



**BUILT ON TRUST.**  
**DELIVERED WITH CARE.**

*Sar utha ke jiyo!*

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# Corporate Information

## BOARD OF DIRECTORS

Mr. Deepak S. Parekh  
*Chairman*

Sir Gerry Grimstone

Mr. Keki M Mistry

Mr. Norman Keith Skeoch

Ms. Renu Sud Karnad

Mr. Ravi Narain

Dr. SA Dave

Mr. VK Viswanathan

Mr. Prasad Chandran

Mr. Sumit Bose  
*(wef July 19, 2016)*

Mr. Ranjan Mathai  
*(wef July 22, 2016)*

Mr. Luke Savage  
*(Alternate to Sir Gerry Grimstone)*

Mr. James Aird  
*(Alternate to Mr. Norman Keith Skeoch)*

Mr. Amitabh Chaudhry  
*Managing Director & Chief Executive Officer*

Ms. Vibha Padalkar  
*Executive Director & Chief Financial Officer*

## EXECUTIVE COMMITTEE

Mr. Amitabh Chaudhry

Ms. Vibha Padalkar

Mr. Suresh Badami

Mr. Prasun Gajri

Mr. Rajendra Ghag

Mr. Sanjeev Kapur

Mr. Srinivasan Parthasarathy

Mr. Subrat Mohanty

Mr. Pankaj Gupta

Mr. Sanjay Vij

## EVP, COMPANY SECRETARY & HEAD - COMPLIANCE & LEGAL

Mr. Manish Ghiya

## STATUTORY AUDITORS

M/s Price Waterhouse  
Chartered Accountants LLP

M/s GM Kapadia & Co.  
Chartered Accountants

## BANKERS

HDFC Bank Limited

The Federal Bank Limited

Bank of Baroda

State Bank of India

Union Bank of India

Indian Bank

RBL Bank Limited

The Saraswat Co-op Bank Limited

Axis Bank Limited

Corporation Bank

Yes Bank Limited

Citibank N.A.

DCB Bank Limited

IDFC Bank Limited

Bandhan Bank Limited

Paschim Banga Gramin Bank

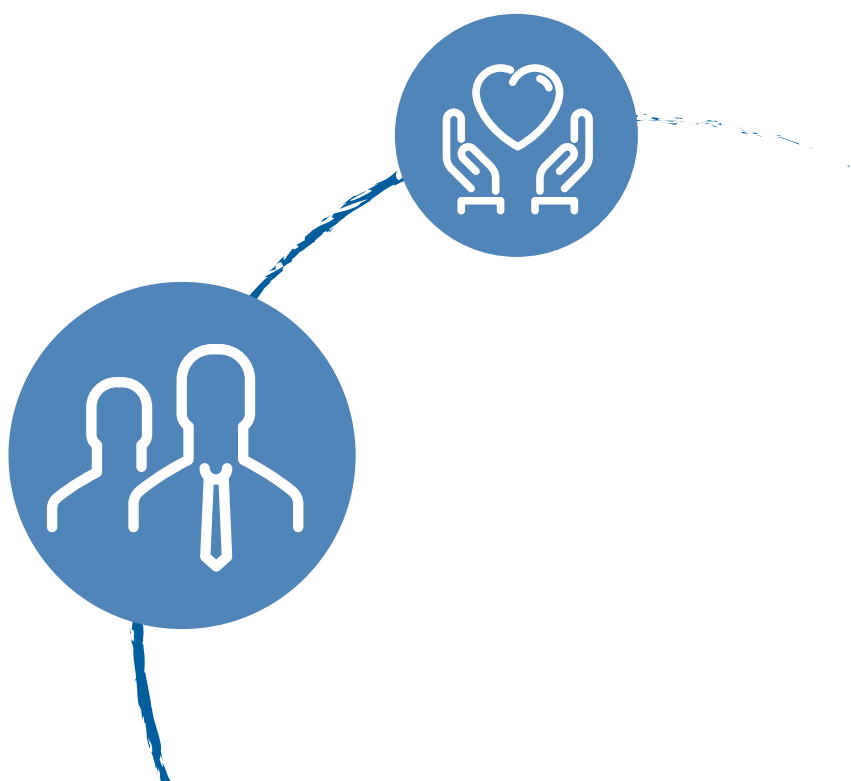
Allahabad Bank

## REGISTRAR AND TRANSFER AGENT

Datamatics Financial Services Ltd.  
Plot No. B-5, Part B, Cross Lane,  
MIDC, Andheri (East),  
Mumbai - 400 093  
Tel: +91-22-66712151 to 66712156  
Fax: +91-22-66712011  
Email: investorsqry@dfssl.com

