Employees' Pension Scheme 95

6th Valuation Report
as on
31.03.2002

M/S. K. A. PANDIT
Consultants and Actuaries

2nd Floor, Churchgate House,
Veer Nariman Road, Fort,
MUMBAI 400 001.

PARTNERS :
D. K. PANDIT
B.Sc., LL.B. A.I.A. (London), F.A.S.I.
APPROVED VALUER
REGD. NO. CAT/X-3 OF 1988

AKSHAY PANDIT (I. Tech.)
B.Sc., A.A.S.I.

M. G. DIWAN
M.Sc., F.I.A., (London) F.A.S.I., F.I.I.I.

N. K. PARIKH
M. Com., LL.B., A.I.A. (London), F.A.S.I.

P. I. MAJMUDAR
B Com., F.I.A., (London), F.A.S.I., F.C.I.I., F.I.I.I

A Milliman Global Firm

Fax : (91-22) 22883155
Tel : (91-22) 22042231
(91-22) 56318420
Website : www.ka-pandit.com
E-mail : kapandit@vsnl.com

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
CHURCHGATE HOUSE, 2nd FLOOR,
VEER NARIMAN ROAD, FORT,
MUMBAI - 400 001.

The Secretary
Ministry of Labour
Government of India
Room No.110
Shram Shakti Bhavan
Rafi Marg
NEW DELHI.

Dear Sir,

Sub: Valuation Report.

We have pleasure in submitting the Valuation Report of Employees' Pension Scheme 95 as below:

6^{th} Valuation report as on 31^{st} March 2002.

Thanking you,

Yours truly,
FOR M/S. K.A. PANDIT

(M.G. DIWAN)
Partner

Date: 20^{th} November, 2003.

PARTNERS :
D. K. PANDIT
B.Sc., LL.B. A.I.A. (London), F.A.S.I.
APPROVED VALUER
REGD. NO. CAT/X-3 OF 1988
AKSHAY PANDIT (I.Tech.)
B.Sc., A.A.S.I.
M. G. DIWAN
M.Sc., F.I.A., (London) F.A.S.I., F.I.I.I.
N. K. PARIKH
M.Com., LL.B., A.I.A. (London), F.A.S.I.
P. I. MAJMUDAR
B.Com., F.I.A., (London), F.A.S.I., F.C.I.I., F.I.I.I.

A Milliman Global Firm

Fax : (91-22) 288 3155
Tel. : (91-22) 204 2231
(91-22) 231 8420
Website : www.ka-pandit.com
E-Mail : kapandit@vsnl.com

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
CHURCHGATE HOUSE, 2nd FLOOR,
VEER NARIMAN ROAD, FORT,
MUMBAI - 400 001.

Employees' Pension Scheme, 1995. (EPS 95)

Executive Summary of Sixth valuation report as on 31st March 2002.

I have completed the valuation of the assets and liabilities of the EPS 95 as on 31st March 2002.

Information about members:

The total membership of the EPS 95 Scheme as on the valuation date was 2,55,72,161, out of which data in respect of 71,59,711 members were provided. On a thorough scrutiny the information about 34,21,875 members was found consistent and complete. Based on this sample, after a careful study of the exits on various counts from the EPS and EPF Schemes over the last five years, a projection was made to arrive at the estimate of information of all members in respect of age, salary and duration since entry. The valuation was made on the basis of this projection.

Investments:

The funds of the EPS 95 Scheme are partly held in the Public Account with the Government of India and the balance is held with the EPF Authorities. The amount in the Public Account is built up by adding Government Contribution of 1.16% to the opening balance as on 15-11-95. The Government has, also, been adding interest to the account balances. Currently the rate at which interest is being credited is 8.5% per annum. No payments are made out of this account. The balance of the fund with the EPF authorities is utilised to pay the Scheme benefits and also to meet administrative expenses. The balance of the Fund is invested as per the guidelines of the Government by the Fund Manager, SBI. This process is regularly reviewed and subjected to periodical audit by the SBI. The officials of the EPS are associated with this review. It is necessary to strengthen this process further with the increased association of the EPS officials.

Branch Office : 201/C, Remi Biz Court, Off. Veera Desai Rd., Andheri (W), Mumbai-400 058. • Tel.: (91-22) 6952119 • Email kapremi@ka-pandit.com
509, Golden Triangle, Near Sardar Patel Stadium, Navrangpura, Ahmedabad - 14. • Tel.: (91-79) 6460734 • Email kapabd@vsnl.com
Offices in Principal Cities Worldwide

The Government of India has recently set up a Pension Regulatory Authority which is expected to authorise some Fund Managers to manage the Pension Funds. The regulations that may be laid down for investment of the funds are expected to be more liberal than the regulations applicable now to the Pension Funds. It is recommended that the same regulations be made applicable to the EPS Funds invested through the SBI as Fund Manager.

The investments of the EPS are valued at the Book value, which is the purchase price subject to the maximum limit of the face value. This is a safe and satisfactory process.
The book value of the investments is therefore taken for the valuation.

