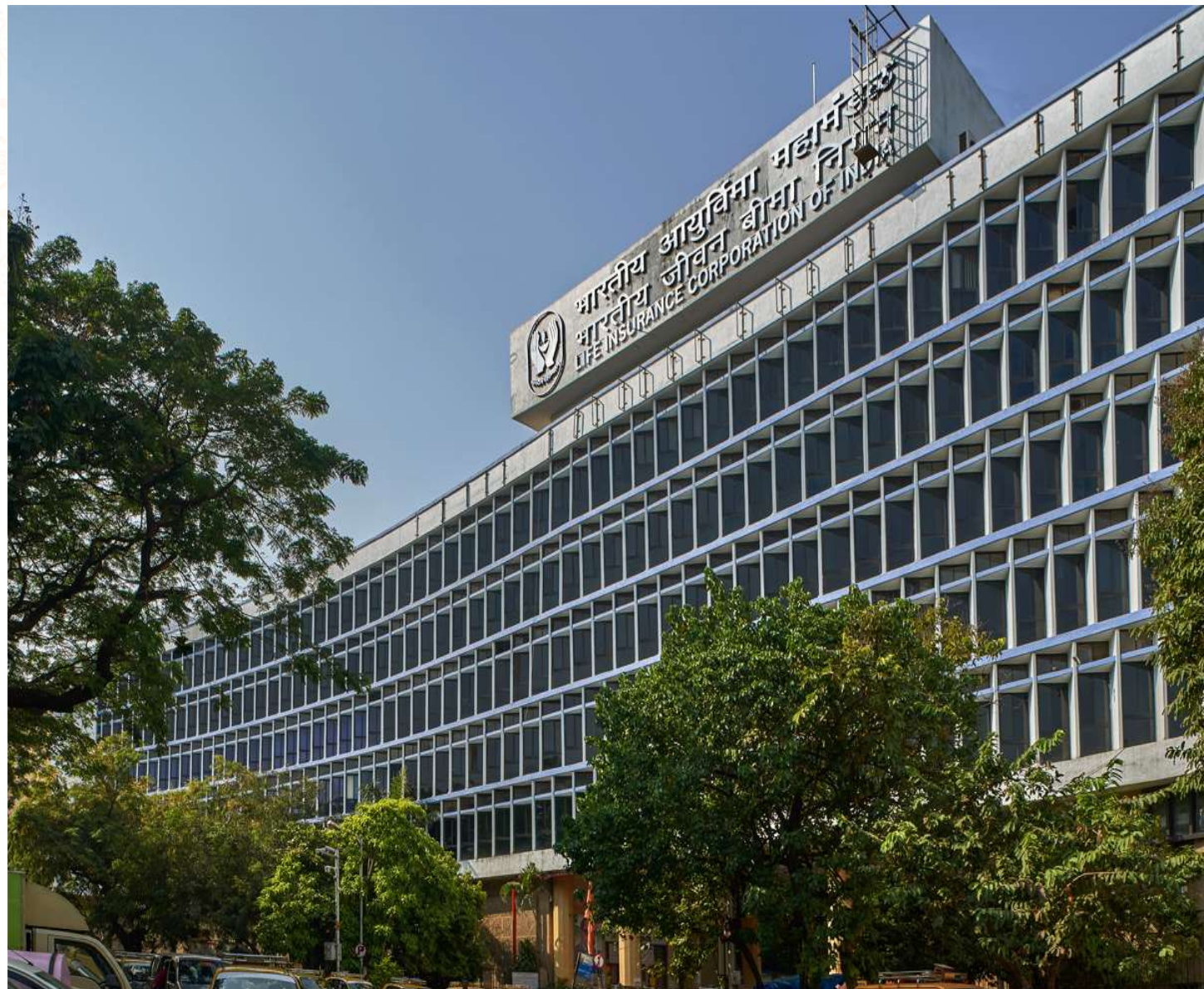




भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Corporate Presentation

20th September 2022



Agenda

I - INTRODUCTION

II - FINANCIAL AND BUSINESS HIGHLIGHTS

III - PRODUCT, CUSTOMER FRANCHISE AND DISTRIBUTION REACH

IV - ACTUARIAL METRICS

V - TECHNOLOGICAL AND DIGITAL INITIATIVES

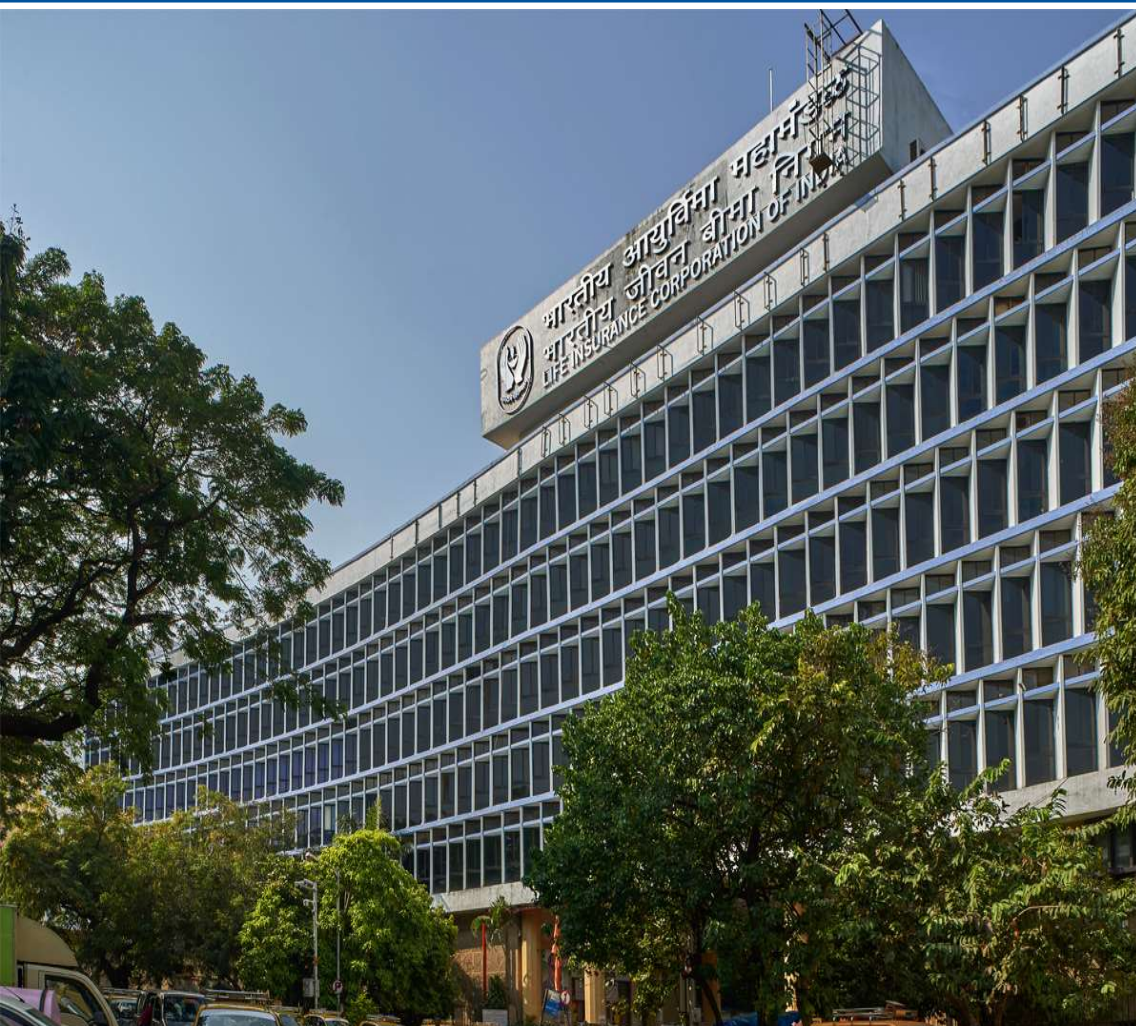
VI - ESG INITIATIVES

VII - WAY FORWARD

APPENDIX

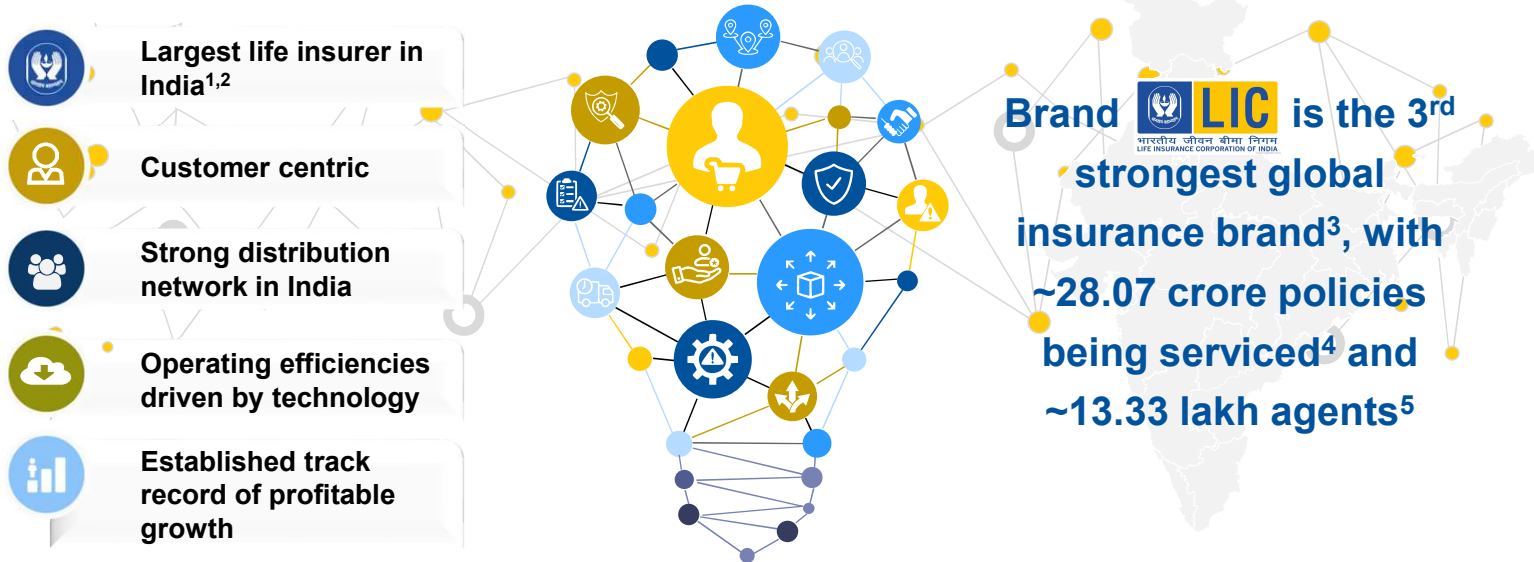
(a) INDIAN INDUSTRY LANDSCAPE

(b) FINANCIALS



I

INTRODUCTION



Structural growth drivers in India

-  Among the fastest growing economies globally
-  Rapidly shifting consumer mindset
-  Significant need for protection & pension products
-  Increasing digitization

⁴ Source: CRISIL Research ("CRISIL"); Note: ¹ Data as per CRISIL; ² On a standalone basis, by FY22 GWP, NBP, individual policies sold and number of individual agents; ³ For 2021, as per Brand Finance; ⁴ Data refers to individual policies being serviced in India, this includes lapsed policies that have acquired paid-up value; ⁵ As of June'22

#1 life insurer in India, 5th largest in the world by life insurance GWP



Sustained market leadership



5th

Largest life insurer globally by life insurance GWP¹



10th

Largest life insurer globally by total assets¹

LIC has the highest gap in market share² relative to the 2nd largest life insurer in the Indian market, as compared to market leaders in the top 7 markets globally^{1,2}

Scale



~2.17 crore
FY22 Individual policies sold

7.81x
of 2nd largest life insurer⁴

INR 25,241
FY22 Average ticket size (NBP/per individual policy)



INR 2,05,758 Crore⁵
FY22 NBP

63.25%
FY22 Market share

8.9x
of 2nd largest life insurer⁴



INR 5,41,492 cr
March-22 Embedded value

13.66x
of 2nd largest life insurer⁴



INR 41,02,042 cr
AUM

1.15x
of entire Indian mutual fund industry AUM

15.65x
of 2nd largest life insurer⁴

Customer & distribution



~13.33 lakh
Agents (June-22)

54.37%
Mkt. share by agents (June-22)

6.63x
of 2nd largest life insurer⁶



16.37
Policies sold per agent for FY22

Significantly higher than the

11.88
policies sold per agent for the 2nd largest life insurer⁴



76%
13th month persistency ratio by individual regular premium (June-22)

59%
61st month persistency ratio by individual regular premium (June-22)



98.76%
FY22 Individual death claim settlement ratio

INR 192568.54 Crore
FY22 Individual total claims paid

Source: Corporation data, CRISIL, SwissRe Sigma, World Bank; Note: Standalone data for FY22 unless otherwise mentioned; ¹ As of FY21 for LIC & as of CY2020 for others; ² By life insurance GWP; ³ Data represents AIA BHD, the largest life insurer in Malaysia by life insurance GWP; ⁴ Relative to SBI Life, the second largest life insurer by FY22 NBP, Q1FY23 AUM; FY22 embedded value, FY22 individual policies sold & policies sold per agent; ⁵ As per Corporation data. ⁶ Relative to ICICI Prudential, the second largest life insurer by number of individual agents as of June 30, 2022

Differentiated business model with deep competitive moats

Unmatched scale



Fifth largest life insurer globally by GWP and the largest player in the fast growing & underpenetrated Indian life insurance sector

Trusted brand



Trusted brand and a customer centric business model

Cross cyclical and comprehensive solutions



Cross-cyclical product mix that caters to diverse consumer needs and an individual product portfolio that is dominated by participating life insurance policies

Unrivalled distribution



Presence across India through an omni-channel distribution network with an unparalleled agency force

Dedicated focus on technology



Harnessing technology capabilities to support customer connect and drive operating efficiencies

Strong investment & financial track record



Largest asset manager in India¹ with an established track record of financial performance & profitable growth

Strong risk controls



Robust risk management framework, and recognized as a Domestic Systemically Important Insurer (D-SII)

Spearheaded by a highly experienced and qualified management team, a distinguished Board & strong corporate governance framework

LIC – Group structure



Foreign branches¹

Country	Entity
	Fiji Branch
	Mauritius Branch
	United Kingdom Branch

Subsidiaries

Country	Entity	Stake held (%)
	LIC Pension Fund Ltd.	100.00%
	LIC CARDS	100.00%
	LIC INTERNATIONAL Life Insurance Corporation (International) B.S.C. (Bahrain)	99.66% ²
	LIFE INSURANCE CORPORATION (SINGAPORE) PTE LTD.	100.00%
	LIC Insurance Corporation (Czechia) Ltd.	80.00%
	LIC Insurance Corporation (Nepal) Ltd.	55.00%
	LIC Bangladesh Ltd.	83.33%

Associates

Country	Entity	Stake held (%)
	LIC HOUSING FINANCE LTD.	45.24% ³
	LIC HFL Asset Management Company Limited	5.38% ³
	IDBI BANK	49.24% ⁴
	IDBI trustee IDBI Trusteeship Services Ltd	29.84% ⁴
	LIC MUTUAL FUND	45.00%
	LIC Mutual Fund Trustee Company Ltd	49.00%

X% - Shareholding purchased using shareholders' funds
 Y% - Shareholding purchased using policyholders' funds

Source: Corporation data; Note: All data as of June 30, 2022; ¹ Foreign branches were set up by the Corporation and are not separate legal entities; ² The Corporation's 99.66% shareholding in Life Insurance Corporation (International) B.S.C. Bahrain was purchased using a combination of shareholders' (94.40%) and policyholders' funds (5.60%); ³ LIC Housing Finance holds a 94.62% stake in LIC HFL Asset Management Company; ⁴ IDBI Bank holds a 54.70% stake in IDBI Bank Trusteeship Services

Highly experienced management team, distinguished Board and strong corporate governance framework



Experienced Board of Directors



Shri Mangalam Ramasubramanian Kumar
Whole-time Chairperson



Shri Suchindra Misra
Government Nominee Director



Shri Raj Kumar
Managing Director



Shri Siddhartha Mohanty
Managing Director



Smt. Ipe Mini
Managing Director



Shri Bishnu Charan Patnaik
Managing Director



Dr. Ranjan Sharma
Independent Director



Shri Vinod Kumar Verma
Independent Director



Shri Anil Kumar
Independent Director



Smt. Anjuly Chib Duggal
Independent Director



Shri Gurumoorthy Mahalingam
Independent Director



Shri Raj Kamal
Independent Director



Shri Vankipuram Srinivasa Parthasarathy
Independent Director



Shri Vijay Kumar Muthu Raju Paravasa Raju
Independent Director



Shri Sanjeev Nautiyal
Independent Director

Eminent board of directors and management team, with extensive experience in the life insurance industry, leading to a strong governance framework

Awards won by LIC during 2021-22

Awards & Accolades 2021-22



Economics Times BFSI BEST BRANDS 2022
One of the Best Brands - 2022



Readers Digest Trusted Brand
Category Insurance (Life)



Outlook money Awards 2021
Most Trusted Brand in
Insurance Gold Award



CFBP Jamna Lal Bajaj Award
for Fair Business Practices



Dun and Bradstreet
PSU Awards 2021
Best PSU Award in
Life Insurance Sector



India Most Trusted
Insurance Brand Award
by Insurance alerts



FICCI Insurance Industry Awards 2021
Best Insurance Campaign - Life Category



FICCI Insurance Industry Award
Special Jury Award



IAA Award for
Marketer of the year Insurance



India Insurance Summit & Award 2022
Excellence in Digital Transformation



Marksmen Daily
50 Most Trusted BFSI Brands 2021



Marksmen 50
Most Trusted Brand of India 2022

Awards won by LIC during 2021-22

Awards & Accolades 2021-22



Digital PSU Summit Award 2021 for Artificial Intelligence Category



National Award For Excellence in BFSI Claim Service Leader (Large)



National Award For Excellence in BFSI Customer Service Excellence Award



National Award For Excellence in BFSI Digital Marketing Digital Advertising Award



National Award For Excellence in BFSI Insurance Company of the Year



ACEF Award for Television Promotion for Pehle LIC



Ashirwad Award Ashirwad Rajbhasha Puraskar 2021



World BFSI Congress & Awards Insurance Company of the year



World BFSI Congress & Awards Customer Service Excellence Award



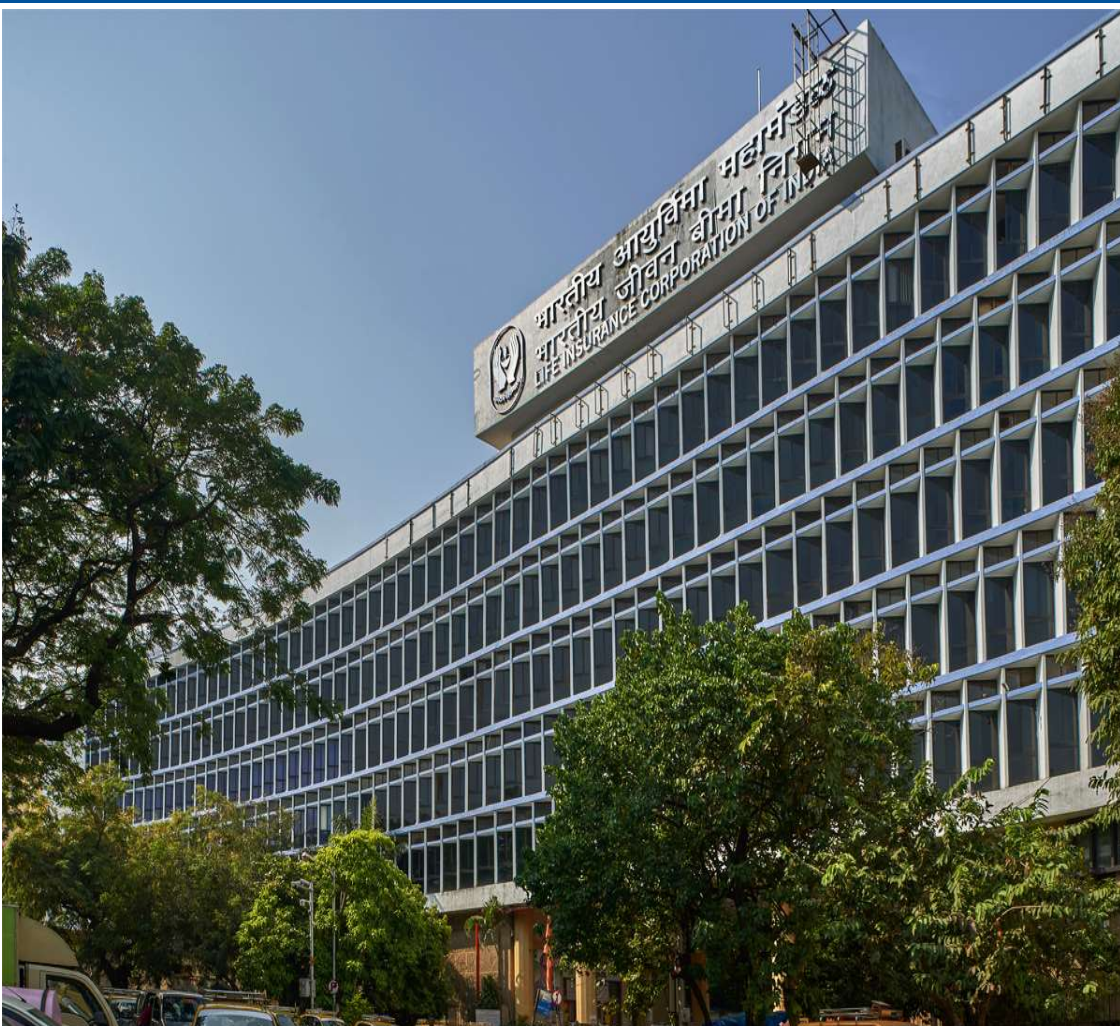
World BFSI Congress & Awards Operational Excellence initiative of the Year 'ANANDA'



World BFSI Congress & Awards Excellence in Claim Service



World BFSI Congress & Awards Technology Initiative of the Year 'Jeevan Sakshya'



||

FINANCIAL AND BUSINESS HIGHLIGHTS

Business Performance Parameters



INR Crore

Total New Business Premium

FY 22 INR 2,05,758 Cr
FY 21 INR 1,91,542 Cr



+7.42%

Market Share in Premium¹

FY 22 INR 63.25 %
FY 21 INR 66.18 %



-2.93%
(Absolute)

Individual New Business Premium

FY 22 INR 54,960 Cr
FY 21 INR 56,632 Cr



-2.95 %

Group Business Premium

FY 22 INR 1,50,798 Cr
FY 21 INR 1,34,910 Cr



+ 11.78%

Renewal Premium (Individual)

FY 22 INR 2,21,661 Cr
FY 21 INR 2,11,302 Cr



+4.90%

Market Share in Policies¹

FY 22 INR 74.62 %
FY 21 INR 74.58 %



+0.04%
(Absolute)

Business Performance Parameters



INR Crore

Total New Business Premium

Q1-FY 23 INR 49,283 Cr
Q1-FY 22 INR 36,673 Cr



+34.38%

Market Share in Premium¹

Q1-FY 23 65.42 %
Q1-FY 22 67.52 %



-2.10%
(Absolute)

Individual New Business Premium

Q1-FY 23 INR 10,938 Cr
Q1-FY 22 INR 8,040 Cr



+36.04%

Group Business Premium

Q1-FY 23 INR 38,345 Cr
Q1-FY 22 INR 28,633 Cr



+ 33.92%

Renewal Premium (Individual)

Q1-FY 23 INR 49,069 Cr
Q1-FY 22 INR 45,048 Cr



+8.93%

Market Share in Policies¹

Q1-FY 23 70.86%
Q1-FY 22 66.74 %



+4.12%
(Absolute)

Business Performance Parameters



INR Crore

Weighted Received Premium

Q1-FY 23 INR 6,595 Cr
Q1-FY 22 INR 4,861 Cr



+36 %

Total New Business Sum Assured

Q1-FY 23 INR 1,19,933 Cr
Q1-FY 22 INR 74,616 Cr



+61%

Total COVID 19 Claims Paid¹

Q1-FY 23 INR 2,334 Cr
Q1-FY 22 INR 327 Cr



+614 %

Total APE

Q1-FY 23 INR 10,270 Cr
FY 22 INR 50,390 Cr.

