mr. Deepak S. Parekh
Chairman

Directors

Mr. K. M. Mistry
Ms. Renu Sud Karnad
Mr. A. M. Crombie
Ms. Marcia D. Campbell
Mr. Norman Keith Skeoch
Mr. G. R. Divan
Mr. Ranjan Pant
Mr. Ravi Narain
Mr. Gerald Edgar Grimstone
Alternate to Mr. A. M. Crombie

Mr. D. M. Satwalekar
Managing Director & CEO

Auditors

Haribhakti & Company
Chartered Accountants
Kalyaniwalla & Mistry
Chartered Accountants

Bankers

HDFC Bank Ltd.
Union Bank of India
Indian Bank
The Saraswat Co-operative Bank Ltd.
Federal Bank

Registered Office

Ramon House,
H. T. Parekh Marg,
169, Backbay Reclamation,
Churchgate, Mumbai 400 020.

Corporate Office

HDFC Standard Life Insurance Company Ltd.
'Trade Star', 2nd Floor, 'A' Wing,
Junction of Kondivita and M. V. Road,
Andheri-Kurla Road,
Andheri (East), Mumbai - 400 059.
Tel. No. : 022-6751 6666
Fax : 022-2822 2414
Email : response@hdfcinsurance.com
Website : www.hdfcinsurance.com

Directors' Report

TO THE MEMBERS,

The directors have pleasure in presenting the Seventh Annual Report with the audited accounts of the company for the year ended March 31, 2007.

OPERATIONAL HIGHLIGHTS

Particulars of Policyholders Fund	(Rs. in lacs)	
	Financial Year ended March 31, 2007	Previous year ended March 31, 2006
New Business Premium written		
— Individual business		
a. Regular Premium	79,286.97	53,314.20
b. Single Premium	6,298.26	7,856.40
— Group business		
a. Regular Premium	4,426.22	3,035.29
b. Single Premium	12,674.09	8978.34
— Pensions		
a. Regular Premium	45,518.67	24,551.27
b. Single Premium	14,219.36	4,883.10
Total	1,62,423.57	1,02,618.60
Risk claims	108,025	80,154

New Business

The first year premium income increased by over 58% from Rs. 1,026.18 crores in the previous year to Rs.1,624.23 crores in the current year. The cumulative Sum Assured in respect of policies issued increased from Rs.47,730.40 crores as at 31st March, 2006 to Rs.67,192.97 crores as at 31st March, 2007.

During the year, the company introduced a revised version of the Group as well as Individual Unit Linked Plans to conform to the new guidelines issued by the IRDA. The company now has a portfolio of 21 retail and 6 group products, along with five optional rider benefits catering to the savings, investment, protection and retirement needs of the customer. Most retail products are offered on both, the conventional and unit linked platforms.

The endeavour of the sales force is to help customers assess their financial and insurance

needs and then offer them an appropriately customised solution through the combination of one or more riders together with the basic plan. As the age profile of our customers is relatively young, the company has made a conscious effort to offer them long term policies, with adequate life cover. We believe that in most cases a regular premium paying policy would be in the interest of the policyholder- 80% of the policies written this year are regular premium policies.

The company has significantly leveraged the 'barbell' shaped demographic profile of the population and is one of the biggest providers of i) retirement solutions for the individual market segment, and ii) solutions for planning children's financial futures.

The market for 'company retirement plans' is yet evolving and is currently very price sensitive. The company is a key player in the group business market.

During the year, the company issued over 5,23,000 policies and has covered more than 8,77,000 lives.

Distribution

Offices

In its drive to deepen and widen the penetration in the market, the company opened an additional 107 offices during the year, taking the total to 276 across 28 regions. In addition the company also adopted the Hub and Spoke model and opened 162 spokes during the year. Through the network of these offices the company's Financial Consultants, Corporate Agents and Brokers are able to service customers in almost 700 cities and towns across the country.

Financial Consultants

The Company's distribution strategy continues to lay strong emphasis on the development of the agency channel. The number of licensed Financial Consultants appointed by the company increased from over 33,000 in the previous year to over 74,000 in the current year, with a large part of the increase happening in the latter part of the year. This positions us well to take advantage of a larger trained sales force in the coming year. The company provides extensive and thorough training, to not only comply with the regulatory requirements, but also to equip the financial consultants to appropriately assess the customer's insurance needs. The 'needs based analysis' approach adopted by our sales force has resulted in a significant increase in the average premium, even beyond the limits of tax benefits available

Corporate Agents

Simultaneously the company took advantage of the interest in distributing insurance products that was evinced by banks and other corporate agents. This channel has yielded good results and accounts for over 43% of all first year premia collected during the year.

Rural & Social Sector Obligations

Under the IRDA (Obligations of Insurers to Rural Social Sectors) Regulations, 2000, an

insurer is required to meet the prescribed obligations pertaining to rural and social sectors.

The company has focused its attention in a few rural areas and has seen gratifying results. As against a regulatory requirement of writing 18% of all policies in rural areas, the company has issued over 1,21,000 policies accounting for more than 23% of all policies issued during the year. Two of our financial consultants operating exclusively in rural areas have also qualified for the internationally recognized Million Dollar Round Table (MDRT) club. In addition, during the current financial year, the company has covered 27,284 lives under the social sector category, as against the requirement of 25,000 lives.

Servicing the customer

During the year, the company has established additional touch points for rendering effective and efficient customer service. The customer can now visit our offices, call the Service Helpline, send an email, access our service through the web portal or through the Financial Consultants. Premium payments can be made easily using options like the direct debit facility (through the Electronic Clearing System) as also through net banking that has been enabled

Bonus

The company declared the sixth consecutive bonus on all with profits policies as follows:

Product	Premium frequency	Reversionary Bonus	Interim Bonus	Terminal Bonus
<ul style="list-style-type: none"> • HDFC Endowment Assurance Plans, • HDFC Children's Plans, • HDFC Money Back Plans, • HDFC Personal Pension Plans 	Regular	2.25%	2.25%	Not applicable
<ul style="list-style-type: none"> • Savings Assurance Plan • HDFC Assurance Plan 	Regular	3.25%	3.25%	
<ul style="list-style-type: none"> • Single Premium Whole of Life Policies 	Single	5%	5%	
<ul style="list-style-type: none"> • Personal Pension Plan 	Single	5%	5%	15%

Solvency

The company has been continuously monitoring its solvency margins and has ensured that at all times, in keeping with the

on the company website.

Through effective use of digital security systems, the company now issues policy documents with secure digital signatures. Corporate clients can also access information and pass on instructions for services through a secured email facility thus doing away with paper based instructions. The year also witnessed the launch of 'My Account', a web based facility, which provides for various policy servicing options such as switch, premium redirection to be executed by clients, without recourse to visiting a branch.

Investments

Investments of insurance companies are regulated under the IRDA (Investment) Regulations, 2000 as amended from time to time. The company has complied with all the requirements under the said Regulations. The total assets under management as on March 31, 2007 is Rs. 4,976 crores as against Rs.2,554 crores in the previous year. Under the unit linked products, the company offers a choice of 6 funds ranging from growth to liquid funds.

requirements of IRDA (Assets, Liabilities, and Solvency Margin of Insurers) Regulations, 2000, the margin is maintained at least at 1.50 times the statutory required level.

Capital

During the year, the company raised the paid-up equity share capital from Rs. 620 crores to over Rs. 801 crores. Further the company also enhanced its authorised capital from Rs. 620 crores to Rs. 1,500 crores. The shares subscribed to by Standard Life Assurance Company are yet to be allotted and are awaiting approval from IRDA since Standard Life Assurance Company had demutualised during the year.

Infrastructure

During the year, the Company has invested in additional infrastructure capacity and human capital, in terms of offices, technology, staff, financial consultants, in order to be well positioned to increase the growth momentum in the year ahead. The company stepped up the recruitment programme in the latter part of the year in preparation for the next year. Many of the newly recruited sales employees will become fully productive over the coming year.

Human Resource

The company had 8,457 employees as of March 31, 2007 as compared to 3,043 employees as of March 31, 2006. Under the provisions of Section 217 (2A) of the Companies Act, 1956 and the rules framed thereunder, the names and other particulars of employees are set out in the annexe to this Report.

Technology

The company has been investing in technology to ensure efficient processing of business and to be in a position to offer value added services to customers. By networking its branches across the country and setting up a second processing center in Chennai, the company has taken effective steps towards ensuring Business Continuity.

Its investment in workflow and imaging technology through best of breed solutions have helped it manage increasing volumes without affecting service standards. As a result, the company, in the last year, has been awarded

the "Intelligent Enterprise" Award by the Express Computer Magazine – Part of the Indian Express Group.

The company has also used the internet effectively to service both policyholders and its agency force.

Training

Employee training is an integral part of our business strategy. The company continues to invest heavily into the development of its manpower resources. This is an ongoing activity with investments being made to reap benefits in the years to come.

During the year, a large scale training campaign was carried out covering the employees – both sales and operations, financial consultants and alternate channel partners and their associates on the compliance necessitated by the Guidelines on Anti Money Laundering mandated by the IRDA.

Risk Management Policy

The company has a Risk Management policy. This involved risk identification, impact evaluation and mitigant identification exercise. A review mechanism has also been put in place to track the movement of various risks, both at the unit level and at the Corporate level.

Regular updates in this regard will be placed before the Audit Committee of Directors and the Board of Directors.

Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Expenditure

Since the company does not carry out any manufacturing activity and has no dealings in foreign exchange, the particulars in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

Dividend

As the company has not earned profits, the directors do not recommend any dividend.

Directors

During the year, Mr. G E Grimstone was appointed as an alternate director to Mr. A M Crombie, however since Mr. Crombie personally attended a meeting, Mr. Grimstone demitted office during the year.

Mr. Deepak S Parekh, Mr. A M Crombie and Mr. Ravi Narain are the directors liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

Mr. G N Bajpai ceased to be director of the company. The directors wish to place on record their appreciation for the services rendered to the company by Mr. Bajpai.

Auditors

Messrs Haribhakti & Company, Chartered Accountants and Messrs Kalyaniwalla & Mistry, Chartered Accountants - joint statutory auditors of the company retire at the forthcoming annual general meeting and are eligible for appointment.

Deposits

The company has not accepted any fixed deposits during the year under review.

Appreciation

The directors take this opportunity to thank all employees of the company for their hard work, dedication and commitment. The directors also take this opportunity to thank Housing Development Finance Corporation Limited and Standard Life Assurance Company, United Kingdom for their invaluable support. The directors also thank all the channel partners and the Policyholders for their continued support and trust reposed in the company. The directors also thank the Insurance Regulatory and Development Authority for its support, advice and direction provided from time to time.

Committee of the Board

Audit Committee

The members of the audit committee are all non-executive directors. The terms of reference of the audit committee include ensuring the implementation of audit procedures and

techniques, reviewing the financial reporting systems, internal control systems and control procedures and ensuring compliance with regulatory guidelines.

The committee met four times during the year under review. The committee reviewed the annual financial statements for the period ended March 31, 2007 and recommended approval of the same to the Board.

Further, the committee reviewed reports of internal auditors and statutory auditors with respect to all areas of operations and the comments and action taken reports of the management. The internal auditors have attended all the meetings held by the committee and the statutory auditors have attended the meetings as and when required by the committee.

Directors' Responsibility Statement

In accordance with the requirements of Section 217(2AA) of the Companies Act, 1956, the Board of Directors wish to state that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures (if any);
- (ii) such accounting policies have been selected and applied consistently and judgements and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31, 2007 and of the loss of the company for the year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting

records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (iv) the annual accounts have been prepared on a going concern basis.

On behalf of the Board of Directors

Mumbai
April 26, 2007

DEEPAK S. PAREKH
Chairman

Auditors' Report

TO THE MEMBERS OF HDFC STANDARD LIFE INSURANCE COMPANY LIMITED

1. We have audited the attached Balance Sheet of HDFC STANDARD LIFE INSURANCE COMPANY LIMITED ("the Company") as at March 31, 2007, the related Revenue Account, Profit & Loss Account and Receipts and Payments account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We report that:

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory;

(b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been maintained by the Company so far as appears from our examination of those books;

(c) As the Company's financial accounting system is centralized, accounting returns are not required to be submitted by branches and other offices of the company for the purposes of our audit;

(d) The Balance Sheet, Revenue Account, Profit and Loss Account and Receipts and Payments Account referred to in this report are in agreement with the books of account;

(e) The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary ('the Appointed

Actuary'). The Appointed Actuary has duly certified as at March 31, 2007 the actuarial valuation of liabilities for policies in force and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory Development Authority ('IRDA') and the Actuarial Society of India in concurrence with the Authority. We have relied upon the appointed actuary's certificate in this regard for forming our opinion on the financial statement of the company.

(f) On the basis of the written representations received from the Directors of the Company, as on March 31, 2007 and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on March 31, 2007 from being appointed as a Director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, we further report that:

(a) Investments have been valued in accordance with the provisions of the Insurance Act, 1938, the Insurance Regulatory Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulation, 2002, ('the Regulations') and orders / directions issued by IRDA in this behalf ;

(b) The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards referred to under sub-section (3C) of Section 211 of the Companies Act, 1956 and with the accounting principles prescribed in the Regulations and orders / directions issued by IRDA in this behalf;

(c) The Balance Sheet, Revenue Account, Profit and Loss Account and Receipts and Payments Account together with the notes thereon, are prepared in accordance with the requirements of, the Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999 and the Companies Act, 1956, to the extent applicable and in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India as applicable to insurance companies;

i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2007;

ii. in case of the Revenue Account of the net deficit (before shareholders' contribution from non-technical account) for the year ended March 31, 2007;

iii. in the case of the Profit & Loss Account, of the loss for the year ended March 31, 2007; and

iv. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended March 31, 2007.

5. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us and to the best of our knowledge and belief, we certify that:

(a) We have reviewed the management report attached to the financial statements for the year ended March 31, 2007, and have found no apparent mistake or material inconsistencies with the financial statements; and

(b) Based on management representations and compliance certificates noted by the Risk Management and Audit Committee, nothing has come to our attention which causes us to believe that the company has not complied with the terms and conditions of registration stipulated by the IRDA.

For Haribhakti & Co.
Chartered Accountants

Manoj Daga
Partner

Membership No. 48523

For Kalyaniwalla & Mistry
Chartered Accountants

Viraf R. Mehta
Partner

Membership No. 32083

MUMBAI
April 26, 2007

Certificate

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by HDFC Standard Life Insurance Company Limited ('the Company') for the year ended March 31, 2007 we certify that:

1. We have verified the cash balances, to the extent considered necessary, and securities relating to the Company's investments as at March 31, 2007, by actual inspection or on the basis of certificates/confirmations received from the depository participant appointed by the Company, as the case may be. As at March

31, 2007, the Company had no reversions and life interests;

2. The Company is not a trustee of any trust; and

3. No part of the assets of the policyholders' funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, 1938, relating to the application and investments of the policyholders funds.

This certificate is issued to comply with Schedule C of Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance

Companies) Regulations, 2002, ('the regulations') read with Regulation 3 of such Regulations and may not be suitable for any other purpose.

For Haribhakti & Co.
Chartered Accountants

Manoj Daga
Partner

Membership No. 48523

For Kalyaniwalla & Mistry
Chartered Accountants

Viraf R. Mehta
Partner

Membership No. 32083

MUMBAI
April 26, 2007

Balance Sheet as at March 31, 2007

	Schedule	Current Year (Rs. '000)	Previous Year (Rs. '000)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS:			
Share Capital	5	8,007,148	6,192,718
Share application money received pending allotment of shares		287,391	—
Reserve and Surplus*	6	65,902	65,902
Credit / (Debit) Fair Value Change Account		—	73,105
Sub-Total		8,360,441	6,331,725
BORROWINGS			
POLICYHOLDERS' FUNDS:			
Credit / (Debit) Fair Value Change Account		91,247	209,569
Policy Liabilities		17,391,531	11,487,996
Insurance Reserves		—	—
Linked liabilities		25,934,264	9,732,781
Add: Fair value change		2,582,499	2,203,309
Total Linked Liabilities		28,516,763	11,936,090
Sub-Total		45,999,541	23,633,655
Funds for Future Appropriations		—	—
Funds for future appropriation - Provision for lapsed policies unlikely to be revived		59,485	25,516
Surplus Allocated to Shareholders		—	—
TOTAL		54,419,467	29,990,896
* Refer Note no. 14 in the notes to Accounts.			
APPLICATION OF FUNDS			
INVESTMENTS			
Shareholders'	8	1,529,743	1,380,910
Policyholders'	8A	17,782,866	11,695,010
Assets held to cover Linked Liabilities	8B	28,516,763	11,936,090
LOANS	9	12,638	29,356
FIXED ASSETS	10	736,054	601,345
CURRENT ASSETS			
Cash and bank balances	11	3,363,556	2,879,622
Advances and Other Assets	12	1,961,980	990,106
Sub-Total (A)		5,325,536	3,869,728
CURRENT LIABILITIES			
PROVISION	13	3,874,652	2,658,567
	14	30,845	28,729
Sub-Total (B)		3,905,497	2,687,296
NET CURRENT ASSETS (C) = (A - B)		1,420,039	1,182,432
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	15	—	—
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT (Shareholders' account)		4,421,364	3,165,753
TOTAL		54,419,467	29,990,896

Notes to Accounts
Schedules referred to above and the notes to accounts form an integral part of the Balance Sheet

As per our report of even date

For Haribhakti & Co.
Chartered Accountants

Manoj Daga
Partner
Membership No: 48523

Mumbai
Dated: April 26th, 2007

Contingent Liabilities
Particulars

1.	Partly paid-up investments	—	—
2.	Claims, other than against policies, not acknowledged as debts by the company	—	—
3.	Underwriting commitments outstanding (in respect of share and securities)	—	—
4.	Guarantees given by or on behalf of the Company	—	—
5.	Statutory demands/ liabilities in dispute, not provided for (Refer Note nos 20. & 21 in Notes to Accounts)	309,494	119,829
6.	Reinsurance obligations to the extent not provided for in the accounts	—	—
7.	Others	—	—
	Total	309,494	119,829

For Kalyaniwalla & Mistry
Chartered Accountants

Viraf R. Mehta
Partner
Membership No: 32083

Deepak S. Parekh
Chairman

D. M. Satwalekar
Managing Director & CEO

Directors
K.M. Mistry
G.E. Grimstone
G.R. Divan
Ranjan Pant
Norman K. Skeoch
Marcia D. Campbell
Renu Sud Karnad

Profit & Loss Account for the year ended March 31, 2007

Shareholders' Account (Non-technical Account)

Particulars	Schedule	Current Year (Rs. '000)	Previous Year (Rs. '000)
Amounts transferred from the Policyholders Account (Technical Account)		—	—
Income from Investments			
(a) Interest, Dividends & Rent - Gross		126,836	138,496
(b) Profit on sale / redemption of investments		114,192	7,989
(c) (Loss on sale / redemption of investments)		(12,470)	(6,933)
(d) Transfer / gain on revaluation / change in fair value		(23,909)	(6,594)
(e) Amortisation (charge)/credit		(2,375)	(8,926)
Sub Total		<u>202,274</u>	<u>124,032</u>
Other Income		<u>764</u>	<u>3,650</u>
TOTAL (A)		<u>203,038</u>	<u>127,682</u>
Expenses other than those directly related to the insurance business	3A	8,252	18,251
Bad debts written off		—	—
Provisions (other than taxation)			
(a) For diminution in the value of Investments (net)		—	—
(b) Provision for doubtful debts		—	—
(c) Others		—	—
Contribution to the Policyholders Fund		<u>1,450,397</u>	<u>1,397,003</u>
TOTAL (B)		<u>1,458,649</u>	<u>1,415,254</u>
Profit / (Loss) before tax		(1,255,611)	(1,287,572)
Provision for Taxation		—	—
Profit / (Loss) after tax		(1,255,611)	(1,287,572)
APPROPRIATIONS			
(a) Balance at the beginning of the Period		(3,165,753)	(1,878,181)
(b) Interim dividends paid during the Period		—	—
(c) Proposed final dividend		—	—
(d) Dividend distribution tax		—	—
(e) Transfer to reserves /other accounts		—	—
Profit / (Loss) carried forward to the Balance Sheet		<u>(4,421,364)</u>	<u>(3,165,753)</u>
Earning per share - Basic		(1.83)	(2.92)
Earning per share - Diluted		(1.81)	(2.92)
Notes to Accounts	16		

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

As per our report of even date.

For Haribhakti & Co.
Chartered Accountants

For Kalyaniwalla & Mistry
Chartered Accountants

Deepak S. Parekh
Chairman

Directors
K.M. Mistry
G.E. Grimstone
G.R. Divan
Ranjan Pant
Norman K. Skeoch
Marcia D. Campbell
Renu Sud Karnad

Manoj Daga
Partner
Membership No: 48523

Viraf R. Mehta
Partner
Membership No: 32083

D. M. Satwalekar
Managing Director & CEO

Mumbai
Dated: April 26th, 2007

Revenue Account for the year ended March 31, 2007

Policyholders' Account (Technical Account) Particulars	Schedule	Current Year (Rs. '000)	Previous Year (Rs. '000)
Premiums earned (Net)			
(a) Premium	1	28,558,656	15,699,126
(b) Reinsurance ceded		(332,408)	(229,625)
(c) Reinsurance accepted		—	—
Sub Total		<u>28,226,248</u>	<u>15,469,501</u>
Income from Investments			
(a) Interest, Dividends & Rent - Gross		1,589,497	689,655
(b) Profit on sale / redemption of investments		1,043,415	944,930
(c) (Loss on sale / redemption of investments)		(411,914)	(14,974)
(d) Transfer / gain on revaluation / change in fair value*		101,405	2,158,993
(e) Amortisation Charge		(65,762)	(60,160)
Sub Total		<u>2,256,641</u>	<u>3,718,444</u>
Other Income			
(a) Contribution from the Shareholders' Account		1,450,397	1,397,003
(b) Other Income		232,997	232,709
Sub Total		<u>1,683,394</u>	<u>1,629,712</u>
TOTAL (A)		<u>32,166,283</u>	<u>20,817,657</u>
Commission	2	2,099,268	1,203,252
Operating Expenses related to Insurance Business	3	5,767,403	3,984,948
Provisions for doubtful debts		—	—
Bad debts written off		—	—
Provisions for tax		—	—
Fringe Benefit Tax		35,784	26,791
Provisions (other than taxation)		—	—
(a) For diminution in the value of investments (Net)		—	—
(b) Others (to be specified)		—	—
TOTAL (B)		<u>7,902,455</u>	<u>5,214,991</u>

Revenue Account for the year ended March 31, 2007 (Continued)

Policyholders' Account (Technical Account) Particulars	Schedule	Current Year (Rs. '000)	Previous Year (Rs. '000)
Benefits Paid (Net)	4	1,745,350	448,337
Interim Bonuses Paid		300	417
Change in valuation of liability against life policies in force			
(a) Gross **		22,625,262	15,247,633
(b) Amount ceded in Reinsurance		(141,054)	(119,237)
(c) Amount accepted in Reinsurance		—	—
TOTAL (C)		24,229,858	15,577,150
SURPLUS / (DEFICIT) Before Bonus Allocation			
(D) = (A) - (B) - (C)		33,970	25,516
APPROPRIATIONS			
Surplus Allocated to Shareholders		—	—
Transfer to Shareholders' Account		—	—
Transfer to Other Reserves		—	—
Funds for future appropriation - Provision for lapsed policies unlikely to be revived		33,970	25,516
Balance being Funds For Future Appropriations		—	—
TOTAL (D)		33,970	25,516

Notes:

* Represents the deemed realised gain as per norms specified by the authority

** Represents changes in the mathematical reserves after allocation of bonus

As required by Sec 40-B(4) of the Insurance Act, 1938, we certify that all the expenses of Management in respect of life insurance business in India by the company have been fully debited to the Policy holders Revenue account as expenses.