## REGISTERED OFFICE

13<sup>th</sup> Floor, Lodha Excelus,  
Apollo Mills Compound,  
N M Joshi Marg, Mahalaxmi,  
Mumbai - 400 011  
Tel: 022-67516666  
Fax: 022-67516861  
Email: investor.service@hdfclife.com  
Website: www.hdfclife.com  
CIN: U99999MH2000PLC128245





# About **HDFC Life**

Established in 2000, HDFC Life is a leading long-term life insurance solutions provider in India, offering a range of individual and group insurance solutions that meet various customer needs such as Protection, Pension, Savings, Investment and Health. Customers have the added advantage of customising plans, by adding optional benefits called riders, at a nominal price. As on March 31, 2017, the Company had 30 individual and 10 group products in its portfolio, along with 8 optional rider benefits, catering to a diverse range of customer needs.

HDFC Life continues to benefit from its increased presence across the country, with several new tie-ups and partnerships across traditional and non-traditional partners including NBFCs, MFIs, SFBs, etc. Total branches of the Company increased to 414 offices during the year under review. The Company has a strong base of financial consultants.

HDFC Standard Life Insurance Company Limited ('HDFC Life' / 'Company') is a joint venture between HDFC Ltd., India's leading housing finance institution and Standard Life, a global investment company. Currently, HDFC Ltd. holds 61.5% and Standard Life (Mauritius Holdings) 2006 Limited holds 34.9% of equity in HDFC Life, while the rest is held by others.

## **Vision:**

*The most successful and admired life insurance company, which means that we are the most trusted Company, the easiest to deal with, offer the best value for money and set the standards in the industry. "The most obvious choice for all".*

## **Values:**

*Values are the most critical elements that reflect the conduct of an organisation during its day-to-day operations. Our Values are the pillars that guide everyone at HDFC Life.*



**12,000+**  
**Partner Branches**



**1.08 mn**  
**Policies sold**  
(Individual new business)



**14,800+**  
**Employees**



**54,516**  
**Individual agents**



**414**  
**Offices**

# Our Parentage and **Subsidiaries**

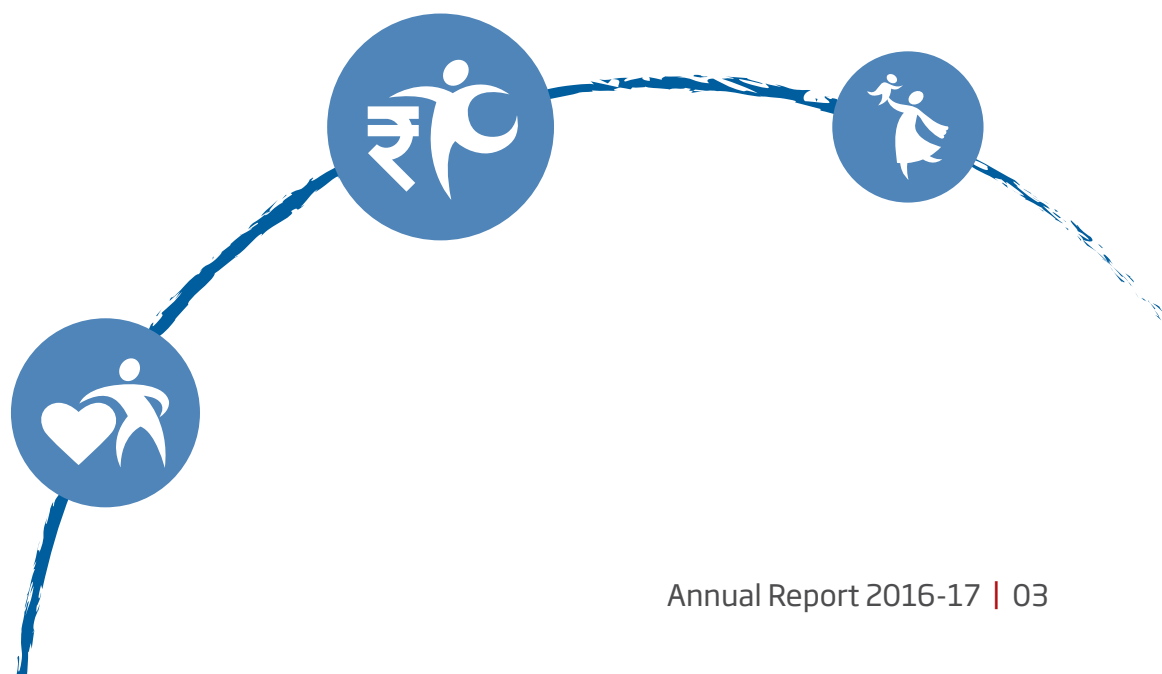
**HDFC Ltd** was promoted in October 1977 as a public limited company specialising in providing housing finance primarily to individual households and corporates for the purchase and construction of residential housing. HDFC is India's first retail housing finance company and is currently one of the largest originators of housing loans in the country. As at March 31, 2017, HDFC had mortgage loan assets of ₹ 3,385 billion (US\$ 52.19 billion). Since inception, HDFC has financed over 5.8 million housing units. 77% of shareholders in HDFC are foreign investors. HDFC's market capitalisation as at March 31, 2017 stood at approximately US\$ 37 billion. Over the years, the HDFC group has emerged as a strong financial conglomerate in the Indian capital markets with a presence in banking, life and general insurance, asset management, venture capital and education finance.

