

July 21, 2020

SBIL/F&A-CS/BM/2021/075

Assistant Vice President  
Listing Department,  
National Stock Exchange of India,  
Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai - 400051

General Manager  
Listing Department,  
BSE Limited,  
Phiroze Jejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

Dear Sir / Madam,

Subject: Outcome of Board meeting held on July 21, 2020

We wish to inform you that the meeting of the Board of Directors of SBI Life Insurance Company Limited commenced at **12:00 P.M.** and concluded at **01:45 P.M.** on July 21, 2020 which *inter-alia* approved the Unaudited Condensed Financial Results for the quarter ended June 30, 2020.

Pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable requirements, a copy of the Unaudited Condensed Financial Results for the quarter ended June 30, 2020 together with the Limited Review Report in the prescribed format is enclosed. A copy of the press release being issued in this connection is also attached.

We request to you to kindly take the above information on record.

Thanking You,

Yours faithfully,



Vinod Koyande  
Company Secretary  
ACS No. 33696



**SBI Life Insurance Company Limited**  
**Statement of Unaudited Financial Results for the quarter ended June 30, 2020**

Sl. No.	Particulars	Three months ended/ As at			(₹ in Lakhs)
		June 30, 2020	March 31, 2020	June 30, 2019	Year ended/ As at March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>POLICYHOLDERS' A/C</b>					
1	Gross premium income				
	(a) First Year Premium	1,08,575	2,52,221	1,64,435	9,82,879
	(b) Renewal Premium	4,58,488	8,13,186	3,53,996	24,04,223
	(c) Single Premium	1,97,281	1,28,315	1,51,013	6,76,370
2	Net premium income <sup>1</sup>	7,58,809	11,86,298	6,65,502	40,32,401
3	Income from investments (Net) <sup>2</sup>	8,58,280	(6,67,719)	2,97,727	2,99,679
4	Other income	716	1,284	1,122	4,576
5	Transfer of funds from Shareholders' A/c	-	47,628	-	47,628
6	<b>Total (2 to 5)</b>	<b>16,17,805</b>	<b>5,67,491</b>	<b>9,64,351</b>	<b>43,84,284</b>
7	Commission on				
	(a) First Year Premium	10,030	20,909	14,033	82,389
	(b) Renewal Premium	11,123	21,704	9,009	64,439
	(c) Single Premium	1,382	2,728	1,895	9,794
8	Net Commission <sup>3</sup>	22,534	45,340	24,937	1,56,622
	Rewards	848	2,584	750	5,872
9	Operating Expenses related to insurance business (a + b):	53,758	70,067	49,051	2,41,308
	(a) Employees remuneration and welfare expenses	35,369	36,946	29,460	1,36,138
	(b) Other operating expenses	18,389	33,121	19,591	1,05,170
10	<b>Expenses of Management (8+9)</b>	<b>77,140</b>	<b>1,17,991</b>	<b>74,738</b>	<b>4,03,802</b>
11	Provisions for doubtful debts (including bad debts written off)	8	18	37	65
12	Provisions for diminution in value of investments and provision for standard assets & non standard assets	(11,345)	5,824	1,829	12,376
13	Goods and Service Tax (GST) on charges	12,608	15,646	11,135	55,317
14	Provision for taxes	23,932	6,575	17,792	37,674
15	Benefits Paid (Net) <sup>4</sup>	2,85,276	3,96,012	2,86,045	16,25,093
16	Change in actuarial liability	11,69,205	(40,531)	5,44,971	20,60,486
17	<b>Total (10+11+12+13+14+15+16)</b>	<b>15,56,824</b>	<b>5,01,535</b>	<b>9,36,547</b>	<b>41,94,813</b>
18	<b>Surplus/(Deficit) (6-17)</b>	<b>60,981</b>	<b>65,956</b>	<b>27,804</b>	<b>1,89,471</b>
19	<b>Appropriations</b>				
	(a) Transferred to Shareholders A/c	28,223	92,092	21,550	1,46,265
	(b) Funds for Future Appropriations <sup>5</sup>	32,759	(26,135)	6,254	43,205
20	<b>Details of Surplus/ (Deficit)</b>				
	(a) Interim & terminal bonus paid	1,032	3,174	662	7,559
	(b) Allocation of bonus to policyholders	-	1,29,633	-	1,29,633
	(c) Surplus shown in the Revenue Account	60,981	65,956	27,804	1,89,471
	<b>Total Surplus</b>	<b>62,013</b>	<b>1,98,763</b>	<b>28,466</b>	<b>3,26,663</b>
<b>SHAREHOLDERS' A/C</b>					
21	Transfer from Policyholders' Account	28,223	92,092	21,550	1,46,265
22	Total income under Shareholders' Account				
	(a) Investment Income	9,488	(1,148)	17,125	47,670
	(b) Other income	156	208	166	679
23	Expenses other than those related to insurance business	953	2,091	856	4,830
24	Transfer of funds to Policyholders' A/c	-	47,628	-	47,628
25	Provisions for doubtful debts (including write off)	-	-	-	-
26	Provisions for diminution in value of investments and provision for standard assets & non standard assets	(1,854)	(10,726)	200	802
27	<b>Profit/(loss) before tax</b>	<b>38,768</b>	<b>52,159</b>	<b>37,784</b>	<b>1,41,354</b>
28	Provisions for tax	(321)	(908)	594	(863)
29	<b>Profit/(loss) after tax and before Extraordinary Items</b>	<b>39,089</b>	<b>53,067</b>	<b>37,190</b>	<b>1,42,217</b>
30	Extraordinary Items (Net of tax expenses)	-	-	-	-
31	<b>Profit/(loss) after tax and Extraordinary Items</b>	<b>39,089</b>	<b>53,067</b>	<b>37,190</b>	<b>1,42,217</b>
32	<b>Dividend per share (₹):</b>				
	(a) Interim Dividend	-	-	-	-
	(b) Final Dividend	-	-	-	-
33	<b>Profit/(Loss) carried to Balance Sheet<sup>6</sup></b>	<b>8,27,321</b>	<b>7,88,233</b>	<b>6,83,204</b>	<b>7,88,233</b>
34	Paid up equity share capital	1,00,004	1,00,003	1,00,000	1,00,003
35	Reserve & Surplus (excluding Revaluation Reserve)	8,27,557	7,88,389	6,83,204	7,88,389
36	Fair Value Change Account and Revaluation Reserve (Shareholders)	3,611	(14,083)	10,936	(14,083)
37	<b>Total Assets:</b>				
	(a) <b>Investments:</b>				
	Shareholders'	8,08,255	6,82,795	6,89,974	6,82,795
	Policyholders Fund excluding Linked Assets	77,69,450	73,41,994	66,09,109	73,41,994
	Assets held to cover Linked Liabilities	87,86,823	78,56,533	72,31,125	78,56,533
	(b) Other Assets (Net of current liabilities and provisions)	2,94,571	3,74,468	3,46,548	3,74,468

<sup>1</sup> Net of reinsurance

<sup>2</sup> Net of amortisation and losses (including capital gains)

<sup>3</sup> Inclusive of interim bonus & terminal bonus

<sup>4</sup> Represents change in Funds for Future Appropriations during the period

<sup>5</sup> Represents accumulated profit

**FOR IDENTIFICATION  
IN TERMS OF OUR SEPARATE REPORT**



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Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
38	Analytical Ratios <sup>1</sup>				
(i)	Solvency Ratio	2.39	1.95	2.17	1.95
(ii)	Expense Management Ratio	10.09%	9.88%	11.16%	9.94%
(iii)	Policyholder's liabilities to shareholders' fund	1796.44%	1759.27%	1773.31%	1759.27%
(iv)	Earnings per share (₹)				
	a) Basic and diluted EPS before extraordinary items (net of tax expense) for the period <sup>2</sup>	3.91	5.31	3.72	14.22
	b) Basic and diluted EPS after extraordinary items (net of tax expense) for the period <sup>2</sup>	3.91	5.30	3.72	14.22
(v)	NPA ratios: (for policyholders' fund)				
	a) Gross NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	5.258	5.258	-	5.258
	Net NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	-	-	-	-
	b) % of Gross NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	0.06	0.07	-	0.07
	% of Net NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	-	-	-	-
(vi)	Yield on Investments (on policyholders' fund)				
	A. Without unrealised gains				
	Non Linked				
	Par	6.73%	8.73%	9.12%	8.76%
	Non Par	7.93%	8.35%	9.74%	8.92%
	Sub - Total : Non-Linked	7.42%	8.50%	9.49%	8.85%
	Linked				
	Par	NA	NA	NA	NA
	Non Par	3.99%	2.32%	9.16%	6.81%
	Sub - Total : Linked	3.99%	2.32%	9.16%	6.81%
	Grand Total	5.67%	5.40%	9.33%	7.83%
	B. With unrealised gains				
	Non Linked				
	Par	27.15%	-10.00%	21.18%	7.80%
	Non Par	18.31%	8.28%	13.77%	10.69%
	Sub - Total : Non-Linked	22.00%	0.65%	16.82%	9.47%
	Linked				
	Par	NA	NA	NA	NA
	Non Par	36.48%	-44.43%	8.26%	-4.24%
	Sub - Total : Linked	36.48%	-44.43%	8.26%	-4.24%
	Grand Total	29.12%	-22.46%	12.50%	2.45%
(vii)	NPA ratios: (for shareholders' fund)				
	a) Gross NPAs	-	-	-	-
	Net NPAs	-	-	-	-
	b) % of Gross NPAs	-	-	-	-
	% of Net NPAs	-	-	-	-
(viii)	Yield on Investments (on shareholders' fund)				
	A. Without unrealised gains	5.41%	-1.02%	11.32%	7.10%
	B. With unrealised gains	27.56%	-6.81%	7.83%	5.25%
(ix)	Persistence Ratio (based on number of Policy) <sup>3</sup>				
	For 13th month	73.16%	78.93%	59.31%	75.26%
	For 25th month	52.29%	67.59%	55.23%	66.94%
	For 37th month	50.09%	62.26%	58.74%	61.89%
	For 49th Month	50.76%	53.49%	54.78%	55.81%
	For 61st month	48.65%	48.97%	47.19%	49.84%
	Persistence Ratio (based on Premium) <sup>3</sup>				
	For 13th month	81.55%	84.29%	84.46%	86.14%
	For 25th month	75.95%	77.17%	75.97%	78.53%
	For 37th month	68.88%	70.13%	70.57%	71.56%
	For 49th Month	63.79%	64.56%	67.89%	67.30%
	For 61st month	63.14%	59.44%	56.27%	59.90%

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Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
(x)	Conservation Ratio	88.44%	81.76%	90.95%	85.09%
	Participating Life	83.01%	88.02%	89.14%	89.31%
	Participating Pension	64.78%	91.01%	98.99%	94.10%
	Group Pension	67.17%	27.74%	41.48%	35.25%
	Participating Variable Insurance	79.98%	69.26%	80.78%	73.69%
	Non Participating Life	94.02%	78.51%	94.70%	84.69%
	Non Participating Pension	91.36%	81.48%	91.59%	87.16%
	Non Participating Annuity	-	-	-	-
	Non Participating Health	69.35%	78.52%	62.44%	77.42%
	Non Participating Variable Insurance	86.88%	76.34%	97.38%	89.04%
	Linked Life	89.78%	80.45%	91.35%	84.22%
	Linked Group	-	-	-	-
	Linked Pension	89.53%	83.24%	91.31%	84.47%
(xi)	Percentage of shares held by Government of India (in case of public sector insurance companies)	NA	NA	NA	NA

1 Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosures

2 Basic and diluted EPS is not annualized for three months

3 The persistency ratios are calculated as per IRDA/ACT/CIR MISC 035 01 2014 circular dated 23rd January 2014.

Single Premium and Fully Paid-Up policies are considered in above calculation. Group Business where persistency is measurable is included  
i) Persistency ratios for the three months ended June 30, 2020 and June 30, 2019 are "for the quarter" persistency calculated using policies issued in March to May period of the relevant years.

ii) Persistency ratios for the three months ended March 31, 2020 are "for the quarter" persistency calculated using policies issued in December to February period of the relevant years.

iii) Persistency ratios for the year ended March 31, 2020 are "upto the quarter" persistency calculated using policies issued in March to February period of the relevant years.

NA - Not applicable

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*[Signature]*  
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**SBI Life Insurance Company Limited**  
**Balance Sheet as at June 30, 2020**

(₹ in Lakhs)

Particulars	As at June 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
<b>SOURCES OF FUNDS</b>		
<b>Shareholders' Funds:</b>		
Share Capital	1,00,004	1,00,003
Reserves and Surplus	8,27,557	7,88,389
Credit/(Debit) Fair Value Change Account	3,612	(14,084)
<b>Sub-Total</b>	<b>9,31,173</b>	<b>8,74,308</b>
Borrowings	-	-
<b>Policyholders' Funds:</b>		
Credit/(Debit) Fair Value Change Account	(14,237)	(1,58,720)
Policy Liabilities	78,51,215	76,12,300
Insurance Reserves	-	-
Provision for Linked Liabilities	78,03,961	76,30,073
Add: Fair value change (Linked)	3,46,763	(2,86,050)
Add: Funds for Discontinued Policies		
(i) Discontinued on account of non-payment of premium	6,27,196	5,05,044
(ii) Others	8,903	7,467
<b>Total Linked Liabilities</b>	<b>87,86,823</b>	<b>78,56,534</b>
<b>Sub-Total</b>	<b>1,66,23,801</b>	<b>1,53,10,114</b>
Funds for Future Appropriation - Linked	-	-
Funds for Future Appropriation - Other	1,04,126	71,367
<b>TOTAL</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>
<b>APPLICATION OF FUNDS</b>		
<b>Investments</b>		
- Shareholders'	8,08,255	6,82,795
- Policyholders'	77,69,450	73,41,994
Assets held to cover Linked Liabilities	87,86,823	78,56,533
Loans	36,868	36,448
Fixed assets	57,012	58,118
<b>Current Assets</b>		
Cash and Bank Balances	1,64,984	1,42,323
Advances and Other Assets	3,97,653	4,39,808
<b>Sub-Total (A)</b>	<b>5,62,637</b>	<b>5,82,131</b>
<b>Current Liabilities</b>		
Provisions	3,24,359	2,78,379
<b>Sub-Total (B)</b>	<b>3,61,945</b>	<b>3,02,230</b>
<b>Net Current Assets (C) = (A - B)</b>	<b>2,00,692</b>	<b>2,79,901</b>
Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted)	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-
<b>TOTAL</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>
Contingent Liabilities	1,17,655	1,11,456





**SBI Life Insurance Company Limited**  
**Segment<sup>1</sup> Reporting for the quarter ended June 30, 2020**

(₹ in Lakhs)

Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	<b>Segment Income:</b>				
	<b>Segment A: Par life</b>				
	Net Premium	1,01,499	1,99,786	1,07,338	6,31,211
	Income from Investments <sup>2</sup>	55,739	54,314	49,776	2,07,805
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	340	484	488	1,847
	<b>Segment B: Par pension</b>				
	Net Premium	3,250	9,325	4,328	32,049
	Income from Investments <sup>2</sup>	3,616	4,037	3,985	16,392
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	11	22	36	83
	<b>Segment C: Par Variable</b>				
	Net Premium	10,610	23,831	13,258	80,653
	Income from Investments <sup>2</sup>	6,200	6,756	5,692	24,888
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	21	184	11	374
	<b>Segment D - Non Par Individual Life</b>				
	Net Premium	49,843	72,472	29,137	2,33,797
	Income from Investments <sup>2</sup>	20,250	19,353	22,858	86,853
	Transfer of Funds from shareholders' account	-	11,750	-	11,750
	Other Income	33	94	30	185
	<b>Segment E - Non Par Pension</b>				
	Net Premium	291	985	318	2,448
	Income from Investments <sup>2</sup>	851	893	888	3,827
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	0	2	0	2
	<b>Segment F - Non Par Group life</b>				
	Net Premium	1,18,989	1,01,243	1,09,651	4,15,749
	Income from Investments <sup>2</sup>	49,592	49,129	55,105	2,03,547
	Transfer of Funds from shareholders' account	-	20,097	-	20,097
	Other Income	3	31	11	58
	<b>Segment G - Non Par Annuity</b>				
	Net Premium	51,623	32,031	19,104	1,12,513
	Income from Investments <sup>2</sup>	7,498	7,079	5,618	26,068
	Transfer of Funds from shareholders' account	-	14,819	-	14,819
	Other Income	(2)	14	1	17
	<b>Segment H - Non Par Health</b>				
	Net Premium	130	255	108	768
	Income from Investments <sup>2</sup>	58	55	49	218
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	0	0	0	1
	<b>Segment I - Non Par Variable</b>				
	Net Premium	49,923	5,121	41,754	1,71,844
	Income from Investments <sup>2</sup>	11,239	11,692	8,566	41,052
	Transfer of Funds from shareholders' account	-	961	-	961
	Other Income	1	20	2	25
	<b>Segment J - Linked Individual Life</b>				
	Net Premium	3,00,025	6,21,128	2,91,149	19,79,818
	Income from Investments <sup>2</sup>	6,38,897	(7,80,130)	1,27,734	(3,31,194)
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	311	431	543	1,981