Interest Rate:

As the interest rates at which investments can be made have been falling the interest rate used for the valuation has been reduced from 10% per annum used in the fifth valuation to 9% per annum for this valuation.

Salary increases:

The annual salary increase of members assumed for this valuation has been maintained at 8% for this valuation. This has been done as it was felt that 8% increase was in line with the current experience.

Withdrawals:

The withdrawal rates used for the valuation are based on the experience of this scheme and similar such schemes.

Valuation Results:

The valuation has disclosed a deficit of Rs. 17,126 crores as on 31st March 2002. This represents an excess of value of liabilities over the value of assets on that date. This amount is significantly large and calls for corrective action. Out of this deficit , about Rs. 10,000 crores on account of increase in pension eligibility limit on salary from an amount of Rs. 5,000 to Rs. 6,500, without making any adjustment to the contribution. The balance has arisen out of reduction in the rate of interest. The measures for corrective action recommended in the next para should be considered for implementation.

Recommendations:

a) The retirement age for members may be increased from 58 to 60 years. This measure alone can cover the current deficit.

b) Withdrawals under the scheme need to be controlled. A review of all the benefits on withdrawal need to be made. Particularly the Tables B and D under Rule 12 need to be revised downwards in view of lower interest prevalent now.

c) The existing contribution rate of 8.33% should be raised suitably or the benefits under the scheme be reduced suitably.

d) Any change in the scheme benefits should always be done only after actuarial assessment and the recommendations the Actuary, may make, should be simultaneously implemented. The increase in liability and hence deficit by Rs 10,000 crores caused by increasing the pension eligibility limit on salary to an amount of Rs. 6,500 should have been accompanied by suitable increase in the rate of contribution.

For M/S. K.A.PANDIT

(Mukund G Diwan)
ACTUARY

Introduction :

I have been requested by the EPF Organisation to conduct the Fifth, Sixth and Seventh Actuarial Valuations of the EPS 95 as at 31st March 2001, 31st March 2002 and 31st March 2003 respectively. I have the pleasure to give hereunder the Report on the Sixth valuation conducted by me as on 31st March 2002. My report on the Fifth valuation has been forwarded separately.

The purpose of the valuation is to assess the values of assets and liabilities on the date of valuation and thus to determine whether there are enough assets to cover the liabilities; if so, to recommend any enhancements that may be made in the benefits under the Scheme and if not, to make such recommendations that are necessary to make the Scheme viable.

History :

The Scheme has been brought into effect from 16th November 1995 in replacement of the Family Pension Scheme 1971. The Scheme envisages that with a diversion of 8.33% out of the Employer's contribution and the diversion of 1.16% contribution going into the Family Pension Scheme to Provident Fund, pension benefits be provided to the members from their age of 58 years or to their dependants if the member dies while in service. Details of the pension benefits payable and the various options available thereunder are not stated here as they are detailed in the Scheme itself.

There are two categories of establishments covered under the Scheme. One category consists of establishments that are exempted from Provident Fund, the other consists of establishments not so exempted. The implementation of the Scheme as regards the second category was relatively simple as the EPF organization itself was receiving the Employers' contributions out of which 8.33% was required to be diverted to the Pension Scheme. The employers under the first category were however not readily willing to do so. They approached various High Courts challenging the legal validity of the Scheme. The matter has recently been decided by the Supreme court in favor of the Scheme. While the matter was pending with the supreme court, these establishments were given freedom by an interim order not to contribute to the EPS 95 but they had to continue the 1.16% contribution to the earlier Family Pension Scheme. Some of them are continuing to contribute to the Family Pension Scheme but some others are not. Those who have chosen not to contribute cannot get the benefit of the Scheme. Thus for all practical purposes the EPS 95 Scheme is currently applicable fully to the unexempted establishments, with some of the exempted establishments getting the benefits under the Family Pension Scheme only. Now that Supreme Court has decided the matter, the EPS95 should be applicable to exempted establishment also.

Four actuarial valuations have been made earlier to this valuation; the first as on 16th November 1996, the second as on 31st March 1998, the third on 31st March 1999 and the fourth as on 31st March 2000. The first valuation was also independently reviewed by a group of two actuaries. A similar review of the Fourth valuation has recently been completed. The reports of the four actuarial valuations as also the reports of the two reviews were made available to me. I will like to place on record my appreciation of the pioneering work done by the Actuary who conducted the first four valuations as also by the reviewers. I also had the benefit of personal discussions with the Actuary who conducted the earlier four valuations, the two reviewers of the First valuation as also the two reviewers of the Fourth valuation. I have conducted the Fifth valuation as on 31st March 2001 just before the present Sixth valuation. The EPS 95 authorities have also provided full cooperation in the preparation of the data and clarification on points raised from time to time. I am convinced that the EPF authorities have done their best in providing the necessary information and clarifications and they deserve to be complimented for the same.