**Standard Life** was established in Edinburgh in 1825. Today, it is a global investment company helping people to invest and manage their money. Standard Life employs around 6,300 people internationally - through businesses in the UK, Europe, North America, Asia and Australia. Around 4.5 million customers and clients across 45 countries trust them with their financial future - and they are responsible for the administration of over £360 billion of their assets. Wherever they operate in the world, they are motivated by a sense of responsibility. It's what helps Standard Life to be a sustainable business and they are listed as a leader for corporate sustainability in our industry in the Dow Jones Sustainability Indices (DJSI World and DJSI Europe).

## **Subsidiaries**

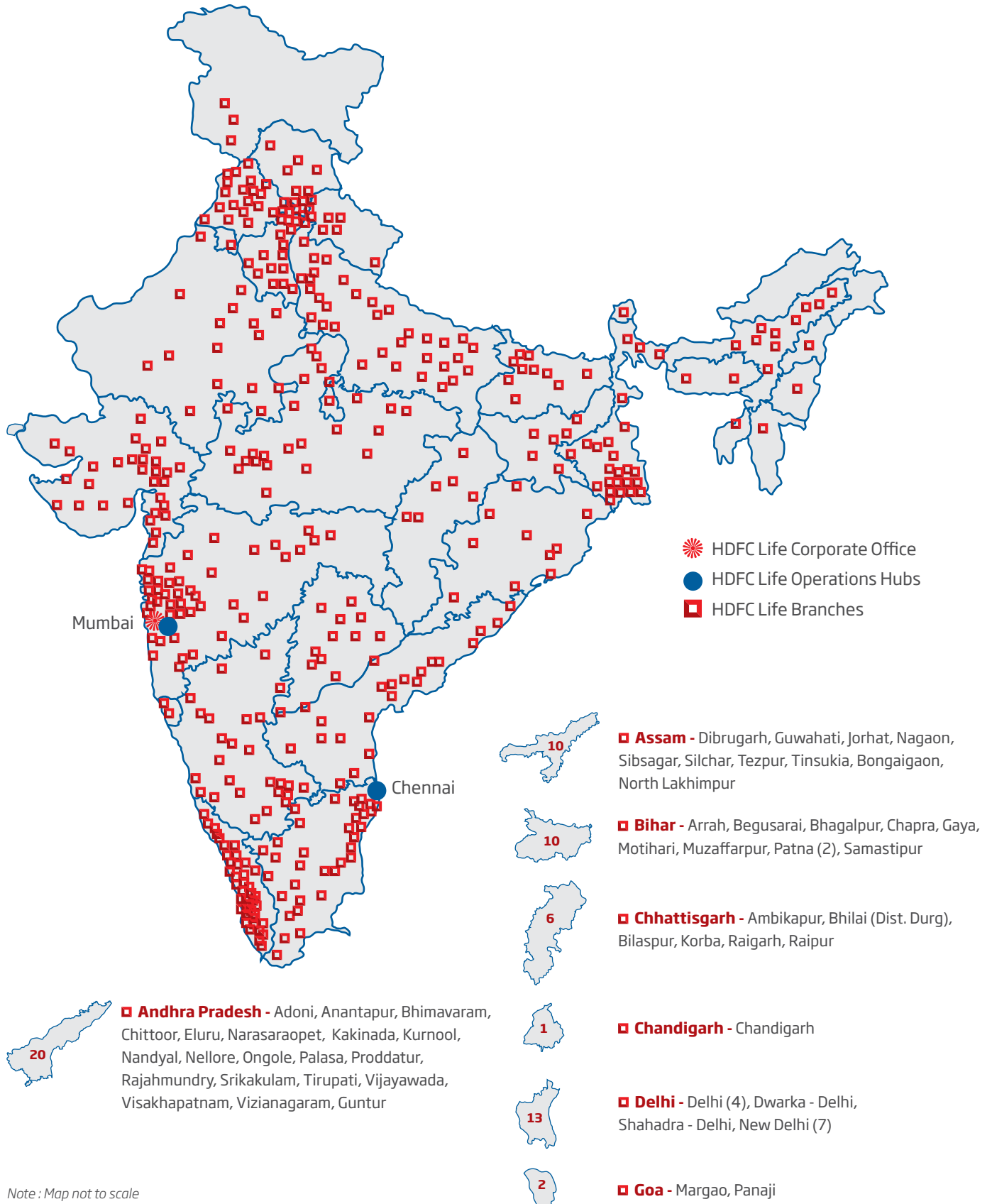
**HDFC Pension** started its operations in FY 2014. With 130,767 Customers and AUM of ₹ 1,163 Crs as on March 31, 2017, HDFC Pension is the fastest growing Pension Fund Manager under the New Pension Scheme (NPS) architecture.