The total surplus as mentioned below :

(a) Interim Bonuses Paid :	300	417
(b) Allocation of Bonus to policyholders:	866,768	762,213
(c) Surplus shown in the Revenue Account:	33,970	25,516
(d) Total Surplus :[(a)+(b)+(c)]	901,038	788,146

Notes to Accounts 16

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

As per our report of even date.

For Haribhakti & Co.
Chartered Accountants

For Kalyaniwalla & Mistry
Chartered Accountants

Deepak S. Parekh
Chairman

Directors
K.M. Mistry
G.E. Grimstone
G.R. Divan
Ranjan Pant
Norman K. Skeoch
Marcia D. Campbell
Renu Sud Karnad

Manoj Daga
Partner
Membership No: 48523

Viraf R. Mehta
Partner
Membership No: 32083

D. M. Satwalekar
Managing Director & CEO

Mumbai
Dated: April 26th, 2007

Receipts and Payments Account for the year ended March 31, 2007

CASH FLOW FROM OPERATING ACTIVITIES	Schedule	Current Year (Rs '000)	Previous Year (Rs '000)
Amounts received from Policyholders		28,492,873	15,642,471
Amounts paid to Policyholders		(1,708,312)	(435,195)
Amounts received / (paid) to Reinsurers		(217,789)	(265,037)
Amounts paid to Distribution Partners		(2,064,017)	(1,172,248)
Cash Payments to Employees and Suppliers		(6,467,443)	(2,742,762)
Deposit with Reserve Bank of India		(4)	(73,570)
Investment Income		1,541,366	673,038
Other Income		384,782	417,966
		19,961,456	12,044,663
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(372,874)	(496,658)
Sale of Fixed Assets		—	996
Proceeds from Sale or Maturity of Investments		65,891,941	22,244,811
Purchase of Investments		(87,096,589)	(34,647,719)
		(21,577,522)	(12,898,570)
CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Shares during the year		1,812,609	3,000,000
Share application money received pending allotment		287,391	—
		2,100,000	3,000,000
Net Increase in Cash and Cash Equivalents		483,934	2,146,093
Cash and Cash Equivalents as at the beginning of the year		2,879,622	733,529
		3,363,556	2,879,622

Notes to Accounts 16

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

As per our report of even date

For Haribhakti & Co.
Chartered Accountants

Manoj Daga
Partner
Membership No:48523

MUMBAI, April 26th, 2007

For Kalyaniwalla & Mistry
Chartered Accountants

Viraf R. Mehta
Partner
Membership No:32083

Deepak S. Parekh
Chairman

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Managing Director & CEO

Directors
K. M. Mistry
G. E. Grimstone
G. R. Divan
Ranjan Pant
Norman K. Skeoch
Marcia D. Campbell
Renu Sud Karnad

Schedules

Annexed to and forming part of the Accounts

Schedule 1

PREMIUM

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. First year Premiums	13,164,385	8,254,735
2. Renewal Premiums	12,070,128	5,272,607
3. Single Premiums	3,324,143	2,171,784
Total Premium	<u>28,558,656</u>	<u>15,699,126</u>

Schedule 2

COMMISSION EXPENSES

	Current Year (Rs. '000)	Previous Year (Rs. '000)
Commission Paid		
Direct - First year premiums	1,740,024	1,007,528
- Renewal premiums	345,918	178,867
- Single premiums	13,326	16,857
Add: Commission on Reinsurance accepted	—	—
Less: Commission on Reinsurance ceded	—	—
Net Commission	<u>2,099,268</u>	<u>1,203,252</u>
Break up of the expenses (Gross) incurred to procure business :		
Agents	970,774	689,408
Brokers	16,371	6,206
Corporate Agency	1,111,327	506,785
Referral	796	853
Others	—	—
Total	<u>2,099,268</u>	<u>1,203,252</u>

Schedule 3

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Employees' remuneration & welfare benefits	1,905,428	1,117,923
2. Travel, conveyance and vehicle running expenses	160,255	105,088
3. Training expenses (Employees and Financial Consultants)	430,282	218,630
4. Rent, rates & taxes	234,800	168,525
5. Repairs	37,807	25,005
6. Printing & stationery	121,130	95,130
7. Communication expenses	193,752	143,743
8. Legal & professional charges	290,842	150,038
9. Medical fees	39,587	32,634
10. Auditors fees, expenses etc.		
(a) as auditor	1,027	1,046
(b) as advisor or in any other capacity in respect of		
(i) Taxation matters	—	—
(ii) Insurance matters	—	—
(iii) Management services	—	—
(c) in any other capacity	75	75
11. Advertisement and publicity	924,383	866,042
12. Interest & Bank Charges	11,391	4,962
Carried forward	<u>4,350,759</u>	<u>2,928,841</u>

Schedule 3 (Continued)

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
Brought forward	4,350,759	2,928,841
13. Others		
(a) Computer Expenses	150,031	100,531
(b) General Office & Other Expenses	176,976	121,084
(c) Stamp Duty	36,062	23,760
(d) Operating Leases	5,197	1,725
(e) Custodial Charges	2,962	3,459
(f) Brokerage	46,876	27,865
(g) Business Development Expenses	605,279	475,084
(h) Depreciation		
Depreciation of assets owned by Policyholders	—	—
Reimbursement of Depreciation for use of shareholders assets	238,104	189,501
14. Service Tax	155,157	113,098
Total	<u>5,767,403</u>	<u>3,984,948</u>

Schedule 3A

SHAREHOLDER EXPENSES

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Employees' remuneration & welfare benefits	—	—
2. Travel, conveyance and vehicle running expenses	—	—
3. Training expenses	—	—
4. Rent, rates & taxes	—	180
5. Repairs	—	—
6. Printing & stationery	—	—
7. Communication expenses	—	—
8. Legal & professional charges	1,436	7,656
9. Medical fees	—	—
10. Auditors fees, expenses etc.		
(a) as auditor	—	—
(b) as advisor or in any other capacity in respect of		
(i) Taxation matters	—	—
(ii) Insurance matters	—	—
(iii) Management services	—	—
(c) in any other capacity	—	—
11. Advertisement and publicity	—	—
12. Interest & Bank Charges	4	2
13. Others		
(a) Custodial Charges	33	812
(b) General Insurance	1,200	702
(c) Directors Fees	880	1,030
(d) Stamp Duty	1,813	5,705
(e) Brokerage	883	161
(f) Preliminary Expenses amortised	1,820	1,820
(g) Wealth tax	122	125
(h) Loss on Sale of Fixed Assets	61	58
14. Depreciation		
(a) Depreciation on Assets owned by Shareholders	238,104	189,501
(b) Reimbursement by Policyholders for use of Shareholders Assets	(238,104)	(189,501)
Total	<u>8,252</u>	<u>18,251</u>

Schedule 4

BENEFITS PAID [NET]

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Insurance Claims		
(a) Claims by Death	183,803	145,236
(b) Claims by Maturity	—	—
(c) Money back payment	122,414	4,934
(d) Annuities / Pensions in payment	8,610	9,019
(e) Vesting of Pension policy	8,820	—
(f) Surrenders	881,684	239,305
(g) Critical Illness	1,520	942
(h) Permanent & Partial Disability	649	—
(i) Withdrawals	615,797	112,102
(j) Others	—	2,823
Sub Total (A)	<u>1,823,297</u>	<u>514,361</u>
2. (Amount ceded in reinsurance)		
(a) Claims by Death	(76,015)	(65,096)
(b) Claims by Maturity	—	—
(c) Annuities / Pensions in payment	—	—
(d) Surrenders	—	—
(e) Critical Illness	(1,348)	(928)
(f) Permanent & Partial Disability	(584)	—
Sub Total (B)	<u>(77,947)</u>	<u>(66,024)</u>
3. Amount accepted in reinsurance		
(a) Claims by Death	—	—
(b) Claims by Maturity	—	—
(c) Annuities / Pensions in payment	—	—
(d) Surrenders	—	—
(e) Critical Illness	—	—
Sub Total (C)	<u>—</u>	<u>—</u>
Total (A+B+C)	<u><u>1,745,350</u></u>	<u><u>448,337</u></u>

Notes:(a) Claims include specific claims settlement costs, wherever applicable.

(b) Legal, other fees and expenses also form part of the claims cost, wherever applicable.

Schedule 5

SHARE CAPITAL

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Authorised Capital		
Equity shares of Rs. 10 each	15,000,000	15,000,000
2. Issued Capital		
Equity shares of Rs. 10 each	8,300,000	6,200,000
3. Subscribed Capital		
Equity shares of Rs. 10 each	8,012,609	6,200,000
4. Called-up Capital		
Equity shares of Rs. 10 each		
Add: Shares forfeited (Amount originally paid up)		
Less: Par Value of Equity Shares bought back		
Less: Preliminary Expenses	(5,461)	(7,282)
Expenses including commission or brokerage on underwriting or subscription of shares		
Total	<u>8,007,148</u>	<u>6,192,718</u>

Share Capital amounting to Rs. 6,562,123 thousand (Previous Year : Rs. 4,886,543 thousand) is held by HDFC Ltd., the holding company.

Schedule 5A

PATTERN OF SHAREHOLDING

(As certified by the Management)

Shareholder	Current Year		Previous Year	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
• Indian / Holding Company	656,212,304	81.90%	488,654,325	78.81%
• Foreign	126,784,606	15.82%	113,081,675	18.24%
Others - Domestic	18,264,000	2.28%	18,264,000	2.95%
Total	<u>801,260,910</u>	<u>100.00%</u>	<u>620,000,000</u>	<u>100.00%</u>

Schedule 6

RESERVES AND SURPLUS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Capital Reserves	—	—
2. Capital Redemption Reserve	—	—
3. Share Premium	—	—
4. Revaluation Reserve *	65,902	65,902
5. General Reserves	—	—
Less: Debit balance in Profit and Loss Account, if any	—	—
Less: Amount utilized for Buy-back	—	—
6. Catastrophe Reserve	—	—
7. Other Reserves	—	—
8. Balance of profit in Profit and Loss Account	—	—
Total	<u>65,902</u>	<u>65,902</u>

* Refer Note No. 14 in the Notes to Accounts.

Schedule 7

BORROWINGS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Debentures / Bonds	—	—
2. Banks	—	—
3. Financial Institutions	—	—
4. Others	—	—
Total	—	—

Schedule 8

INVESTMENTS - SHAREHOLDERS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
LONG TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	80,810	360,161
2. Other Approved Securities	—	—
3. Other Investments		
(a) Shares		
(aa) Equity	117,275	156,975
(bb) Preference	—	—
(b) Mutual Funds	—	—
(c) Derivative Instruments	—	—
(d) Debentures / Bonds	—	—
(e) Other Securities	—	—
(f) Subsidiaries	—	—
(g) Investment Properties - Real Estate *	270,550	270,550
4. Investments in infrastructure and Social Sector	195,626	256,784
5. Other than Approved securities	—	—
Sub Total (A)	664,261	1,044,470
SHORT TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	580,347	186,440
2. Other Approved Securities	—	—
3. Other Investments		
(a) Shares		
(aa) Equity	—	—
(bb) Preference	—	—
(b) Mutual Funds	—	—
(c) Derivative Instruments	—	—
(d) Debentures / Bonds	99,707	150,000
(e) Other Securities		
Commercial Paper	—	—
Certificate of Deposit	47,921	—
Repo Investments	87,996	—
(f) Subsidiaries	—	—
(g) Investment Properties - Real Estate	—	—
4. Investments in infrastructure and Social Sector	49,511	—
5. Other than Approved investments	—	—
Sub Total (B)	865,482	336,440
Total (A+B)	1,529,743	1,380,910

* Refer Note no 14 in the Notes to Accounts.

The Market value of Investments, other than listed equity securities, is Rs. 1,168,736 thousand (Previous Year : Rs. 984,477 thousand)

Schedule 8A

INVESTMENTS - POLICYHOLDERS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
LONG TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	6,870,997	4,038,419
2. Other Approved Securities	—	—
3. Other Investments		
(a) Shares		
(aa) Equity	2,875,251	2,525,305
(bb) Preference	—	—
(b) Mutual Funds	—	—
(c) Derivative Instruments	—	—
(d) Debentures / Bonds	1,421,621	9,299
(e) Other Securities		
Deep Discount Bonds	2,616	—
(f) Subsidiaries	—	—
(g) Investment Properties - Real Estate	—	—
4. Investment in Infrastructure and Social Sector	2,080,176	1,551,726
5. Other than Approved Investments	370,589	—
Sub Total (A)	<u>13,621,250</u>	<u>8,124,749</u>
SHORT TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	1,883,948	2,497,498
2. Other Approved Securities	—	—
3. Other Investments		
(a) Shares		
(aa) Equity	—	—
(bb) Preference	—	—
(b) Mutual Funds	249,296	366,828
(c) Derivative Instruments	—	—
(d) Debentures / Bonds	179,214	—
(e) Other Securities		
Commercial Paper	323,739	47,169
Certificate of Deposit	540,366	383,424
Deep Discount Bonds	—	—
Repo Investments	637,099	—
(f) Subsidiaries	—	—
(g) Investment Properties - Real Estate	—	—
4. Investment in Infrastructure and Social Sector	347,954	275,342
5. Other than Approved Investments	—	—
Sub Total (B)	<u>4,161,616</u>	<u>3,570,261</u>
Total (A+B)	<u>17,782,866</u>	<u>11,695,010</u>

The market value of Investments, other than listed equity securities, is Rs. 13,638,740 thousand (Previous Year : Rs. 8,883,613 thousand)

Schedule 8B

ASSETS HELD TO COVER LINKED LIABILITIES

	Current Year (Rs. '000)	Previous Year (Rs. '000)
LONG TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	1,546,319	792,194
2. Other Approved Securities	—	—
3. Other Investments		
(a) Shares		
(aa) Equity	18,161,633	7,831,888
(bb) Preference	—	—
(b) Mutual Funds	—	—
(c) Derivative Instruments	—	—
(d) Debentures / Bonds	1,814,591	—
(e) Other Securities (to be specified)		
Deep Discount Bonds	82,184	—
Pass through Certificates	—	—
(f) Subsidiaries	—	—
(g) Investment Properties - Real Estate	—	—
4. Investment in Infrastructure and Social Sector	405,729	81,276
5. Other than Approved Investments	1,842,220	—
Sub Total (A)	<u>23,852,676</u>	<u>8,705,358</u>
SHORT TERM INVESTMENTS		
1. Government securities and Government guaranteed bonds including Treasury Bills	1,136,789	2,718,899
2. Other Approved Securities	—	—
3. Other Investments		
(a) Shares		
(aa) Equity	—	—
(bb) Preference	—	—
(b) Mutual Funds	794,755	—
(c) Derivative Instruments	—	—
(d) Debentures / Bonds	437,597	—
(e) Other Securities		
Fixed Deposit	1,260,979	—
Commercial Paper	294,509	189,142
Certificate of Deposit	71,884	281,094
Deep Discount Bonds	—	—
Repo Investments	144,885	—
(f) Subsidiaries	—	—
(g) Investment Properties - Real Estate	—	—
4. Investment in Infrastructure and Social Sector	495,763	—
5. Other than Approved Investments	—	—
Sub Total (B)	<u>4,637,161</u>	<u>3,189,135</u>
OTHER ASSETS		
1. Current Account	40,839	4,972
2. Interest Accrued and Dividend Receivable	291,170	88,055
3. Management Fees Payable	(623)	(50,231)
4. Safe custody charges payable	(2,112)	(1,185)
5. Other Liabilities	(302,348)	(14)
Sub Total (C)	<u>26,926</u>	<u>41,597</u>
Total (A+B+C)	<u><u>28,516,763</u></u>	<u><u>11,936,090</u></u>

Schedule 9

LOANS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. SECURITY - WISE CLASSIFICATIONS		
<i>Secured</i>		
(a) On mortgage of property		
(aa) In India	2,314	4,017
(bb) Outside India	—	—
(b) On Shares, Bonds, Government Securities, etc.	—	—
(c) Loans against policies	8,426	24,894
(d) Others (Vehicles)	229	—
<i>Unsecured</i>	1,669	445
Total	<u>12,638</u>	<u>29,356</u>
2. BORROWER - WISE CLASSIFICATION		
(a) Central and State Governments	—	—
(b) Banks and Financial Institutions	—	—
(c) Subsidiaries	—	—
(d) Companies	—	—
(e) Loans against policies	8,426	24,894
(f) Loans to employees	4,212	4,462
Total	<u>12,638</u>	<u>29,356</u>
3. PERFORMANCE - WISE CLASSIFICATION		
(a) Loans classified as standard		
(aa) In India	12,638	29,356
(bb) Outside India	—	—
(b) Non-standard loans less provisions		
(aa) In India	—	—
(bb) Outside India	—	—
Total	<u>12,638</u>	<u>29,356</u>
4. MATURITY - WISE CLASSIFICATION		
(a) Short-Term	193	22,151
(b) Long-Term	12,445	7,205
Total	<u>12,638</u>	<u>29,356</u>

The amounts receivable within 12 months from the Balance Sheet date are Rs. 1,656 thousand (Previous Year : Rs. 22,536 thousand)

Schedule 10
FIXED ASSETS

(Rs in '000)

	Cost / Gross Block				Depreciation				Net Block	
	As at 01/04/06	Additions	Deduc- tions	As at 31/03/07	As at 01/04/06	For the period	On Sales / Adjustments	As at 31/03/07	As at 31/03/07	As at 31/03/06
Intangible Assets (Computer Software)	119,841	5,667	—	125,508	73,832	25,335	—	99,167	26,341	46,009
Buildings	15,179	—	—	15,179	1,284	247	—	1,531	13,648	13,895
Furniture & Fittings	304,640	115,917	—	420,557	111,926	55,862	—	167,788	252,769	192,714
Information Technology Equipment	430,445	154,933	(81)	585,297	255,483	120,275	(20)	375,738	209,559	174,962
Office Equipment	238,232	94,105	—	332,337	70,761	36,385	—	107,146	225,191	167,471
Total	1,108,337	370,622	(81)	1,478,878	513,286	238,104	(20)	751,370	727,508	595,051
Capital Work in progress	6,294	161,514	(159,262)	8,546	—	—	—	—	8,546	6,294
Grand Total	1,114,631	532,136	(159,343)	1,487,424	513,286	238,104	(20)	751,370	736,054	601,345

Schedule 11
CASH AND BANK BALANCES

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Cash (including cheques on hand*, drafts and stamps)	765,833	514,618
2. Bank Balances		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months of Balance Sheet)	—	—
(bb) Others	—	—
(b) Current Accounts	1,182,280	1,753,404
(c) Others	—	—
3. Money at Call and Short Notice		
(a) With Banks	1,415,443	611,600
(b) With other Institutions	—	—
4. Others	—	—
Total	3,363,556	2,879,622
Balances with non-scheduled banks included in 2 and 3 above	—	—
CASH & BANK BALANCES		
1. In India	3,363,556	2,879,622
2. Outside India	—	—
Total	3,363,556	2,879,622

* Cheques on hand amount to Rs. 764,775 Thousand (Previous Year : Rs. 480,283 Thousand)

Schedule 12

ADVANCES AND OTHER ASSETS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
ADVANCES		
1. Reserve deposits with ceding companies	—	—
2. Application money for investments	—	—
3. Prepayments	91,504	30,108
4. Advances to Directors/officers	—	—
5. Advance tax paid and taxes deducted at source (Net of provision for taxation)	5,952	114
6. Others		
(a) Advances for fixed assets	6,758	3,169
(b) Security Deposits	290,658	146,239
(c) Advances to employees	411	10
(d) Investment sold awaiting settlement	—	—
(e) Other Advances	31,022	10,063
(f) Equity application-pending allotment	—	—
Total (A)	<u>426,305</u>	<u>189,703</u>
Other Assets		
1. Income accrued on investments	414,464	239,497
2. Outstanding Premiums	761,825	404,259
3. Agents' Balances	21,386	512
4. Foreign Agencies' Balances	—	—
5. Due from other entities carrying on insurance business (including reinsurers)	44,966	16,906
6. Due from subsidiaries / holding company	12	—
7. Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	100,004	100,000
8. Others		
(a) Sundry Debtors	1,463	1,629
(b) Due from Investing Company	18,304	23,000
(c) Service Tax Unutilised Credits	173,251	14,600
Total (B)	<u>1,535,675</u>	<u>800,403</u>
Total (A + B)	<u><u>1,961,980</u></u>	<u><u>990,106</u></u>

Schedule 13

CURRENT LIABILITIES

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Agents' Balances	162,083	105,958
2. Balances due to other insurance companies (including Reinsurers)	197,545	54,866
3. Deposits held on reinsurance ceded	—	—
4. Premiums received in advance	451,850	83,447
5. Unallocated Premiums (Suspense)	432,471	509,091
6. Sundry creditors	1,324,021	900,441
Carried forward	<u>2,567,970</u>	<u>1,653,803</u>

Schedule 13 (Continued)

CURRENT LIABILITIES

	Current Year (Rs. '000)	Previous Year (Rs. '000)
Brought forward	2,567,970	1,653,803
7. Due to subsidiaries / holding company	—	—
8. Claims Outstanding	55,562	18,223
9. Annuities due	—	—
10. Due to Officers / Directors	—	—
11. Others		
(a) Tax deducted to be remitted	168,121	58,874
(b) Service Tax Liability	—	41
(c) Security Deposits	21,441	21,441
(d) Investments purchased - to be settled	1,061,558	906,185
Total	<u>3,874,652</u>	<u>2,658,567</u>

Schedule 14

PROVISIONS

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Wealth Tax	125	127
2. Gratuity	5,660	4,794
3. Superannuation	—	—
4. Leave Encashment	24,328	21,494
5. Fringe Benefit Tax (Net of advance tax)	715	2,314
6. Standard Loans	17	—
Total	<u>30,845</u>	<u>28,729</u>

Schedule 15

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

	Current Year (Rs. '000)	Previous Year (Rs. '000)
1. Discount allowed in issue of shares / debentures	—	—
2. Others	—	—
Total	<u>—</u>	<u>—</u>

Schedule 16

Financial Statement Disclosures

A. Notes forming part of Accounts:

1. Contingent Liabilities

Particulars	Current Year (Rs. '000)	Previous Year (Rs. '000)
Partly paid-up investments	—	—
Claims, other than against policies, not acknowledged as debts by the Company	—	—
Underwriting commitments outstanding	—	—
Guarantees given by or on behalf of the Company	—	—
Statutory demands and liabilities in dispute, not provided for (See Note nos. 20 & 21)	309,494	119,829
Reinsurance obligations	—	—
Others	—	—
	<u>—</u>	<u>—</u>

2. Taxation

The Income-tax Act, 1961 prescribes that profits and gains of life insurance companies will be the surplus or deficit disclosed by the actuarial valuation made in accordance with the Insurance Act, 1938. The Government of India had set up a committee to suggest revisions in the provisions for taxation of life insurance companies. The Company understands that the committee has submitted its report and it is possible that the existing rules may be modified in the future.

According to Accounting Standard 22 on "Accounting for Taxes on Income" carry forward of losses under tax laws should be recognised as deferred tax assets only to the extent that there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which deferred tax asset can be realised.

As life insurance has a long gestation period, deferred tax asset relating to carry forward losses has not been recognised.

3. Actuarial Assumptions

Actuarial liabilities are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, 1938, regulations notified by IRDA, and guidance notes issued by the Actuarial Society of India with the concurrence of the IRDA.

The gross premium method was used to value the non-linked liabilities in respect of the Individual policies in force at 31st March 2007. The liabilities were determined based on assumptions as to the future experience of the policies. The principal assumptions related to interest, expenses, mortality and in the case of participating policies, bonuses. The assumptions made were based on prudent estimates of the future experience, and hence include margins for adverse deviations. The interest rates used for the valuation vary according to the type and term of the product, and were in the range from 4.00 to 5.50 per cent (previous year 4.00 to 5.50 per cent). The mortality rates used for assurance benefits were based on the published Life Insurance Corporation of India (1994-1996) Mortality Table. In the case of annuity benefits, it was deemed prudent to use zero mortality rates because of the small number of lives involved.