Number of Members:

The number of members covered under the Scheme was 2,35,43,290 as on 31st March 2001. During the year 2001-2002 there was addition to this number through new employees and deletion on account of exits by various clauses. The number of members thus rose to 2,55,72,161 showing a net increase of 20,26,241. The details are given in Table 1 below:

Table-1

Number of Members as on 1st April 2001		**23,543,290**
Exits during 2001-02:		
	Death in Service	39,971
	Superannuating	93,813
	Retirements	92,002
	Short Service Pensioners	56,992
	Cessation (Withdrawals)	1,406,916
	Disablements Retirements	437
Total Exits by all Causes		1,690,131
Total Net of Exits		**21,853,159**
New Employees joining during 2001-02		3,719,002
Number of Members as on 31st March 2002		**5,572,161**

Available information about members:

Out of the number of members of 2,55,72,161, the EPS 95 authorities were able to provide data in respect of 71,59,711 members i.e. about 28% of the total number. After a detailed analysis of this available data it was revealed that the information provided was complete and consistent in respect of 34,21,875 members only. This was taken as a starting point for estimating the data in respect of all the members.

The available data, which constitutes just about 13.4 % of the total data, cannot be construed as a representative or a random sample of the total data. It was apparent from the study of the available data that it contained a larger proportion of older members than in the population of members. A large number of new members have been joining the scheme every year mostly at younger ages and a large number were leaving the service at relatively older ages. A detailed study was therefore made of the exits for various reasons during the last five years separately for EPS 95 members and the EPF members. On a careful analysis of this data a projection was made about the likely distribution of the total membership of the Scheme agewise along with duration since entry and salary. The pattern of distribution of these projected figures according to age, salary and duration since entry revealed a satisfactory picture and therefore these figures were adopted for the purpose of the valuation. I have reasonable confidence that they represent the population of members for all practical purposes. This procedure was similar to the procedure followed for the Fifth valuation as on 31st March 2001 and, therefore, these projections are consistent with those projections.

Number of Pensioners:

The number of pensioners receiving pensions increased from 10,28,983 as on 31st March 2001 to 12,72,556 as on 31st March 2002. The comparative categorywise figures are given in Table 2 below:

Table - 2

Category	Number of Pensioners as on	
	31.03.2001	**31.03.2002**
Member Pensioners	517,620	678,303
Widow Pensioners	309,676	348,276
Child Pensioners	197,722	241,111
Orphan Pensioners	3,965	4,866
Total	**1,028,983**	**1,272,556**

Out of these 12,72,556 pensioner's data in respect of 6,78,002 pensioners was made available. These data appeared to be adequate and representative of the total data. Figures of data in respect of all the pensioners projected from these available figures were therefore used for the purpose of this actuarial valuation.

Assumptions for Actuarial Valuation:

The process of actuarial valuation of the scheme involves some assumptions about future experience of certain parameters. The main elements involved therein are mortality, withdrawal rates, and pattern of salary increases and movement of interest rates. Usually these assumptions are determined on the basis of the study of past experience, assessing the present environment and modeling what could happen in the future. Let us examine these main parameters separately.

Mortality:

The available data regarding deaths in service is indicative of a mortality experience better than the general population and more or less comparable to the experience of the Life Insurance Corporation of India in respect of its policyholders as per the LIC (1994-96) Mortality experience. For the purpose of the first four valuations the valuing Actuary had applied a Mortality Table derived from the experience of the EPF and EPS Schemes. I have a feeling that due to the limitations of the data available under the Schemes the rates of mortality developed therefrom can only provide a guidance for comparison with a Standard Table. It was advisable to use a Standard Table for an actuarial valuation unless the experience indicates a significant deviation from the Standard Table. In my view therefore it will be advisable to use the LIC (1994-96) Table for the purpose of this valuation. This was the Table used for the purpose of the Fifth valuation as at 31st March 2001, though the reviewer of Fourth valuation felt otherwise.

Withdrawal Rates:

The experience of the Scheme indicates a large outflow by way of withdrawals from the Scheme. The Scheme covers a large number of small establishments with less than 100 employees and a small number of large establishments employing more than 100 employees. Usual pattern of premature voluntary exits are not unusual in small establishment. It has been the general experience when such establishments are individually examined. Withdrawal Rates generally experienced by such establishments have been analysed by M/s K A. Pandit, a firm of Consulting Actuaries with which I am associated, as a partner. The firm has published withdrawal rates developed on the basis of this analysis. I have adopted these rates for this valuation also as was done for the Fifth valuation as on 31st March 2002 after satisfying myself that they generally fit in with the past experience of this Scheme.

Salary increases:

The pattern of salary increases also follows the pattern of experience of small establishments. After a study of the average salaries according to duration of service in my opinion, an increase at an average rate of 8% per annum seems to be adequate for the future particularly in view of falling interest rates and controlled inflation rates. This assumption is the same as for the Fifth valuation as on 31st March 2002. This rate was adopted as on 31.03.2001. The Fourth valuation made on the assumption of 10% salary increase, which appears high in relation to current experience.