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Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	<b>Segment K - Linked Group</b>				
	Net Premium	1,446	289	736	2,311
	Income from Investments <sup>2</sup>	2,218	(905)	910	1,633
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	0	0	0	0
	<b>Segment L - Linked Pension</b>				
	Net Premium	71,182	1,19,832	48,620	3,69,241
	Income from Investments <sup>2</sup>	73,467	(45,815)	14,717	6,215
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	(3)	2	(1)	2
	<b>Shareholders</b>				
	Income from Investments <sup>2</sup>	11,342	9,578	16,925	46,868
	Other Income	156	208	166	679
2	<b>Segment Surplus/ (Deficit) (net of transfer from shareholders' A/c) :</b>				
	Segment A - Par life	29,378	(18,371)	5,493	44,702
	Segment B - Par pension	2,066	2,339	1,885	7,627
	Segment C - Par VIP	1,315	5,140	(1,125)	6,119
	Segment D - Non Par Ind Life	(4,717)	2,416	2,479	(11,750)
	Segment E - Non Par Ind Pension	375	(69)	220	861
	Segment F - Non Par Group life	11,581	26,209	9,766	51,802
	Segment G - Non Par Annuity	(4,523)	(10,959)	(1,483)	(14,819)
	Segment H - Non Par Health	80	238	87	440
	Segment I - Non Par VIP	332	(1,058)	(197)	(961)
	Segment J - Linked Ind Life	23,472	11,015	8,977	49,850
	Segment K - Linked Group	(4)	9	(1)	26
	Segment L - Linked Pension	1,627	1,420	1,701	7,945
	Shareholders	10,866	8,602	15,641	43,581
3	<b>Segment Assets:</b>				
	Segment A - Par life	28,23,969	26,38,664	23,50,380	26,38,664
	Segment B - Par pension	2,14,970	2,03,639	1,83,925	2,03,639
	Segment C - Par VIP	2,82,813	2,78,554	2,92,574	2,78,554
	Segment D - Non Par Ind Life	10,67,869	10,10,419	8,37,497	10,10,419
	Segment E - Non Par Ind Pension	42,940	42,451	41,725	42,451
	Segment F - Non Par Group life	23,35,098	22,85,705	22,92,361	22,85,705
	Segment G - Non Par Annuity	4,58,416	4,01,585	2,87,588	4,01,585
	Segment H - Non Par Health	662	2,928	2,272	2,928
	Segment I - Non Par VIP	6,20,760	5,63,542	4,70,699	5,63,542
	Segment J - Linked Ind Life	76,97,545	68,91,397	65,07,669	68,91,397
	Segment K - Linked Group	36,327	32,868	31,798	32,868
	Segment L - Linked Pension	11,70,665	10,43,587	8,00,757	10,43,587
	<b>Total</b>	<b>1,67,52,035</b>	<b>1,53,95,338</b>	<b>1,40,99,245</b>	<b>1,53,95,338</b>
	Shareholders	9,31,173	8,74,308	7,94,141	8,74,308
	Unallocated	(24,108)	(13,857)	(16,630)	(13,857)
	<b>Grand Total</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>	<b>1,48,76,757</b>	<b>1,62,55,789</b>
4	<b>Segment Policy Liabilities:</b>				
	Segment A - Par life	28,21,646	26,36,076	23,46,338	26,36,076
	Segment B - Par pension	2,11,983	1,98,962	1,78,229	1,98,962
	Segment C - Par VIP	2,78,537	2,74,527	3,04,797	2,74,527
	Segment D - Non Par Ind Life	10,74,380	10,20,433	8,43,074	10,20,433
	Segment E - Non Par Ind Pension	43,217	42,751	42,158	42,751
	Segment F - Non Par Group life	23,20,475	22,73,479	22,54,941	22,73,479
	Segment G - Non Par Annuity	4,64,104	4,10,188	3,06,515	4,10,188
	Segment H - Non Par Health	200	208	171	208
	Segment I - Non Par VIP	6,19,898	5,64,379	4,71,331	5,64,379
	Segment J - Linked Ind Life	76,89,188	68,84,759	65,03,725	68,84,759
	Segment K - Linked Group	35,887	32,476	31,558	32,476
	Segment L - Linked Pension	11,68,412	10,43,243	7,99,779	10,43,243
	<b>Total</b>	<b>1,67,27,927</b>	<b>1,53,81,480</b>	<b>1,40,82,616</b>	<b>1,53,81,480</b>
	Shareholders	9,31,173	8,74,308	7,94,141	8,74,308
	Unallocated	-	-	-	-
	<b>Grand Total</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>	<b>1,48,76,757</b>	<b>1,62,55,789</b>

**Footnotes:**

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. Variably insurance further segregated into Life, General Annuity and Pension and Health where any such segment contributes ten per cent or more of the total premium of the Company

2 Net of Provisions for diminution in value of investments and provision for standard and non-standard assets

3 Segment policy liabilities includes fund for future appropriation and Credit (debit) fair value change account on policyholders fund

**FOR IDENTIFICATION  
IN TERMS OF OUR SEPARATE REPORT**

21 JUL 2020



Selena

**Other disclosures:**

**Status of Shareholders Complaints for the quarter ended June 30, 2020**

Sl. No.	Particulars	Three months ended June 30, 2020
1	No. of investor complaints pending at the beginning of the period	Nil
2	No. of investor complaints received during the period	4
3	No. of investor complaints disposed off during the period	4
4	No. of investor complaints remaining unresolved at the end of the period	Nil






**Notes:**

- 1 The above financial results have been reviewed by the Board Audit Committee and approved by the Board of Directors at its meeting held on July 21, 2020.
- 2 The financial results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, to the extent applicable, IRDAI circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for life insurance companies.
- 3 In view of seasonality of the industry, the financial results for the quarter ended June 30, 2020 are not indicative of the results that may be expected of any other interim period or full year.
- 4 The above financial results are reviewed by the Joint Statutory Auditors S C Bapna & Associates, Chartered Accountants (FRN: 115649W) and R. Devendra Kumar & Associates Chartered Accountants (FRN: 114207W).
- 5 The Outbreak of COVID-19 virus continue to spread across the globe including India, resulting in significant impact on global and India's economic environment including volatility in the capital markets. This outbreak was declared as global pandemic by World Health Organisation (WHO) on March 11, 2020. The Company has assessed the overall impact of this pandemic on its business and financials, including valuation of assets, policy liabilities and solvency for the period ended June 30, 2020. Based on the evaluation, the company has kept additional reserve amounting to Rs. 593,388 thousands resulting from COVID-19 pandemic over and above the policy level liabilities calculated based on prescribed IRDAI regulations and the same have been provided for as at 30/06/2020 in the actuarial liability. The Company will continue to closely monitor any future developments relating to COVID-19 which may have any impact on its business and financial position.
- 6 During the period ended June 30, 2020 the Company has allotted 13,668 equity shares of face value of Rs.10 each to its eligible employees pursuant to exercise of employee stock options in accordance with the Company's Employee Stock Option Scheme 2018 ("ESOS 2018"). The Scheme is in compliance with SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time.
- 7 In accordance with requirement of IRDAI Master Circular on 'Presentation of Financial Statements and Filing of Returns', the Company will publish the financials on the Company's website latest by August 14, 2020.
- 8 Figures of the previous period/year have been regrouped/ reclassified wherever necessary, in order to make them comparable.

**For and on behalf of Board of Directors**

Place: Mumbai

Date: July 21, 2020

  
**Mahesh Kumar Sharma**  
Managing Director & CEO  
(DIN: 0008740737)

**FOR IDENTIFICATION  
IN TERMS OF OUR SEPARATE REPORT**



**21 JUL 2020**

**Independent Auditor's Limited Review Report on Unaudited Financial Results for the quarter ended June 30, 2020 of SBI LIFE INSURANCE COMPANY LIMITED pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Board of Directors of

**SBI Life Insurance Company Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **SBI Life Insurance Company Limited** ("the Company") for the quarter ended June 30, 2020, ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and IRDA Circular reference: IRDAI /F&I / REG/ CIR/ 208 /10/ 2016 dated 25<sup>th</sup> October 2016. This Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Our responsibility is to issue a report on this Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the applicable accounting standards, accounting and presentation principles as prescribed in the relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") and IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002; orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI"/"the Authority") to the extent applicable and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis of Matter**

4. We invite attention to Note No. 5 to the statement regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials, including valuation of assets, policy liabilities and solvency for the quarter ended June 30, 2020, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

Our conclusion is not modified on the above matter.



**Other Matters**

5. The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary") whose services are as extended and approved by IRDAI. 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 June 30, 2020 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 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 during our review of 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 statement of unaudited financial results.
6. Due to the COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the review processes were carried out based on the remote access to the extent available/feasible and necessary records made available by the management through digital medium.

Our conclusion is not modified in respect of the above matters.

For R. Devendra Kumar & Associates  
**Chartered Accountants**  
Firm Regn. No.114207W



**D. K Gupta**  
Partner  
Membership No. 009032  
UDIN: 20009032AAAACI1697



For S.C. Bapna & Associates  
**Chartered Accountants**  
Firm Regn. No.115649W



**S.C. Bapna**  
Partner  
Membership No. 071765  
UDIN: 20071765AAAAAD3811



**Place: Mumbai**  
**Date: July 21, 2020**



News Release  
 BSE Code: 540719

July 21, 2020  
 NSE Code: SBILIFE

## Performance for the quarter ended June 30, 2020

- Private market leadership in Total New Business Premium (NBP) with 23.9% market share
- 80 bps increase in VoNB margin to 18.7% as compared to Q1 FY 2020
- Strong growth in 61<sup>st</sup> month persistency ratio based on premium by 687 bps
- Robust solvency ratio of 2.39
- Decrease in Operating expense ratio to 7.0% from 7.3%
- Increase in profit by 5% to ₹ 3.9 billion
- Growth in Gross written premium by 14%

### Key measures of performance

(₹ in billion)			
Particulars	Q1 FY 2021	Q1 FY 2020	YoY
<b>Revenue Parameters</b>			
New Business Premium (NBP)	30.6	31.5	-3%
Renewal Premium (RP)	45.8	35.4	30%
<b>Gross Written Premium (GWP)</b>	<b>76.4</b>	<b>66.9</b>	<b>14%</b>
Individual New Business Premium	13.4	18.7	-29%
Individual Rated Premium (IRP)	10.5	16.2	-36%
Annualized Premium Equivalent (APE)	12.7	18.6	-32%
Total Protection NBP (Individual + Group)	2.9	4.4	-33%
Total Protection NBP Share	9.6%	13.8%	-
Private Market Share based on IRP <sup>1</sup>	18%	21.5%	-
NBP Product mix (%) (Par/Non Par/ULIP)	4/70/26	9/49/42	-
NBP Channel mix (%) (Banca/Agency/others)	41/14/45	57/18/25	-
<b>Financial Parameters</b>			
Profit after Tax (PAT)	3.9	3.7	5%
Net Worth	93.1	79.4	17%
Assets under Management (AuM)	1753.5	1,469.5	19%
<b>VoNB and VoNB Margin<sup>2</sup></b>			
Value of New Business (VoNB) <sup>2</sup>	2.4	3.3	-29%
New Business Margin (VoNB Margin) <sup>2</sup>	18.7%	17.9%	-

Particulars	Q1 FY 2021	Q1 FY 2020	YoY
<b>VoNB and VoNB Margin using effective tax rate<sup>7</sup></b>			
Value of New Business (VoNB)	2.6	3.7	-31%
New Business Margin (VoNB Margin)	20.1%	19.9%	-
<b>Key Financial Ratios</b>			
Operating expense ratio <sup>3</sup>	7.0%	7.3%	-
Commission ratio <sup>4</sup>	3.1%	3.8%	-
Total cost ratio <sup>5</sup>	10.1%	11.2%	-
<b>Persistency Ratios (based on premium) <sup>6</sup></b>			
13 <sup>th</sup> month persistency	81.55%	84.46%	-
25 <sup>th</sup> month persistency	75.95%	75.97%	-
37 <sup>th</sup> month persistency	68.88%	70.57%	-
49 <sup>th</sup> month persistency	63.79%	67.89%	-
61 <sup>st</sup> month persistency	63.14%	56.27%	-
Solvency Ratio	2.39	2.17	-
Return on Equity (RoE)	17.3%	19.2%	-

1. Source: Life insurance council

2. VNB and VNB margin for Q1 FY21 and Q1 FY20 are based on management estimates

3. Operating expense ratio = Operating expenses / Gross Written Premium (GWP)

4. Commission ratio = Commission (including rewards) / Gross Written Premium (GWP)

5. Total cost ratio = (Operating expenses + Commission + Provision for doubtful debt and bad debt written off) /GWP

6. The persistency ratios are calculated as per IRDA/ACT/CIR/MISC/035/01/2014 circular dated 23rd January 2014. Single Premium and Fully Paid-Up policies are considered in above calculation. Group Business where persistency is measurable is included. Persistency Ratios for the period ended June 30, 2020 and June 30, 2019 are 'For the Quarter' Persistency Ratios are calculated using policies issued in March to May period of the relevant years

7. Effective tax rate assumes that a proportion of the projected profits are tax exempt on account of tax deductions available on income from dividends and tax free bonds.

N.B: Refer the section on definitions, abbreviations and explanatory notes

**The Board of Directors of SBI Life Insurance Company Limited approved and adopted its unaudited financial results for the quarter ended June 30, 2020, following its meeting on Tuesday, July 21, 2020 in Mumbai. The disclosure of financial results submitted to exchanges is annexed to this release.**

#### **Business growth and market share**

- The Company has achieved market leadership in Total NBP of ₹ 30.6 billion with 23.9% private market share in Q1 FY 2021.
- New Business Premium (NBP) is ₹ 30.6 billion in Q1 FY 2021. Single premium has increased by 31%
- Individual NBP from Non- par segment has increased by 50% to ₹ 4.2 billion in Q1 FY 2021
- Increase in GWP by 14% to ₹ 76.4 billion in Q1 FY 2021 mainly due to strong growth in renewal premium by 30% from ₹ 35.4 billion in Q1 FY 2020 to ₹ 45.8 billion in Q1FY 2021.

#### **Cost Efficiency**

- Total Cost ratio has decreased to 10.1% in Q1 FY 2021, from 11.2% in Q1 FY 2020.
  - Commission ratio has decreased to 3.1% in Q1 FY 2021, from 3.8% in Q1 FY 2020.
  - Operating Expense has decreased to 7.0% in Q1 FY 2021, from 7.3% in Q1 FY 2020.

#### **Profitability**

- Profit after Tax (PAT) grew by 5% to ₹ 3.9 billion in Q1 FY 2021.
- Value of New Business (VoNB) decreased by 29% to ₹ 2.4 billion in Q1 FY 2021.
- VoNB margin increased by 80 bps from 17.9% in Q1 FY2020 to 18.7% in Q1FY 2021.
- VoNB decreased by 31% to ₹ 2.6 billion for Q1 FY 2021 (with effective tax rate).
- VoNB margin increased from 19.9% in Q1 FY 2020 to 20.1% in Q1 FY 2021 (with effective tax rate).

#### **Persistency**

- 13<sup>th</sup> month persistency of 81.55% in Q1 FY 2021 as compared to 84.46% in Q1 FY 2020.
- Strong growth in 61<sup>st</sup> month persistency of 63.14% in Q1 FY 2021 as compared 56.27% in Q1FY 2020.



### **Assets under Management**

AuM has grown by 19% from ₹ 1,469.5 billion as on June 30, 2019 to ₹ 1753.5 billion as on June 30, 2020 with debt-equity mix of 76:24. Over 90% of the debt investments are in AAA and Sovereign instruments.

### **Financial position**

- The Company's net worth increased by 17% from ₹ 79.4 billion as on June 30, 2019 to ₹ 93.1 billion as on June 30, 2020.
- Strong solvency ratio as on June 30, 2020 was at 2.39 as against the regulatory requirement of 1.50.

### **Distribution network**

- The Company has strong distribution network of 190,696 trained insurance professionals consisting of agents, CIFs and SPs along with widespread operations with 940 offices across country.
- The Company has diversified distribution network comprising of strong bancassurance channel, agency channel and others comprising of corporate agents, brokers, micro agents, common service centers, insurance marketing firms, web aggregators and direct business. NBP channel mix for Q1 FY 2021 is bancassurance channel 41%, agency channel 14%, and other channels 45%.

### **Definitions, abbreviations and explanatory notes**

- **New Business Premium (NBP):** Insurance premium that is due in the first policy year of a life insurance contract or a single lump sum payment from the policyholder
- **Annualized Premium Equivalent (APE):** The sum of annualized first year premiums on regular premium policies, and 10% of single premiums, written by the Company during the fiscal year from both retail and group customers
- **Individual New Business Premium:** Insurance premium that is due in the first policy year of an individual life insurance contract
- **Individual Rated Premium (IRP):** New business premiums written by the Company under individual products and weighted at the rate of 10% for single premiums
- **Renewal Premium:** Life insurance premiums falling due in the years subsequent to the first year of the policy
- **Embedded Value:** The measure of the consolidated value of shareholders' interest in the covered life insurance business, which is all life insurance business written by the Company since inception and in-force as on the valuation date (including lapsed business which have the potential of getting revived). The Embedded Value of the Company has been determined on the basis of the Indian Embedded Value (IEV) Methodology calculated as per APS 10 set forth by the Institute of Actuaries of India (IAI)
- **Value of New Business (VoNB):** VoNB is the present value of expected future earnings from new policies written during a specified period and it reflects the additional value to shareholders expected to be generated through the activity of writing new policies during a specified period.
- **Value of New Business Margin / VoNB Margin:** VoNB Margin is the ratio of VoNB to New Business Annualized Premium Equivalent for a specified period and is a measure of the expected profitability of new business
- **Solvency Ratio:** Solvency ratio means ratio of the amount of Available Solvency Margin to the amount of Required Solvency Margin as specified in form-KT-3 of IRDAI Actuarial Report and Abstracts for Life Insurance Business Regulations
- **Net worth:** Net worth represents the shareholders' funds and is computed as sum of share capital and reserves including share premium, share application money and fair value change account net of debit balance in profit and loss account

## **About SBI Life Insurance**

SBI Life Insurance Company Limited (“SBI Life”/ “the Company”), incorporated in the year 2000, established as joint venture between State Bank of India and BNP Paribas Cardif S.A. and is one of the leading life Insurance companies in India. SBI Life has an authorized capital of ₹ 20.0 billion and a paid-up capital of ₹ 10.0 billion.

SBI Life offers a comprehensive range of life insurance and pension products at competitive prices, ensuring high standards of customer service and world class operating efficiency. The Company offers individual and group products which include savings and protection plans to address the insurance needs of diverse customer segments.

SBI Life has a multi-channel distribution network comprising of an expansive Bancassurance channel with SBI, which has an unrivalled strength of over 22,000 branches across the country. SBI Life also has a large and productive agent network comprising of 137,000 agents, as on June 30, 2020. The Company’s other distribution channels include direct sales and sales through corporate agents, brokers, insurance marketing firms and other intermediaries. As on June 30, 2020, the Company has a widespread network of 940 offices across the Country to address customer needs effectively and efficiently. The Company had an AuM of ₹ 1,753.5 billion as of June 30, 2020.

The Company is listed on National Stock Exchange (“NSE”) and The Bombay Stock Exchange (“BSE”).

## **Disclaimer**

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', '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, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in demand for insurance and other financial products and services in the countries that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our use of the Internet and other technology our exploration of merger and acquisition opportunities, our ability to integrate mergers or acquisitions into our operations and manage the risks associated with such acquisitions to achieve our strategic and financial objectives, our growth and expansion in domestic and overseas markets, technological changes, our ability to market new products, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in insurance regulations and other regulatory changes in India and other jurisdictions on us. SBI Life Insurance Company Limited undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.

This release does not constitute an offer of securities.

