April 26, 2019

Ref. No. : HDFC Life/CA/2019-20/05

National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, Block G,
Bandra-Kurla Complex, Bandra-East,
Mumbai- 400 051

NSE Symbol : HDFCLIFE

Kind Attn.: Head - Listing

BSE Limited
Sir P J Towers,
Dalal Street,
Mumbai – 400 001

BSE Security Code : 540777

Kind Attn. : Sr. General Manager - DCS
Listing Department

Sir / Madam,

Subject : **Outcome of Board Meeting held on April 26, 2019**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at their meeting held today i.e. April 26, 2019, have approved the following:

1) **Financial Results**
The Audited Standalone and Audited Consolidated Financial results of the Company for the financial year ended March 31, 2019. The copy of the said results along with the audit report issued by the Statutory Auditors and a press release are enclosed herewith.

Please note that Price Waterhouse Chartered Accountants LLP and G. M. Kapadia & Co., the joint Statutory Auditors of the Company, have issued audit reports with unmodified opinion.

2) **Annual General Meeting**
The 19th Annual General Meeting of the Company will be held on July 23, 2019 at 2.30 pm at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Near Bombay Hospital & Medical Research Centre, New Marine Lines, Mumbai 400 020

The Register of Members and Share Transfer Books shall remain closed from Monday, July 15, 2019 to Tuesday, July 23, 2019 (both days inclusive) for the purpose of 19th Annual General Meeting.

3) **Formulation of Employee Stock Option Scheme - 2019**
The Board also approved the Employee Stock Option Scheme - 2019, subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting :

Formulation of employee stock option scheme namely 'Employee Stock Option Scheme - 2019' with the authority to create and grant from time to time, in one or more tranches, not exceeding 86,00,000 employee stock options exercisable into not exceeding 86,00,000 equity shares of face value of ₹ 10 each of the Company to the eligible employees of the Company and that of the eligible employees of the subsidiary company(ies) of the Company in terms of SEBI (Share Based Employee Benefits) Regulations, 2014;

4) **Re-appointment of M/s Price Waterhouse Chartered Accountants LLP as a Joint Statutory Auditors**

M/s Price Waterhouse Chartered Accountants LLP, one of the Joint Statutory Auditors of the Company, are re-appointed for second term of 5 years subject to the approval of the shareholders at the ensuing Annual General Meeting.

Brief profile of M/s Price Waterhouse Chartered Accountants LLP, is enclosed herewith as per the requirement of Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

The window for trading in equity shares of the Company by its employees and directors will open from April 29, 2019.

Please note that the said Board Meeting commenced at 11.30 a.m. and concluded at 1.30 p.m.

You are requested to take note of the above and arrange to bring this to the notice of all concerned.

Thanking You

For HDFC Life Insurance Company Limited

Narendra Gangan
EVP, Company Secretary &
Head- Compliance & Legal

Encl. : As above

HDFC LIFE INSURANCE COMPANY LIMITED ★ MUMBAI

Annexure A

Appointment of M/s Price Waterhouse Chartered Accountants LLP as one of the Joint Statutory Auditors

Details of events that need to be provided	**Information of such events**
Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment
Date of appointment / ~~cessation~~ (as applicable) Term of Appointment	July 23, 2019 Appointed for period of 5 years, subject to approval of shareholders, from date of ensuing 19th Annual General Meeting to be held on July 23, 2019 till conclusion of 24th Annual General Meeting
Brief Profile	M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) (the 'Firm') is a separate, distinct and independent member firm of the PW India Network of Firms which includes 12 similarly situated independent Firms, each of which are registered with the Institute of Chartered Accountants of India. PW India Network of Firms cumulatively are more than 100 years old in India and have offices in 8 cities in India - Mumbai, Ahmedabad, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai. The registered office of the Firm is at Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110002. The Firm has 64 Assurance Partners as at March 31, 2019. Chartered accountant profession in India is governed by the Chartered Accountants Act,1949 (the 'Act') and as per the provisions of the Act, PW India network firms are subject to peer reviews which are conducted regularly by Institute of Chartered Accountants of India (ICAI). The Firm has a valid Peer Review certificate and has been subject to inspection by the Quality Review Board. The Firm serves large clients like listed companies, mutual funds, PE funds etc. The Firm complies with the relevant requirements of quality control as per International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements; and Indian SQC 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
252, Veer Savarkar Marg,
Opp – Shivaji Park,
Dadar (W), Mumbai – 400028

G. M. Kapadia & Co.
Chartered Accountants
1007, Raheja Chambers,
213 Nariman Point,
Mumbai – 400021

Auditor's Report on Standalone Financial Results for the quarter and year ended March 31, 2019 of HDFC Life Insurance Company Limited (formerly known as HDFC Standard Life Insurance Company Limited)

To The Board of Directors of
HDFC Life Insurance Company Limited (formerly known as HDFC Standard Life Insurance Company Limited)

1. We have audited the accompanying standalone financial results of HDFC Life Insurance Company Limited (formerly known as HDFC Standard Life Insurance Company Limited) as at and for the quarter and year ended March 31, 2019 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDA Circular reference: IRDAI/F&I/ REG/CIR/208/10/2016 dated 25th October 2016 ("Standalone financial results") which have been approved by Board of Directors on April 26, 2019.

2. These standalone financial results have been prepared on the basis of the standalone financial statements prepared in accordance with the measurement and recognition principles specified in paragraph 3 below, which is the responsibility of the Company's management. The management's responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation of the standalone financial results that is free from material misstatement, whether due to fraud or error.

3. Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone financial statements, which have been prepared by the Company's Management in accordance with the recognition and measurement principles specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 issued thereunder, including the relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of these standalone financial results and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI") to the extent applicable.





4. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as standalone financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

5. In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

   i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI IRDA Circular reference: IRDAI/F&I/REG/CIR/208/10/2016 dated 25th October 2016 in this regard; and

   ii. give a true and fair view of the standalone net profit and other financial information for the quarter ended March 31, 2019 as well as the standalone financial results for the year ended March 31, 2019.

Other Matters

6. The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2019 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries 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 valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the standalone financial statements of the Company.

7. The Statement dealt with by this report has been prepared for the purpose of filing with stock exchanges. This Statement is based on and should be read with the audited standalone financial statements of the company for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated April 26, 2019.





Restriction of Use

8. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 7 above. This report should not be otherwise used by any other party for any other purpose.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration No.012754N/N500016

Sharmila A. Karve
Partner
Membership No. 043229

Place: Mumbai
Date: April 26, 2019

For G.M.Kapadia & Co.
Chartered Accountants
Firm Registration No.104767W

Rajen Ashar
Partner
Membership No. 048243

HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Statement of Standalone Audited Results for the Quarter and Year ended March 31, 2019

(₹ in Lakhs)

Sr. No.	Particulars	Three Months ended / As at			Year ended / As at	
		March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
POLICYHOLDERS' A/C						
1	Gross premium income					
	(a) First Year Premium	1,78,691	1,25,234	1,73,560	5,05,811	4,73,846
	(b) Renewal Premium	5,29,470	3,30,898	4,67,217	14,21,457	12,21,480
	(c) Single Premium	3,24,486	2,40,003	2,54,867	9,91,334	6,61,115
2	Net premium income[1]	10,24,750	6,89,768	8,90,002	28,92,401	23,37,096
3	Income from investments (Net)[2]	3,75,565	2,38,485	(93,679)	9,02,749	8,59,463
4	Other income	7,330	2,734	1,730	17,506	11,182
5	Transfer of funds from Shareholders' A/c	29,811	(678)	15,408	30,895	15,665
6	**Total (2 to 5)**	**14,37,456**	**9,30,309**	**8,13,461**	**38,43,551**	**32,23,406**
7	Commission on					
	(a) First Year Premium	27,691	17,784	32,534	78,394	87,023
	(b) Renewal Premium	7,980	5,553	5,882	21,372	15,497
	(c) Single Premium	3,683	2,892	2,451	12,003	4,973
8	**Net Commission[1]**	**39,354**	**26,229**	**40,867**	**1,11,769**	**1,07,493**
9	Operating Expenses related to insurance business (a+b)					
	(a) Employees remuneration and welfare expenses	37,764	33,950	39,851	1,40,822	1,29,177
	(b) Other operating expenses*	84,124	58,484	70,131	2,40,535	1,86,753
10	**Expenses of Management (8+9)**	**1,61,242**	**1,18,663**	**1,50,849**	**4,93,126**	**4,23,423**
11	Provisions for doubtful debts (including bad debts written off)	-	-	-	-	-
12	Provisions for diminution in value of investments[4]	1,732	(26)	2,028	9,056	(93)
13	Goods & Services Tax/Service Tax charge on linked charges	9,327	8,430	8,078	33,982	29,897
14	Provision for taxes	10,020	1,920	15,661	11,078	17,555
15	Benefits Paid[3] (Net)[1]	4,68,994	2,99,398	4,41,105	13,98,891	13,11,142
16	Change in actuarial liability	7,17,628	4,79,951	1,57,245	17,50,746	13,32,225
17	**Total (10+11+12+13+14+15+16)**	**13,77,893**	**9,08,143**	**7,73,786**	**37,08,480**	**31,13,944**
18	**Surplus/Deficit (6-17)**	**59,563**	**22,166**	**39,675**	**1,35,071**	**1,09,462**
19	**Appropriations**					
	(a) Transferred to Shareholders A/c	47,594	17,692	39,651	1,20,690	1,00,220
	(b) Funds for Future Appropriations	11,968	4,474	24	14,381	9,242
20	**Details of Surplus / Deficit**					
	(a) Interim bonus paid	3,825	1,018	1,166	6,137	2,313
	(b) Terminal bonus paid	23,000	13,402	6,681	51,290	19,341
	(c) Allocation of bonus to policyholders	77,681	-	70,835	77,681	70,835
	(d) Surplus shown in the Revenue Account	59,562	22,166	39,675	1,35,072	1,09,462
	Total Surplus	**1,64,068**	**36,586**	**1,18,357**	**2,70,180**	**2,01,951**
SHAREHOLDERS' A/C						
21	Transfer from Policyholders' Account	47,594	17,692	39,651	1,20,690	1,00,220
22	Total income under Shareholders' Account					
	(a) Investment Income	17,280	8,348	9,735	40,839	28,026
	(b) Other income	1,176	-	-	2,108	1,302
23	Expenses other than those related to insurance business	1,801	202	63	2,781	1,254
24	Transfer of funds to Policyholders' Account	29,811	(678)	15,408	30,895	15,665
25	Provisions for doubtful debts (including write off)	-	-	-	-	-
26	Provisions for diminution in value of investments[4]	(90)	868	20	973	(45)
27	**Profit before tax**	**34,528**	**25,648**	**33,895**	**1,28,988**	**1,12,674**
28	Provisions for tax	(1,873)	1,085	(789)	1,309	1,774
29	**Profit after tax and before Extraordinary items**	**36,401**	**24,563**	**34,684**	**1,27,679**	**1,10,900**
30	**Profit after tax and Extraordinary items**	36,401	24,563	34,684	1,27,679	1,10,900
31	**Dividend per share (₹) (Nominal value ₹ 10 per share)**					
	(a) Interim Dividend	1.63	-	-	1.63	1.36
	(b) Final Dividend	-	-	-	-	-
32	Profit carried to Balance Sheet[5]	3,27,403	3,30,644	2,39,365	3,27,403	2,39,365
33	Paid up equity share capital	2,01,738	2,01,726	2,01,174	2,01,738	2,01,174
34	Reserve & Surplus (excluding Revaluation Reserve)	3,64,088	3,67,207	2,70,640	3,64,088	2,70,640
35	Fair Value Change Account and Revaluation Reserve (Shareholders)	(301)	176	3,016	(301)	3,016
36	Total Assets:					
	(a) Investments:					
	- Shareholders'	5,04,979	4,80,194	4,07,033	5,04,979	4,07,033
	- Policyholders Fund excluding Linked Assets	57,12,446	53,19,398	45,34,714	57,12,446	45,34,714
	- Assets held to cover Linked Liabilities (Linked Assets)	63,37,741	59,70,496	57,18,539	63,37,741	57,18,539
	(b) Other Assets (Net of current liabilities and provisions)	(66,876)	(34,810)	(76,779)	(66,876)	(76,779)

*Details of Expenses contributing more than 10% of the expense of management are as below -

Advertisement and publicity	35,531	23,243	25,936	98,365	71,598
Business development expenses	25,949	15,692	23,189	63,655	49,140

Foot notes :

1 Net of reinsurance
2 Net of amortisation and losses (including capital gains)
3 Inclusive of interim and terminal bonus
4 Inclusive of provision for standard and non-standard assets
5 Represents accumulated surplus







HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Standalone Balance Sheet as at March 31, 2019

(₹ in Lakhs)

Particulars	As at	
	March 31, 2019 (Audited)	March 31, 2018 (Audited)
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS:		
Share Capital	2,01,738	2,01,174
Share application money received pending allotment of shares	39	89
Reserves and Surplus	3,64,088	2,70,640
Credit / (Debit) Fair Value Change Account	(301)	3,016
Sub-Total	**5,65,564**	**4,74,919**
BORROWINGS	-	-
POLICYHOLDERS' FUNDS:		
Credit / (Debit) Fair Value Change Account	1,11,213	62,202
Policy Liabilities	53,63,471	42,31,927
Insurance Reserve	-	-
Provision for Linked Liabilities	51,44,904	46,56,490
Add: Fair value change	9,07,221	8,03,329
Provision for Linked Liabilities	**60,52,125**	**54,59,819**
Funds for discontinued policies		
(i) Discontinued on account of non-payment of premium	2,84,574	2,57,588
(ii) Others	1,042	1,132
Total Provision for Linked & Discontinued Policyholders Liabilities	63,37,741	57,18,539
Sub-Total	**1,18,12,425**	**1,00,12,668**
Funds for Future Appropriations	1,10,301	95,920
TOTAL	**1,24,88,290**	**1,05,83,507**
APPLICATION OF FUNDS		
INVESTMENTS:		
Shareholders'	5,04,979	4,07,033
Policyholders'	57,12,446	45,34,714
Asset held to cover Linked Liabilities	63,37,741	57,18,539
LOANS	7,959	1,874
FIXED ASSETS	33,330	34,140
CURRENT ASSETS		
Cash and Bank Balances	1,23,982	1,10,847
Advances and Other Assets	2,79,643	2,40,998
Sub-Total (A)	**4,03,625**	**3,51,845**
CURRENT LIABILITIES	5,05,941	4,60,272
PROVISIONS	5,849	4,366
Sub-Total (B)	**5,11,790**	**4,64,638**
NET CURRENT ASSETS (C) = (A - B)	**(1,08,165)**	**(1,12,793)**
Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-
TOTAL	**1,24,88,290**	**1,05,83,507**
Contingent liabilities	1,52,987	82,756







HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Statement of Standalone Audited Results for the Quarter and Year ended March 31, 2019

(₹ in Lakhs)

Particulars	Three Months ended / As at			Year ended / As at	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Analytical Ratios:					
(i) Solvency Ratio	188%	191%	192%	188%	192%
(ii) Expenses of Management Ratio	16%	17%	17%	17%	18%
(iii) Policyholder's liabilities to shareholders' fund	2088.4%	1947.1%	2115.4%	2088.4%	2115.4%
(iv) Earnings per share (in ₹):					
a) Basic EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three/nine months)	1.81	1.22	1.73	6.34	5.53
b) Diluted EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three/nine months)	1.80	1.22	1.72	6.32	5.50
(v) NPA ratios: (for Policyholders' fund)					
a) Gross NPAs					
- Non Linked					
Par	Nil	Nil	Nil	Nil	Nil
Non Par	Nil	Nil	Nil	Nil	Nil
- Linked					
Non Par	4,875.0	Nil	Nil	4,875.0	Nil
Net NPAs					
- Non Linked					
Par	Nil	Nil	Nil	Nil	Nil
Non Par	Nil	Nil	Nil	Nil	Nil
- Linked					
Non Par	3,250.0	Nil	Nil	3,250.0	Nil
b) % of Gross NPAs					
- Non Linked					
Par	Nil	Nil	Nil	Nil	Nil
Non Par	Nil	Nil	Nil	Nil	Nil
- Linked					
Non Par	0.1%	Nil	Nil	0.1%	Nil
% of Net NPA					
- Non Linked					
Par	Nil	Nil	Nil	Nil	Nil
Non Par	Nil	Nil	Nil	Nil	Nil
- Linked					
Non Par	0.1%	Nil	Nil	0.1%	Nil
(vi) Yield on Investments (on Policyholders' fund)					
A. Without unrealised gains					
- Non Linked					
Par	2.0%	1.9%	1.7%	7.4%	8.9%
Non Par	2.1%	2.1%	1.9%	8.4%	8.4%
- Linked					
Non Par	1.1%	1.4%	2.2%	6.6%	9.4%
B. With unrealised gains					
- Non Linked					
Par	3.0%	5.4%	0.4%	9.5%	5.7%
Non Par	2.7%	6.3%	1.7%	9.6%	5.8%
- Linked					
Non Par	4.0%	2.0%	-3.3%	7.5%	8.5%
(vii) NPA ratios: (for Shareholders' fund)					
a) Gross NPAs	Nil	Nil	Nil	Nil	Nil
Net NPAs	Nil	Nil	Nil	Nil	Nil
b) % of Gross NPAs	Nil	Nil	Nil	Nil	Nil
% of Net NPAs	Nil	Nil	Nil	Nil	Nil
(viii) Yield on Investments (on Shareholders' fund)					
A. Without unrealised gains	3.4%	1.7%	2.6%	9.1%	8.2%
B. With unrealised gains	2.8%	4.1%	-0.1%	7.5%	5.8%
(ix) Persistency Ratio					
13th month	87.1%	84.2%	85.5%	87.2%	87.1%
25th month	78.9%	78.6%	76.9%	80.5%	77.4%
37th month	71.2%	68.5%	72.0%	72.0%	70.9%
49th month	68.8%	65.2%	63.2%	67.7%	62.2%
61st month	53.7%	49.1%	47.6%	52.3%	51.0%
(x) Conservation Ratio					
Participating Life- Individual & group	80.8%	82.9%	90.7%	84.4%	90.0%
Participating Pension- Individual & group	91.5%	96.2%	86.8%	89.6%	93.2%
Non Participating Life - individual & group	77.2%	85.5%	84.7%	83.7%	85.1%
Non Participating Pension - Individual & Group	68.8%	75.4%	88.7%	77.4%	92.3%
Non Participating - Life Group Variable	NA	NA	NA	NA	NA
Non Participating - Pension group variable	NA	NA	NA	NA	NA
Non Participating Fund - Annuity	NA	NA	NA	NA	NA
Non Participating Fund - Individual & Group Health	59.1%	70.4%	68.2%	57.8%	74.8%
Unit Linked - Individual Life	86.1%	82.1%	80.1%	84.3%	79.5%
Unit Linked - Individual Pension	77.8%	80.7%	82.6%	80.8%	86.3%
Unit Linked - Group Life	NA	NA	NA	NA	NA
Unit Linked - Group Pension	NA	NA	NA	NA	NA

Notes :

1. Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosure.
2. The persistency ratios are calculated in accordance with the IRDAI circular no. IRDA/ACT/CIR/MISC/035/01/2014 dated January 23, 2014 and hence are with a lag of one month.
3. Group business, where persistency is measurable, has been included in the calculations. Rural business is excluded in the calculation of the persistency ratios.
4. The persistency ratios for the quarter ended March 31, 2019 have been calculated for the policies issued in the December to February period of the relevant years. E.g.: the 13th month persistency for the current quarter is calculated for the policies issued from December 2017 to February 2017. The persistency ratio for quarter ended December 31, 2018 and March 31, 2018 have been calculated in a similar manner.
5. The persistency ratios for the year ended March 31, 2019 have been calculated for the policies issued in the March to February period of the relevant years. E.g.: the 13th month persistency for the current year is calculated for the policies issued from March 2017 to February 2018. The persistency ratio for year ended March 31, 2018 have been calculated in a similar manner.