**HDFC International Life and Re Company** was established in FY 2016 in the Dubai International Finance Centre (DIFC), to capitalise on emerging business opportunities, in view of the significant NRI population residing in the region by carrying out life reinsurance business. The Company intends to expand its footprints by offering reinsurance capacity to ceding life insurers in other markets in the coming years.





# Geographical Presence





❑ **Gujarat** - Ahmedabad (4), Amreli, Anand, Ankleshwar, Bardoli (Dist.: Surat), Bharuch, Bhavnagar, Bhuj, Gandhidham, Gandhinagar, Godhra, Himmatnagar (Sabarkantha), Jamnagar, Junagadh, Mehsana, Morbi, Nadiad, Navsari, Palanpur (Banaskantha), Porbandar, Rajkot, Surat (2), Surendranagar, Vadodara (3), Valsad, Vapi



❑ **Haryana** - Ambala Cantt., Bhiwani, Faridabad, Gurgaon, Hissar, Jind, Kaithal, Karnal, Kurukshetra, Panipat, Rewari, Rohtak, Sirsa, Sonapat, Yamuna Nagar



❑ **Himachal Pradesh** - Baddi (Dist.: Solan), Dharamsala, Hamirpur, Kullu, Mandi, Shimla



❑ **Jammu & Kashmir** - Jammu, Sopore (Baramulla), Srinagar



❑ **Jharkhand** - Bokaro Steel City (Bokaro), Deoghar, Dhanbad, Hazaribag, Jamshedpur, Ranchi



❑ **Karnataka** - Bangalore (7), Belgaum, Bellary, Bijapur, Chikmagalur, Davangere, Dharwad, Gulbarga, Hassan, Hospet, Hubli, Kolar, Mandya, Mangalore, Mysore, Puttur, Raichur, Ranebennur, Shimoga, Tumkur, Udupi



❑ **Kerala** - Adoor, Alleppey/Alappuzha, Aluva, Angamaly, Attingal, Calicut, Chalakudy, Changanacherry, Chengannur, Guruvayoor, Kalpetta, Kanjirapally, Kannur, Karungapally, Kasargod, Kayamkulam, Kochi, Kodangaloor, Kollam, Kottayam, Manjeri, Muvattupuzha, Neyyattinkara, Pala, Palakkad, Pathanamthitta, Payyanur, Perinthalmanna, Perumbavoor, Ponnani, Punalur, Thalassery, Thiruvalla, Thiruvananthapuram, Thodupuzha, Thrissur, Tirupunithura, Trivandrum, Varkala, Irinjalakuda