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(₹1 billion = ₹ 100 crore)



# **SEARCHABLE FORMAT**

**SBI Life Insurance Company Limited**  
**Statement of Unaudited Financial Results for the quarter ended June 30, 2020**

(₹ in Lakhs)

Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>POLICYHOLDERS' A/C</b>					
1	Gross premium income				
	(a) First Year Premium	1,08,575	2,52,221	1,64,435	9,82,879
	(b) Renewal Premium	4,58,488	8,13,186	3,53,996	24,04,223
	(c) Single Premium	1,97,281	1,28,315	1,51,013	6,76,370
2	Net premium income <sup>1</sup>	7,58,809	11,86,298	6,65,502	40,32,401
3	Income from investments (Net) <sup>2</sup>	8,58,280	(6,67,719)	2,97,727	2,99,679
4	Other income	716	1,284	1,122	4,576
5	Transfer of funds from Shareholders' A/c	-	47,628	-	47,628
6	<b>Total (2 to 5)</b>	<b>16,17,805</b>	<b>5,67,491</b>	<b>9,64,351</b>	<b>43,84,284</b>
7	Commission on				
	(a) First Year Premium	10,030	20,909	14,033	82,389
	(b) Renewal Premium	11,123	21,704	9,009	64,439
	(c) Single Premium	1,382	2,728	1,895	9,794
8	Net Commission <sup>1</sup>	22,534	45,340	24,937	1,56,622
	Rewards	848	2,584	750	5,872
9	Operating Expenses related to insurance business (a + b):	53,758	70,067	49,051	2,41,308
	(a) Employees remuneration and welfare expenses	35,369	36,946	29,460	1,36,138
	(b) Other operating expenses	18,389	33,121	19,591	1,05,170
10	<b>Expenses of Management (8+9)</b>	<b>77,140</b>	<b>1,17,991</b>	<b>74,738</b>	<b>4,03,802</b>
11	Provisions for doubtful debts (including bad debts written off)	8	18	37	65
12	Provisions for diminution in value of investments and provision for standard assets & non standard assets	(11,345)	5,824	1,829	12,376
13	Goods and Service Tax (GST) on charges	12,608	15,646	11,135	55,317
14	Provision for taxes	23,932	6,575	17,792	37,674
15	Benefits Paid <sup>3</sup> (Net) <sup>1</sup>	2,85,276	3,96,012	2,86,045	16,25,093
16	Change in actuarial liability	11,69,205	(40,531)	5,44,971	20,60,486
17	<b>Total (10+11+12+13+14+15+16)</b>	<b>15,56,824</b>	<b>5,01,535</b>	<b>9,36,547</b>	<b>41,94,813</b>
18	<b>Surplus/(Deficit) (6-17)</b>	<b>60,981</b>	<b>65,956</b>	<b>27,804</b>	<b>1,89,471</b>
19	<b>Appropriations</b>				
	(a) Transferred to Shareholders A/c	28,223	92,092	21,550	1,46,265
	(b) Funds for Future Appropriations <sup>4</sup>	32,759	(26,135)	6,254	43,205
20	<b>Details of Surplus/ (Deficit)</b>				
	(a) Interim & terminal bonus paid	1,032	3,174	662	7,559
	(b) Allocation of bonus to policyholders	-	1,29,633	-	1,29,633
	(c) Surplus shown in the Revenue Account	60,981	65,956	27,804	1,89,471
	<b>Total Surplus</b>	<b>62,013</b>	<b>1,98,763</b>	<b>28,466</b>	<b>3,26,663</b>
<b>SHAREHOLDERS' A/C</b>					
21	Transfer from Policyholders' Account	28,223	92,092	21,550	1,46,265
22	Total income under Shareholders' Account				
	(a) Investment Income	9,488	(1,148)	17,125	47,670
	(b) Other income	156	208	166	679
23	Expenses other than those related to insurance business	953	2,091	856	4,830
24	Transfer of funds to Policyholders' A/c	-	47,628	-	47,628
25	Provisions for doubtful debts (including write off)	-	-	-	-
26	Provisions for diminution in value of investments and provision for standard assets & non standard assets	(1,854)	(10,726)	200	802
27	<b>Profit/ (loss) before tax</b>	<b>38,768</b>	<b>52,159</b>	<b>37,784</b>	<b>1,41,354</b>
28	Provisions for tax	(321)	(908)	594	(863)
29	<b>Profit/ (loss) after tax and before Extraordinary Items</b>	<b>39,089</b>	<b>53,067</b>	<b>37,190</b>	<b>1,42,217</b>
30	Extraordinary Items (Net of tax expenses)	-	-	-	-
31	<b>Profit/ (loss) after tax and Extraordinary Items</b>	<b>39,089</b>	<b>53,067</b>	<b>37,190</b>	<b>1,42,217</b>
32	<b>Dividend per share (₹):</b>				
	(a) Interim Dividend	-	-	-	-
	(b) Final Dividend	-	-	-	-
33	Profit/(Loss) carried to Balance Sheet <sup>5</sup>	8,27,321	7,88,233	6,83,204	7,88,233
34	Paid up equity share capital	1,00,004	1,00,003	1,00,000	1,00,003
35	Reserve & Surplus (excluding Revaluation Reserve)	8,27,557	7,88,389	6,83,204	7,88,389
36	Fair Value Change Account and Revaluation Reserve (Shareholders)	3,611	(14,083)	10,936	(14,083)
37	<b>Total Assets:</b>				
	(a) <b>Investments:</b>				
	Shareholders'	8,08,255	6,82,795	6,89,974	6,82,795
	Policyholders Fund excluding Linked Assets	77,69,450	73,41,994	66,09,109	73,41,994
	Assets held to cover Linked Liabilities	87,86,823	78,56,533	72,31,125	78,56,533
	(b) Other Assets (Net of current liabilities and provisions)	2,94,571	3,74,468	3,46,548	3,74,468

<sup>1</sup> Net of reinsurance

<sup>2</sup> Net of amortisation and losses (including capital gains)

<sup>3</sup> Inclusive of interim bonus & terminal bonus

<sup>4</sup> Represents change in Funds for Future Appropriations during the period

<sup>5</sup> Represents accumulated profit

Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
38	<b>Analytical Ratios<sup>1</sup> :</b>				
	(i) Solvency Ratio	2.39	1.95	2.17	1.95
	(ii) Expenses Management Ratio	10.09%	9.88%	11.16%	9.94%
	(iii) Policyholder's liabilities to shareholders' fund	1796.44%	1759.27%	1773.31%	1759.27%
	(iv) Earnings per share (₹):				
	a) Basic and diluted EPS before extraordinary items (net of tax expense) for the period <sup>2</sup>	3.91	5.31	3.72	14.22
	b) Basic and diluted EPS after extraordinary items (net of tax expense) for the period <sup>2</sup>	3.91	5.30	3.72	14.22
	(v) NPA ratios: (for policyholders' fund)				
	a) Gross NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	5,258	5,258	-	5,258
	Net NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	-	-	-	-
	b) % of Gross NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	0.06	0.07	-	0.07
	% of Net NPAs				
	- Non Linked				
	Par	-	-	-	-
	Non Par	-	-	-	-
	- Linked				
	Non Par	-	-	-	-
	(vi) Yield on Investments (on policyholders' fund)				
	A. Without unrealised gains				
	Non Linked				
	Par	6.73%	8.73%	9.12%	8.76%
	Non Par	7.93%	8.35%	9.74%	8.92%
	Sub - Total : Non-Linked	7.42%	8.50%	9.49%	8.85%
	Linked				
	Par	NA	NA	NA	NA
	Non Par	3.99%	2.32%	9.16%	6.81%
	Sub - Total : Linked	3.99%	2.32%	9.16%	6.81%
	Grand Total	5.67%	5.40%	9.33%	7.83%
	B. With unrealised gains				
	Non Linked				
	Par	27.15%	-10.00%	21.18%	7.80%
	Non Par	18.31%	8.28%	13.77%	10.69%
	Sub - Total : Non-Linked	22.00%	0.65%	16.82%	9.47%
	Linked				
	Par	NA	NA	NA	NA
	Non Par	36.48%	-44.43%	8.26%	-4.24%
	Sub - Total : Linked	36.48%	-44.43%	8.26%	-4.24%
	Grand Total	29.12%	-22.46%	12.50%	2.45%
	(vii) NPA ratios: (for shareholders' fund)				
	a) Gross NPAs	-	-	-	-
	Net NPAs	-	-	-	-
	b) % of Gross NPAs	-	-	-	-
	% of Net NPAs	-	-	-	-
	(viii) Yield on Investments (on shareholders' fund)				
	A. Without unrealised gains	5.41%	-1.02%	11.32%	7.10%
	B. With unrealised gains	27.56%	-6.81%	7.83%	5.25%
	(ix) Persistency Ratio (based on number of Policy) <sup>3</sup>				
	For 13th month	73.16%	78.93%	59.31%	75.26%
	For 25th month	52.29%	67.59%	55.23%	66.94%
	For 37th month	50.09%	62.26%	58.74%	61.89%
	For 49th Month	50.76%	53.49%	54.78%	55.81%
	for 61st month	48.65%	48.97%	47.19%	49.84%
	Persistency Ratio (based on Premium) <sup>3</sup>				
	For 13th month	81.55%	84.29%	84.46%	86.14%
	For 25th month	75.95%	77.17%	75.97%	78.53%
	For 37th month	68.88%	70.13%	70.57%	71.56%
	For 49th Month	63.79%	64.56%	67.89%	67.30%
	for 61st month	63.14%	59.44%	56.27%	59.90%



Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
(x)	Conservation Ratio	88.44%	81.76%	90.95%	85.09%
	Participating Life	83.01%	88.02%	89.14%	89.31%
	Participating Pension	64.78%	91.01%	98.99%	94.10%
	Group Pension	67.17%	27.74%	41.48%	35.25%
	Participating Variable Insurance	79.98%	69.26%	80.78%	73.69%
	Non Participating Life	94.02%	78.51%	94.70%	84.69%
	Non Participating Pension	91.36%	81.48%	91.59%	87.16%
	Non Participating Annuity	-	-	-	-
	Non Participating Health	69.35%	78.52%	62.44%	77.42%
	Non Participating Variable Insurance	86.88%	76.34%	97.38%	89.04%
	Linked Life	89.78%	80.45%	91.35%	84.22%
	Linked Group	-	-	-	-
	Linked Pension	89.53%	83.24%	91.31%	84.47%
(xi)	Percentage of shares held by Government of India (in case of public sector insurance companies)	NA	NA	NA	NA

1 Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosures

2 Basic and diluted EPS is not annualized for three months

3 The persistency ratios are calculated as per IRDA/ACT/CIR/MISC/035/01/2014 circular dated 23rd January 2014.

Single Premium and Fully Paid-Up policies are considered in above calculation. Group Business where persistency is measurable is included.

i) Persistency ratios for the three months ended June 30, 2020 and June 30, 2019 are "for the quarter" persistency calculated using policies issued in March to May period of the relevant years.

ii) Persistency ratios for the three months ended March 31, 2020 are "for the quarter" persistency calculated using policies issued in December to February period of the relevant years.

iii) Persistency ratios for the year ended March 31, 2020 are "upto the quarter" persistency calculated using policies issued in March to February period of the relevant years.

NA - Not applicable

**SBI Life Insurance Company Limited**  
**Balance Sheet as at June 30, 2020**

(₹ in Lakhs)

Particulars	As at June 30, 2020	As at March 31, 2020
	(Unaudited)	(Audited)
<b>SOURCES OF FUNDS</b>		
<b>Shareholders' Funds:</b>		
Share Capital	1,00,004	1,00,003
Reserves and Surplus	8,27,557	7,88,389
Credit/(Debit) Fair Value Change Account	3,612	(14,084)
<b>Sub-Total</b>	<b>9,31,173</b>	<b>8,74,308</b>
Borrowings	-	-
<b>Policyholders' Funds:</b>		
Credit/(Debit) Fair Value Change Account	(14,237)	(1,58,720)
Policy Liabilities	78,51,215	76,12,300
Insurance Reserves	-	-
Provision for Linked Liabilities	78,03,961	76,30,073
Add: Fair value change (Linked)	3,46,763	(2,86,050)
Add: Funds for Discontinued Policies		
(i) Discontinued on account of non-payment of premium	6,27,196	5,05,044
(ii) Others	8,903	7,467
<b>Total Linked Liabilities</b>	<b>87,86,823</b>	<b>78,56,534</b>
<b>Sub-Total</b>	<b>1,66,23,801</b>	<b>1,53,10,114</b>
Funds for Future Appropriation - Linked	-	-
Funds for Future Appropriation - Other	1,04,126	71,367
<b>TOTAL</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>
<b>APPLICATION OF FUNDS</b>		
<b>Investments</b>		
- Shareholders'	8,08,255	6,82,795
- Policyholders'	77,69,450	73,41,994
Assets held to cover Linked Liabilities	87,86,823	78,56,533
Loans	36,868	36,448
Fixed assets	57,012	58,118
<b>Current Assets</b>		
Cash and Bank Balances	1,64,984	1,42,323
Advances and Other Assets	3,97,653	4,39,808
<b>Sub-Total (A)</b>	<b>5,62,637</b>	<b>5,82,131</b>
<b>Current Liabilities</b>		
Provisions	3,24,359	2,78,379
	37,586	23,851
<b>Sub-Total (B)</b>	<b>3,61,945</b>	<b>3,02,230</b>
<b>Net Current Assets (C) = (A - B)</b>	<b>2,00,692</b>	<b>2,79,901</b>
Miscellaneous Expenditure (To The Extent Not Written Off or Adjusted)	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-
<b>TOTAL</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>
Contingent Liabilities	1,17,655	1,11,456

**SBI Life Insurance Company Limited**  
**Segment<sup>1</sup> Reporting for the quarter ended June 30, 2020**

(₹ in Lakhs)

Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at March 31, 2020
		June 30, 2020	March 31, 2020	June 30, 2019	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>1</b>	<b>Segment Income:</b>				
	<b>Segment A: Par life</b>				
	Net Premium	1,01,499	1,99,786	1,07,338	6,31,211
	Income from Investments <sup>2</sup>	55,739	54,314	49,776	2,07,805
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	340	484	488	1,847
	<b>Segment B: Par pension</b>				
	Net Premium	3,250	9,325	4,328	32,049
	Income from Investments <sup>2</sup>	3,616	4,037	3,985	16,392
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	11	22	36	83
	<b>Segment C: Par Variable</b>				
	Net Premium	10,610	23,831	13,258	80,653
	Income from Investments <sup>2</sup>	6,200	6,756	5,692	24,888
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	21	184	11	374
	<b>Segment D - Non Par Individual Life</b>				
	Net Premium	49,843	72,472	29,137	2,33,797
	Income from Investments <sup>2</sup>	20,250	19,353	22,858	86,853
	Transfer of Funds from shareholders' account	-	11,750	-	11,750
	Other Income	33	94	30	185
	<b>Segment E - Non Par Pension</b>				
	Net Premium	291	985	318	2,448
	Income from Investments <sup>2</sup>	851	893	888	3,827
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	0	2	0	2
	<b>Segment F - Non Par Group life</b>				
	Net Premium	1,18,989	1,01,243	1,09,651	4,15,749
	Income from Investments <sup>2</sup>	49,592	49,129	55,105	2,03,547
	Transfer of Funds from shareholders' account	-	20,097	-	20,097
	Other Income	3	31	11	58
	<b>Segment G - Non Par Annuity</b>				
	Net Premium	51,623	32,031	19,104	1,12,513
	Income from Investments <sup>2</sup>	7,498	7,079	5,618	26,068
	Transfer of Funds from shareholders' account	-	14,819	-	14,819
	Other Income	(2)	14	1	17
	<b>Segment H - Non Par Health</b>				
	Net Premium	130	255	108	768
	Income from Investments <sup>2</sup>	58	55	49	218
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	0	0	0	1
	<b>Segment I - Non Par Variable</b>				
	Net Premium	49,923	5,121	41,754	1,71,844
	Income from Investments <sup>2</sup>	11,239	11,692	8,566	41,052
	Transfer of Funds from shareholders' account	-	961	-	961
	Other Income	1	20	2	25
	<b>Segment J - Linked Individual Life</b>				
	Net Premium	3,00,025	6,21,128	2,91,149	19,79,818
	Income from Investments <sup>2</sup>	6,38,897	(7,80,130)	1,27,734	(3,31,194)
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	311	431	543	1,981



Sl. No.	Particulars	Three months ended/ As at			Year ended/ As at March 31, 2020
		June 30, 2020	March 31, 2020	June 30, 2019	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	<b>Segment K - Linked Group</b>				
	Net Premium	1,446	289	736	2,311
	Income from Investments <sup>2</sup>	2,218	(905)	910	1,633
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	0	0	0	0
	<b>Segment L - Linked Pension</b>				
	Net Premium	71,182	1,19,832	48,620	3,69,241
	Income from Investments <sup>2</sup>	73,467	(45,815)	14,717	6,215
	Transfer of Funds from shareholders' account	-	-	-	-
	Other Income	(3)	2	(1)	2
	<b>Shareholders</b>				
	Income from Investments <sup>2</sup>	11,342	9,578	16,925	46,868
	Other Income	156	208	166	679
<b>2</b>	<b>Segment Surplus/ (Deficit) (net of transfer from shareholders' A/c) :</b>				
	Segment A - Par life	29,378	(18,371)	5,493	44,702
	Segment B - Par pension	2,066	2,339	1,885	7,627
	Segment C - Par VIP	1,315	5,140	(1,125)	6,119
	Segment D - Non Par Ind Life	(4,717)	2,416	2,479	(11,750)
	Segment E - Non Par Ind Pension	375	(69)	220	861
	Segment F - Non Par Group life	11,581	26,209	9,766	51,802
	Segment G - Non Par Annuity	(4,523)	(10,959)	(1,483)	(14,819)
	Segment H - Non Par Health	80	238	87	440
	Segment I - Non Par VIP	332	(1,058)	(197)	(961)
	Segment J - Linked Ind Life	23,472	11,015	8,977	49,850
	Segment K - Linked Group	(4)	9	(1)	26
	Segment L - Linked Pension	1,627	1,420	1,701	7,945
	Shareholders	10,866	8,602	15,641	43,581
<b>3</b>	<b>Segment Assets:</b>				
	Segment A - Par life	28,23,969	26,38,664	23,50,380	26,38,664
	Segment B - Par pension	2,14,970	2,03,639	1,83,925	2,03,639
	Segment C - Par VIP	2,82,813	2,78,554	2,92,574	2,78,554
	Segment D - Non Par Ind Life	10,67,869	10,10,419	8,37,497	10,10,419
	Segment E - Non Par Ind Pension	42,940	42,451	41,725	42,451
	Segment F - Non Par Group life	23,35,098	22,85,705	22,92,361	22,85,705
	Segment G - Non Par Annuity	4,58,416	4,01,585	2,87,588	4,01,585
	Segment H - Non Par Health	662	2,928	2,272	2,928
	Segment I - Non Par VIP	6,20,760	5,63,542	4,70,699	5,63,542
	Segment J - Linked Ind Life	76,97,545	68,91,397	65,07,669	68,91,397
	Segment K - Linked Group	36,327	32,868	31,798	32,868
	Segment L - Linked Pension	11,70,665	10,43,587	8,00,757	10,43,587
	<b>Total</b>	<b>1,67,52,035</b>	<b>1,53,95,338</b>	<b>1,40,99,245</b>	<b>1,53,95,338</b>
	Shareholders	9,31,173	8,74,308	7,94,141	8,74,308
	Unallocated	(24,108)	(13,857)	(16,630)	(13,857)
	<b>Grand Total</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>	<b>1,48,76,757</b>	<b>1,62,55,789</b>
<b>4</b>	<b>Segment Policy Liabilities:</b>				
	Segment A - Par life	28,21,646	26,36,076	23,46,338	26,36,076
	Segment B - Par pension	2,11,983	1,98,962	1,78,229	1,98,962
	Segment C - Par VIP	2,78,537	2,74,527	3,04,797	2,74,527
	Segment D - Non Par Ind Life	10,74,380	10,20,433	8,43,074	10,20,433
	Segment E - Non Par Ind Pension	43,217	42,751	42,158	42,751
	Segment F - Non Par Group life	23,20,475	22,73,479	22,54,941	22,73,479
	Segment G - Non Par Annuity	4,64,104	4,10,188	3,06,515	4,10,188
	Segment H - Non Par Health	200	208	171	208
	Segment I - Non Par VIP	6,19,898	5,64,379	4,71,331	5,64,379
	Segment J - Linked Ind Life	76,89,188	68,84,759	65,03,725	68,84,759
	Segment K - Linked Group	35,887	32,476	31,558	32,476
	Segment L - Linked Pension	11,68,412	10,43,243	7,99,779	10,43,243
	<b>Total</b>	<b>1,67,27,927</b>	<b>1,53,81,480</b>	<b>1,40,82,616</b>	<b>1,53,81,480</b>
	Shareholders	9,31,173	8,74,308	7,94,141	8,74,308
	Unallocated	-	-	-	-
	<b>Grand Total</b>	<b>1,76,59,100</b>	<b>1,62,55,789</b>	<b>1,48,76,757</b>	<b>1,62,55,789</b>

**Footnotes:**

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 further segregated into Life, General Annuity and Pension and Health where any such segment contributes ten per cent or more of the total premium of the Company.