HDFC LIFE INSURANCE COMPANY LIMITED MUMBAI

HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Segment Reporting (Standalone) for the Quarter and Year ended March 31, 2019

(₹ in Lakhs)

Sr. No.	Particulars	Three Months ended / As at			Year ended / As at	
		March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	**Segment Income**					
A)	**Policyholders :**					
	Segment A - Participating - Individual & Group Life :					
	Net Premium	1,97,637	1,25,635	2,15,741	5,61,015	5,63,505
	Income from Investments[2]	53,747	50,607	40,117	1,82,271	1,94,231
	Transfer of Funds from shareholders' account	544	-	-	544	-
	Other Income	2,945	880	476	6,347	2,362
	Segment B - Participating - Individual & Group Pension :					
	Net Premium	7,697	5,730	8,111	21,888	23,117
	Income from Investments[2]	5,039	4,066	3,316	16,550	13,941
	Transfer of Funds from shareholders' account	3	-	352	3	352
	Other Income	99	35	14	189	74
	Segment C - Non Participating - Individual & Group Life :					
	Net Premium	2,33,228	1,44,821	1,50,539	6,39,475	4,25,930
	Income from Investments[2]	22,484	20,193	14,881	76,910	52,970
	Transfer of Funds from shareholders' account	20,013	-	13,500	20,013	13,500
	Other Income	219	142	62	604	325
	Segment D - Non Participating - Life Group Variable :					
	Net Premium	25,527	22,021	28,080	98,642	51,197
	Income from Investments[2]	4,638	4,353	2,799	16,124	10,206
	Transfer of Funds from shareholders' account	-	(370)	101	-	101
	Other Income	-	-	-	-	-
	Segment E - Non Participating - Individual & Group Pension :					
	Net Premium	18,284	15,575	22,368	69,946	65,678
	Income from Investments[2]	6,902	6,231	5,324	23,444	19,215
	Transfer of Funds from shareholders' account	-	-	-	-	-
	Other Income	7	6	14	31	63
	Segment F - Non Participating - Pension Group Variable :					
	Net Premium	39,170	30,919	21,810	99,258	67,018
	Income from Investments[2]	4,840	4,143	3,273	16,631	11,345
	Transfer of Funds from shareholders' account	392	(308)	200	1,476	457
	Other Income	-	-	-	-	-
	Segment G - Non Participating - Annuity :					
	Net Premium	91,708	63,933	64,844	2,59,204	1,06,554
	Income from Investments[2]	11,289	9,444	4,155	33,106	17,990
	Transfer of Funds from shareholders' account	-	-	-	-	-
	Other Income	40	23	24	118	70
	Segment H - Non Participating - Individual & Group Health :					
	Net Premium	4,046	3,103	3,445	12,469	9,150
	Income from Investments[2]	189	137	75	542	305
	Transfer of Funds from shareholders' account	1,580	-	1,255	1,580	1,255
	Other Income	8	7	10	33	30
	Segment I - Unit Linked - Individual Life :					
	Net Premium	3,52,544	2,40,002	3,16,959	9,78,698	8,29,478
	Income from Investments[2]	2,05,329	1,07,194	(1,46,116)	3,87,780	4,15,720
	Transfer of Funds from shareholders' account	7,278	-	-	7,278	-
	Other Income	4,001	1,637	1,119	10,160	8,172
	Segment J - Unit Linked - Individual Pension :					
	Net Premium	29,756	21,143	35,026	90,938	1,03,191
	Income from Investments[2]	43,606	11,270	(23,403)	96,176	89,506
	Transfer of Funds from shareholders' account	-	-	-	-	-
	Other Income	10	3	12	23	87
	Segment K - Unit Linked - Group Life :					
	Net Premium	23,401	15,151	20,912	53,189	81,200
	Income from Investments[2]	14,405	17,599	20	38,020	26,797
	Transfer of Funds from shareholders' account	-	-	-	-	-
	Other Income	-	-	-	-	-
	Segment L - Unit Linked - Group Pension :					
	Net Premium	1,750	1,734	2,166	7,678	11,079
	Income from Investments[2]	3,007	3,283	(137)	7,788	6,746
	Transfer of Funds from shareholders' account	-	-	-	-	-
	Other Income	-	-	-	-	-
B)	**Shareholders :**					
	Income from Investments[2]	17,369	7,479	9,708	39,866	28,067
	Other Income	1,176	-	-	2,108	1,302









HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Segment Reporting (Standalone) for the Quarter and Year ended March 31, 2019

(₹ in Lakhs)

Sr No.	Particulars	Three Months ended / As at			Year ended / As at	
		March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
2	**Segment Surplus/ Deficit (net of transfer from Shareholders' A/c) :**					
	Segment A - Participating - Individual & Group Life	22,729	3,235	4,760	20,971	11,187
	Segment B - Participating - Individual & Group Pension	3,703	1,239	5,189	7,874	7,979
	Segment C - Non Participating - Individual & Group Life	7,543	14,059	7,571	53,557	46,315
	Segment D - Non Participating - Life Group Variable	4	586	(242)	219	(101)
	Segment E - Non Participating - Individual & Group Pension	4,307	669	2,242	6,139	4,949
	Segment F - Non Participating - Pension Group Variable	(392)	308	(200)	(1,476)	(457)
	Segment G - Non Participating - Annuity	(2,230)	(191)	616	608	2,012
	Segment H - Non Participating - Individual & Group Health	2,693	1,028	377	4,283	1,427
	Segment I - Unit Linked - Individual Life	(14,017)	(2,417)	(88)	(7,278)	3,589
	Segment J - Unit Linked - Individual Pension	5,057	3,542	3,691	16,388	14,195
	Segment K - Unit Linked - Group Life	266	638	256	2,369	1,870
	Segment L - Unit Linked - Group Pension	87	148	96	522	831
	Total	**29,750**	**22,844**	**24,268**	**1,04,176**	**93,796**
	Shareholders	18,618	6,193	10,441	37,884	26,345
	Grand Total	**48,368**	**29,037**	**34,709**	**1,42,060**	**1,20,141**
3	**Segment Assets:**					
	Segment A - Participating - Individual & Group Life	28,19,191	27,41,808	24,80,411	28,19,191	24,80,411
	Segment B - Participating - Individual & Group Pension	2,59,814	2,52,042	2,33,775	2,59,814	2,33,775
	Segment C - Non Participating - Individual & Group Life	11,26,013	9,79,120	7,85,863	11,26,013	7,85,863
	Segment D - Non Participating - Life Group Variable	2,44,931	2,23,538	1,62,244	2,44,931	1,62,244
	Segment E - Non Participating - Individual & Group Pension	3,34,165	3,14,455	2,55,865	3,34,165	2,55,865
	Segment F - Non Participating - Pension Group Variable	2,66,948	2,24,881	1,83,605	2,66,948	1,83,605
	Segment G - Non Participating - Annuity	4,96,723	4,02,637	2,35,493	4,96,723	2,35,493
	Segment H - Non Participating - Individual & Group Health	5,490	4,831	4,329	5,490	4,329
	Segment I - Unit Linked - Individual Life	49,40,365	46,05,739	43,25,623	49,40,365	43,25,623
	Segment J - Unit Linked - Individual Pension	8,47,255	8,45,050	8,78,830	8,47,255	8,78,830
	Segment K - Unit Linked - Group Life	4,66,266	4,50,700	4,36,988	4,66,266	4,36,988
	Segment L - Unit Linked - Group Pension	94,036	92,543	92,807	94,036	92,807
	Total	**1,18,94,127**	**1,11,37,741**	**1,00,85,855**	**1,18,94,127**	**1,00,85,855**
	Shareholder	5,55,592	5,53,940	4,67,177	5,55,592	4,67,177
	Unallocated [3]	38,572	43,597	30,475	38,572	30,475
	Grand Total	**1,24,88,291**	**1,17,35,278**	**1,05,83,507**	**1,24,88,291**	**1,05,83,507**
4	**Segment Policy Liabilities[4] :**					
	Segment A - Participating - Individual & Group Life	27,29,353	26,72,445	24,48,310	27,29,353	24,48,310
	Segment B - Participating - Individual & Group Pension	2,41,566	2,38,099	2,22,961	2,41,566	2,22,961
	Segment C - Non Participating - Individual & Group Life	11,23,246	9,92,933	7,83,273	11,23,246	7,83,273
	Segment D - Non Participating - Life Group Variable	2,43,562	2,23,203	1,61,136	2,43,562	1,61,136
	Segment E - Non Participating - Individual & Group Pension	3,33,887	3,14,441	2,55,675	3,33,887	2,55,675
	Segment F - Non Participating - Pension Group Variable	2,65,681	2,24,844	1,82,479	2,65,681	1,82,479
	Segment G - Non Participating - Annuity	4,98,487	4,04,524	2,36,287	4,98,487	2,36,287
	Segment H - Non Participating - Individual & Group Health	5,456	5,300	4,294	5,456	4,294
	Segment I - Unit Linked - Individual Life	49,62,786	46,17,503	43,43,422	49,62,786	43,43,422
	Segment J - Unit Linked - Individual Pension	8,47,255	8,45,050	8,78,826	8,47,255	8,78,826
	Segment K - Unit Linked - Group Life	4,66,196	4,51,033	4,36,915	4,66,196	4,36,915
	Segment L - Unit Linked - Group Pension	94,036	92,543	92,807	94,036	92,807
	Total	**1,18,11,511**	**1,10,81,918**	**1,00,46,385**	**1,18,11,511**	**1,00,46,385**
	Shareholders	5,65,564	5,69,137	4,74,919	5,65,564	4,74,919
	Unallocated	-	-	-	-	-
	Grand Total	**1,23,77,075**	**1,16,51,055**	**1,05,21,304**	**1,23,77,075**	**1,05,21,304**

Note:

1. Segments include:
   a. Linked Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
   b. Non-Linked:
      1. Non-Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
      2. Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
   c. Variable insurance shall be further segregated into Life and Pension.
2. Net of provisions for diminution in value of investment.
3. Unallocated row in the segmental assets includes income tax deposited with tax authorities which is contested by the company and Advance Tax (net of provision for taxation). As per Accounting Standard 17, tax asset cannot be allocated across reporting segments.
4. Segment policy liabilities includes fund for future appropriations.







HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)

Other disclosures :
Status of Shareholders Complaints as on March 31, 2019

Sr No.	Particulars	Number of Complaints
1	Investor complaints pending at the begining of the quarter	Nil
2	Investor complaints received during the quarter ended March 31, 2019	2
3	Investor complaints disposed of during the quarter ended March 31, 2019	2
4	Investor complaints remaining unresolved as on March 31, 2019	Nil



Notes:

1. The above results of the company for the quarter and year ended March 31, 2019 were reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on April 26, 2019.

2. These financial results have been prepared in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and IRDAI Circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for Life Insurance companies.

3. The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2019 and the published year-to-date figures upto the third quarter of the current financial year, i.e. nine months ended December 31, 2018.

4. In view of seasonality of industry, the results of interim period are not necessarily indicative of the results that may be expected of any other interim periods or for the full year.

5. The name of the Company has been changed from "HDFC Standard Life Insurance Company Limited" to "HDFC Life Insurance Company Limited" upon receipt of fresh Certificate of Incorporation dated January 17, 2019 pursuant change of name, issued by the office of Registrar of Companies, Mumbai.

6. Ms Vibha Padalkar, Managing Director & Chief Executive Officer (MD & CEO) also continued as Chief Financial Officer (CFO) of the Company upto February 28, 2019, for interim period till the appointment of new CFO. Mr Niraj Shah was appointed as CFO with effect from March 1, 2019.

7. During the year ended March 31, 2019, the Board of Directors of the Company have approved at the Board Meeting held on March 7, 2019 an interim dividend @16.3% (Previous year ended March 31, 2018 @ 13.6%) on equity share of the face value of ₹10 i.e. @ ₹1.63 (Previous year ended March 31, 2018 @ ₹1.36) per equity share, amounting to ₹39,642 lakhs (including dividend distribution tax), (Previous year ended March 31, 2018 ₹ 32,884 lakhs).

8. During the quarter ended March 31, 2019, the Company has allotted 124,460 equity shares of face value of ₹10 each pursuant to exercise of employee stock options.

9. Figures of the previous period have been regrouped wherever necessary, in order to make them comparable.

10. In accordance with the requirements of IRDAI Master Circular on "Preparation of Financial Statements and Filing Returns of Life Insurance Business" dated December 11, 2013, the Company will publish the financials on the company's website not later than May 26, 2019.

11. The above standalone financial results have been audited by joint statutory auditors of the Company.

For and on behalf of the Board of Directors

Vibha Padalkar
Managing Director & CEO
(DIN: 01682810)

Mumbai
April 26, 2019

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

G. M. KAPADIA & CO. Chartered Accountants MUMBAI

HDFC LIFE INSURANCE COMPANY LIMITED MUMBAI

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
252, Veer Savarkar Marg,
Opp – Shivaji Park,
Dadar (W), Mumbai – 400028

G. M. Kapadia & Co.
Chartered Accountants
1007, Raheja Chambers,
213 Nariman Point,
Mumbai – 400021

Auditor's Report on Consolidated Financial Results for year ended March 31, 2019 of HDFC Life Insurance Company Limited (formerly known as HDFC Standard Life Insurance Company Limited) ("hereinafter referred to as the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group")

To The Board of Directors of
HDFC Life Insurance Company Limited (formerly known as HDFC Standard Life Insurance Company Limited)

1. We have audited the accompanying consolidated financial results of the Group as at and for the year ended March 31, 2019 being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDA Circular reference: IRDAI/F&I/ REG/ CIR/208/10/2016 dated 25th October 2016 ("Consolidated financial results") which have been approved by the Board of Directors on April 26, 2019.

2. These consolidated financial results have been prepared on the basis of the consolidated financial statements prepared in accordance with the measurement and recognition principles specified in paragraph 3 below, which is the responsibility of the Holding Company's management. The respective Board of Directors of the companies included in the Group are responsible for selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation of the consolidated financial results that give true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of consolidated financial statements by the Directors of the Holding Company.

3. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared by the Holding Company's Management in accordance with the recognition and measurement principles specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 issued thereunder, including the relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of these consolidated financial results and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI") to the extent applicable.





4. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

5. In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results:

   i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI IRDA Circular reference: IRDAI/F&I/REG/CIR/208/10/2016 dated 25th October 2016 in this regard; and

   ii. give a true and fair view of the consolidated net profit and other financial information for the year ended March 31, 2019 as well as the consolidated financial results for the year ended March 31, 2019.

Other Matters

6. The actuarial valuation of liabilities for life policies in force is the responsibility of the Holding Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2019 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries 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 valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the consolidated financial statements of the Group.

7. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 25,75,975 (in '000') and net assets of Rs. 22,36,700 (in '000') as at March 31, 2019, total revenue of Rs. 3,14,334 (in '000'), net profit of Rs 11,216 (in '000') and net cash flows amounting to Rs 6,499 (in '000') for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

8. The consolidated financial results dealt with by this report has been prepared for the purpose of filing with stock exchanges. This Statement is based on and should be read with the audited consolidated financial statements of the group for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated April 26, 2019.





Restriction of Use

9. This report is addressed to the Board of Directors of the Holding Company and has been prepared for and only for the purposes set out in paragraph 8 above. This report should not be otherwise used by any other party for any other purpose.

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Registration No.012754N/N500016

Sharmila A.Karve
Partner
Membership No. 043229

Place: Mumbai
Date: April 26, 2019

Price Waterhouse Chartered Accountants LLP
LLPIN AAC 5001
FRN 012754N/N500016
Mumbai

For G.M.Kapadia& Co.
Chartered Accountants
Firm Registration No.104767W

Rajen Ashar
Partner
Membership No. 048243

G. M. KAPADIA & CO.
MUMBAI
Chartered Accountants

HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)

Statement of Consolidated Audited Results for the year ended March 31, 2019

(₹ in Lakhs)

Sr. No.	Particulars	Year ended / As at	
		March 31, 2019 (Audited)	March 31, 2018 (Audited)
POLICYHOLDERS' A/C			
1	Gross premium income		
	(a) First Year Premium	505,811	473,846
	(b) Renewal Premium	1,421,457	1,221,480
	(c) Single Premium	991,334	661,115
2	Net premium income[1]	2,893,067	2,337,096
3	Income from investments (Net)[2]	902,749	859,463
4	Other income	17,506	11,182
5	Transfer of funds from Shareholders' A/c	30,895	15,665
6	**Total (2 to 5)**	**3,844,217**	**3,223,406**
7	Commission on		
	(a) First Year Premium	78,394	87,023
	(b) Renewal Premium	21,372	15,497
	(c) Single Premium	12,003	4,973
8	**Net Commission[1]**	**111,769**	**107,493**
9	Operating Expenses related to insurance business (a+b)		
	(a) Employees remuneration and welfare expenses	140,822	129,177
	(b) Other operating expenses*	240,535	186,753
10	**Expenses of Management (8+9)**	**493,126**	**423,423**
11	Provisions for doubtful debts (including bad debts written off)	-	-
12	Provisions for diminution in value of investments[4]	9,056	(93)
13	Goods & Services Tax/Service Tax charge on linked charges	33,982	29,692
14	Provision for taxes	22,679	17,555
15	Benefits Paid[3] (Net)[1]	1,398,978	1,311,142
16	Change in actuarial liability	1,750,746	1,332,225
17	**Total (10+11+12+13+14+15+16)**	**3,708,566**	**3,113,944**
18	**Surplus/Deficit (6-17)**	135,651	109,462
19	**Appropriations**		
	(a) Transferred to Shareholders A/c	121,270	100,220
	(b) Funds for Future Appropriations	14,381	9,242
20	**Details of Surplus / Deficit**		
	(a) Interim bonus paid	6,137	2,313
	(b) Terminal bonus paid	51,290	19,341
	(c) Allocation of bonus to policyholders	77,681	70,835
	(d) Surplus shown in the Revenue Account	135,651	109,462
	Total Surplus	270,759	201,951
SHAREHOLDERS' A/C			
21	Transfer from Policyholders' Account	121,270	100,220
22	Net Reinsurance Premium	1,896	1,020
23	Total income under Shareholders' Account		
	(a) Investment Income	41,427	28,412
	(b) Other income	2,101	1,320
24	Reinsurance Claims incurred	603	4
25	Expenses relating to reinsurance business & Change in reinsurance contract liabilities (net of reinsurance assets)	2,032	1,333
26	Expenses other than those related to insurance business	3,089	1,522
27	Transfer of funds to Policyholders' Account	30 895	15,665
28	Provisions for doubtful debts (including write off)	-	-
29	Provisions for diminution in value of investments[4]	973	(45)
30	**Profit before tax**	**129,102**	**112,494**
31	Provisions for tax	1,309	1,774
32	**Profit after tax and before Extraordinary items**	**127,793**	**110,720**
33	**Profit after tax and Extraordinary items**	127,793	110,720
34	**Dividend per share (₹) (Nominal value ₹ 10 per share)**		
	(a) Interim Dividend	1.63	1.36
	(b) Final Dividend	-	-
35	Profit carried to Balance Sheet[5]	326,598	238,448
36	Paid up equity share capital	201,738	201,174
37	Reserve & Surplus (excluding Revaluation Reserve)	362,784	269,248
38	Fair Value Change Account and Revaluation Reserve (Shareholders)	(301)	3,016
39	Total Assets:		
	(a) Investments:		
	- Shareholders	503,600	405,735
	- Policyholders Fund excluding Linked Assests	5,712,446	4,534,714
	- Assets held to cover Linked Liabilities (Linked Assets)	6,337,741	5,718,539
	(b) Other Assets (Net of current liabilities and provisions)	(64,087)	(75,784)

*Details of Expenses contributing more than 10% of the expense of management are as below -

Advertisement and publicity	98,365	71,598
Business development expenses	63,655	49,140

Footnotes :

1 Net of reinsurance
2 Net of amortisation and losses (including capital gains)
3 Inclusive of interim and terminal bonus
4 Inclusive of provision for standard and non-standard assets
5 Represents accumulated surplus

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

HDFC LIFE INSURANCE COMPANY LIMITED MUMBAI

HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Consolidated Balance Sheet as at March 31, 2019

(₹ in Lakhs)

Particulars	As at March 31, 2019 (Audited)	As at March 31, 2018 (Audited)
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS:		
Share Capital	201,738	201,174
Share application money received pending allotment of shares	39	89
Reserves and Surplus	362,784	269,248
Credit / (Debit) Fair Value Change Account	(301)	3,010
Sub-Total	**564,261**	**473,526**
BORROWINGS	-	-
POLICYHOLDERS' FUNDS:		
Credit / (Debit) Fair Value Change Account	111,213	62,202
Policy Liabilities		
i) relating to Life insurance business	5,363,471	4,231,927
ii) relating to Reinsurance business	2,714	1,090
Insurance Reserve		
Provision for Linked Liabilities	5,144,904	4,656,490
Add: Fair value change	907,221	803,329
Provision for Linked Liabilities	6,052,125	5,459,819
Funds for discontinued policies		
(a) Discontinued on account of non-payment of premium	284,574	257,588
(b) Others	1,042	1,132
Total Provision for Linked & Discontinued Policyholders Liabilities	6,337,741	5,718,539
Sub-Total	**11,815,139**	**10,013,758**
Funds for Future Appropriations	110,301	95,920
TOTAL	**12,489,700**	**10,583,204**
APPLICATION OF FUNDS		
INVESTMENTS:		
Shareholders'	503,600	405,735
Policyholders'	5,712,446	4,534,714
Asset held to cover Linked Liabilities	6,337,741	5,718,539
LOANS	7,959	1,874
FIXED ASSETS	33,388	34,169
CURRENT ASSETS		
Cash and Bank Balances	124,445	111,050
Advances and Other Assets	282,005	242,201
Sub-Total (A)	**406,450**	**353,251**
CURRENT LIABILITIES	506,013	460,670
PROVISIONS	5,871	4,409
Sub-Total (B)	**511,884**	**465,078**
NET CURRENT ASSETS (C) = (A - B)	**(105,434)**	**(111,828)**
Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-
TOTAL	**12,489,700**	**10,583,204**
Contingent liabilities	153,062	82,790







HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)

Statement of Analytical Ratios (Consolidated) for the year ended March 31, 2019

(₹ in Lakhs)

Particulars		Year ended / As at	
		March 31, 2019 (Audited)	March 31, 2018 (Audited)
Analytical Ratios:			
(i)	Solvency Ratio	188%	192%
(ii)	Expenses of Management Ratio	17%	18%
(iii)	Policyholder's liabilities to shareholders' fund	2093.3%	2121.8%
(iv)	Earnings per share (in ₹):		
	a) Basic EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three months)	6.34	5.52
	b) Diluted EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three months)	6.33	5.49
(v)	NPA ratios: (for Policyholders' fund)		
	a) Gross NPAs		
	- Non Linked		
	Par	NIL	NIL
	Non Par	NIL	NIL
	- Linked		
	Non Par	4875.0	NIL
	Net NPAs		
	- Non Linked		
	Par	NIL	NIL
	Non Par	NIL	NIL
	- Linked		
	Non Par	3250.0	NIL
	b) % of Gross NPAs		
	- Non Linked		
	Par	NIL	NIL
	Non Par	NIL	NIL
	- Linked		
	Non Par	0.1%	NIL
	% of Net NPA		
	- Non Linked		
	Par	NIL	NIL
	Non Par	NIL	NIL
	- Linked		
	Non Par	0.1%	NIL
(vi)	Yield on Investments (on Policyholders' fund)		
	A. Without unrealised gains		
	- Non Linked		
	Par	7.4%	8.9%
	Non Par	8.4%	8.4%
	- Linked		
	Non Par	6.6%	9.4%
	B. With unrealised gains		
	- Non Linked		
	Par	9.5%	5.7%
	Non Par	9.6%	5.8%
	- Linked		
	Non Par	7.5%	8.5%
(vii)	NPA ratios: (for Shareholders' fund)		
	a) Gross NPAs	NIL	NIL
	Net NPAs	NIL	NIL
	b) % of Gross NPAs	NIL	NIL
	% of Net NPAs	NIL	NIL

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HDFC LIFE INSURANCE COMPANY LIMITED MUMBAI

HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)

Statement of Analytical Ratios (Consolidated) for the year ended March 31, 2019

(₹ in Lakhs)

Particulars		Year ended / As at	
		March 31, 2019 (Audited)	March 31, 2018 (Audited)
(viii)	Yield on Investments (on Shareholders' fund)		
	A. Without unrealised gains	9.1%	8.2%
	B. With unrealised gains	7.5%	5.8%
(ix)	Persistency Ratio		
	13th month	87.2%	87.1%
	25th month	80.5%	77.4%
	37th month	72.0%	70.9%
	49th month	67.7%	62.2%
	61st month	52.3%	51.0%
(x)	Conservation Ratio		
	Participating life- Individual & group	84.4%	90.0%
	Participating pension- Individual & group	89.6%	93.2%
	Non Participating life - Individual & group	83.7%	85.1%
	Non Participating pension - Individual & Group	77.1%	82.3%
	Non Participating - Life Group Variable	0.0%	NA
	Non Participating - Pension group variable	0.0%	NA
	Non Participating fund - Annuity	0.0%	NA
	Non Participating fund - Individual & Group Health	57.6%	74.8%
	Unit Linked - Individual life	84.3%	79.5%
	Unit Linked - Individual pension	80.8%	86.3%
	Unit Linked - Group life	NA	NA
	Unit Linked - Group pension	NA	NA

Notes :

1. Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosure.
2. The persistency ratios are calculated in accordance with the IRDAI circular no. IRDA/ACT/CIR/MISC/035/01/2014 dated January 23, 2014 and hence are with a lag of one month.
3. Group business, where persistency is measurable, has been included in the calculations. Rural business is excluded in the calculation of the persistency ratios.
4. The persistency ratios for the quarter ended March 31, 2019 have been calculated for the policies issued in the December to February period of the relevant years. E.g.: the 13th month persistency for the current year is calculated for the policies issued from December 2017 to February 2017. The persistency ratio for quarter ended December 31, 2018 and March 31, 2018 have been calculated in a similar manner.
5. The persistency ratios for the year ended March 31, 2019 have been calculated for the policies issued in the March to February period of the relevant years. E.g.: the 13th month persistency for the current year is calculated for the policies issued from March 2017 to February 2018. The persistency ratio for year ended March 31, 2018 has been calculated in a

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HDFC LIFE INSURANCE COMPANY LIMITED MUMBAI

HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Segment Reporting (Consolidated) for the Year ended March 31, 2019

(₹ in Lakhs)

Sr. No.	Particulars	Year ended / As at	
		March 31, 2019	March 31, 2018
		(Audited)	(Audited)
1	**Segment Income**		
A)	**Policyholders :**		
	Segment A - Participating - Individual & Group Life :		
	Net Premium	561,015	563,505
	Income from Investments[2]	182,271	194,231
	Transfer of Funds from shareholders' account	544	-
	Other Income	6,347	2,362
	Segment B - Participating - Individual & Group Pension :	-	
	Net Premium	21,888	23,117
	Income from Investments[2]	16,550	13,941
	Transfer of Funds from shareholders' account	3	352
	Other Income	189	74
	Segment C - Non Participating - Individual & Group Life :	-	
	Net Premium	638,809	425,930
	Income from Investments[2]	76,910	52,970
	Transfer of Funds from shareholders' account	20,013	13,500
	Other Income	604	325
	Segment D - Non Participating - Life Group Variable :	-	
	Net Premium	98,642	51,197
	Income from Investments[2]	16,124	10,206
	Transfer of Funds from shareholders' account	-	101
	Other Income	-	(0)
	Segment E - Non Participating - Individual & Group Pension :	-	
	Net Premium	69,946	65,678
	Income from Investments[2]	23,444	19,215
	Transfer of Funds from shareholders' account	-	-
	Other Income	31	63
	Segment F - Non Participating - Pension Group Variable :	-	
	Net Premium	99,258	67,018
	Income from Investments[2]	16,631	11,345
	Transfer of Funds from shareholders' account	1,476	457
	Other Income	-	-
	Segment G - Non Participating - Annuity :	-	
	Net Premium	259,204	106,554
	Income from Investments[2]	33,106	17,990
	Transfer of Funds from shareholders' account	-	-
	Other Income	118	70
	Segment H - Non Participating - Individual & Group Health :	-	
	Net Premium	12,469	9,150
	Income from Investments[2]	542	305
	Transfer of Funds from shareholders' account	1,580	1,255
	Other Income	33	30
	Segment I - Unit Linked - Individual Life :	-	
	Net Premium	978,698	829,478
	Income from Investments[2]	387,780	415,720
	Transfer of Funds from shareholders' account	7,278	-
	Other Income	10,160	8,172
	Segment J - Unit Linked - Individual Pension :	-	
	Net Premium	90,938	103,191
	Income from Investments[2]	96,176	89,506
	Transfer of Funds from shareholders' account	-	-
	Other Income	23	87
	Segment K - Unit Linked - Group Life :	-	
	Net Premium	53,189	81,200
	Income from Investments[2]	38,020	26,797
	Transfer of Funds from shareholders' account	-	-
	Other Income	-	(0)
	Segment L - Unit Linked - Group Pension :	-	
	Net Premium	7,678	11,079
	Income from Investments[2]	7,788	6,746
	Transfer of Funds from shareholders' account	-	-
	Other Income	-	-
B)	**Shareholders :**	-	
	Income from Investments[2]	40,454	28,453
	Other Income	2,444	1,319

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HDFC LIFE INSURANCE COMPANY LIMITED MUMBAI

HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)
Segment Reporting (Consolidated) for the Year ended March 31, 2019

(₹ in Lakhs)

Sr No.	Particulars	Year ended/As at	
		March 31, 2019 (Audited)	March 31, 2018 (Audited)
2	**Segment Surplus/ Deficit (net of transfer from shareholders' A/c) :**		
	Segment A - Participating - Individual & Group Life	20,971	11,187
	Segment B - Participating - Individual & Group Pension	7,874	7,979
	Segment C - Non Participating - Individual & Group Life	54,137	46,315
	Segment D - Non Participating - Life Group Variable	219	(101)
	Segment E - Non Participating - Individual & Group Pension	6,139	4,949
	Segment F - Non Participating - Pension Group Variable	(1,470)	(457)
	Segment G - Non Participating - Annuity	600	2,012
	Segment H - Non Participating - Individual & Group Health	4,283	1,427
	Segment I - Unit Linked - Individual Life	(7,278)	3,589
	Segment J - Unit Linked - Individual Pension	16,388	14,195
	Segment K - Unit Linked - Group Life	2,369	1,870
	Segment L - Unit Linked - Group Pension	522	831
	Total	**104,756**	**93,796**
	Shareholders	37,418	26,165
	Grant Total	**142,174**	**119,961**
3	**Segment Assets:**		
	Segment A - Participating - Individual & Group Life	2,812,121	2,490,433
	Segment B - Participating - Individual & Group Pension	259,814	233,775
	Segment C - Non Participating - Individual & Group Life	1,126,013	785,863
	Segment D - Non Participating - Life Group Variable	244,931	162,244
	Segment E - Non Participating - Individual & Group Pension	334,165	255,865
	Segment F - Non Participating - Pension Group Variable	266,948	183,605
	Segment G - Non Participating - Annuity	496,723	235,493
	Segment H - Non Participating - Individual & Group Health	5,490	4,329
	Segment I - Unit Linked - Individual Life	4,940,365	4,325,623
	Segment J - Unit Linked - Individual Pension	847,255	878,830
	Segment K - Unit Linked - Group Life	466,266	436,988
	Segment L - Unit Linked - Group Pension	94,036	92,807
	Total	**11,894,127**	**10,085,855**
	Shareholders	555,592	467,177
	Unallocated [3]	38,578	30,171
	Grant Total	**12,488,297**	**10,583,203**
4	**Segment Policy Liabilities[4] :**		
	Segment A - Participating - Individual & Group Life	2,729,353	2,448,310
	Segment B - Participating - Individual & Group Pension	241,566	222,961
	Segment C - Non Participating - Individual & Group Life	1,123,246	783,273
	Segment D - Non Participating - Life Group Variable	243,562	161,136
	Segment E - Non Participating - Individual & Group Pension	333,887	255,675
	Segment F - Non Participating - Pension Group Variable	265,681	182,479
	Segment G - Non Participating - Annuity	498,487	236,287
	Segment H - Non Participating - Individual & Group Health	5,456	4,294
	Segment I - Unit Linked - Individual Life	4,962,786	4,343,422
	Segment J - Unit Linked - Individual Pension	847,255	878,826
	Segment K - Unit Linked - Group Life	466,196	436,915
	Segment L - Unit Linked - Group Pension	94,036	92,807
	Total	**11,811,511**	**10,046,385**
	Shareholders	565,564	474,919
	Unallocated	-	-
	Grand Total	**12,377,075**	**10,521,304**

Note:

1. Segments include:
   a. Linked Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
   b. Non-Linked
      1. Non-Participating Policie: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
      2. Partipating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
   c. Variable insurance shall be further segregated into Life and Pension
2. Net of provisions for diminution in value of investment
3. Unallocated row in the segmental assets includes income tax deposited with tax authorities which is contested by the company and Advance Tax (net of provision for taxtation). As per Accounting Standard 17, tax asset cannot be allocated across reporting segments.
4. Segment policy liabilities includes fund for future appropriations







HDFC Life Insurance Company Limited
(Formerly HDFC Standard Life Insurance Company Limited)

Other disclosures :
Status of Shareholders Complaints as on March 31, 2019

Sr No.	Particulars	Number of Complaints
1	Investor complaints pending at the begining of the quarter	Nil
2	Investor complaints received during the quarter ended March 31, 2019	2
3	Investor complaints disposed of during the quarter ended March 31, 2019	2
4	Investor complaints remaining unresolved as on March 31, 2019	Nil



Notes:

1. The above results of the company for the year ended March 31, 2019 were reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on April 26, 2019.

2. These financial results have been prepared in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and IRDAI Circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for Life Insurance companies.

3. The name of the Company has been changed from "HDFC Standard Life Insurance Company Limited" to "HDFC Life Insurance Company Limited" upon receipt of fresh Certificate of Incorporation dated January 17, 2019 pursuant change of name, issued by the office of Registrar of Companies, Mumbai.

4. Ms Vibha Padalkar, Managing Director & Chief Executive Officer (MD & CEO) also continued as Chief Financial Officer (CFO) of the Company upto February 28, 2019, for interim period till the appointment of new CFO. Mr Niraj Shah was appointed as CFO with effect from March 1, 2019.

5. During the year ended March 31, 2019, the Board of Directors of the Company have approved at the Board Meeting held on March 7, 2019 an interim dividend @16.3% (Previous year ended March 31, 2018 @ 13.6%) on equity share of the face value of ₹10 i.e. @ ₹1.63 (Previous year ended March 31, 2018 @ ₹1.36) per equity share, amounting to ₹39,642 lakhs (including dividend distribution tax), (Previous year ended March 31, 2018 ₹ 32,884 lakhs).

6. Figures of the previous period have been regrouped wherever necessary, in order to make them comparable.

7. The above consolidated financial results have been audited by joint statutory auditors of the Company.

For and on behalf of the Board of Directors

Vibha Padalkar
Managing Director & CEO
(DIN: 01682810)

Mumbai
April 26, 2019

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

HDFC LIFE INSURANCE COMPANY LIMITED MUMBAI

PRESS RELEASE

BSE Code: 540777 **NSE Code: HDFCLIFE**

Performance for the year ended March 31, 2019

Superior NB premium growth of 32%
Industry leading NBM of 24.6%
Stellar Operating return on EV of 20.1%
Solid PAT growth of 15% to Rs 1,277 Cr (18% to Rs 1,305 Cr*), ROE of 24.6%
Term & Annuity APE growth of 67% and 144% respectively

**** Excluding one-time impact***

Mumbai, April 26, 2019: The Board of Directors of HDFC Life approved and adopted today the consolidated and standalone audited financial results for the period ended March 31, 2019. Below is the summary of our standalone results:

Commenting on the year's solid performance, Ms. Vibha Padalkar, MD & CEO said "We continue to record above industry level growth and maintain our leadership position on profitability. Our continued focus on diversifying our distribution mix and maintaining a balanced product mix is underpinned by the growth of our proprietary channels and our dominant presence across all product segments. We believe that our technological capability coupled with our focus on innovation puts us in a good position to maximize the tremendous potential of protection and retirals opportunities. This should help us sustain our robust performance across market cycles. In line with our stated strategy, we continue to focus on profitable growth and providing the best value proposition to our customers, partners and shareholders."

Key Financial Summary

Rs Cr	FY19	FY18	YoY
Key Financial and Actuarial Metrics			
New Business Premium (Indl + Group)	14,971	11,350	32%
Renewal Premium (Indl + Group)	14,215	12,215	15%
Total Premium	**29,186**	**23,564**	**24%**
Total APE	6,260	5,532	13%
Group Premium (New Business)	7,327	5,406	36%
Profit After Tax	1,277	1,109	15%
Profit After Tax (excluding one-time impact)	1,305	1,109	18%
Assets Under Management (AUM)	1,25,552	1,06,603	18%
Value of new business (VNB)	1,537	1,282	20%
Indian Embedded Value (IEV)	18,301	15,216	20%
Networth (1)	5,659	4,719	20%

		FY19	FY18
Key Financial Ratios			
Overall New Business Margins (post overrun)		24.6%	23.2%
Operating Return on EV	(2)	20.1%	21.5%
Operating Expenses / Total Premium		13.2%	13.5%
Return on Equity	(3)	24.6%	26.0%
Solvency Ratio		188%	192%
13M / 61M Persistency	(4)	87%/52%	87%/51%
Product (UL / Non par savings / Non par protection / Par)	(5)	55/20/7/18	57/9/5/28
Protection business share (basis APE)		16.7%	11.3%
Protection business share (basis NBP)		27.0%	25.9%
Annuity business share (basis Indl APE)		5.0%	2.2%
Annuity business share (basis NBP)		17.3%	9.4%
Indl Distribution (CA/ Agency/ Broker/ Direct)	(5)	64/13/4/19	71/11/5/14
Total Distribution (CA/ Agency/ Broker/ Direct/ Group)	(6)	26/7/2/16/49	33/7/2/10/48

Notes:

1. Networth comprises Share capital, Share premium and Accumulated profits
2. During FY18, there was a one-time operating assumption change of positive Rs 1.4 bn based on review by an external actuary as part of the IPO process. Excluding this one-time adjustment, Operating return on EV would have been 20.4% for FY18
3. Calculated using net profit and average networth for the respective period
4. Persistency ratios (based on original premium) as per methodology specified in IRDA circular no. IRDA/ACT/CIR/MISC/035/01/2014 dated January 23, 2014. Group business, where persistency is measurable, has been included in the calculations
5. Based on individual APE. UL: Unit Linked, Par: Participating & CA: Corporate Agents
6. On total new business premium, including business under group segment

Other key highlights for the year ending March 31, 2019:

- ***Private Market Share:*** We continue to be the market leaders in terms of total new business received premium with a market share of 20.7% in the private sector compared to 19.1% in the same period last year. Consistently ranked amongst the top 3 private players in individual and group segments with market share of 12.5% based on Individual WRP and 28.4% based on Group business *(on received premium)* during FY19.

- ***New Business Lives and Sum Assured:*** Total number of lives insured increased to 5.1 Cr during FY19, registering a growth of 55% over last year. Overall new business sum assured also saw an increase of 28% to Rs 6,05,820 Cr during the same period.

- ***Product Portfolio:*** Maintaining a balanced product mix remains a key focus area for us, coupled with an emphasis on the protection business. Term protection APE has increased to Rs 1,045 Cr during FY19, compared to Rs 624 Cr for FY18, recording a solid growth of 67%. Annuity APE grew by over 140% to end at Rs 261 Cr for FY19. Protection and annuity businesses comprise a substantial 27% and 17% of total new business premium respectively.

- ***Distribution Mix:*** The Company has a well diversified distribution mix. It is backed by strong presence across the country through 412 HDFC Life offices, along with wide access to the branches of 266 partners, including 39 new-ecosystem partners as on March 31, 2019. Cross-selling to group customers formed 8.4% of the individual new business policies sold during FY19.

- ***Assets Under Management:*** We are one of the leading fund managers in India with an AUM of more than Rs. 1,25,000 Cr; the debt:equity mix as on March 31, 2019 is 62:38. Over 96% of debt investments are in AAA rated and Government bonds as on March 31, 2019.

Definitions and abbreviations

- **Annualized Premium Equivalent (APE)** - The sum of annualized first year regular premiums and 10% weighted single premiums and single premium top-ups
- **Assets under Management (AUM)** - The total value of Shareholders' & Policyholders' investments managed by the insurance company. AUM includes investments disclosed in the Balance sheet under Schedule 8, 8A, 8B & loans in the nature of investments included in Schedule 9
- **Embedded Value Operating Profit (EVOP)** - Embedded Value Operating Profit ("EVOP") is a measure of the increase in the EV during any given period, excluding the impact on EV due to external factors like changes in economic variables and shareholder-related actions like capital injection or dividend pay-outs
- **First year premium** - Premiums due in the first policy year of regular premiums received during the financial year. For example, for a monthly mode policy sold in March 2019, the first monthly instalment received would be reflected as First year premiums for 2018-19 and the remaining 11 instalments due in the first policy year would be reflected as first year premiums in 2019-20, when received
- **New business received premium** - The sum of first year premium and single premium, reflecting the total premiums received from the new business written
- **Operating expense** - It includes all expenses that are incurred for the purposes of sourcing new business and expenses incurred for policy servicing (which are known as maintenance costs) including shareholders' expenses. It does not include commission.
- **Operating expense ratio** - Ratio of operating expense (including shareholders' expenses) to total premium
- **Operating return on EV** - Operating Return on EV is the ratio of EVOP (Embedded Value Operating Profit) for any given period to the EV at the beginning of that period

- **Persistency** - The proportion of business renewed from the business underwritten. The ratio is measured in terms of number of policies and premiums underwritten
- **Premium less benefits payouts** - The difference between total premium received and benefits paid (gross of reinsurance)
- **Renewal premium** - Regular recurring premiums received after the first policy year
- **Solvency ratio** - Ratio of available solvency margin to required solvency margin
- **Total premium** - Total received premiums during the year including first year, single and renewal premiums for individual and group business
- **Weighted received premium (WRP)** - The sum of first year premium received during the year and 10% of single premiums including top-up premiums

About HDFC Life

HDFC Life Insurance Company Limited (formerly HDFC Standard Life Insurance Company Limited) ('HDFC Life' / 'Company') is a joint venture between HDFC Ltd., India's leading housing finance institution and Standard Life Aberdeen, a global investment company.