The Unit Reserves in respect of linked business have been determined on the basis of net asset values of the units allocated to the policyholders as at 31st March 2007. The liability in respect of premiums for which units were yet to be allocated as at 31st March 2007 is included in the non-linked liabilities.

4. Encumbrances

There were no encumbrances on the assets of the Company as at the balance sheet date.

5. Commitments made and outstanding for Loans, Fixed Assets and Investments

The estimated amount of commitments made on account of fixed assets and not provided for (net of advances) is Rs.146,395 thousand as at 31st March 2007 (Previous Year : Rs. 16,086 thousand). There were no other commitments made or outstanding as at the balance sheet date.

6. Premium Income

All business is written in India.

7. Re-insurance arrangements

As at 31st March 2007, the Company had signed re-insurance treaties with Swiss Re-Insurance Company, Munich Re Insurance Company and RGA Americas Re Insurance Company Ltd. in respect of the Company's individual and group assurance business. The company has in principle re-insurance agreements with Swiss Re Insurance Company, Munich Re Insurance Company and RGA Americas Re Insurance Company Ltd.

Schedule 16

Financial Statement Disclosures (Continued)

8. Bonus Commission

The Company pays bonus commission at rates depending on the performance of consultants. The Bonus Commission has been provided in the revenue accounts on the basis of the performance achieved as on balance sheet date, plus an estimate of the additional bonus commission that would become payable on policies written in the financial period under consideration.

9. Claims

At 31st March 2007, there were 71 numbers of claims amounting to Rs.2,318 thousand (Previous Year : 14 number of claims totalling to Rs.393 thousand) settled and remaining unpaid for a period of more than six months. These claims are unpaid and kept pending as the duly executed discharge vouchers and pre receipts have not been received from the claimants. All claims are to be paid to claimants in India.

10. Value of contracts outstanding

The value of contracts outstanding as at 31st March 2007 in relation to the purchase of investments (where deliveries are pending) is Rs. 1,313,268 thousand (As at 31st March 2006: Rs. 906,185 thousand).

11. Operating Expenses

The operating expenses relating to insurance business are allocated to the Participating, Non-participating, Annuity, Pension and Unit Linked business funds in proportion to one of the following

- a) Number of policies,
- b) Effective premium income,
- c) Sums assured,
- d) Mean fund size,
- e) Expenses already allocated.

For each type of expense the most suitable method of allocation is chosen taking into account the nature of the expense and its relevance to the business fund.

12. Managerial Remuneration

Particulars	Current Year (Rs. '000)	Previous Year (Rs. '000)
Salary	12,569	13,355
Company's contribution to Provident, Gratuity and Superannuation Funds	1,870	2,145
Perquisites	11	22

13. Historical Cost of Investments

The historical cost of those investments whose reported value is based on fair value are:

Particulars	Reported Value (Rs. '000)	Historical Cost (Rs. '000)
A) Equities:		
Shareholders' Investments	117,275	129,421
Participating Fund	1,189,606	1,139,937
Pension Fund	470,074	428,495
B) Unit Linked Investments	20,899,376	18,014,466

14. Basis of Revaluation of Investment Property

The premises owned by the company (Gross value Rs. 220,831 thousand; book value Rs. 204,648 thousand) used as an office in the past has been reclassified during the year 2005-2006 as investment properties – real estate. The property has been valued by an expert and the excess over book value amounting to Rs. 65,902 thousand has been accounted as Revaluation Reserve.

15. Contributions from Shareholders' Fund to Policyholders' Funds

The sums contributed from the shareholders' fund to the non-participating policyholders' funds are required to maintain an adequate level of solvency in each of the policyholders' funds.

Schedule 16

Financial Statement Disclosures (Continued)

No contributions have been received from the shareholders' fund to the participating and pension funds.

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

16. Allocation of Depreciation on Fixed Assets

Fixed assets are owned by shareholders and therefore depreciation expense is charged to Shareholders' Funds. Depreciation expense has been charged to Shareholders' Funds and allocated to Policyholders' Fund, based on the use of assets, so as to comply with the circular issued by the Insurance Regulatory and Development Authority. Had the depreciation not been allocated to Policyholders' Fund, the contribution from Shareholders' Fund to Policyholders' Fund would have been lower by Rs. 224,811 thousands. (Previous Year : Rs. 160,415 thousands).

17. Leases

In accordance with the Accounting Standard on 'Leases' (AS 19), issued by the Institute of Chartered Accountants of India, the following disclosures are made in respect of Operating Leases:

- a) The Company has taken motor vehicles on operating lease for a period of up to 4 years. In respect of these operating leases, the lease payments debited to the revenue account are Rs. 4,424 thousand (Previous year : Rs. 1,725 thousand). The minimum future lease payments payable for specified duration in respect of such lease amount to the following:

	Current Year (Rs. '000)	Previous Year (Rs. '000)
Not later than 1 year	3,521	2,270
Later than 1 year but not later than 5 years	5,081	5,255

- b) The Company has taken properties under operating lease. In respect of these operating leases, the lease payments debited to rent in the revenue account are Rs. 216,805 thousand (Previous year : Rs. 156,662 thousand). The minimum future lease payments payable for specified duration in respect of such leases amount to the following:

	Current Year (Rs. '000)	Previous Year (Rs. '000)
Not later than 1 year	217,312	133,376
Later than 1 year but not later than 5 years	294,850	368,832
Later than 5 years	42,901	108,637

18. Unit Linked Funds

The company has presented the financial statements of the unit linked funds in Annexure I and Annexure II.

19. Related Party Disclosures

Related parties and nature of relationship

Name of Related Party	Nature of Relationship
HDFC Limited	Holding Company
Standard Life Assurance Company	Investing Party
HDFC Asset Management Company Limited	Fellow Subsidiary
HDFC Developers Limited	Fellow Subsidiary
HDFC Holdings Limited	Fellow Subsidiary
HDFC Trustee Company Limited	Fellow Subsidiary
HDFC Realty Limited	Fellow Subsidiary
HDFC Investments Limited	Fellow Subsidiary
HDFC Chubb General Insurance Company Ltd.	Fellow Subsidiary
GRUH Finance Ltd.	Fellow Subsidiary
Home Loan Services India (P) Ltd.	Fellow Subsidiary
HDFC Venture Capital Ltd.	Fellow Subsidiary
HDFC Ventures Trustee Company Ltd.	Fellow Subsidiary
HDFC Property Ventures Ltd.	Fellow Subsidiary
D M Satwalekar	Managing Director & CEO

Schedule 16

Financial Statement Disclosures (Continued)

The following are the transactions between the Company and related parties:

Name of Related Party	Description	Current Year (Rs '000)		Previous Year (Rs '000)	
		Total Value of transactions during the year (Receipts)/Payment	Receivable/ (Payable) at March 31 2007	Total Value of transactions during the year (Receipts)/Payment	Receivable/ (Payable) at March 31 2006
HDFC Ltd.	Training Center Fees	344	—	—	—
	Rent for premises	2,634	—	3,358	—
	Agent examination Fees	—	—	(1)	—
	Reimbursements	484	12	338	—
	Capital	(1,702,729)	—	(2,556,119)	—
	Commission	25,292	(4,331)	15,647	(1,807)
Standard Life Assurance Company (SLAC)	Rent reimbursements	—	—	(4,368)	—
	Capital	(397,271)	—	(443,881)	—
	Other reimbursements	4,696	18,304	(3,950)	23,000
HDFC Asset Management Company Ltd. (HDFC AMC)	Group Term Insurance	(804)	(128)	(662)	(9)
	Interest on Insurance Deposit	1	—	—	—
	Investment advisory and admin. Services	18,000	(4,500)	23,803	(5,617)
GRUH Finance Ltd.	Fees for services	796	—	583	—
HDFC Chubb General Insurance Co. Ltd.	Re-imb for the use of office premises	(320)	—	(500)	129
	Insurance premium for fixed assets	2,824	—	1,600	—
	Insurance claim received	(564)	—	—	—
	Insurance Deposit	—	—	30	30
Home Loan Services India (P) Ltd.	Insurance Commission	2,808	(1,407)	—	—
D M Satwalekar	Managerial Remuneration	14,450	—	15,522	—

20. Service Tax Show cause cum Demand Notice

The company has received a show cause cum demand notice dated 19th April 2006 from the Office of the Commissioner, Service Tax, Mumbai amounting to Rs. 119,829 thousand on the grounds of excess utilization of service tax credit for the period September 2004 to September 2005. Company has filed an appeal to the Commissioner of Service Tax against the demand.

Company has received a similar show cause cum demand notice on 21-04-2007 from the Office of the Commissioner, Service Tax, Mumbai amounting to Rs. 189,665 thousand on the grounds of excess utilization of service tax credit for the period October 2005 to September 2006.

A similar demand is made on other companies within the insurance industry and the company is confident of defending the show cause cum demand notice. As the company has been advised by an expert opinion that the case is well supported in law the company does not expect the demand to crystallise into a liability.

21. Income Tax Assessment

The company has received a notice on 30th March 2006 for assessment year 2003-04 disallowing a portion of depreciation. This is on the grounds that the total depreciation has been charged to shareholders instead of apportioning the same between shareholders and policyholders.

Schedule 16

Financial Statement Disclosures (Continued)

During the year ended March 31, 2007, the tax authorities completed the assessment of assessment years 2004-05 and 2001-02. The tax authorities have disallowed certain expenses while assessing the loss.

The company has filed appeal against the orders received by it. Even if these expenses are disallowed, there would be no liability as the company has adequate carry forward losses. As the case is well supported in law the company does not expect the demand to crystallise into a liability.

22. Earning Per Equity Share:

	31-03-2007 (Rs.'000)	31-03-2006 (Rs.'000)
Net Profit/(Loss) as per Profit & Loss Account	(1,255,611)	(1,287,572)
Weighted average number of equity shares for Basic Earnings Per Share	687,450,109	440,287,672
Basic Earnings Per Share (in Rs.)	(1.83)	(2.92)
Weighted average number of equity shares for Diluted Earnings Per Share	693,229,422	440,287,672
Diluted Earnings Per Share (in Rs.)	(1.81)	(2.92)
Nominal value of shares	10	10

23. Previous Year's Figures

Figures for the previous year have been re-grouped wherever necessary to conform to current year's classification.

B. Accounting Policies

1. Basis of preparation

The financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles prescribed by the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, ('the IRDA Financial Statements Regulations'), provisions of the Insurance Regulatory and Development Authority Act, 1999 and the Insurance Act, 1938 and the accounting standards prescribed by the Institute of Chartered Accountants of India ('ICAI') and the Companies Act, 1956, to the extent applicable and in the manner so required.

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') requires that the Company's management make estimates and assumptions that affect the reported amounts of income and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

2. Revenue Recognition

Premium income is recognised when due from policyholders.

Interest Income on investments and loans are recognised on accrual basis. Dividend is recognised when the right to receive dividend is established.

3. Acquisition Costs

Acquisition costs are expensed in the period in which they are incurred.

4. Claims

Claims costs consist of the policy benefit amounts and claims settlement costs, where applicable. Claims costs are recognised in the revenue account when accepted. Reinsurance recoverables are accounted for in the same period as the related claim.

Schedule 16

Financial Statement Disclosures (Continued)

5. Investments

Investments maturing within 12 months from the balance sheet date and investments made with the specific intention to dispose off within twelve months from the balance sheet date are classified as "short term" investments. Investments other than short term are classified as "long term" investments. Brokerage expenses incurred in relation to purchase of investments are expensed in the period in which they are incurred.

Real Estate-Investment Property

Investment property represents land or building other than for use in services or for administrative purposes. The investment in the real estate is valued at historical cost, subject to revaluation at least once in three years. The change in the carrying amount of the investment property is taken to Revaluation Reserve.

Debt securities

a) Non linked business and shareholders' investments

Debt securities are categorised by asset class and are accounted as "held to maturity". Debt securities are stated at the lower of amortised cost and market value. Losses arising on this valuation are recognised in the revenue account. Discount or premium on debt securities is amortised over the remaining maturity period from the date of purchase of such securities.

b) Linked business

All debt securities, including government securities under linked businesses are valued at market price. Unrealised gains and losses arising on this valuation are recognised in the revenue account.

Equity shares

a) Non linked business and shareholders' investments

Equity shares are categorised as an asset class and each asset is valued at fair value being the lower of the last quoted closing prices on the National Stock Exchange (NSE) and the Mumbai Stock Exchange (BSE). Any unrealised gains and losses arising due to changes in the fair value are recognised in equity under the head 'Fair Value Change Account' in the balance sheet.

b) Linked business

Listed equity shares are valued and stated at fair value, being the last quoted closing prices on National Stock Exchange at the Balance Sheet date. Unrealised gains and losses arising on this valuation are recognised in the revenue account.

Mutual Funds

a) Non linked business and shareholders' investments

Mutual Fund units are valued at lower of cost and net asset value on valuation date and unrealised loss is recognised in the revenue account and profit and loss account as applicable.

b) Linked business

Mutual Fund units are valued at Net Asset Value on valuation date and unrealised gain/loss is recognised in revenue account.

6. Policyholder Liability

The policyholder liabilities are determined by the Company's Appointed Actuary following his annual investigation of the Company's insurance policies.

7. Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes installation and other costs to bring the asset to its present location and working condition for its intended use. Depreciation on fixed assets is provided for the full year in respect of assets acquired during the year. No depreciation is provided in the year of sale.

Schedule 16

Financial Statement Disclosures (Continued)

Depreciation is charged on the straight-line method for buildings, information technology equipment and intangible assets (software). All other assets are depreciated using the reducing balance method. All assets except information technology equipment and intangible assets are depreciated at rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation on information technology equipment and intangible assets (software) is calculated at the rate of 25 per cent per annum.

8. Loans

Loans are valued at historical cost, net of capital repayments.

9. Preliminary Expenses

Preliminary expenses (incurred prior to 1st April 2003) are amortised equally over a period of ten years.

10. 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 are translated at the year-end closing rates. Exchange gains and losses arising on such translations are recognised either in the revenue or profit and loss account, as the case may be.

11. Segmental Reporting

As per Accounting Standard 17 on 'Segment Reporting' issued by the ICAI, the Company is required to report segment results separately. Accordingly, the Company has prepared the revenue account and balance sheet for the eight primary business segments namely Participating, Non-Participating, Pension, Annuity businesses, Unit Linked Life (Individual and Group), and Unit Linked Pension (Individual and Group). Since the business operation of the Company is in India, this is considered as one geographical segment.

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

Revenues and expenses, assets and liabilities, which are directly attributable and identifiable to business segments, are allocated on actual basis.

Other expenses, current assets and current liabilities which are not directly identifiable though attributable and other indirect expenses, are allocated on one of the following bases, as considered appropriate by the management:

- a) number of policies
- b) effective premium income
- c) sum assured
- d) mean fund size
- e) expenses already allocated.

The accounting policies used in segment reporting are the same as those used in the preparation of the financial statements.

12. Retirement Benefits

The Company has various schemes of retirement benefits; these are Provident Fund, Superannuation Fund, Gratuity Fund and Leave Encashment. The Provident Fund is recognised by the Income-tax authorities. Applications for recognition of the Gratuity and Superannuation Funds have been made. Gratuity Fund and Superannuation Fund and the schemes thereunder are administered by various trustees. The Company's contribution to Provident Fund and provisions for Superannuation as per the scheme, Gratuity and Leave Encashment are charged to the Revenue Account each year. Provision for Gratuity and Leave Encashment are made on the basis of actuarial valuation.

13. Provisions and Contingent Liabilities

Provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Schedule 16

Financial Statement Disclosures (Continued)

C. Additional Disclosures

1. Investments made under statutory requirements

As at 31st March 2007, the Company had assets amounting to Rs.100,004 thousand deposited with the Reserve Bank of India in order to comply with the level of deposit required by Section 7 of the Insurance Act, 1938. The assets are made up of Central Government Securities.

2. Performing and non-performing assets

The Company did not hold any non-performing assets during the period.

3. Deposits made under local laws

The Company has no deposits made under local laws.

4. Business sector-wise

Social Sector

	Current Year 2006-2007	Previous Year 2005-2006
No. of lives	27,714	42,354
No. of policies	3,451	18,904
% of policies	0.66%	4.75%
Total Policies	523,147	397,969

Rural Sector

	Current Year 2006-2007	Previous Year 2005-2006
No. of policies	124,337	82,251
% of policies	23.77%	20.67%
Total Policies	523,147	397,969

5. Allocation of investments and investment income

The underlying investments held on behalf of the shareholders and the policyholders are included in Schedules 8, 8A and 8B. The investment income arising from these investments has been taken to the profit and loss account and revenue account respectively.

6. Funds for future appropriations

The balance on this account represents funds, the allocation of which, either to participating policyholders or to shareholders, has not been determined at the balance sheet date. Transfers to and from the fund reflect the excess or deficiency of income over expenses and appropriations in each accounting period arising in the Company's policyholder fund.

7. Percentage of risks retained and risk reinsured

	As at 31st March 2007		As at 31st March 2006	
	Sum at risk (Rs. millions)		Sum at risk (Rs. millions)	
Individual business				
Risk retained	180,096	55%	109,813	53%
Risk reinsured	149,203	45%	98,545	47%
Group business				
Risk retained	13,952	43%	16,232	30%
Risk reinsured	18,495	57%	37,183	70%

Schedule 16

Financial Statement Disclosures (Continued)

8. Summary of Financial Statements

Sr No.	Particulars	2006-2007	2005 - 2006	2004 - 2005	2003 - 2004	(Rs. '000) 2002 - 2003
POLICYHOLDER'S A/C						
1	Gross premium income	28,558,656	15,699,126	6,866,346	2,977,559	1,488,271
2	Net premium income	28,226,248	15,469,501	6,729,283	2,898,126	1,440,522
3	Income from investments (Net)	2,256,641	3,718,444	256,236	263,939	52,251
4	Other income	232,997	232,709	49,334	11,897	1,897
4a	Contribution from Shareholder to Policyholder Account	1,450,397	1,397,003	954,744	286,428	535,542
5	Total income	32,166,283	20,817,657	7,989,596	3,460,390	2,030,212
6	Commissions	2,099,268	1,203,252	730,928	386,506	197,676
7	Brokerage	—	—	—	—	—
8	Operating Expenses related to insurance business	5,803,187	4,011,739	2,307,514	982,266	700,558
9	Total Expenses	7,902,455	5,214,991	3,038,442	1,368,772	898,234
10	Payment to policy holders	1,745,650	448,754	157,416	27,164	5,553
11	Increase in actuarial liability	22,484,208	15,128,397	4,793,739	2,064,454	1,158,525
12	Surplus/Deficit from operations	33,970	25,515	—	—	(32,100)
SHAREHOLDERS A/C						
13	Total income under Shareholders' Account (includes Contribution to Policyholders Fund)	(1,247,359)	(1,269,321)	(886,857)	(133,066)	(416,154)
14	Profit / (loss) before tax	(1,255,611)	(1,287,572)	(897,347)	(234,350)	(482,027)
15	Provisions for tax	—	—	—	—	—
16	Profit / (loss) after tax	(1,255,611)	(1,287,572)	(897,347)	(234,350)	(482,027)
17	Profit / (loss) carried to Balance Sheet	(1,255,611)	(1,287,572)	(897,347)	(234,350)	(482,027)
MISCELLANEOUS						
18	(A) Policyholders' account:					
	Total funds	45,999,541	23,633,655	8,470,669	3,536,328	1,439,986
	Total investments	46,299,629	23,631,100	8,006,208	3,565,004	1,310,374
	Yield on investments (%)	8.69%	13.67%	3.49%	11.30%	5.80%
	(B) Shareholders' account:					
	Total funds	3,939,077	3,165,972	1,316,269	1,566,107	1,412,937
	Total investments	1,529,743	1,380,910	984,253	639,526	880,002
	Yield on investments (%)	7.04%	10.60%	7.53%	16.90%	11.50%
19	Yield on total investments	8.69%	13.24%	4.19%	12.90%	8.90%
20	Paid up equity capital	8,012,609	6,200,000	3,200,000	2,555,000	2,180,000
21	Net worth	3,939,077	3,165,972	1,316,269	1,566,107	1,412,937
22	Total Assets	49,983,103	26,825,143	9,786,939	5,102,434	2,852,923
23	Earnings per share (basic) (Rs.)*	(1.83)	(2.92)	(3.38)	(1.00)	(2.76)
24	Earnings per share (diluted) (Rs.)*	(1.81)	(2.92)	(3.38)	(1.00)	(2.76)
25	Book value per share (Rs)	4.92	5.11	4.11	6.13	6.48

* In determining earnings per share, the company considers the net profit after tax. The number of shares used in computing basic and diluted earnings per share is the weighted average number of shares outstanding during the period.

Schedule 16

Financial Statement Disclosures (Continued)

9. Financial Ratios

	(Rs. '000)	
1) New Business Premium Income Growth (segment wise)		
Particulars	% 2006-07	% 2005-06
Life -Individual Business	136.75%	202.89%
Life -Group Business	157.26%	308.71%
Pension	203.81%	295.52%
Annuities	307.47%	18.93%
2) Net Retention ratio (Net Premium divided by Gross premium)		
Particulars	2006-07	2005-06
Net Premium	28,226,248	15,469,501
Gross Premium	28,558,656	15,699,126
Ratio	98.84%	98.54%
3) Ratio of expenses of management (Expenses of management divided by Total gross direct premium)		
Particulars	2006-07	2005-06
Management Expenses	7,866,671	5,188,200
Total Gross Premium	28,558,656	15,699,126
Ratio	27.54%	33.05%
4) Commission Ratio (Gross commission paid to Gross premium)		
Particulars	2006-07	2005-06
Gross commission	2,099,268	1,203,252
Gross Premium	28,558,656	15,699,126
Ratio	7.35%	7.66%
5) Ratio of policyholders' liabilities to shareholders' funds		
Particulars	2006-07	2005-06
Policyholders liability	45,908,294	23,424,086
Shareholders funds	3,939,077	3,165,972
Ratio	1165.46%	739.87%
6) Growth rate of Shareholders' funds		
Particulars	2006-07	2005-06
Shareholders funds	3,939,077	3,165,972
Growth Rate	24.42%	140.53%
7) Ratio of deficit to Policyholders liability		
Particulars	2006-07	2005-06
Surplus / (Deficit)	33,970	25,516
Policyholders liability	45,908,294	23,424,086
Ratio	0.07%	0.11%
8) Change in net worth		
Particulars	2006-07	2005-06
Net Worth	3,939,077	3,165,972
Change (Rs.'000)	773,105	1,849,703
9) Profit after tax / Total Income		
The Company does not have any profit after tax and therefore this ratio cannot be calculated		

Schedule 16

Financial Statement Disclosures (Continued)

10) (Total Real Estate + Loans) / Cash & invested assets

Particulars	2006-07	2005-06
Loans	12,638	29,356
Investment Properties-Real Estate	270,550	270,550
Cash & Invested Assets	48,595,205	25,526,628
Ratio	0.58%	1.17%

11) Total Investments / (Capital + Surplus)

Particulars	2006-07	2005-06
Total Investments	47,829,372	25,012,010
Capital	8,007,148	6,192,718
Surplus /(Deficit)	(4,387,394)	(3,140,237)
Ratio	13.21%	8.19%

12) Total affiliated investments / (Capital + Surplus)

The Company does not have any affiliated investments and therefore this ratio cannot be calculated

10. Loan Assets Restructured during the year are as follows:

Sr. No.	Particulars	Current Year (Rs. 000s)	Previous Year (Rs. 000s)
1.	Total amount of Loan Assets subject to restructuring	Nil	Nil
2.	Total amount of Standard Assets subject to restructuring	Nil	Nil
3.	Total amount of Sub-Standard Assets subject to restructuring	Nil	Nil
4.	Total amount of Doubtful Assets subject to restructuring	Nil	Nil

11. Impairment of Assets

The carrying amounts of assets are reviewed at the Balance Sheet date if there is any indicator of impairment based on the internal/external factors. An impairment loss is recognized wherever carrying amount of an asset exceeds its recoverable amounts. There are no impaired assets as on the balance sheet date.

12. Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under Section 11(2) of the Insurance Act, 1938

Name: Mr. D M Satwalekar
Description: Managing Director & CEO
Occupation: Service

Directorships held as on March 31, 2007:

1. HDFC Standard Life Insurance Company Ltd.
2. Asian Paints (India) Ltd.
3. Housing Development Finance Corporation Ltd.
4. Infosys Technologies Ltd.
5. Nicholas Piramal India Ltd.
6. Franklin Templeton Asset Management India Pvt Ltd.
7. The Arvind Mills Ltd.
8. Entertainment Network (India) Limited

SEGMENTAL REPORTS
BALANCE SHEET AS AT 31st March 2007

Particulars	(Rs in '000)								
	Participating Fund	Non Participating Fund	Annuity Fund	Pension Fund	Linked Fund	Unit Fund	Total Policyholders Fund	Shareholders Fund	Total Funds
SOURCES OF FUNDS									
SHAREHOLDERS' FUNDS:									
SHARE CAPITAL	—	—	—	—	—	—	—	8,007,148	8,007,148
SHARE APPLICATION MONEY RECEIVED	—	—	—	—	—	—	—	287,391	287,391
PENDING ALLOTMENT OF SHARES	—	—	—	—	—	—	—	65,902	65,902
RESERVE AND SURPLUS	—	—	—	—	—	—	—	—	—
CREDIT/(DEBIT) FAIR VALUE CHANGE ACCOUNT	—	—	—	—	—	—	—	—	—
Sub-Total	—	—	—	—	—	—	—	8,360,441	8,360,441
BORROWINGS									
POLICYHOLDERS' FUNDS:									
CREDIT/(DEBIT) FAIR VALUE CHANGE ACCOUNT	49,669	—	—	41,578	—	—	91,247	—	91,247
POLICY LIABILITIES	10,130,288	1,925,277	90,451	3,544,447	1,701,068	—	17,391,531	—	17,391,531
INSURANCE RESERVES	—	—	—	—	—	—	—	—	—
Linked liabilities	—	—	—	—	25,934,264	—	25,934,264	—	25,934,264
Add: Fair value change	—	—	—	—	2,582,499	—	2,582,499	—	2,582,499
TOTAL LINKED LIABILITIES	—	—	—	—	28,516,763	—	28,516,763	—	28,516,763
Sub-Total	10,179,957	1,925,277	90,451	3,586,025	30,217,831	—	45,999,541	—	45,999,541
Funds for future appropriation - Provision for lapsed policies unlikely to be revived	—	—	—	—	59,485	—	59,485	—	59,485
Funds for future appropriations	—	—	—	—	—	—	—	—	—
Surplus Allocated to Shareholders	—	—	—	—	—	—	—	—	—
TOTAL	10,179,957	1,925,277	90,451	3,586,025	30,277,316	—	46,059,026	8,360,441	54,419,467
APPLICATION OF FUNDS									
INVESTMENTS									
Shareholders'	—	—	—	—	—	—	—	1,529,743	1,529,743
Policyholders'	9,860,991	1,587,000	116,909	3,294,999	2,922,967	—	17,782,866	—	17,782,866
ASSET HELD TO COVER LINKED LIABILITIES	—	—	—	—	28,516,763	—	28,516,763	—	28,516,763
LOANS	8,425	—	—	—	8,425	—	8,425	4,213	12,638
FIXED ASSETS	—	—	—	—	—	—	—	736,054	736,054
CURRENT ASSETS									
Cash and bank balances	315,837	77,745	5,213	419,881	2,285,220	—	3,103,896	259,660	3,363,556
Advances and other assets	448,787	78,077	3,420	113,350	1,251,226	—	1,894,860	67,120	1,961,980
Inter fund assets	296,741	796,587	66,932	182,250	—	—	1,342,510	1,874,474	3,216,984
Sub-total (A)	1,061,365	952,409	75,565	715,481	3,536,446	—	6,341,266	2,201,254	8,542,520
CURRENT LIABILITIES									
Current liabilities and provisions	731,658	614,132	102,023	424,455	2,003,076	—	3,875,344	30,153	3,905,497
Inter fund liabilities	19,166	—	—	—	2,695,784	—	2,714,950	502,034	3,216,984
Sub-Total (B)	750,824	614,132	102,023	424,455	4,698,860	—	6,590,294	532,187	7,122,481
NET CURRENT ASSETS (C) = (A - B)	310,541	338,277	102,023	291,026	(1,162,414)	—	(249,028)	1,669,067	1,420,039
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	—	—	—	—	—	—	—	—	—
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT (Shareholders' account)	—	—	—	—	—	—	—	4,421,364	4,421,364
TOTAL	10,179,957	1,925,277	90,451	3,586,025	30,277,316	—	46,059,026	8,360,441	54,419,467

Unit linked Balance Sheet as at 31st March 2007

Particulars	(Rs in '000)					Total Unit Linked
	Unit linked Individual Life Fund	Unit linked Individual Pension Fund	Unit linked Group Life Fund	Unit linked Group Pension Fund		
SOURCES OF FUNDS						
SHAREHOLDERS' FUNDS:						
SHARE CAPITAL	—	—	—	—	—	—
SHARE APPLICATION MONEY RECEIVED PENDING ALLOTMENT OF SHARES	—	—	—	—	—	—
RESERVE AND SURPLUS	—	—	—	—	—	—
CREDIT / [DEBIT] FAIR VALUE CHANGE ACCOUNT	—	—	—	—	—	—
Sub-Total	—	—	—	—	—	—
BORROWINGS						
POLICYHOLDERS' FUNDS:						
CREDIT/[DEBIT] FAIR VALUE CHANGE ACCOUNT	—	—	—	—	—	—
POLICY LIABILITIES	897,410	403,292	336,042	64,324	—	1,701,068
INSURANCE RESERVES	—	—	—	—	—	—
Linked liabilities	12,821,941	8,543,197	3,214,220	1,354,906	—	25,934,264
Add: Fair value change	1,611,029	786,978	149,411	35,081	—	2,582,499
TOTAL LINKED LIABILITIES	14,432,971	9,330,175	3,363,631	1,389,986	—	28,516,763
Sub-Total	15,330,381	9,733,467	3,699,673	1,454,310	—	30,217,831
Funds for future appropriation - Provision for lapsed policies unlikely to be revived	44,114	15,371	—	—	—	59,485
Funds for future appropriations	—	—	—	—	—	—
Surplus Allocated to Shareholders	—	—	—	—	—	—
TOTAL	15,374,495	9,748,838	3,699,673	1,454,310	—	30,277,316
APPLICATION OF FUNDS						
INVESTMENTS						
Shareholders'	—	—	—	—	—	—
Policyholders'	1,418,806	728,113	776,048	—	—	2,922,967
ASSET HELD TO COVER LINKED LIABILITIES	14,432,971	9,330,175	3,363,631	1,389,986	—	28,516,763
LOANS	—	—	—	—	—	—
FIXED ASSETS	—	—	—	—	—	—
CURRENT ASSETS	1,062,770	703,873	435,762	82,815	—	2,285,220
Cash and bank balances	505,650	453,477	137,223	154,876	—	1,251,226
Advances and other assets	—	—	—	—	—	—
Inter fund assets	—	—	—	—	—	—
Sub-total (A)	1,568,420	1,157,350	572,985	237,691	—	3,536,446
CURRENT LIABILITIES						
Current liabilities and provisions	1,361,290	339,843	218,370	83,573	—	2,003,076
Inter fund liabilities	684,412	1,126,957	794,621	89,794	—	2,695,784
Sub-Total (B)	2,045,702	1,466,800	1,012,991	173,367	—	4,698,860
NET CURRENT ASSETS (C) = (A - B)	(477,282)	(309,450)	(440,006)	64,324	—	(1,162,414)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)						
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT (Shareholders' account)	—	—	—	—	—	—
TOTAL	15,374,495	9,748,838	3,699,673	1,454,310	—	30,277,316

SEGMENTAL REPORTS

BALANCE SHEET AS AT 31st March 2006

PARTICULARS	(Rs. '000)							
	Participating Fund	Non Participating Fund	Annuity Fund	Pension Fund	Unit Linked Fund	Total Policyholder Fund	Shareholder Fund	Total Funds
SOURCES OF FUNDS								
SHAREHOLDERS' FUNDS:								
SHARE CAPITAL	—	—	—	—	—	—	6,192,718	6,192,718
RESERVES AND SURPLUS	—	—	—	—	—	—	65,902	65,902
CREDIT / [DEBIT] FAIR VALUE CHANGE ACCOUNT	—	—	—	—	—	—	73,105	73,105
Sub-Total	—	—	—	—	—	—	6,331,725	6,331,725
BORROWINGS								
POLICYHOLDERS' FUNDS:								
Credit / [Debit] Fair Value Change Account	145,313	—	—	64,256	—	209,569	—	209,569
Policy Liabilities	6,734,557	952,127	74,353	2,641,095	1,085,864	11,487,996	—	11,487,996
Insurance Reserves	—	—	—	—	—	—	—	—
Linked Liabilities	—	—	—	—	9,732,781	9,732,781	—	9,732,781
Add: Fair value change	—	—	—	—	2,203,309	2,203,309	—	2,203,309
TOTAL LINKED LIABILITIES	—	—	—	—	11,936,090	11,936,090	—	11,936,090
Sub-Total	6,879,870	952,127	74,353	2,705,351	13,021,954	23,633,655	—	23,633,655
Funds for future appropriation - Provision for lapsed policies unlikely to be revived	—	—	—	—	25,516	25,516	—	25,516
Funds for future appropriations - Others	—	—	—	—	—	—	—	—
Surplus Allocated to Shareholders	—	—	—	—	—	—	—	—
TOTAL	6,879,870	952,127	74,353	2,705,351	13,047,470	23,659,171	6,331,725	29,990,896
APPLICATION OF FUNDS								
INVESTMENTS								
Shareholders'	—	—	—	—	—	—	1,380,910	1,380,910
Policyholders'	6,302,151	872,162	85,734	2,543,443	1,891,520	11,695,010	—	11,695,010
ASSET HELD TO COVER LINKED LIABILITIES	—	—	—	—	11,936,090	11,936,090	—	11,936,090
LOANS	8,397	—	—	—	—	8,397	20,959	29,356
FIXED ASSETS	—	—	—	—	—	—	601,345	601,345
CURRENT ASSETS								
Cash and bank balances	308,573	89,416	72	94,913	2,211,142	2,704,116	175,506	2,879,622
Advances and other assets	328,253	43,365	2,239	79,054	479,888	932,800	57,306	990,106
Inter fund assets	1,077,921	31,189	34,596	43,699	—	1,187,405	976,932	2,164,337
Sub-total (A)	1,714,748	163,970	36,907	217,666	2,691,030	4,824,321	1,209,744	6,034,065
CURRENT LIABILITIES								
Current Liabilities and Provisions	1,124,154	84,005	48,287	55,758	1,349,427	2,661,631	25,665	2,687,296
Inter fund liabilities	21,272	—	—	—	2,121,743	2,143,015	21,322	2,164,337
Sub-Total (B)	1,145,426	84,005	48,287	55,758	3,471,170	4,804,646	46,987	4,851,633
NET CURRENT ASSETS (C) = (A - B)	569,322	79,965	(11,380)	161,908	(780,140)	19,675	1,162,757	1,182,432
Miscellaneous Expenditure (to the extent not written off or adjusted)	—	—	—	—	—	—	—	—
Debit Balance in Profit and Loss Account (Shareholders' account)	—	—	—	—	—	—	3,165,753	3,165,753
TOTAL	6,879,870	952,127	74,353	2,705,351	13,047,470	23,659,171	6,331,725	29,990,896

Unit linked Balance Sheet as at 31st March 2006

(Rs. '000)

Particulars	Unit Linked Life Fund	Unit Linked Pension Fund	Total Funds
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS:			
Share Capital	—	—	—
Reserves and Surplus	—	—	—
Credit / [Debit] Fair Value Change Account	—	—	—
Sub-Total	—	—	—
BORROWINGS			
POLICYHOLDERS' FUNDS:			
Credit / [Debit] Fair Value Change Account	—	—	—
Policy Liabilities	809,527	276,337	1,085,864
Insurance Reserves	—	—	—
Linked Liabilities	6,416,807	3,315,974	9,732,781
Add: Fair value change	1,496,068	707,241	2,203,309
TOTAL LINKED LIABILITIES	7,912,875	4,023,215	11,936,090
Sub-Total	8,722,402	4,299,552	13,021,954
Funds for future appropriation - Provision for lapsed policies unlikely to be revived	19,671	5,845	25,516
Funds for future appropriations - Others	—	—	—
Surplus Allocated to Shareholders	—	—	—
TOTAL	8,742,073	4,305,397	13,047,470
APPLICATION OF FUNDS			
INVESTMENTS			
Shareholders'	—	—	—
Policyholders'	1,567,471	324,049	1,891,520
ASSET HELD TO COVER LINKED LIABILITIES	7,912,875	4,023,215	11,936,090
LOANS	—	—	—
FIXED ASSETS	—	—	—
CURRENT ASSETS			
Cash and bank balances	1,594,570	616,572	2,211,142
Advances and Other Assets	341,838	138,050	479,888
Inter fund assets	—	—	—
Sub-total (A)	1,936,408	754,622	2,691,030
CURRENT LIABILITIES			
Current Liabilities and Provisions	1,033,788	315,639	1,349,427
Inter fund liabilities	1,640,893	480,850	2,121,743
Sub-Total (B)	2,674,681	796,489	3,471,170
NET CURRENT ASSETS (C) = (A - B)	(738,273)	(41,867)	(780,140)
Miscellaneous Expenditure (to the extent not written off or adjusted)	—	—	—
Debit Balance in Profit and Loss Account (Shareholders' account)	—	—	—
TOTAL	8,742,073	4,305,397	13,047,470

SEGMENTAL REPORTS

REVENUE ACCOUNT FOR THE YEAR ENDED 31st March 2007

Policyholders' Account (Technical Account) (Rs in '000)						
Particulars	Participating Fund	Non Participating Fund	Annuity Fund	Pension Fund	Unit Linked Fund	Total Policyholder Fund
Premiums earned - net						
(a) Premium	3,729,680	691,511	14,440	847,625	23,275,400	28,558,656
(b) Reinsurance ceded	(33,810)	(120,303)	—	—	(178,295)	(332,408)
(c) Reinsurance accepted	—	—	—	—	—	—
Sub Total	3,695,870	571,208	14,440	847,625	23,097,105	28,226,248
Income from Investments						
(a) Interest, Dividends & Rent - Gross	546,104	94,317	9,152	195,168	744,756	1,589,497
(b) Profit on sale / redemption of investments	227,402	4,151	—	56,989	754,873	1,043,415
(c) (Loss on sale / redemption of investments)	(24,542)	(783)	(1)	(7,990)	(378,598)	(411,914)
(d) Transfer / gain on revaluation / change in fair value	(163,537)	(27,758)	(2,598)	(52,566)	347,864	101,405
(e) Amortisation charge	(41,345)	(1,233)	(2,377)	(20,807)	—	(65,762)
Sub Total	544,082	68,694	4,176	170,794	1,468,895	2,256,641
Other Income - Transfer from Shareholders' Account	—	509,528	7,108	—	933,761	1,450,397
Other Income	38,881	79,425	8	3,190	111,493	232,997
Sub Total	38,881	588,953	7,116	3,190	1,045,254	1,683,394
TOTAL (A)	4,278,833	1,228,855	25,732	1,021,609	25,611,254	32,166,283
Commission	298,270	24,365	168	18,403	1,758,062	2,099,268
Operating Expenses related to Insurance Business	291,485	200,918	852	30,508	5,243,640	5,767,403
Provisions for doubtful debts	—	—	—	—	—	—
Bad debts written off	—	—	—	—	—	—
Fringe Benefit Tax	1,809	1,246	5	189	32,535	35,785
Provisions (other than taxation)						
(a) For diminution in the value of investments (Net)	—	—	—	—	—	—
(b) Others (to be specified)	—	—	—	—	—	—
TOTAL (B)	591,564	226,529	1,025	49,100	7,034,237	7,902,455
Benefits Paid (Net)	291,243	29,176	8,610	69,152	1,347,169	1,745,350
Interim Bonuses Paid	296	—	—	4	—	300
Change in valuation of liability against life policies in force						
(a) Gross	3,700,752	846,720	16,097	903,353	17,158,340	22,625,262
(b) Amount ceded in Reinsurance	(305,022)	126,430	—	—	37,538	(141,054)
(c) Amount accepted in Reinsurance	—	—	—	—	—	—
TOTAL (C)	3,687,269	1,002,326	24,707	972,509	18,543,047	24,229,858
SURPLUS / (DEFICIT) (D) = (A)-(B)-(C)	—	—	—	—	33,970	33,970
APPROPRIATIONS						
Surplus Allocated to Shareholders	—	—	—	—	—	—
Transfer to Shareholders' Account	—	—	—	—	—	—
Transfer to Other Reserves	—	—	—	—	—	—
Funds for future appropriation - Provision for lapsed policies unlikely to be revived	—	—	—	—	33,970	33,970
Balance being Funds For Future Appropriations	—	—	—	—	—	—
TOTAL (D)	—	—	—	—	33,970	33,970

Unit Linked Revenue Account for the year ended 31st March 2007

Policyholders' Account (Technical Account)					(Rs in '000)
Particulars	Unit Linked Individual Life Fund	Unit Linked Individual Pension Fund	Unit Linked Group Life Fund	Unit Linked Group Pension Fund	Total Policyholder Fund
Premiums earned - net					
(a) Premium	12,614,588	7,517,848	2,024,948	1,118,016	23,275,400
(b) Reinsurance ceded	(178,295)	—	—	—	(178,295)
(c) Reinsurance accepted	—	—	—	—	—
Sub Total	12,436,293	7,517,848	2,024,948	1,118,016	23,097,105
Income from Investments					
(a) Interest, Dividends & Rent — Gross	330,369	207,029	153,836	53,522	744,756
(b) Profit on sale / redemption of investments	451,688	240,107	50,058	13,020	754,873
(c) (Loss on sale / redemption of investments)	(207,796)	(129,618)	(36,903)	(4,281)	(378,598)
(d) Transfer / gain on revaluation / change in fair value	246,423	137,004	(9,724)	(25,839)	347,864
(e) Amortisation charge	—	—	—	—	—
Sub Total	820,684	454,522	157,267	36,422	1,468,895
Other Income - Transfer from Shareholders' Account	313,474	279,014	269,672	71,601	933,761
Other Income	91,317	20,157	16	3	111,493
Sub Total	404,791	299,171	269,688	71,604	1,045,254
TOTAL (A)	13,661,768	8,271,541	2,451,903	1,226,042	25,611,254
Commission	1,454,947	302,772	277	66	1,758,062
Operating Expenses related to Insurance Business	3,274,152	1,843,044	75,241	51,203	5,243,640
Provisions for doubtful debts	—	—	—	—	—
Bad debts written off	—	—	—	—	—
Fringe Benefit Tax	20,315	11,435	467	318	32,535
Provisions (other than taxation)	—	—	—	—	—
(a) For diminution in the value of investments (Net)	—	—	—	—	—
(b) Others (to be specified)	—	—	—	—	—
TOTAL (B)	4,749,414	2,157,251	75,985	51,587	7,034,237
Benefits Paid (Net)	576,881	379,519	379,297	11,472	1,347,169
Interim Bonuses Paid	—	—	—	—	—
Change in valuation of liability against life policies in force					
(a) Gross	8,273,491	5,725,245	1,996,621	1,162,983	17,158,340
(b) Amount ceded in Reinsurance	37,538	—	—	—	37,538
(c) Amount accepted in Reinsurance	—	—	—	—	—
TOTAL (C)	8,887,910	6,104,764	2,375,918	1,174,455	18,543,047
SURPLUS / (DEFICIT) (D) = (A)-(B)-(C)	24,444	9,526	—	—	33,970
APPROPRIATIONS					
Surplus Allocated to Shareholders	—	—	—	—	—
Transfer to Shareholders' Account	—	—	—	—	—
Transfer to Other Reserves	—	—	—	—	—
Funds for future appropriation -					
Provision for lapsed policies unlikely to be revived	24,444	9,526	—	—	33,970
Balance being Funds For Future Appropriations	—	—	—	—	—
TOTAL (D)	24,444	9,526	—	—	33,970

REVENUE ACCOUNT FOR THE YEAR ENDED 31st March 2006

Policyholders' Account (Technical Account)

(Rs. '000)

Particulars	Participating Fund	Non Participating Fund	Annuity Fund	Pension Fund	Unit Linked Funds	Total Policyholder Funds
Premiums earned - net						
(a) Premium	3,580,067	788,720	6,334	850,528	10,473,477	15,699,126
(b) Reinsurance ceded	(35,887)	(113,097)	—	—	(80,641)	(229,625)
(c) Reinsurance accepted	—	—	—	—	—	—
Sub Total	3,544,180	675,623	6,334	850,528	10,392,836	15,469,501
Income from Investments						
(a) Interest, Dividends & Rent - Gross	300,348	39,182	7,114	117,381	225,630	689,655
(b) Profit on sale/redemption of investments	535,470	952	—	234,231	174,277	944,930
(c) (Loss on sale/redemption of investments)	(2,612)	—	—	(959)	(11,403)	(14,974)
(d) Transfer/gain on revaluation/change in fair value	(100,748)	(9,271)	(1,671)	(28,437)	2,299,120	2,158,993
(e) Amortisation charge	(33,345)	(2,697)	(2,369)	(21,749)	—	(60,160)
Sub Total	699,113	28,166	3,074	300,467	2,687,624	3,718,444
Other Income - Transfer from Shareholders' Account	—	23,802	14	—	1,373,187	1,397,003
Other Income	45,998	66,351	—	3,294	117,066	232,709
Sub Total	45,998	90,153	14	3,294	1,490,253	1,629,712
TOTAL (A)	4,289,291	793,942	9,422	1,154,289	14,570,713	20,817,657
Commission	513,658	33,942	100	19,536	636,016	1,203,252
Operating Expenses related to Insurance Business	567,437	229,490	388	44,195	3,143,438	3,984,948
Provisions for doubtful debts	—	—	—	—	—	—
Bad debts written off	—	—	—	—	—	—
Fringe Benefit Tax	3,812	1,543	3	297	21,136	26,791
Provisions (other than taxation)	—	—	—	—	—	—
(a) For diminution in the value of investments (Net)	—	—	—	—	—	—
(b) Others (to be specified)	—	—	—	—	—	—
TOTAL (B)	1,084,907	264,975	491	64,028	3,800,590	5,214,991
Benefits Paid (Net)	95,140	32,080	9,019	13,907	298,191	448,337
Interim Bonuses Paid	395	—	—	22	—	417
Change in valuation of liability against life policies in force						
(a) Gross	3,121,961	597,905	(88)	1,076,332	10,451,523	15,247,633
(b) Amount ceded in Reinsurance	(13,112)	(101,018)	—	—	(5,107)	(119,237)
(c) Amount accepted in Reinsurance	—	—	—	—	—	—
TOTAL (C)	3,204,384	528,967	8,931	1,090,261	10,744,607	15,577,150
SURPLUS / (DEFICIT) (D) = (A)-(B)-(C)	—	—	—	—	25,516	25,516
APPROPRIATIONS						
Surplus Allocated to Shareholders	—	—	—	—	—	—
Transfer to Shareholders' Account	—	—	—	—	—	—
Transfer to Other Reserves	—	—	—	—	—	—
Funds for future appropriation - Provision for lapsed policies unlikely to be revived	—	—	—	—	25,516	25,516
Balance being Funds For Future Appropriations	—	—	—	—	—	—
TOTAL (D)	—	—	—	—	25,516	25,516