Complaint Per 10K Policies

Q1-FY 23 59.68
Q1-FY 22 126.94



-53%

Total Number of COVID 19 Claim¹

Q1-FY 23 85,928
Q1-FY 22 10,457



+721%




Financial Performance Parameters



INR Crore

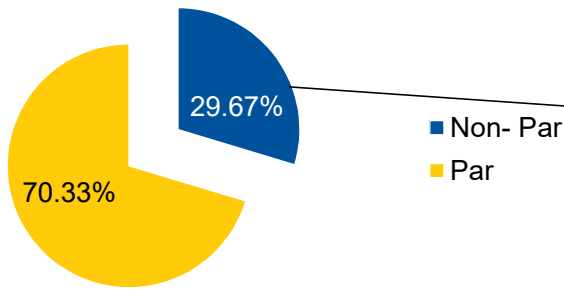
Profit After Tax	Q1-FY 23 Rs. 682.88 Cr Q1-FY 22 Rs. 2.94 Cr	↑		Total Assets	Q1-FY 23 INR 42,23,372 Cr Q1-FY 22 INR 39,24,600 Cr	↑	+ 7.61%
Solvency	Q1-FY 23 1.88 Q1-FY 22 1.73	↑		Value of New Business	Q1-FY 23 INR 1861 Cr FY 22 INR 9920 Cr FY 21 INR 6440 Cr	↑	
Assets Under Management	Q1-FY 23 INR 41,02,042 Cr Q1-FY 22 INR 38,13,370 Cr	↑	+7.57%	Yield on Investment (Policyholders Fund)¹	Q1-FY 23 7.74% Q1-FY 22 8.39%	↓	- 0.65% (absolute)
Claim Settlement Ratio Death	FY 22 91.51% FY 21 93.57%	↓	-2.06% (Absolute)	Yield on Investment (Shareholders Fund)	Q1-FY 23 7.05% Q1-FY 22 1.61%	↑	+ 5.44 (absolute)

Performance Ratios

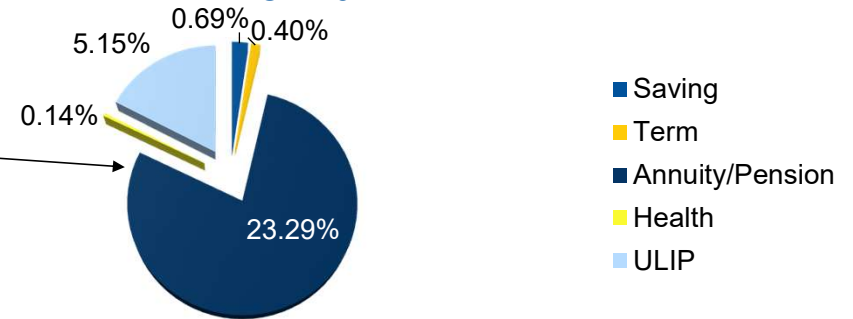
VNB Margin Gross (Individual Par)	Q1- FY 23 14.38%	Conservation Ratio	Q1- FY 23 97.99% Q1- FY 22 96.88%	
VNB Margin Gross (Individual Non Par)	Q1- FY 23 84.20%	Total Net NPA Ratio	Q1- FY 23 0.00 % Q1- FY 22 0.05 %	
VNB Margin Gross (Group Business)	Q1- FY 23 15.26%	Total Gross NPA Ratio	Q1- FY 23 5.84% Q1- FY 22 7.77%	
Total VNB Margin Gross	Q1- FY 23 18.12%	Commission Ratio	Q1- FY 23 5.10% Q1- FY 22 5.12 %	
VNB Margin (NET)	Q1- FY 23 13.6%	Expense of Management Ratio	Q1- FY 23 14.59% Q1- FY 22 15.85%	

Break up of Business – PAR and Non PAR

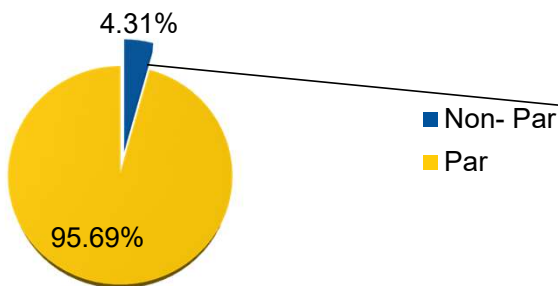
% Share to Total NB Premium



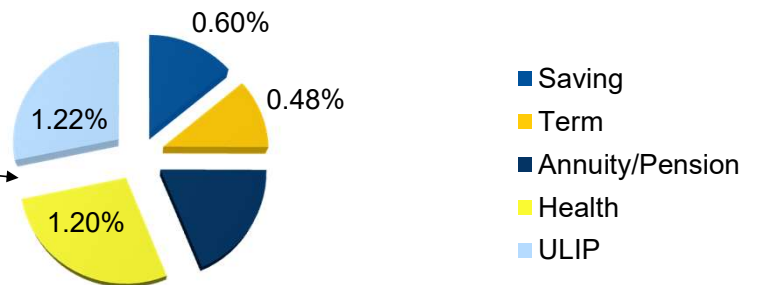
NON PAR Share in New Business Premium



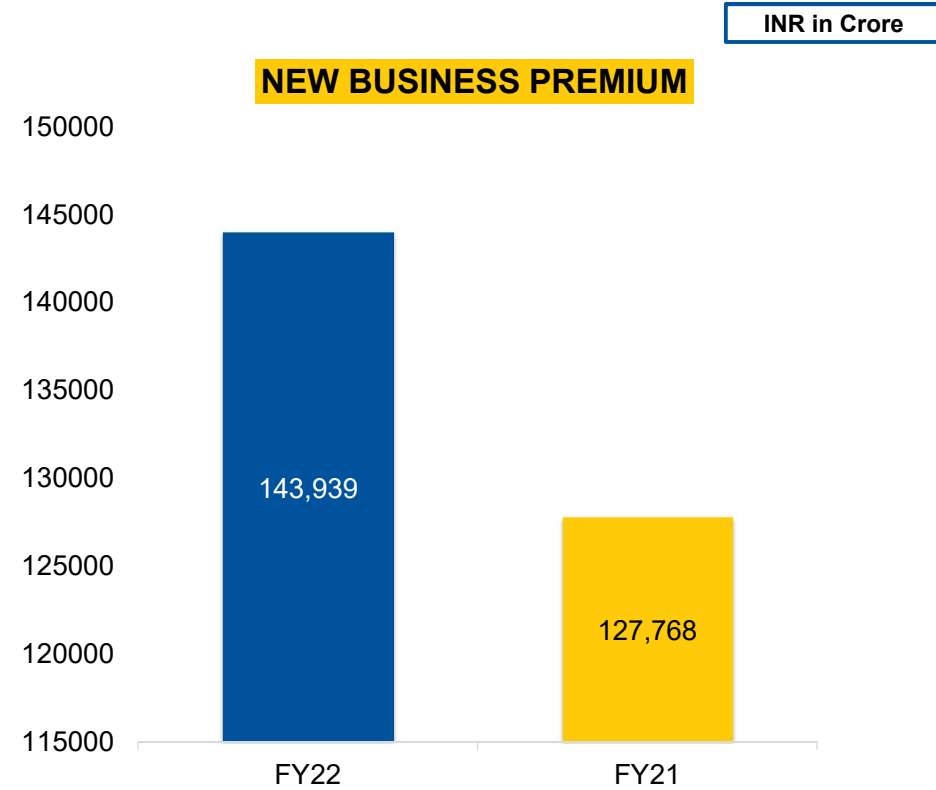
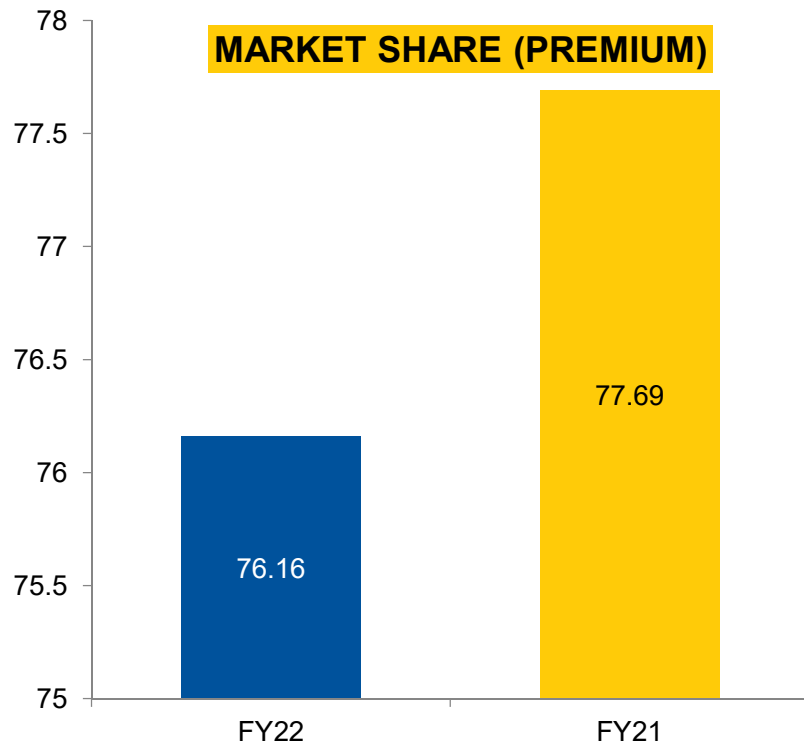
Share to total New Business Policies



NON PAR Share in New Business (Number of Policies)

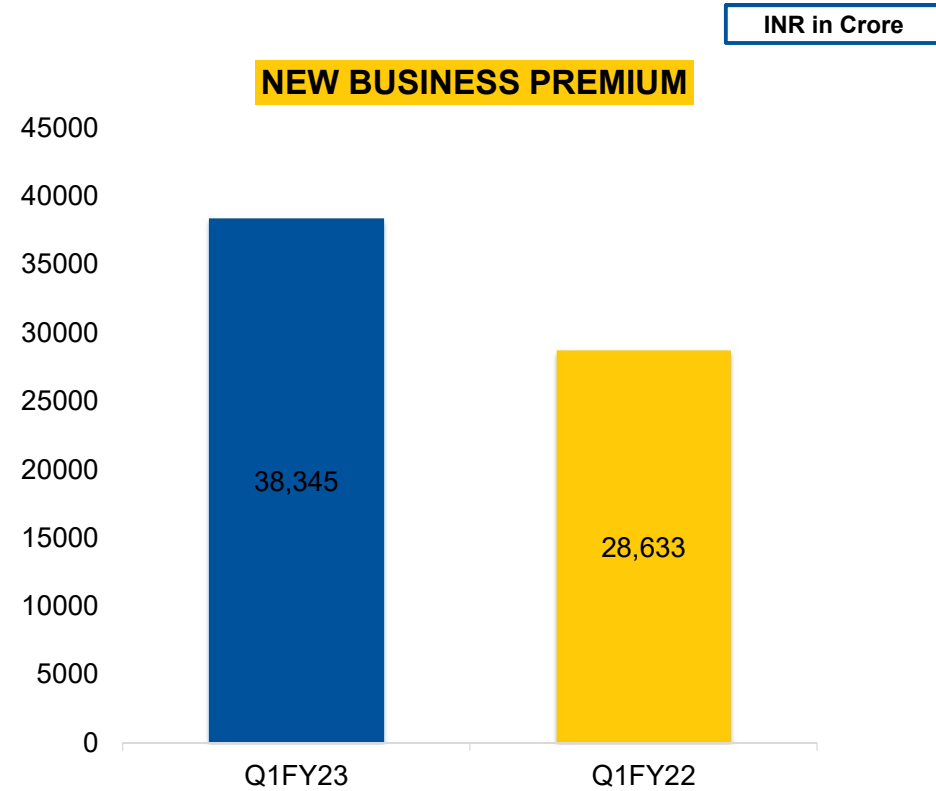
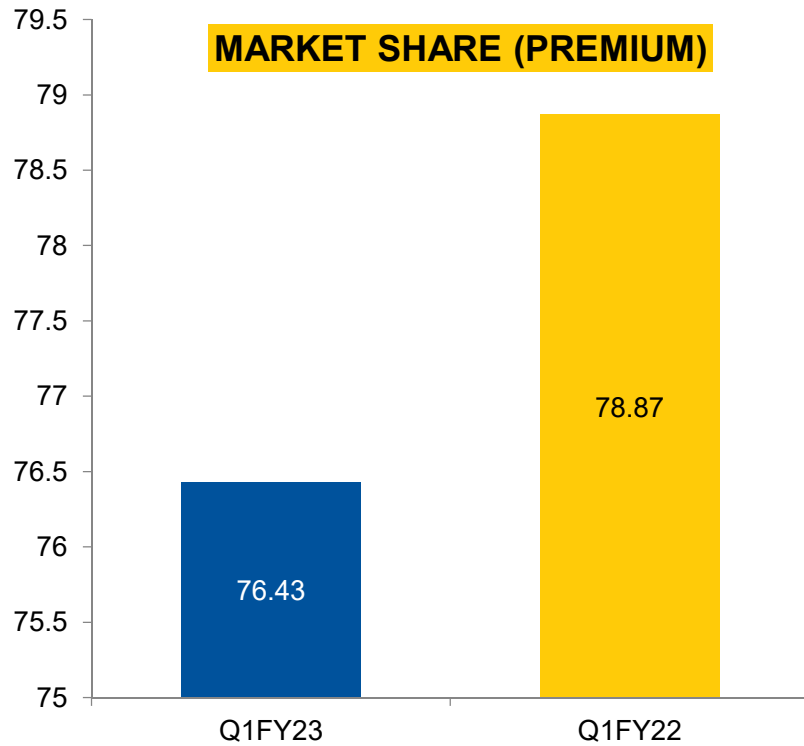


Group Business Segment



Growth – 12.66% YoY basis in Group New Business Premium

Group Business Segment



Growth – 33.92% YoY basis in Group New Business Premium



PRODUCT, CUSTOMER FRANCHISE AND DISTRIBUTION REACH

Cross cyclical and comprehensive life insurance solutions



Comprehensive Product Portfolio

16 Participating products

19 Non Participating Products (Including three Annuity Products)

11 Group products (incl. one credit life and one annuity product)

8 Riders

All new launches in the current Financial Year (FY22-23) have been Non Par Products.

(i) LIC's Bima Ratna and LIC's Dhan Sanchay were launched in Q1FY23.

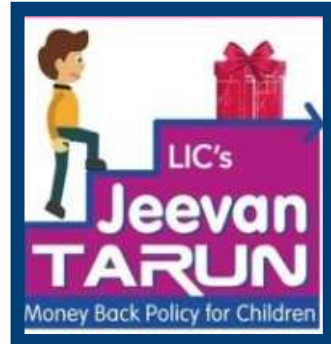
(ii) LIC's New Pension Plus was launched on 5th Sept., 2022.

Further, LIC's Group Accident Benefit Rider was also launched in Q1FY23.

Our Products Designed to Suit Customer Life Cycle



Participating Products



Non-participating Products



Enhancing focus on building Omni-channel distribution network



Snapshot of LIC's vast distribution capabilities

13.33 lakh Agents exclusive to LIC

77 Bancassurance partnerships

74 Corporate Agents

226 Brokers

118 Insurance Marketing Firms

39,358 Premium points + **4398** MICRO Insurance Premium Points

19,747 Total Micro-insurance agents

3,620 Branch and satellite offices

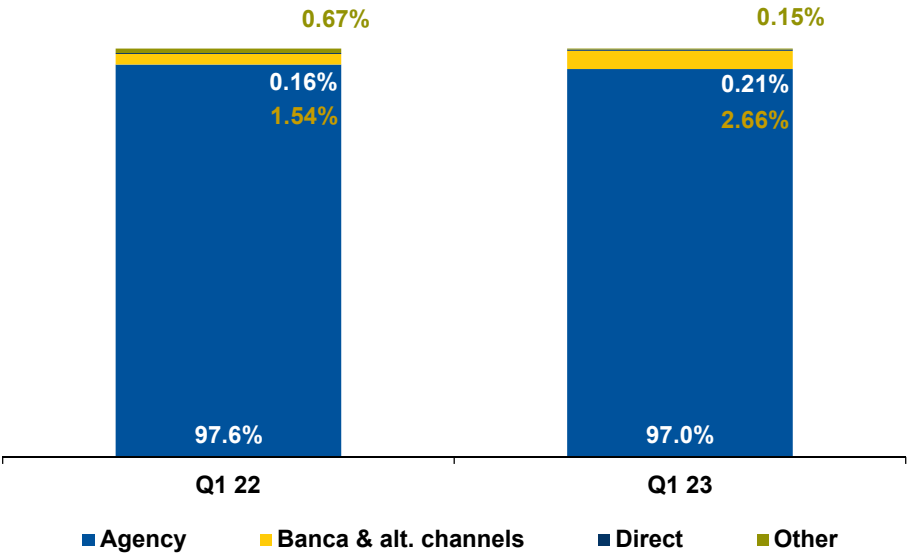
Massive Distribution Network spread in each and every nook & corner of the country capable of turning the table at any point of time

Enhancing focus on building Omni-channel distribution network

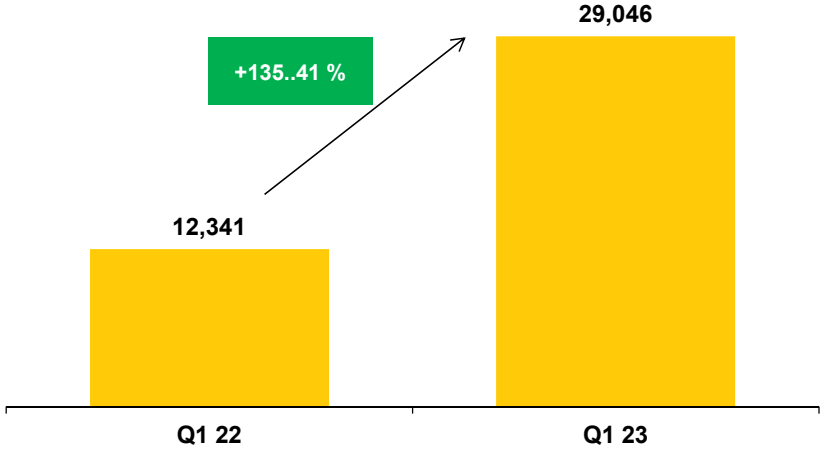


Snapshot of LIC's vast distribution capabilities

Distribution mix by individual NBP (%)



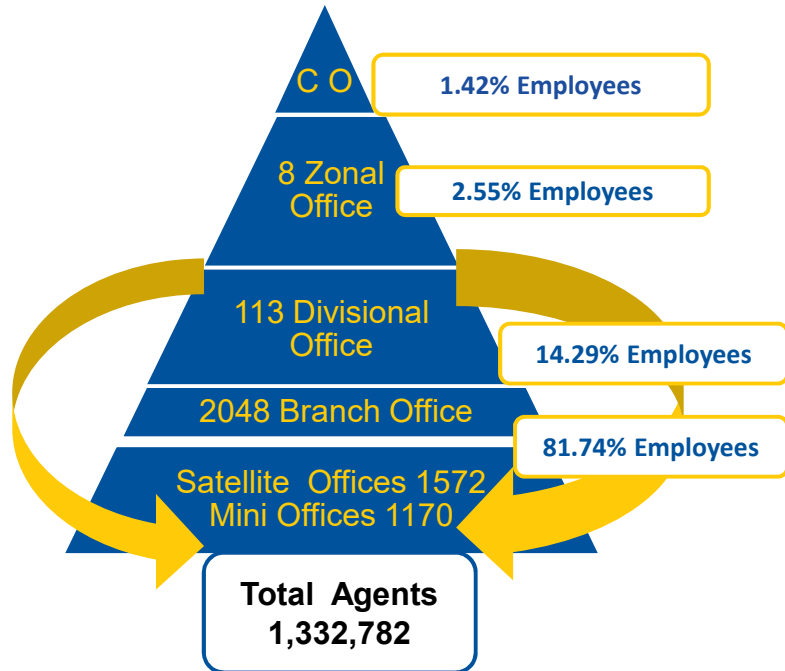
Individual NBP sourced in India via the banca and alternate channels (INR Lakh)



The agency channel is considered the bedrock of distribution for most life insurers globally

Feet on Street – Our core distribution approach

Organisational Structure



96.03 % of Total employees are deployed at Divisional and Branch Office to look after operational activities.

Agents Training Infrastructure



Training is imparted to agents by senior officers to ensure quality of training.