Interest rates:

During the last couple of years the rates of return available on investment instruments permissible for such funds are decreasing. We should, however, bear in mind that this valuation is as of 31st March 2002 and should, therefore, take a view as of that date. The experience of the Scheme indicates that a rate of interest of 9% per annum as on that date was not unreasonable for accumulations of contributions as also for the purpose of the valuations of pensions. The Pension Fund is carrying on its investments at book values and the Fund holds quite a sizeable proportion of investments bearing coupon rates higher than 9%. The general practice of the Fund is to carry these investments to maturity. Thus this level of return will be available to the Fund for some years to come. The Fund is required to follow an active investment policy so that the highest possible return is available on its investments.

Other minor assumptions:

The process of valuation also involves some assumptions in respect of several parameters like proportion of married members, difference in ages of spouses, number of children in the family, possibilities of remarriages of widows and widowers, etc. The data available through censuses have been used for the purpose as was done in the Fifth valuation as on 31st March 2001. These assumptions have very minor impact on the valuation results.

Special provisions:

Provisions have been made in the valuation in respect of expenses the Fund has to bear and for reserve to take care of any inaccuracies resulting from incomplete data.

Results of the Valuation:

The results of the Actuarial valuation based on the projected figures of members and pensioners and on the assumptions detailed above have revealed a deficit of Rs. 17,136 crores. The details of values of assets and liabilities as on 31st March 2002 are shown in Table 3 below:

Table - 3

Actuarial Valuation as at 31-03-2002
(Figures in Crores of Rupees)

Assets		Liabilities	
Fund balance	39,042	Pension Payable to Members	78,576
Future contr @9.49%	83,513	Death in Service	13,967
		Withdrawal Benefits	38,059
		Pension in Payment	8,500
		Expenses	393
Deficit	17,136	Reserve	196
Total	**139,691**		**139,691**

The results of this valuation are not unexpected. There was a small deficit in the last valuation as on 31st March 2001. With the increase in the maximum salary eligible for pension from 1st June 2001, adding to the liability without corresponding increase in contributions for past service and with further reduction in the rate of interest for the Sixth valuation over the same for the Fifth, the size of the deficit has increased. Unless some remedial steps are taken early the size of the deficit will grow in the future. These steps have been listed in the concluding remarks that follow. As changes can be given effect to prospectively only the same could be considered in the light of the report on the Seventh valuation.

Concluding Remarks.

The Sixth valuation as on 31st March 2002 of the EPF 95 has thus disclosed a deficit of Rs. 17,136 crores. This situation was indicated by the trend disclosed by the earlier valuations. There was yet another factor that aggravated the situation in the form of declining interest rates which led to reduction in yield on the funds invested and also needed the reduction in the rate of interest assumption in this valuation to 9% per annum. The position was further aggravated in the Sixth valuation because the upper limit of eligible salary for pension has been raised from Rs. 5,000/- to Rs. 6,500/- with effect from 1st June 2001, i.e. before the date of the Sixth valuation. Though there will be corresponding increase in receivable contribution in the future, there is no way of collecting the additional contribution from members who had already been members of the scheme before the date of the change.

Interestingly while there is an increasing deficit in the Fund the size of the Fund balances have been increasing from year to year. This is not an unusual phenomenon. In most such funds worldwide the contribution received from members in service taken together with the returns on the accumulations in the Funds invested exceed the outgo in the form of pension payments and incidental expenses. Thus, though the Fund balances increase, the growth in future liabilities in the form of pension payable to pensioners exceeds the growth in Funds invested leading to the increase in deficits. This position is likely to continue in this Fund for several years to come. Thus there is no problem in the generation of cash flow. Nevertheless it is usual to suggest remedial measures to eliminate the deficits altogether.

As stated in the report on the fifth valuation as on 31st March 2001, this valuation has also been made as if the Fund is closed for future new entrants; while in fact it is open for such entry. This is on the assumption that new entrants will bring in enough contributions to the Fund to meet the liabilities of benefits to them. The adequacy or otherwise of these contributions will be examined in detail at the time of the seventh valuation. However, the position that the Fund is still open for contribution by new members improves the cash flow position further.

The measures that could be considered are as follows:

1. There is need to establish a machinery to oversee the operations of the Fund Manager by the PF Authorities. The Government is planning the approval of Fund Managers under the new Pension Regulatory Authority. The flexibility in investment pattern that may be allowed to these Fund Managers should also be extended to the Fund Managers of the EPS 95.The SBI has been assessing the effectiveness of the operations by a system of internal audit, there is need for greater involvement of the EPS Authorities.

2. Whenever there is a proposal to increase the eligibility limit for pension the impact of the same should be assessed actuarially and concurrent steps be taken to implement the recommendations that the Actuary may make. This will ensure that such changes do not lead to enlarging the deficit. The increase in the pension eligibility salary from Rs. 5,000/- to the figure of Rs. 6,500/- made effective from 1st June 2001 has increased the liability, to the extent of about Rs. 10,000/- crores.

3. The rate of contribution on salary should be suitably raised for the future from 8.33% to an appropriate level from a future date or in the alternatives benefits could be reduced for the future. This should be done after a proper examination of the scheme benefits by a team consisting of at least three Actuaries among others.