❑ **Madhya Pradesh** - Bhopal, Chattarpur, Dhar, Guna, Gwalior, Hoshangabad, Indore (3), Jabalpur, Katni, Khandwa, Neemuch, Ratlam, Rewa, Sagar, Satna, Sehore, Singrauli, Ujjain



❑ **Maharashtra** - Ahmednagar, Akola, Amravati, Aurangabad, Bhandara, Chandrapur, Chiplun, Gondia, Ichalkaranji, Jalna, Jalgaon, Kalyan, Kolhapur, Latur, Malegaon, Mumbai (14), Nagpur (2), Nanded, Nasik, Navi Mumbai, Panvel, Pune (5), Ratnagiri, Sangli, Sangamner, Satara, Solapur, Thane, Wardha, Yavatmal



❑ **Manipur** - Imphal



❑ **Meghalaya** - Shillong, Tura



❑ **Mizoram** - Aizawl



❑ **Nagaland** - Dimapur



❑ **Odisha** - Angul, Baharampur, Balasore, Bhubaneswar, Bolangir, Cuttack, Jeypore (Koraput), Paradip (Dist.: Jagatsinghpur), Puri, Rourkela, Sambalpur



❑ **Puducherry** - Pondicherry



❑ **Punjab** - Abohar, Amritsar, Batala, Bhatinda, Moga (Dist.: Ludhiana) Faridkot, Hoshiarpur, Jalandhar, Khanna, Ludhiana, Nangal, Nawanshahr, Pathankot, Patiala, Phagwara, Sangrur, Tarn Taran, Rayya



❑ **Rajasthan** - Ajmer, Alwar, Balotra, Baran, Bhilwara, Bikaner, Ganganagar, Jaipur (2), Jhalawar, Jhunjhunu, Jodhpur, Kota, Makrana, Pali, Sikar, Udaipur



❑ **Sikkim** - Gangtok (East)



❑ **Tamil Nadu** - Adyar (Chennai), Chennai (6), Chidambaram, Coimbatore, Dharmapuri, Dindigul, Erode, Kancheepuram, Karaikkudi, Karur, Kumbakonam, Madurai, Nagercoil, Namakkal, Rajapalayam, Salem, Thanjavur, Tirunelveli, Tirupur, Trichy, Tuticorin, Vellore



❑ **Tripura** - Agartala



❑ **Telangana** - Nalgonda, Kukatpalli (Dist.: Ranga Reddy), Hyderabad (3), Khammam, Mancherla, Nizamabad, Siddipet, Warangal, Karimnagar



❑ **Uttar Pradesh** - Agra, Aligarh, Allahabad, Azamgarh, Banda, Bareilly, Basti, Bijpur, Deoria, Faizabad, Firozabad, Gaziabad, Ghazipur, Gorakhpur, Jaunpur, Jhansi, Kanpur, Khurja, Lucknow (2), Mathura, Meerut, Mirzapur, Moradabad, Muzaffarnagar, Noida, Orai, Saharanpur, Shahjahanpur, Sitapur, Sultanpur, Varanasi



❑ **Uttarakhand** - Dehradun, Haldwani, Haridwar, Rishikesh, Roorkee



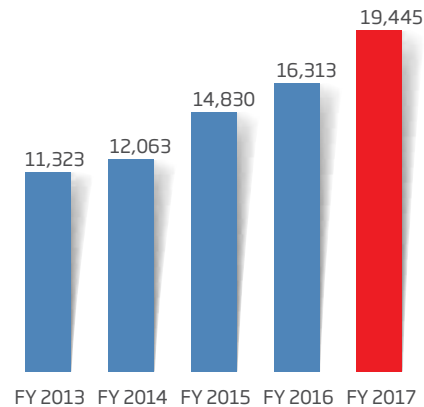
❑ **West Bengal** - Arambagh, Asansol, Baharampur (Dist. Murshidabad), Bardhaman, Bolpur, Contai (Dist. East Midnapur), Cooch Behar, Durgapur, Haldia, Jalpaiguri, Kharagpur, Kolkata (9), Krishna nagar, Malda, Purulia town, Raigunj (Dist.: Uttar Dinajpur), Siliguri, Sreerampur