Agents' Training

Training in External
Training Institutes -17,678

Training in Sales Training
Centres and Zonal
Training Centres - 2,85,290

Total 4,08,152
agents trained in
FY 22

Imparted training to newly recruited Agents –
1,05,184



19,393 Agents fulfilling the
MDRT criteria in FY22



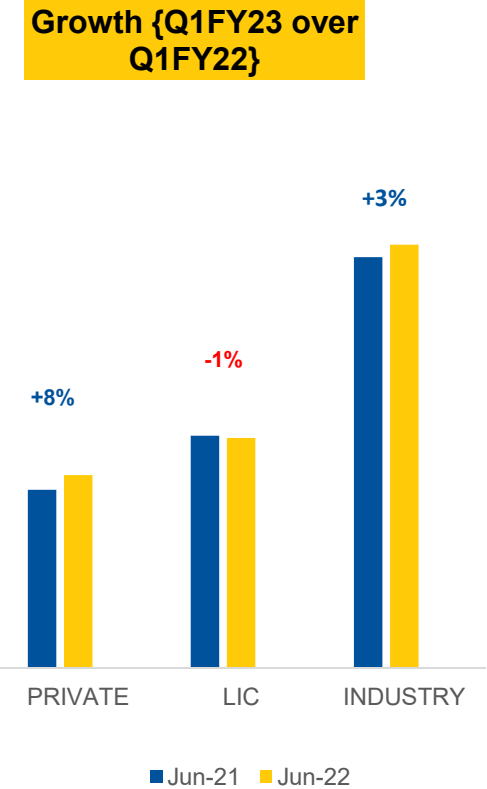
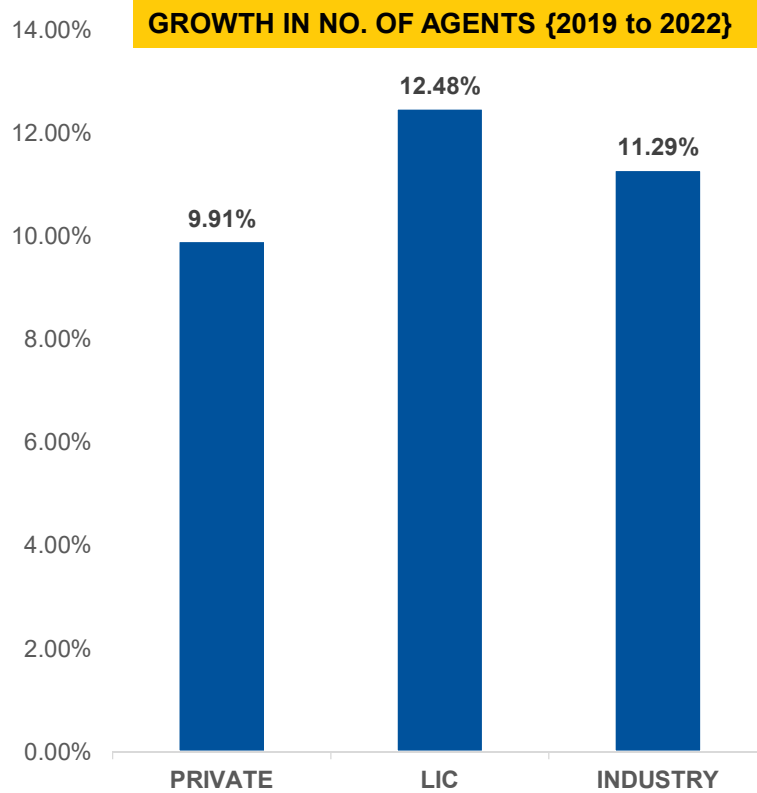
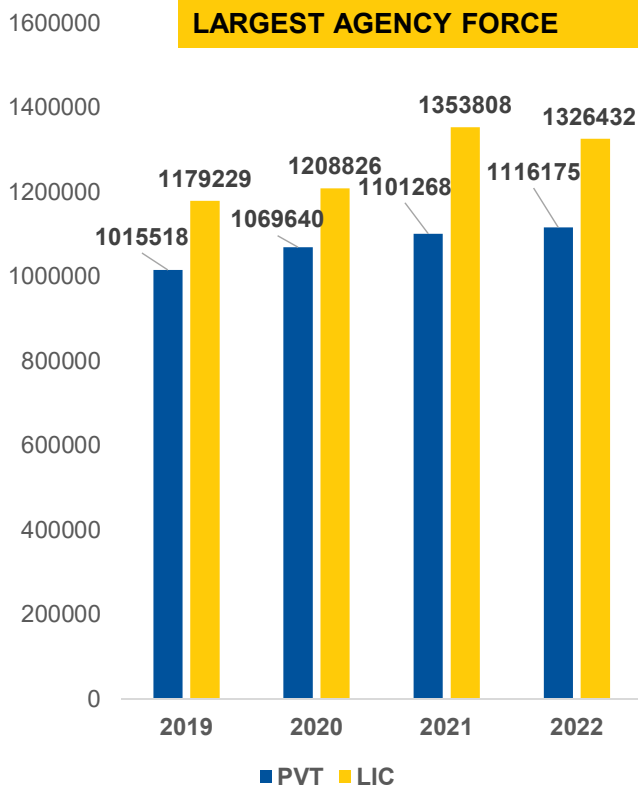
80% Agents recruited in FY22
within the 18-40 years age group



54.37% Market share by number
of agents as of June 2022

Producing highest number of MDRTs through recruitment of millennial generation & massive training

Robust Agency Force

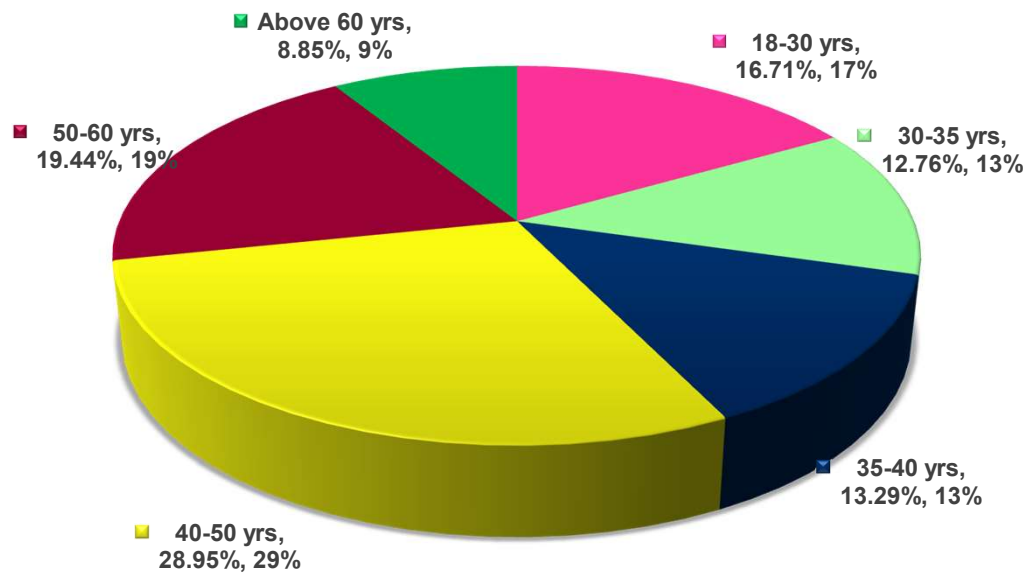


Higher than Industry growth rate in Agency Force during most adverse times during the pandemic

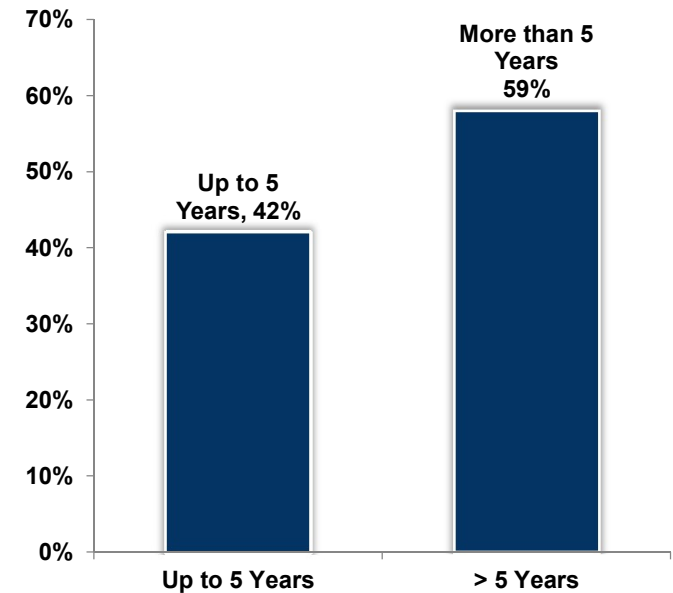
Exclusive agency network well trained leading to highest productivity

Loyal agency network with a mix of youth and experienced professionals

Mix of agents by age group

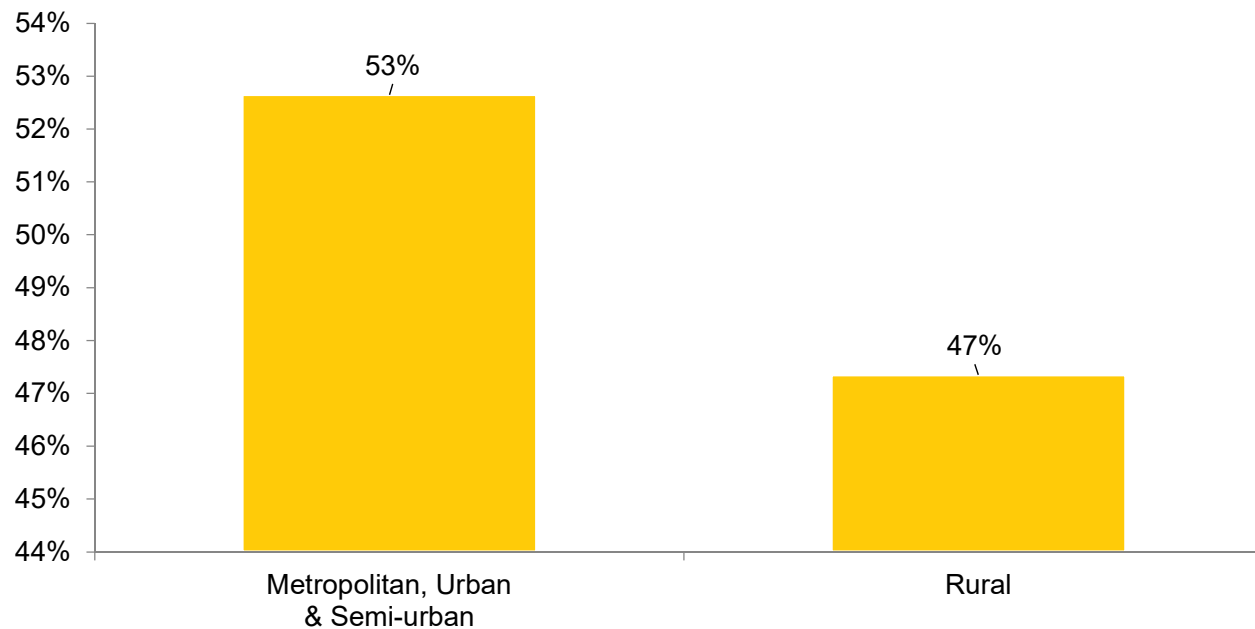


Mix of agents by tenure



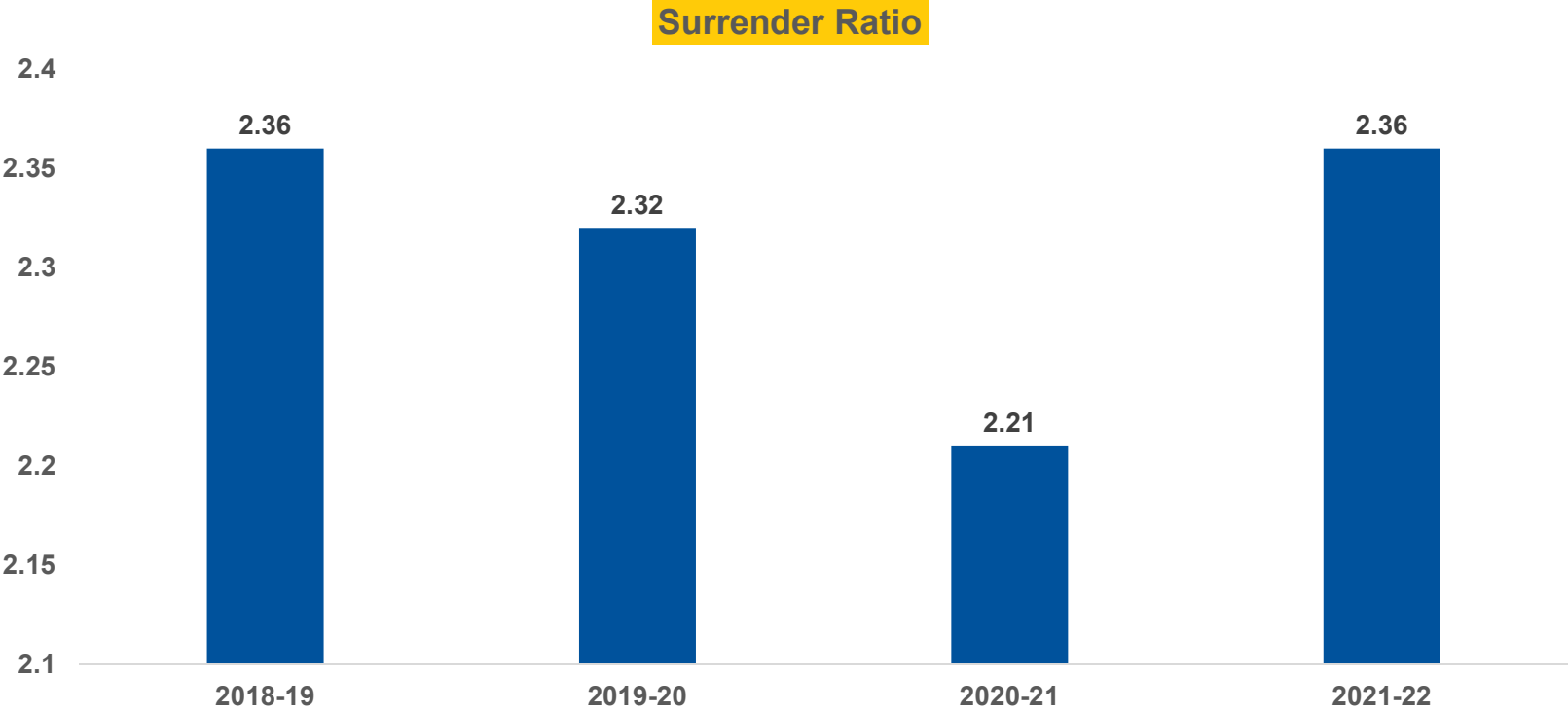
Source: Corporation data as on 31.03.2022.

Geographic distribution of individual agents (%)

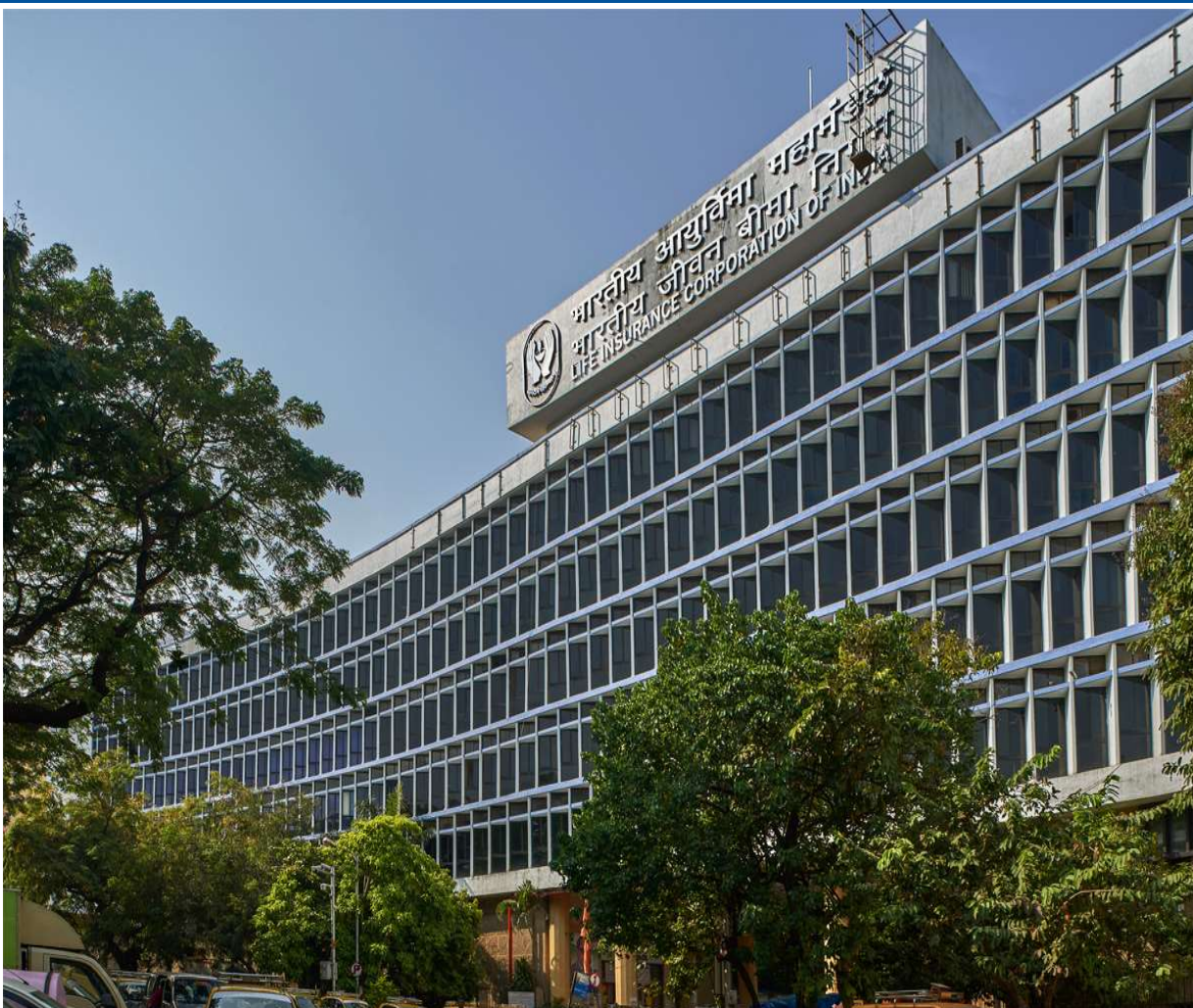


PAN India presence of Agents which shows our feet on street

Customer Satisfaction – Our Focus



Source: Corporation data. ¹surrender Ratio of Total Surrender amount to Total Investments as per summary of Financial Statements.

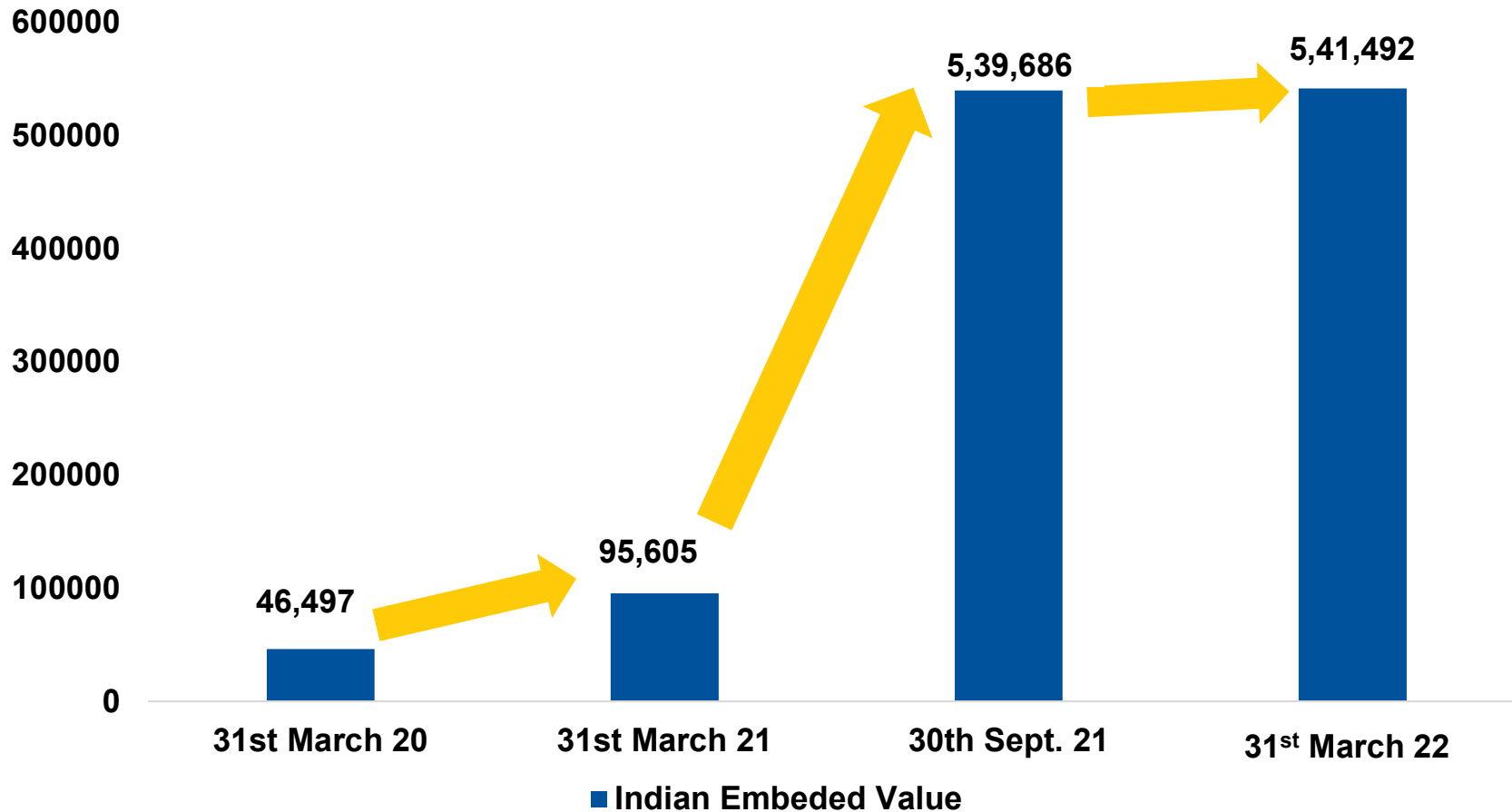


IV

ACTUARIAL METRICS

Indian Embedded Value (IEV)