4. The age of normal retirement should be raised from 58 years to 60 years. Retirements at age 58 should be treated as early retirement. However employees continuing in service after attaining 60 years would be eligible to receive pension in the same manner as employees in service beyond 58 years as at present. The three percent deduction made for each year of early retirement needs to be raised to five percent with the upper limit on such

deduction being raised to 50% from the present 25%. An assessment made on the basis of this valuation, indicates that the entire deficit would be wiped out if this recommendation is implemented

5. Immediate steps should be taken to ensure complete database for the valuation. While it should be our aim to get 100% of the data, at the same time, we must ensure its quality in terms of completeness and accuracy. Conclusions drawn from an inadequate database cannot be as satisfactory as could be drawn from a reliable database. The expected improvement in the quality of database for the Seventh valuation can lead to more reliable conclusions.

6. Immediate steps should be taken to set up an Actuarial Department in the EPF organization as recommended by the actuary in the previous valuations. Detailed recommendations regarding the composition of the Actuarial Department would be submitted separately. It should be the responsibility of this Department to take care of the database both as regards quantity and quality.

7. Arrangements should be made in association with a team of Actuaries to investigate the past experience of the Scheme in relation to mortality and withdrawal rates.

8. The experience of the Scheme so far indicates that there are a large number of withdrawals from the Scheme thus defeating the social security objective of the Scheme. Apparently there is also a sizeable withdrawal from the scheme by persons who leave one employment taking the withdrawal benefits and joining the scheme again as a new recruit of another employer. A thorough review of the withdrawal benefits in the scheme is necessary to discourage such tendencies.

9. A revision is called for in the Tables B and D under Rule 14 to give effect to the changes in interest rates as also to discourage withdrawals.

10. Urgent steps should be taken to implement the Supreme Court judgment on EPS 95.

11. The impact of the Schemes that may be developed by the approved Fund Managers after the New Pensions Regulatory Authority lays down their guidelines on the provisions of this Scheme need to be examined and the Scheme should be revised with particular reference to the provisions for exemptions.

Specific recommendations could be made after the Seventh valuation as on 31st March 2003. If the Seventh valuation gets delayed beyond 31st March 2004 some of these recommendations will have to be considered for implementation effective 1st April 2004.

EPS 95 Data Used For 6th Valuation

Age	Number	Salary	Salary*Pst.Ser
18	282,176	70,735,883	13,015,402
19	362,482	138,100,953	62,974,034
20	366,321	144,575,259	130,696,034
21	446,434	209,531,414	234,490,796
22	491,344	257,016,874	392,692,175
23	549,162	316,537,070	601,293,818
24	661,194	419,567,138	899,135,733
25	746,324	567,302,901	1,317,772,024
26	763,994	620,439,437	1,731,026,028
27	790,077	755,408,892	2,207,063,052
28	881,958	921,849,240	3,080,377,673
29	891,855	1,069,137,570	4,265,054,914
30	884,541	1,230,308,155	5,780,686,526
31	789,566	1,228,920,077	6,574,722,414
32	778,263	1,392,389,052	8,452,135,721
33	721,621	1,403,797,840	9,493,491,729
34	747,858	1,644,045,836	12,609,963,083
35	681,652	1,695,792,224	13,789,504,052
36	625,393	1,723,851,405	15,490,115,002
37	689,144	2,058,625,254	19,083,620,797
38	684,439	2,153,018,898	20,661,058,307
39	685,871	2,329,444,035	23,207,225,963
40	666,001	2,264,604,446	23,529,421,363
41	650,709	2,336,839,943	24,737,039,852
42	663,470	2,470,237,105	26,636,863,134
43	690,116	2,751,940,726	30,655,518,911
44	740,186	2,968,309,527	33,479,444,424
45	737,629	3,040,838,629	34,628,097,244
46	847,103	3,715,590,399	44,550,523,377
47	795,013	3,538,077,797	44,692,432,637
48	858,417	4,025,106,554	54,909,537,581
49	790,688	3,612,827,668	52,287,356,534
50	739,946	3,634,784,093	57,480,475,651
51	672,420	3,120,855,778	52,488,799,497
52	603,986	2,677,000,239	47,232,135,584
53	477,637	2,092,689,335	38,712,074,063
54	368,078	1,635,823,364	33,968,881,766
55	289,528	1,317,419,033	29,759,652,808
56	210,612	937,140,578	23,406,847,750
57	144,994	665,987,148	17,306,235,477
58	103,951	486,305,916	13,059,375,787
Total	**25,572,153**	**69,642,773,685**	**833,598,828,717**