# Key Performance Indicators

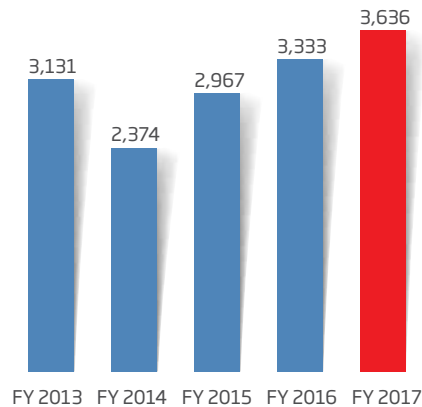
## Total Premium (₹ Crs)

CAGR = 14% ↑



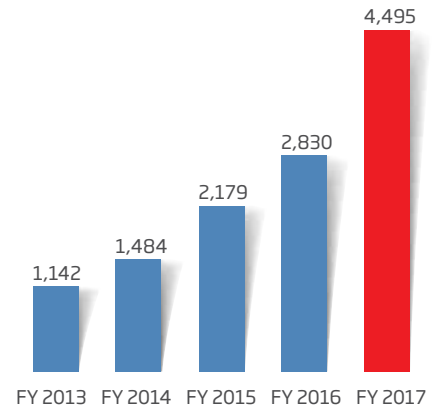
## Individual WRP (₹ Crs)

CAGR = 4% ↑



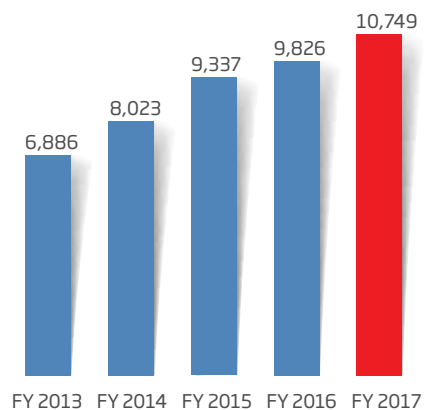
## Group Premium (₹ Crs)

CAGR = 41% ↑



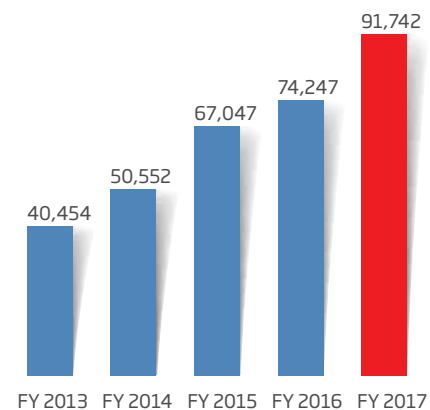
## Renewal Premium (₹ Crs)

CAGR = 12% ↑



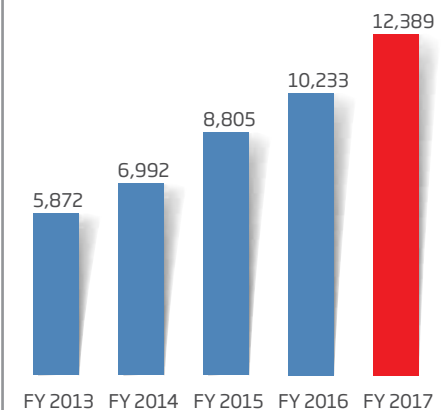
## Assets Under Management (₹ Crs)

CAGR = 23% ↑



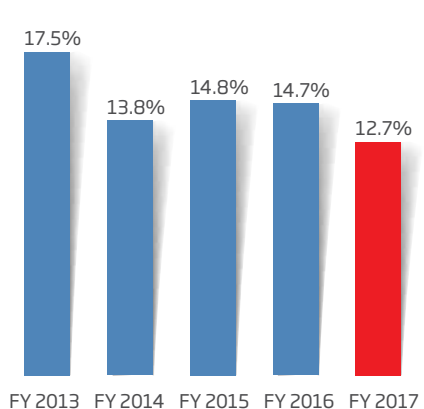
## Embedded Value (₹ Crs)

CAGR = 21% ↑



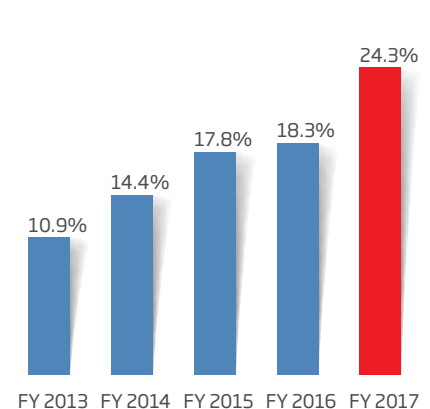
## Individual WRP

(Private Sector Market share)