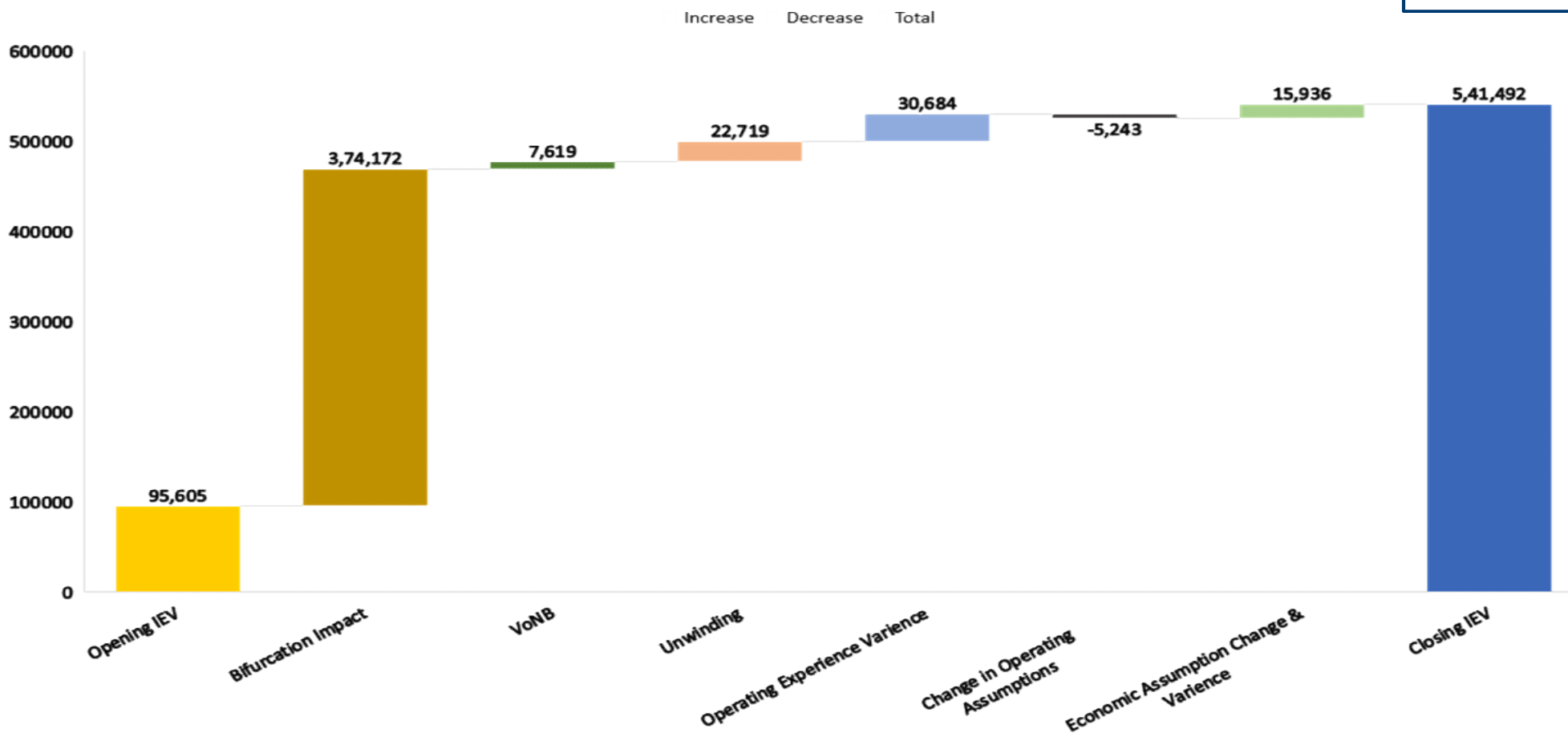
INR in Crore



Indian Embedded Value (IEV) Walk – March 2021 to March 2022



INR in crore



Build up of Embedded Value



INR in Crore

Components	March 2021	March 2022
A. Free surplus (FS)	6,361	10,527
B. Required Capital (RC)	-	-
C. Adjusted Net Worth (ANW) (C=A+B)	6,361	10,527
D. Present value of future profits (PVFP)	1,04,772	5,47,724
E. Time Value of financial options and guarantees (TVFOG)	(1,596)	(2,076)
F. Frictional Cost of required capital (FC)	(149)	-
G. Cost of residual non-hedgeable risks (CRNHR)	(13,782)	(14,682)
H. Value of in-force (VIF) Business (H=D+E+F+G)	89,245	5,30,966
I. Indian embedded value (IEV) (I=C+H)	95,605	5,41,492

34 Source: Milliman Report. Figures may not add up due to rounding.

Analysis of Movement in IEV



Components	FY 2022 (INR in Crore)
Opening IEV	95,605
Bifurcation Impact	3,74,172
Expected return on Existing Business	
At Reference Rate	4,742
At Expected 'real – world' return in excess of Reference rate	17,977
Operating assumptions change	(5,243)
VoNB added during the period	7,619
Operating Experience Variance- Persistency	146
Operating Experience Variance- Expenses	195
Operating Experience Variance- Mortality and Morbidity	(527)
Newly Modelled Plans	14,299
Operating Experience Variance- Others	16,571
IEV Operating Earnings (EVOP)	55,779
Economic Assumptions Changes and economic variances	15,936
IEV Total Earnings	71,715
Closing IEV	5,41,492

³⁵ Source: Milliman Report. Figures may not add up to total due to rounding.

Sensitivity Analysis



Scenario	Change in IEV %	Change in VoNB Margin%
Reference Rate +100 bps	(0.4%)	1.8%
Reference Rate - 100 bps	(0.3%)	(4.7%)
Decrease in Equity Value 10%	(6.5%)	(0.4%)
Proportionate change in lapse rate +10%	(0.2%)	(0.5%)
Proportionate change in lapse rate -10%	0.2%	0.5%
Mortality/ Morbidity +5%	(0.0%)	(0.1%)
Mortality/ Morbidity -5%	0.0%	0.1%
Maintenance Expenses +10%	(0.4%)	(0.6%)
Maintenance Expenses -10%	0.4%	0.5%
Tax rate change to 34.94% on Normal Tax Rate basis	(24.3%)	(4.8%)

Sensitivity Analysis



Sensitivity – Scenarios		Change in Indian Embedded Value	Change in New Business Margin (Percent)
For the Year End		3/2022	3/2022
Base results (INR in Crore)		5,41,492	15.1%
Reference rates	An increase of 100 bps in the reference rates	(0.4%)	1.8%
	A decrease of 100 bps in the reference rates	(0.3%)	(4.7%)
Acquisition expenses	10% increase in acquisition expenses	Not applicable	(0.3%)
	10% decrease in acquisition expenses	Not applicable	0.3%
Maintenance expenses	10% increase in maintenance expenses	(0.4%)	(0.6%)
	10% decrease in maintenance expenses	0.4%	0.5%
Persistency	10% increase in discontinuance rates	(0.2%)	(0.5%)
	10% decrease in discontinuance rates	0.2%	0.5%
Mortality/ Morbidity	5% increase in the mortality/ morbidity rates	0.0%	(0.1%)
	5% decrease in the mortality/ morbidity rates	0.0%	0.1%
Taxation	Assumed tax rate increased to 34.94%	(24.3%)	(4.8%)
Equity	Equity values decrease by 10%	(6.5%)	(0.4%)

Source: Milliman Report

Annualised Premium Equivalent (APE)



APE Product Mix

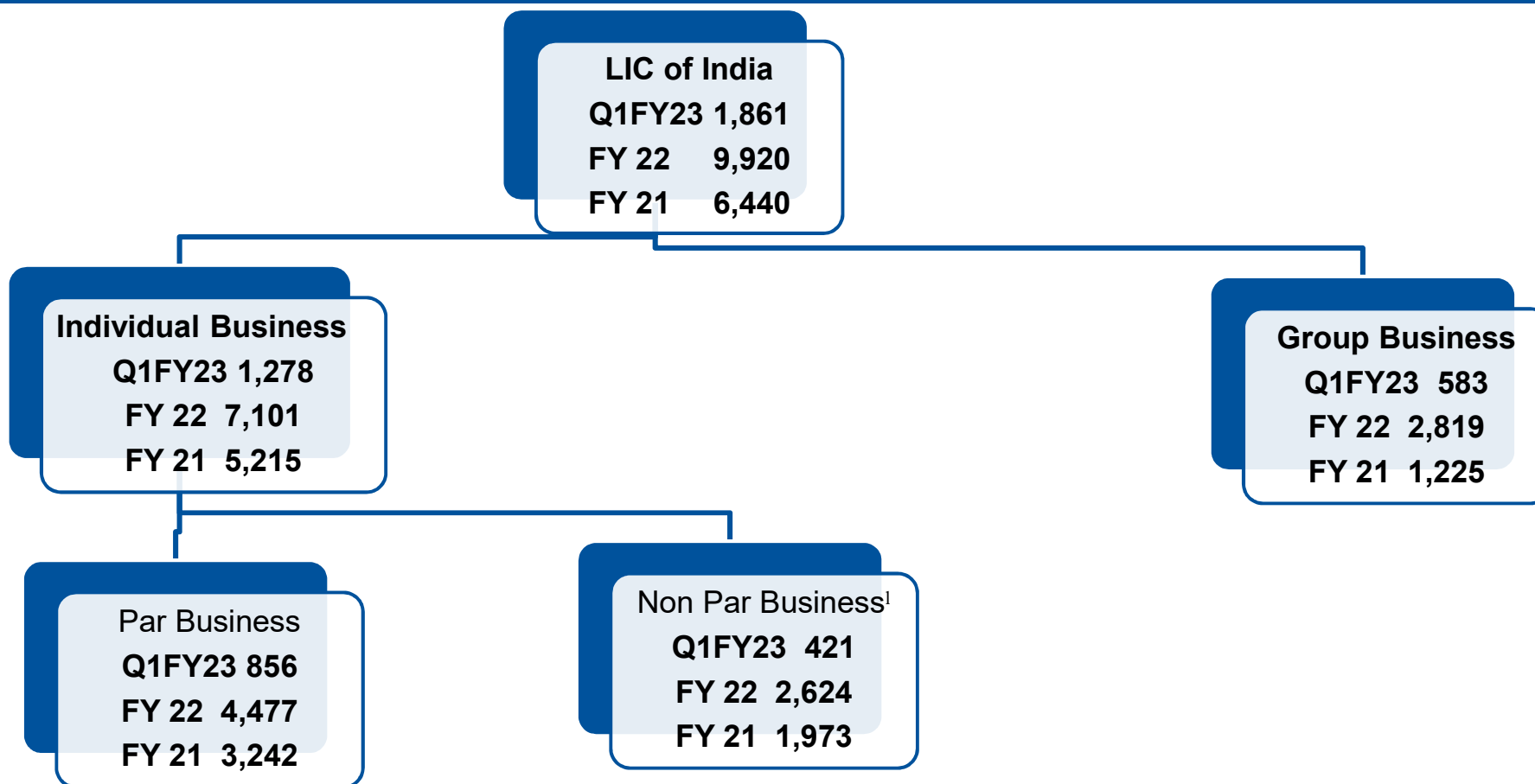
INR in Crore

Segment	FY 2021	FY 2022	Q1FY23	Year On Year Growth
Individual Par	29,134	33,040	5,950	13.41%
Individual Non Par	2,389	2,532	500	5.99%
Group	10,647	14,818	3,819	39.18%
Total APE	42,170	50,390	10,270	19.49%

Value of New Business (VNB) - Before TVFOG, FC and CRNHR²

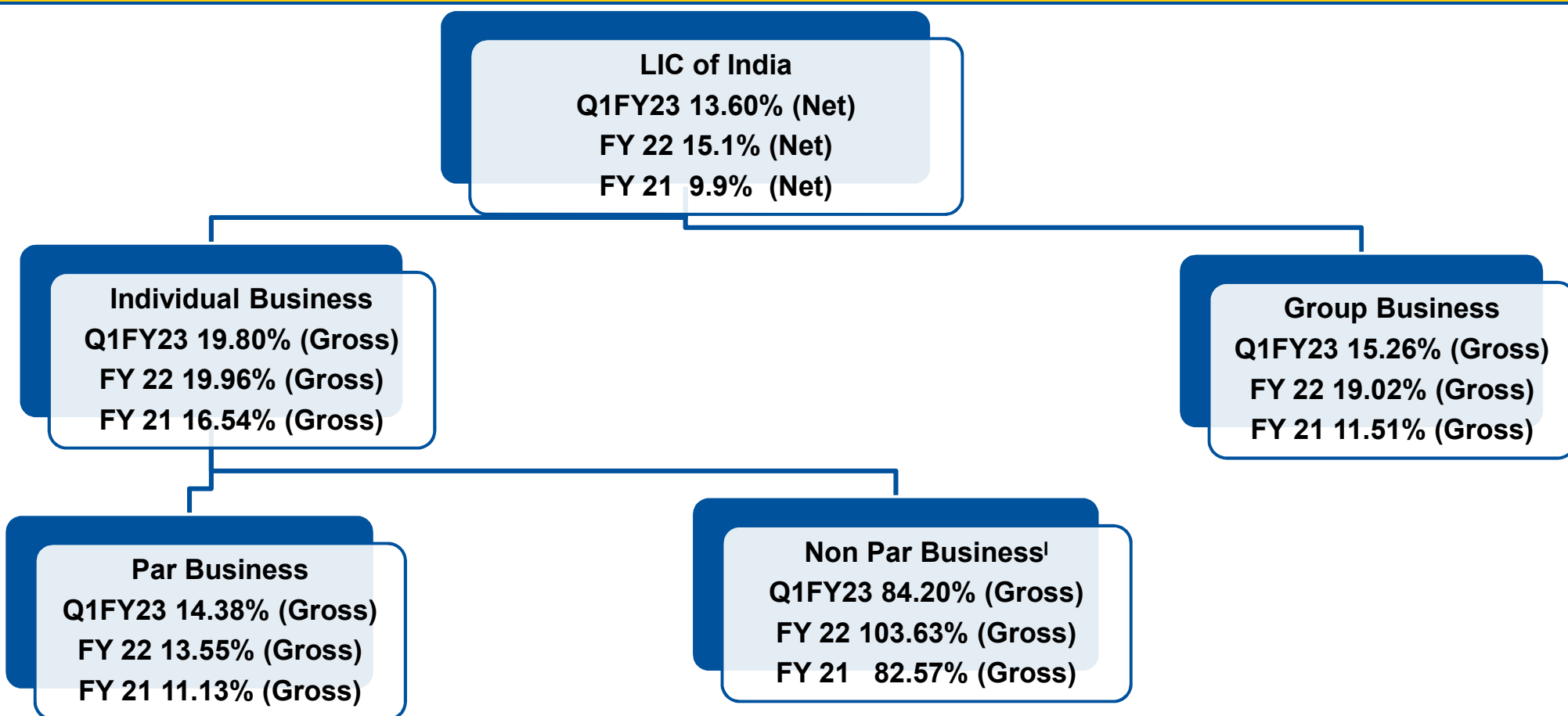


INR in Crore

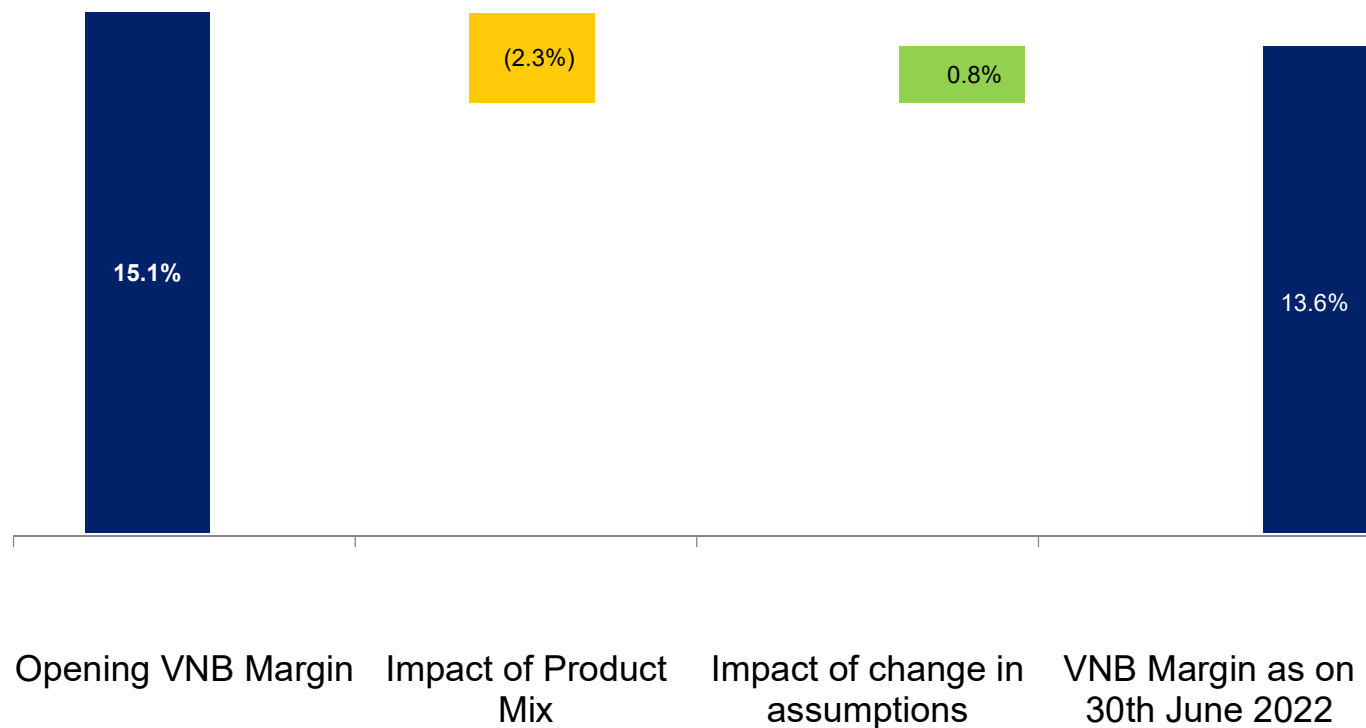


Source: Milliman Report. ¹Including ULIP ²Time Value of financial options and guarantees (TVFOG), Frictional Cost of required capital (FC), Cost of residual non-hedgeable risks (CRNHR)
 Figures may not add up to total due to rounding off

Value of New Business (VNB) Margin



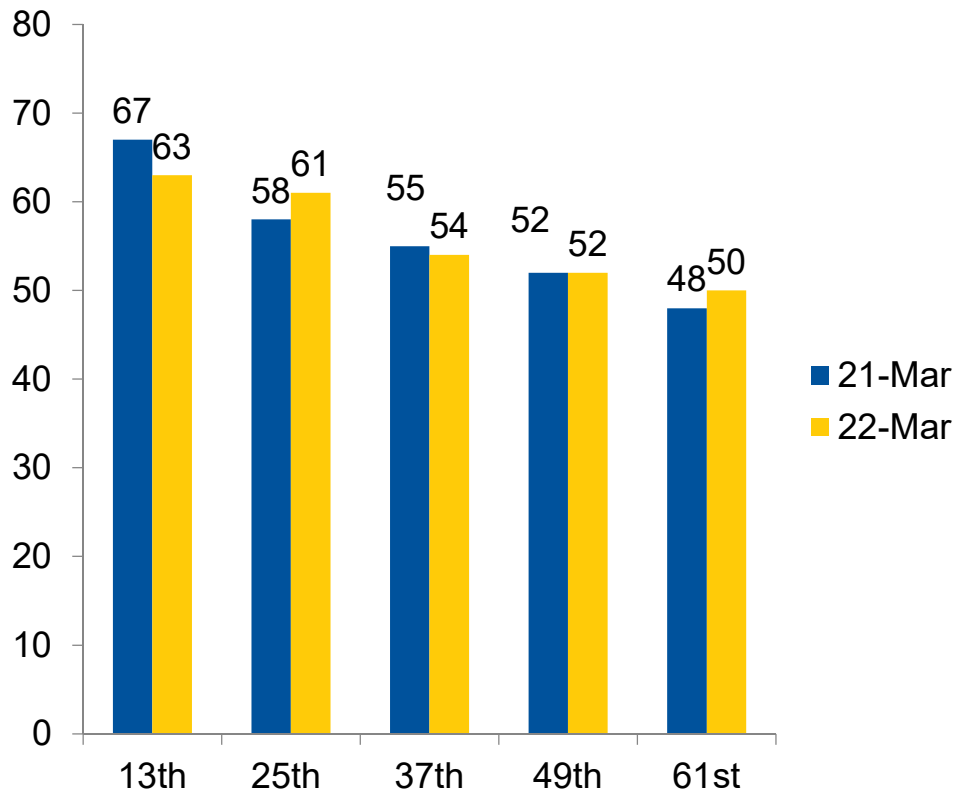
VNB Walk FY22 to Q1FY23 (March 2022 to June 2022)