Unit Linked Revenue Account for the year ended 31st March 2006

Policyholders' Account (Technical Account)			(Rs. '000)
Particulars	Unit Linked Life Fund	Unit Linked Pension Fund	Total Policyholder Funds
Premiums earned - net			
(a) Premium	7,069,439	3,404,038	10,473,477
(b) Reinsurance ceded	(80,641)	—	(80,641)
(c) Reinsurance accepted	—	—	—
Sub Total	6,988,798	3,404,038	10,392,836
Income from Investments			
(a) Interest, Dividends & Rent - Gross	156,004	69,626	225,630
(b) Profit on sale / redemption of investments	120,022	54,255	174,277
(c) (Loss on sale / redemption of investments)	(7,664)	(3,739)	(11,403)
(d) Transfer / gain on revaluation / change in fair value	1,579,471	719,649	2,299,120
(e) Amortisation charge	—	—	—
Sub Total	1,847,833	839,791	2,687,624
Other Income - Transfer from Shareholders' Account	754,240	618,947	1,373,187
Other Income	88,961	28,105	117,066
Sub Total	843,201	647,052	1,490,253
TOTAL (A)	9,679,832	4,890,881	14,570,713
Commission	484,651	151,365	636,016
Operating Expenses related to Insurance Business	2,002,962	1,140,476	3,143,438
Provisions for doubtful debts	—	—	—
Bad debts written off	—	—	—
Fringe Benefit Tax	13,468	7,668	21,136
Provisions (other than taxation)	—	—	—
(a) For diminution in the value of investments (Net)	—	—	—
(b) Others (to be specified)	—	—	—
TOTAL (B)	2,501,081	1,299,509	3,800,590
Benefits Paid (Net)	222,782	75,409	298,191
Interim Bonuses Paid	—	—	—
Change in valuation of liability against life policies in force			
(a) Gross	6,941,405	3,510,118	10,451,523
(b) Amount ceded in Reinsurance	(5,107)	—	(5,107)
(c) Amount accepted in Reinsurance	—	—	—
TOTAL (C)	7,159,080	3,585,527	10,744,607
SURPLUS / (DEFICIT) (D) = (A)-(B)-(C)	19,671	5,845	25,516
APPROPRIATIONS			
Surplus Allocated to Shareholders	—	—	—
Transfer to Shareholders' Account	—	—	—
Transfer to Other Reserves	—	—	—
Funds for future appropriation - Provision for lapsed policies unlikely to be revived	19,671	5,845	25,516
Balance being Funds For Future Appropriations	—	—	—
TOTAL (D)	19,671	5,845	25,516

Annexure-1
(Amt in Rs)

Statement of Net assets as at March 31, 2007

Particulars	Individual Life					Individual Pension						
	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Equity Managed	Growth	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Equity Managed	Growth
Assets												
Investments												
Mutual Fund	1,331,798	5,477,953	1,585,507	5,364,966	117,606,246	360,918,298	—	1,427,282	2,933,491	6,627,572	66,513,423	315,004,709
Repo investments	88,197,092	3,071,304	7,264,180	32,411,640	—	7,990,786	15,556,369	11,857,562	4,811,532	14,458,333	—	2,051,292
Commercial Papers	—	382,796	—	14,302,224	—	—	9,565,555	2,792,003	3,409,086	7,017,751	—	—
Certificate of Deposit	765,356	82,958,890	107,043,985	142,735,065	86,935,999	—	—	35,079,003	36,081,767	81,024,590	67,588,532	—
Treasury bills	141,727,557	29,033,061	48,706,313	124,297,925	58,554,525	—	29,426,909	24,434,129	7,221,881	199,182,049	33,361,121	—
Fixed Deposit	—	27,190,296	24,872,809	186,251,037	9,236,340	—	—	10,695,086	10,649,137	70,274,395	9,881,454	—
Pass through Certificates	—	—	10,787,245	34,305,542	—	—	—	—	—	11,852,457	—	—
Deep Discount bonds	—	—	—	25,284,113	—	—	—	—	3,883,029	2,620,675	—	—
Sub-ordinate Debt	—	—	65,567,376	192,523,289	59,327,132	—	—	35,991,545	104,956,869	221,700,180	29,799,667	—
Government Securities	—	77,744,749	68,499,154	188,328,430	24,568,858	—	—	19,962,144	33,224,582	39,627,233	51,106,179	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	—	—
Non-Convertible Debentures	—	108,386,872	155,986,874	325,188,688	103,697,195	—	—	70,798,924	77,428,818	380,073,123	71,579,762	—
Equity shares	—	—	166,993,994	1,317,726,677	1,541,658,663	8,132,873,481	—	—	95,654,586	1,102,228,927	1,093,280,329	4,885,085,402
Bank	1,537,980	2,365,390	2,389,613	1,957,557	627,505	17,585,203	142,050	1,255,043	6,970	1,274,066	5,066,360	9,786,960
Accrued income	9,039,882	13,775,279	16,416,620	39,366,795	15,848,075	10,467,493	1,515,493	6,921,281	8,109,209	33,713,916	12,009,076	5,995,130
Liabilities												
Management fees payable	5,317	10,270	14,826	57,626	42,376	185,924	1,232	4,848	8,512	47,589	30,433	111,883
Safe custody chgs payable	6,272	9,488	22,544	235,985	51,983	895,184	2,029	1,304	14,639	216,810	32,696	375,381
Other creditors	194	351	533	563,779	84,543,099	45,992,702	70	2,065	422	149,027	51,581,191	112,791,076
Net Assets	242,587,881	468,553,098	676,458,564	2,629,186,558	1,933,423,078	8,482,761,451	56,203,046	221,205,784	388,347,385	2,171,261,841	1,388,511,583	5,104,645,154
Particulars	Group Life					Group Pension					GRAND TOTAL	
	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Growth	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Growth		
Assets												
Investments												
Mutual Fund	1,566,386	10,583,903	14,463,753	4,622,512	724,668	—	821,330	9,669,811	1,834,265	500,870	794,754,792	—
Repo investments	32,365,568	6,562,937	16,441,101	7,827,206	16,044	—	6,823,445	9,433,747	1,954,790	3,262	144,885,333	—
Commercial Papers	—	1,321,795	2,313,656	3,401,084	—	35,471,919	1,606,660	6,197,571	1,052,084	—	294,508,725	—
Certificate of Deposit	7,412,523	100,851,342	229,693,497	41,257,256	282	18,399,914	20,186,246	87,502,346	9,702,528	—	71,884,229	—
Treasury bills	200,919,351	41,452,162	122,591,201	49,556,765	1,132	73,536,903	14,060,642	38,912,769	24,003,045	—	1,136,789,206	—
Fixed Deposit	—	35,697,706	69,478,143	27,517,579	—	—	6,154,497	18,183,820	8,365,254	—	1,260,979,439	—
Pass through Certificates	—	—	18,759,491	50,668,458	—	—	—	—	1,410,881	—	514,447,554	—
Deep Discount bonds	—	—	—	9,085,837	—	—	—	6,630,423	311,957	—	82,184,074	—
Sub-ordinate Debt	—	—	234,727,192	81,034,205	—	—	20,711,368	187,517,664	27,500,466	—	47,816,034	—
Government Securities	—	86,965,700	179,577,930	38,467,398	—	—	11,487,234	73,431,717	8,500,762	—	1,546,318,921	—
Infrastructure bonds	—	—	—	—	—	—	—	—	—	—	901,492,070	—
Non-Convertible Debentures	—	137,337,485	434,662,187	68,223,332	—	—	40,741,307	182,050,717	48,215,235	—	2,204,370,520	—
Equity shares	—	—	447,136,739	334,942,495	16,368,241	—	—	206,979,618	140,708,950	7,767,485	19,489,405,588	—
Bank	681,897	3,103,684	(7,713,662)	(95,005)	36,543	602,531	722,216	(363,188)	354,163	15,562	40,839,437	—
Accrued income	10,043,447	17,804,274	47,575,863	11,237,843	21,125	3,329,290	3,982,857	19,625,029	4,362,717	9,533	291,170,225	—
Liabilities												
Management fees payable	5,302	13,154	38,789	14,425	374	2,808	2,790	18,272	6,071	178	622,998	—
Safe custody chgs payable	12,010	13,751	85,822	67,748	1,830	3,404	751	34,453	27,592	597	2,112,272	—
Other creditors	170	738	290,082	5,438,999	92,421	1,815	1,188	689,215	29,854	179,342	302,348,339	—
Net Assets	252,971,689	608,167,950	1,809,292,397	676,125,794	17,073,404	131,332,530	127,293,073	845,030,101	278,213,583	8,116,594	28,516,762,537	—

Particulars	Individual Life					Individual Pension						
	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Equity Managed	Growth	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Equity Managed	Growth
Income												
Dividends	—	—	2,036,147	15,538,876	12,581,242	82,795,938	—	—	1,056,099	13,175,598	8,838,359	47,400,214
Interest	9,259,004	18,155,375	18,986,298	42,961,061	11,598,252	944,737	2,223,479	8,422,619	15,368,671	43,956,606	9,409,461	767,302
Discount Income	9,487,816	8,484,333	12,153,886	28,923,470	5,318,555	—	1,302,010	3,375,619	3,867,472	18,305,797	3,567,731	—
Less: Expenses												
Management fees	2,002,914	2,928,643	4,595,686	16,099,565	8,536,127	43,801,661	365,964	1,283,696	2,556,177	13,418,061	6,217,258	25,204,507
Safe custody charges	3,418	6,875	20,328	103,963	50,416	413,971	804	2,278	10,278	87,076	31,032	222,216
Brokerage	554	5,357	205,223	1,301,650	686,250	4,835,434	303	3,704	180,237	872,521	422,604	2,751,885
CCIL charges	361	4,335	3,682	10,807	11,966	19,273	72	2,853	1,906	8,455	3,527	10,787
Net investment income	16,739,573	23,694,498	28,351,412	69,907,421	20,213,290	34,670,335	3,158,346	10,505,706	17,543,645	61,051,887	15,141,130	19,978,122
Net realised gain/(loss) on investments	462,301	125,527	8,367,674	53,585,878	(8,245,414)	181,804,859	(64,330)	(1,599,365)	3,435,779	50,360,139	(1,151,535)	63,573,511
Unrealised gain/(loss) on investments	13,590	(7,271,684)	(958,030)	5,089,341	103,365,228	97,377,755	22,227	(3,139,041)	(3,557,565)	(9,274,640)	45,788,832	81,389,183
Net gain/(loss) on investments	475,890	(7,146,156)	7,409,644	58,675,219	95,119,813	279,182,614	(42,103)	(4,738,406)	(121,786)	41,085,499	44,637,297	144,962,694
Increase/(Decrease) in assets from Operations	17,215,464	16,548,342	35,761,056	128,582,640	115,333,104	313,852,949	3,116,243	5,767,300	17,421,859	102,137,386	59,778,428	164,940,816
Particulars	Group Life					Group Pension					GRAND TOTAL	
	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Growth	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Growth		
Income												
Dividends	—	2,033	4,326,836	3,560,312	8,958	—	—	1,413,029	1,013,796	105,564	193,853,000	193,853,000
Interest	8,289,231	22,935,393	42,119,377	10,563,547	152	3,098,629	5,585,090	19,906,514	3,199,030	1,562	297,751,388	297,751,388
Discount Income	7,346,678	10,041,528	18,987,067	4,973,291	35	1,876,764	1,301,947	5,280,678	1,263,983	—	145,858,660	145,858,660
Less: Expenses												
Management fees	997,361	4,248,709	8,176,844	3,252,021	3,563	510,155	725,754	3,334,410	963,063	56,485	149,278,623	149,278,623
Safe custody charges	716	7,270	33,552	20,139	17	623	(2,121)	12,424	5,215	599	1,031,090	1,031,090
Brokerage	1,102	6,979	280,388	231,389	547	405	2,503	101,303	75,540	5,829	11,971,707	11,971,707
CCIL charges	313	5,167	5,914	1,954	2	38	4,031	3,110	656	23	99,234	99,234
Net investment income	14,636,417	28,710,829	56,936,582	15,591,647	5,017	4,464,171	6,156,870	23,148,972	4,432,334	44,189	475,082,394	475,082,394
Net realised gain / (loss) on investments	(28,132)	227,261	13,132,907	13,516,474	22,715	(450,576)	(1,012,357)	5,385,809	4,452,778	140,040	386,041,943	386,041,943
Unrealised gain/(loss) on investments	71,593	(8,378,270)	161,028	2,481,869	361,177	405,642	(2,287,030)	(15,801,858)	(6,292,048)	190,296	279,757,595	279,757,595
Net gain/(loss) on investments	43,461	(8,151,009)	13,293,935	15,998,343	383,893	(44,934)	(3,299,387)	(10,416,049)	(1,839,270)	330,336	665,799,538	665,799,538
Increase/(Decrease) in assets from Operations	14,679,878	20,559,820	70,230,517	31,589,990	388,909	4,419,237	2,857,483	12,732,923	2,593,064	374,525	1,140,881,932	1,140,881,932

Statement of changes in Net Assets for the year ended March 31, 2007

Annexure-1
(Amt. in Rs.)

Particulars	Individual Life					Individual Pension						
	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Equity Managed	Growth	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Equity Managed	Growth
Net Assets at the beginning of the year	146,487,286	316,793,982	417,276,515	1,556,791,150	295,116,221	3,595,323,120	28,785,298	102,531,418	256,439,189	1,312,601,838	207,957,023	1,845,816,520
Add: Increase/(Decrease) from Operations	17,215,464	16,548,342	35,761,056	128,582,640	115,333,104	313,852,949	3,116,243	5,767,300	17,421,859	102,137,386	59,778,428	164,940,816
Value of units allocated to Policyholders	701,448,456	731,247,389	693,571,092	1,743,524,864	2,355,974,566	6,824,604,341	122,231,881	366,954,143	333,835,716	1,176,425,020	1,370,934,599	3,928,910,658
Less: Value of units deallocated from Policyholders	622,563,324	596,036,615	470,150,098	799,712,096	833,000,813	2,251,018,960	97,930,376	254,047,077	219,349,380	419,902,403	250,158,466	835,022,839
Net Assets at the end of the year	242,587,881	468,553,098	676,458,564	2,629,186,558	1,933,423,078	8,482,761,451	56,203,046	221,205,784	388,347,385	2,171,261,841	1,388,511,583	5,104,645,154

Particulars	Group Life					Group Pension					TOTAL
	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Growth	Liquid	Secure Managed	Defensive Managed	Balanced Managed	Growth	
Net Assets at the beginning of the year	299,216,969	322,576,734	703,184,695	260,066,551	41,582	50,013,732	4,692,569	167,584,584	40,683,414	6,109,321	11,936,089,708
Add: Increase/(Decrease) from Operations	14,679,878	20,559,820	70,230,517	31,589,990	388,909	4,419,237	2,857,483	12,732,923	2,593,064	374,525	1,140,881,932
Value of units allocated to Policyholders	370,609,601	553,943,074	1,644,580,196	626,678,855	16,644,592	110,929,440	729,937,627	1,572,889,165	239,624,991	2,405,813	25,536,240,456
Less: Value of units deallocated from Policyholders	431,534,759	288,911,677	608,703,011	242,209,602	1,680	34,029,879	610,194,606	908,176,571	4,687,886	773,065	10,096,449,559
Net Assets at the end of the year	252,971,689	608,167,950	1,809,292,397	676,125,794	17,073,404	131,332,530	127,293,073	845,030,101	278,213,583	8,116,594	28,516,762,537

**Net Assets at the beginning of the year figure has been regrouped, wherever required

Annexure - 2
Revenue Account for the year ended 31st March 2007
Policyholders' Account (Technical Account)

Particulars	Linked Individual Life				Linked Individual Pension				Linked Group Life				Linked Group Pension				Total Unit
	Unit		Total		Non-Unit		Total		Non-Unit		Total		Non-Unit		Total		Linked
	(1)	(2)	(3)= (1)+(2)	(4)	(5)	(6)= (4)+(5)	(7)	(8)	(9)= (7)+(8)	(10)	(11)= (9)+(10)	(12)= (3)+(6)+ (9)+(11)	(13)	(14)	(15)= (13)+(14)	(16)	
Premiums earned - net																	
(a) Premium	3,872,148	8,742,440	12,614,588	1,762,957	5,754,891	7,517,848	3,561	2,021,387	2,024,948	8,370	1,109,646	1,118,016	23,275,400				
(b) Reinsurance ceded	(178,295)	—	(178,295)	—	—	—	—	—	—	—	—	—	(178,295)				
Income from Investments																	
(a) Interest, Dividend & Rent - Gross	51,144	279,225	330,369	25,992	181,037	207,029	20,682	133,154	153,836	9,475	44,047	53,522	744,756				
(b) Profit on sale/redemption of investments	127,903	323,785	451,688	61,632	178,475	240,107	14,916	35,142	50,058	883	12,137	13,020	754,873				
(c) Loss on sale/redemption of investments	(120,112)	(87,684)	(207,796)	(65,697)	(63,921)	(129,618)	(28,632)	(8,271)	(36,903)	(660)	(3,621)	(4,281)	(378,598)				
(d) Unrealised gain/(loss)	48,807	197,616	246,423	25,775	111,229	137,004	(4,421)	(5,303)	(9,724)	(2,054)	(23,785)	(25,839)	347,864				
Other income:																	
(a) Linked Income	602,293	(602,293)	—	69,233	(69,233)	—	16,832	(16,832)	—	5,831	(5,831)	—	—				
(b) Miscellaneous Income	91,317	—	91,317	20,157	—	20,157	16	—	16	3	—	3	111,493				
(c) Contribution from the Shareholders' a/c	313,474	—	313,474	279,014	—	279,014	269,672	—	269,672	71,601	—	71,601	933,761				
TOTAL (A)	4,808,679	8,853,089	13,661,768	2,179,063	6,092,478	8,271,541	292,626	2,159,277	2,451,903	93,449	1,132,593	1,226,042	25,611,254				
Commission	1,454,947	—	1,454,947	302,772	—	302,772	277	—	277	66	—	66	1,758,062				
Operating Expenses related to Insurance Business																	
Provision for Taxation	3,286,783	7,684	3,294,467	1,849,866	4,613	1,854,479	75,113	595	75,708	51,311	210	51,521	5,276,175				
TOTAL (B)	4,741,730	7,684	4,749,414	2,152,638	4,613	2,157,251	75,390	595	75,985	51,377	210	51,587	7,034,237				
Benefits Paid (Net)	(163,342)	740,223	576,881	(132,304)	511,823	379,519	(840)	380,137	379,297	(7)	11,479	11,472	1,347,169				
Interim Bonus Paid	—	—	—	—	—	—	—	—	—	—	—	—	—				
Change in Valuation Liability	205,847	8,105,182	8,311,029	149,203	5,576,042	5,725,245	218,076	1,778,545	1,996,621	42,079	1,120,904	1,162,983	17,195,878				
TOTAL (C)	42,505	8,845,405	8,887,910	16,899	6,087,865	6,104,764	217,236	2,158,682	2,375,918	42,072	1,132,383	1,174,455	18,543,047				
SURPLUS/ (DEFICIT) (D) = (A)-(B)-(C)	24,444	—	24,444	9,526	—	9,526	—	—	—	—	—	—	33,970				
APPROPRIATIONS																	
Transfer to Shareholders' a/c	—	—	—	—	—	—	—	—	—	—	—	—	—				
Funds available for future appropriations	—	—	—	—	—	—	—	—	—	—	—	—	—				
TOTAL (D)	—	—	—	—	—	—	—	—	—	—	—	—	—				

Annexure - 2
(Rs. in '000)

Schedules to Annexure to Revenue Account (UL) forming part of Financial Statements
 Schedule-UL1 for the year ended 31st March 2007

Annexure -2

Linked Income (recovered from linked funds)*

Particulars	(Rs. in '000)				
	Linked Individual Life	Linked Individual Pension	Linked Group Life	Linked Group Pension	Total Unit Linked
	(1)	(2)	(3)	(4)	(5)= (1)+(2)+(3)+(4)
Fund Administration charges	—	—	—	—	—
Fund Management charge	(77,965)	(49,045)	(16,679)	(5,590)	(149,279)
Policy Administration charge	(47,148)	(20,188)	—	(122)	(67,458)
Set up charges	—	—	—	—	—
Annual charges	—	—	(151)	—	(151)
Surrender charge	—	—	(2)	—	(2)
Switching charge	—	—	—	—	—
Mortality charge	(426,479)	—	—	—	(426,479)
Rider Premium charge	—	—	—	—	—
Partial withdrawal charge	—	—	—	—	—
Paid up charges	—	—	—	(97)	(97)
Miscellaneous charge (Adhoc statement and Simplified instructions)	—	—	—	(22)	(22)
Service tax	(49,707)	—	—	—	(49,707)
Education cess	(994)	—	—	—	(994)
	—	—	—	—	—
TOTAL (UL-1)	(602,293)	(69,233)	(16,832)	(5,831)	(694,189)

* (net of service tax, if any)

Annexure - 2
(Rs. in '000)

Annexure to Revenue Account - Breakup of Unit Linked Business (UL)
Revenue Account for the year ended 31st March 2006
Policyholders' Account (Technical Account)

Particulars	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked
	Non-Unit	Unit	Non-Unit	Unit	Non-Unit	Unit	Non-Unit	Unit	Total
Premiums earned - net									
(a) Premium	1,610,391	4,187,781	736,804	2,496,915	3,233,719	(11,014)	1,282,282	200,631	170,320
(b) Reinsurance ceded	(80,641)	—	(80,641)	—	—	—	—	—	(80,641)
Income from Investments									
(a) Interest, Dividend & Rent - Gross	21,952	89,026	110,978	8,685	52,408	8,732	36,294	7,108	8,533
(b) Profit on sale/redemption of investments	34,205	70,962	105,167	19,317	32,631	9,542	5,312	1,349	2,307
(c) Loss on sale/redemption of investments	(3,288)	(3,409)	(6,697)	(1,963)	(1,466)	(575)	(392)	(143)	(310)
(d) Unrealised gain/(loss)	136,773	1,344,289	1,481,062	28,994	677,507	17,499	80,910	18,543	13,149
Other income:									
(a) Linked income	218,573	(218,573)	—	21,400	(21,400)	—	(5,178)	(796)	—
(b) Miscellaneous income	88,852	—	88,852	28,104	—	109	—	—	117,066
(c) Contribution from the Shareholders' a/c	653,742	—	653,742	608,519	—	100,498	—	—	10,428
TOTAL (A)	2,680,558	5,470,076	8,150,634	1,449,859	3,236,596	4,686,455	129,970	1,399,228	1,529,197
Commission	484,195	—	484,195	151,031	—	151,031	—	—	456
Operating Expenses related to Insurance Business	1,893,754	9,028	1,902,782	1,132,607	5,714	1,138,320	113,290	358	113,648
Provision for Taxation	—	—	—	—	—	—	—	—	—
TOTAL (B)	2,377,949	9,028	2,386,977	1,283,638	5,714	1,289,351	113,746	358	114,104
Benefits Paid (Net)	(1,029)	160,102	159,073	(1,203)	75,463	74,260	854	62,855	63,710
Interim Bonus Paid	—	—	—	—	—	—	—	—	—
Change in Valuation Liability	283,968	5,300,946	5,584,914	161,579	3,155,419	3,316,999	15,370	1,336,014	1,351,384
TOTAL (C)	282,939	5,461,048	5,743,987	160,377	3,230,882	3,391,259	16,224	1,398,870	1,415,094
SURPLUS/ (DEFICIT) (D) = (A)-(B)-(C)	19,671	—	19,671	5,845	—	5,845	—	—	—
APPROPRIATIONS									
Transfer to Shareholders' a/c	—	—	—	—	—	—	—	—	—
Funds available for future appropriations	—	—	—	—	—	—	—	—	—
TOTAL (D)	—	—	—	—	—	—	—	—	—

