

Investing for the Future

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[VISION]

**To be the dominant
Life, Health & Pensions player
built on trust by
world-class people & service**

[INVESTING FOR THE FUTURE]

Over the last decade, the Indian life insurance industry has evolved significantly and has experienced robust growth. New companies have entered the fray, many opportunities have emerged, new consumer needs have been identified and innovative solutions introduced. During this time, the life insurance industry has made rapid strides towards increasing overall awareness among consumers to better plan and secure their future, and providing effective means to do so.

With the Indian consumer becoming more discerning, we at ICICI Prudential Life Insurance Company Limited (ICICI Prudential Life) believe that it is our responsibility to understand the changing Indian economic environment along with the evolving consumer behaviour and drive industry revolution. It is in line with this responsibility and the objective of further enhancing consumer experience that we continue to invest towards strengthening our product portfolio, distribution network, service infrastructure and develop our talent pool.

The company's focus on consumer-centricity, while charting out a growth strategy, has enabled ICICI Prudential Life sustain its industry dominance. With clear objectives set in each of these focus areas, the company continues to invest in the future with the knowledge that today's investment will lead to tomorrow's growth.



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[FROM THE CEO'S DESK]



Dear Shareholders,

Over the past eight years, we have worked towards establishing ourselves as a dominant life insurer in the country. We have seen tremendous consumer acceptance and growth over these years. However, we realise that life insurance as an industry has only scratched the surface of its true potential in our country and there still are millions of people who will benefit from many of our products. It is for this reason that ICICI Prudential Life will continue to leverage its strong industry position to further invest for the future growth of the business, be it our employees, infrastructure, services or products.

During fiscal 2008, our company continued its move up the growth trajectory and retained its leadership position in various key aspects of its business. Annualised Premium Equivalent (APE) increased by 49% to Rs.65.19 billion and New Business Profit (NBP) was up by over 42% to Rs.12.54 billion. With an overall market share of 12.7%, we continued to maintain our dominant position within the competitive life insurance industry.

Last year saw us broaden the unit linked insurance plans (ULIPs) horizon to offer superior consumer experience. Our LifeStage series introduced the benefits of automatic asset allocation and quarterly portfolio rebalancing for our consumers. We further strengthened our health insurance product portfolio with unique products such as Hospital Care and Crisis Cover. Keeping in mind the need for health insurance in the country, we will continue to launch products to enable consumers meet their healthcare expenses, effectively.

“ We believe that we have created a sound platform that has delivered results, as seen from our sustained dominance amongst private life insurance players, which will offer us tremendous growth prospects in the future. ”

Over the years, we have been able to successfully identify new consumer segments and deliver effective life insurance solutions to them. Fiscal 2008 saw us work towards fulfilling the life insurance requirements of consumers in rural India. In order to provide convenience, especially through proximity, we invested towards strengthening our distribution and service infrastructure, in rural areas, in key states. We expanded our distribution network across the country, with a distinct focus on rural India and as on March 31, 2008, we had one of the strongest distribution networks with over 1,950 offices. These offices along with over 290,000 advisors, a strong agency force and distribution partners collectively ensure that our present and prospective consumers can access us at their convenience.

In addition to being physically present amongst our rural consumers, we also introduced easy-yet-safe premium-paying options through various collaborations. We have partnered with India Post in several states and government-led initiatives such as E-mitra in Rajasthan and AP online in Andhra Pradesh, to enable our rural consumers pay their premiums at a location closest to them. Our strong IT infrastructure not only remains our key differentiator within the industry but also enables us to provide a superior service experience to all our consumers. During fiscal 2008, we further mobilised both web and mobile technologies to our advantage, to provide easy and convenient service options to consumers.

Our ability to deliver on our promise made to our consumers, stakeholders and partners, lies in our committed talent pool. As we and the rest of the

life insurance industry penetrates further into the country, the increasing gap between the demand and supply of the right talent remains the biggest challenge. While training programmes give sheen to our existing employee base of over 28,000 employees, we have also invested towards building a sustainable pipeline for the future by further strengthening our Post Graduate Programme in Management and Insurance, launched in March 2007. With the first batch of insurance professionals ready, I am confident that the opportunities awaiting them will be enormous.

Fiscal 2008 saw us making strategic investments for the future. We believe that these investments will enable us sustain our growth momentum over the years to come. The last year was marked by distribution expansion, introduction of products that were firsts in the industry and the launch of innovative services to increase our consumers' convenience, amongst many other significant developments. We believe that we have created a sound platform that has delivered results, as seen from our sustained leadership amongst private life insurance players and this we believe will offer us tremendous growth opportunities in the future. I look forward to sharing many more successful achievements with you, which we will continue to realise through these growth platforms.

Warm regards



Shikha Sharma
Managing Director & CEO

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