2 Net of Provisions for diminution in value of investments and provision for standard and non-standard assets.

3 Segment policy liabilities includes fund for future appropriation and Credit/(debit) fair value change account on policyholders fund.

**Other disclosures:**

**Status of Shareholders Complaints for the quarter ended June 30, 2020**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Three months ended June 30, 2020</b>
1	No. of investor complaints pending at the beginning of the period	Nil
2	No. of investor complaints received during the period	4
3	No. of investor complaints disposed off during the period	4
4	No. of investor complaints remaining unresolved at the end of the period	Nil

**Notes:**

- 1 The above financial results have been reviewed by the Board Audit Committee and approved by the Board of Directors at its meeting held on July 21, 2020.
- 2 The financial results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, to the extent applicable, IRDAI circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for life insurance companies.
- 3 In view of seasonality of the industry, the financial results for the quarter ended June 30, 2020 are not indicative of the results that may be expected of any other interim period or full year.
- 4 The above financial results are reviewed by the Joint Statutory Auditors S C Bapna & Associates, Chartered Accountants (FRN: 115649W) and R. Devendra Kumar & Associates Chartered Accountants (FRN: 114207W).
- 5 The Outbreak of COVID-19 virus continue to spread across the globe including India, resulting in significant impact on global and India's economic environment including volatility in the capital markets. This outbreak was declared as global pandemic by World Health Organisation (WHO) on March 11, 2020. The Company has assessed the overall impact of this pandemic on its business and financials, including valuation of assets, policy liabilities and solvency for the period ended June 30, 2020. Based on the evaluation, the company has kept additional reserve amounting to Rs. 593,388 thousands resulting from COVID-19 pandemic over and above the policy level liabilities calculated based on prescribed IRDAI regulations and the same have been provided for as at 30/06/2020 in the actuarial liability. The Company will continue to closely monitor any future developments relating to COVID-19 which may have any impact on its business and financial position.
- 6 During the period ended June 30, 2020 the Company has allotted 13,668 equity shares of face value of Rs.10 each to its eligible employees pursuant to exercise of employee stock options in accordance with the Company's Employee Stock Option Scheme 2018 ("ESOS 2018"). The Scheme is in compliance with SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time.
- 7 In accordance with requirement of IRDAI Master Circular on 'Presentation of Financial Statements and Filing of Returns', the Company will publish the financials on the Company's website latest by August 14, 2020.
- 8 Figures of the previous period/year have been regrouped/ reclassified wherever necessary, in order to make them comparable.

**For and on behalf of Board of Directors**

Place: Mumbai

Date: July 21, 2020

**Mahesh Kumar Sharma**  
Managing Director & CEO  
(DIN: 0008740737)

**R. Devendra Kumar & Associates**  
**Chartered Accountants**  
205, Blue Rose Industrial Estate,  
Near Petrol Pump,  
Western Express Highway, Borivali East,  
Mumbai 400 066

**S.C. Bapna & Associates**  
**Chartered Accountants**  
501, Arcadia,  
195, Nariman Point,  
Mumbai-400 021

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**Independent Auditor's Limited Review Report on Unaudited Financial Results for the quarter ended June 30, 2020 of SBI LIFE INSURANCE COMPANY LIMITED pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors of  
**SBI Life Insurance Company Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **SBI Life Insurance Company Limited** ("the Company") for the quarter ended June 30, 2020, ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and IRDA Circular reference: IRDAI /F&I / REG/ CIR/ 208 /10/ 2016 dated 25<sup>th</sup> October 2016. This Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Our responsibility is to issue a report on this Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the applicable accounting standards, accounting and presentation principles as prescribed in the relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") and IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002; orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI"/"the Authority") to the extent applicable and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis of Matter**

4. We invite attention to Note No. 5 to the statement regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials, including valuation of assets, policy liabilities and solvency for the quarter ended June 30, 2020, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.  
Our conclusion is not modified on the above matter.

**Other Matters**

5. The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary") whose services are as extended and approved by IRDAI. 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 June 30, 2020 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 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 during our review of 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 statement of unaudited financial results.
6. Due to the COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the review processes were carried out based on the remote access to the extent available/feasible and necessary records made available by the management through digital medium.

Our conclusion is not modified in respect of the above matters.

For R. Devendra Kumar & Associates  
**Chartered Accountants**  
Firm Regn. No.114207W

For S.C. Bapna & Associates  
**Chartered Accountants**  
Firm Regn. No.115649W

**D. K Gupta**  
Partner  
Membership No. 009032  
UDIN:

**S.C. Bapna**  
Partner  
Membership No. 071765  
UDIN:

**Place: Mumbai**  
**Date: July 21, 2020**



News Release  
 BSE Code: 540719

July 21, 2020  
 NSE Code: SBILIFE

## Performance for the quarter ended June 30, 2020

- Private market leadership in Total New Business Premium (NBP) with 23.9% market share
- 80 bps increase in VoNB margin to 18.7% as compared to Q1 FY 2020
- Strong growth in 61<sup>st</sup> month persistency ratio based on premium by 687 bps
- Robust solvency ratio of 2.39
- Decrease in Operating expense ratio to 7.0% from 7.3%
- Increase in profit by 5% to ₹ 3.9 billion
- Growth in Gross written premium by 14%

### Key measures of performance

(₹ in billion)			
Particulars	Q1 FY 2021	Q1 FY 2020	YoY
<b>Revenue Parameters</b>			
New Business Premium (NBP)	30.6	31.5	-3%
Renewal Premium (RP)	45.8	35.4	30%
<b>Gross Written Premium (GWP)</b>	<b>76.4</b>	<b>66.9</b>	<b>14%</b>
Individual New Business Premium	13.4	18.7	-29%
Individual Rated Premium (IRP)	10.5	16.2	-36%
Annualized Premium Equivalent (APE)	12.7	18.6	-32%
Total Protection NBP (Individual + Group)	2.9	4.4	-33%
Total Protection NBP Share	9.6%	13.8%	-
Private Market Share based on IRP <sup>1</sup>	18%	21.5%	-
NBP Product mix (%) (Par/Non Par/ULIP)	4/70/26	9/49/42	-
NBP Channel mix (%) (Banca/Agency/others)	41/14/45	57/18/25	-
<b>Financial Parameters</b>			
Profit after Tax (PAT)	3.9	3.7	5%
Net Worth	93.1	79.4	17%
Assets under Management (AuM)	1753.5	1,469.5	19%
<b>VoNB and VoNB Margin<sup>2</sup></b>			
Value of New Business (VoNB) <sup>2</sup>	2.4	3.3	-29%
New Business Margin (VoNB Margin) <sup>2</sup>	18.7%	17.9%	-

Particulars	Q1 FY 2021	Q1 FY 2020	YoY
<b>VoNB and VoNB Margin using effective tax rate<sup>7</sup></b>			
Value of New Business (VoNB)	2.6	3.7	-31%
New Business Margin (VoNB Margin)	20.1%	19.9%	-
<b>Key Financial Ratios</b>			
Operating expense ratio <sup>3</sup>	7.0%	7.3%	-
Commission ratio <sup>4</sup>	3.1%	3.8%	-
Total cost ratio <sup>5</sup>	10.1%	11.2%	-
<b>Persistency Ratios (based on premium) <sup>6</sup></b>			
13 <sup>th</sup> month persistency	81.55%	84.46%	-
25 <sup>th</sup> month persistency	75.95%	75.97%	-
37 <sup>th</sup> month persistency	68.88%	70.57%	-
49 <sup>th</sup> month persistency	63.79%	67.89%	-
61 <sup>st</sup> month persistency	63.14%	56.27%	-
Solvency Ratio	2.39	2.17	-
Return on Equity (RoE)	17.3%	19.2%	-

1. Source: Life insurance council

2. VNB and VNB margin for Q1 FY21 and Q1 FY20 are based on management estimates

3. Operating expense ratio = Operating expenses / Gross Written Premium (GWP)

4. Commission ratio = Commission (including rewards) / Gross Written Premium (GWP)

5. Total cost ratio = (Operating expenses + Commission + Provision for doubtful debt and bad debt written off) /GWP

6. The persistency ratios are calculated as per IRDA/ACT/CIR/MISC/035/01/2014 circular dated 23rd January 2014. Single Premium and Fully Paid-Up policies are considered in above calculation. Group Business where persistency is measurable is included. Persistency Ratios for the period ended June 30, 2020 and June 30, 2019 are 'For the Quarter' Persistency Ratios are calculated using policies issued in March to May period of the relevant years

7. Effective tax rate assumes that a proportion of the projected profits are tax exempt on account of tax deductions available on income from dividends and tax free bonds.

N.B: Refer the section on definitions, abbreviations and explanatory notes

**The Board of Directors of SBI Life Insurance Company Limited approved and adopted its unaudited financial results for the quarter ended June 30, 2020, following its meeting on Tuesday, July 21, 2020 in Mumbai. The disclosure of financial results submitted to exchanges is annexed to this release.**

#### **Business growth and market share**

- The Company has achieved market leadership in Total NBP of ₹ 30.6 billion with 23.9% private market share in Q1 FY 2021.
- New Business Premium (NBP) is ₹ 30.6 billion in Q1 FY 2021. Single premium has increased by 31%
- Individual NBP from Non- par segment has increased by 50% to ₹ 4.2 billion in Q1 FY 2021
- Increase in GWP by 14% to ₹ 76.4 billion in Q1 FY 2021 mainly due to strong growth in renewal premium by 30% from ₹ 35.4 billion in Q1 FY 2020 to ₹ 45.8 billion in Q1FY 2021.

#### **Cost Efficiency**

- Total Cost ratio has decreased to 10.1% in Q1 FY 2021, from 11.2% in Q1 FY 2020.
  - Commission ratio has decreased to 3.1% in Q1 FY 2021, from 3.8% in Q1 FY 2020.
  - Operating Expense has decreased to 7.0% in Q1 FY 2021, from 7.3% in Q1 FY 2020.

#### **Profitability**

- Profit after Tax (PAT) grew by 5% to ₹ 3.9 billion in Q1 FY 2021.
- Value of New Business (VoNB) decreased by 29% to ₹ 2.4 billion in Q1 FY 2021.
- VoNB margin increased by 80 bps from 17.9% in Q1 FY2020 to 18.7% in Q1FY 2021.
- VoNB decreased by 31% to ₹ 2.6 billion for Q1 FY 2021 (with effective tax rate).
- VoNB margin increased from 19.9% in Q1 FY 2020 to 20.1% in Q1 FY 2021 (with effective tax rate).

#### **Persistency**

- 13<sup>th</sup> month persistency of 81.55% in Q1 FY 2021 as compared to 84.46% in Q1 FY 2020.
- Strong growth in 61<sup>st</sup> month persistency of 63.14% in Q1 FY 2021 as compared 56.27% in Q1FY 2020.

### **Assets under Management**

AuM has grown by 19% from ₹ 1,469.5 billion as on June 30, 2019 to ₹ 1753.5 billion as on June 30, 2020 with debt-equity mix of 76:24. Over 90% of the debt investments are in AAA and Sovereign instruments.

### **Financial position**

- The Company's net worth increased by 17% from ₹ 79.4 billion as on June 30, 2019 to ₹ 93.1 billion as on June 30, 2020.
- Strong solvency ratio as on June 30, 2020 was at 2.39 as against the regulatory requirement of 1.50.

### **Distribution network**

- The Company has strong distribution network of 190,696 trained insurance professionals consisting of agents, CIFs and SPs along with widespread operations with 940 offices across country.
- The Company has diversified distribution network comprising of strong bancassurance channel, agency channel and others comprising of corporate agents, brokers, micro agents, common service centers, insurance marketing firms, web aggregators and direct business. NBP channel mix for Q1 FY 2021 is bancassurance channel 41%, agency channel 14%, and other channels 45%.

### **Definitions, abbreviations and explanatory notes**

- **New Business Premium (NBP):** Insurance premium that is due in the first policy year of a life insurance contract or a single lump sum payment from the policyholder
- **Annualized Premium Equivalent (APE):** The sum of annualized first year premiums on regular premium policies, and 10% of single premiums, written by the Company during the fiscal year from both retail and group customers
- **Individual New Business Premium:** Insurance premium that is due in the first policy year of an individual life insurance contract
- **Individual Rated Premium (IRP):** New business premiums written by the Company under individual products and weighted at the rate of 10% for single premiums
- **Renewal Premium:** Life insurance premiums falling due in the years subsequent to the first year of the policy
- **Embedded Value:** The measure of the consolidated value of shareholders' interest in the covered life insurance business, which is all life insurance business written by the Company since inception and in-force as on the valuation date (including lapsed business which have the potential of getting revived). The Embedded Value of the Company has been determined on the basis of the Indian Embedded Value (IEV) Methodology calculated as per APS 10 set forth by the Institute of Actuaries of India (IAI)
- **Value of New Business (VoNB):** VoNB is the present value of expected future earnings from new policies written during a specified period and it reflects the additional value to shareholders expected to be generated through the activity of writing new policies during a specified period.
- **Value of New Business Margin / VoNB Margin:** VoNB Margin is the ratio of VoNB to New Business Annualized Premium Equivalent for a specified period and is a measure of the expected profitability of new business
- **Solvency Ratio:** Solvency ratio means ratio of the amount of Available Solvency Margin to the amount of Required Solvency Margin as specified in form-KT-3 of IRDAI Actuarial Report and Abstracts for Life Insurance Business Regulations
- **Net worth:** Net worth represents the shareholders' funds and is computed as sum of share capital and reserves including share premium, share application money and fair value change account net of debit balance in profit and loss account



## **About SBI Life Insurance**

SBI Life Insurance Company Limited (“SBI Life”/ “the Company”), incorporated in the year 2000, established as joint venture between State Bank of India and BNP Paribas Cardif S.A. and is one of the leading life Insurance companies in India. SBI Life has an authorized capital of ₹ 20.0 billion and a paid-up capital of ₹ 10.0 billion.

SBI Life offers a comprehensive range of life insurance and pension products at competitive prices, ensuring high standards of customer service and world class operating efficiency. The Company offers individual and group products which include savings and protection plans to address the insurance needs of diverse customer segments.

SBI Life has a multi-channel distribution network comprising of an expansive Bancassurance channel with SBI, which has an unrivalled strength of over 22,000 branches across the country. SBI Life also has a large and productive agent network comprising of 137,000 agents, as on June 30, 2020. The Company’s other distribution channels include direct sales and sales through corporate agents, brokers, insurance marketing firms and other intermediaries. As on June 30, 2020, the Company has a widespread network of 940 offices across the Country to address customer needs effectively and efficiently. The Company had an AuM of ₹ 1,753.5 billion as of June 30, 2020.

The Company is listed on National Stock Exchange (“NSE”) and The Bombay Stock Exchange (“BSE”).

## **Disclaimer**

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', '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, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in demand for insurance and other financial products and services in the countries that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our use of the Internet and other technology our exploration of merger and acquisition opportunities, our ability to integrate mergers or acquisitions into our operations and manage the risks associated with such acquisitions to achieve our strategic and financial objectives, our growth and expansion in domestic and overseas markets, technological changes, our ability to market new products, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in insurance regulations and other regulatory changes in India and other jurisdictions on us. SBI Life Insurance Company Limited undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.

This release does not constitute an offer of securities.

For investor queries please call Sangramjit Sarangi at + 91 22 6191 0281 or email [investorrelations@sbilife.co.in](mailto:investorrelations@sbilife.co.in)

For further press queries please call Santosh Setty at +91-22-6191 0034 / Minakshi Mishra at +91-22-6191 0140 or email [santosh.setty@sbilife.co.in](mailto:santosh.setty@sbilife.co.in) / [minakshi.mishra@sbilife.co.in](mailto:minakshi.mishra@sbilife.co.in)

(₹1 billion = ₹ 100 crore)



**Financial**

**I M M U N I T Y**

**SBI LIFE INSURANCE**

**Performance Update – June 2020**

# Agenda

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## **Performance update**



## Focus areas and initiatives



## Industry overview



## Annexure

# Resilient business model creating long term value

Well positioned to maintain steady growth and long term consistent returns



High quality  
distribution Network

**190,696**  
Trained insurance  
personnel



Geographically diversified  
customer base

**14 lakhs +**  
Lives covered



Strong capital  
position

**239%**  
Solvency ratio



Digital enablement

**97%**  
Individual applications  
submitted digitally

Driven by strong brand, solid governance and dedicated employees

# Key Performance Indicators

Prudent approach to counter post pandemic slump – “New Normal”

₹ in billion

## Revenue

### New Business Premium



₹ 30.6 (-3% Y-o-Y)  
CAGR 10%

### New Business APE



₹ 12.7 (-32% Y-o-Y)  
CAGR 8%

### Individual Rated Premium



₹ 10.5 (-36% Y-o-Y)  
CAGR 8%

### Renewal Premium



₹ 45.9 (30% Y-o-Y)  
CAGR 25%

### Gross Written Premium



₹ 76.4 (14% Y-o-Y)  
CAGR 18%

### Protection & Annuity share



26%  
656 bps Y-o-Y

## Profitability

### Profit after Tax



₹ 3.91 (5% Y-o-Y)  
CAGR 13%

### Value of New Business



₹ 2.4  
(-29% Y-o-Y)

### New Business Margin



18.7%  
80 bps Y-o-Y

1. Value of New Business and New Business Margin is based on actual tax rate. 2. On Effective tax rate basis, VoNB and VoNB margin is ₹ 2.6 billion & 20.1% respectively for Q1 FY 21. 3. Effective tax rate assumes that a proportion of the projected profits are tax exempt on account of tax deductions available on income from dividends and tax free bonds.