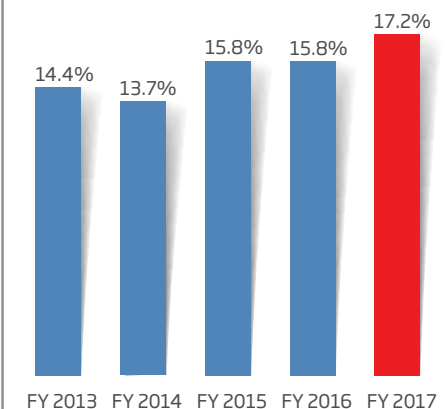
## Group Business

(Private Sector Market share)



## Overall New Business

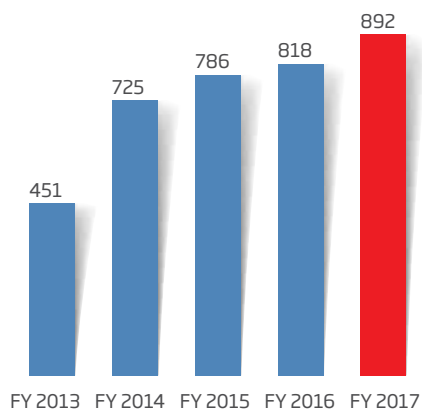
(Private Sector Market share)





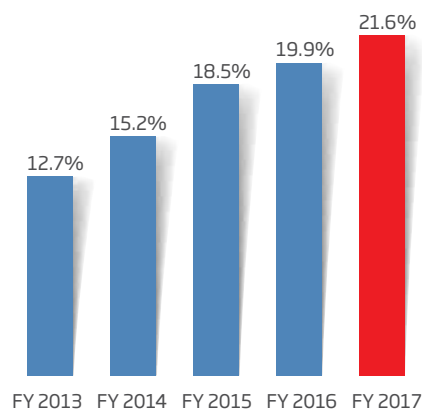
### Profit After Tax (₹ Crs)

CAGR = 19% ↑

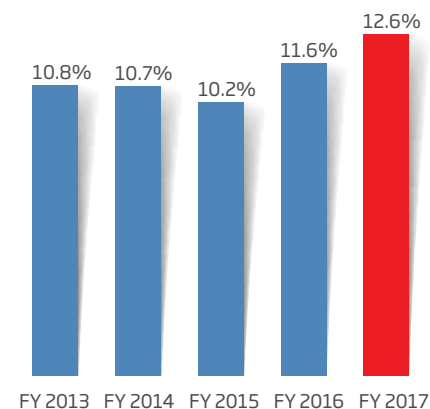


### Overall New Business Margins

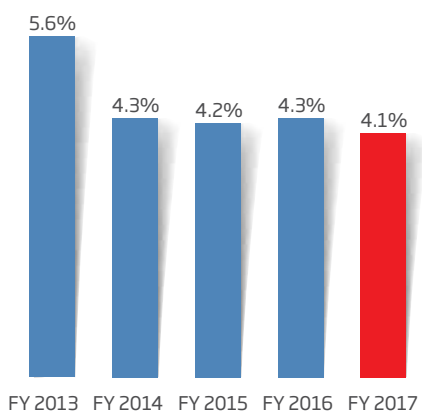
(post overrun)