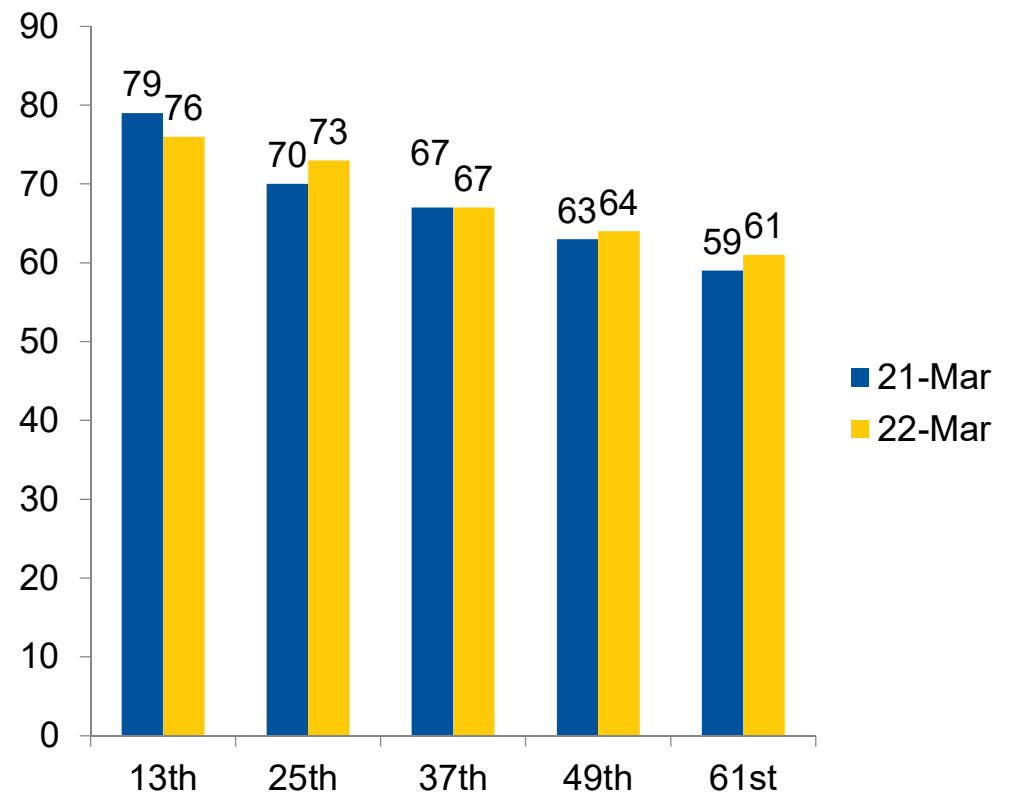
Persistency Ratio – FY 2021- 22



Number of Policies



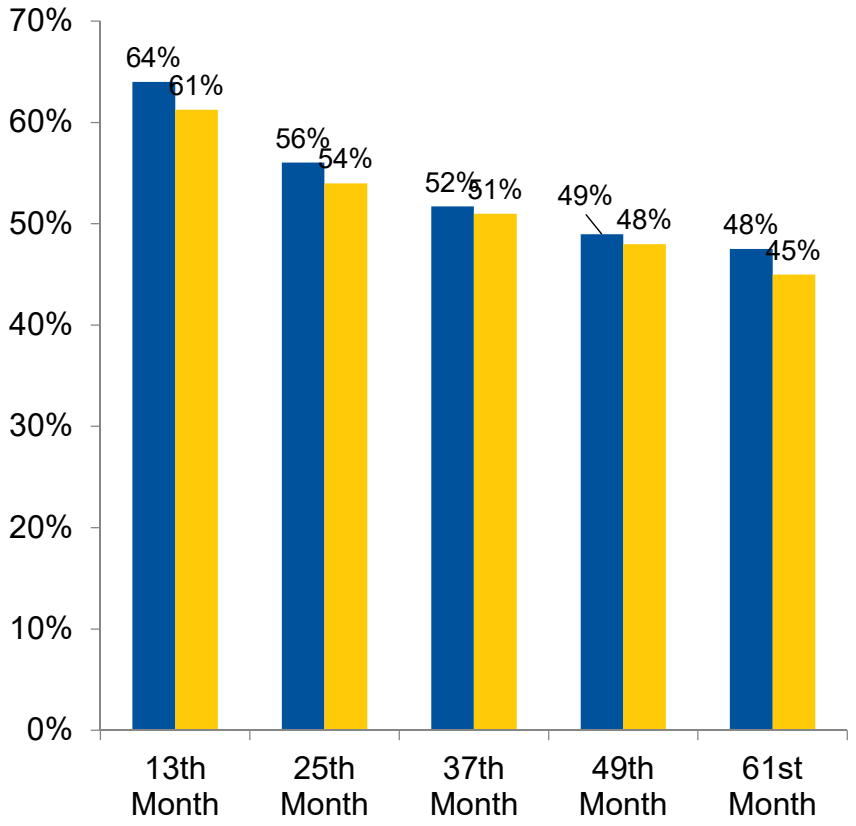
Premium



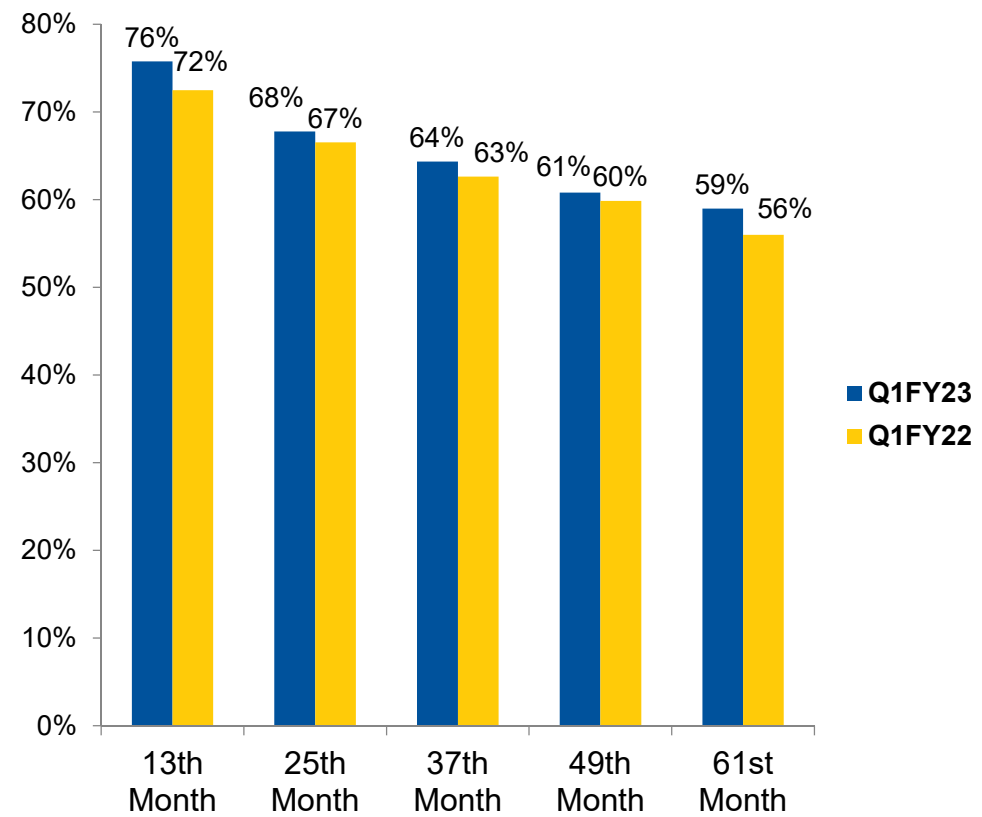
Persistency Ratio – Q1FY 2022 - 23

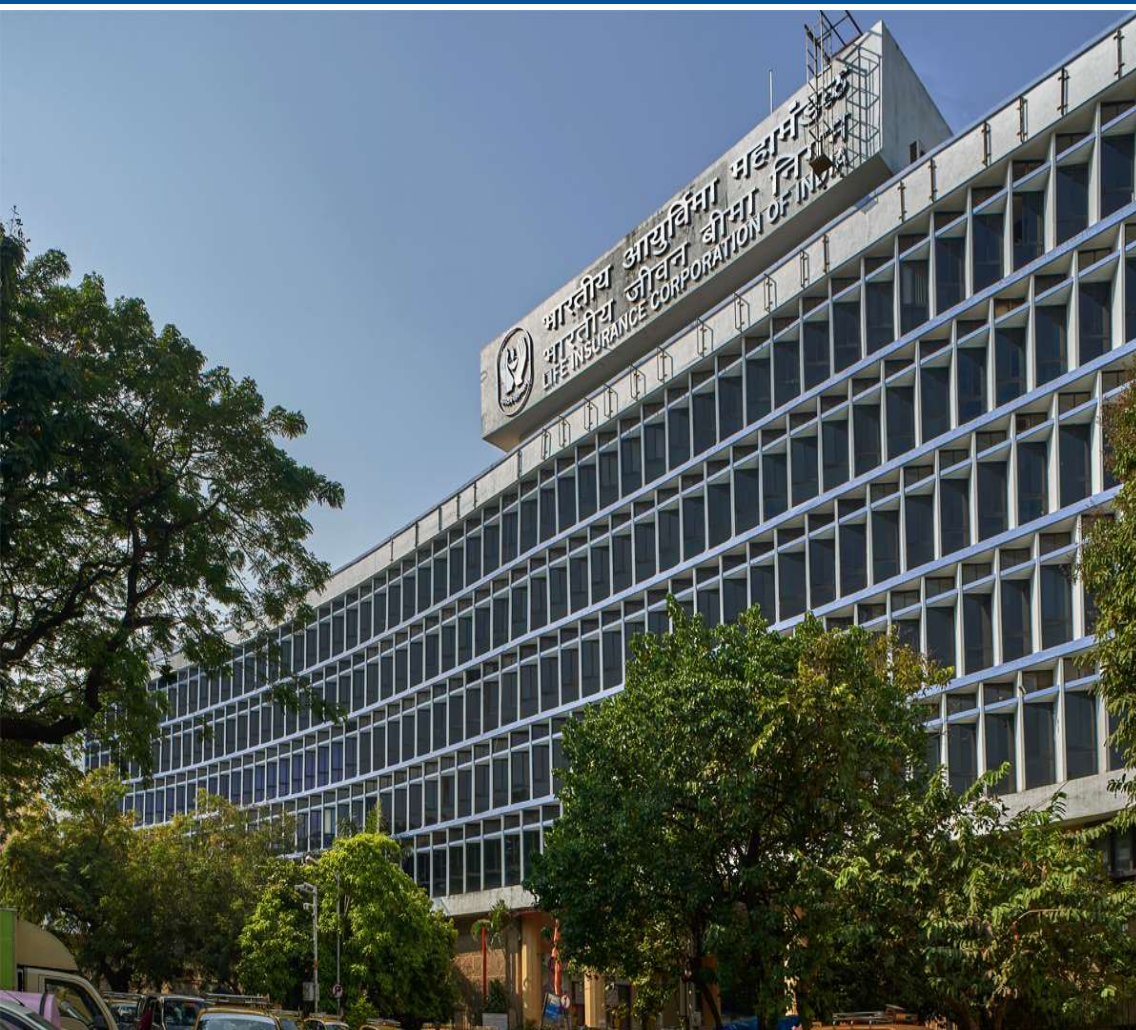


Number of Policies



Premium

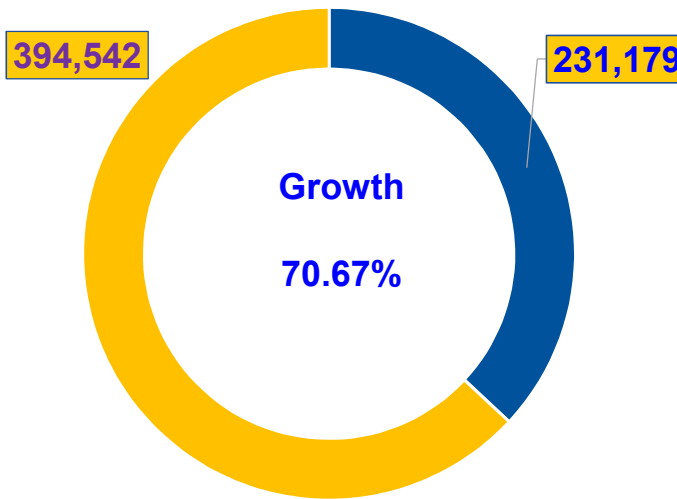




TECHNOLOGICAL AND DIGITAL INITIATIVES

Online Service Requests

- 2020-21
- 2021-22



Loan Payment and Repayment

Change of Mode

PAN Data Registration

Aadhaar Based Change of Address

e-NACH

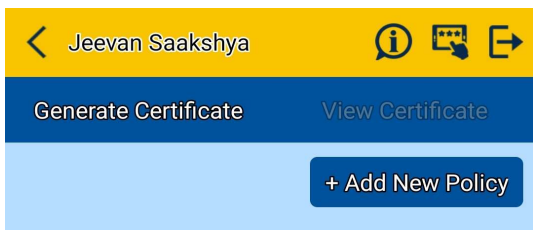
ULIP Fund Switch

NEFT Registration

Strengthening our Digital Process



Empowering Policyholders



Application facilitate submission of Digital existence certificate for individual pension plan and staff pensioners of LIC



1. Policy Status
2. First Unpaid Premium date
3. Last paid premium date
4. Download forms
5. Product information etc.



LIC docQ Application helps user to submit documents online.



Empowering Policyholders and Agents in a Digital World



 **Buy Online Policies**

Buy Policy Online

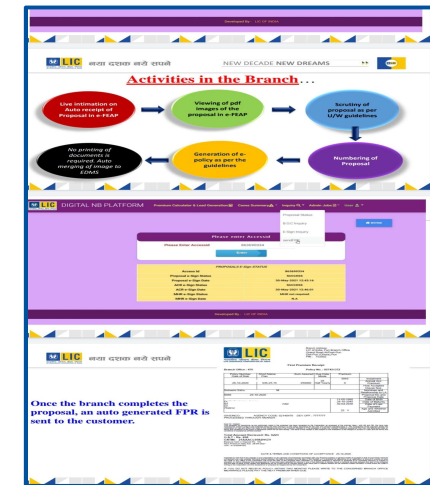
 <p>LIC's DHHRU REKHA</p> <p>Plan No. 802 - LIC 120000001</p> <p>A Non-Linked, Non-Participating, Individual, Savings, Life Insurance Plan)</p>	 <p>LIC's BIMA JYOTI</p> <p>Plan No. 802 - LIC 120000001</p> <p>A Non-Linked Plan to pile up your gains with Guaranteed Additions on Basic Sum Assured.</p>	 <p>LIC's SARAL Jeevan Bima</p> <p>Plan No. 802 - LIC 120000001</p> <p>A low-cost non-linked Pure Risk Plan to provide financial security to your family.</p>	 <p>LIC's TECH-TERM</p> <p>Plan No. 804 - LIC 120000001</p> <p>A low cost Online Pure Protection plan to ensure financial security for your family.</p>	 <p>LIC's CANCER COVER</p> <p>Plan No. 802 - LIC 120000001</p> <p>A Non-Linked, Regular Premium health plan to armour you financially in case of cancer</p>	 <p>LIC's SARAL PENSION</p> <p>Plan No. 802 - LIC 120000001</p> <p>A Non-Linked, Non-Participating, Single Premium, Individual Immediate Annuity Plan</p>
 <p>LIC's NEW JEEVAN SHANTI</p> <p>LIC 120000001 - Plan No. 804</p> <p>A Deferred Annuity plan to ensure a steady income throughout your life.</p>	 <p>LIC's JEEVAN AKSHAY VII</p> <p>LIC 120000001 - Plan No. 807</p> <p>An Immediate Annuity plan to ensure life-long guaranteed income.</p>	 <p>Pradhan Mantri Vaya Vandana Yojana</p> <p>LIC 120000001 - Plan No. 802</p> <p>An Immediate Pension plan for senior citizens with a term of 10 years</p>	 <p>LIC's NIVESH PLUS</p> <p>Plan No. 849 - LIC 120000001</p> <p>A Single Premium ULIP with control over Risk Cover along with market-linked investment.</p>	 <p>LIC's SIP</p> <p>Plan No. 802 - LIC 120000001</p> <p>A Regular Premium ULIP that provides life Insurance cover and growth of investment.</p>	 <p>LIC's DHAN SANCHAY</p> <p>Plan No. 802 - LIC 120000001</p> <p>A Non-Linked, Non-Participating, Individual, Savings, Life Insurance Plan</p>

[Click here to buy](#) 

Technological Innovations at LIC

Solutions designed to enhanced operational efficiency and respond with speed to specific situations

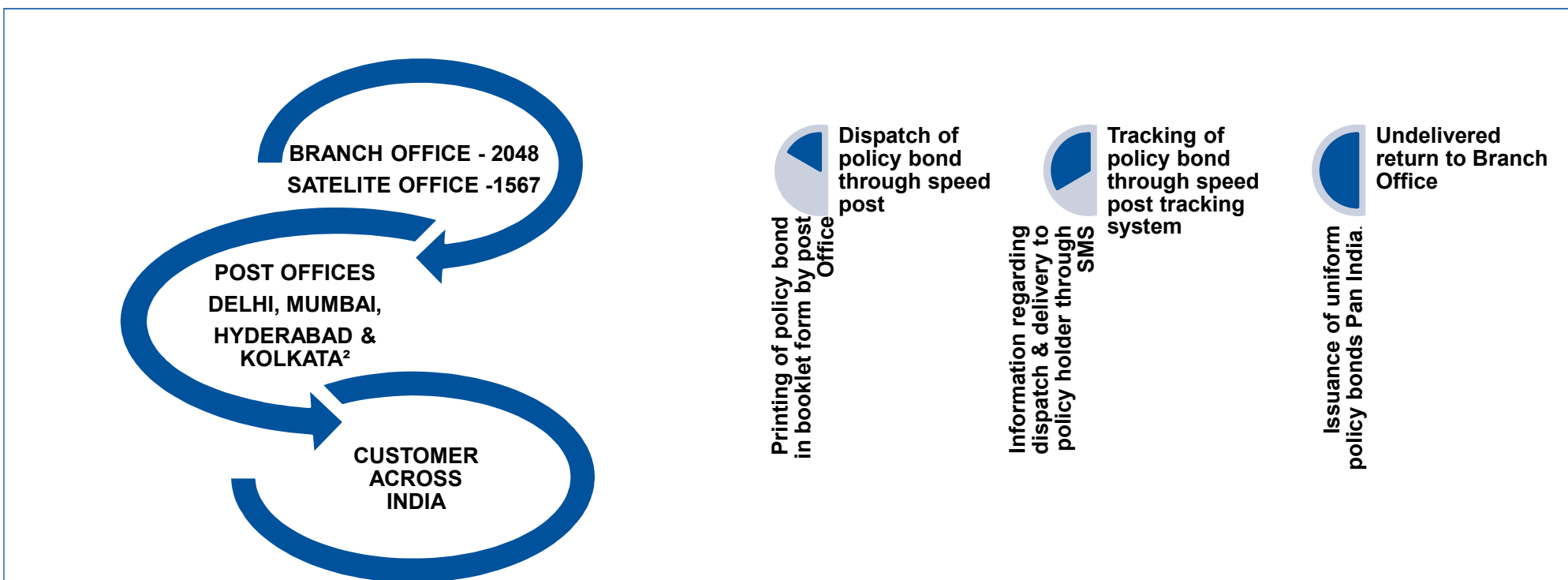
Ananda APP – launched during COVID to enable Agents to do business without meeting customers face to face



Time to Policy conclusion is less than 8 Minutes. Now ANANDA APP integrated to WhatsApp.

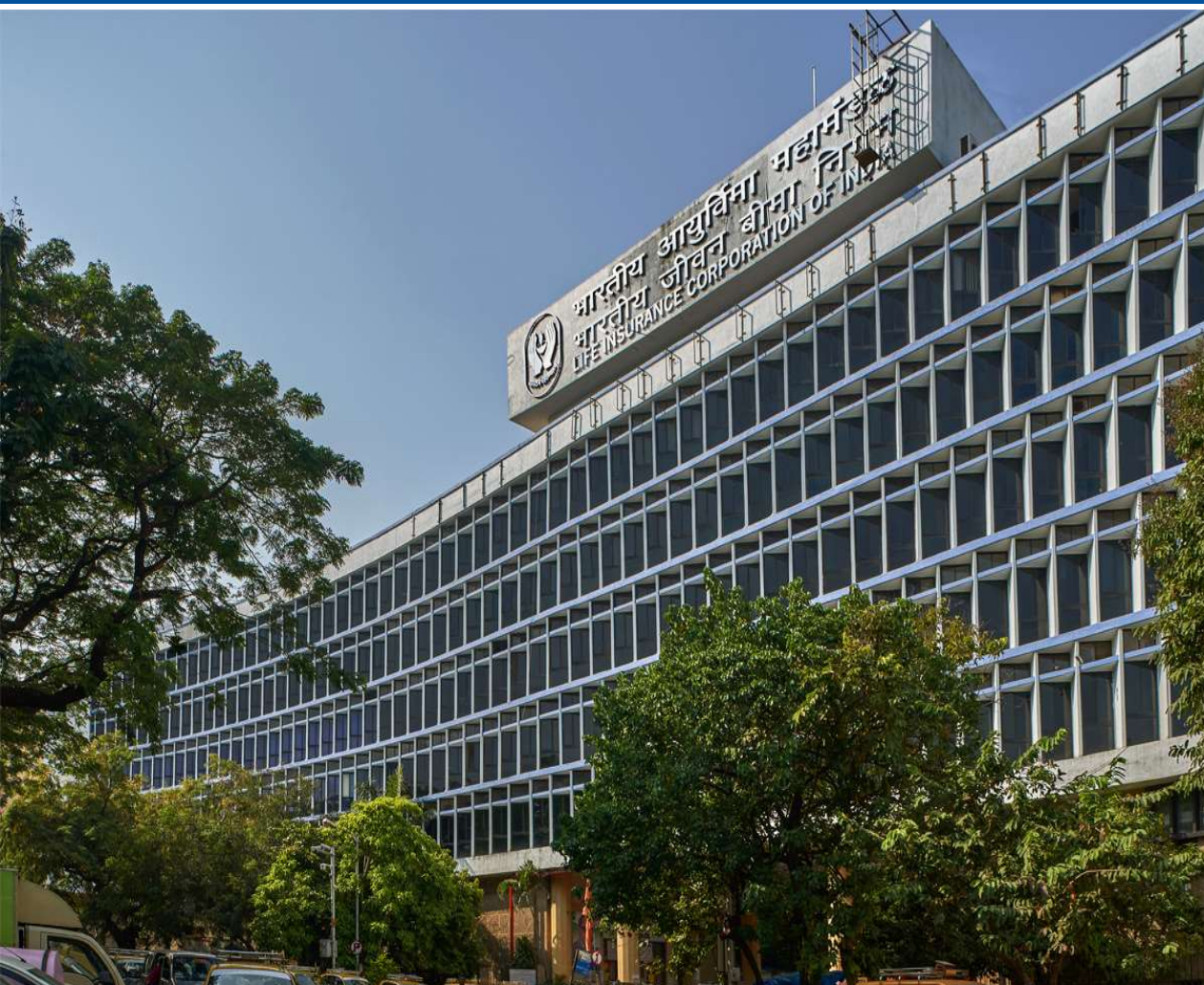
Operational Efficiency- Illustration - Print to Post Solution

Print to Post – Developed Solution with Postal Department for Policy bond printing and delivery.



The print to post solutions was launched on 31/01/2022 in 8 divisions & extended to pan India from 14/03/2022¹. The number of policies printed and dispatched through Print to Post till 30.06.2022 is 80,51,200.

Source: Corporation Data ¹Presently only 3 divisions viz Rohtak, Karnal & Shrinagar and some branches under D.O.-III Delhi, D.O. II Delhi & Jorhat where e mudrank is not available are not covered under print to post. ² Likely to be open



VI

ESG INITIATIVES

Embedding ESG in our business - Building a sustainable future for the communities



LIC has integrated the SDGs with key areas of their business operations. LIC initiatives have ensured a positive contribution to at least 12 of the 17 SDGs



- ✓ Rural areas contributing 20.8% of individual policies sold and 14.8% of total new business sum assured
- ✓ 48.4% agents in India reside in rural areas
- ✓ “Bima Gram” initiative to drive insurance awareness in rural India



- ✓ The LIC GJF has partnered with the Akshaya Patra Foundation (NGO) to provide food security for children



- ✓ 1,569 medical camps & 2,451 cleaning activities organized in Apr-Sep'21 under the “Swastha Bharat” initiative
- ✓ Annual “Insurance Week” initiative to promote insurance awareness
- ✓ Impact investing strategy focused on improving access to healthcare and financing healthcare infrastructure



- ✓ Scholarships offered to under privileged children by LIC GJF
- ✓ “Bima School” initiative to drive insurance awareness among schoolchildren
- ✓ Support to educational and research institutes
- ✓ Contributions by the LIC GJF for education infrastructure such as hostels, school buildings, computer labs, libraries etc.



- ✓ 23.1% female agents, 23.0% women in workforce, and 29.6% female policyholders
- ✓ Committees at the central, zonal, & divisional levels for prevention of sexual harassment
- ✓ Active contribution to women welfare projects by LIC GJF

Source: Corporation data

Note: Data for Q1FY23 unless otherwise mentioned; LIC GJF - LIC Golden Jubilee Foundation; SDG – Sustainable Development Goals; PWD – Persons with benchmark disabilities; EW – Economically weaker sections of society

Embedding ESG in our business - Building a sustainable future for the communities



LIC has integrated the SDGs with key areas of their business operations. LIC initiatives have ensured a positive contribution to at least 12 of the 17 SDGs



- ✓ **Contribution to Clean Ganga Fund** by LIC GJF. Contributed Rs.5 Crores under Namami Gange Project of Government of India for rejuvenation of river Ganga and its ecosystem.
- ✓ Support to various other sanitation projects by LIC GJF
- ✓ Contributions by LIC GJF for renovation of water bodies and enabling availability of fresh water for communities in FY2019.
- ✓ Contribution towards construction of toilets under 'One Home One Toilet Scheme in slums of Kolhapur.
- ✓ Contribution by LIC GJF towards construction of two community toilets at LIC's adopted village of Govindpur in Sonbhadra district of Uttar Pradesh



- ✓ **Continuous investments towards skill development** of employees and agents
- ✓ Comprehensive **in-house infrastructure**



- ✓ **Significant investments** made in India towards **social infrastructure** including power generation, development of roads/bridges/railways etc.