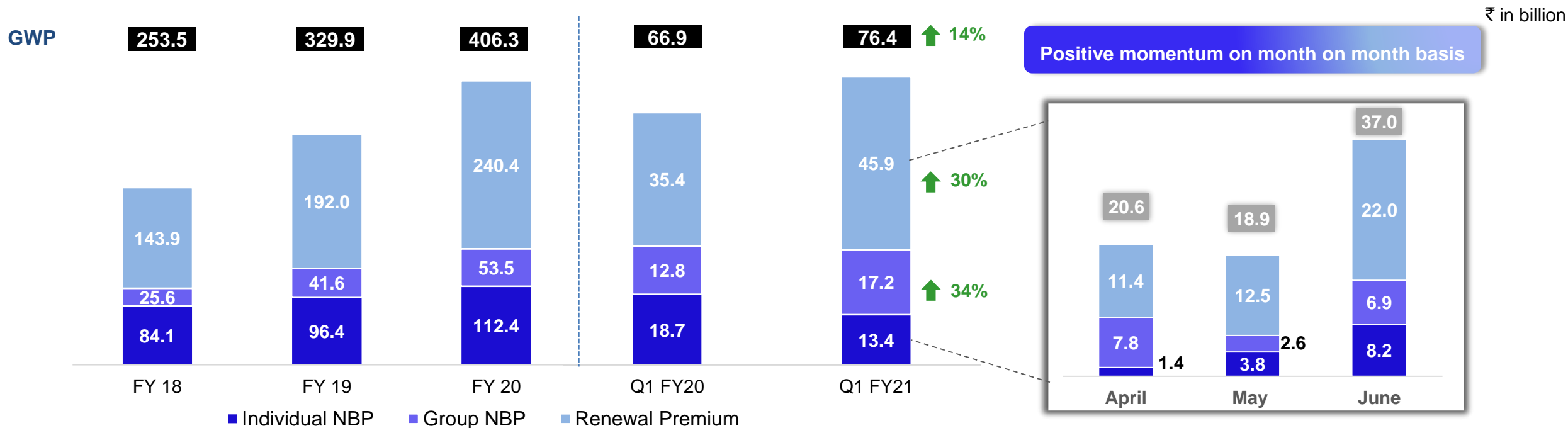
The CAGR numbers are calculated for a period of 5 years from Q1 FY 17 to Q1 FY 21.

Numbers are rounded off to nearest one decimal.

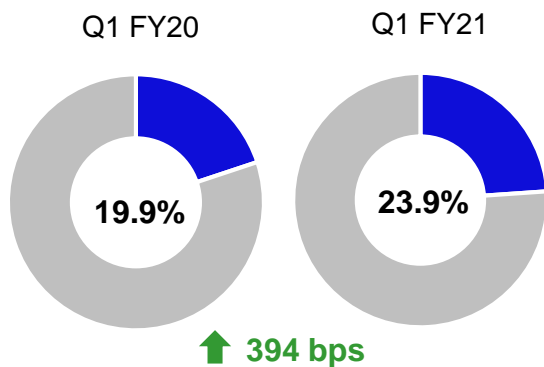


# Premium

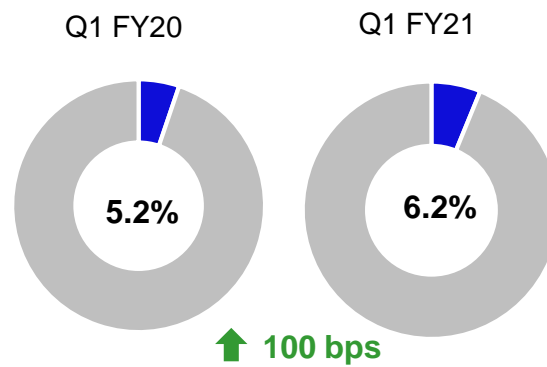
Despite adversities gaining momentum in new business collection, Strong growth in renewal collection



## Private NBP Market share



## Total NBP Market share



Near term sales environment impacted due to COVID containment measures



Gained significant market share on NBP basis post initial lockdown

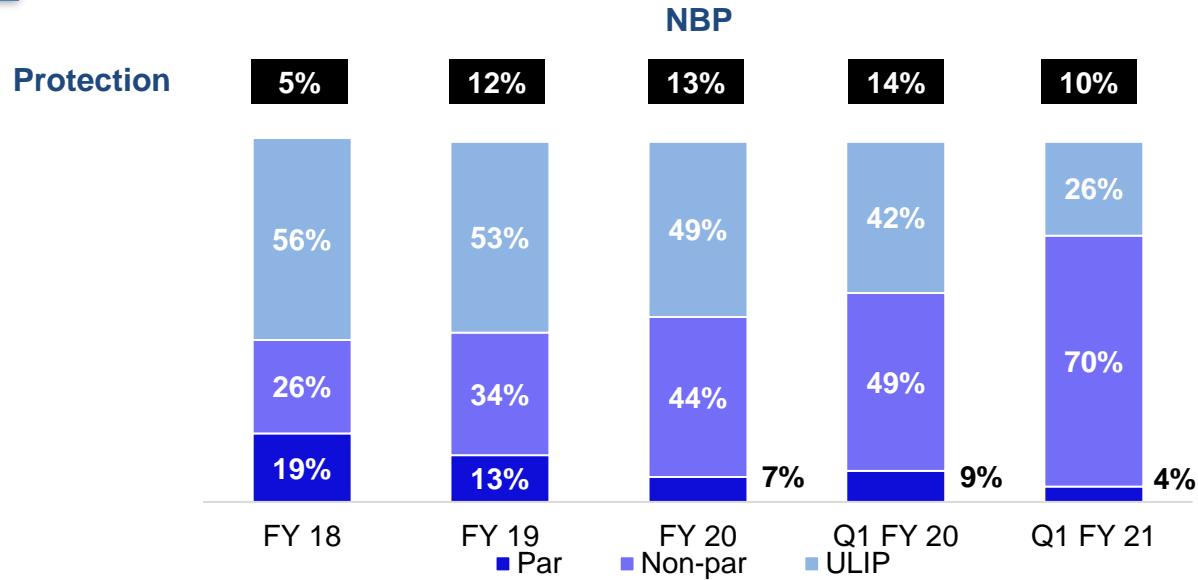


Track record of recovery from periods of disruption on solid foundation of distribution network

# Product portfolio

Continued progress across all key customer segments

₹ in billion



**Growth in Non-par NBP by 37%**



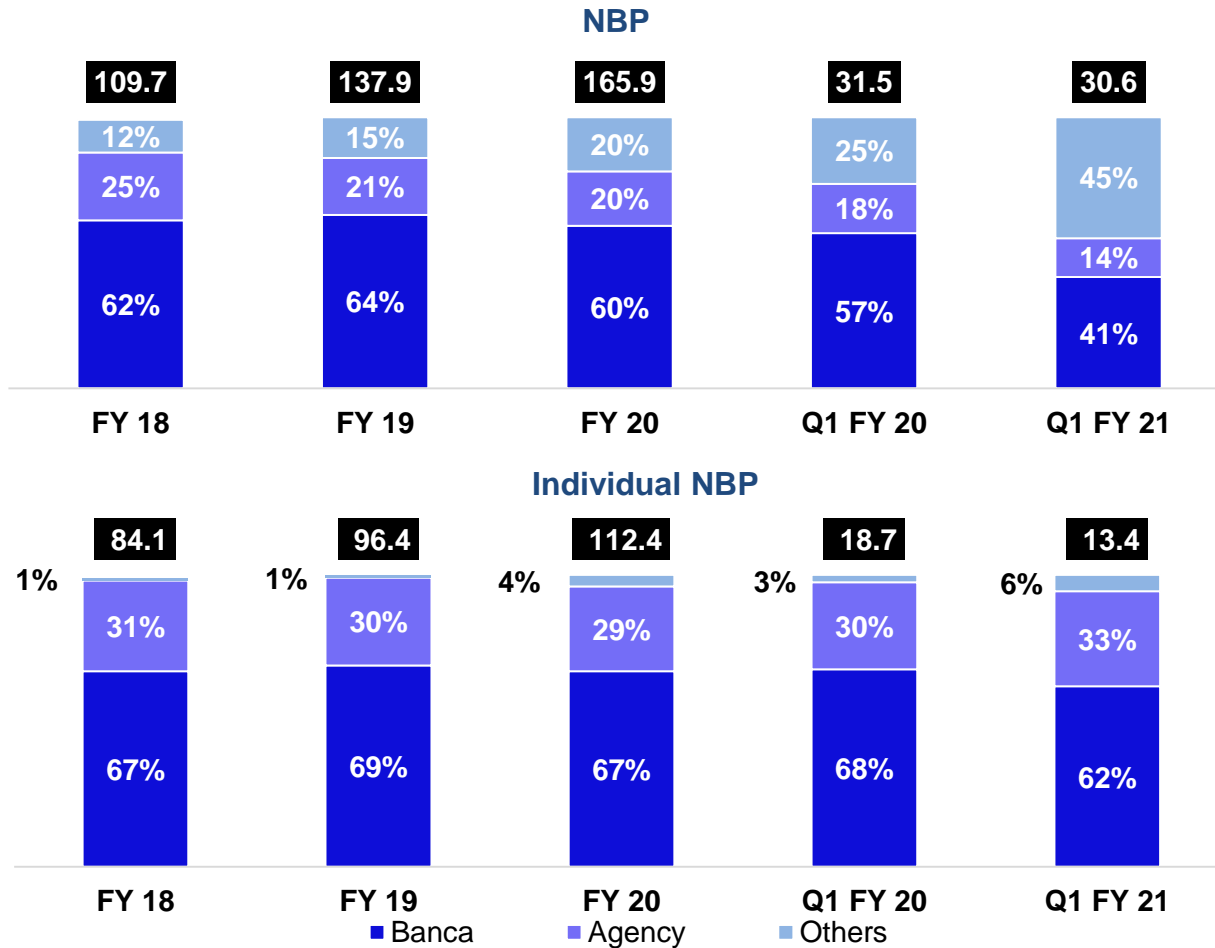
**Share of annuity in individual NBP rises to 12%**




Product Mix <sup>1</sup>	FY18	FY 19	FY 20	Q1 FY 20	Q1 FY 21	Mix (Q1 FY 21)
<b>Individual Savings</b>	<b>83.5</b>	<b>92.7</b>	<b>107.2</b>	<b>17.6</b>	<b>12.6</b>	<b>41%</b>
- Par	20.3	17.6	11.6	2.7	1.3	4%
- Non Par	2.1	2.2	15.1	1.7	3.5	11%
- ULIP	61.0	72.8	80.5	13.2	7.8	26%
<b>Group Savings</b>	<b>20.2</b>	<b>28.8</b>	<b>37.9</b>	<b>9.6</b>	<b>15.0</b>	<b>49%</b>
<b>Protection</b>	<b>6.0</b>	<b>16.4</b>	<b>20.8</b>	<b>4.4</b>	<b>2.9</b>	<b>10%</b>
- Individual Protection	0.6	3.7	5.3	1.1	0.8	3%
- Group Protection	5.4	12.7	15.5	3.2	2.2	7%
<b>Total NBP</b>	<b>109.7</b>	<b>137.9</b>	<b>165.9</b>	<b>31.5</b>	<b>30.6</b>	

1. New business premium basis  
Components may not add up to total due to rounding-off

# Distribution strength

Quality and scale of multichannel distribution platforms enabling wider presence



 Bancassurance	Productivity per Branch <sup>1</sup>	15 lacs	₹ in billion
	NBP – Protection Share	18% (21%)	
	NBP – Annuity Share	7% (5%)	
	Ticket size <sup>2</sup>	81k (70k)	
 Agency	Productivity per Agent <sup>1</sup>	1.3 lacs	
	NBP – Protection Share	3% (2%)	
	NBP – Annuity Share	6% (4%)	
	Ticket size <sup>2</sup>	55k (53k)	
 Others	No. of policies	9k (7k)	
	No of Protection policies	2k+	
	NBP – Annuity Share	30% (10%)	

Diversified network of Traditional + Alternative channels enabling us to maintain business continuity during Covid-19

Contribution of Alternative Channels (including Direct, Online, Web Aggregators) towards Total NBP increased to 45%

1. Banca branch productivity is calculated as the Individual NBP of Banca channel divided by the average number of banca branches.

Agent Productivity is calculated as the Individual NBP of Agency Channel divided by the average number of agents

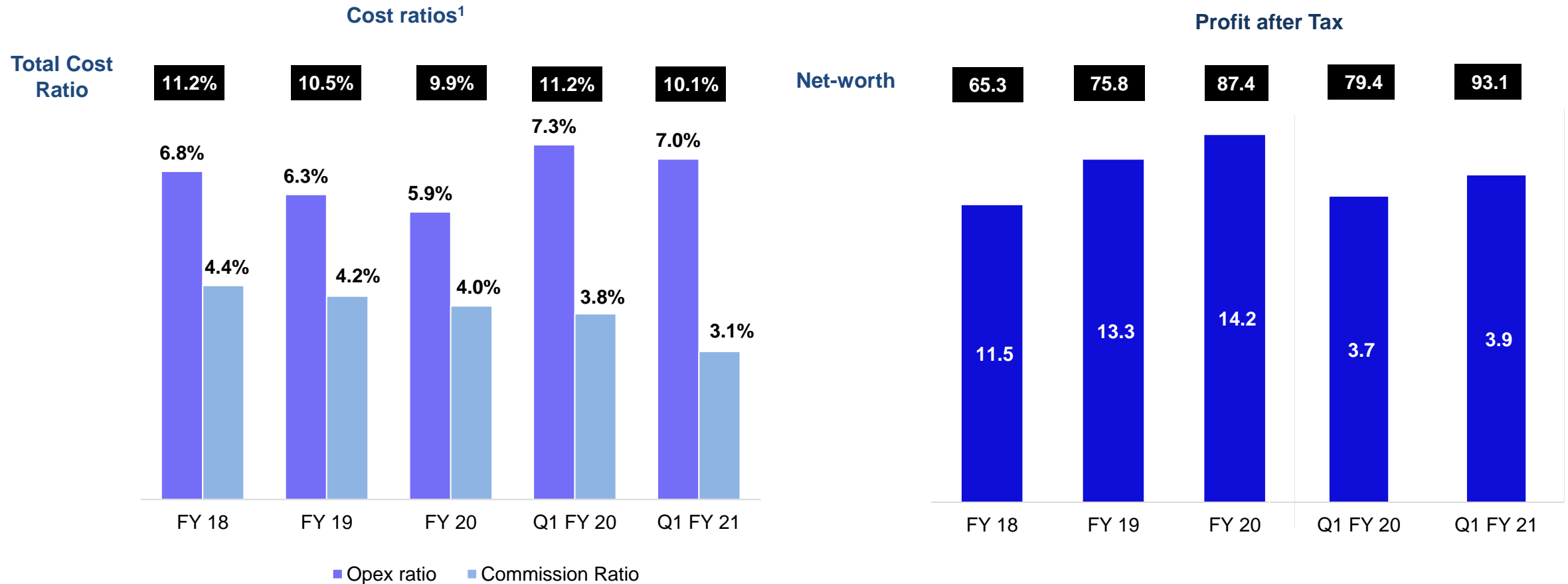
2. Individual ticket size is calculated as the Individual NBP of Channel divided by the number of individual policies.

Figures in bracket represent Q1 FY 20 numbers. All growth/drop numbers are with respect to Q1 FY 21 over Q1 FY 20. Components may not add up to total due to rounding-off.

# Cost efficiency and profitability

Maintaining high levels of cost efficiencies leading to growing profitability

₹ in billion



Healthy solvency ratio of 2.39 against regulatory mandate of 1.50

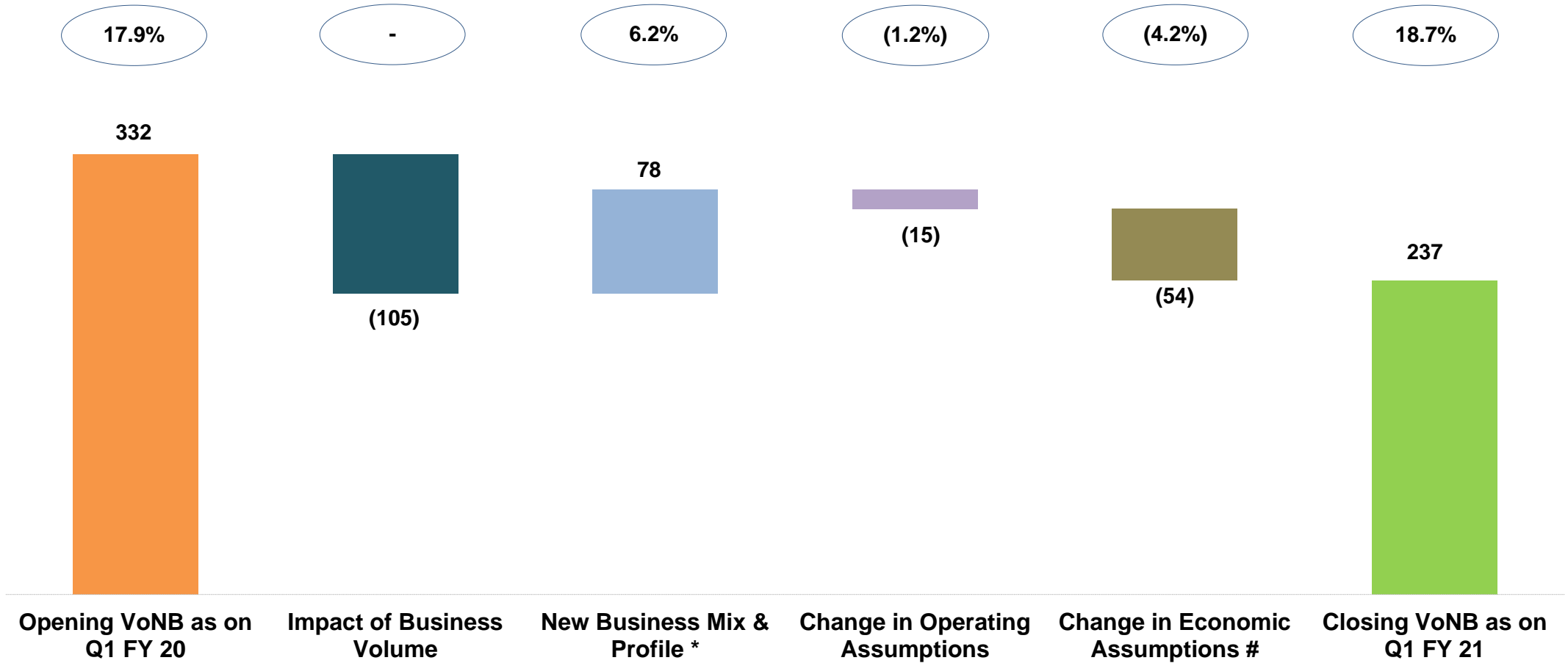
1. Opex ratio is operating expenses (excluding commission) divided by Gross Written Premium.  
Commission ratio is commission expenses divided by Gross Written Premium.  
Total cost ratio is operating expenses including commission, provision for doubtful debts and bad debts written off divided by Gross Written Premium.  
Components may not add up to total due to rounding-off.