Established in 2000, HDFC Life is a leading long-term life insurance solutions provider in India, offering a range of individual and group insurance solutions that meet various customer needs such as Protection, Pension, Savings, Investment, Annuity and Health. As on March 31, 2019, the Company had 38 individual and 11 group products in its portfolio, along with 8 optional rider benefits, catering to a diverse range of customer needs.

HDFC Life continues to benefit from its increased presence across the country having a wide reach with 412 branches and additional distribution touch-points through several new tie-ups and partnerships of 266 partners comprising NBFCs, MFIs, SFBs, etc and including 39 new-ecosystem partners. The Company has a strong base of financial consultants.

For more information, please visit our website, www.hdfclife.com. You may also connect with us on Facebook, Twitter, YouTube and LinkedIn.

Disclaimer

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'would', 'indicating', 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion in business, the impact of any acquisitions, technological implementation and changes, the actual growth in demand for insurance products and services, investment income, cash flow projections, our exposure to market risks, policies and actions of regulatory authorities; impact of competition; experience with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the impact of changes in capital , solvency or accounting standards , tax and other legislations and regulations in the jurisdictions as well as other risks detailed in the reports filed by HDFC Limited, our holding company, with the United States Securities and Exchange Commission. HDFC Life undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

None of Company or any of its directors, officers, employees, agents or advisers, or any of their respective affiliates, advisers or representatives, undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise and none of them shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this press release or its contents or otherwise arising in connection. Further, nothing in this press release should be construed as constituting legal, business, tax or financial advice or a recommendation regarding the securities. Although Company believes that such forward-looking statements are based on reasonable assumptions, it can give no assurance that such expectations will be met. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of Company's management on future events. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside Company's control. Past performance is not a reliable indication of future performance.

Before acting on any information you should consider the appropriateness of the information having regard to these matters, and in particular, you should seek independent financial advice.

HDFC Life Insurance

Investor presentation – FY19



HDFC Life

Agenda

A Performance Snapshot

Our Strategy

Annexures

India Life Insurance

Executive summary: FY19

Scale

New business premium:
Rs 149.7 Bn
Growth: 32%

NB Sum Assured:
Rs 6.1 Tn
Growth: 28%

AUM:
Rs 1,256 Bn
Growth: 18%

Number of lives (Mn):
CY: 51.4
PY: 33.2

Protection Share[1]

Term:
27%
Annuity:
17%

Efficiency

13th month Persistency:
CY: 87%
PY: 87%

Profitability

PAT: Rs 12.8 Bn
Growth: 15%

NBM:
CY: 24.6%
PY: 23.2%

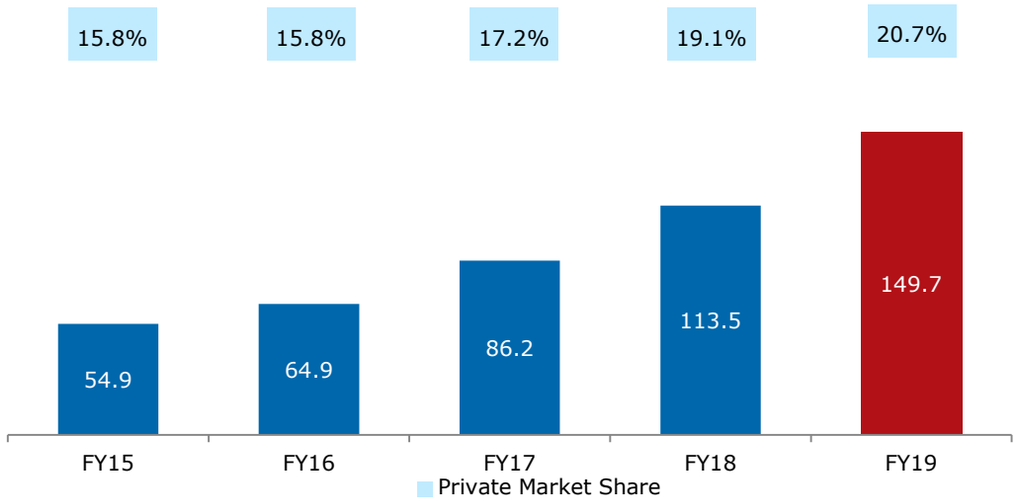
IEV: Rs 183.0 Bn
EVOP%: 20.1%

Note: 1. As a % Overall NBP
The numbers throughout the presentation are based on standalone financial results of the Company

Consistent performance across key metrics (1/2)

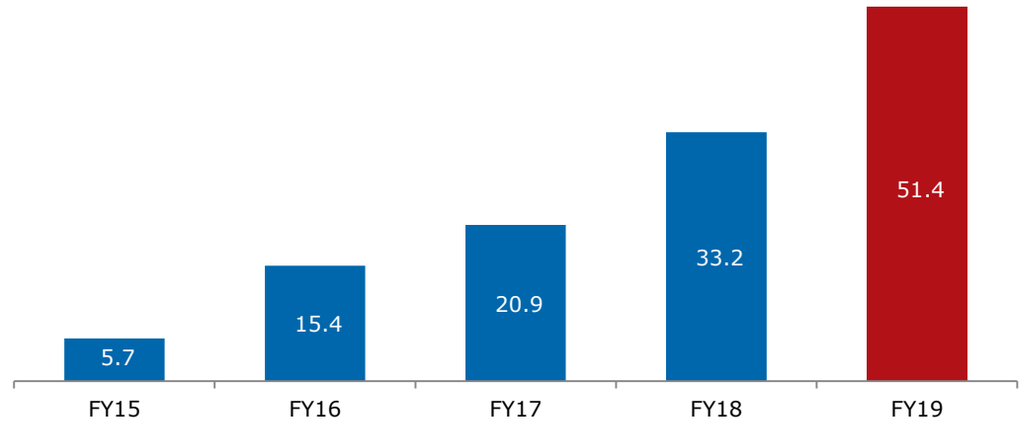
Leadership in new business premium (Rs Bn)

CAGR: 28%

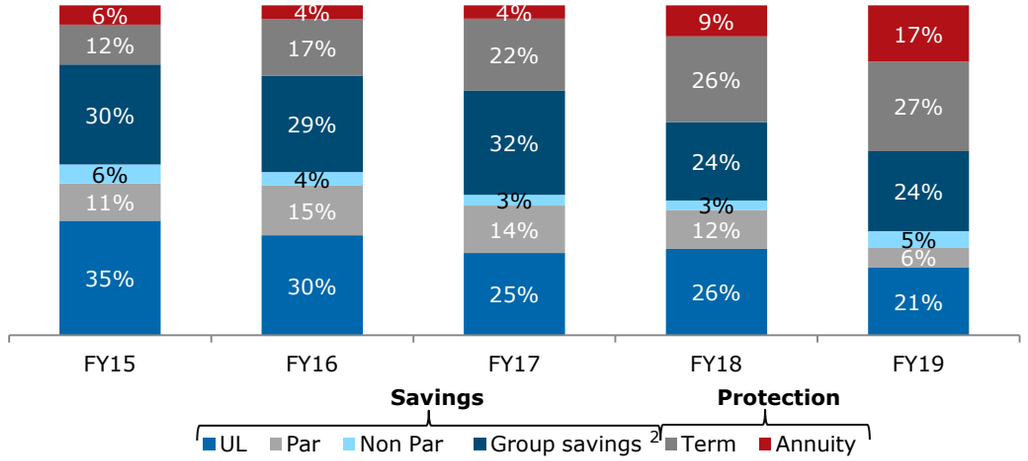


Number of lives (Mn)

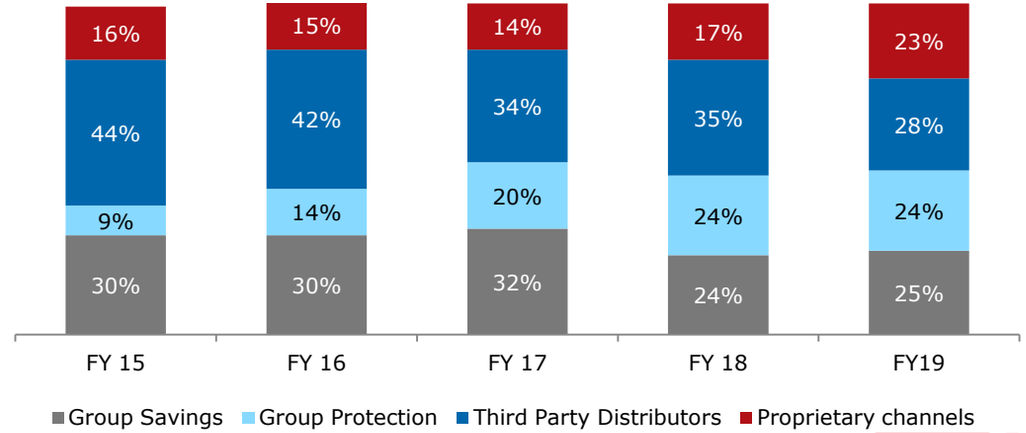
CAGR: 73%



Maintaining balanced Product Mix across cycles[1]



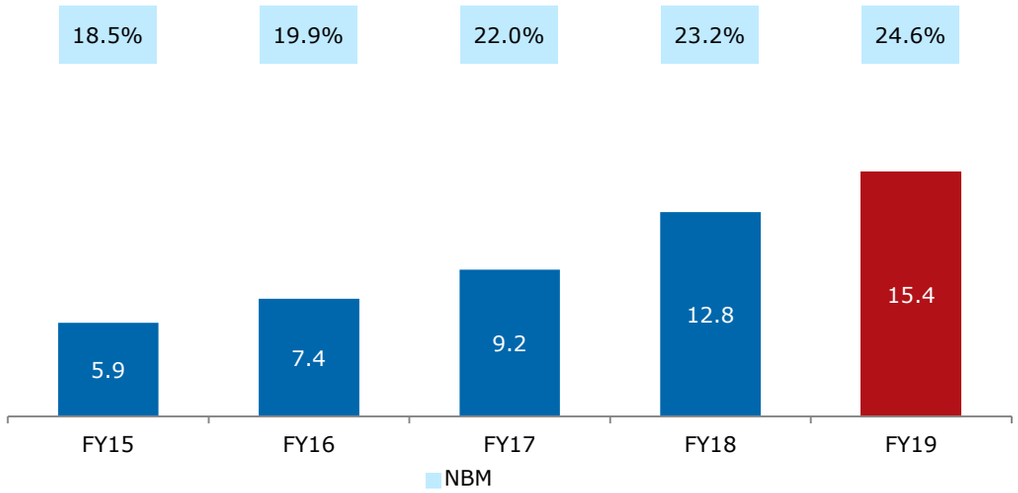
Focus on scaling proprietary channels[1]



Notes: 1. As a % Overall NBP
2. Around 40% of group savings comprises management of superannuation funds

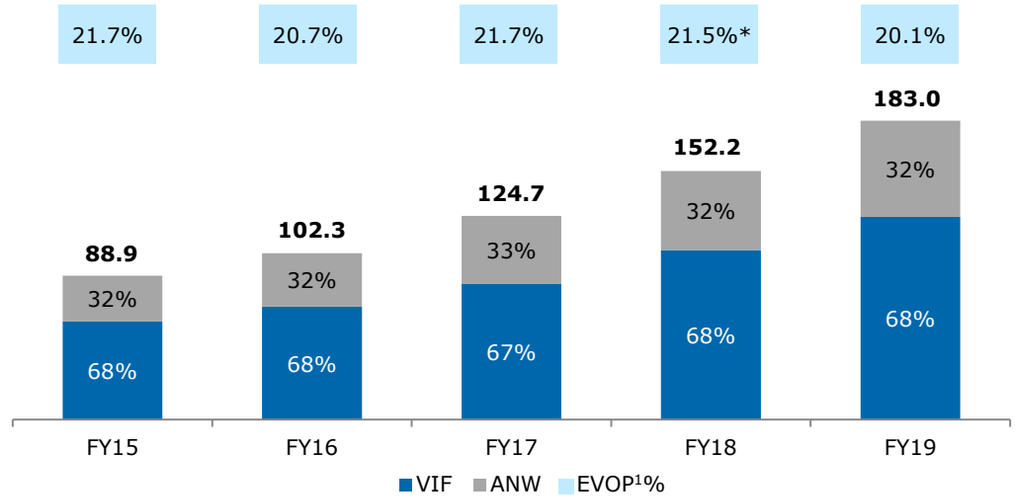
Consistent performance across key metrics (2/2)

Strong growth in VNB, Industry leading VNB margins CAGR: 27%

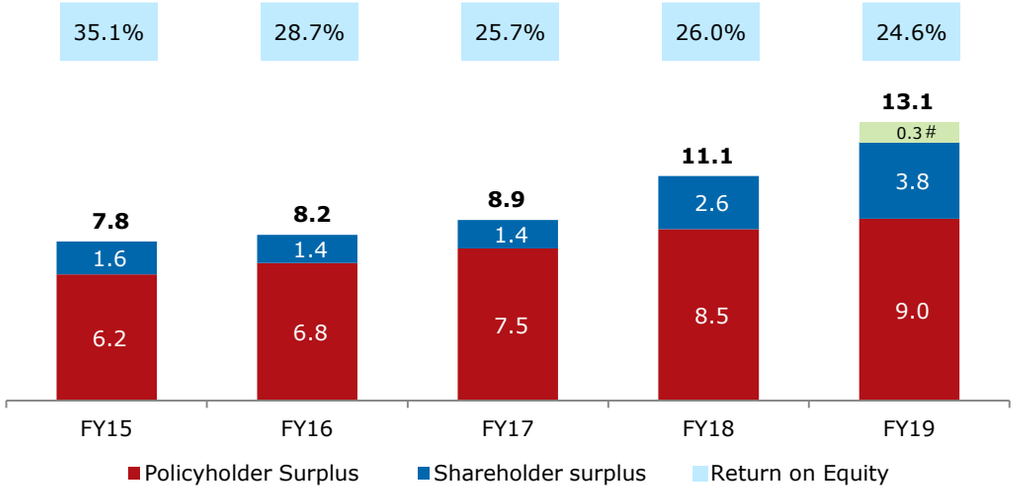


Healthy growth in Embedded Value CAGR: 20%

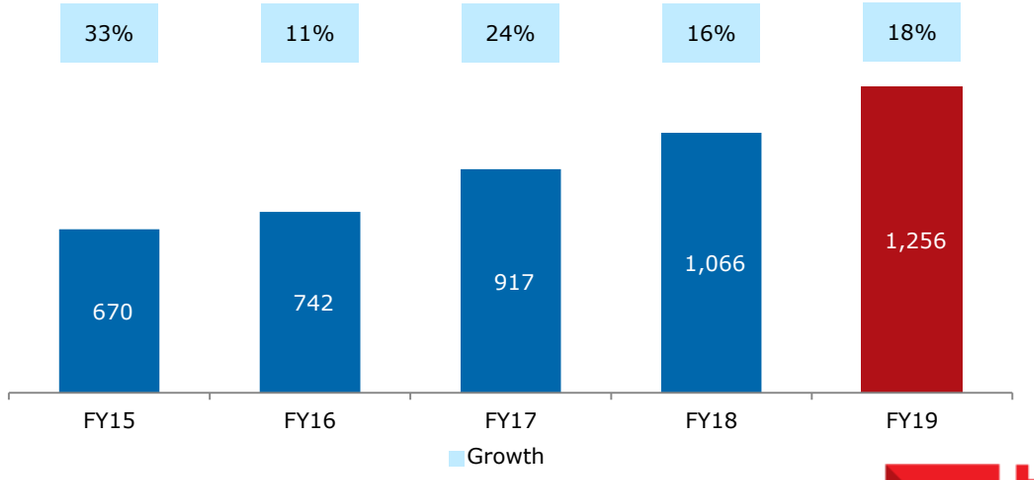
Rs bn



Consistent profitable growth (PAT) CAGR: 14%



Consistent growth in AUM CAGR: 17%



*Notes: * During FY18, there was a one time operating assumption change of positive Rs 1.4 bn based on review by an external actuary as part of the IPO process. Excluding this one time adjustment, Operating return on EV would have been 20.4% for FY18*
 # One-time impact of realised loss of Rs 0.3 bn on sale of NCDs. PAT post inclusion of this loss is Rs 12.8 bn implying a 5 year CAGR of 13%

Agenda

Performance Snapshot

B Our Strategy

Annexures

India Life Insurance

Key elements of our strategy

Innovation led, calibrated risk management - The first choice for all

1. **Focus on profitable growth**
   Capturing sustainable, profitable growth with effective risk management practices

2. **Balanced distribution mix**
   Developing multiple channels of growth to drive need-based distribution

3. **Market-leading innovation**
   Identifying latent customer needs to create new product / profit pools

4. **Reimagining insurance**
   Market-leading digital capabilities that put the customer first, shaping the insurance operating model of tomorrow

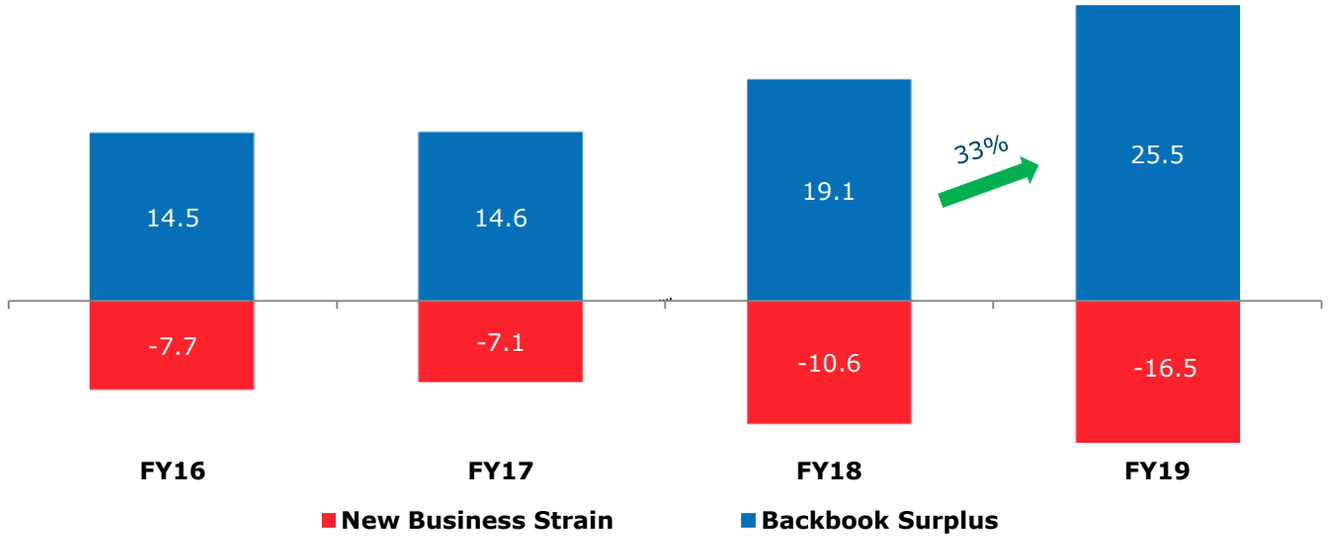
5. **Quality of Board and management**
   Seasoned leadership guided by an independent and competent Board; No secondees from group companies