Averages

Age	37.18
P.Ser	11.97
Salary	2,723

EPS 95 Data Received For 6th Valuation

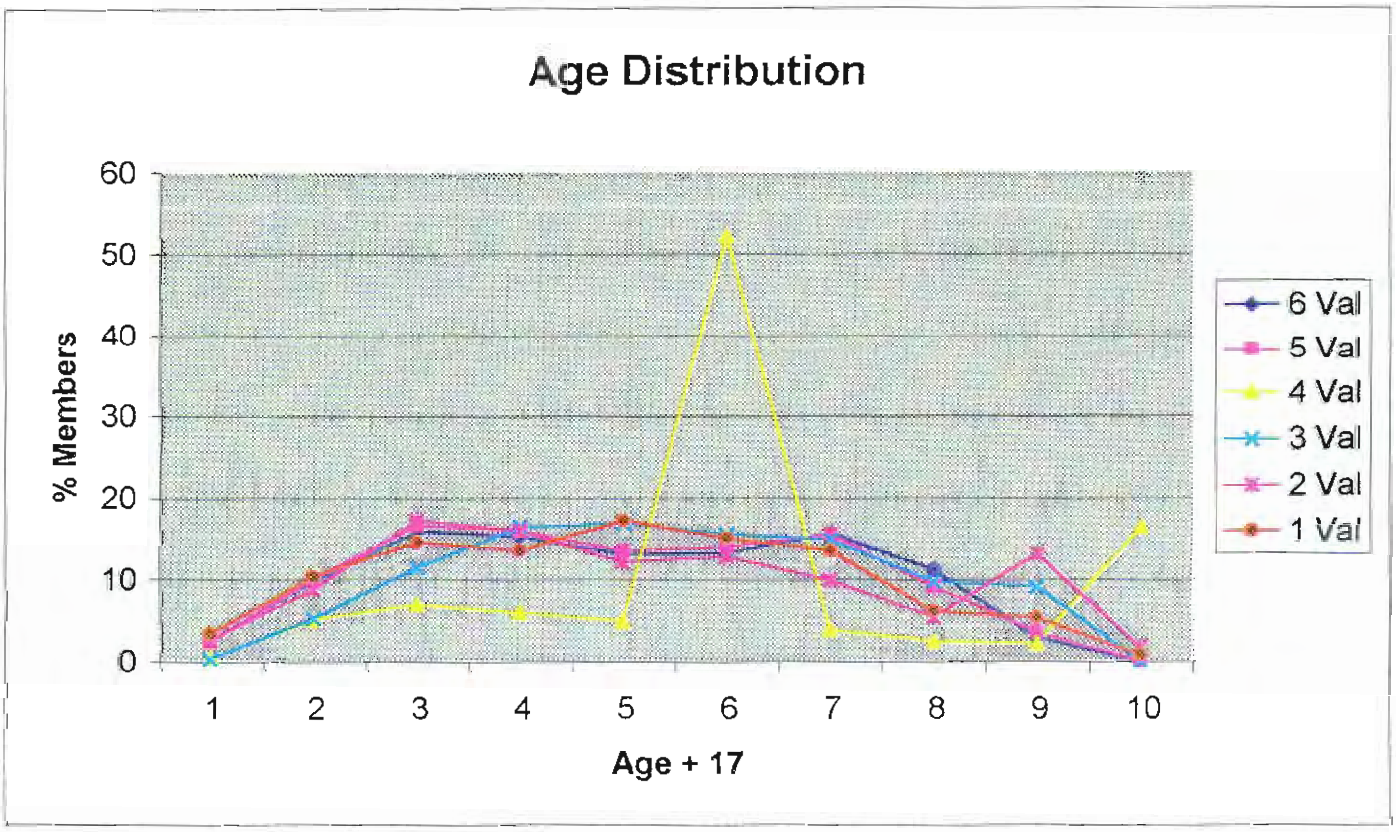
Age	Number	Salary	Salary*Pst. Ser
18	33,573	55,249,830	137,338,200
19	29,906	53,099,850	142,534,500
20	50,501	98,313,940	257,425,600
21	64,568	133,856,200	423,182,700
22	92,827	224,626,000	630,699,100
23	91,589	224,739,800	878,189,600
24	98,772	251,055,600	1,062,012,000
25	107,012	281,974,300	1,309,580,000
26	114,112	307,172,100	1,613,565,000
27	106,475	293,026,300	1,650,512,000
28	115,662	323,534,000	1,697,022,000
29	102,439	294,575,000	1,679,558,000
30	120,700	348,836,600	2,325,666,000
31	113,787	337,788,500	2,495,025,000
32	124,989	375,142,500	3,075,997,000
33	129,605	390,213,500	3,008,869,000
34	121,272	386,840,100	3,724,206,000
35	127,176	407,443,200	4,293,782,000
36	92,297	298,785,100	3,145,993,000
37	83,937	277,363,400	3,048,979,000
38	109,984	362,856,800	4,045,012,000
39	81,432	280,868,400	3,598,397,000
40	81,589	277,456,400	3,501,766,000
41	72,433	255,466,100	3,431,071,000
42	74,527	259,968,100	3,882,350,000
43	78,782	301,026,500	4,615,111,000
44	68,678	245,526,400	3,794,655,000
45	63,860	230,724,700	3,738,063,000
46	58,068	216,380,800	3,610,803,000
47	56,349	215,232,800	3,827,568,000
48	64,206	259,364,100	4,734,407,000
49	44,811	166,882,100	3,140,519,000
50	46,478	172,622,300	3,347,350,000
51	37,869	146,890,900	2,968,961,000
52	50,022	186,509,800	3,795,703,000
53	108,132	658,597,300	15,984,120,000
54	46,322	204,903,000	5,568,962,000
55	29,097	117,061,900	2,855,735,000
56	88,774	515,215,000	16,683,260,000
57	154,977	763,605,100	22,909,730,000
58	84,286	546,749,100	21,877,440,000
Total	**2,116,394**	**6,938,811,954**	**88,551,960,770**