# Value of New Business (VoNB) Movement

₹ in billion

**VoNB margin growth of 80 bps from 17.9% to 18.7%**

**VoNB  
Margin<sup>1</sup>**



1. VoNB and VoNB Margin are based on actual tax rate basis.

Based on Internal Company analysis.

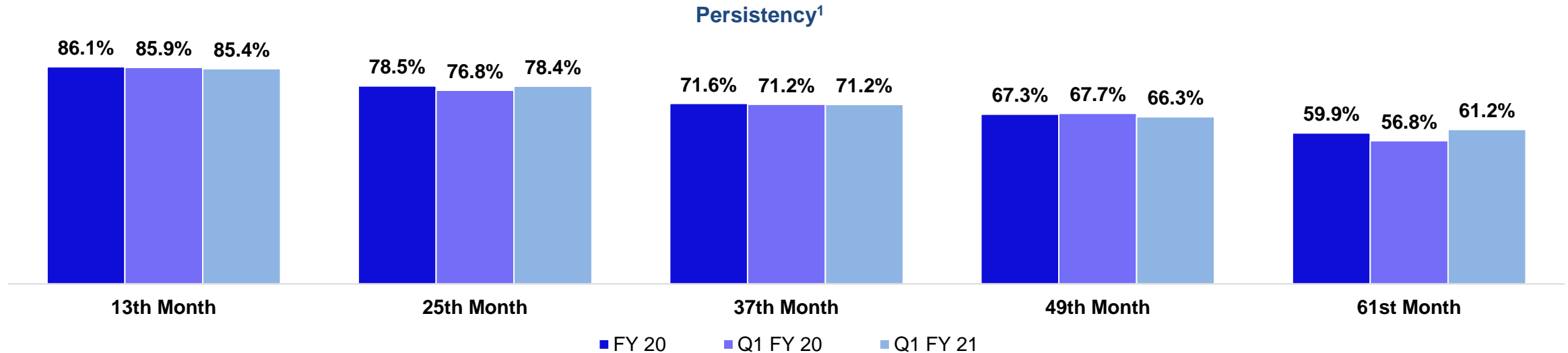
\* Impact of change mainly in Business mix and profile (Age, Term, Channel etc.)

# Risk free rate change

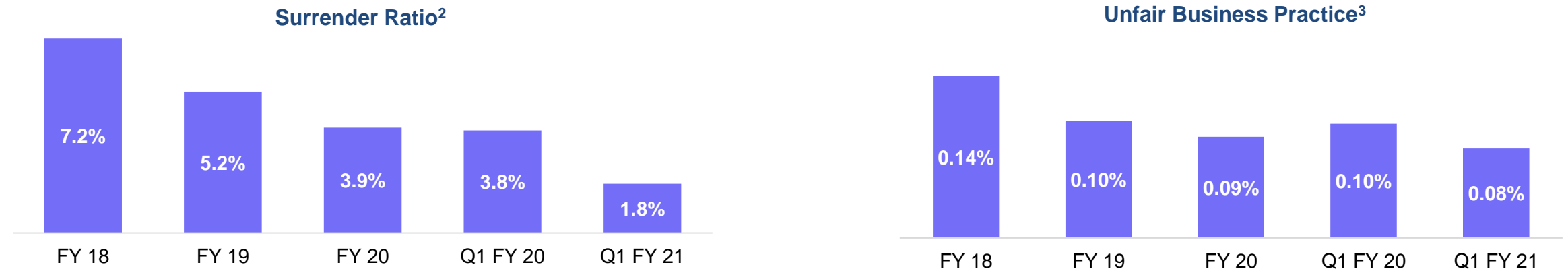


# Customer retention and satisfaction

Deeper relationship with customers through quality underwriting and strong sales ethos



## Customer satisfaction metrics



**Need based value proposition and strong customer engagement**

1. The persistency ratios are calculated as per IRDAI circular dated 23rd January 2014. Single premium and fully paid-up policies are considered. Group Business where persistency is measurable, is included. Ratios are calculated based on premium.

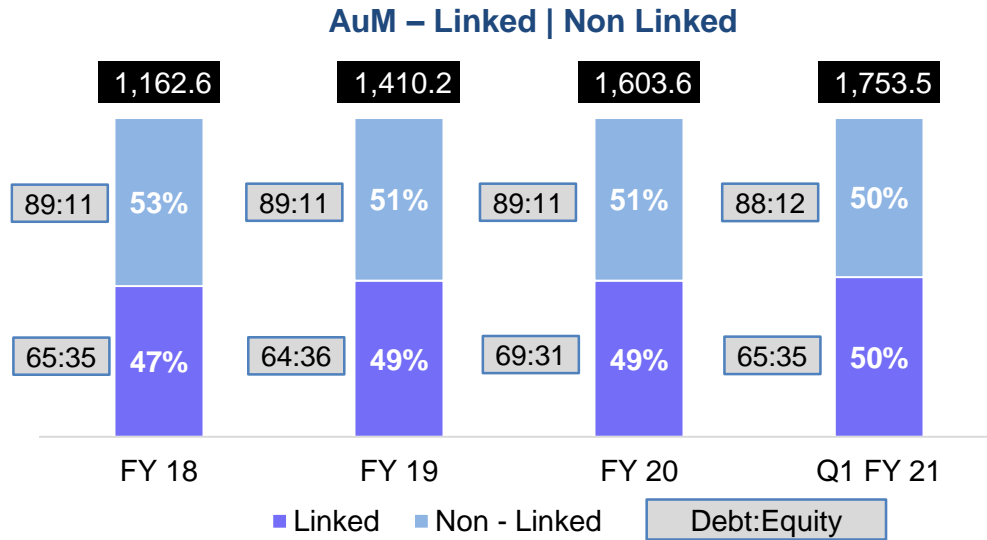
The Persistency Ratios are calculated using policies issued in June to May period of the relevant years.

2. Surrender ratio-individual linked products (Surrender/Average AuM).

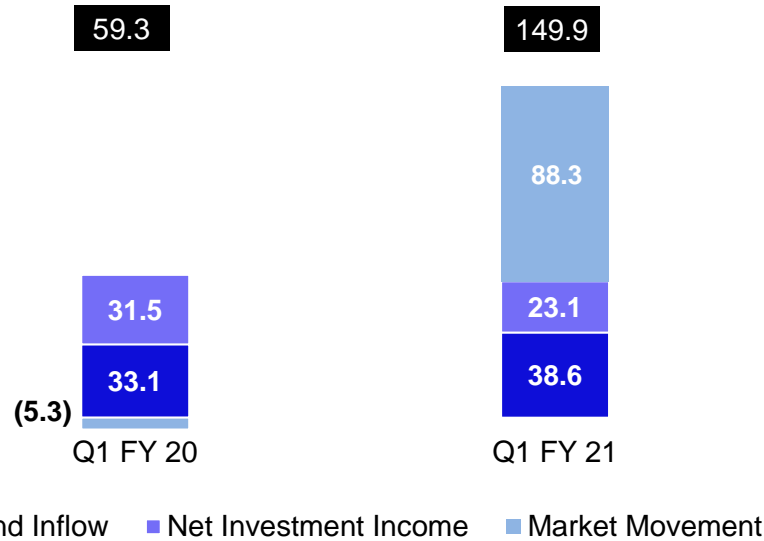
3. Number of grievances with respect to unfair business practice that are reported to the Company divided by policies issued by the Company in the same period.

# Asset under Management

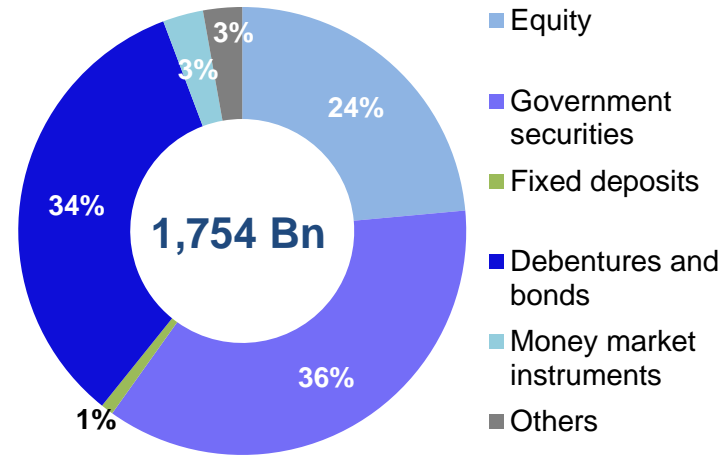
Continue to be one of the top private player in terms of AUM



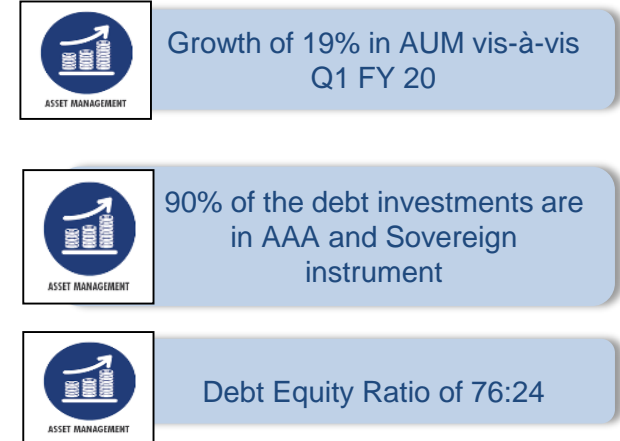
## Change in AUM



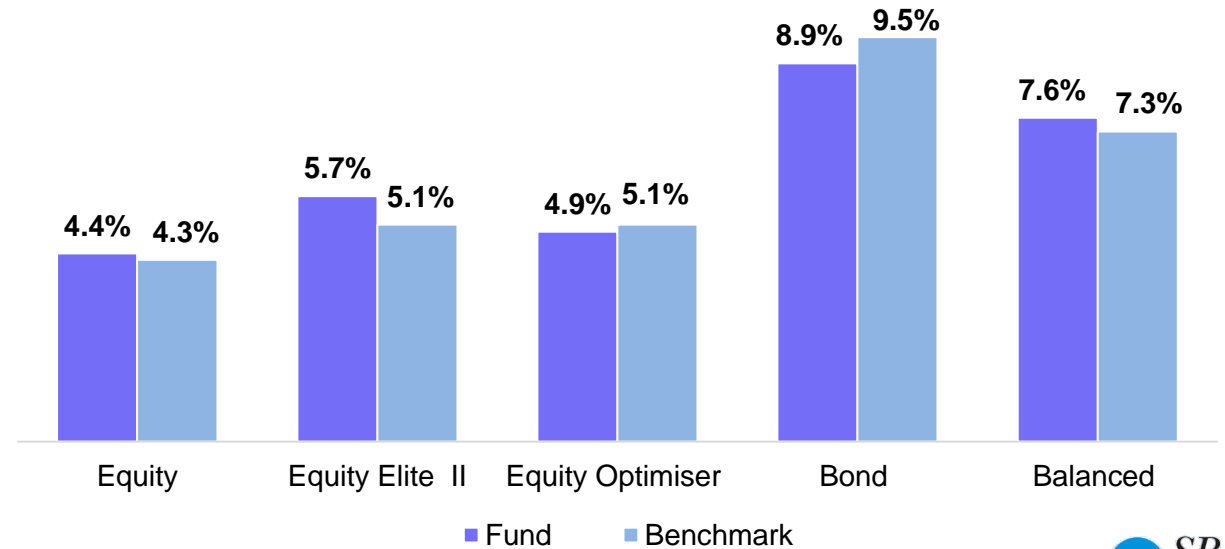
## Composition of Asset under Management



₹ in billion



## Investment performance<sup>1</sup>



# Agenda

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Performance update



**Focus areas and initiatives**



Industry overview



Annexure

# COVID-19 - Update

## Business Continuity Plan

Identified immediate significant challenges to alter operations based on advisories issued by government



## Cybersecurity

Improved & Secured architecture for WFH;  
Regulatory advisories implemented for better protection against possible threats;  
Surveillance Audit of ISO 27001;



## Workforce

Tie-up with quarantine centers; set up of dedicated help line numbers; reimbursement of test expenses; assistance in payment of deposit amount for non-empaneled hospitals; professional counselling session to handle the stressed environment



## Community

Support to frontline workers – PPE kits, masks, thermal scanners, sanitizers in various districts; additional contribution to fight against COVID



## Customers

COVID questionnaire bitly SMS to customers on a daily basis; Claim submission through website; Assistance to customers impacted due to cyclone Amphan; Submission of additional requirement through bitly link



## Distributors/ Vendors

Video verification facility integrated with workflow; Online training – Product refresh, usage of digital assets & sales techniques; Morale boosting communication;



Leaving no stone unturned in keeping our promise for 'Protection for Life'

# Responding to COVID-19

## Measures Taken

### **Alternate Sales Process for New business**

Created an entirely new process for concluding a new sale remotely by modifying the mobile application

**Remote submission of policy details under Group business**

**Option provided to customers to submit the settlement option remotely**

**Introduced Covid-19 questionnaire submission for new policies**

**Telephony application enabled to divert customer calls to select staff**

### **Easing of customer on-boarding**

Providing assistance to pay premium by providing a bitly link in SMS to ease the on-boarding process

**Providing video verification facility to improve alternate sales process**

**Easing of claims process to submit documents related to maturity**

**For death claims, facility provided to submit Covid-19 questionnaire on website**

**Various campaigns carried out to reach customers/distributors during lockdown**

**Among the first insurers to have a working contact centre in place to address customer requests**

# Key Focus Areas

## Disciplined Business Focus

**Enhancing the core -  
Widespread  
distribution network  
& product suite to  
cater different needs**

- **940 offices** (36% in rural & semi urban areas) & **40k+** branches of distributors
- **29 individual & 7 group products** to cater different needs of the customer
- **1.8 lakhs+** policies issued
- **50k+** individual protection policies sold digitally



## Customer Engagement

**Use of analytics -  
enabling better  
customer engagement**

- **294,785** Pre-issuance welcome calls
- More than **10Lacs** Hyper personalized communication for building awareness
- Over **5 lacs customers** opted for WhatsApp communication
- Reduction in grievances from **30 to 22** per 10,000 policies



## Operational Efficiencies

**Leveraging Best in  
class cost ratio  
benefits**

- Automated underwriting - **22%** individual proposals
- **70%** Renewal Premium - collected through Digital Mode
- **Video MER** – reducing risk of impersonation & accuracy in examination
- **5K +** Death Claims settled – ease to customers for document submissions in lockdown



## Digital Capabilities

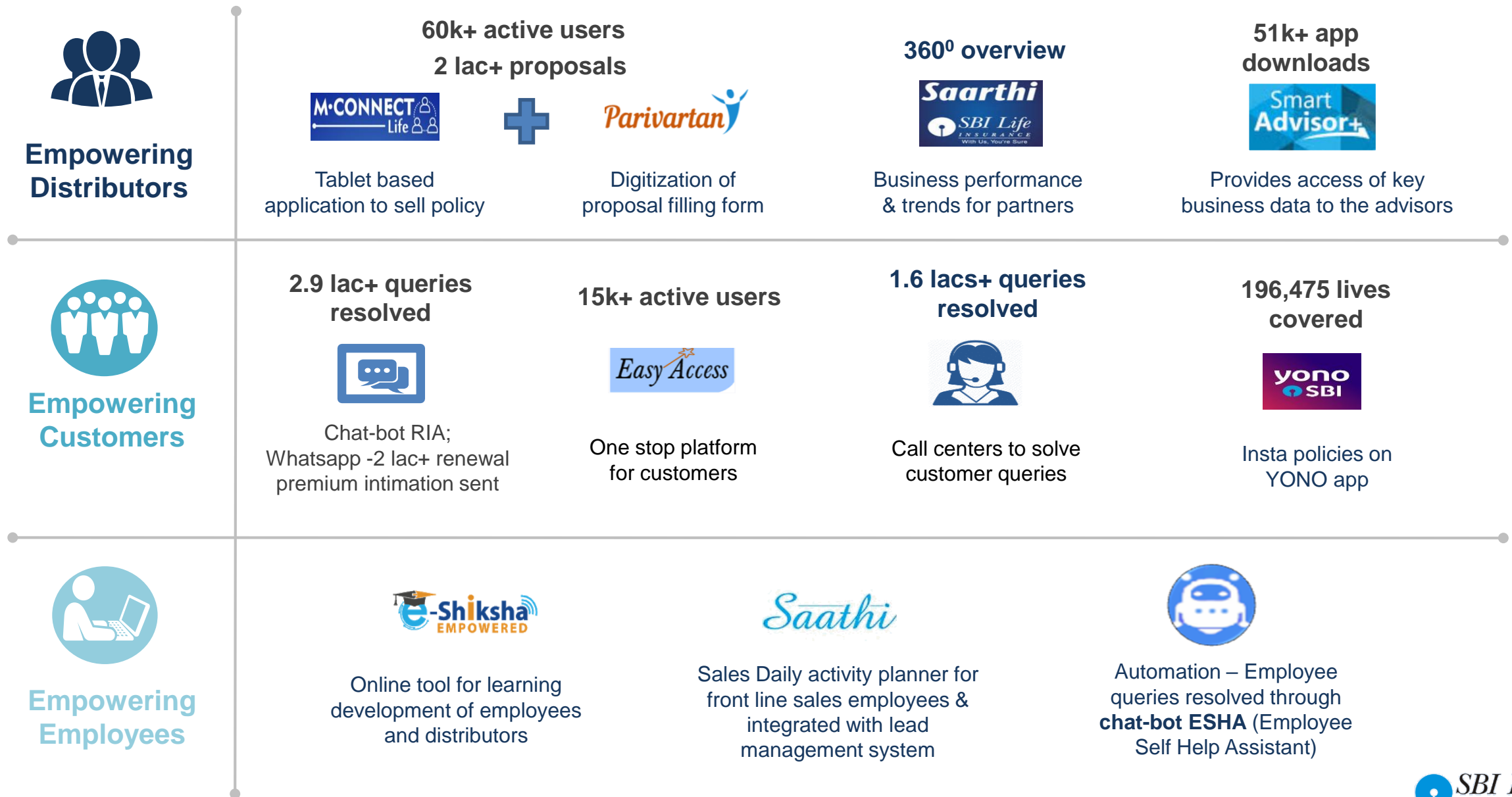
**Harnessing technology  
in strengthening  
business**

- **OCR technology** for faster digital onboarding
- **Digital submission** of Claims documents, COE for Annuitants, e-MHR
- **Machine Learning and AI** helping identify prospective customers
- **60 + API** platforms for quick on-boarding of partners & faster system integration





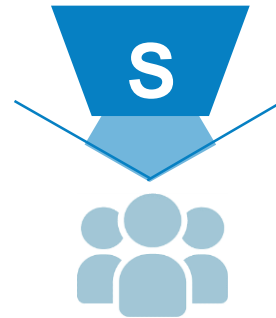
# Digital Quotient: Where do we stand?