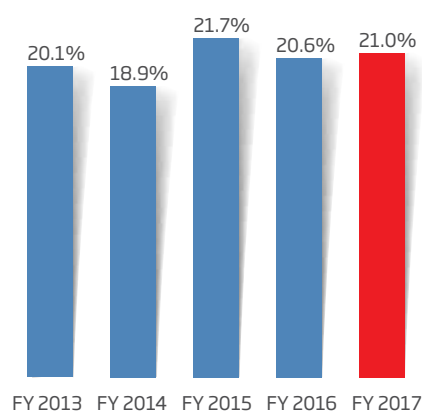
### Operating Expenses Ratio



### Commission Ratio



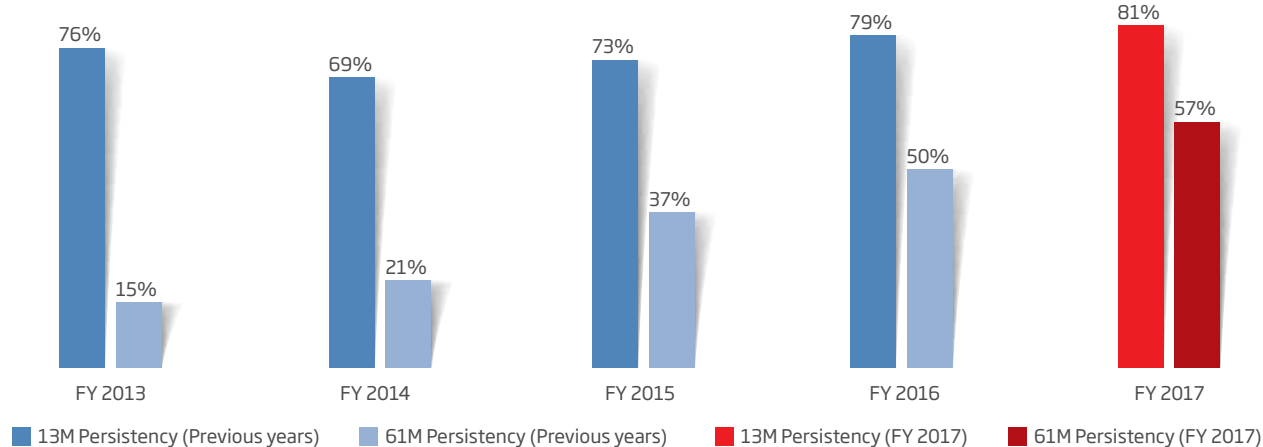
### Operating Return on EV



Note: EVOP (Embedded Value Operating Profit)/Opening Embedded Value



### 13M and 61M Persistency



Note: Calculated as per IRDAI circular (based on original premium) for individual business, for period ended March for respective years



# Chairman's Message

“

The Company had a healthy New Business Margin (NBM) of 21.6% during the year and its NBM continued to be among the best in industry

”

## Dear Shareholders,

The financial year ending March 31, 2017 has been an important year in the journey for HDFC Life. The Company continued to consolidate its position as a long-term player in the industry with its focus on customer service, stronger product propositions and improved profitability. During the year, the Company also announced a potential merger with Max Life Insurance Company with a view to increase the width of its distribution, balance the product mix and to leverage the revenue and cost synergies between the two companies. The biggest leverage for the merged entity will come from employees of both the companies. The regulatory approvals for the proposed merger are awaited at this moment.

The macro-economic factors and demographics in India continue to support the growth of life insurance business. However, the competitive intensity remains high, leading to “short-term” behaviour patterns by players that are value-eroding for the industry. Your Company has continued to tread a path of profitable growth and customer-centricity in these times. New Business Margin (NBM)

is a key indicator of the health of any life insurance business. The Company had a healthy NBM of 21.6% during the year and its NBM continued to be among the best in industry. The Company registered a growth of 19% in the overall premium, while Indian GAAP profits grew at 9% over last year. The Company maintained a steady growth rate of 9% over last year in the Individual business (WRP). The Company has been at the forefront of technology adoption and turning itself into a digital insurer. Multiple initiatives in these areas have led to more straight through processing, faster customer response times and automation of processes. All of these have led to the Embedded Value (EV) of the Company growing at a healthy rate of 21% over last year.

Financial services sector in India has seen rapid changes during the last year. The pace of digital adoption by Banks, NBFCs and Insurers has accelerated quite significantly. Newer players like payment banks, digital wallets and FinTech companies are introducing innovative models for customer acquisition and service. While it is early days for them, their approach is nudging the traditional

players to rethink their processes and business models. Further, the one-time exercise by the Government of India in November 2016 to phase out currency bills of ₹ 500 and ₹ 1,000 and replace them with newer bills (commonly referred to as demonetisation) has increased digital adoption significantly during the year. The Government's continued efforts in increasing the usage of Jan Dhan accounts, Aadhaar and Mobile (“JAM Trinity”) is also broadening the base for financial participation and reducing the costs to reach new and unserved customer segments.

These positive changes open up new possibilities for HDFC Life. Building an agile, multi-distribution platform was one of the key strategic themes chosen by the Company as part of its strategic planning exercise last year. The Company is building an ecosystem of alliance partners spread across Banks, NBFCs, Small Finance Banks, Payment Banks and Ecommerce aggregators and integrating with their technology platforms to acquire and service customers. The distribution platform provides a frictionless, paperless customer onboarding