Averages

Age	35.88
P.Service	12.76
Salary	3,278

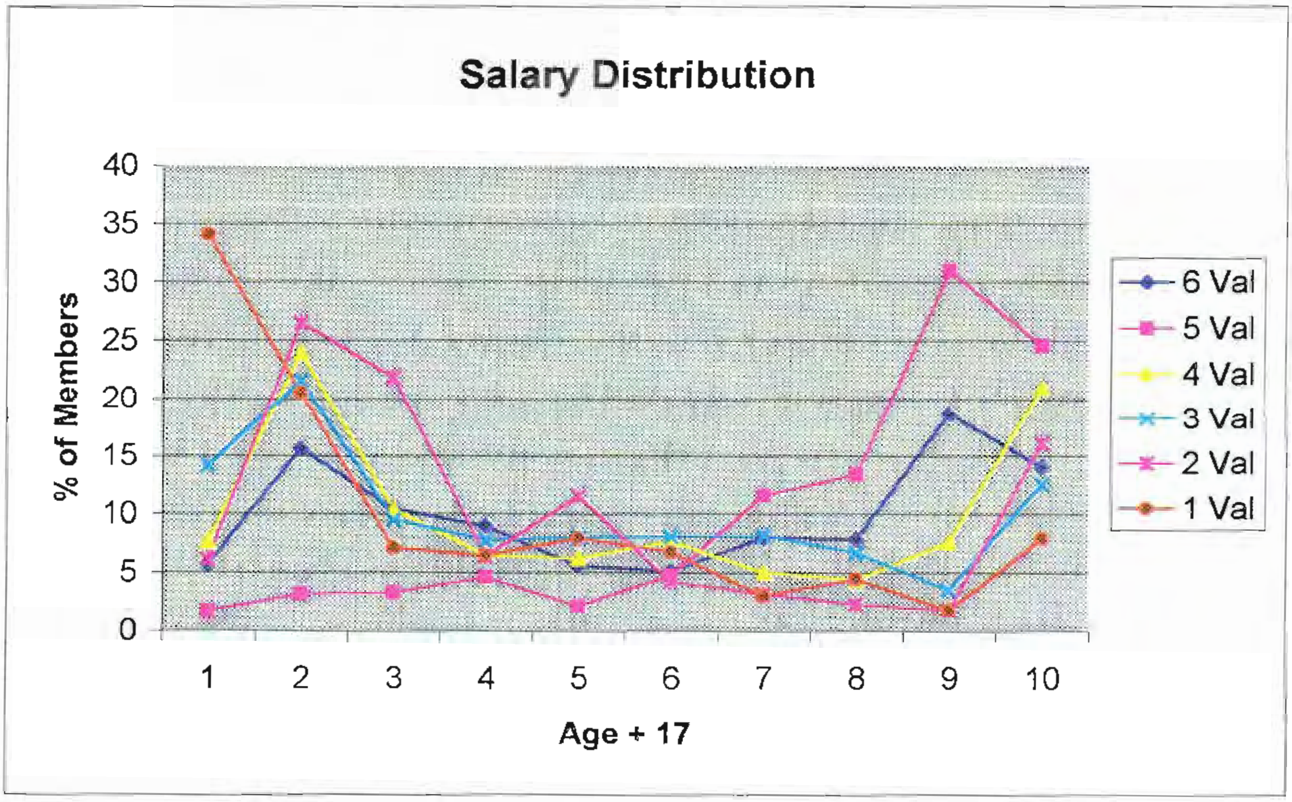
Agewise Comparision %

AGE GROUP	31/03/2002	31/03/2001	31/03/2000	31/03/1999	31/03/1998	15/11/1995
BELOW 20	2.52	2.40	0.50	0.31	2.67	3.32
20 TO 25	9.83	10.09	5.02	5.30	8.74	10.30
25 TO 30	15.93	16.69	6.90	11.44	17.34	14.67
30 TO 35	15.34	16.01	5.90	16.46	15.99	13.54
35 TO 40	13.16	13.52	4.88	16.97	12.19	17.28
40 TO 45	13.34	14.09	52.08	15.65	12.88	15.07
45 TO 50	15.75	15.57	3.79	14.97	9.88	13.64
50 TO 55	11.19	9.16	2.39	9.75	5.42	6.10
55 TO 58	2.93	3.59	2.15	9.15	13.19	5.31
58 AND ABOVE	0	-	16.39	-	1.70	0.77
Avg	37.18	36.68	43.53	40.25	38.63	37.43