## Environment

- Corporate office building is a Green Building, certified by Indian Green Building Council, to comply with efficient use of natural resources
- Water conservation and waste management initiatives undertaken
- Reduction in paper usage - Online fund statements, digital onboarding of customers & customer service request
- Reduction in plastic usage



## Social

- Building insurance awareness & providing insurance solutions tailored to the needs of the people residing in rural areas & social sector
- Website & customer communication in vernacular languages - a better connect with the customers
- CSR activities covering healthcare, education & skill development. Total CSR spend till now ₹220 Mn +
- Gender equality; Anti-sexual harassment policy



## Governance

- Independent diversified Board, various committees headed by independent directors; evaluation framework for directors; well defined code of conduct
- Whistle Blower Policy, prevention of insider trading, Anti-money laundering & compliance policy defined
- Clearly defined norms for Data protection/handling, cyber security, risk framework; continuous periodic review & update; information security management system ISO 27001 certified

**381,900**

Number of policies issued in rural areas



**100+**

CSR partners



**75,224**

Number of training programs conducted



**2.3 lakh+**

Lives impacted through various community projects



**Creating a sustainable future for all stakeholders**

# Agenda

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Performance update



Focus areas and initiatives



**Industry overview**

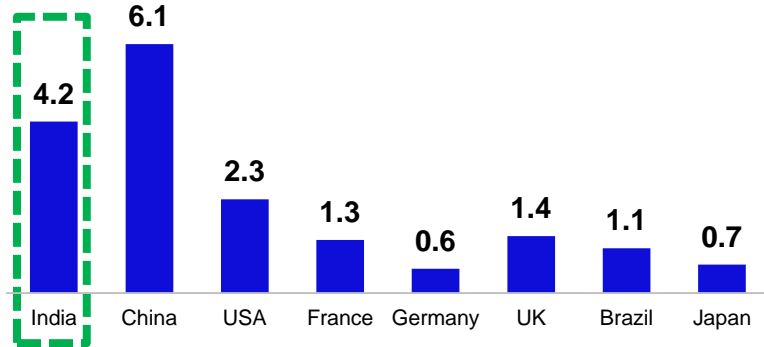


Annexure

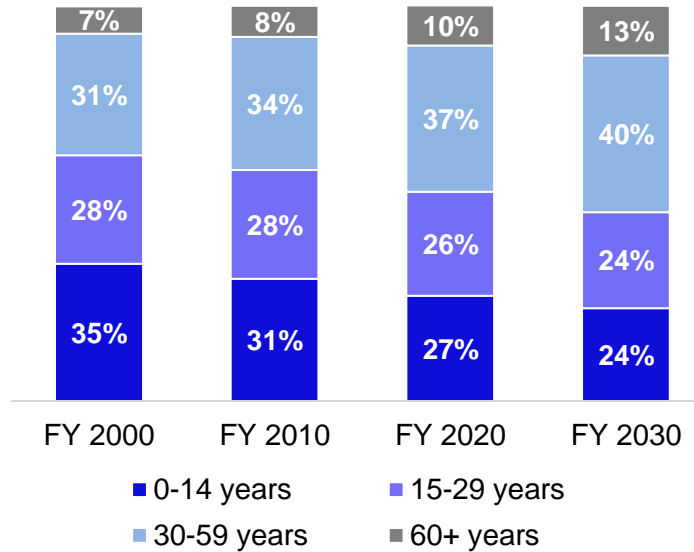
# India Life Insurance - Structural Growth Drivers in Place

Strong Demographic Tailwinds Supporting India Growth Story

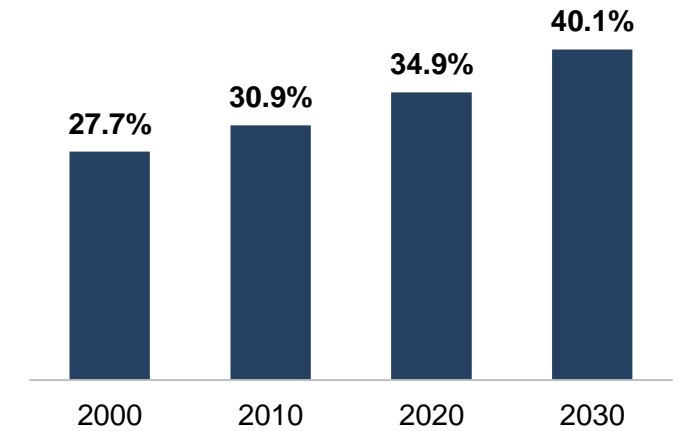
World GDP Growth<sup>1</sup> (2019 %)



Composition of Population<sup>2</sup>



Share of urban population<sup>3</sup>



## Advantage India

- 5<sup>th</sup> largest economy in the world in terms of GDP
- One of the highest young population nations with median age of 28 years
- Rising share of urbanisation – Growth in urban population at 2.4% CAGR between FY 15 and FY 20

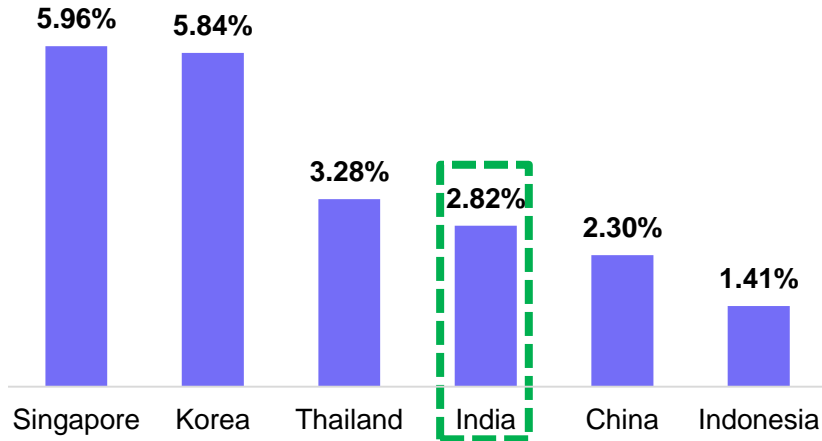
**Combination of a high share of working population, rapid urbanization, rising affluence and focus on financial inclusion to propel the growth of Indian life insurance sector**

# Life Insurance – Significant Under Penetration versus other Markets

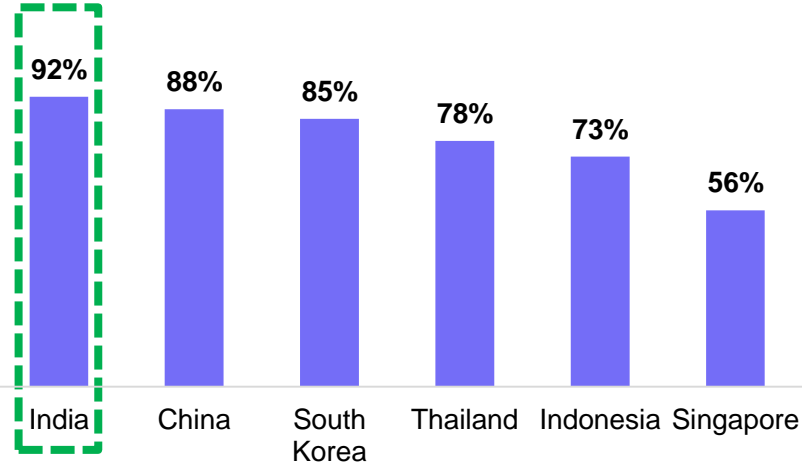
Share of Life Insurance in Savings expected to Rise

## Underpenetrated Insurance Market

Premium as % of GDP – 2019<sup>1</sup>



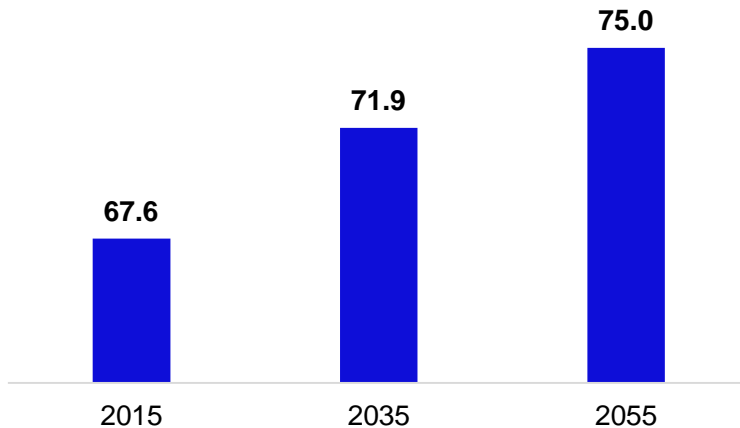
Protection gap highest amongst peers<sup>2</sup>



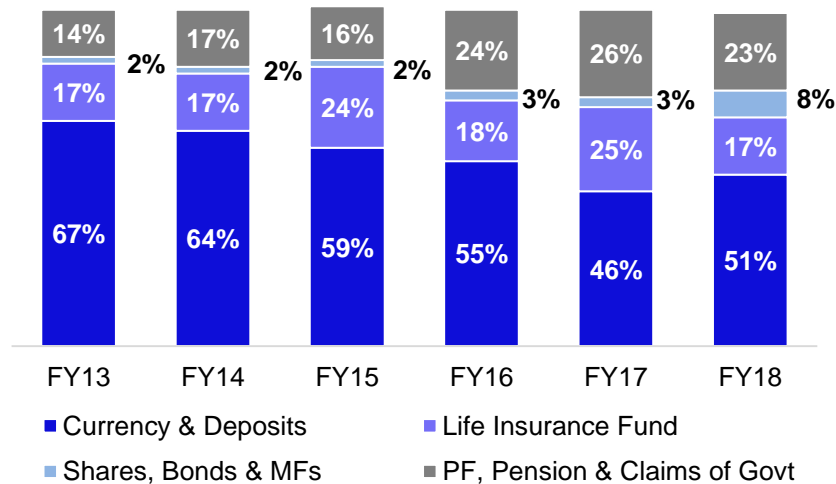
- 10<sup>th</sup> largest life insurance market worldwide and 5<sup>th</sup> largest in Asia with ₹ 4.6 trillion in total premium business.
- Total premium grew at CAGR of 17% between FY01– FY18.
- India continues to be under penetrated as compared to countries like China, Thailand and Korea.

## Increasing Life Expectancy and Financial Savings

Life Expectancy (years)<sup>3</sup>



Share of Insurance in Financial Savings<sup>4</sup>



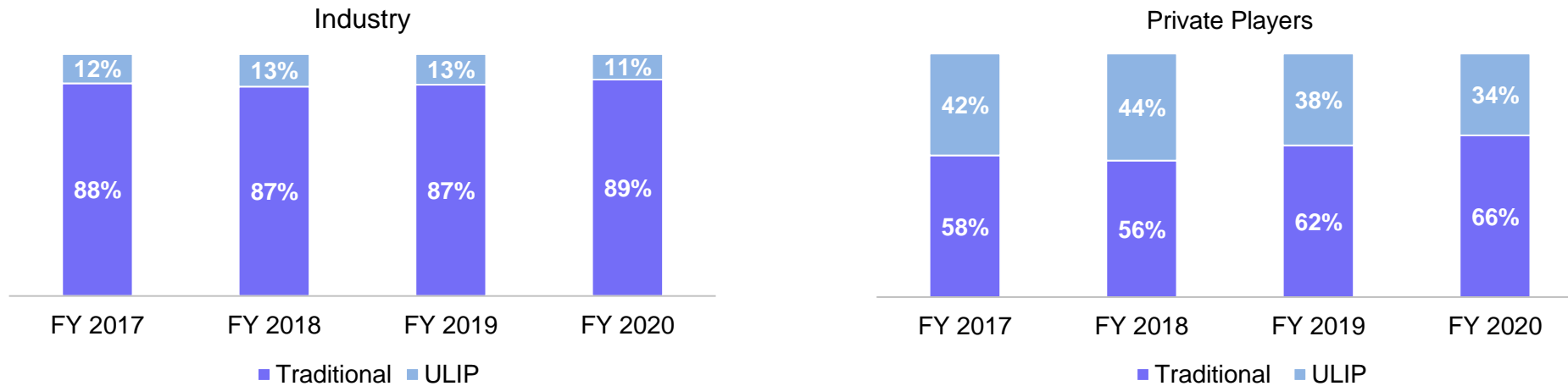
- Increase in share of insurance as a percentage of Financial Savings is expected to drive growth in life insurance sector.
- Also the demand for pension based products will increase with the rise in life expectancy.

1. Swiss Re, sigma No 4/2020  
2. Swiss Re, Economic Research & Consulting "Mortality Protection Gap Asia-Pacific 2015"  
3. UN World Population Report 2017.  
4. CSO, Reserve Bank of India, Handbook of Statistics on Indian Economy

# Industry Composition

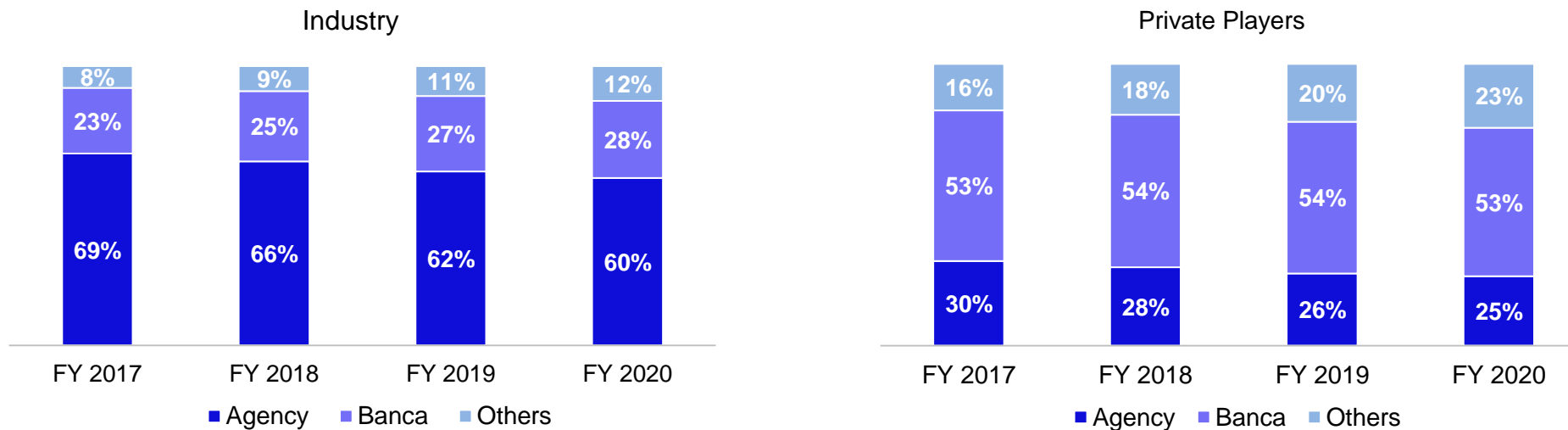
## Product mix and Channel mix

### Product portfolio<sup>1</sup>



Higher ULIP contribution among private players, though traditional products forms the major share of new business

### Channel mix<sup>2</sup>



Banca channel continues to be the largest contributor for private players although Direct channel has gained momentum in the past years

1. New business premium basis

2. Individual new business premium basis

Source: Life Insurance Council, Public disclosures

Components may not add up to total due to rounding-off.