Schedule-UL1 for the year ended 31st March 2006

Annexure - 2

Linked Income (recovered from linked funds)*

Particulars	(Rs. in '000)					Total Unit Linked
	Linked Individual Life (1)	Linked Individual Pension (2)	Linked Group Life (3)	Linked Group Pension (4)	(5) = (1)+(2)+(3)+(4)	
Fund Administration charges	—	—	—	—	—	—
Fund Management charge	(23,513)	(12,312)	(4,881)	(788)		(41,494)
Policy Administration charge & Mortality charge	(15,460)	(9,088)	—	11		(24,536)
Set up charges	—	—	(130)	—		(130)
Annual charges	—	—	(167)	—		(167)
Surrender charge	—	—	—	—		—
Switching charge	—	—	—	—		—
Mortality charge	(164,367)	—	—	—		(164,367)
Rider Premium charge	—	—	—	—		—
Partial withdrawal charge	—	—	—	—		—
Paid up charges	—	—	—	(19)		(19)
Miscellaneous charge	—	—	—	—		—
Service Tax	(14,935)	—	—	—		(14,935)
Education Tax	(299)	—	—	—		(299)
	—	—	—	—		—
TOTAL (UL-1)	(218,573)	(21,400)	(5,178)	(796)		(245,947)

* (net of service tax, if any)

Annexure - 2

Schedule-UL2 for the year ended 31st March 2006
BENEFITS PAID [NET]

Particulars	(Rs. in '000)												
	Linked Individual Life			Linked Individual Pension			Linked Group Life			Linked Group Pension		Total Unit Linked	
	Non Unit	Unit	Linked Life	Non-Unit	Unit	Linked Pension	Non-Unit	Unit	Linked Group	Non-Unit	Unit	Linked Group	
(1)	(2)	(3)= (1)+(2)	(4)	(5)	(6)= (4)+(5)	(7)	(8)	(9)= (7)+(8)	(7)	(8)	(9)= (7)+(8)	(9)= (10)=(3)+ (6)+(9)	
1 Insurance Claims													
(a) Claims by Death	20,733	3,391	24,124	31	2,298	2,329	10	—	61	—	61	61	26,524
(b) Claims by Maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c) Annuities / Pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d) Other benefits													
- Surrender	(3,487)	108,301	104,814	(1,235)	73,165	71,930	—	—	(57)	1,145	1,088	1,088	177,832
- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
- Withdrawal	(8)	48,410	48,402	—	—	—	844	62,855	—	—	—	—	112,102
Sub Total (A)	17,238	160,102	177,340	(1,203)	75,463	74,260	854	62,855	4	1,145	1,149	1,149	316,458
2 Amount Ceded in reinsurance													
(a) Claims by Death	(18,267)	—	(18,267)	—	—	—	—	—	—	—	—	—	(18,267)
(b) Claims by Maturity	—	—	—	—	—	—	—	—	—	—	—	—	—
(c) Annuities / Pension payment	—	—	—	—	—	—	—	—	—	—	—	—	—
(d) Other benefits													
- Surrender	—	—	—	—	—	—	—	—	—	—	—	—	—
- Survival	—	—	—	—	—	—	—	—	—	—	—	—	—
Sub Total (B)	(18,267)	—	(18,267)	—	—	—	—	—	—	—	—	—	(18,267)
TOTAL (A) + (B)	(1,029)	160,102	159,073	(1,203)	75,463	74,260	854	62,855	4	1,145	1,149	1,149	298,191
Benefits paid to claimants:													
In India	(1,029)	160,102	159,073	(1,203)	75,463	74,260	854	62,855	4	1,145	1,149	1,149	298,191
Outside India	—	—	—	—	—	—	—	—	—	—	—	—	—
TOTAL (UL2)	(1,029)	160,102	159,073	(1,203)	75,463	74,260	854	62,855	4	1,145	1,149	1,149	298,191

Particulars	Schedule	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sources of Funds											
Policyholders' Funds:											
Policyholder contribution	F-1	12,818,995	5,011,837	8,226,638	2,992,657	3,107,035	1,466,083	1,340,560	242,402	25,493,228	9,712,979
Revenue Account		1,613,976	1,315,951	1,103,537	761,474	256,596	119,004	49,426	26,682	3,023,535	2,223,111
Total		14,432,971	6,327,788	9,330,175	3,754,131	3,363,631	1,585,087	1,389,986	269,084	28,516,763	11,936,090
Application of Funds											
Investments	F-2	14,434,232	6,319,838	9,409,750	3,741,247	3,287,511	1,568,795	1,358,344	264,613	28,489,836	11,894,492
Current Assets	F-3	131,377	33,801	85,796	27,814	82,196	25,455	32,641	5,956	332,010	93,027
Less: Current Liabilities and Provisions	F-4	132,638	25,851	165,371	14,930	6,076	9,163	998	1,486	305,084	51,430
Net current assets		(1,261)	7,951	(79,576)	12,884	76,120	16,292	31,642	4,470	26,926	41,597
Total		14,432,971	6,327,788	9,330,175	3,754,131	3,363,631	1,585,087	1,389,986	269,084	28,516,763	11,936,090

Annexure - 2

Net Asset Value (NAV) per Unit as at 31st March, 2007

Funds	Current Year		Previous Year		NAV per unit
	Net Asset as per Balance Sheet (Total Assets less Current Liabilities and Provisions) (a)	Number of Units outstanding (b)	Net Asset as per Balance Sheet (Total Assets less Current Liabilities and Provisions) (a)	Number of Units outstanding (b)	
A)					
Linked Individual Life					
Liquid	242,587,881	10257630,38415	146,487,286	6,629,735,71537	22,0955
Secured Managed	468,553,098	21329944,42835	316,793,982	15,132,731,19784	20,9344
Defensive Managed	676,458,564	24273889,54454	27,8677	15,924,042,76033	26,2042
Balanced Managed	2,629,186,558	75634790,44116	34,7616	47,760,718,85960	32,5956
Equity Managed	1,933,423,078	44478819,60503	43,4684	7,528,463,49333	39,2001
Growth	8,482,761,451	16370070,64086	51,8187	74,345,674,08916	48,3595
Net asset as per Balance Sheet	14,432,970,630		6,327,788,274		
B)					
Linked Individual Pension					
Liquid	56,203,046	2,378,644,81957	28,785,298	1,302,737,90661	22,0960
Secured Managed	221,205,784	10,277,708,50592	102,531,418	4,957,300,14997	20,6829
Defensive Managed	388,347,385	15,234,878,00238	25,4907	10,638,217,46510	24,1055
Balanced Managed	2,171,261,841	67,261,800,60258	32,2808	43,292,334,12059	30,3195
Equity Managed	1,388,511,583	34,223,601,69857	40,5718	5,432,353,52297	38,2812
Growth	5,104,645,154	102,363,322,40424	49,8679	39,119,966,72785	47,1835
Net asset as per Balance Sheet	9,330,174,792		3,754,131,285		
C)					
Linked Group Life					
Liquid	75,626,447	3197802,51756	14,150,174	640,409,95137	22,0955
Secured Managed	480,029,620	21852390,20697	226,301,150	10,810,036,36619	20,9344
Defensive Managed	1,176,390,981	42213353,85875	27,8677	7,718,496,90726	26,2042
Balanced Managed	388,448,035	11174629,51329	34,7616	3,043,587,13710	32,5956
Growth	17,032,071	328685,78108	51,8187		
Gratuity and Leave encashment funds					
Liquid	177,345,242	7367714,80040	24,0706	12,631,804,45620	22,5674
Secured Managed	128,138,330	5634193,86040	22,7430	4,422,559,78380	21,7692
Defensive Managed	632,901,416	19855279,70500	31,8757	16,565,657,71300	30,2389
Balanced Managed	287,677,759	6567128,20100	43,8057	3,960,276,60700	40,6181
Growth	41,334	546,73900	75,6006	568,88200	73,0946
Net asset as per Balance Sheet	3,363,631,234		1,585,086,531		
D)					
Linked Group Pension					
Group Defined Contribution					
Liquid	8,912,658	377,204,61206	3,153,980	142,739,87393	22,0960
Secured Managed	11,197,982	520,282,95038	4,692,569	226,881,39218	20,6829
Defensive Managed	31,178,971	1,223,151,82615	19,204,543	796,688,30979	24,1055
Balanced Managed	42,997,853	1,331,996,42992	32,2808	627,382,95310	30,3195
Growth	8,116,594	162,761,86533	49,8679	129,480,05262	47,1835
Group Unit Linked Pension					
Liquid	70,779,755	2,995,565,38239	23,6282		
Secured Managed	116,095,091	5,394,033,91518	21,5229		
Defensive Managed	631,939,477	24,791,002,10578	25,4907	2,184,355,44661	24,1055
Balanced Managed	215,462,675	6,674,647,52720	32,2808	165,407,08633	30,3195
Group Defined Benefit Pension					
Liquid	51,640,116	2,306,215,84912	22,3917		
Secured Managed	181,911,654	7,083,268,58032	25,6819	2,230,859,54431	21,0052
Defensive Managed	19,753,055	683,204,13361	28,9124	3,935,667,16858	24,3225
Balanced Managed				600,900,30162	27,7025
Net asset as per Balance Sheet	1,389,985,881		269,083,618		

Particulars	Schedule	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Income from investments											
Interest income (includes discount income)		166,196	59,035	110,567	38,302	125,237	34,239	41,508	6,585	443,507	138,160
Dividend income		112,952	29,991	70,470	14,106	7,898	2,055	2,532	523	193,853	46,676
Profit/loss on sale of investment		236,101	67,553	114,554	31,166	26,871	4,920	8,516	1,206	386,042	104,845
Miscellaneous Income		76	—	—	—	20	—	7	—	103	—
Unrealised Gain/loss*		197,616	1,344,289	111,229	677,507	(5,303)	80,910	(23,785)	18,543	279,758	2,121,249
Total (A)		712,942	1,500,868	406,820	761,081	154,723	122,124	28,777	26,857	1,303,263	2,410,930
Fund management charges		77,965	23,513	49,046	12,312	16,678	4,881	5,590	788	149,279	41,494
Fund administration expenses		—	—	—	—	—	—	—	—	—	—
Other expenses	F-5	532,012	204,088	24,799	14,801	749	655	451	138	558,013	219,682
Total (B)		609,977	227,601	73,845	27,114	17,428	5,536	6,041	925	707,291	261,176
Net income for the year (A-B)		102,965	1,273,267	332,975	733,967	137,295	116,588	22,736	25,931	595,971	2,149,753
Add: Fund revenue account at the beginning of the year		1,511,011	42,684	770,562	27,507	119,301	2,416	26,690	750	2,427,563	73,357
Fund revenue account at the end of the year		1,613,976	1,315,951	1,103,537	761,474	256,596	119,004	49,426	26,682	3,023,535	2,223,111

* Net change in mark to market value of investments

Annexure - 2

Schedules to Fund Account
Schedule: F-1
Policyholders' Contribution

Particulars	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)
Opening balance	4,816,777	984,158	2,983,569	571,205	1,465,786	246,657	242,394	42,915	9,508,526	1,844,935
Add: Additions during the year*	13,050,371	5,490,778	7,299,292	2,724,484	3,212,456	1,694,560	2,655,787	244,032	26,217,906	10,153,855
Less: Deductions during the year*	(5,048,153)	(1,463,099)	(2,056,224)	(303,032)	(1,571,207)	(475,134)	(1,557,621)	(44,546)	(10,233,205)	(2,285,811)
Closing balance	12,818,995	5,011,837	8,226,638	2,992,657	3,107,035	1,466,083	1,340,560	242,402	25,493,228	9,712,979

* Additions represents units creation and deductions represent unit cancellations

Particulars	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)	(Rs. in '000)
Approved Investments	856,304	1,391,444	612,192	839,152	861,491	1,120,186	353,121	160,311	2,683,108	3,511,093
Government Bonds (G-Sec + T-Bill)	693,260	—	599,881	—	640,223	—	271,007	—	2,204,371	—
Corporate Bonds	359,141	15,550	143,920	34,050	305,011	9,287	93,420	22,388	901,492	81,276
Infrastructure Bonds	10,413,802	4,707,641	6,664,678	2,724,010	751,748	328,942	331,406	71,295	18,161,633	7,831,888
Equity	130,944	89,823	46,684	57,158	63,197	40,420	53,684	1,740	294,509	189,142
Commercial Papers	14,807	115,380	22,784	86,877	7,037	69,959	27,256	8,878	71,884	281,094
Certificate of Deposit	—	—	—	—	—	—	—	—	—	—
Money Market	—	—	—	—	—	—	—	—	—	—
Mutual Funds	478,525	—	315,005	—	725	—	501	—	794,755	—
Deep Discount Bonds	45,093	—	11,852	—	23,828	—	1,411	—	82,184	—
Repo investments	21,751	—	79,553	—	31,253	—	12,329	—	144,885	—
Fixed Deposits	402,319	—	293,626	—	414,521	—	150,513	—	1,260,979	—
Total	13,415,946	6,319,838	8,790,175	3,741,247	3,099,032	1,568,795	1,294,647	264,613	26,599,800	11,894,492
Other Investments	—	—	—	—	—	—	—	—	—	—
Corporate Bonds	—	—	—	—	—	—	—	—	—	—
Infrastructure Bonds	—	—	—	—	—	—	—	—	—	—
Equity	745,451	—	511,571	—	46,699	—	24,051	—	1,327,773	—
Money Market	—	—	—	—	—	—	—	—	—	—
Mutual Funds	—	—	—	—	—	—	—	—	—	—
Pass through Certificates	247,550	—	101,500	—	132,693	—	32,704	—	514,448	—
Sub-ordinate Debt	25,284	—	6,504	—	9,086	—	6,942	—	47,816	—
Total	1,018,286	—	619,575	—	188,479	—	63,697	—	1,890,036	—
GRAND TOTAL	14,434,232	6,319,838	9,409,750	3,741,247	3,287,511	1,568,795	1,358,344	264,613	28,489,836	11,894,492
% of Approved Investments to Total	92.95%	100.00%	93.42%	100.00%	94.27%	100.00%	95.31%	100.00%	93.37%	100.00%
% of Other Investments to Total	7.05%	0.00%	6.58%	0.00%	5.73%	0.00%	4.69%	0.00%	6.63%	0.00%

Schedule: F-3
Current Assets

Annexure - 2
(Rs. in '000)

Particulars	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Accrued Interest	90,797	28,959	59,555	23,031	85,682	25,010	30,919	5,847.52	266,953	82,847.21
(Includes discount inc Receivable)	26,463	1,934	17,531	2,756	(4,487)	221	1,331	60.90	40,839	4,972
Cash & Bank Balance	14,117	2,908	8,710	2,027	1,001	225	390	47.84	24,218	5,208
Dividend Receivable	—	—	—	—	—	—	—	—	—	—
Receivable for Sale of Investments	—	—	—	—	—	—	—	—	—	—
Unit Collection A/c#	—	—	—	—	—	—	—	—	—	—
Other Current Assets (for Investments)	—	—	—	—	—	—	—	—	—	—
Total	131,377	33,801	85,796	27,814	82,196	25,455	32,641	5,956	332,010	93,027

Schedule: F-4

Current Liabilities

Particulars	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Payable for Purchase of Investments	131,080	—	113,986	—	5,825	—	819	—	251,709	—
Other Current Liabilities	1,559	25,851	51,386	14,930	251	9,163	179	1,486	53,375	51,430
Unit Payable a/c#	—	—	—	—	—	—	—	—	—	—
Total	132,638	25,851	165,371	14,930	6,076	9,163	998	1,486	305,084	51,430

Schedule: F-5

Other Expenses

Particulars	Linked Individual Life		Linked Individual Pension		Linked Group Life		Linked Group Pension		Total Unit Linked	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Policy Administration	47,148	15,460	20,187	9,088	—	—	122	(11)	47,271	24,536
Surrender charge	—	—	—	—	2,500	—	—	—	2,500	—
Switching charge	—	—	—	—	—	—	—	—	—	—
Mortality charge	426,479	164,367	—	—	—	—	—	—	446,666	164,367
Rider Premium charge	—	—	—	—	—	—	—	—	—	—
Partial withdrawal charge	—	—	—	—	—	—	—	—	—	—
Miscellaneous charge	—	—	—	—	—	—	21,800	—	21,800	—
Set up charge	—	—	—	—	—	129,999	—	—	129,999	—
Annual charge	—	—	—	—	151,495	166,962	—	—	151,495	166,962
Paid up charges	—	—	—	—	—	—	97,127	19,351	97,127	19,351
Service tax	49,707	14,935	—	—	—	—	—	—	49,707	14,935
Education cess	994	299	—	—	—	—	—	—	994	299
Brokerage Expenses for purchase and sale of investments	7,034	8,371	4,231	5,389	520	315	210	119	11,996	14,195
Safe custody charges for purchase and sale of investments	599	657	354	324	62	43	—	11	1,014	1,035
CCIL charges	50	—	28	—	13	—	—	—	91	—
Total	532,012	204,088	24,799	14,801	749	655	451	138	558,013	219,682

Represents inter fund receivables or payables, if any

Annexure 2

DISCLOSURES FOR ULIP BUSINESS

1 Performance of the Fund (Absolute Growth %)

Fund Name	Year of Inception	Year			Since Inception
		2006-07	2005-06 (X-1)	2004-05 (X-2)	
Individual Life and Group Life (on or after 29.03.2006)					
Liquid Fund	2003-04	7.03%	12.18%	16.81%	18.25%
Secure Managed Fund	2003-04	4.93%	10.02%	8.00%	9.83%
Defensive Managed Fund	2003-04	6.35%	29.45%	35.55%	39.34%
Balanced Managed Fund	2003-04	6.65%	49.88%	67.97%	73.81%
Equity Managed Fund	2005-06	10.89%	NA	NA	24.20%
Growth Fund	2003-04	7.15%	100.08%	153.70%	159.09%
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)					
Liquid Fund	2003-04	6.93%	12.12%	16.70%	18.14%
Secure Managed Fund	2003-04	4.06%	8.83%	5.79%	7.61%
Defensive Managed Fund	2003-04	5.75%	26.76%	29.00%	27.45%
Balanced Managed Fund	2003-04	6.47%	50.73%	69.12%	61.40%
Equity Managed Fund	2005-06	5.98%	NA	NA	19.33%
Growth Fund	2003-04	5.69%	94.73%	141.16%	149.34%
Group Life (Upto 28.03.2006)					
Liquid Fund	2003-04	6.66%	11.88%	16.60%	20.35%
Secure Managed Fund	2003-04	4.47%	9.33%	6.14%	13.72%
Defensive Managed Fund	2003-04	5.41%	28.62%	35.25%	59.38%
Balanced Managed Fund	2003-04	7.85%	56.02%	70.28%	119.03%
Growth Fund	2003-04	3.43%	89.48%	71.15%	278.00%
Group DB Pension (Upto 28.03.2006)					
Liquid Fund	2004-05	6.60%	11.73%	NA	11.96%
Secure Managed Fund	2004-05	6.93%	12.20%	NA	12.38%
Defensive Managed Fund	2004-05	5.59%	29.70%	NA	28.41%
Balanced Managed Fund	2004-05	4.37%	47.65%	NA	44.56%
Growth Fund	2004-05	2.94%	75.06%	NA	73.43%

Annexure - 2

2 Investment Management

- Activities Outsourced
 - a) Advisory services from HDFC Asset Management Company Limited
 - b) Custodial services from HDFC Bank Ltd. - Custody and Depository Services
- Fees paid for various activities charged to the policyholders Account and shareholders account (Please refer Statement of Operations - Annexure 1)
 - a) Policyholders Unit Fund - Transaction charges on sale and purchase of unit investments
 - b) Non-Unit Fund - Transaction charges on sale and purchase of non-unit investments, HDFC AMC Advisory fees (because this is a Non-Participating Fund, the advisory fees only impact the Shareholders and not the Policyholders)
 - c) Shareholders Fund - Transaction charges on sale and purchase of investments, HDFC AMC Advisory fees
- Basis of payment of fees
 - a) Apportionment of advisory fees is based on assets under management
 - b) Transaction charge is based on actuals

3 Related party transactions - Details to be furnished Fund- wise

- Brokerage , custodial fee or any other payments and receipts made to/from related parties (as defined in AS 18 issued by ICAI)

(Amount in Rs.)

FUND NAME	Advisory Fees paid to HDFC Asset Management Company Ltd.	
	2006-07	2005-06
Individual Life and Group Life (on or after 29.03.2006)	7,044,826	6,673,802
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)	4,266,890	3,296,140
Group Life (Upto 28.03.2006)	879,520	1,566,824
Group DB Pension (Upto 28.03.2006)	203,682	273,609
TOTAL	12,394,918	11,810,374

4 Company-wise details of investments held in the promoter Group along with its percentage to funds under management. This information is required to be given fund-wise and also for total funds under ULIPs.

(Amount in Rs.)

Fund Name	Security Name	Name of the Company	Units	MARKET VALUE AS ON 31/03/2007	AUM AS ON 31/03/2007	2006-07	2005-06
						% of Asset under Management	% of Asset under Management
Individual Life and Group Life (on or After 29.03.2006) - Growth Fund	HDFC Cash Management Savings Plus-Growth	HDFC Asset Management Company Ltd.	6,156,611.89	100,000,000	8,944,786,375	1.12%	NIL
Individual Life and Group Life (on or After 29.03.2006) - Growth Fund	HDFC Liquid Fund - Premium Growth	HDFC Asset Management Company Ltd.	10,026,357.47	150,063,490	8,944,786,375	1.68%	NIL
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006) - Growth Fund	HDFC Cash Management Savings Plus-Growth	HDFC Asset Management Company Ltd.	6,156,611.89	100,000,000	5,273,657,162	1.90%	NIL
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006) - Growth Fund	HDFC Liquid Fund - Premium Growth	HDFC Asset Management Company Ltd.	3,343,250.36	50,038,094	5,273,657,162	0.95%	NIL
Total Funds Under ULIP				400,101,583	30,003,608,346	1.33%	NIL

Annexure - 2

- 5 Industry-wise disclosure on investments (with exposure of 10% and above) segregated at scrip level. Investments in industries where exposure is below 10%, should be grouped under the head "others". Such disclosures are required to be made in

i) Amount in Rs. '000 and ii) Percentage of respective Funds

Please refer Annexure 2A

- 6 Unclaimed redemptions of units : NIL
- 7 NAV : Highest, Lowest and closing at the end of the year

Fund Name	2006-07		2005-06		NAV as on 30/03/2007*
	Highest	Lowest	Highest	Lowest	
Individual Life and Group Life (on or after 29.03.2006)					
Liquid Fund	23.6380	22.1054	22.0955	21.0850	23.6380
Secure Managed Fund	21.9621	20.9437	20.9344	19.9687	21.9621
Defensive Managed Fund	28.5962	24.6767	26.2042	21.4115	27.8631
Balanced Managed Fund	36.5644	28.8084	32.5956	22.9133	34.7578
Equity Managed Fund	46.7948	31.8282	39.2001	34.6687	43.4675
Growth Fund	57.6766	36.1268	48.3595	25.3427	51.8198
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)					
Liquid Fund	23.6225	22.1058	22.0960	21.0761	23.6225
Secure Managed Fund	21.5655	20.6862	20.6927	19.7807	21.5180
Defensive Managed Fund	26.1064	22.9153	24.1054	19.9329	25.4863
Balanced Managed Fund	34.1243	26.7280	30.3195	21.1218	32.2773
Equity Managed Fund	44.1221	30.5396	38.2812	33.6177	40.5697
Growth Fund	55.5210	35.3712	47.1835	24.9792	49.8690
Group Life (Upto 28.03.2006)					
Liquid Fund	24.0654	22.5776	22.5674	21.1162	24.0654
Secure Managed Fund	23.1730	21.6965	22.5563	20.7817	22.7377
Defensive Managed Fund	32.8618	28.5493	30.2389	24.6724	31.8704
Balanced Managed Fund	46.4555	36.0628	40.6181	27.7735	43.8009
Growth Fund	84.9968	41.2875	73.0947	38.9840	75.6015
Group DB Pension (Upto 28.03.2006)					
Liquid Fund	22.3863	21.0154	21.0052	20.0430	22.3863
Secure Managed Fund	22.4703	21.0287	21.8195	20.0350	22.4703
Defensive Managed Fund	26.4405	23.0351	24.3225	19.7372	25.6775
Balanced Managed Fund	30.7530	24.1976	27.7025	19.3560	28.9089
Growth Fund	39.2457	22.0512	33.6969	19.4023	34.6870

* Last declared NAV for the funds, since 31 March 2007 was a holiday

Annexure - 2

8 Expenses charged to Fund (%)

- Annualized expenses ratio to average daily assets of the Fund

Fund Name	2006 - 07	2005-06
Individual Life and Group Life (on or after 29.03.2006)		
Liquid Fund	0.0015%	0.0033%
Secure Managed Fund	0.0046%	0.0040%
Defensive Managed Fund	0.0415%	0.0836%
Balanced Managed Fund	0.0716%	0.1771%
Equity Managed Fund	0.0700%	0.4844%*
Growth Fund	0.0970%	0.4750%*
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)		
Liquid Fund	0.0021%	0.0029%
Secure Managed Fund	0.0050%	0.0038%
Defensive Managed Fund	0.0452%	0.0703%
Balanced Managed Fund	0.0584%	0.1569%
Equity Managed Fund	0.0589%	0.4569%*
Growth Fund	0.0954%	0.7641%*
Group Life (Upto 28.03.2006)		
Liquid Fund	0.0009%	0.0018%
Secure Managed Fund	0.0017%	0.0029%
Defensive Managed Fund	0.0204%	0.0747%
Balanced Managed Fund	0.0450%	0.1561%
Growth Fund	0.0801%	0.2535%
Group DB Pension (Upto 28.03.2006)		
Liquid Fund	0.0016%	0.0044%
Secure Managed Fund	0.0047%	0.0070%
Defensive Managed Fund	0.0345%	0.1188%
Balanced Managed Fund	0.0642%	0.1683%
Growth Fund	0.0721%	0.1251%

* For Individual Life and Group Life (on or after 29.03.2006) Growth and Equity Managed Funds and Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006) Growth and Equity Managed Funds. The inflow of investments into these funds during 2005-06 were very large compared to the initial size of the fund.