Focus on profitable growth

Rs bn

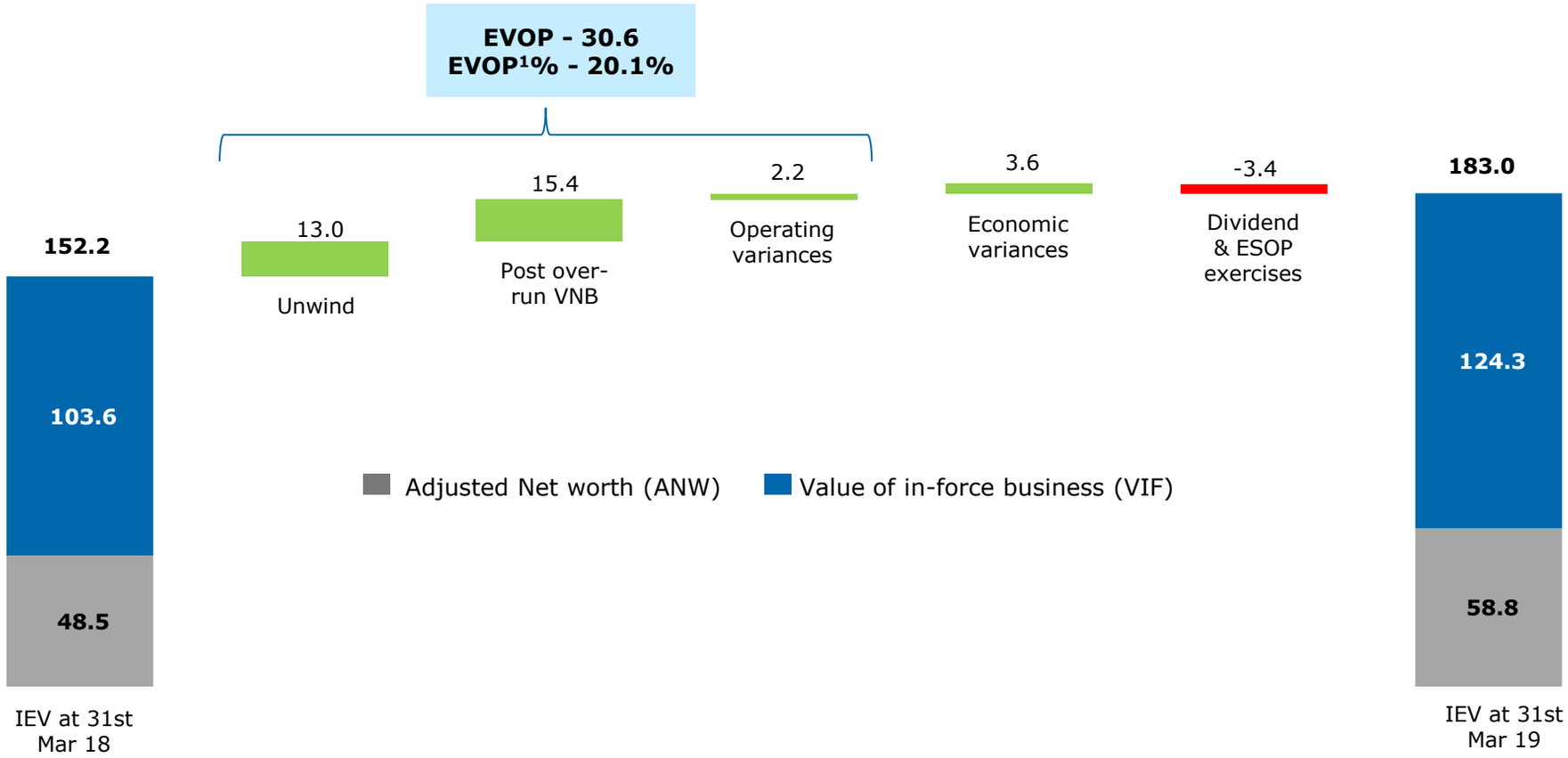
	FY16	FY17	FY18	FY19
New business margins	**19.9%**	**22.0%**	**23.2%**	**24.6%**
Value of new business	7.4	9.2	12.8	15.4
Profit after tax (PAT)	**8.2**	**8.9**	**11.1**	**12.8**
Underwriting profits	6.8	7.5	8.5	9.0
Shareholder's surplus	1.4	1.4	2.6	3.8

Underwriting profits breakup



Analysis of change in IEV

Rs bn

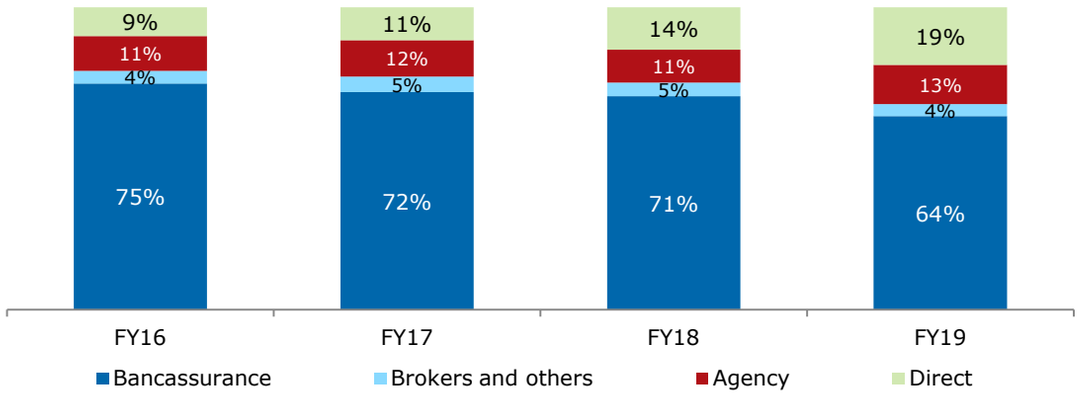


- Consistently delivered healthy operating returns on EV
- Positive operating variances in the last 10 years
- Witnessed positive experience across persistency, mortality and expenses during the year

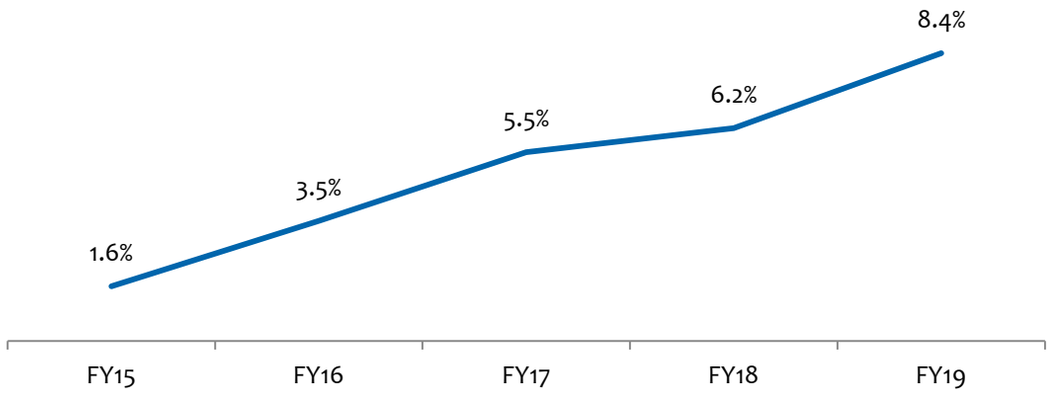
Note: 1. Operating Return on Embedded Value calculated as annualised EVOP (Embedded Value Operating Profit) to Opening EV

Balanced distribution mix

Increasing share of proprietary channels[1]



Optimizing cross-sell opportunities[2]



Strong diversified network of 220+ partners

54 Banks

HDFC BANK – We understand your world; Saraswat Bank; IDFC FIRST Bank; Bandhan Bank; United Bank of India; RBL BANK

141 NBFCs
24 MFIs

BAJAJ FINANCE LIMITED; pnb Housing Finance Limited; HDFC SALES; Indiabulls HOUSING FINANCE; TATA Motorfinance driven by trust; Chola; HDFC securities; Fullerton India

8 SFBs

equitas Small Finance Bank; ujjivan; SURYODAY A BANK OF SMILES; Capital Small Finance Bank

Developing alternative channels of distribution: 30+ new emerging eco-systems partnerships



HEALTHSPRING FAMILY HEALTH EXPERTS; OLA; FLEXILOANS; FITPASS; Uber; Paytm; Justdial

Notes:
1. *Basis Individual APE*
2. *Calculated as Number of policies cross sold to existing group customers / Total number of individual new business policies*

HDFC Life

Balanced distribution mix – Agency

1 Agency Life

Aims to improve engagement, skill and rigour in sales management

93%
Business covered

30%
Increase in qualifying FC productivity

2 Segmented recruitment approach

Housewives | Retired / VRS | Financial Distributor

Recruit better productive profiles

Enhance FC productivity and activation

88%
increase in housewives recruitment

Profitability, Long term growth and Quality

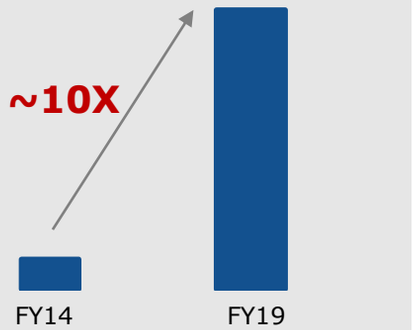
- **25% growth in APE**
- **74% growth in New Business Contribution**
- **23% increase in FLS productivity**
- **13th month persistency of 90%**
- **Protection led profitable product mix**

Note: FC represents financial consultant (Agents) & FLS for Front line sales personnel

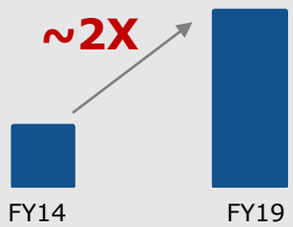
Balanced distribution mix – E-commerce

10X growth in 5 years with an increasing contribution to the company's profitable term portfolio

APE



Contribution to Term NOP @ HDFC Life



Longer policy terms and younger lives covered

Healthy mix of proprietary platforms and web-aggregators

Savings & investment

Youngstar

Woman's

Retirement & pension

Protection

Health

"DIY" Customers

"Innovative"Click2 Series

- **First mover advantage; launched Click 2 Wealth,** improved proposition and extended to child and retirement segments

Brand Salience

- **Top Private brand#** in spontaneous awareness for consumers

Customer Value Management

- Cross-sell and up-sell digitally at **different life stages** of the customer

User Experience

- Investments in tech (AMP, PWA etc.) to drive **personalization & re-targeting campaigns** via analytics to improve user experience

#As on March 19
AMP - Accelerated Mobile Pages, PWA - Progressive Web Application

Focus on developing proprietary channels – Direct

Growth focus

Expansion

Targeting new geographies and customer segments

40%
CAGR between FY17-19

Profitability

Increase focus on Non-Par products

42%
Non-par products share in FY19

Productivity

Mobility tools for effective lead allocation and management tool

24%
CAGR in FLS productivity between FY17-19

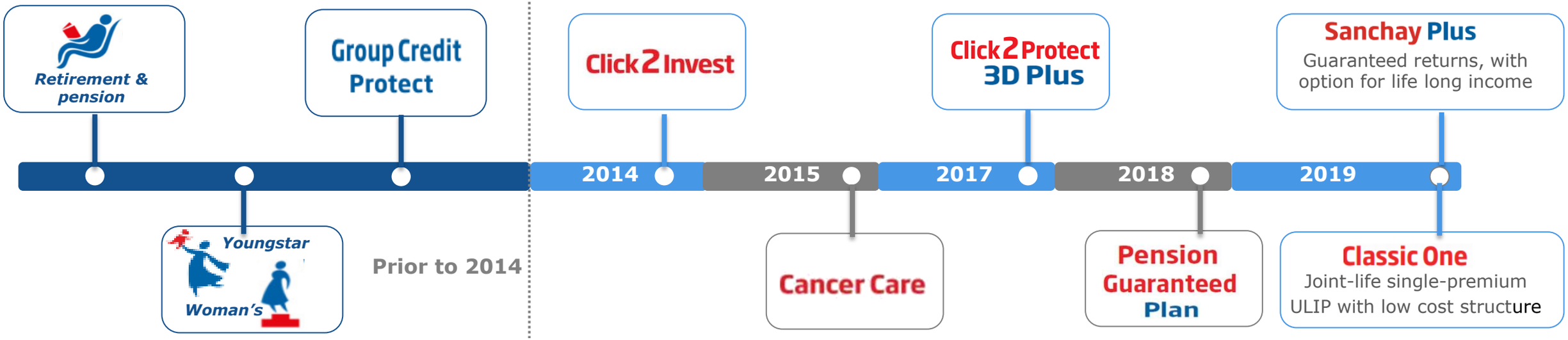
Areas of focus for future growth of the channel

- Rapidly expand and strengthen presence in **Defence and Para-military** segments
- Enhance the capability to complete end to end **cross sell journey on call**
- Scale up cross sell on retail and group customer base using **hyper personalized incentives**
- **Customer 360** – tool that helps to improve customer experience
- **Specialty sales unit** to cater to a new segment (income bracket <5 lakhs p.a.) of existing Credit Protect customers

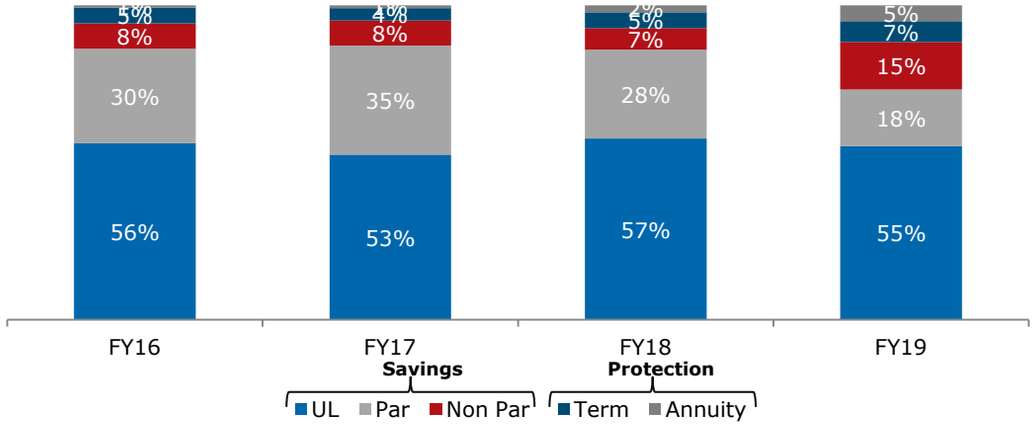
Expanding market through consistent product innovation

Differentiated offerings targeting specific niches

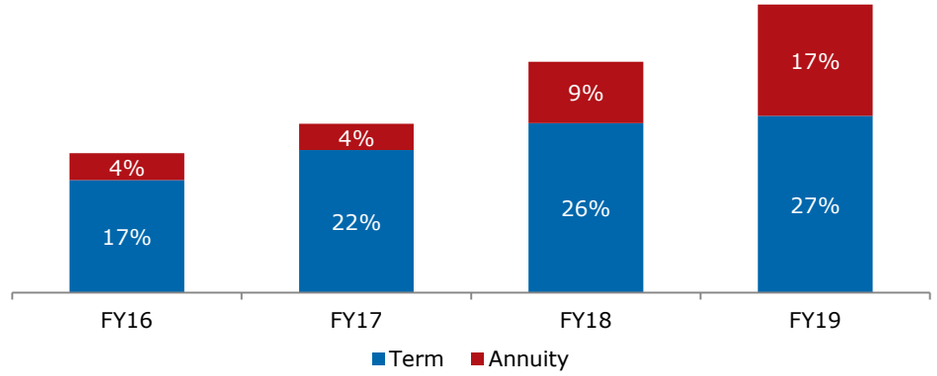
Products that created new segments



Maintaining Balanced product mix across business cycles[1]



Increasing share of protection[2]



Profitable growth · Balanced distribution mix · **Market leading innovation** · Reimagining insurance · Quality of Board and management

Notes:
1. *As a % of individual APE*
2. *Based on NBP*

Product mix across key channels[1]

Banca[2]

Segment	FY16	FY17	FY18	FY19
UL	66%	61%	64%	67%
Par	24%	30%	26%	14%
Non par savings	9%	8%	8%	15%
Term	2%	1%	1%	2%
Annuity	0%	0%	1%	2%

Agency

Segment	FY16	FY17	FY18	FY19
UL	25%	26%	33%	26%
Par	56%	57%	48%	40%
Non par savings	4%	6%	5%	17%
Term	13%	11%	11%	12%
Annuity	2%	2%	3%	5%

Direct

UL	47%	47%	58%	50%
Par	35%	29%	17%	8%
Non par savings	6%	11%	9%	12%
Term	6%	6%	5%	6%
Annuity	6%	7%	11%	24%

Online

UL	41%	51%	47%	43%
Par	1%	3%	1%	1%
Non par savings	0%	1%	0%	15%
Term	59%	45%	52%	34%
Annuity	0%	0%	0%	6%

Company

Segment	FY16	FY17	FY18	FY19
UL	56%	53%	57%	55%
Par	30%	35%	28%	18%
Non par savings	8%	8%	7%	15%
Term	5%	4%	5%	7%
Annuity	1%	1%	2%	5%

Protection

Total APE	FY16	FY17	FY18	FY19
Term	7%	8%	11%	17%
Annuity	1%	1%	2%	4%
Total	**8%**	**9%**	**13%**	**21%**

Total NBP	FY16	FY17	FY18	FY19
Term	17%	22%	26%	27%
Annuity	4%	4%	9%	17%
Total	**21%**	**26%**	**35%**	**44%**

Notes:

1. *Basis Individual APE, Term includes health business*
2. *Includes banks and other corporate agents*

Reimagining Insurance



A. Platforms & Ecosystems



B. Partner Integration



C. Journey Simplification



D. Service Simplification



E. Data Enrichment & Analytics

Five building blocks of our technical capabilities

Insurance beyond digital: Allow multiple participants to connect, create & exchange value

Life99 Retire with pride

- One stop shop for retirement planning

Product and services being built on API for ease of partner integration

- Easy to integrate with partners on web, chat and app
- Smaller proposal form and assisted journey
- Hassle free updates in the app

Customer sales journey simplified through mobility applications for sales force

InstaQuote!