- ✓ **Equal opportunities policy in place**
- ✓ Reservations for **PWDs, EWS, under-privileged sections of society**
- ✓ Contribution by LIC GJF towards **medical and education facilities to tribal communities, relief to communities affected by natural calamities etc.**
- ✓ **Contribution by LIC GJF for COVID relief.**
- ✓ **Contribution by LIC GJF towards Armed Forces Flag Day Fund for welfare of veterans, widows and rehabilitation of ex-servicemen.**

52 Source: Corporation data

Note: Data for Q1FY23 unless otherwise mentioned; LIC GJF - LIC Golden Jubilee Foundation; SDG – Sustainable Development Goals; PWD – Persons with benchmark disabilities; EW – Economically weaker sections of society

Embedding ESG in our business - Building a sustainable future for the communities



LIC has integrated the SDGs with key areas of their business operations. LIC initiatives have ensured a positive contribution to at least 12 of the 17 SDGs

11 SUSTAINABLE CITIES AND COMMUNITIES



- ✓ Outstanding investments worth INR 14.1 lakh crore in renewable energy
- ✓ INR 36.7 lakh crore invested in the housing sector in India in FY21
- ✓ Multi-faceted initiatives for upliftment of poor communities

13 CLIMATE ACTION



- ✓ 3.4MW rooftop solar capacity installed, resulting in reduction of ~3,100 tons of carbon emissions per annum
- ✓ 3 Green rated buildings constructed.
- ✓ Contribution by LIC GJF for solar power plant at school hostel building, Vrudhashram etc

15 LIFE ON LAND



- ✓ Proactive identification of relevant environment and ecosystem issues
- ✓ Other initiatives including tree plantation drives, adoption of public gardens for their upkeep etc.
- ✓ Contribution towards purchase of Ambulance for transportation and rescue of wild animal in Kanpur Zoo.

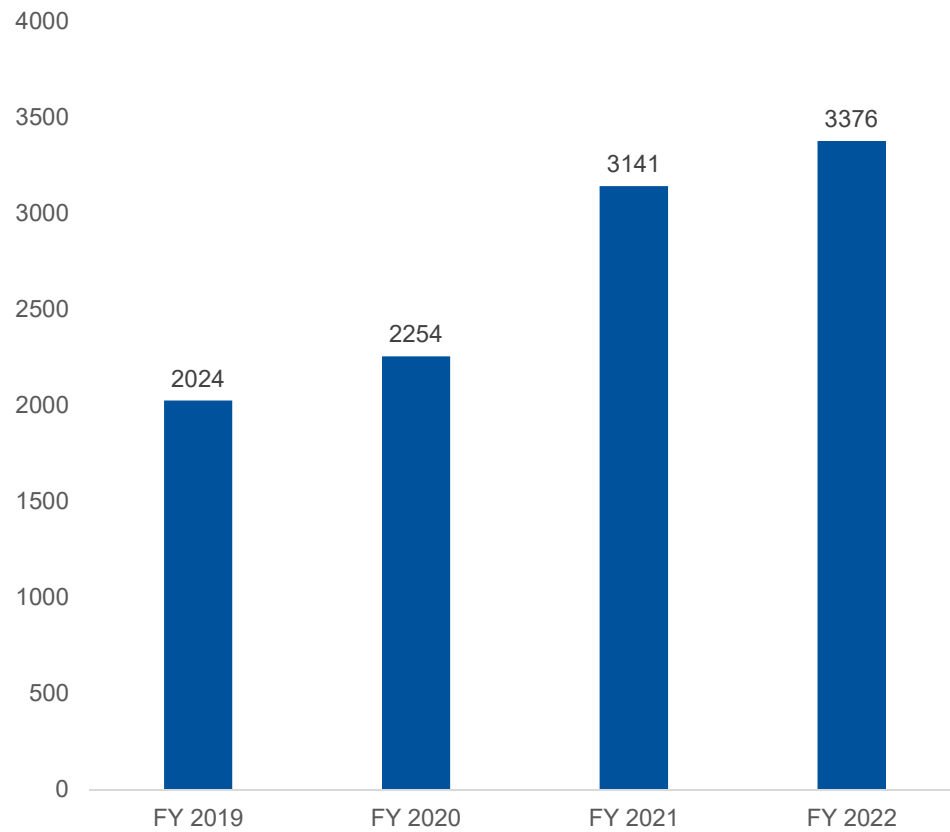
Source: Corporation data

Note: Data for Q1FY23 unless otherwise mentioned; LIC GJF - LIC Golden Jubilee Foundation; SDG – Sustainable Development Goals; PWD – Persons with benchmark disabilities; EW – Economically weaker sections of society

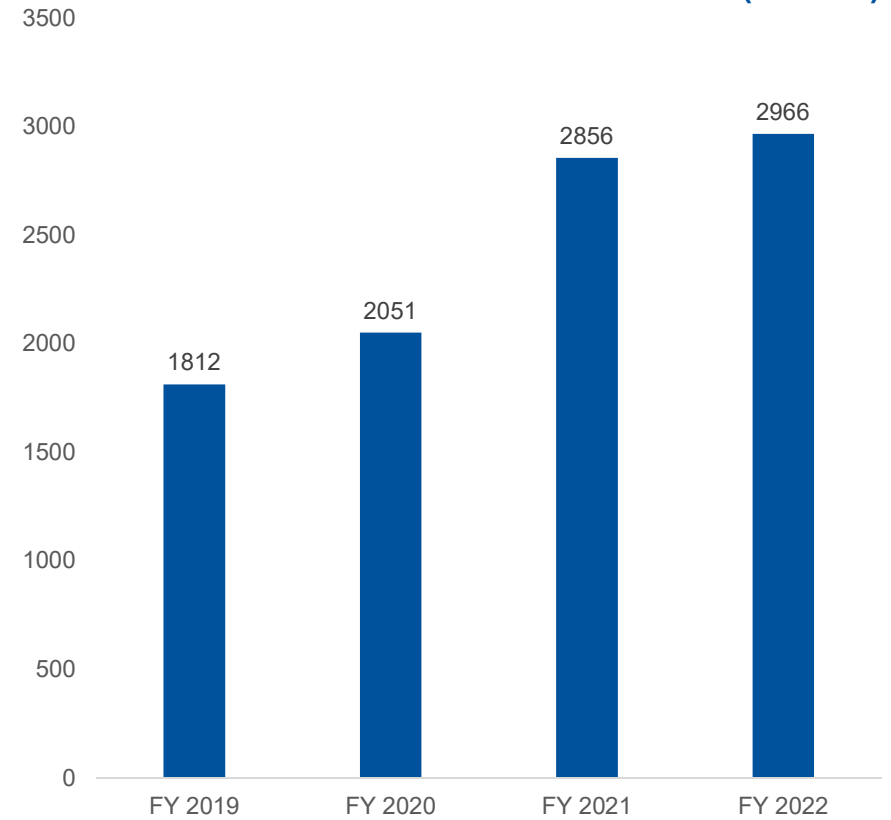
Committed to ESG Standard

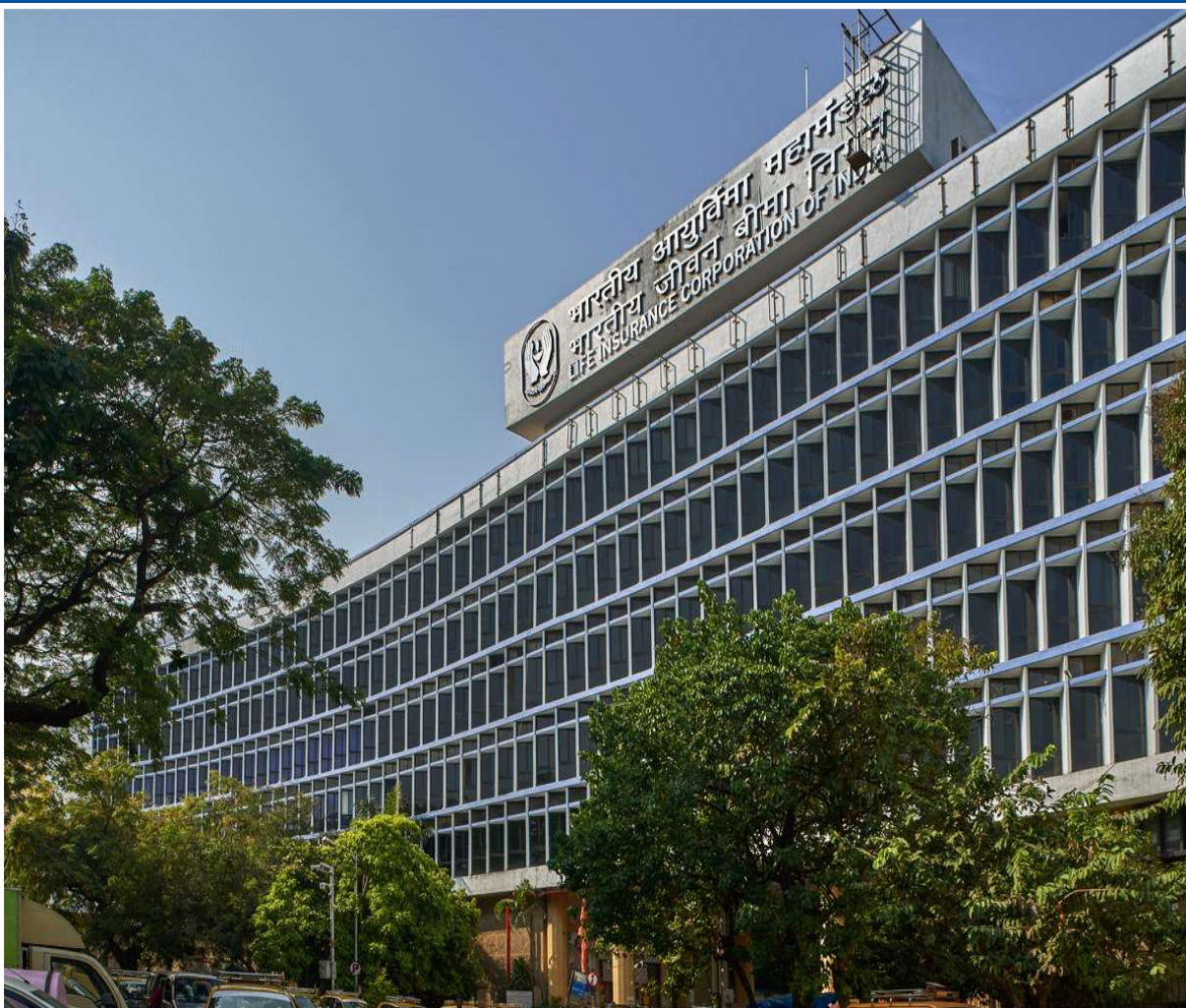


Roof top solar capacity installed (KW)



Total Reduction of carbon emissions (in tons)





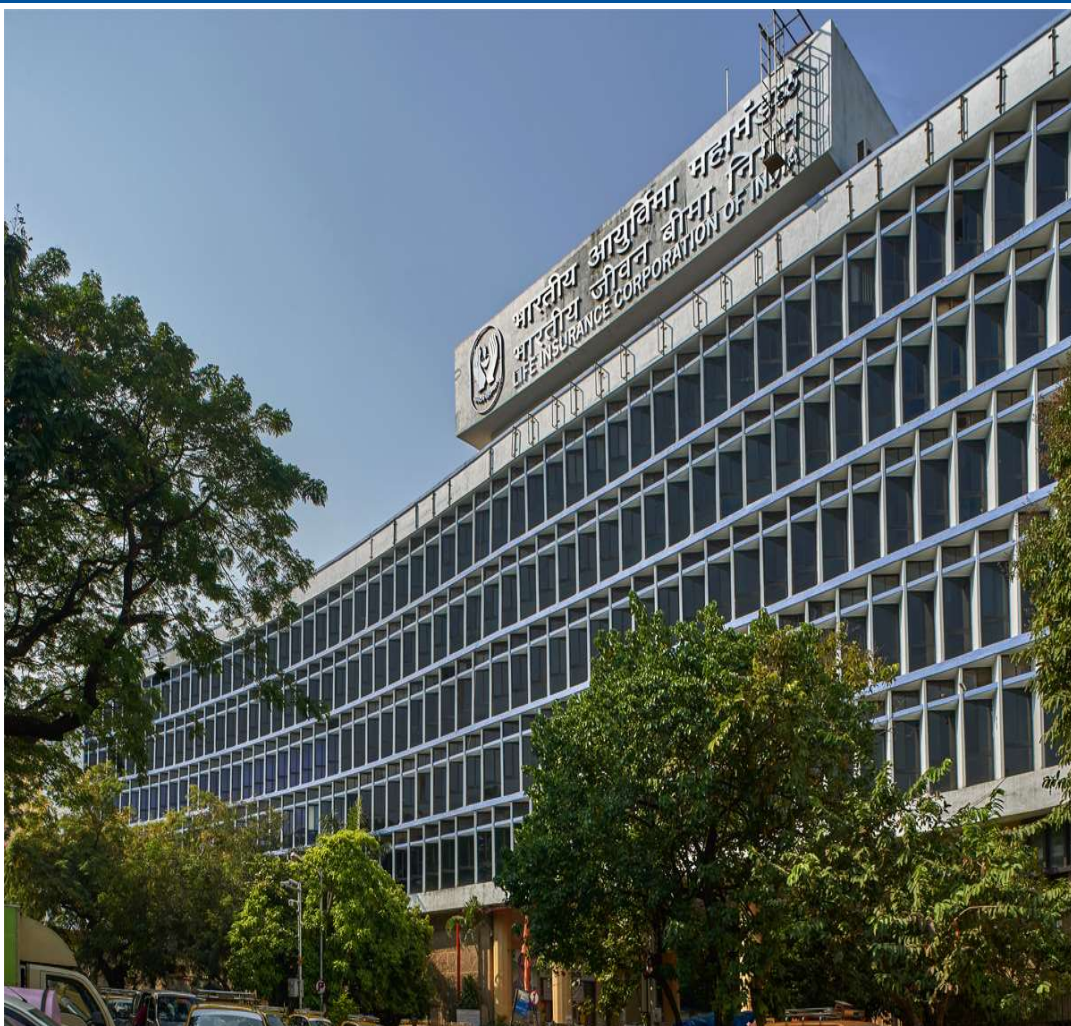
VII

WAY FORWARD

Way Forward – Strategic Initiatives

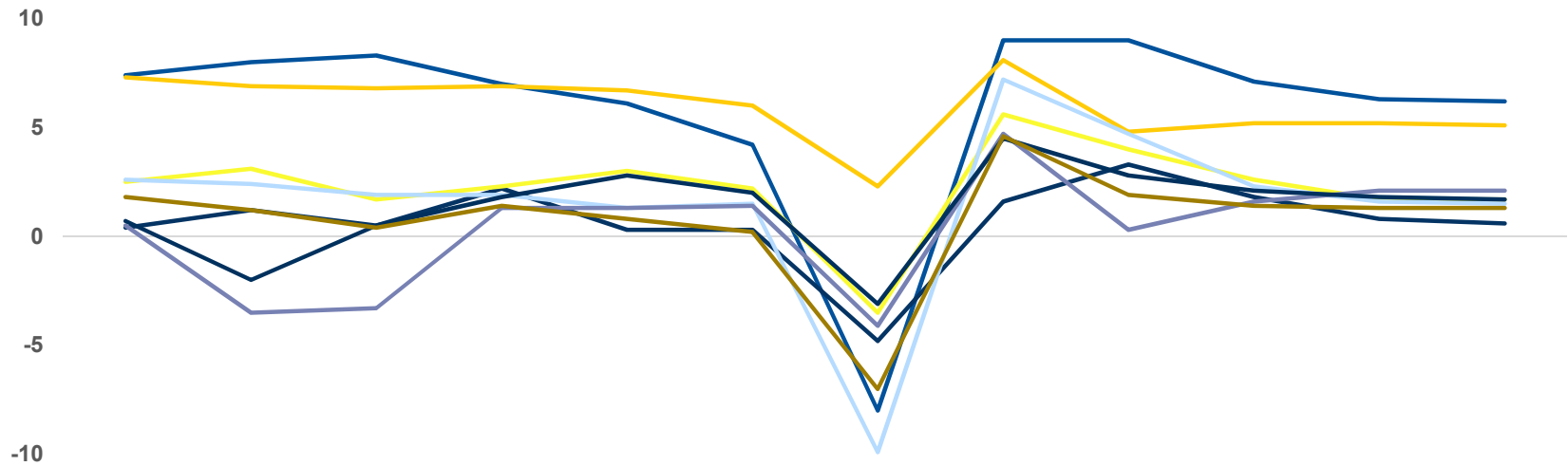


- I. Diversify Product Mix – Focus on enhancing Non Par Share.
- II. Launch New Products based not only on customer needs but also channel needs.
- III. Increase digital processes all across to drive higher efficiency.
- IV. Create optimum mix of distribution channels while retaining focus on Agency Channel.
- V. Enhance yields on Investment Portfolio without compromising on risk and quality.
- VI. Prepare organization for potential regulatory changes to respond with speed to a new environment.



(a) INDIAN INDUSTRY LANDSCAPE

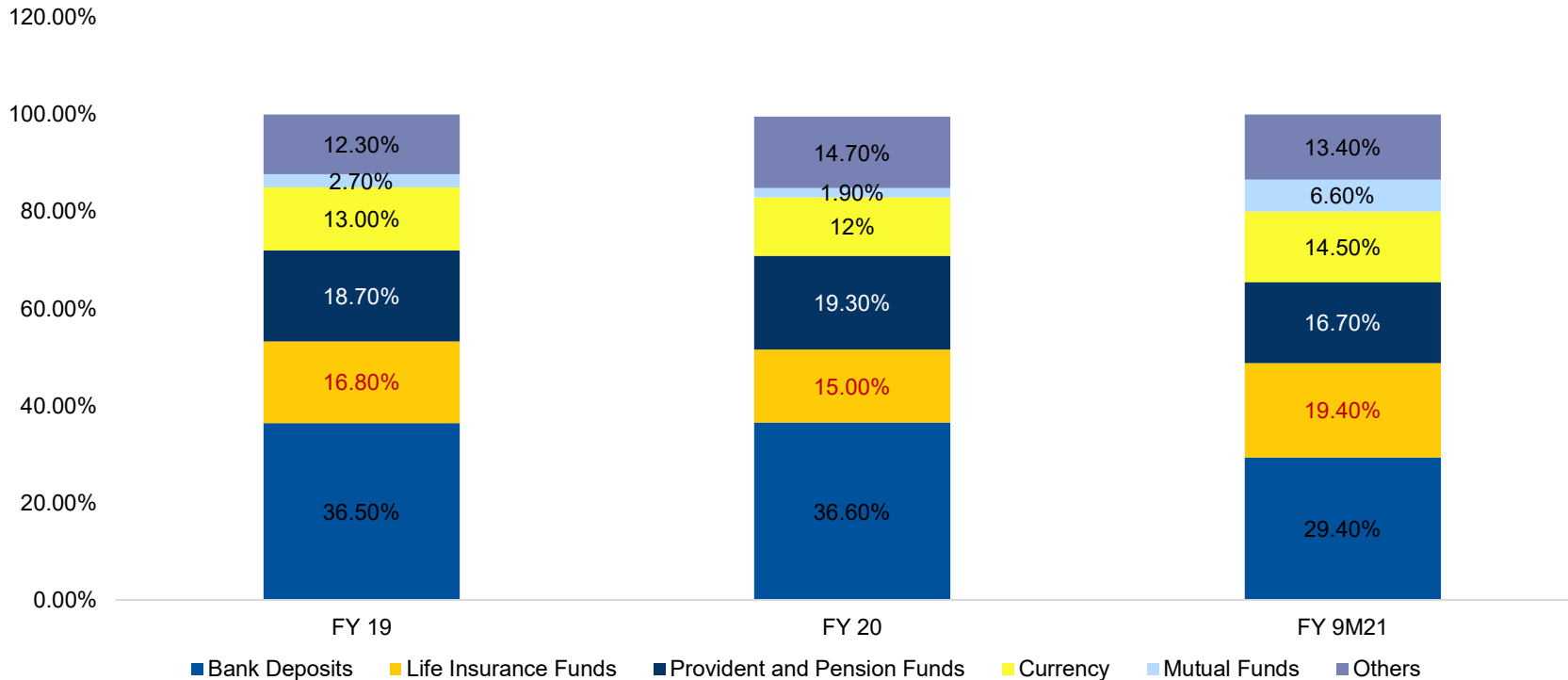
India is one of the fastest – growing major economy (GDP Growth, Percentage year-on-year)



	2014	2015	2016	2017	2018	2019	2020	2021	2022P	2023P	2024P	2025P
India	7.4	8	8.3	7	6.1	4.2	-8	9	9	7.1	6.3	6.2
China	7.3	6.9	6.8	6.9	6.7	6	2.3	8.1	4.8	5.2	5.2	5.1
Japan	0.4	1.2	0.5	2.2	0.3	0.3	-4.8	1.6	3.3	1.8	0.8	0.6
United States	2.5	3.1	1.7	2.3	3	2.2	-3.5	5.6	4	2.6	1.7	1.7
United Kingdom	2.6	2.4	1.9	1.9	1.3	1.5	-9.9	7.2	4.7	2.3	1.6	1.5
Brazil	0.5	-3.5	-3.3	1.3	1.3	1.4	-4.1	4.7	0.3	1.6	2.1	2.1
Russia	0.7	-2	0.5	1.8	2.8	2	-3.1	4.5	2.8	2.1	1.8	1.7
South Africa	1.8	1.2	0.4	1.4	0.8	0.2	-7	4.6	1.9	1.4	1.3	1.3