Salary Distribution

	2002	2001	2000	1999	1998	1996
Upto 500	5.70	1.65	7.61	14.15	6.15	34.07
500 - 1000	15.65	3.14	23.94	21.53	26.53	20.5
1000 - 1500	10.40	3.28	10.34	9.49	21.87	7.12
1500 - 2000	8.95	4.59	6.46	7.82	6.43	6.47
2000 - 2500	5.59	2.11	6.18	7.97	11.53	7.95
2500 - 3000	5.14	4.78	7.64	8.08	4.22	6.81
3000 - 3500	7.96	11.58	4.97	8.16	3.17	3.01
3500 - 4000	7.84	13.38	4.36	6.74	2.28	4.43
4000 - 4500	18.69	30.91	7.56	3.51	1.72	1.74
Above 4500	14.08	24.57	20.93	12.55	16.1	7.88
	2723	2667	2438	2131	2008	1554

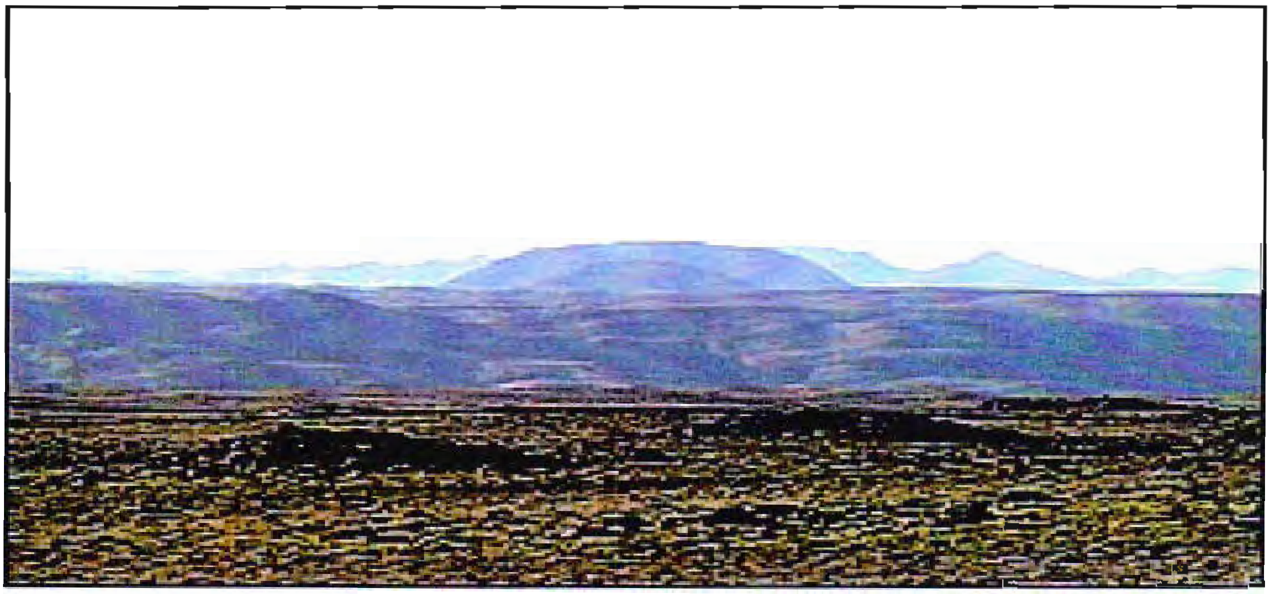


Age	Mortality	Withdrawal
20	0.118%	7.090%
21	0.114%	7.730%
22	0.110%	9.930%
23	0.107%	9.180%
24	0.105%	13.110%
25	0.103%	12.990%
26	0.103%	23.350%
27	0.103%	10.440%
28	0.104%	12.760%
29	0.107%	12.570%
30	0.111%	8.680%
35	0.151%	5.700%
40	0.222%	6.380%
45	0.394%	5.770%
50	0.707%	2.260%
55	1.211%	4.030%
58	1.642%	2.080%

Contacts :

2nd Floor, Churchgate House, V.N.Road, Fort, Mumbai 400 001.
Tel : (91-22) 2204 2231 : Fax : (91-22) 2288 3155 : email : kapandit@vsnl.com
Website : www.ka-pandit.com

C-201, Remibiz Court, Off Veera Desai Road, Andheri (West), Mumbai 400 058.
Tel : (91-22) 56952119 : email remibiz@ka-pandit.com



Partners

Mr. Dharmendra Pandit	: (91-22) 56318420	: dk.pandit@ka-pandit.com
Mr. Mukund Diwan	: (91-22) 56318421	: mdiwan@vsnl.com
Mr. Navnit Parikh	: (91-22) 56318421	: nk.parikh@ka-pandit.com
Mr. Piyush Majmudar	: (91-22) 22042231	: deval@bom5.vsnl.net.in
Mr. Akshay Pandit	: (91-22) 56952119	: akshay@ka-pandit.com