- Immediate Quote generation which can be shared over WhatsApp & Email

DEDUPE

- Assists partners and HDFC Life in auto form filling, policy renewal and real time issuance

Simplified solutions for customers across the value chain

- **Online payments & services:** ~80% of renewal via online / debit mode



Chat bot ELLE



Twitter bot NEO

- ~90% of chats are self-serve via chat-bot
- **Robotic Process Automation:** ~150 bots deployed
- **InstaServ:** Service app for employees; processed 50k+ requests successfully in less than 6 months

Continuous improvement in raw data by gaining deeper insight into our customers' lives

- **Enterprise-wide Lead Lake:** For effective lead storage & enrichment
- **Data Lake:** First generation repository for entire enterprise data management
- **Customer 360:** Brings all customer data – interactions, transactions & relationship in one place, in real time
- **Pre-claim analytics:** Fraud avoidance through analytics

Quality of Board and Management

Independent and illustrious Board

Active, well-informed and independent Board oversees how the management serves and protects the interests of all stakeholders

Encouragement from Board to calibrate business strategies to harness new pools of profitability

Experienced senior management

Seasoned senior management team with rich experience in financial services

Track record of delivering consistent results across business cycles

Key Governance forums

More than 25 governance forums run within the company

- Risk management
- Disciplinary Panel for Malpractices
- POSH
- Whistle-blower Committee
- Compliance Council
- Policyholder protection
- Claims Review
- Information and Cyber Security Council
- Product Council

Financial risk management framework

- Protection and longevity businesses
- Unit linked and non par savings products
- Quantum of retail guaranteed products <8% of AUM

- Prudent assumptions and pricing approach
- Return of premium annuity products (>90% of annuity); Average age at entry ~59 years
- Limited deferment period in deferred annuity (<5 yrs)
- Focus on selling shorter tenure premium paying policies (5 pay) in non-par
- Regular monitoring of interest rates and business mix



- Long term government securities and partly paid bonds issued by top tier corporates
- Utilise excess asset duration from short duration liability products to support long duration liabilities

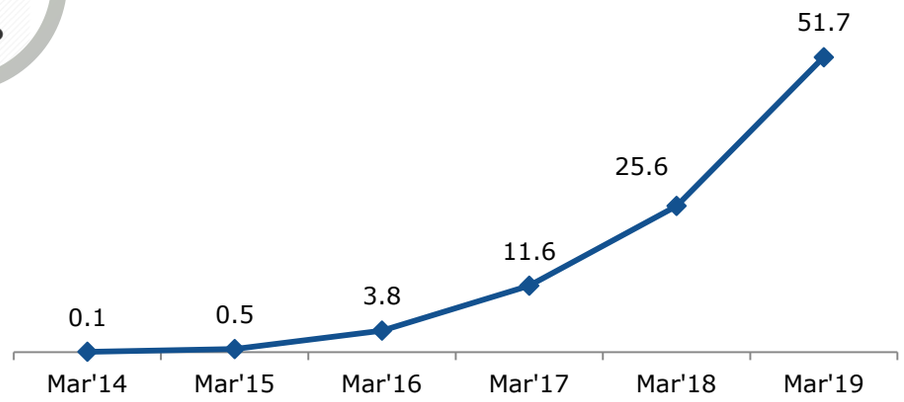
- External hedging instruments such as FRAs, IRFs, STRIPs amongst others

Conservative risk management has resulted in low VNB and EV sensitivity

Performance of wholly-owned subsidiary[1] companies

HDFC Pension

Rs bn



- Fastest growing Pension Fund Manager under the NPS architecture (YoY growth of 102% in AUM to Rs 51.7 bn as on Mar 31, 2019)
- Market share grew from 21.4% in Mar'18 to 26.7% in Mar'19 amongst all private Pension Fund Managers (PFM)
- Company ranks #1 in Corporate subscribers base, #2 amongst all PFMs in Net Fund Flow, Retail subscriber base and AUM
- Received licence to operate as POP (Point of Presence)

HDFC International Life and Re



- Registered growth of more than 100% in revenue and clocked Rs 4.3 mn
- Registered net profit for the first time in FY19
- Currently offers reinsurance capacity in UAE, Oman, Bahrain, Jordan & Egypt
- S&P Global Ratings has assigned its 'BBB' long-term insurer financial strength rating to the company

Note: 1. Investment in subsidiaries not considered in solvency margin

Agenda

Performance Snapshot

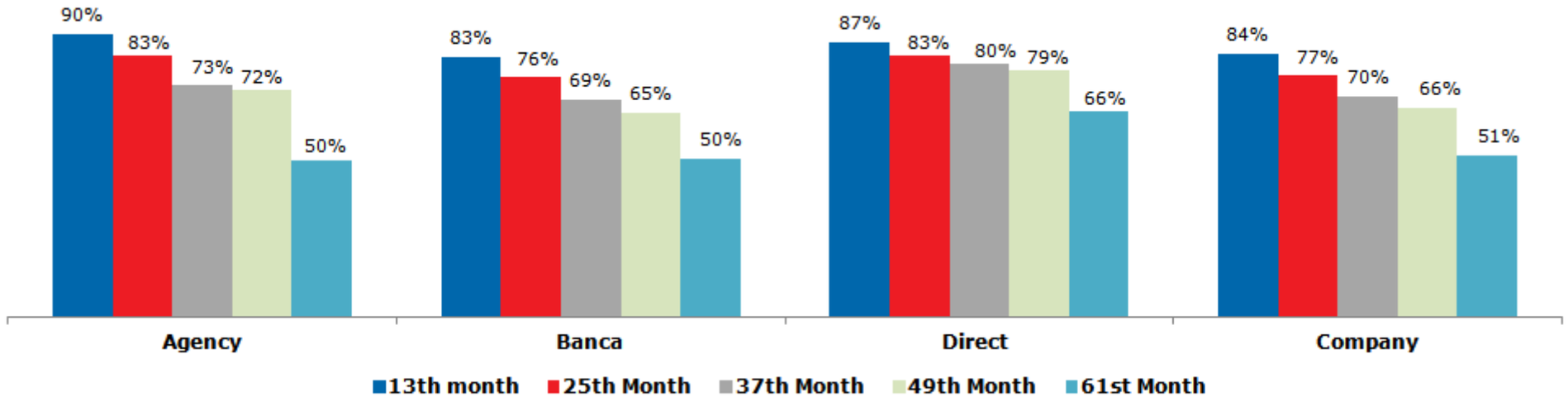
Our Strategy

C Annexures

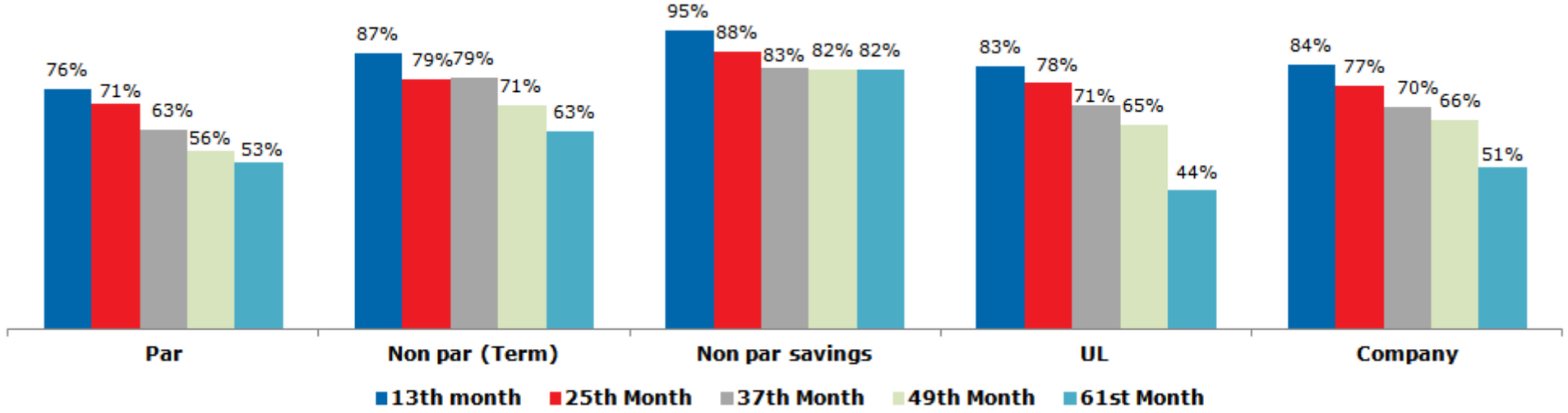
India Life Insurance

Individual persistency for key channels and segments

Across key channels



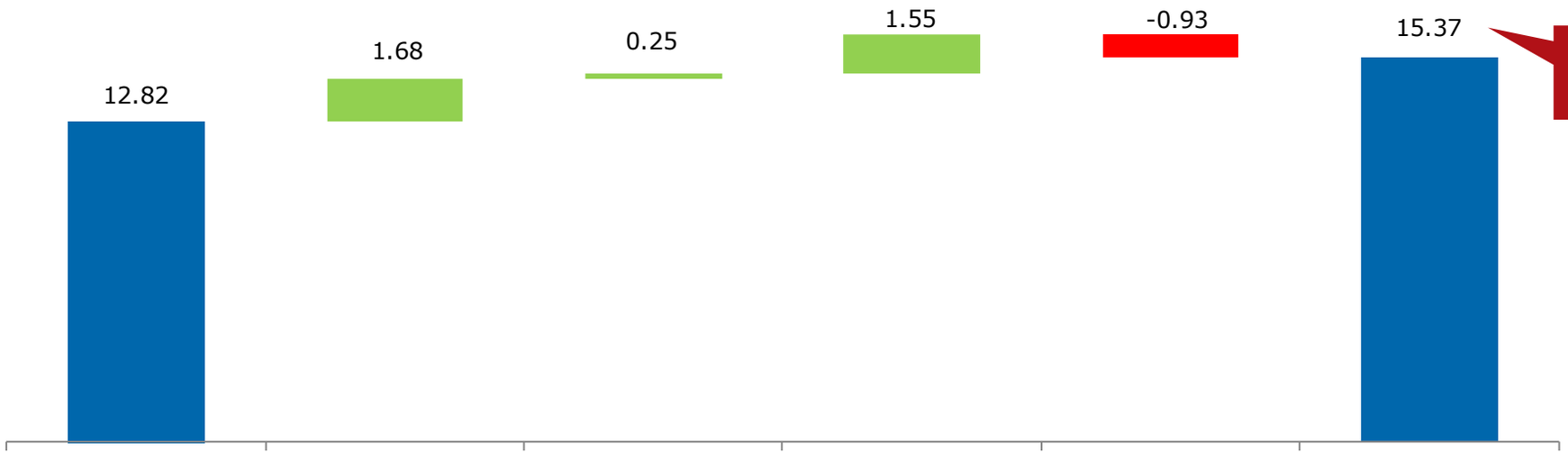
Across key segments



Note: 1. Calculated as per IRDAI circular (based on original premium) for period ended Mar 31, 2019 for individual business

Value of new business (VNB) and NBM walkthrough

Rs bn



NBM	**23.2%**	**-**	**0.4%**	**2.5%**	**-1.5%**	**24.6%**

- Change in assumptions mainly due to impact of change in persistency and mortality assumptions

Note: 1. Reflects the impact of difference in mix of segment/distribution channel/tenure/age/sum assured multiple etc

Sensitivity analysis: FY19

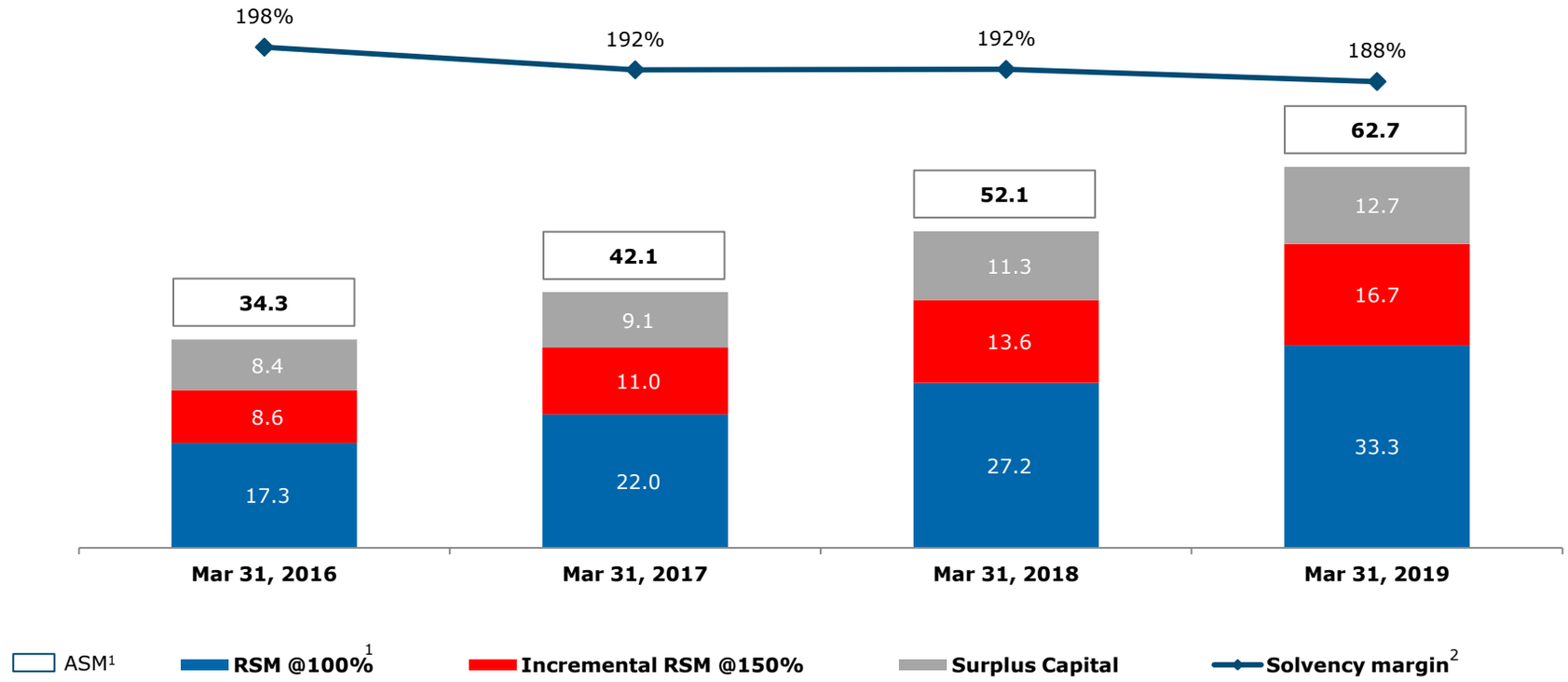
Analysis based on key metrics	Scenario	% Change in VNB[1]	Change in VNB Margin[1]	% Change in EV
Change in				
Reference rate	Increase by 1%	-0.4%	-0.1%	-1.7%
	Decrease by 1%	0.2%	0.1%	1.6%
Equity market movement	Decrease by 10%	-1.4%	-0.3%	-1.7%
Persistency (Lapse rates)	Increase by 10%	-2.9%	-0.7%	-1.4%
	Decrease by 10%	3.0%	0.7%	1.5%
Maintenance expenses	Increase by 10%	-2.1%	-0.5%	-0.7%
	Decrease by 10%	2.1%	0.5%	0.7%
Acquisition Expenses	Increase by 10%	-18.1%	-4.4%	NA
	Decrease by 10%	18.1%	4.4%	NA
Mortality / Morbidity	Increase by 5%	-5.2%	-1.3%	-0.9%
	Decrease by 5%	5.1%	1.3%	0.9%
Tax rate[2]	Increased to 25%	-13.8%	-3.4%	-6.6%

Notes:
1. *Post overrun total VNB for Individual and Group business*
2. *The tax rate is assumed to increase from 14.56% to 25% and hence all the currently taxed profits in policyholder/shareholder segments are taxed at a higher rate. It does not allow for the benefit of policyholder surplus being tax-exempt as was envisaged in the DTC Bill.*

Stable capital position

Rs bn

Dividend paid	2.2	2.6	3.3	4.0
New business growth	18%	33%	32%	32%

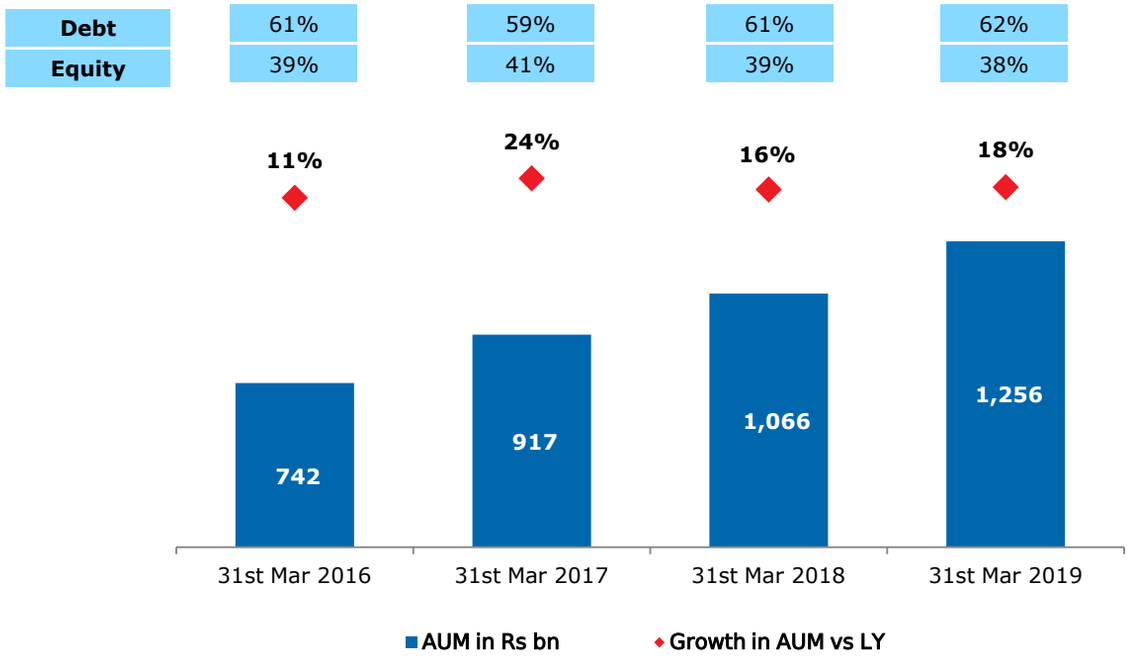


- Internal accruals have supported new business growth with no capital infused in last seven years *(except through issuance of ESOPs)*
- Without the capital infusion in Dubai subsidiary the solvency ratio would have been 192%.
- Track record of healthy dividend payouts

Notes:
1. *ASM represents Available solvency margin and RSM represents Required solvency margin*
2. *Investment in subsidiaries not considered in solvency margin*

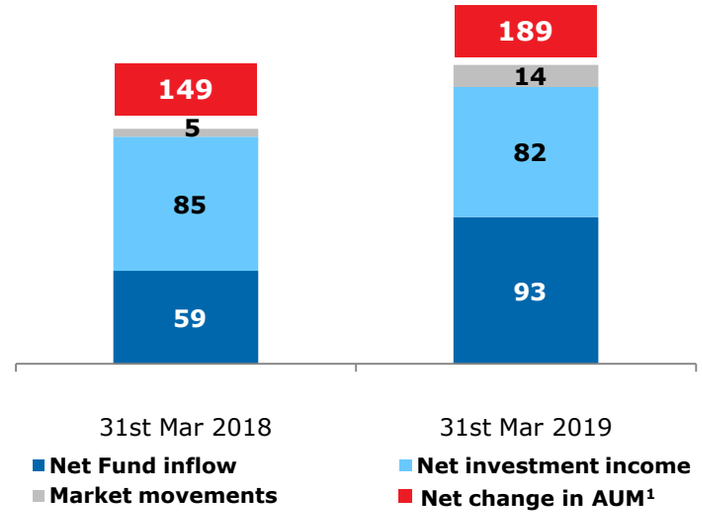
Assets under management

Assets Under Management



Change in AUM[1]

Rs bn

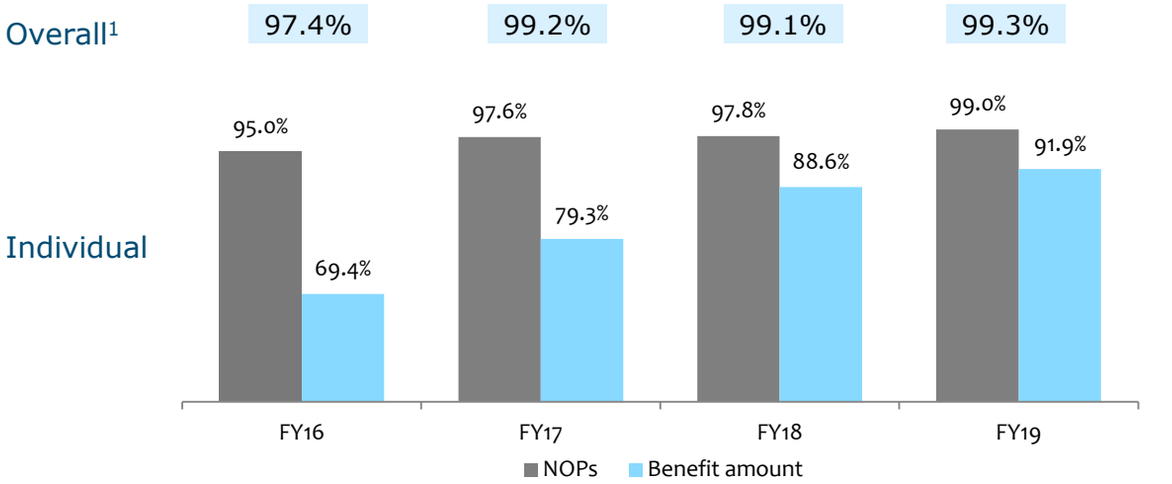


- Continue to rank amongst top 3 private players, in terms of assets under management[2]
- Almost 96% of debt investments in AAA rated and Government bonds as on Mar 31, 2019

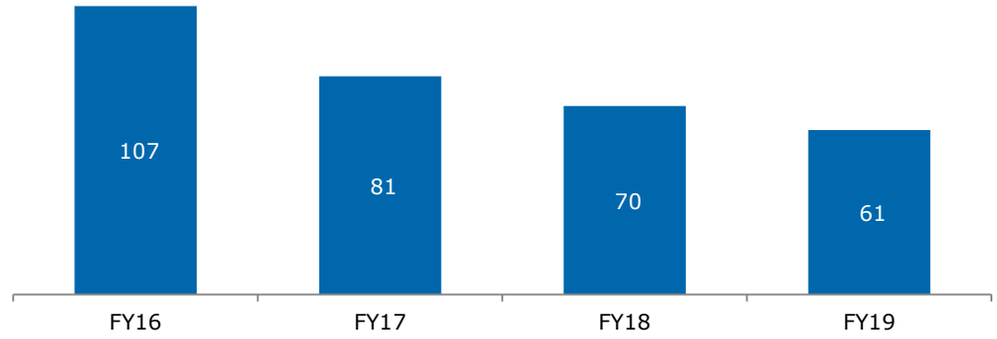
Notes:
1. *Calculated as difference from April to March*
2. *Based on Asset under Management as on Dec 31, 2018*

Delivering superior customer service

Claim settlement ratios



Customer complaints (per 10,000 policies sold)