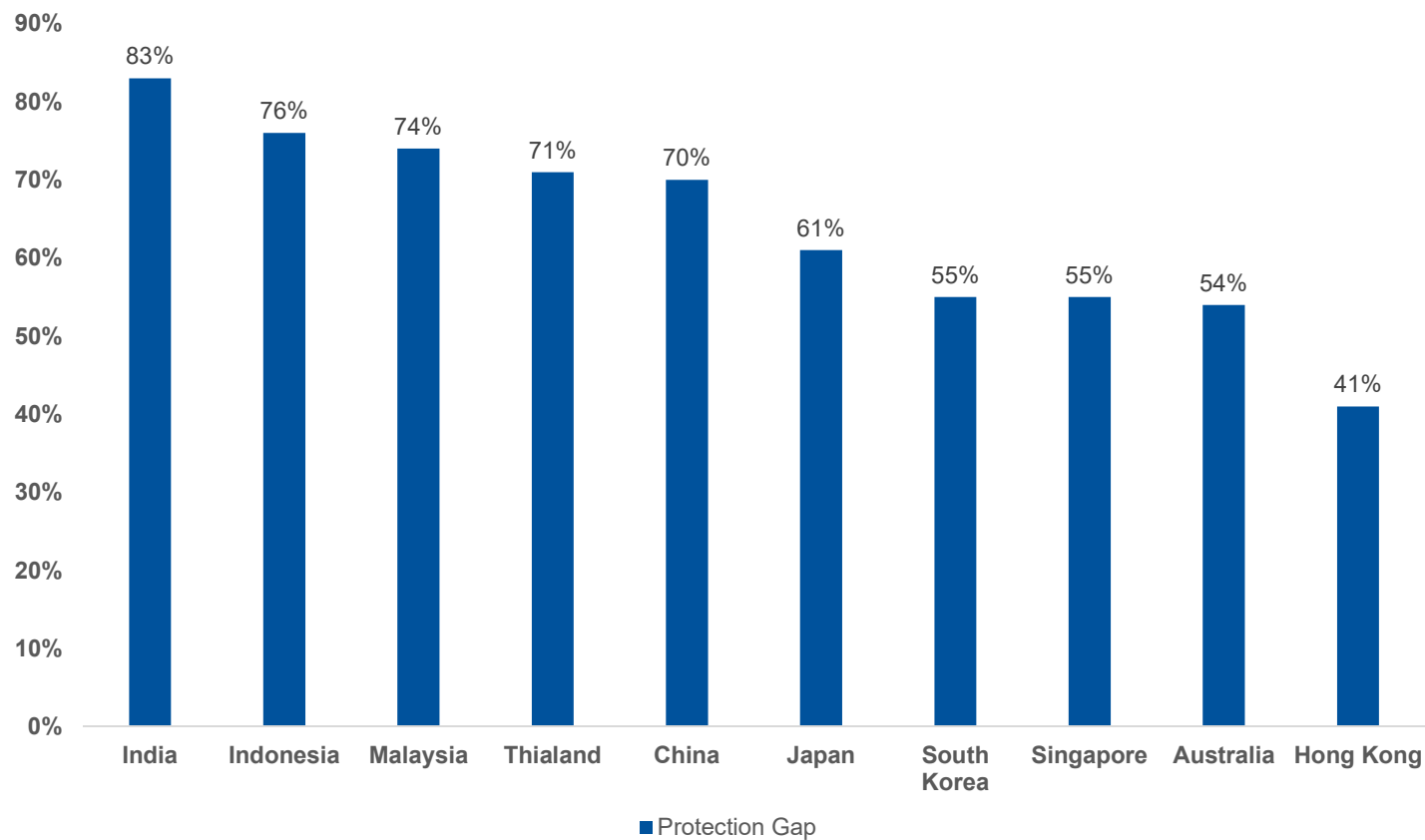
India China Japan United States United Kingdom Brazil Russia South Africa

Share of Life Insurance in Incremental Household Financial Saving



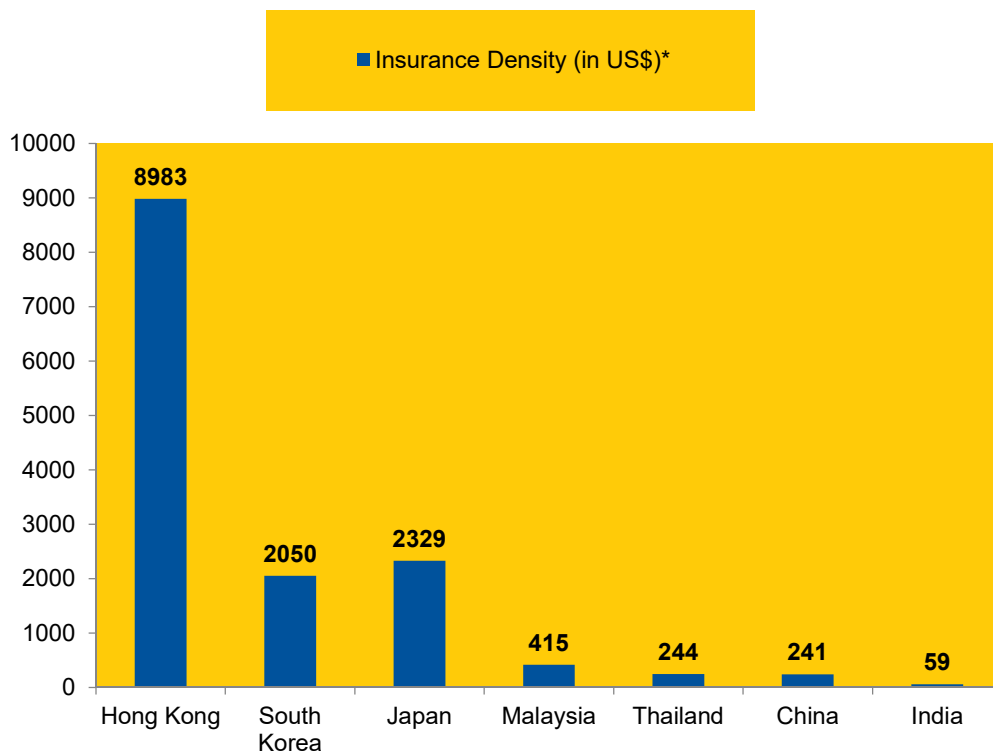
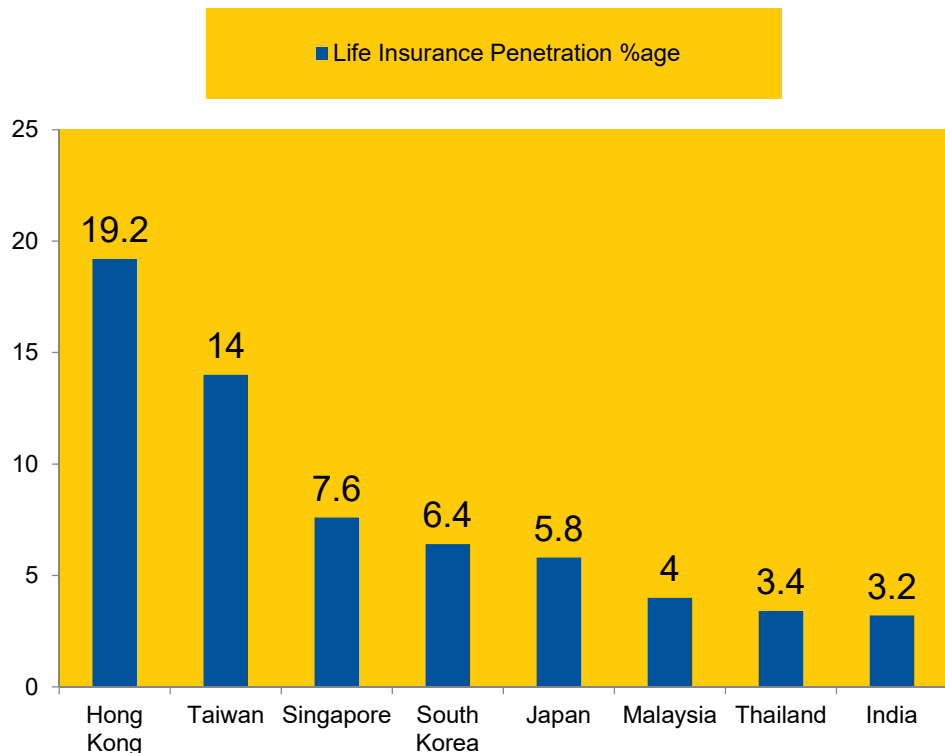
COVID 19 has inclined towards saving and purchasing all- encompassing life covers, which will likely to increase demand for life insurance in India.

Protection Gap for Different Countries



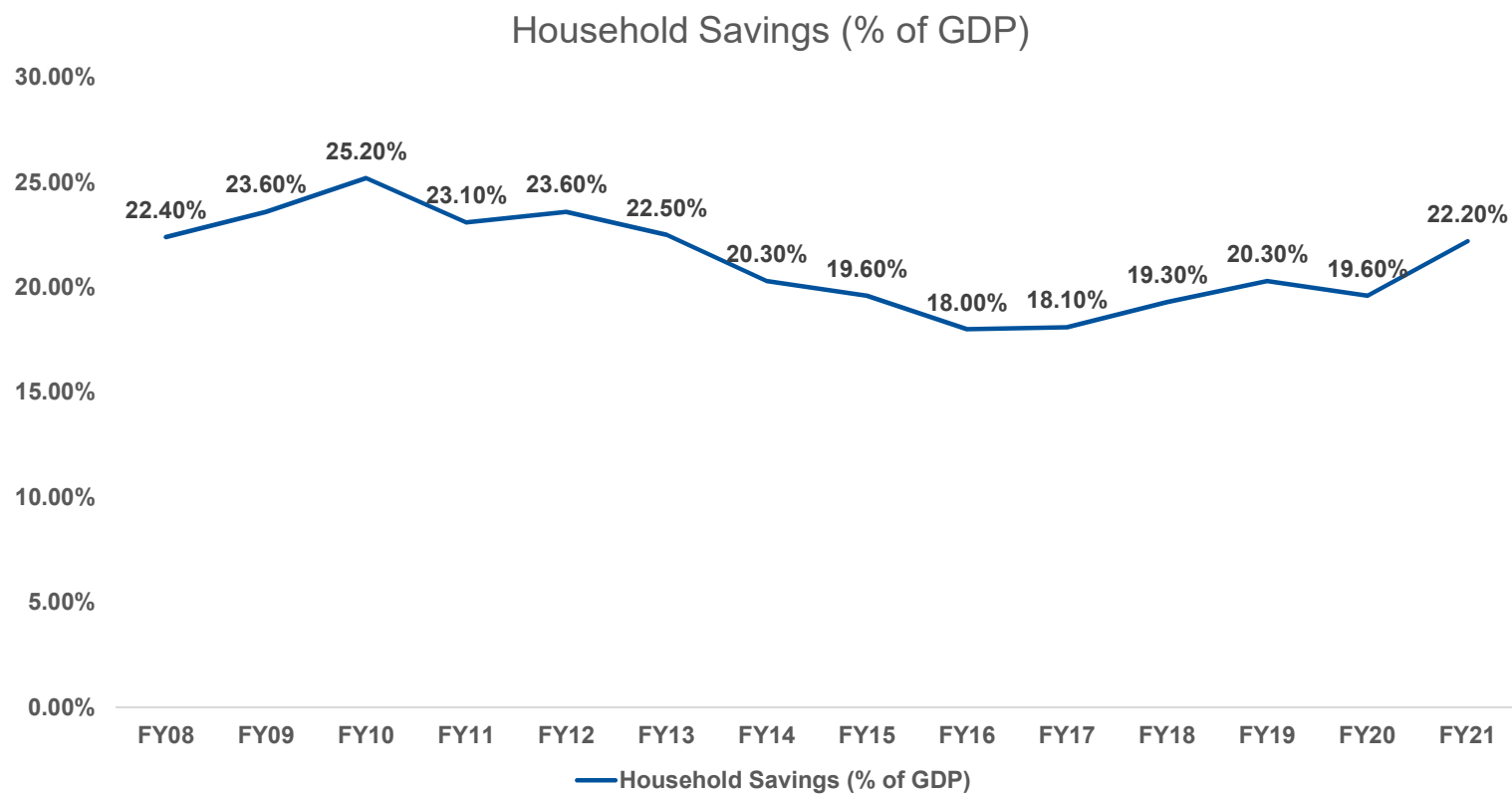
India's protection gap for India was 83% as of 2019, the highest among all countries in Asia-Pacific¹

Low Life Insurance Penetration & Insurance Density² in India



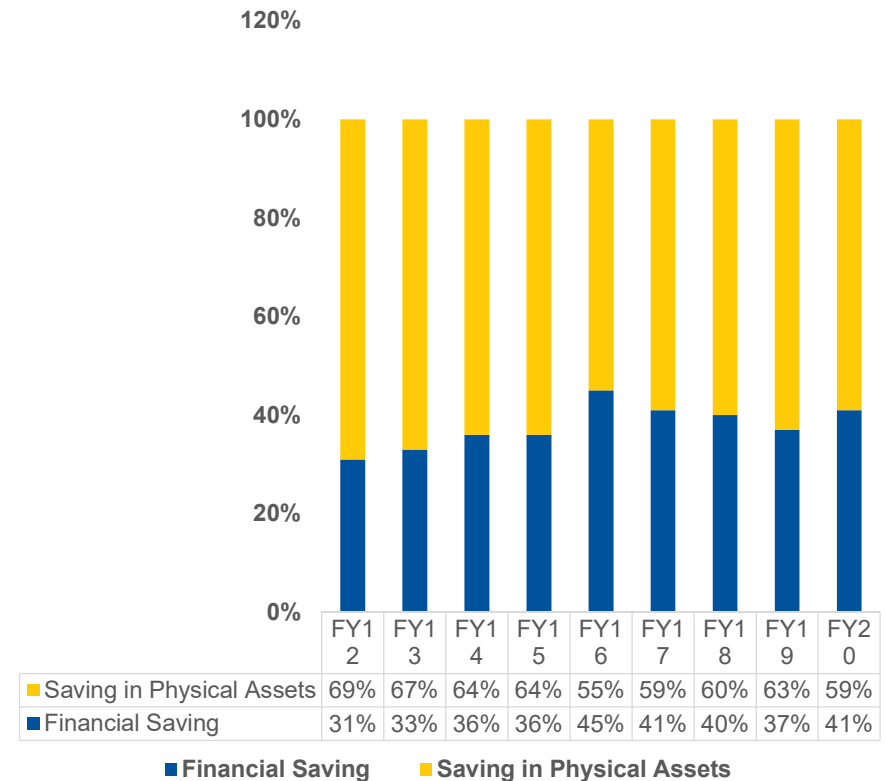
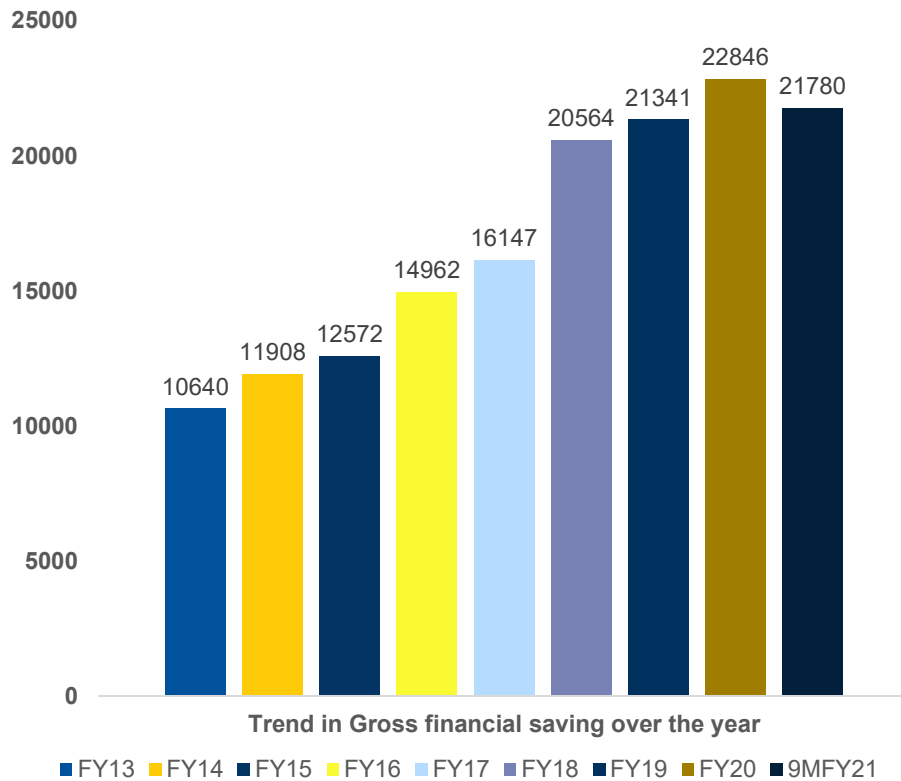
Well Positioned to Ride the Growth in a Highly Underinsured Market Both in Term of Penetration and Density

Household Saving to increase



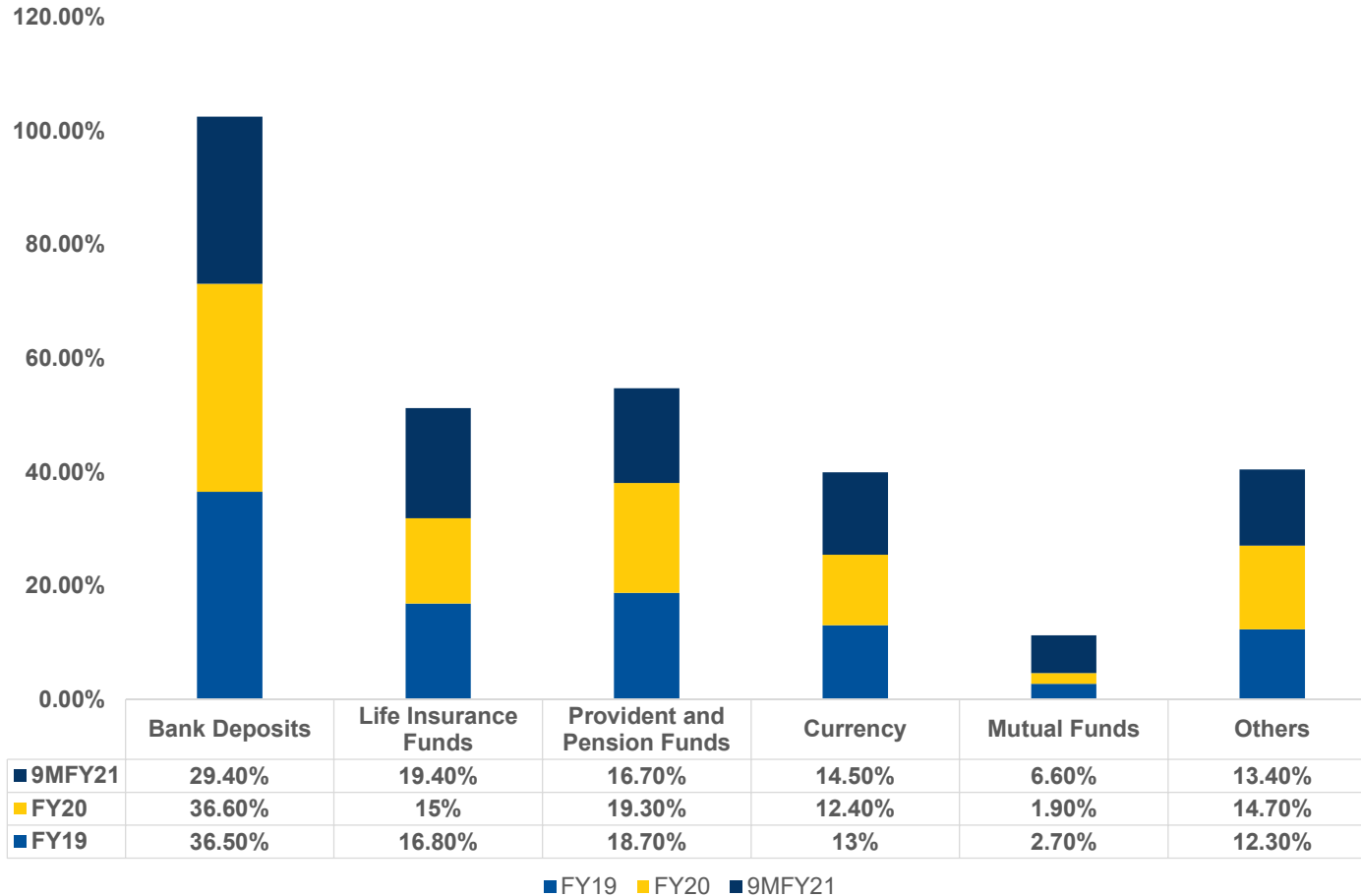
Household saving as percentage of GDP rose to 22.2% in fiscal 2021

Share of Financial Assets in Overall Savings to Increase



While Households' saving in physical assets has declined to 59% in fiscal 2020 from 69% in fiscal 2012, financial savings has witnessed an uptrend to 41% in fiscal 2020 from 31% in fiscal 2012.

Share of Life Insurance in incremental household Financial Savings

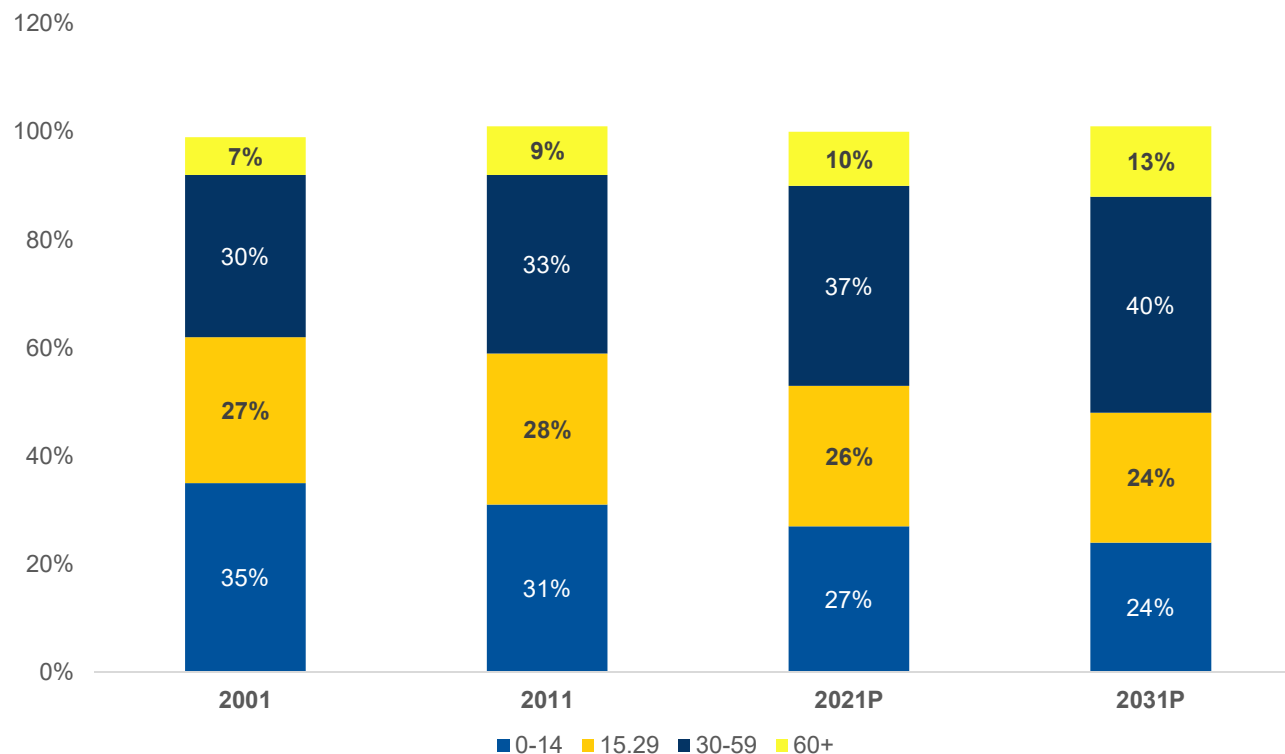


COVID-19 HAS Prompted people to become more inclined towards saving and purchasing all – encompassing life covers, which will likely to increase demand for life insurance in India.