# Agenda

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Performance update



Focus areas and initiatives



Industry overview



**Annexure**

# Annualised Premium Equivalent (APE)

## APE Product mix and Channel mix

₹ in billion

### Product portfolio

Segment	FY18	FY 19	FY 20	Q1 FY 20	Q1 FY 21	Mix (Q1 FY 21)
<b>Individual Savings</b>	<b>78.5</b>	<b>87.2</b>	<b>93.9</b>	<b>15.5</b>	<b>9.5</b>	<b>75%</b>
- Par	20.9	18.1	11.7	2.7	1.1	9%
- Non Par	0.7	0.4	7.4	0.5	2.3	18%
- ULIP	56.9	68.6	74.8	12.4	6.1	48%
Individual Protection	0.6	3.7	5.1	1.1	0.7	6%
Group Protection	4.0	2.9	4.5	1.0	0.9	7%
<b>Group Savings</b>	<b>2.4</b>	<b>3.2</b>	<b>4.0</b>	<b>1.0</b>	<b>1.6</b>	<b>13%</b>
<b>Total APE</b>	<b>85.4</b>	<b>97.0</b>	<b>107.4</b>	<b>18.7</b>	<b>12.7</b>	

### Channel mix

Channel	FY18	FY 19	FY 20	Q1 FY 20	Q1 FY 21	Mix (Q1 FY 21)
Banca	55.9	64.8	69.8	11.8	7.1	56%
Agency	25.6	27.7	29.8	5.2	3.4	26%
Others	3.9	4.5	7.9	1.6	2.3	18%
<b>Total APE</b>	<b>85.4</b>	<b>97.0</b>	<b>107.4</b>	<b>18.7</b>	<b>12.7</b>	

# Individual Annualised Premium Equivalent (APE)

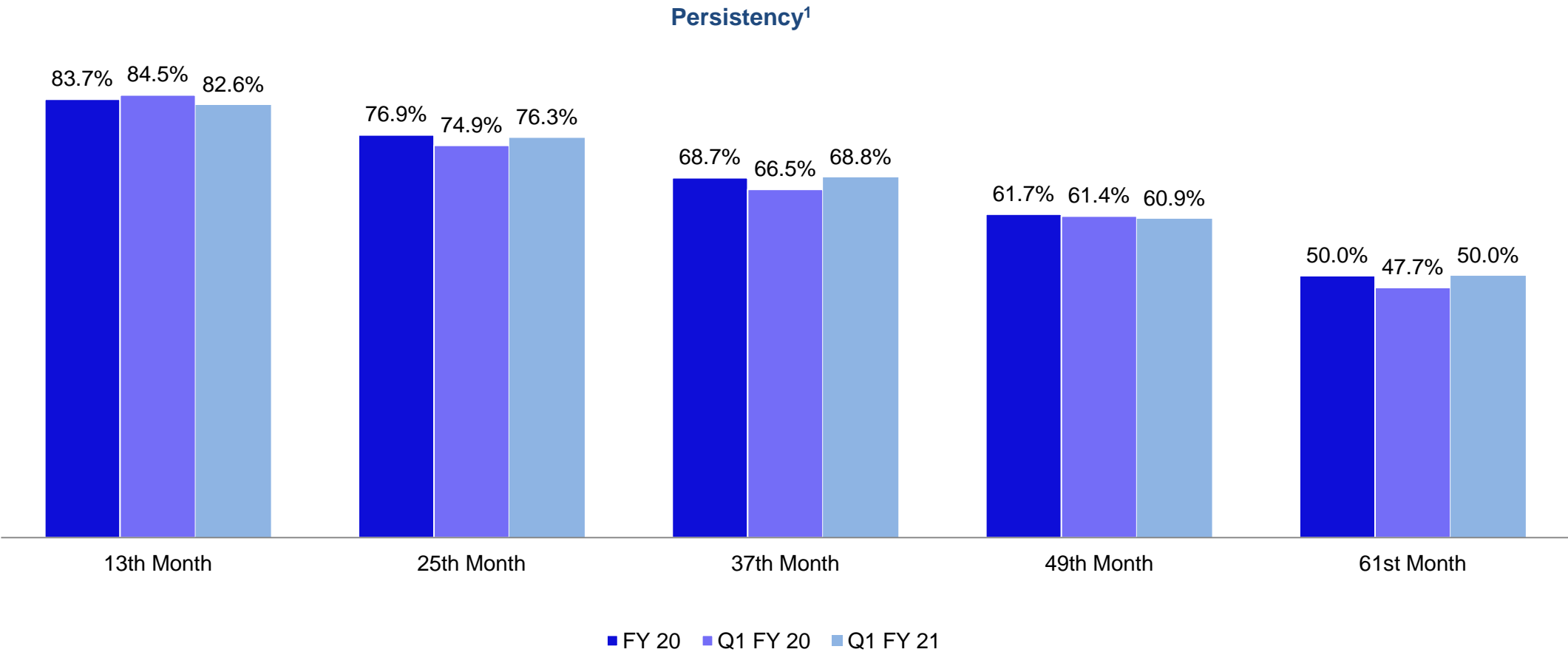
Individual APE – Channel Mix Segment wise

₹ in billion

Channel	Segment	FY18	FY 19	FY 20	Q1 FY 20	Q1 FY 21	Mix (Q1 FY21)
Bancassurance	Participating	13.2	9.9	4.6	1.3	0.3	3%
	Non Participating	0.9	3.5	9.1	1.3	1.9	19%
	Unit Linked	38.9	49.0	53.4	8.7	4.3	42%
	<b>Total</b>	<b>53.0</b>	<b>62.4</b>	<b>67.1</b>	<b>11.3</b>	<b>6.5</b>	<b>64%</b>
Agency	Participating	7.5	7.8	6.5	1.3	0.7	7%
	Non Participating	0.2	0.5	2.6	0.2	1.0	10%
	Unit Linked	17.7	19.3	20.6	3.7	1.7	17%
	<b>Total</b>	<b>25.4</b>	<b>27.6</b>	<b>29.7</b>	<b>5.1</b>	<b>3.4</b>	<b>33%</b>
Others	Participating	0.3	0.4	0.6	0.1	0.1	1%
	Non Participating	0.1	0.2	0.8	0.1	0.1	1%
	Unit Linked	0.3	0.3	0.8	0.1	0.1	1%
	<b>Total</b>	<b>0.7</b>	<b>0.9</b>	<b>2.2</b>	<b>0.2</b>	<b>0.3</b>	<b>3%</b>

# Persistency - Regular Premium

Quality Underwriting and Customer Retention



1. The persistency ratios are calculated as per IRDAI circular dated 23rd January 2014.  
Ratios are calculated based on regular premium

# Sensitivity Analysis

Scenario	Change in VoNB % Q1 FY21	Change in VoNB % FY20
Reference Rate +100 bps	2.4%	1.7%
Reference Rate -100 bps	(2.8%)	(1.8%)
Decrease in Equity Value 10%	(0.5%)	0.0%
Proportionate change in lapse rate +10%	(4.5%)	(5.8%)
Proportionate change in lapse rate -10%	6.0%	5.7%
Mortality / Morbidity +10%	(7.0%)	(8.9%)
Mortality / Morbidity -10%	7.0%	8.9%
Maintenance Expense +10%	(2.1%)	(2.2%)
Maintenance Expense -10%	2.1%	2.2%
Mass Lapse for ULIPs in the year after the surrender penalty period of 25% <sup>1</sup>	(9.4%)	(7.7%)
Mass Lapse for ULIPs in the year after the surrender penalty period of 50% <sup>1</sup>	(21.8%)	(18.5%)
Tax Rate Change to 25% on Normal Tax rate basis	(14.7%)	(15.6%)
Tax Rate Change to 25% on Effective Tax rate basis	NA	NA

On effective  
tax rate basis

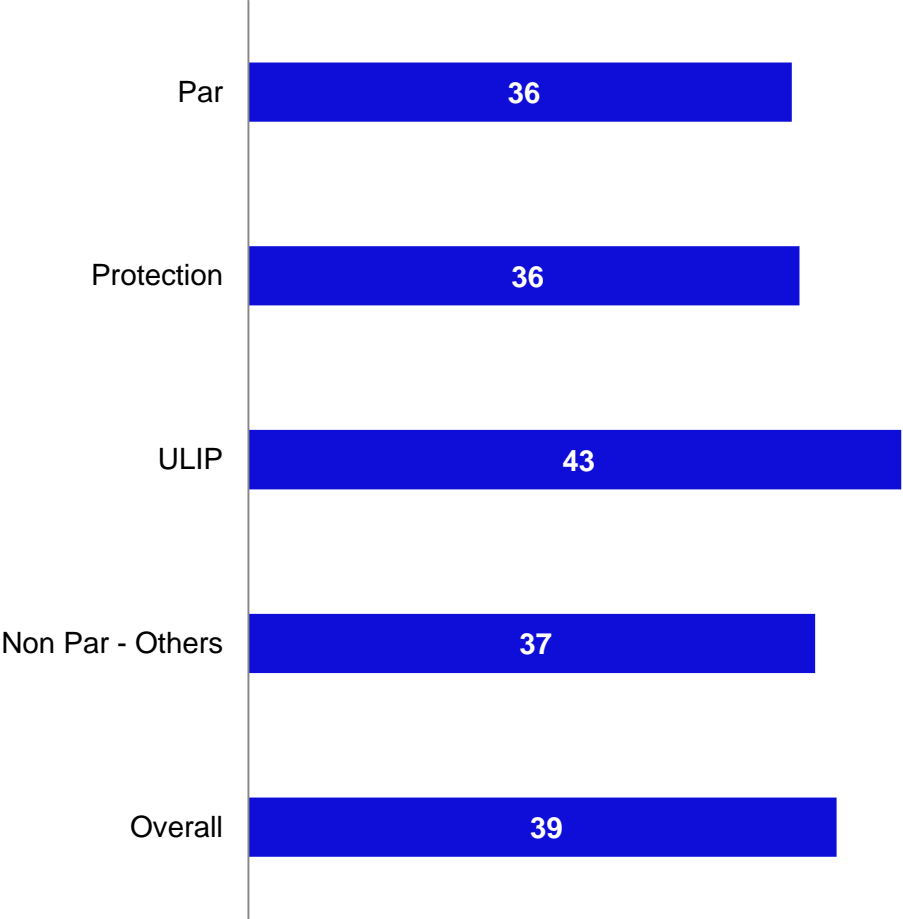
**VoNB**  
₹ 2.6 bn

**VoNB Margin**  
20.1%  
↑ 20 bps

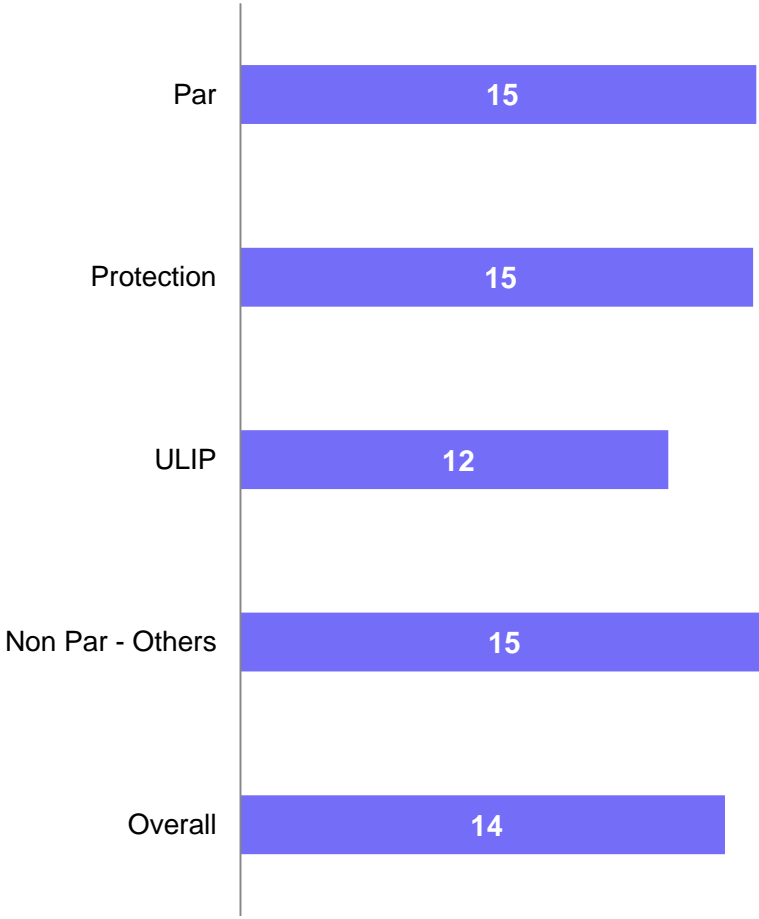
1. Mass lapse sensitivity (of 25% or 50%) for ULIP business is applied at the end of surrender penalty period as defined by APS 10, which is taken to be the beginning of 5th policy year for current generation of our ULIP products. 2. VoNB assessment: The Value of New Business is calculated as at the end of the reporting period i.e. as on the valuation date rather than at the point of sale. Accumulation from point of sale up to end of reporting period is done using the respective monthly reference rates. 3. VoNB sensitivity: New Business sensitivities assume that the scenario arises after the point of sale; and consider impacts on both new business liability cash-flows and the asset backing the reserves at the respective month ends. 'Nil' interest rate VoNB sensitivity is applied for annuity products. 4. The sensitivities are being calculated with a lag of one quarter of a year, starting from the Q3FY19 disclosure.

# Customer Age and Policy Term<sup>1</sup>

Average customer age in years



Average policy term in years



1. Age and term for individual products for Q1 FY 21.

# Awards



Awarded **'Life Insurer of the Year 2019'** by Federation of Indian Chambers of Commerce (FICCI)



Won the **Financial Services Company of the Year Award 2019-20** at VCCircle Awards 2020



Won the **'Best Use of Integrated Marketing'** at the Indian Marketing Awards 2019



Awarded **'Best Life Insurance Company 2019' - Emerging Asia Insurance Awards 2019** by Indian Chamber of Commerce (ICC)



Received Gold award - **Life Insurance Provider of the Year 2019 (Private Sector)** at Outlook Money Conclave and Awards 2019



Won the **'Best Sales Enablement Technology'** award at The Customer Fest Awards, 2020



Received the **Smart Life Insurance Company** at ET Insurance Summit 2019 by The Economic Times



Won the **'Gold Shield'** for excellence in Financial Reporting by The Institute of Chartered Accountants of India (ICAI)



Won Gold in the **'Experiential'** category at **'Indian Content Marketing Awards 2019'** by Exchange4media



# Revenue and Profit & Loss A/c

₹ in billion

Particulars	FY 19	FY 20	Q1 FY 20	Q1 FY 21
Premium earned	329.9	406.3	66.9	76.4
Premium on reinsurance ceded	(1.0)	(3.1)	(0.4)	(0.6)
<b>Net premium earned</b>	<b>328.9</b>	<b>403.2</b>	<b>66.6</b>	<b>75.9</b>
Investment income <sup>1</sup>	116.0	33.4	31.3	88.1
Other income	0.8	0.5	0.1	0.1
<b>Total income (A)</b>	<b>445.7</b>	<b>437.2</b>	<b>98.0</b>	<b>164.1</b>
Commission paid	13.5	16.2	2.6	2.3
Operating and other expenses <sup>2</sup>	26.1	30.2	6.1	6.7
Provision for tax – policyholders <sup>3</sup>	2.7	3.8	1.8	2.4
Claims/benefits paid (net) <sup>3</sup>	152.9	162.5	28.6	28.5
Change in actuarial liability <sup>4</sup>	236.8	210.4	55.1	120.2
<b>Total expenses (B)</b>	<b>432.0</b>	<b>423.0</b>	<b>94.2</b>	<b>160.2</b>
<b>Profit before tax (A-B)</b>	<b>13.7</b>	<b>14.1</b>	<b>3.8</b>	<b>3.9</b>
Provision for tax – shareholders <sup>3</sup>	0.5	(0.1)	0.1	0.0
<b>Profit after tax</b>	<b>13.3</b>	<b>14.2</b>	<b>3.7</b>	<b>3.9</b>

1. Net of Provision for diminution in the value of investment and provision for standard and non-standard assets.

2. Includes provision for doubtful debts (including write off) and service tax/GST on charges.

3. Inclusive of interim bonus and terminal bonus.

4. Includes movement in fund for future appropriation.

Components may not add up to total due to rounding-off.

# Balance Sheet

₹ in billion

Particulars	FY 19	FY 20	Q1 FY 21
<b>SOURCES OF FUNDS</b>			
Share Capital	10.0	10.0	10.0
Reserves and Surplus	64.6	78.8	82.8
Credit/(Debit) Fair Value Change Account	1.2	(1.4)	0.4
<b>Sub-Total</b>	<b>75.8</b>	<b>87.4</b>	<b>93.1</b>
Credit/(Debit) Fair Value Change Account	10.6	(15.9)	(1.4)
Policy Liabilities	649.5	761.2	785.1
Provision for Linked Liabilities	605.9	763.0	780.4
Fair Value Change Account (Linked)	51.6	(28.6)	34.7
Funds for Discontinued Policies	33.8	51.3	63.6
Funds for Future Appropriation	2.8	7.1	10.4
<b>Total Liabilities</b>	<b>1,430.0</b>	<b>1,625.6</b>	<b>1,765.9</b>
<b>APPLICATION OF FUNDS</b>			
Investments			
-Shareholders	57.2	68.3	80.8
-Policyholders	644.7	734.2	776.9
-Assets held to cover Linked Liabilities	691.3	785.7	878.7
Loans	1.7	3.6	3.7
Fixed assets	6.0	5.8	5.7
Net Current Assets	29.1	28.0	20.1
<b>Total Assets</b>	<b>1,430.0</b>	<b>1,625.6</b>	<b>1,765.9</b>

Components may not add up to total due to rounding-off

# Abbreviations

Term	Description	Term	Description
<b>GWP</b>	Gross Written Premium	<b>NON PAR</b>	Non-Participating
<b>NBP</b>	New Business Premium	<b>Opex</b>	Operating Expenses (excluding commission)
<b>NOP</b>	Number of Policies	<b>CAGR</b>	Compounded Annual Growth Rate
<b>APE</b>	Annualized Premium Equivalent	<b>GDP</b>	Gross Domestic Product
<b>IRP</b>	Individual Rated Premium	<b>INR (₹)</b>	Indian Rupees
<b>AuM</b>	Assets Under Management	<b>USD (\$)</b>	United States' Currency
<b>Banca</b>	Bancassurance	<b>TAT</b>	Turn Around Time
<b>ULIP</b>	Unit Linked Insurance Plan	<b>Traditional</b>	Other than Unit Linked Insurance Plan
<b>PAR</b>	Participating	<b>IEV</b>	Indian Embedded Value

# Glossary

- **New Business APE:** The sum of annualized first year premiums on regular premium policies, and 10.00% of single premiums, written by the Company during the fiscal year from both retail and group customers.
- **New Business Premium (NBP):** Insurance premium that is due in the first policy year of a life insurance contract or a single lump sum payment from the policyholder.
- **Individual Rated Premium (IRP):** New business premiums written by the Company under individual products and weighted at the rate of 10.00% for single premiums.
- **Renewal Premium:** Life insurance premiums falling due in the years subsequent to the first year of the policy.
- **Gross Written Premium (GWP):** The total premium written by the Company before deductions for reinsurance ceded.
- **Value of New Business (VoNB):** Value of New Business is the present value of expected future earnings from new policies written during a specified period and it reflects the additional value to shareholders expected to be generated through the activity of writing new policies during a specified period.
- **VoNB Margin:** VoNB Margin is the ratio of VoNB to New Business Annualized Premium Equivalent for a specified period and is a measure of the expected profitability of new business.
- **Solvency Ratio:** Solvency ratio means ratio of the amount of Available Solvency Margin to the amount of Required Solvency Margin as specified in form-KT-3 of IRDAI Actuarial Report and Abstracts for Life Insurance Business Regulations.

# Disclaimer

*Except for the historical information contained herein, statements in this presentation 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 State Bank of India, our holding company. We undertake no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.*

*The assumptions, estimates and judgments used in the calculations are evaluated internally where applicable and have been externally reviewed. They represent the best estimate based on the company's experience and knowledge of relevant facts and circumstances. While the management believes that such assumptions, estimates and judgments to be reasonable; the actual experience could differ from those assumed whereby the results may be materially different from those shown herein.*

**Thank you**

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