- Company's philosophy has always been of settling all bonafide claims – claim settlement ratios greater than 99%
- Reduction in claims repudiation ratio attributed to analytics based checks at initial stage, ageing of in-force and reducing impact of adverse selection
- Protection policies are historically more prone to fraud. Higher quantum of term protection written by the company is reflected in the disparity between the claim settlement ratios as measured by NOP's and benefit amount
- Settlement ratio for non-early claims was 99.6% as against 98.3% for early claims
- Customer complaints has seen a consistent decline over a period of time – Company has suspended several distribution partners with poor persistency and higher complaints

Note: 1. Overall claim settlement ratio includes individual and group claims

Swabhimaan- CSR Initiatives by HDFC Life

- **CSR framework** covers; Education, Health, Livelihood, Environmental Sustainability and Senior Citizens as areas of focus across India
  - Over **2.8 lakh beneficiaries** have been impacted through **22 projects** till date
  - CSR Projects are carried out by our able **Swabhimaan-CSR Team** in partnership with professional implementing agencies
- **Awards & Accolades**
  - HDFC Life has been identified as **one of the 50 companies** on Inclusive Business List by Shared Value Initiative India in 2018
  - HDFC Life received an **Appreciation plaque** for HBWN–Bandhan Konnagar project by FICCI in 2019

In line with our **Integrity** and **People Engagement** values, HDFC Life has been engaged in **CSR** since **2011** much before the **2013** regulation

11 projects
194,992 lives impacted

6 projects
76,378 lives impacted

2 projects
300 lives impacted

1 project
4,239 trees planted

2 projects
3,670 lives impacted



Employee Participation

68 activities YTD
110 champions YTD
9,000+ employee participation

Some activities include blood donation, flea market, sapling plantation, collection drives, awareness on bone marrow donation, food saving pledge campaign etc

Awards and accolades – FY19

Excellence in Financial Reporting for Annual Report FY 2016-17 by ICAI

Recognised as the leading private life insurer by Dun & Bradstreet

Recognised as the best 50 People Capital Index companies

Named as one of the top 20 places to work for by Great Place to Work

Declared as Superbrand for the seventh consecutive year

Won gold for content marketing on LinkedIn at the IAMAI Digital Awards

Appreciation plaque by FICCI for CSR efforts

World Marketing Congress Award for best native advertising

Best Brand advocacy award at 12th edition of Customer Loyalty Fest 2019

'Most promising Debut in the Big League' award at Moneycontrol Wealth Creater Awards 2018



Business Today Award for best term plan (C2P 3D plus)

Gold award for Best Social Strategy for The Memory Project

Agenda

Performance Snapshot

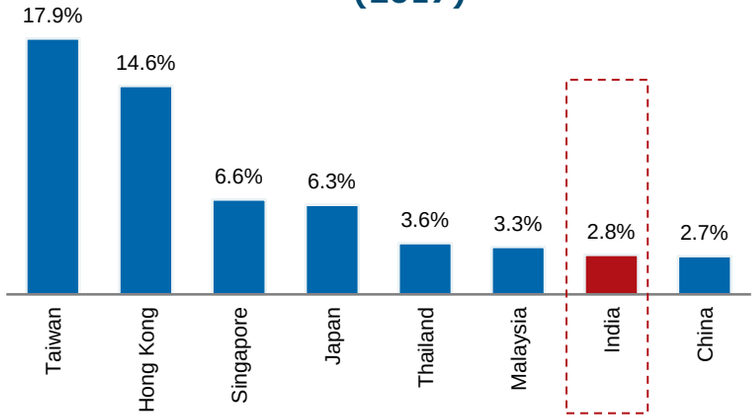
Our Strategy

Annexures

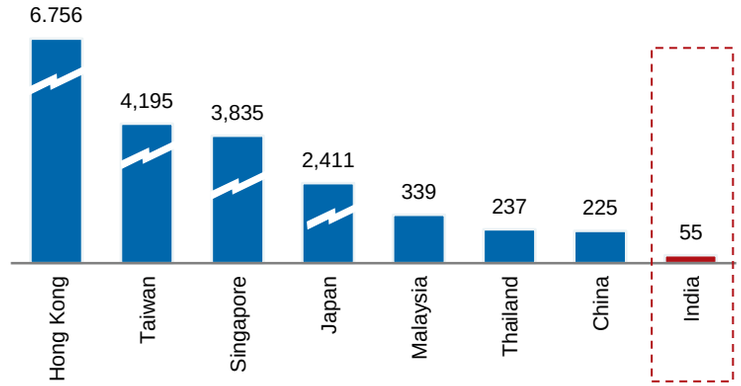
D India Life Insurance

Growth opportunity: Under-penetration vs global benchmarks

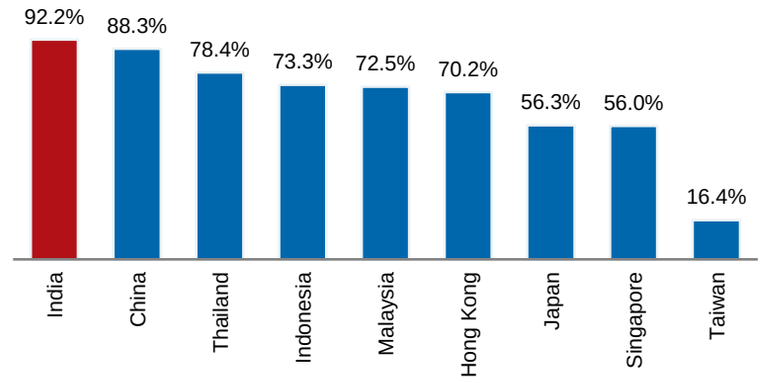
Life insurance penetration (2017)



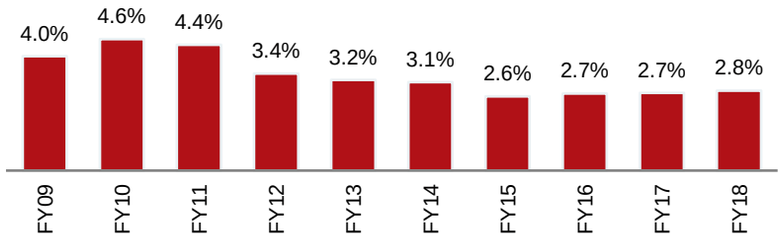
Life insurance density US$ (2017)



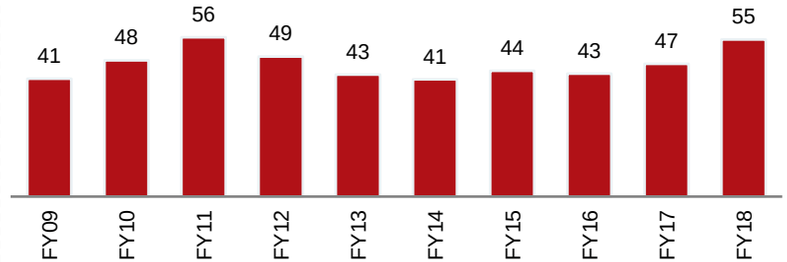
Protection gap (2014)



India life insurance penetration (FY09-18)



India life insurance density US$ (FY09-18)

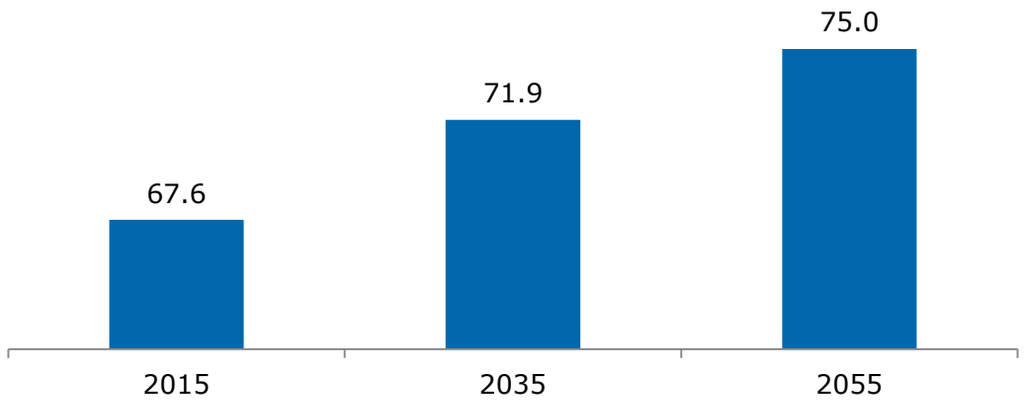


- India has the highest protection gap in the region, as growth in savings and life insurance coverage has lagged behind economic and wage growth
- Protection gap has increased over 4x in last 15 years with significantly low insurance penetration and density

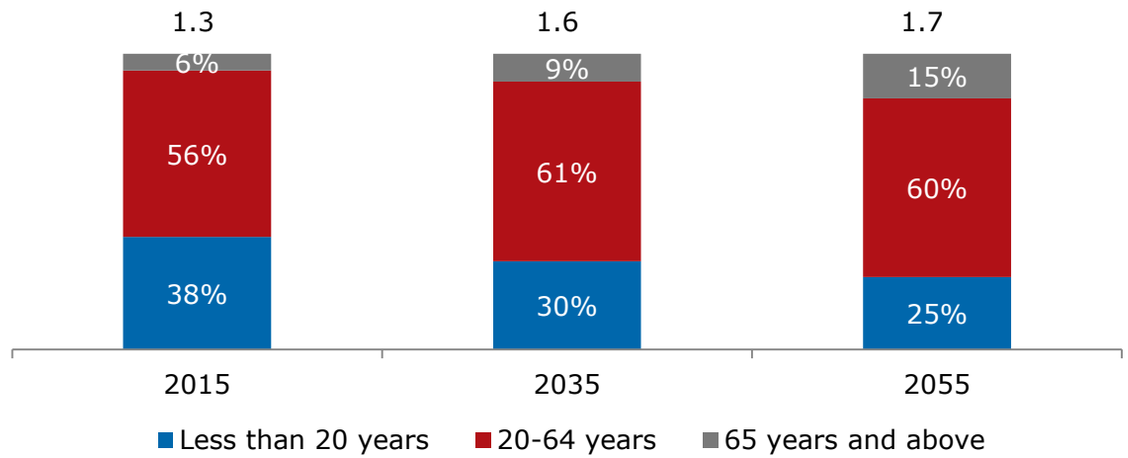
Note: Penetration as measured by premiums as % of GDP, Density defined as the ratio of premium underwritten in a given year to the total population
Source: Swiss Re (Based on respective financial year of the countries), MOSPI

Growth opportunity: Favourable demographics

Life expectancy (Years)[1]



Population composition (bn)[1]



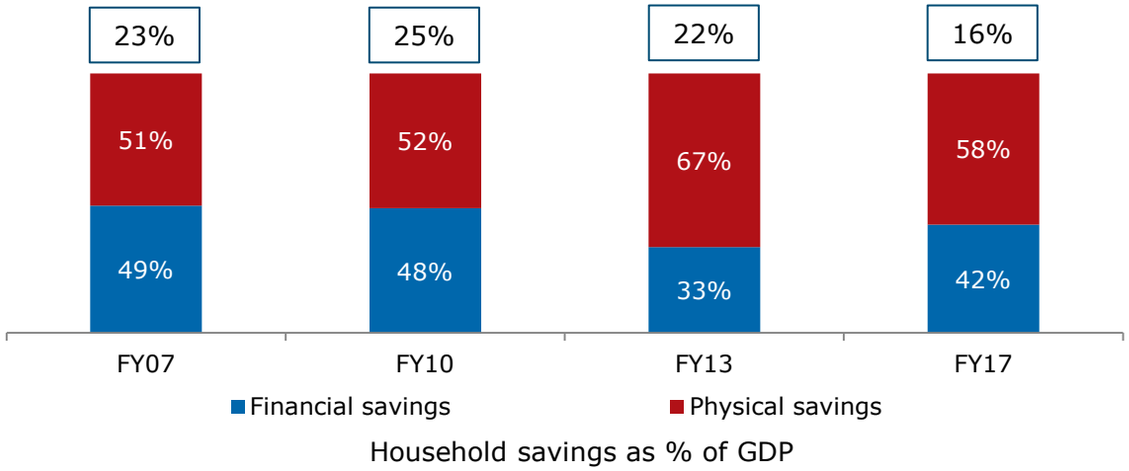
- India's insurable population is anticipated to touch 750 million by 2020
- India is currently one of the world's youngest nation, offering great opportunity for long term savings and investment plans
- Demand for retirement policies to rise with increasing life expectancy, declining birth-rates and proportion of India's elderly population expected to increase by almost 100% by 2035 (as compared to 2015)
- Emergence of nuclear families and increasing life expectancy to facilitate need for pension and protection based products

Source:

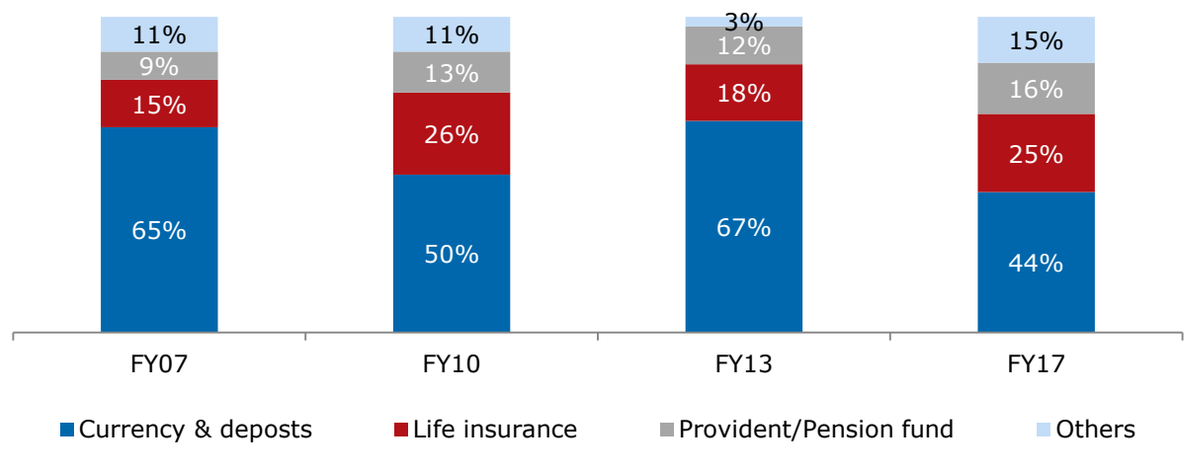
1. United Nations World Populations Prospects Report (2017)

Life insurance: A preferred savings instrument

Household savings composition



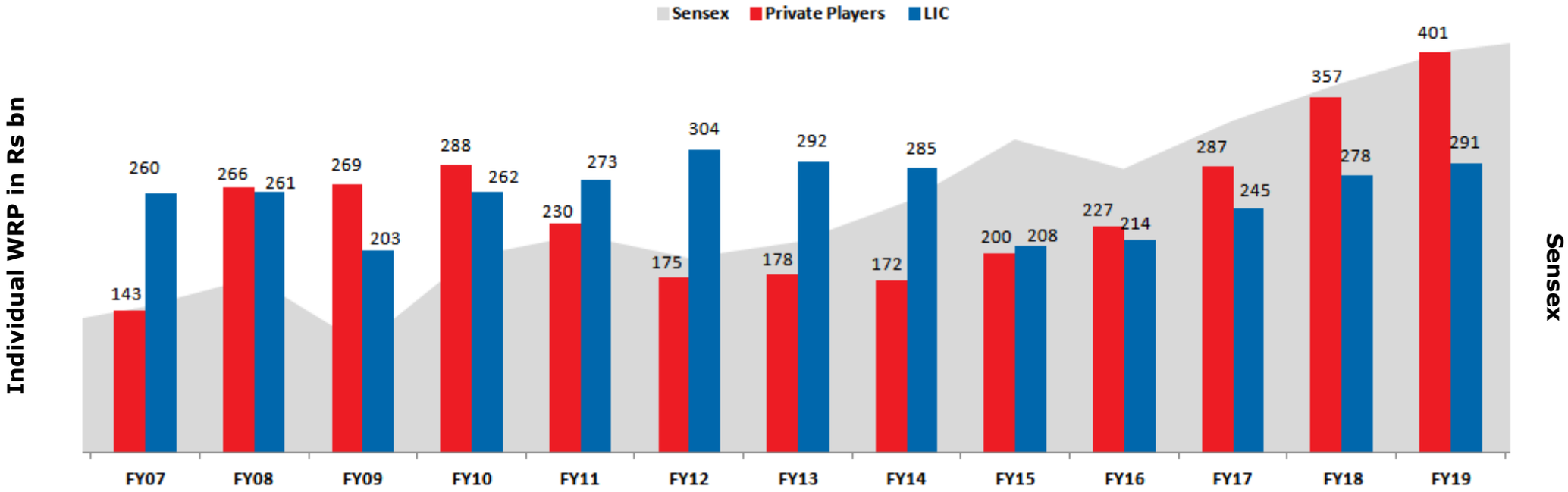
Financial savings mix



- Increasing preference towards financial savings with buoyant equity market returns, along with impact of demonetisation on physical assets return profile
- Increasing share of life insurance within financial assets, as it caters to long-term saving and protection needs
- Various government initiatives to promote financial inclusion:
  - Implementation of JAM trinity – around 354 mn new savings bank accounts opened till date
  - Launch of affordable PMJJBY and PMSBY social insurance schemes
  - Atal Pension Yojana promoting pension in unorganized sector
  - Set up of Small Finance Banks and Payment Banks to increase financial inclusion

Source: DBIE-RBI Statistics, RBI Annual Report, Economic Survey, CSO, www.pmjdy.gov.in

Industry new business[1] trends



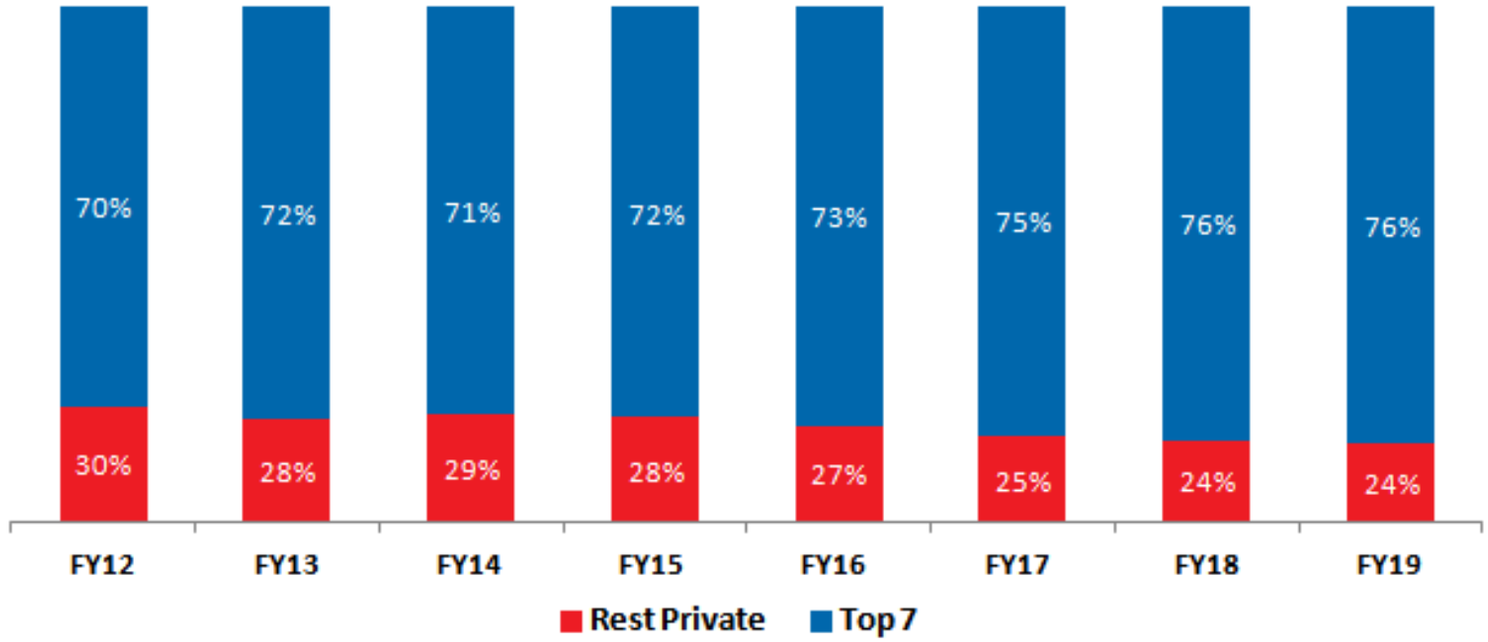
		FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Private players market share		35%	50%	57%	52%	46%	37%	38%	38%	49%	52%	54%	56%	58%
Growth %	**Private**	*99%*	*86%*	*1%*	*7%*	*-20%*	*-24%*	*2%*	*-3%*	*16%*	*14%*	*26%*	*24%*	*12%*
	LIC	*88%*	*0%*	*-22%*	*29%*	*4%*	*11%*	*-4%*	*-2%*	*-27%*	*3%*	*15%*	*13%*	*5%*
	Overall	*92%*	*31%*	*-10%*	*17%*	*-9%*	*-5%*	*-2%*	*-3%*	*-11%*	*8%*	*21%*	*19%*	*9%*