Annexure - 2

9 Ratio of gross income (including unrealized gains) to average daily net assets

Fund Name	2006 - 07	2005-06
Individual Life and Group Life (on or after 29.03.2006)		
Liquid Fund	7.73%	5.46%
Secure Managed Fund	5.37%	5.54%
Defensive Managed Fund	7.27%	22.35%
Balanced Managed Fund	7.02%	39.19%
Equity Managed Fund	12.22%	2.87%*
Growth Fund	7.26%	74.15%
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)		
Liquid Fund	7.80%	5.51%
Secure Managed Fund	4.41%	5.24%
Defensive Managed Fund	4.91%	19.94%
Balanced Managed Fund	7.01%	39.05%
Equity Managed Fund	8.79%	2.95%*
Growth Fund	6.77%	78.45%
Group Life (Upto 28.03.2006)		
Liquid Fund	7.10%	5.49%
Secure Managed Fund	2.50%	5.28%
Defensive Managed Fund	6.12%	22.98%
Balanced Managed Fund	8.88%	42.82%
Growth Fund	4.21%	65.06%
Group DB Pension (Upto 28.03.2006)		
Liquid Fund	7.16%	5.46%
Secure Managed Fund	7.49%	5.78%
Defensive Managed Fund	5.03%	23.43%
Balanced Managed Fund	3.28%	40.05%
Growth Fund	3.74%	56.96%

* For the Individual Life and Group Life (on or after 29.03.2006) - Equity Managed Fund and the Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006) - Equity Managed Fund the date of inception is 16 Jan 2006 and therefore, these funds were operational for only 74 days during the financial year 2005-06.

Annexure - 2

10 Provision for doubtful debts on assets of the respective Fund : NIL

11 Fund- wise disclosure of appreciation and/ or depreciation in value of investments segregated class-wise

(Amount in Rs.)

Funds Name	Asset	Appreciation/ Depreciation in value of investments 31/03/2007	Appreciation/ Depreciation in value of investments 31/03/2006
Individual Life and Group Life (on or after 29.03.2006) Liquid Fund	Non Convertible Debentures	118	(118)
	Gilt	82,165	(82,165)
	Total	82,283	(82,283)
Secure Managed Fund	Non Convertible Debentures	(11,449,921)	(3,935)
	Gilt	(4,031,094)	(1,109,040)
	Pass Through Certificate	267,202	—
	Total	(15,213,814)	(1,112,975)
Defensive Managed Fund	Equity	12,853,909	56,095,480
	Non Convertible Debentures	(12,074,589)	3,952
	Deep Discount Bond	460,194	—
	Gilt	(3,067,836)	(1,972,274)
	Pass Through Certificate	405,676	—
	Total	(1,422,646)	54,127,158
Balanced Managed Fund	Equity	16,300,328	305,250,485
	Non Convertible Debentures	(12,077,184)	(2,639)
	Deep Discount Bond	613,592	—
	Gilt	(6,403,410)	(4,021,186)
	Pass Through Certificate	364,370	—
	Total	(1,202,305)	301,226,660
Equity Managed Fund	Equity	126,472,625	22,384,842
	Non Convertible Debentures	(2,554,881)	—
	Mutual Fund Units	32,135	—
	Gilt	(2,019,591)	(177,686)
	Pass Through Certificate	(2,437)	—
	Total	121,927,851	22,207,156
Growth Fund	Equity	133,128,535	1,103,442,214
	Mutual Fund Units	70,503	—
	Total	133,199,038	1,103,442,214

Annexure - 2

(Amount in Rs.)

Funds Name	Asset	Appreciation/ Depreciation in value of investments 31/03/2007	Appreciation/ Depreciation in value of investments 31/03/2006
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006) Liquid Fund	Non Convertible Debentures	4,332	(4,332)
	Gilt	82,165	(82,165)
	Total	86,498	(86,498)
Secure Managed Fund	Non Convertible Debentures	(4,806,456)	4,677
	Gilt	(1,823,094)	(740,247)
	Pass Through Certificate	(4,873)	—
	Total	(6,634,424)	(735,570)
Defensive Managed Fund	Equity	(3,646,999)	27,768,972
	Non Convertible Debentures	(5,353,427)	6,966
	Gilt	(9,659,582)	(3,868,247)
	Pass Through Certificate	79,690	—
	Total	(18,580,318)	23,907,691
Balanced Managed Fund	Equity	9,264,888	247,148,514
	Non Convertible Debentures	(10,398,092)	795
	Deep Discount Bond	204,531	—
	Gilt	(8,964,032)	(5,625,152)
	Pass Through Certificate	222,944	—
	Total	(9,669,761)	241,524,157
Equity Managed Fund	Equity	52,184,822	14,052,078
	Non Convertible Debentures	(2,785,358)	—
	Gilt	(1,055,461)	(85,897)
	Pass Through Certificate	(2,437)	—
	Total	48,341,566	13,966,181
Growth Fund	Equity	101,029,726	427,115,764
	Mutual Fund Units	56,251	—
	Total	101,085,977	427,115,764

Annexure - 2

(Amount in Rs.)

Funds Name	Asset	Appreciation/ Depreciation in value of investments 31/03/2007	Appreciation/ Depreciation in value of investments 31/03/2006
Group Life (Upto 28.03.2006) Liquid Fund	Gilt Total	91,882 91,882	(87,829) (87,829)
Secure Managed Fund	Non Convertible Debentures Gilt Pass Through Certificate Total	(1,027,414) (973,549) (2,437) (2,003,399)	10,215 (1,324,218) — (1,314,004)
Defensive Managed Fund	Equity Non Convertible Debentures Gilt Pass Through Certificate Total	3,484,069 (5,289,842) (2,671,383) 204,056 (4,273,100)	58,335,763 9,918 (2,389,599) — 55,956,082
Balanced Managed Fund	Equity Non Convertible Debentures Gilt Total	6,617,323 (772,009) (2,188,409) 3,656,905	39,932,729 5,726 (471,101) 39,467,354
Growth Fund	Equity Total	(346,903) (346,903)	3,603,705 3,603,705

Annexure - 2

(Amount in Rs.)

Funds Name	Asset	Appreciation/ Depreciation in value of investments 31/03/2007	Appreciation/ Depreciation in value of investments 31/03/2006
Group DB Pension (Upto 28.03.2006) Liquid Fund	Gilt	655,554	(655,554)
	Total	655,554	(655,554)
Secure Managed Fund	Non Convertible Debentures	(150,048)	—
	Gilt	13,427	(34,058)
	Pass Through Certificate	(2,437)	—
	Total	(139,057)	(34,058)
Defensive Managed Fund	Equity	538,550	8,874,049
	Non Convertible Debentures	(2,425,223)	(12,660)
	Gilt	(152,232)	(154,018)
	Total	(2,038,905)	8,707,372
Balanced Managed Fund	Equity	(584,285)	5,123,243
	Non Convertible Debentures	(483,865)	(89)
	Gilt	(38,609)	(94,056)
	Total	(1,106,759)	5,029,098
Growth Fund	Equity	(2,142)	33,119
	Total	(2,142)	33,119

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
CONSOLIDATED

MORE THAN 10%

2006 - 2007

Industry Name	Scrip Name	Market Value (Rs. '000)	% To AUM
Finance - Bank	10.00% HDFC Bank FD Mat 27.04.2007	2,341	0.01%
	11.05% State Bank of Patiala 04.09.2007	61,478	0.20%
	11.08% ICICI Bank FD Mat. 10.03.08	54,505	0.18%
	11.10% ICICI Bank FD Mat. 07.03.08	75,978	0.25%
	11.30% UTI Bank FD Mat 13.09.2007	100,000	0.33%
	11.40% Punjab National Bank FD Mat 21.03.2008	171,666	0.57%
	11.50% Canara Bank FD Mat 20/06/08	169,389	0.56%
	11.50% Punjab National Bank FD Mat 16.06.2008	149,968	0.50%
	8.00% Kotak Mahindra Bank Mat. 30/06/07	30,000	0.10%
	8.20% Kotak Mahindra Bank FD Mat 20/07/07	45,166	0.15%
	8.25% Federal Bank FD Mat 06/07/07	70,000	0.23%
	8.30% Kotak Mah FD Mat. 08/08/07	31,416	0.10%
	8.50% Saraswat Co-Operative Bank Mat 16/08/07	96,133	0.32%
	8.80% ICICI Bank Mat. 02/04/07	200,000	0.66%
	8.80% Yes Bank Mat. 14/06/2007	20,000	0.07%
	9.65% State Bank of Bikaner & Jaipur Mat 14.05.2007	44,000	0.15%
	Canara Bank FD Mat 12 JUNE 2008	100,000	0.33%
	ICICI Bank FD Mat. 30/07/07	19,995	0.07%
	Indian Bank	16,741	0.06%
	Punjab National Bank	561,364	1.86%
State Bank of India	1,025,129	3.39%	
Yes Bank CD Mat 14/03/2008	86,136	0.29%	
Sub Total (A)		3,131,403	10.36%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
CONSOLIDATED

OTHERS (LESS THAN 10%)

2006 - 2007

Industry Name	Market Value (Rs.'000)	% To AUM
Agro Chemicals	476,157	1.58%
Air-Conditioning & Refrigeration	386,496	1.28%
Automobiles - Ancillaries	1,177,444	3.90%
Automobiles - Commercial Vehicle	525,866	1.74%
Automobiles - Others	203,568	0.67%
Automobiles-4 Wheeler Passenger Vehicles	729,540	2.41%
Capital Goods - Engineering	1,428,955	4.73%
Capital Goods - Others	1,483,492	4.91%
Central Government Loans	2,900,056	9.60%
Construction - Cement	192,375	0.64%
Construction - Others	683,377	2.26%
Consumer - Fast Moving	1,493,286	4.94%
Consumer - Food & Beverages	526,289	1.74%
Diversified - Mega	1,955,571	6.47%
Diversified - Others	479,307	1.59%
Electronics	624,119	2.07%
Finance - FI	1,199,974	3.97%
Finance - Housing Finance	46,340	0.15%
Finance - NBFC	2,334,362	7.72%
Healthcare - Bulk Drugs	1,028,348	3.40%
Info Tech - Software	2,778,177	9.19%
Media - Others	216,931	0.72%
Metals - Others	676,550	2.24%
Mutual Funds	834,051	2.76%
Oil & Gas - Production	598,946	1.98%
Paints and Varnishing	324,489	1.07%
Petrochemicals - Refining & Marketing	603,325	2.00%
Pharmaceuticals & Drugs	418,440	1.38%
Shipping	63,353	0.21%
Telecom - Service Providers	26,700	0.09%
Transportation - Roadway	445,646	1.47%
Tyers	30,835	0.10%
Utilities - Power	462	0.00%
Net Current Assets	196,160	0.65%
Sub Total (B)	27,088,986	89.64%
TOTAL MARKET VALUE (A+B)	30,220,389	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Individual Life and Group Life (on or after 29.03.2006)

MORE THAN 10% : - NIL

OTHERS (LESS THAN 10%)

2006 - 2007

Industry Name	Market Value (Rs.'000)	% To AUM
Agro Chemicals	314,863	1.80%
Air-Conditioning & Refrigeration	233,338	1.33%
Automobiles - Ancillaries	702,746	4.02%
Automobiles - Commercial Vehicle	282,162	1.61%
Automobiles - Others	125,857	0.72%
Automobiles-4 Wheeler Passenger Vehicles	457,113	2.61%
Capital Goods - Engineering	830,880	4.75%
Capital Goods - Others	886,356	5.07%
Central Government Loans	1,493,606	8.54%
Construction - Cement	133,104	0.76%
Construction - Others	437,110	2.50%
Consumer - Fast Moving	898,128	5.13%
Consumer - Food & Beverages	285,604	1.63%
Diversified - Mega	1,163,901	6.65%
Diversified - Others	291,102	1.66%
Electronics	402,586	2.30%
Finance - Bank	1,564,835	8.94%
Finance - FI	665,974	3.81%
Finance - Housing Finance	46,340	0.26%
Finance - NBFC	1,250,009	7.15%
Healthcare - Bulk Drugs	605,071	3.46%
Info Tech - Software	1,735,800	9.92%
Media - Others	120,117	0.69%
Metals - Others	425,182	2.43%
Mutual Funds	508,616	2.91%
Oil & Gas - Production	388,497	2.22%
Paints and Varnishing	209,460	1.20%
Petrochemicals - Refining & Marketing	339,917	1.94%
Pharmaceuticals & Drugs	273,313	1.56%
Shipping	24,365	0.14%
Telecom - Service Providers	16,282	0.09%
Transportation - Roadway	262,020	1.50%
Tyers	27,499	0.16%
Utilities - Power	148	0.00%
Net Current Assets	92,252	0.53%
TOTAL MARKET VALUE	17,494,152	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)

MORE THAN 10%

2006 - 2007

Industry Name	Scrip Name	Market Value (Rs.'000)	% To AUM
Finance - Bank	11.05% State Bank of Patiala 04/09/2007	33,153	0.31%
	11.08% ICICI Bank FD Mat. 10/03/2008	37,777	0.35%
	11.10% ICICI Bank FD Mat. 07/03/2008	13,403	0.12%
	11.30% UTI Bank FD Mat 13/09/2007	19,972	0.18%
	11.40% Punjab National Bank FD Mat 21/03/2008	80,625	0.74%
	11.50% Canara Bank FD Mat 20/06/2008	90,859	0.84%
	11.50% Punjab National Bank FD Mat 16/06/2008	44,972	0.41%
	8.00% Kotak Mahindra Bank Mat. 30/06/2007	2,217	0.02%
	8.20% Kotak Mahindra Bank FD Mat 20/07/2007	18,450	0.17%
	8.30% Kotak Mahindra Bank FD Mat. 08/08/2007	1,354	0.01%
	8.50% Saraswat Co-Operative Bank Mat 16/08/2007	19,581	0.18%
	8.80% ICICI Bank Mat. 02/04/2007	37,801	0.35%
	Canara Bank FD Mat 12/06/2008	20,628	0.19%
	Indian Bank	6,374	0.06%
	Punjab National Bank	242,217	2.23%
	State Bank of India	404,902	3.73%
Yes Bank CD Mat 14/03/2008	52,985	0.49%	
Sub Total (A)		1,127,269	10.38%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)
OTHERS (LESS THAN 10%)

2006 - 2007

Industry Name	Market Value (Rs.'000)	% To AUM
Agro Chemicals	154,938	1.43%
Air-Conditioning & Refrigeration	137,287	1.26%
Automobiles - Ancillaries	436,429	4.02%
Automobiles - Commercial Vehicle	238,035	2.19%
Automobiles - Others	77,695	0.72%
Automobiles-4 Wheeler Passenger Vehicles	264,863	2.44%
Capital Goods - Engineering	554,515	5.10%
Capital Goods - Others	571,853	5.26%
Central Government Loans	978,802	9.01%
Construction - Cement	49,178	0.45%
Construction - Others	188,320	1.73%
Consumer - Fast Moving	557,650	5.13%
Consumer - Food & Beverages	229,551	2.11%
Diversified - Mega	735,293	6.77%
Diversified - Others	185,311	1.71%
Electronics	203,100	1.87%
Finance - FI	364,245	3.35%
Finance - NBFC	811,892	7.47%
Healthcare - Bulk Drugs	416,171	3.83%
Info Tech - Software	984,215	9.06%
Media - Others	96,814	0.89%
Metals - Others	226,340	2.08%
Mutual Funds	325,434	3.00%
Oil & Gas - Production	196,809	1.81%
Paints and Varnishing	104,848	0.97%
Petrochemicals - Refining & Marketing	259,717	2.39%
Pharmaceuticals & Drugs	130,402	1.20%
Shipping	37,833	0.35%
Telecom - Service Providers	10,418	0.10%
Transportation - Roadway	170,559	1.57%
Tyers	3,336	0.03%
Utilities - Power	148	0.00%
Net Current Assets	35,543	0.33%
Sub Total (B)	9,737,547	89.62%
TOTAL MARKET VALUE (A+B)	10,864,816	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group Life (Upto 28.03.2006)

MORE THAN 10%

2006 - 2007

Industry Name	Scrip Name	Market Value (Rs. '000)	% To AUM
Central Government Loans	10.71% GOI 19/04/2016	12,318	0.85%
	11.03% GOI 18/07/2012	1,122	0.08%
	11.30% GOI 28/07/2010	3,826	0.26%
	11.50% GOI 24/11/2011	264	0.02%
	182 Days T-Bill Mat 20 /04/2007	8,612	0.60%
	364 Days T-Bill Mat Dt 21/12/2007	40,689	2.81%
	364 Days T-Bill Mat Dt 31/08/2007	20	0.00%
	364 Days T-Bill Mat 20/ 07/2007	12,032	0.83%
	364 Days T-Bill GOI Mat 26/10/2007	36,971	2.55%
	364 Days T-Bill Mat. 14/09/07	3,694	0.26%
	7.39% GOI 10/09/2013 (Floater)	19,347	1.34%
	7.40% GOI 03/05/2012	88,764	6.13%
	7.44% Oil Bonds Mat 23/03/2012	66,184	4.57%
	7.55% GOI Mat 14/05/2010	18,336	1.27%
	9.39% GOI Mat 02/07/2011	45,593	3.15%
	Total	357,773	24.72%
Finance - Bank	11.05% State Bank of Patiala 04/09/2007	12,779	0.88%
	11.10% ICICI Bank FD Mat. 07/03/2008	8,014	0.55%
	11.40% Punjab National Bank FD Mat 21/03/2008	25,068	1.73%
	11.50% Canara Bank FD Mat 20/06/2008	24,963	1.72%
	8.00% Kotak Mahindra Bank Mat. 30/06/2007	22,400	1.55%
	8.20% Kotak Mah Bank FD Mat 20/07/2007	2,040	0.14%
	8.25% Federal Bank FD Mat 06/07/2007	37,240	2.57%
	8.50% Saraswat Co-Operative Bank Mat 16/08/07	29,931	2.07%
	8.80% ICICI Bank Mat. 02/04/2007	57,363	3.96%
	8.80% Yes Bank Mat. 14/06/2007	20,000	1.38%
	9.65% State Bank of Bikaner & Jaipur Mat 14/05/2007	40,562	2.80%
	Canara Bank FD Mat 12 / 06/ 2008	7,743	0.53%
	Punjab National Bank	911	0.06%
	State Bank of India	25,385	1.75%
	Yes Bank Cd Mat 14/03/2008	4,875	0.34%
	Total	319,276	22.06%
Finance - NBFC	10.75% DSP Merrill Lynch NCD Mat 07/05/2007	6,000	0.41%
	12.00% Cholamandalam Subordinate Debt Mat 05/06/2012	6,000	0.41%
	8.23% Citicorp Maruti Finance Limited	52,474	3.63%
	8.35% Sundaram Finance Limited	51,947	3.59%
	8.40% Mahindra Finance Limited 05/06/2008	15,842	1.09%

Annexure 2A

MORE THAN 10%

2006 - 2007

Industry Name	Scrip Name	Market Value (Rs.'000)	% To AUM
Finance - NBFC	8.47% DSP Merrill Lynch NCD Mat. 28/09/2008	9,758	0.67%
	8.50% DSP Merrill Lynch NCD Mat 02/05/2008	8,836	0.61%
	8.60% Citi Corporation India NCD Mat 24/07/2008	6,867	0.47%
	8.60% Mahindra Finance Limited 18/05/2009	4,433	0.31%
	8.60% Sundaram Finance NCD 30/06/2009	11,620	0.80%
	8.65% Kotak Mahindra Prime Limited	5,381	0.37%
	8.70% Citi Finance NCD Mat 16/07/2008	11,781	0.81%
	8.25% Citi Finance Limited NCD 02/06/2009	6,843	0.47%
	8.60% Citi Finance Limited NCD Mat 02/06/2009	8,724	0.60%
	Total	206,507	14.27%
Sub Total (A)		883,555	61.05%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group Life (Upto 28.03.2006)

OTHERS (LESS THAN 10%)

2006 - 2007

Industry Name	Market Value (Rs. '000)	% To AUM
Agro Chemicals	1,935	0.13%
Air-Conditioning & Refrigeration	14,249	0.98%
Automobiles - Ancillaries	29,636	2.05%
Automobiles - Commercial Vehicle	4,910	0.34%
Automobiles-4 Wheeler Passenger Vehicles	5,055	0.35%
Capital Goods - Engineering	36,682	2.53%
Capital Goods - Others	19,704	1.36%
Construction - Cement	8,302	0.57%
Construction - Others	46,794	3.23%
Consumer - Fast Moving	31,708	2.19%
Consumer - Food & Beverages	7,886	0.54%
Diversified - Mega	31,764	2.19%
Diversified - Others	385	0.03%
Electronics	16,099	1.11%
Finance - FI	134,513	9.29%
Healthcare - Bulk Drugs	5,306	0.37%
Info Tech - Software	49,726	3.44%
Metals - Others	23,490	1.62%
Oil & Gas - Production	12,964	0.90%
Paints and Varnishing	8,164	0.56%
Petrochemicals - Refining & Marketing	2,126	0.15%
Pharmaceuticals & Drugs	12,465	0.86%
Shipping	1,086	0.08%
Transportation - Roadway	11,086	0.77%
Utilities - Power	166	0.01%
Net Current Assets	47,593	3.29%
Sub Total (B)	563,795	38.95%
TOTAL MARKET VALUE (A+B)	1,447,350	100.00%

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group DB Pension (Upto 28.03.2006)