- Private sector gained higher market share than LIC for the first time in FY16, post FY11 regulatory changes
- Based on individual WRP private sector has outpaced LIC in last 4 years (FY16-19)

Note: 1.Basis Individual Weighted Received Premium (WRP)
Source: IRDAI and Life Insurance Council

Private industry: Market share trends

Top 7 private players vs other players



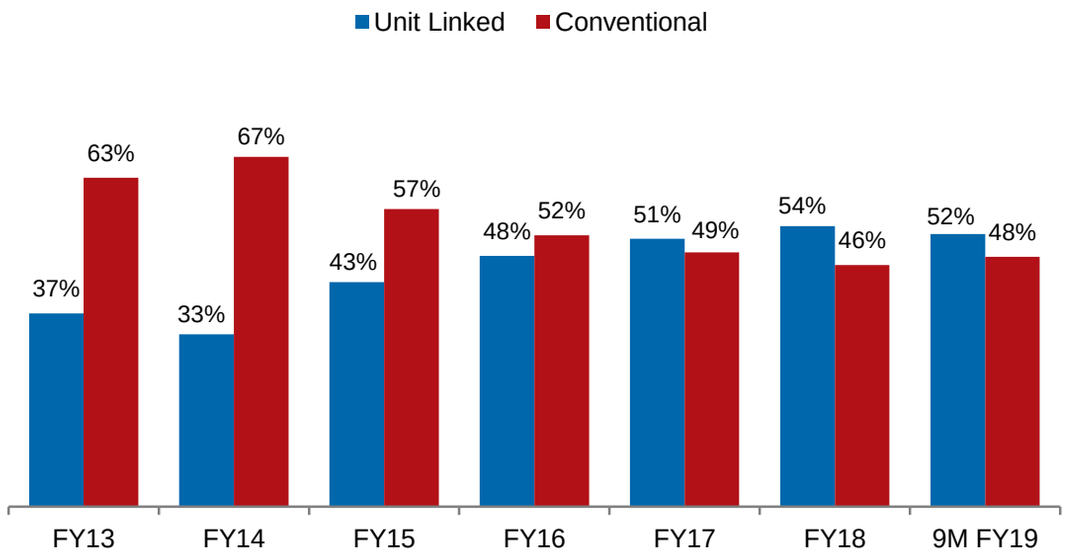
- Amongst private insurers, insurers with a strong bancassurance platform continue to dominate with increasing market share of the total private individual new business

Notes:

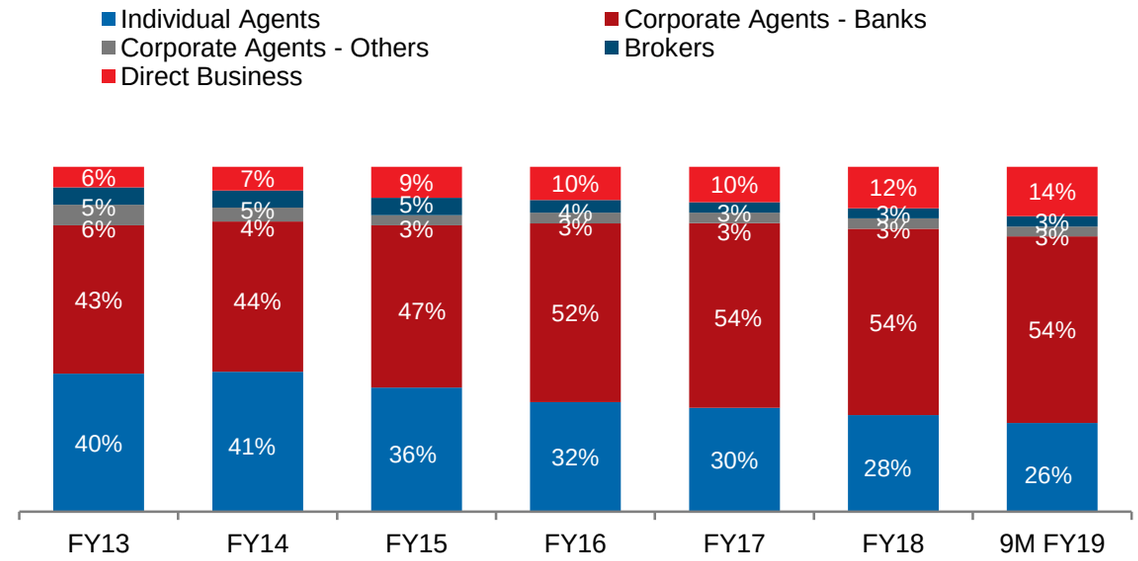
1. *Basis Individual Weighted Received Premium (WRP) as disclosed by IRDAI, Life Insurance Council*
2. *Top 7 players based on FY19 business numbers, comprising of, SBI Life, ICICI Pru HDFC Life, Max Life, Tata AIA, Bajaj Allianz and Birla Sun Life*

Private industry: Product and distribution mix

Product mix[1]



Distribution mix[2]



- Reduced distributors' payout and high expense structure led many players to move to traditional products over last few years, however the focus is changing towards linked products with improved equity market performance and increase in share of Banca
- Increasing thrust on protection business to help improve the new business margins
- Banca sourced business has consistently increased on the back of increasing reach of banks while share of Agency has declined post regulatory changes in FY11

Notes:
1. Basis Overall WRP (Individual and Group);
2. Basis Individual New business premia
Source: IRDAI and Life Insurance Council

Appendix

Financial and operational snapshot (1/2)

		FY17	FY18	FY19	CAGR
Key Metrics (Rs bn)					
New Business Premium (Indl+Group)		*86.2*	*113.5*	*149.7*	*32%*
Renewal Premium (Indl+Group)		*108.2*	*122.1*	*142.1*	*15%*
Total Premium		194.5	235.6	291.9	23%
Individual APE		37.4	48.9	52.0	18%
Overall APE		41.9	55.3	62.6	22%
Group Premium (NB)		44.2	54.1	73.3	29%
Profit after Tax		8.9	11.1	12.8	20%
- Policyholder Surplus		*7.5*	*8.5*	*9.0*	*9%*
- Shareholder Surplus		*1.4*	*2.6*	*3.8*	*64%*
Dividend Paid	(1)	2.6	3.3	4.0	22%
Assets Under Management		917.4	1,066.0	1,255.5	17%
Indian Embedded Value		124.7	152.2	183.0	21%
Networth	(2)	38.1	47.2	56.6	22%
NB (Individual and Group segment) lives insured (Mn)		20.9	33.2	51.4	57%
New Business Sum Assured	(3)	3,887.6	4,734.5	6,058.2	25%
No. of Individual Policies (NB) sold (In 000s)	(4)	1,082.3	1,049.6	995.0	-4%

Notes:

1. *Including dividend distribution tax (DDT)*
2. *Comprises share capital, share premium and accumulated profits/(losses)*
3. *Comprises individual and group business*
4. *Including rural policies. Excluding rural policies, NOPs grew by CAGR of 8%*

Financial and operational snapshot (2/2)

		FY17	FY18	FY19
Key Ratios				
Overall New Business Margins (post overrun)		22.0%	23.2%	24.6%
Operating Return on EV	(1)	21.7%	21.5%	20.1%
Operating Expenses / Total Premium		12.6%	13.5%	13.2%
Total Expenses (Opex + Commission) / Total Premium		16.7%	18.0%	17.0%
Return on Equity	(2)	25.7%	26.0%	24.6%
Solvency Ratio		192%	192%	188%
Persistency (13M / 61M)	(3)	84%/59%	87%/51%	87%/52%
Market Share (%)				
- Individual WRP		12.7%	13.3%	12.5%
- Group New Business		24.3%	28.5%	28.4%
- Total New Business		17.2%	19.1%	20.7%
Business Mix (%)				
- Product (UL/Non par savings/Non par protection/Par)	(4)	52/9/4/35	57/9/5/28	55/20/7/18
- Indl Distribution (CA/Agency/Broker/Direct)	(4)	72/12/5/11	71/11/5/14	64/13/4/19
- Total Distribution (CA/Agency/Broker/Direct/Group)	(5)	32/7/2/7/52	33/7/2/10/48	26/7/2/16/49
- Share of protection business (Basis Indl APE)		4.0%	5.1%	6.7%
- Share of protection business (Basis Overall APE)		7.8%	11.3%	16.7%
- Share of protection business (Basis NBP)		21.8%	25.9%	27.0%

Notes:

1. *During FY18, there was a one time operating assumption change of positive Rs 1.4 bn based on review by an external actuary as part of the IPO process. Excluding this one time adjustment, Operating return on EV would have been 20.4% for FY18*
2. *Calculated using net profit and average net worth for the period (Net worth comprises of Share capital, Share premium and Accumulated profits)*
3. *Persistency ratios (based on original premium). Group business, where persistency is measurable, has been included in the calculations.*
4. *Based on individual APE. UL: Unit Linked, Trad: Traditional, Par: Participating & CA: Corporate Agents. Percentages are rounded off*
5. *Based on total new business premium including group. Percentages are rounded off*

Revenue and Profit & Loss A/c

Revenue A/c

	FY19	FY18
Premium earned	291.9	235.6
Reinsurance ceded	(2.6)	(1.9)
Income from Investments	90.3	85.9
Other Income	1.2	0.7
Transfer from Shareholders' Account	3.1	1.6
Total Income	**383.8**	**321.9**
Commissions	11.2	10.7
Expenses	38.1	31.6
GST/Service tax on UL charges	3.4	3.0
Provision for taxation	2.3	1.8
Provision for diminution in value of investments	0.9	(0.0)
Benefits paid	133.6	128.5
Change in valuation reserve	175.1	133.2
Bonuses Paid	5.7	2.2
Total Outgoings	**370.3**	**311.0**
Surplus	**13.5**	**10.9**
Transfer to Shareholders' Account	12.1	10.0
Funds for future appropriation - Par	1.4	0.9
Surplus pending recommendation for allocation	-	-
Total Appropriations	**13.5**	**10.9**

Profit and Loss A/c

Rs bn

	FY19	FY18
Income		
- Interest and dividend income	2.9	2.2
- Net profit/(loss) on sale	1.1	0.6
Transfer from Policyholders' Account	12.1	10.0
Other Income	0.2	0.1
Total	**16.4**	**13.0**
Outgoings		
Transfer to Policyholders' Account	3.1	1.6
Expenses	0.3	0.1
Provision for diminution in value of investments	0.1	(0.0)
Provision for Taxation	0.1	0.2
Total	**3.6**	**1.9**
Profit for the year as per P&L Statement	**12.8**	**11.1**
Interim Dividend paid (including tax)	(4.0)	(3.3)
Profit carried forward to Balance Sheet	**8.8**	**7.8**

Balance Sheet

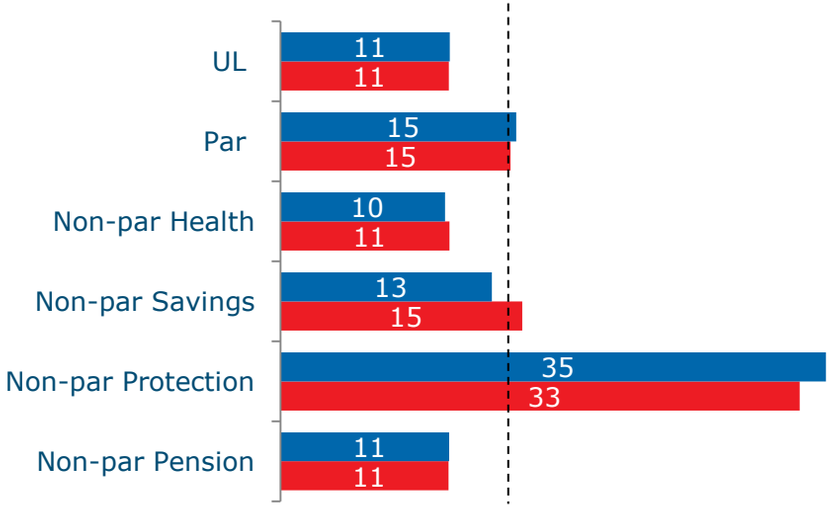
Rs bn

	Mar 31, 2019	Mar 31, 2018
Shareholders' funds		
Share capital (including Sh premium)	23.8	23.3
Accumulated profits	32.7	23.9
Fair value change	(0.0)	0.3
Sub total	**56.6**	**47.5**
Policyholders' funds		
Fair value change	11.1	6.2
Policy Liabilities	536.3	423.2
Provision for Linked Liabilities	605.2	546.0
Funds for discontinued policies	28.6	25.9
Sub total	**1,181.2**	**1,001.3**
Funds for future appropriation (Par)	11.0	9.6
Total Source of funds	**1,248.8**	**1,058.4**
Shareholders' investment	50.5	40.7
Policyholders' investments: Non-linked	571.2	453.5
Policyholders' investments: Linked	633.8	571.9
Loans	0.8	0.2
Fixed assets	3.3	3.4
Net current assets	(10.8)	(11.3)
Total Application of funds	**1,248.8**	**1,058.4**

Segment wise average term and age[1]

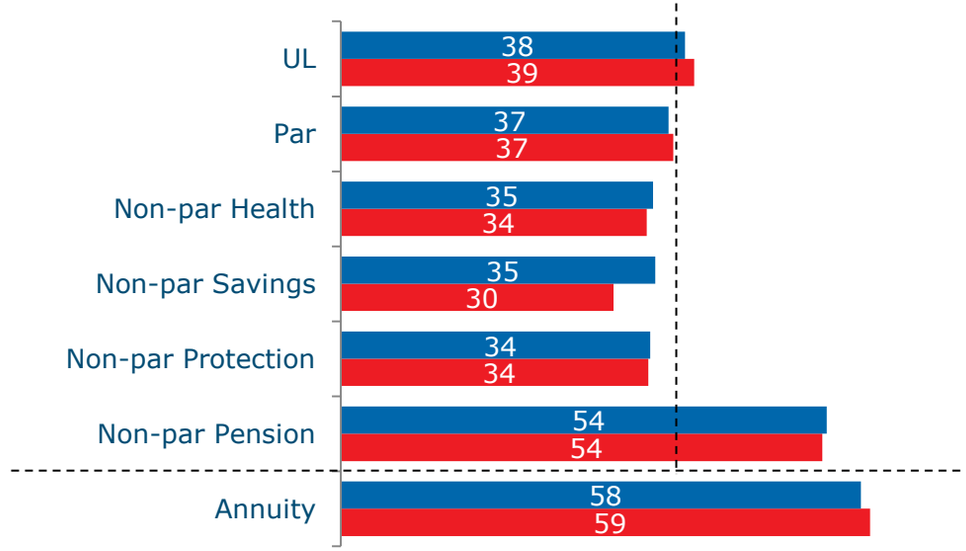
Average Policy Term excluding annuity (Yrs)

12M FY19: 14.6 (12M FY18: 14.4)



Average Customer Age excluding annuity (Yrs)

12M FY19: 37.5 (12M FY18: 37.2)



- Focus on long term insurance solutions, reflected in longer policy tenure
- Extensive product solutions catering customer needs across life cycles from young age to relatively older population

Note: 1. Basis individual new business policies (excluding annuity) sold in FY19

Indian Embedded value: Methodology and Approach (1/2)

Overview

Indian Embedded Value (IEV) consists of:

- **Adjusted Net Worth (ANW),** consisting of:
  - Free surplus (FS);
  - Required capital (RC); and
- **Value of in-force covered business (VIF)**: Present value of the shareholders' interest in the earnings distributable from assets allocated to the covered business, after making sufficient allowance for the aggregate risks in the covered business.

Components of Adjusted Net Worth (ANW)

- **Free surplus (FS):** FS is the market value of any assets allocated to, but not required to support, the in-force covered business as at the valuation date. The FS has been determined as the adjusted net worth of the Company (being the net shareholders' funds adjusted to revalue assets to market value), less the RC as defined below.
- **Required capital (RC):** RC is the amount of assets attributed to the covered business over and above that required to back liabilities for the covered business. The distribution of this to shareholders is restricted. RC is set equal to the internal target level of capital equal to 170% of the factor-based regulatory solvency requirements, less the funds for future appropriations ("FFA") in the participating funds.

Embedded Value: Methodology and Approach (2/2)

Components of Value in-force covered business (VIF)

- **Present value of future profits (PVFP):** PVFP is the present value of projected distributable profits to shareholders arising from the in-force covered business determined by projecting the shareholder cash flows from the in-force covered business and the assets backing the associated liabilities.

- **Time Value of Financial Options and Guarantees (TVFOG):** TVFOG reflects the value of the additional cost to shareholders that may arise from the embedded financial options and guarantees attaching to the covered business in the event of future adverse market movements. The intrinsic value of such options and guarantees is reflected in the PVFP.

- **Frictional costs of required capital (FC):** FC represents the investment management expenses and taxation costs associated with holding the RC. VIF includes an allowance for FC of holding RC for the covered business. VIF also includes an allowance for FC in respect of the encumbered capital in the Company's holdings in its subsidiaries.

- **Cost of residual non-hedgeable risks (CRNHR):** CRNHR is an allowance for risks to shareholder value to the extent that these are not already allowed for in the TVFOG or the PVFP. In particular, the CRNHR makes allowance for:
  – asymmetries in the impact of the risks on shareholder value; and
  – risks that are not allowed for in the TVFOG or the PVFP.

  CRNHR has been determined using a cost of capital approach. CRNHR is the present value of the cost of capital charge levied on the projected capital in respect of the material risks identified.

Embedded Value: Economic assumptions[1]

Years	Forward rates %		Spot rates %	
	As at Mar 31, 2019	As at Mar 31, 2018	As at Mar 31, 2019	As at Mar 31, 2018
1	6.63	6.57	6.42	6.36
2	6.99	7.26	6.59	6.69
3	7.31	7.72	6.74	6.94
4	7.58	8.02	6.88	7.13
5	7.80	8.20	7.01	7.28
10	8.32	8.30	7.43	7.64
15	8.31	8.10	7.62	7.71
20	8.19	7.97	7.70	7.71
25	8.08	7.90	7.72	7.70
30+	8.01	7.87	7.72	7.68

Note: 1. Forward rates are annualised and Spot rates are continuous

Glossary (Part 1)

- **APE (Annualized Premium Equivalent)** - The sum of annualized first year regular premiums and 10% weighted single premiums and single premium top-ups
- **Backbook surplus –** Surplus accumulated from historical business written
- **Conservation ratio -** Ratio of current year renewal premiums to previous year's renewal premium and first year premium
- **Embedded Value Operating Profit ("EVOP")** – Measure of the increase in the EV during any given period, excluding the impact on EV due to external factors like changes in economic variables and shareholder-related actions like capital injection or dividend pay-outs.
- **First year premiums** - Regular premiums received during the year for all modes of payments chosen by the customer which are still in the first year. For example, for a monthly mode policy sold in March 2019, the first instalment would fall into first year premiums for 2018-19 and the remaining 11 instalments in the first year would be first year premiums in 2019-20
- **New business received premium** - The sum of first year premium and single premium.
- **New business strain** – Strain on the business created due to revenues received in the first policy year not being able to cover for expenses incurred

Glossary (Part 2)

- **Operating expense** - It includes all expenses that are incurred for the purposes of sourcing new business and expenses incurred for policy servicing (which are known as maintenance costs) including shareholders' expenses. It does not include commission.
- **Operating expense ratio** - Ratio of operating expense (including shareholders' expenses) to total premium
- **Proprietary channels** – Proprietary channels include agency and direct
- **Protection Share** - Share of protection includes annuity and health
- **Persistency** – The proportion of business retained from the business underwritten. The ratio is measured in terms of number of policies and premiums underwritten.
- **Renewal premiums** - Regular recurring premiums received after the first year
- **Solvency ratio** - Ratio of available solvency margin to required solvency margins
- **Total premiums** - Total received premiums during the year including first year, single and renewal premiums for individual and group business
- **Weighted received premium (WRP)** - The sum of first year premium and 10% weighted single premiums and single premium top-ups

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