MORE THAN 10%

2006 - 2007

Industry Name	Scrip Name	Market Value (Rs.'000)	% To AUM
Central Government Loans	10.71% GOI 19/04/2016	21	0.01%
	11.03% GOI 18/07/2012	11	0.00%
	11.40% GOI Mat 31/08/2008	731	0.18%
	364 Days T-Bill Mat 09/11/2007	1,593	0.38%
	364 Days T-Bill Mat 21/12/2007	4,212	1.02%
	364 Days T-Bill GOI MD 26/10/2007	8,954	2.16%
	364 Days T-Bill Mat. 14/09/07	3,789	0.92%
	7.40% GOI 03/05/2012	4,350	1.05%
	7.44% Oil Bonds Mat 23/03/2012	21,741	5.25%
	7.55% GOI Mat 14/05/2010	1,973	0.48%
	91 Days T- Bill Mat 19/05/2007	22,500	5.43%
	Total	69,874	16.87%
Finance - Bank	11.05% State Bank of Patiala 04/09/2007	3,570	0.86%
	11.10% ICICI Bank FD Mat. 07/03/2008	7,947	1.92%
	11.30% UTI Bank FD Mat 13/09/2007	7,961	1.92%
	11.40% Punjab National Bank FD Mat 21/03/2008	13,841	3.34%
	11.50% Canara Bank FD Mat 20/06/2008	13,873	3.35%
	11.50% Punjab National Bank FD Mat 16/06/2008	5,000	1.21%
	8.20% Kotak Mahindra Bank FD Mat 20/07/2007	8,147	1.97%
	8.50% Saraswat Co-operative Bank Mat 16/08/2007	11,841	2.86%
	8.80% ICICI Bank Mat. 02/04/2007	29,798	7.20%
	9.65% State Bank of Bikaner and Jaipur Mat 14/05/2007	126	0.03%
	Canara Bank FD Mat 12/06/ 2008	939	0.23%
	Punjab National Bank	2,147	0.52%
	State Bank of India	4,882	1.18%
	Yes Bank CD Mat 14/03/2008	9,953	2.40%
Total	120,023	28.99%	
Finance - NBFC	8.23% Citicorp Maruti Finance Limited.	3,870	0.93%
	8.35% Sundaram Finance Limited.	3,831	0.93%
	8.40% Mahindra Finance Limited 05/06/2008	8,036	1.94%
	8.47% DSP Merrill Lynch NCD Mat. 28/09/2008	25,370	6.13%
	8.50% DSP Merrill Lynch NCD Mat 02/05/2008	10,800	2.61%
	8.60% Citi Corporation India NCD Mat 24/07/2008	5,886	1.42%
	8.60% Mahindra Finance Limited 18/05/09	7,672	1.85%
	8.65% Kotak Mahindra Prime Limited	488	0.12%
Total	65,954	15.93%	
Sub Total (A)		255,851	61.79%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group DB Pension (Upto 28.03.2006)

OTHERS (LESS THAN 10%)		2006 - 2007
Industry Name	Market Value (Rs. '000)	% To AUM
Air-Conditioning & Refrigeration	1,623	0.39%
Automobiles - Ancillaries	8,632	2.08%
Automobiles - Commercial Vehicle	759	0.18%
Automobiles - Others	16	0.00%
Automobiles-4 Wheeler Passenger Vehicles	2,509	0.61%
Capital Goods - Engineering	6,878	1.66%
Capital Goods - Others	5,580	1.35%
Construction - Cement	1,792	0.43%
Construction - Others	11,152	2.69%
Consumer - Fast Moving	5,799	1.40%
Consumer - Food & Beverages	3,248	0.78%
Diversified - Mega	24,614	5.94%
Diversified - Others	2,508	0.61%
Electronics	2,334	0.56%
Finance - FI	35,243	8.51%
Healthcare - Bulk Drugs	1,800	0.43%
Info Tech - Software	8,436	2.04%
Metals - Others	1,538	0.37%
Agro Chemicals	4,421	1.07%
Oil & Gas - Production	675	0.16%
Paints and Varnishing	2,017	0.49%
Petrochemicals - Refining & Marketing	1,565	0.38%
Pharmaceuticals & Drugs	2,260	0.55%
Shipping	68	0.02%
Transportation - Roadway	1,981	0.48%
Net Current Assets	20,772	5.02%
Sub Total (B)	158,220	38.21%
TOTAL MARKET VALUE (A+B)	414,071	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
CONSOLIDATED

MORE THAN 10%

2005 - 2006

Industry Name	Scrip Name	Market Value (Rs. '000)	% To AUM
Central Government Loans	10.71% GOI 19/04/2016	51,107	0.39%
	11.03% GOI 18/07/2012	33,627	0.25%
	11.30% GOI 28/07/2010	36,305	0.27%
	11.40% GOI Mat 31/08/2008	36,375	0.27%
	11.50% GOI 24/11/2011	833	0.01%
	11.68% GOI 10/04/2006	11,590	0.09%
	11.75% GOI Mat 16/04/06	111,025	0.84%
	182 Days T-Bill Mat 02/06/06	48,845	0.37%
	182 Days T-Bill Mat 16/06/06	266,306	2.01%
	182 Days T-Bill Mat 30/06/06	310,330	2.34%
	182 Days T-Bill Mat 05/05/2006	140,335	1.06%
	182 Days T-Bill Mat 19/05/06	79,372	0.60%
	182 Days T-Bill Mat 21/04/06	291,049	2.20%
	364 Days T-Bill Mat 26/05/06	63,637	0.48%
	364 Days T- Bill Mat 04/08/06	184,836	1.40%
	364 Days T-Bill Mat 29/09/06	95,794	0.72%
	364 Days T-Bill Mat. 24/11/06	3,478	0.03%
	364 Days T- Bill Mat 07/07/06	297,637	2.25%
	364 Days T- Bill Mat 09/06/2006	141,604	1.07%
	364 Days T- Bill Mat 14/04/2006	149,366	1.13%
	364 Days T- Bill Mat 15/09/2006	4,227	0.03%
	364 Days T- Bill Mat 18/08/06	23,125	0.17%
	364 Days T- Bill Mat 21/07/06	228,358	1.72%
	364 Days T- Bill Mat 230606	366,886	2.77%
	364 Days T-Bill Mat. 24/11/06	37,737	0.28%
	7.39% GOI 10/09/2013 (Floater)	45,697	0.35%
	7.40% GOI Mat 03/05/2012	24,184	0.18%
	7.55% GOI Mat 14/05/10	331,090	2.50%
	9.39% GOI Mat 02/07/2011	338,662	2.56%
	91 Days T-Bill Mat 16/06/06	206,775	1.56%
91 Days T-Bill Mat 26/05/06	46,630	0.35%	
Sub Total (A)		4,006,821	30.26%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
CONSOLIDATED

OTHERS (LESS THAN 10%)

2005 - 2006

Industry Name	Market Value (Rs.'000)	% To AUM
Air-Conditioning And Refrigeration	222,584	1.68%
Automobiles - 2 And 3 Wheelers	171,860	1.30%
Automobiles - Ancillaries	416,309	3.14%
Automobiles - Commercial Vehicle	7,184	0.05%
Automobiles-4 Wheeler Passenger Vehicles	315,783	2.38%
Capital Goods - Engineering	921,658	6.96%
Capital Goods - Others	292,682	2.21%
Cement	463,700	3.50%
Consumer - Fast Moving	984,309	7.43%
Consumer - Food And Beverages	212,920	1.61%
Diversified - Mega	533,793	4.03%
Electronics	261,737	1.98%
Finance - Bank	759,704	5.74%
Finance - FI	95,055	0.72%
Finance - NBFC	113,762	0.86%
Glass	150,580	1.14%
Healthcare - Pharmaceuticals And Drugs	333,025	2.51%
Info Tech - Software	855,938	6.46%
Metals	666,363	5.03%
Oil And Gas - Production And Exploration	379,481	2.87%
Paints And Varnishing	219,012	1.65%
Petrochemicals - Refining And Marketing	198,604	1.50%
Synthetic Fabrics	338,003	2.55%
Transportation	274,417	2.07%
Utilities - Power	547	0.00%
Net Current Asset	47,936	0.36%
Sub Total (B)	9,236,948	69.74%
TOTAL MARKET VALUE	13,243,769	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Individual Life and Group Life (on or after 29.03.2006)

MORE THAN 10%

2005 - 2006

Industry Name	Scrip Name	Market Value (Rs.'000)	% To AUM
Central Government Loans	10.71% GOI Mat 19/04/2016	7,087	0.09%
	11.03% GOI Mat 18/07/2012	9,567	0.12%
	11.30% GOI Mat 28/07/2010	845	0.01%
	11.40% GOI Mat 31/08/2008	3,710	0.05%
	11.50% GOI Mat 24/11/2011	278	0.00%
	11.68% GOI Mat 10/04/06	5,651	0.07%
	11.75% GOI Mat 16/04/06	40,431	0.52%
	182 Days T- Bill Mat 02/06/06	20,440	0.26%
	182 Days T- Bill Mat 05/05/2006	42,486	0.55%
	182 Days T- Bill Mat 19/05/06	52,845	0.68%
	182 Days T- Bill Mat 21/04/06	139,471	1.80%
	182 Days T- Bill Mat 30/06/06	187,012	2.41%
	182 Days T- Bill Mat 16/06/06	117,545	1.51%
	364 Days T- Bill Mat 04/08/06	94,908	1.22%
	364 Days T- Bill Mat 26/05/06	35,825	0.46%
	364 Days T- Bill Mat 07/07/06	168,414	2.17%
	364 Days T- Bill Mat 09/06/2006	62,660	0.81%
	364 Days T- Bill Mat 14/04/2006	73,085	0.94%
	364 Days T- Bill Mat 15/09/2006	4,188	0.05%
	364 Days T- Bill Mat 18/08/06	17,500	0.23%
	364 Days T- Bill Mat 21/07/06	121,997	1.57%
	364 Days T- Bill Mat 23/06/06	324,123	4.18%
	364 Days T- Bill Mat 29/09/06	30,330	0.39%
	364 Days T-Bill Mat. 24/11/06	23,811	0.31%
	7.39% GOI Mat 10/09/2013 (Floater)	21,193	0.27%
	7.40% GOI Mat 03/05/2012	12,953	0.17%
	7.55% GOI Mat 14/05/10	131,388	1.69%
9.39% GOI Mat 02/07/2011	143,386	1.85%	
91 Days T -Bill Mat 16/06/06	91,429	1.18%	
91 Days T -Bill Mat 26/05/06	35,635	0.46%	
Sub Total (A)		2,020,193	26.03%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Individual Life and Group Life (on or after 29.03.2006)

OTHERS (LESS THAN 10%)

2005 - 2006

Industry Name	Market Value (Rs. '000)	% To AUM
Air-Conditioning And Refrigeration	140,222	1.81%
Automobiles - 2 And 3 Wheelers	110,870	1.43%
Automobiles - Ancillaries	270,311	3.48%
Automobiles - Commercial Vehicle	7,184	0.09%
Automobiles-4 Wheeler Passenger Vehicles	232,984	3.00%
Capital Goods - Engineering	580,043	7.47%
Capital Goods - Others	185,675	2.39%
Cement	275,759	3.55%
Consumer - Fast Moving	567,980	7.32%
Consumer - Food And Beverages	132,512	1.71%
Diversified - Mega	328,637	4.23%
Electronics	164,887	2.12%
Finance - Bank	420,553	5.42%
Finance - FI	55,161	0.71%
Finance - NBFC	67,773	0.87%
Glass	93,965	1.21%
Healthcare - Pharmaceuticals And Drugs	204,732	2.64%
Info Tech - Software	561,091	7.23%
Metals	433,181	5.58%
Oil And Gas - Production And Exploration	259,327	3.34%
Paints And Varnishing	141,365	1.82%
Petrochemicals - Refining And Marketing	101,275	1.30%
Synthetic Fabrics	228,883	2.95%
Transportation	162,038	2.09%
Utilities - Power	175	0.00%
Net Current Asset	15,664	0.20%
Sub Total (B)	5,742,248	73.97%
TOTAL MARKET VALUE (A+B)	7,762,441	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)

MORE THAN 10%

2005 - 2006

Industry Name	Scrip Name	Market Value (Rs.'000)	% To AUM
Central Government Loans	10.71% GOI Mat 19/04/2016	31,088	0.77%
	11.03% GOI Mat 18/07/2012	22,870	0.56%
	11.30% GOI Mat 28/07/2010	31,415	0.77%
	11.40% GOI Mat 31/08/2008	31,897	0.79%
	11.50% GOI Mat 24/11/2011	278	0.01%
	11.68% GOI Mat 10/04/2006	2,058	0.05%
	11.68% GOI Mat 10/04/06	1,179	0.03%
	11.75% GOI Mat 16/04/06	10,103	0.25%
	182 Days T- Bill Mat 02/06/06	28,391	0.70%
	182 Days T- Bill Mat 05/05/2006	5,054	0.12%
	182 Days T- Bill Mat 19/05/06	11,086	0.27%
	182 Days T- Bill Mat 21/04/06	60,378	1.49%
	182 Days T-Bill Mat 30/06/06	67,268	1.66%
	182 Days T -Bill Mat 16/06/06	27,612	0.68%
	364 Days T- Bill Mat 04/08/06	55,012	1.35%
	364 Days T- Bill Mat 26/05/06	18,897	0.47%
	364 Days T- Bill Mat 07/07/06	43,835	1.08%
	364 Days T- Bill Mat 09/06/2006	253	0.01%
	364 Days T- Bill Mat 14/04/2006	47,373	1.17%
	364 Days T- Bill Mat 15/09/2006	18	0.00%
	364 Days T- Bill Mat 18/08/06	5,625	0.14%
	364 Days T- Bill Mat 21/07/06	81,918	2.02%
	364 Days T- Bill Mat 23/06/06	25,669	0.63%
	364 Days T-Bill Mat 29/09/06	28,773	0.71%
	364 Days T-Bill Mat. 24/11/06	3,478	0.09%
	7.39% GOI Mat 10/09/2013 (Floater)	5,186	0.13%
	7.40% GOI Mat 03/05/2012	5,181	0.13%
	7.55% GOI Mat 14/05/10	145,273	3.58%
	9.39% GOI Mat 02/07/2011	147,963	3.64%
	91 Days T- Bill Mat 16/06/06	20,469	0.50%
91 Days T- Bill Mat 26/05/06	10,195	0.25%	
Sub Total (A)		975,797	24.03%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Individual Pension, Group Pension and Group DB Pension (on or after 29.03.2006)

OTHERS (LESS THAN 10%)

2005 - 2006

Industry Name	Market Value (Rs.'000)	% To AUM
Air-Conditioning and Refrigeration	74,237	1.83%
Automobiles - 2 And 3 Wheelers	52,510	1.29%
Automobiles - Ancillaries	133,383	3.28%
Automobiles-4 Wheeler Passenger Vehicles	81,581	2.01%
Capital Goods - Engineering	303,616	7.48%
Capital Goods - Others	95,998	2.36%
Cement	167,041	4.11%
Consumer - Fast Moving	387,550	9.54%
Consumer - Food And Beverages	72,528	1.79%
Diversified - Mega	189,743	4.67%
Electronics	80,621	1.98%
Finance - Bank	267,218	6.58%
Finance - FI	38,525	0.95%
Finance - NBFC	23,237	0.57%
Glass	55,820	1.37%
Healthcare - Pharmaceuticals And Drugs	119,712	2.95%
Info Tech - Software	269,577	6.64%
Metals	199,679	4.92%
Oil And Gas - Production And Exploration	106,841	2.63%
Paints And Varnishing	69,986	1.72%
Petrochemicals - Refining And Marketing	72,674	1.79%
Synthetic Fabrics	104,804	2.58%
Transportation	102,826	2.53%
Utilities - Power	175	0.00%
Net Current Asset	15,858	0.38%
Sub Total (B)	3,085,739	75.97%
TOTAL MARKET VALUE (A+B)	4,061,536	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group Life (Upto 28.03.2006)

MORE THAN 10%

2005 - 2006

Industry Name	Scrip Name	Market Value (Rs.'000)	% To AUM
Central Government Loans	10.71% GOI Mat 19/04/2016	12,910	1.07%
	11.03% GOI Mat 18/07/2012	1,178	0.10%
	11.30% GOI Mat 28/07/2010	4,045	0.33%
	11.50% GOI Mat 24/11/2011	278	0.02%
	11.68% GOI Mat 10/04/06	2,701	0.22%
	11.75% GOI Mat 16/04/06	37,787	3.13%
	182 Days T- Bill Mat 02/06/06	12	0.00%
	182 Days T- Bill Mat 05/05/2006	92,795	7.69%
	182 Days T- Bill Mat 19/05/06	10,440	0.86%
	182 Days T- Bill Mat 21/04/06	90,482	7.49%
	182 Days T- Bill Mat 30/06/06	52,045	4.31%
	182 Days T- Bill Mat 16/06/06	112,493	9.32%
	364 Days T- Bill Mat 04/08/06	33,440	2.77%
	364 Days T- Bill Mat 26/05/06	8,915	0.74%
	364 Days T- Bill Mat 07/07/06	84,489	7.00%
	364 Days T- Bill Mat 09/06/2006	32,070	2.66%
	364 Days T- Bill Mat 14/04/2006	28,578	2.37%
	364 Days T- Bill Mat 15/09/2006	21	0.00%
	364 Days T- Bill Mat 21/07/06	24,443	2.02%
	364 Days T- Bill Mat 23/06/06	55	0.00%
	364 Days T-Bill Mat 29/09/06	12,690	1.05%
	364 Days T-Bill Mat. 24/11/06	13,926	1.15%
	7.39% GOI Mat 10/09/2013 (Floater)	19,318	1.60%
	7.40% GOI Mat 03/05/2012	6,041	0.50%
	7.55% GOI Mat 14/05/10	46,404	3.84%
	9.39% GOI Mat 02/07/2011	47,313	3.92%
	91 Days T- Bill Mat 16/06/06	88,098	7.30%
91 Days T - Bill Mat 26/05/06	500	0.04%	
Sub Total (A)		863,465	71.51%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group Life (Upto 28.03.2006)

OTHERS (LESS THAN 10%)

2005 - 2006

Industry Name	Market Value (Rs.'000)	% To AUM
Air-Conditioning And Refrigeration	7,279	0.60%
Automobiles - 2 And 3 Wheelers	7,763	0.64%
Automobiles - Ancillaries	10,341	0.86%
Automobiles-4 Wheeler Passenger Vehicles	700	0.06%
Capital Goods - Engineering	32,741	2.71%
Capital Goods - Others	9,620	0.80%
Cement	17,795	1.47%
Consumer - Fast Moving	24,826	2.06%
Consumer - Food And Beverages	6,872	0.57%
Diversified - Mega	12,854	1.06%
Electronics	14,174	1.17%
Finance - Bank	65,379	5.41%
Finance - FI	391	0.03%
Finance - NBFC	22,752	1.88%
Glass	156	0.01%
Healthcare - Pharmaceuticals And Drugs	7,637	0.63%
Info Tech - Software	21,494	1.78%
Metals	30,883	2.56%
Oil And Gas - Production And Exploration	10,774	0.89%
Paints And Varnishing	6,647	0.55%
Petrochemicals - Refining And Marketing	8,761	0.73%
Synthetic Fabrics	3,420	0.28%
Transportation	8,226	0.68%
Utilities - Power	197	0.02%
Net Current Asset	12,331	1.02%
Sub Total (B)	344,012	28.49%
TOTAL MARKET VALUE	1,207,477	100.00%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group DB Pension (Upto 28.03.2006)

MORE THAN 10%

2005 - 2006

Industry Name	Scrip Name	Market Value (Rs.'000)	% To AUM
Central Government Loans	10.71% GOI Mat 19/04/2016	22	0.01%
	11.03% GOI Mat 18/07/2012	11	0.01%
	11.40% GOI Mat 31/08/2008	768	0.36%
	11.68% GOI Mat 10/04/06	2	0.00%
	11.75% GOI Mat 16/04/06	22,704	10.69%
	182 Days T- Bill Mat 02/06/06	2	0.00%
	182 Days T- Bill Mat 19/05/06	5,000	2.35%
	182 Days T-Bill Mat 21/04/06	718	0.34%
	182 Days T-Bill Mat 30/06/06	4,005	1.89%
	182 Days T- Bill Mat 16/06/06	8,656	4.08%
	364 Day T-Bill Mat 04/08/06	1,477	0.70%
	364 Days T-Bill Mat 07/07/06	900	0.42%
	364 Days T-Bill Mat 09/06/2006	46,621	21.96%
	364 Days T-Bill Mat 14/04/2006	329	0.16%
	364 Days T-Bill Mat 23/06/06	17,039	8.03%
	364 Days T- Bill Mat 29/09/06	24,000	11.30%
	7.40% GOI Mat 03/05/2012	9	0.00%
	7.55% GOI Mat 14/05/10	8,024	3.78%
	91 Days T-Bill Mat 16/06/06	6,779	3.19%
	91 Days T-Bill Mat 26/05/06	300	0.14%
Sub Total (A)		147,366	69.41%

Annexure 2A

INDUSTRY - WISE DISCLOSURE OF INVESTMENT
Group DB Pension (Upto 28.03.2006)

OTHERS (LESS THAN 10%)

2005 - 2006

Industry Name	Market Value (Rs.'000)	% To AUM
Air-Conditioning And Refrigeration	846	0.40%
Automobiles - 2 And 3 Wheelers	717	0.34%
Automobiles - Ancillaries	2,275	1.07%
Automobiles-4 Wheeler Passenger Vehicles	518	0.24%
Capital Goods - Engineering	5,258	2.48%
Capital Goods - Others	1,389	0.65%
Cement	3,105	1.46%
Consumer - Fast Moving	3,953	1.86%
Consumer - Food And Beverages	1,008	0.47%
Diversified - Mega	2,559	1.21%
Electronics	2,055	0.97%
Finance - Bank	6,554	3.09%
Finance - FI	979	0.46%
Glass	639	0.30%
Healthcare - Pharmaceuticals And Drugs	944	0.44%
Info Tech - Software	3,777	1.78%
Metals	2,621	1.23%
Oil And Gas - Production And Exploration	2,539	1.20%
Paints And Varnishing	1,014	0.48%
Petrochemicals - Refining And Marketing	15,895	7.49%
Synthetic Fabrics	897	0.42%
Transportation	1,327	0.62%
Net Current Asset	4,083	1.92%
Sub Total (B)	64,950	30.59%
TOTAL MARKET VALUE	212,316	100.00%

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(Submitted in terms of Part IV of Schedule VI to the Companies Act, 1956)

I. Registration Details

Registration No.

1 2 8 2 4 5

State Code

1 1

Balance Sheet Date

3 1 3 2 0 0 7

II. Capital Raised during the year (Amount in Rs. '000)

Public Issue

Nil

Rights Issue

Nil

Bonus Issue

Nil

Private Placement

1 8 1 2 6 0 9

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)

Total Liabilities

5 4 4 1 9 4 6 7

Total Assets

5 4 4 1 9 4 6 7

SOURCES OF FUNDS

Paid-up Capital

8 0 1 2 6 0 9

Reserves and Surplus

6 5 9 0 2

Secured Loans

Nil

Unsecured Loans

Nil

APPLICATION OF FUNDS

Net Fixed Assets

7 3 6 0 5 4

Investments

4 7 8 2 9 3 7 2

Net Current Assets

1 4 2 0 0 3 9

Accumulated Losses

4 4 2 1 3 6 4

Misc. Expenditure

Nil

IV. Performance of the Company (Amount in Rs. '000)

Total Income

3 0 9 1 8 9 2 4

Total Expenditure

3 2 1 7 4 5 3 5

Profit/Loss Before Tax

- 1 2 5 5 6 1 1

Profit/Loss After Tax

- 1 2 5 5 6 1 1

Earnings per Share (in Rs.)

- 1 . 8 3

Dividend %

- -

V. Generic Names of Three Principal Services of the Company (as per monetary terms)

Item Code No. (ITC Code)

Nil

Product Description

L I F E I N S U R A N C E