Increasing insurable population to fuel industry growth

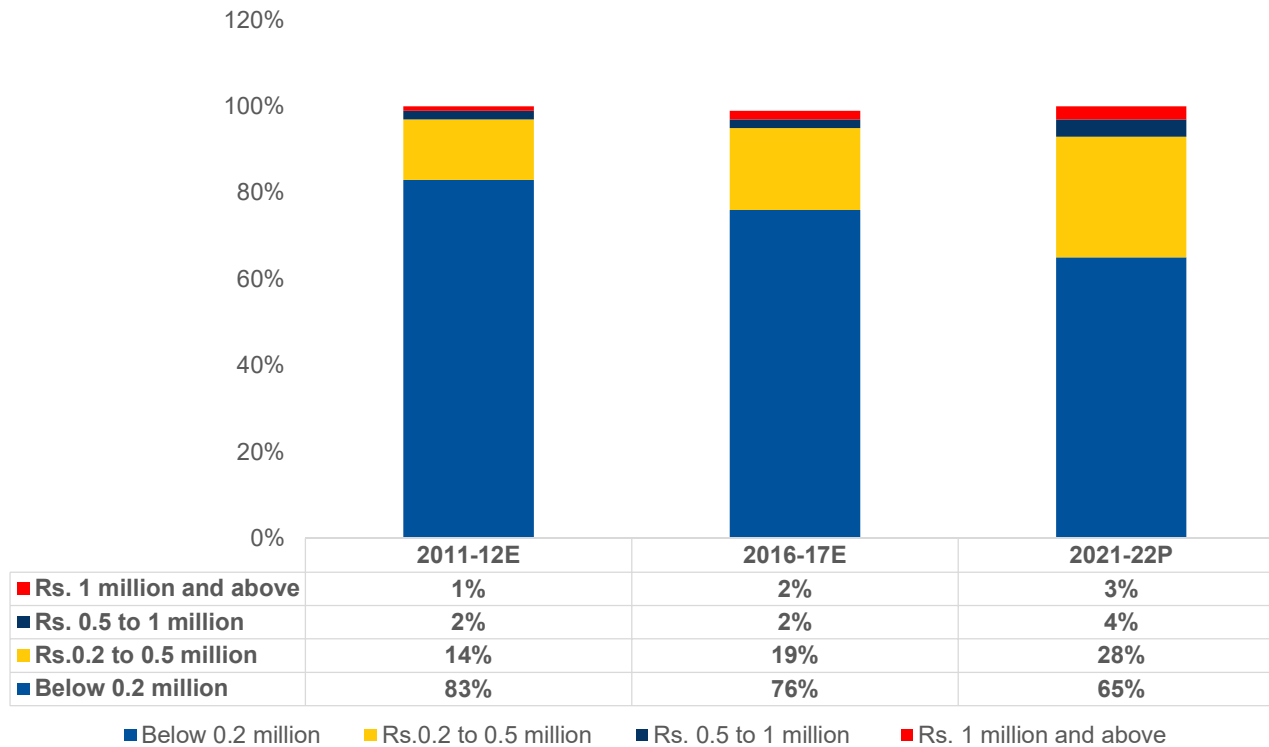


India's Demographic Dividend



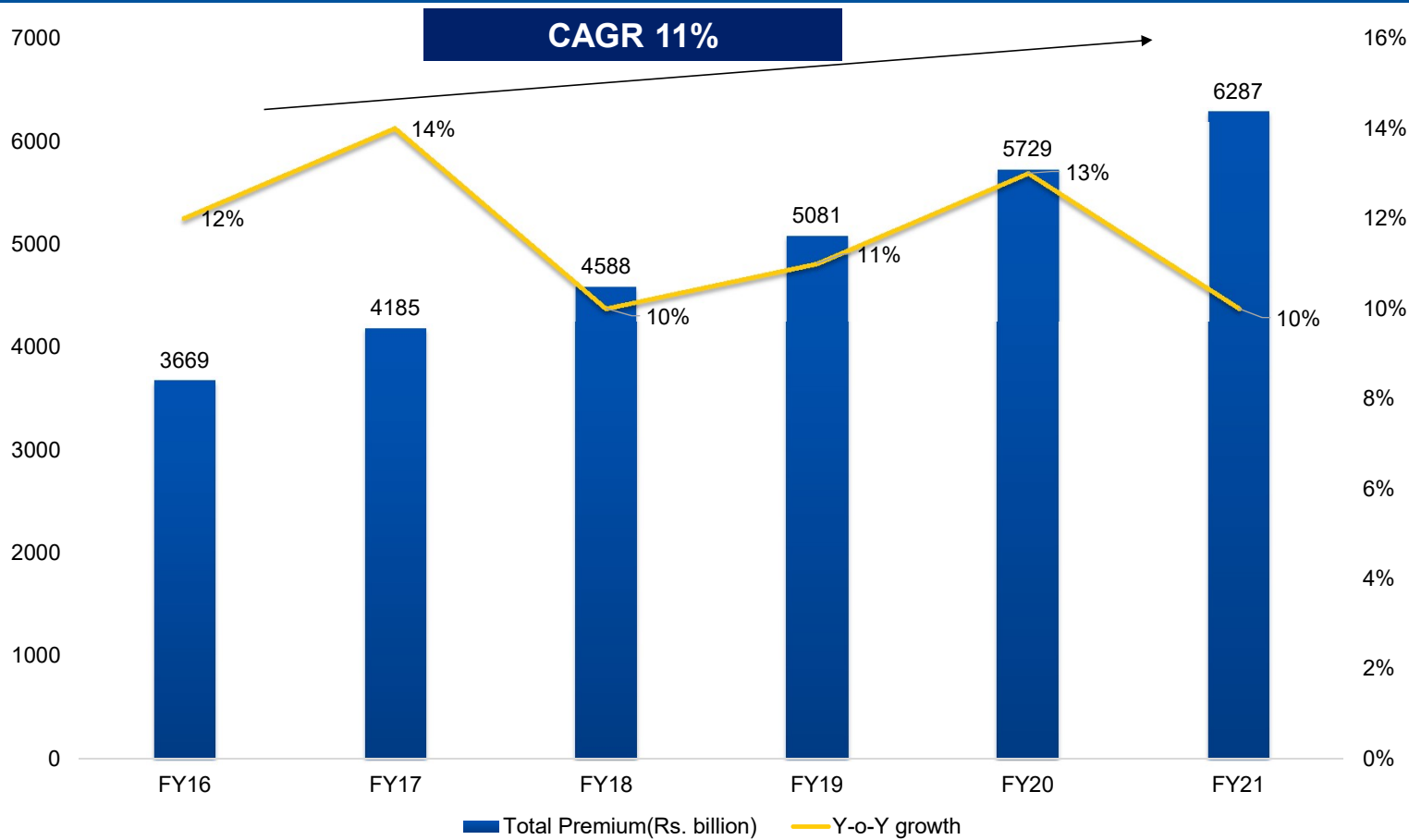
For 2021, India has largest share of young population in the world, with a medium age of 28 Years. About 90% of Indians will still be below the age of 60 years.¹

Income Demographics



Rising Income level to make insurance products more affordable.

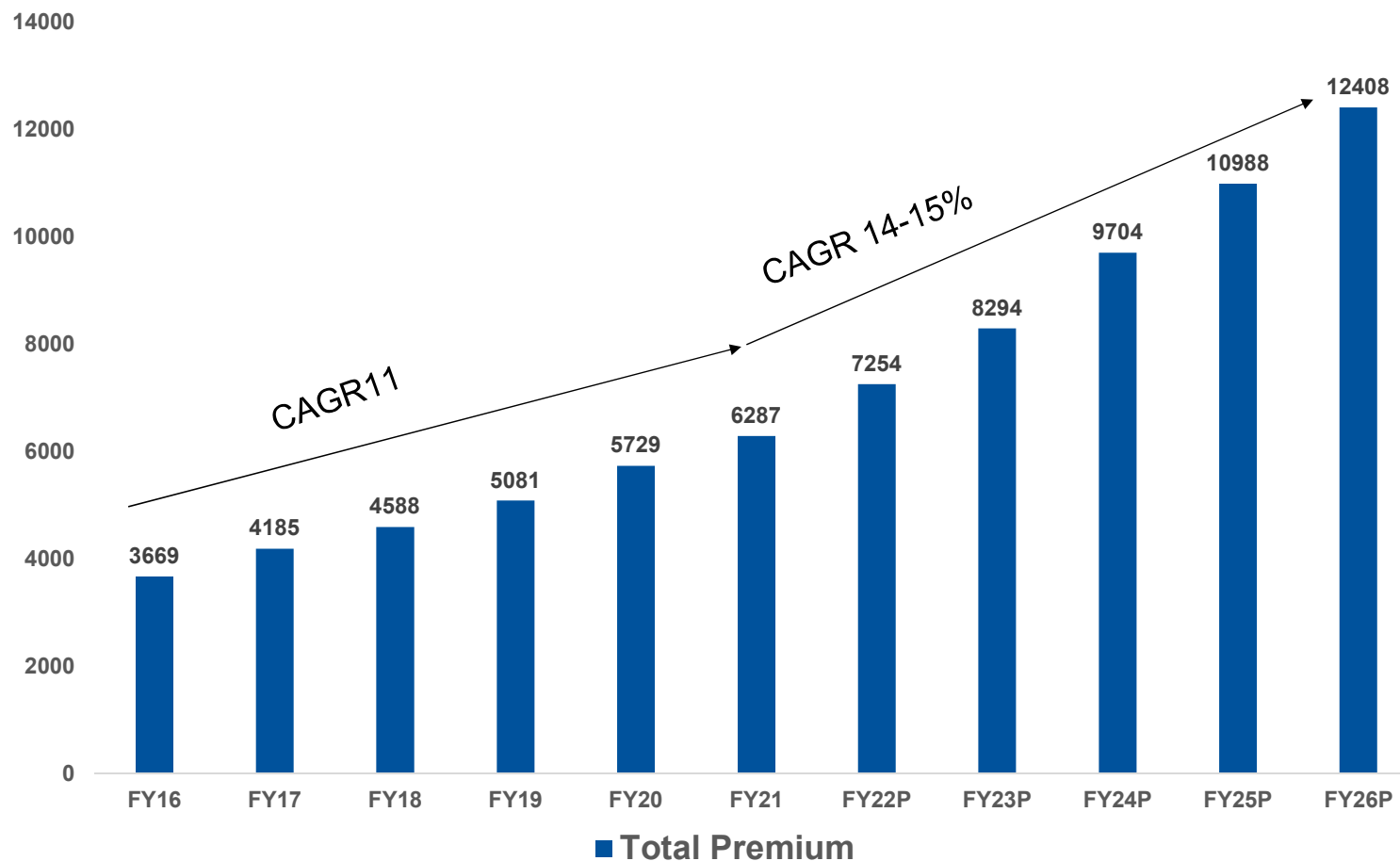
Strong growth in total premium for life insurance industry



Total premium has grown at 11% CAGR in last five years ending FY21. Amongst the different player groups, LIC, which holds the maximum 64% share in total life insurance premium.

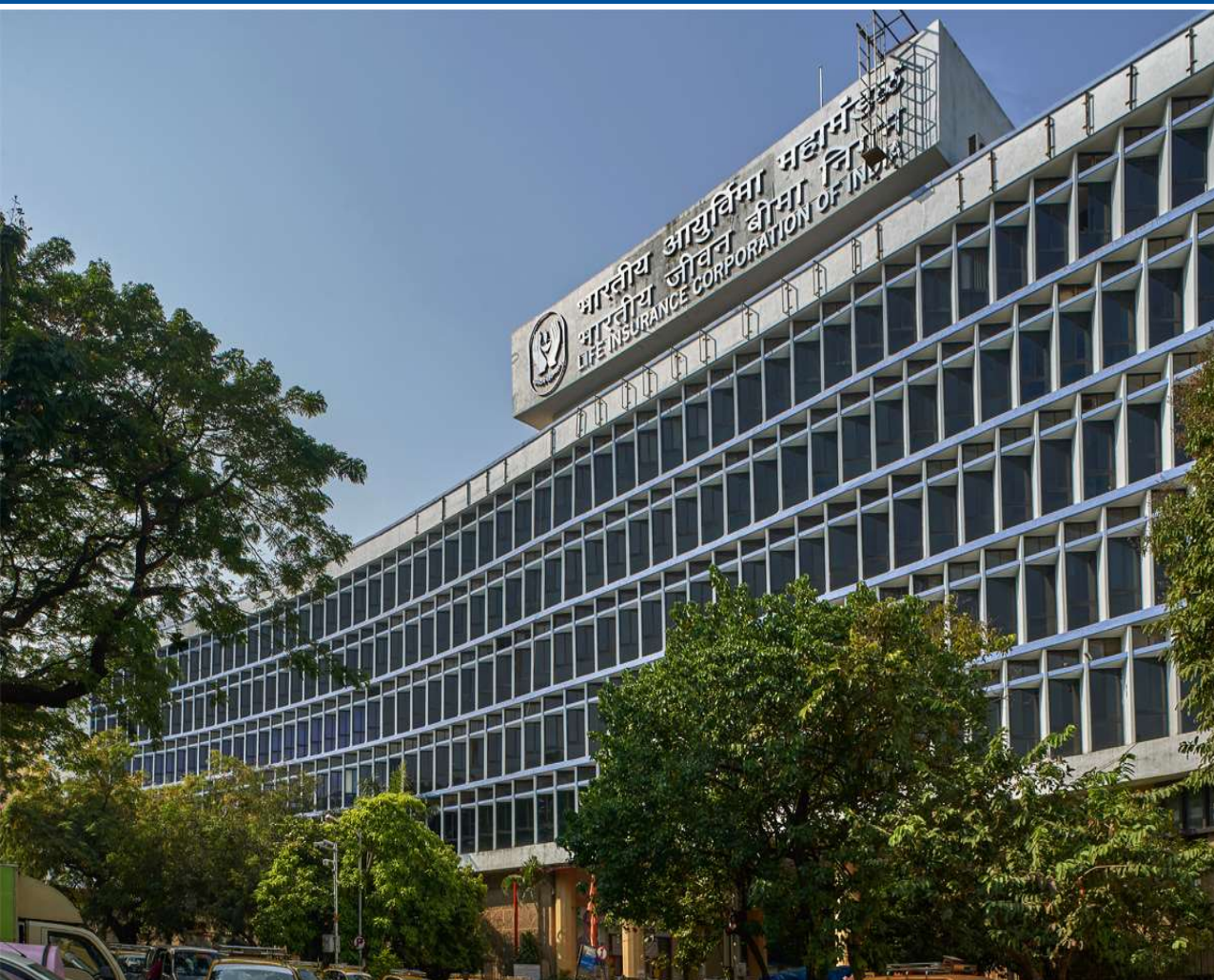
Source: CRISIL Research Report for LIC of India (IRDAI Annual report, Company Reports, CRISIL Research)

Projected Growth in total premium over next five years



INR Billion

Insurers to grow at 14-15% CAGR over the next five years. Consequently, the total premium is expected to grow by 2 times.



(b) FINANCIALS

Financials - Standalone balance sheet



(INR lakhs) Particulars	For the Year ended		For the three Months ended	
	March 31, 2021(Standalone)	March 31, 2022(Standalone)	June 30, 2021(Standalone)	June 30, 2022(Standalone)
Sources of funds				
Shareholders' funds:				
Share capital	10,000.00	6,32,499.77	10,000.00	6,32,499.77
Reserves and surplus	6,22,499.77	4,04,304.56	6,22,793.65	4,72,598.64
Credit/(debit) fair value change account	3,569.45	4,109.56	4,589.22	2,573.64
Minority interest (shareholders)	0	0	0	0
Sub-total	6,36,069.22	10,40,913.89	6,37,382.87	11,07,672.05
Borrowings	0	0	0	0
Policyholders' funds	3,67,662,176.16	41,10,27,879.13	38,12,35,230.73	41,01,33,006.17
Funds for discontinued policies	5,065.73	8,234.55	5,692.25	9,795.90
Insurance reserves	12,93,403.13	12,85,462.99	12,86,461.14	12,91,595.29
Provision for linked liabilities	32,93,196.17	23,88,583.06	30,14,380.18	22,55,219.17
Sub-total	37,22,53,841.19	41,47,10,159.73	38,55,41,764.30	41,36,89,616.53
Funds for future appropriations	333.99	1,83,443.31	333.99	4,10,267.94
Total	37,28,90,244.40	41,59,34,516.93	38,61,79,481.16	41,52,07,556.52
Application of funds				
Investments				
Shareholders'	71,356.67	6,41,213.63	1,60,643.46	10,43,687.34
Policyholders'	34,87,65,485.70	38,95,69,349.57	36,27,85,775.23	39,08,68,863.47
Assets held to cover linked liabilities	32,94,950.15	23,93,863.99	30,16,878.69	22,62,056.11
Loans	1,07,78,333.76	1,09,87,563.57	1,07,95,924.75	1,11,83,722.71
Fixed assets	3,45,338.62	3,55,202.31	3,41,341.76	3,57,326.11
Current assets	17,920,102.95	1,91,11,783.85	16,15,07,69.68	1,66,14,921.95
Current liabilities	82,85,323.45	71,24,459.99	70,71,852.41	71,23,021.17
Net current assets	96,34,779.50	1,19,87,323.86	90,78,917.27	94,91,900.78
Total	37,28,90,244.40	41,59,34,516.93	38,61,79,481.16	41,52,07,556.52

Financials - Standalone statement of revenue (Policyholders' account)

(INR lakhs) Particulars	For the year ended			For the three months ended June 30, 2022(Standalone)
	March 31, 2021(Standalone)	March 31, 2022(Standalone)	June 30, 2021(Standalone)	
Premiums earned - net				
(a) Premium	4,03,28,655.48	4,28,02,497.15	81,83,699.92	98,48,585.12
(b) Reinsurance ceded	(44,221.05)	(60,575.94)	(11,558.16)	(13,408.65)
Sub-total	4,02,84,434.43	4,27,41,921.21	81,72,141.76	98,35,176.47
Income from investments				
(a) Interest, dividends & rent – gross	2,34,46,140.73	2,52,60,799.36	6,028,669.03	66,82,364.76
(b) Profit on sale/redemption of investments	44,53,482.77	49,77,679.23	12,59,371.19	5,72,180.94
(c) (Loss) on sale/redemption of investments	(6,30,607.47)	(9,37,690.65)	(1,22,621.07)	(64,549.05)
(d) Transfer/gain on revaluation/change in fair value	6,07,098.45	(11,342.60)	63,410.57	(2,32,915.43)
(e) Other income	59,950.49	78,890.36	14,354.67	16,009.20
Total (A)	6,82,20,499.40	7,21,10,256.91	1,54,15,326.14	1,68,08,266.89
Commission	22,16,991.70	23,17,145.53	4,18,766.94	5,02,538.61
Operating expenses related to insurance business	34,98,444.08	38,89,067.80	87,837.14	9,34,343.43
Other expenses				
Goods & Service tax on fund management & other charges	9,322.22	9,076.44	1,192.57	1,472.08
Provisions for doubtful debts	8,95,853.09	(1,29,895.22)	(16,974.87)	(15,003.18)
Provision for taxation	7,98,776.03	7,87,862.94	1,57,794.90	1,40,387.34
Provisions (other than taxation)	(3,95,735.94)	(8,07,903.02)	(6,372.65)	3,02,800.31
Total (B)	70,23,651.18	60,65,354.47	14,32,644.03	18,66,538.59
Benefits paid (net)	2,84,65,473.32	3,53,43,758.47	64,45,417.66	68,05,150.86
Interim bonuses paid	2,22,907.33	4,02,730.55	56,541.09	60,520.05
Change in valuation of liability in respect of life policies	3,21,75,278.88	3,06,28,848.39	77,58,794.84	77,92,024.83
Transfer to provision for linked liabilities	43,431.00	(9,04,613.08)	(2,78,815.99)	0
Transfer to funds for future appropriation	0	0	0	0
Transfer to funds for discontinued policies	544.13	3,526.95	744.53	1,556.01
Total (C)	6,09,07,634.66	6,54,74,251.28	1,39,82,682.13	1,46,59,251.75
Surplus/(deficit) (D) = (A - B - C)	2,89,213.56	5,70,651.16	0	2,82,476.55
Add: Share of profit in associates	0	0	0	0
(Less)/add: Minority interest	0	0	0	0
Total surplus/deficit	2,89,213.56	5,70,651.16	0	2,82,476.55
Appropriations				
Transfer to shareholders' account	2,88,901.01	3,87,541.84	0	55,651.92
Transfer to other reserve	0	0	0	0
Proposed dividend paid	0	0	0	0
Transfer of Fund for Future Appropriation	312.55	1,83,109.32	0	2,26,824.63
Total (E)	2,89,213.56	5,70,651.16	0	2,82,476.55
The total surplus during the year				
(I) Interim bonus	2,22,907.33	4,02,730.55	0	0
(II) Allocation of bonus to policyholders	54,89,119.16	48,34,679.92	0	0
(III) Surplus shown in revenue account	2,89,213.56	5,70,651.16	0	0
Total Surplus (I + II + III)	60,01,240.05	58,08,061.63	0	0

Financials – Standalone statement of profit & loss (Shareholders' account)



(INR lakhs) Particulars	For the year ended			For the three months ended
	March 31, 2021(Standalone)	March 31, 2022(Standalone)	June 30, 2021(Standalone)	June 30, 2022(Standalone)
Amounts transferred from/to the Policyholders account (Technical Account)	2,88,901.01	3,87,541.84	0	55,651.92
Income from Investments				
(a) Interest, Dividends & Rent - Gross	1,777.65	16,095.80	465.34	13,537.99
(b) Profit on sale/redemption of investments	612.15	4,166.57	7.98	1,290.80
(c) (Loss) on sale/redemption of investments	(91.00)	(139.51)	(8.49)	(28.04)
(d) Other Income	0	0	0	0
Total (A)	2,91,199.81	4,07,664.70	464.83	70,452.67
Expense other than those directly related to the Insurance business	46.40	50.33	12.49	10.28
Contribution to Policyholders' Account towards others	475.97	942.45	0	0
Provisions (Other than taxation)	0	0	0	0
Total (B)	522.37	992.78	12.49	10.28
Profit/(Loss) before tax	2,90,677.44	4,06,671.92	452.34	70,442.39
Provision for Taxation	620.76	2,359.81	158.07	2,153.49
Profit/Loss after tax	2,90,056.88	4,04,312.11	294.27	68,288.90
Appropriations				
(a) Balance at the beginning of the year	-	-	0	4,01,433.30
(b) Interim Dividends paid during the year (5% Valuation surplus paid to Central Government)	-	-	0	0
(c) Proposed final dividend	-	-	0	0
(d) Dividend distribution on tax	-	-	0	0
(e) Transfer to General Reserve	-	-	0	0
(f) Transfer to Other Reserve	2,90,056.68	2,878.81	294.27	0
Profit carried forward to the Balance Sheet	0	4,01,433.30	0	4,69,722.20

Glossary



❖ **New Business APE:** The sum 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.

❖ **Embedded Value EV:** Embedded Value is 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).

❖ **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.

❖ **CoNB 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.

ABBREVIATION



Term	Description	Term	Description
GWP	Gross Written Premium	Opex	Operating Expenses (excluding commission)
NBP	New Business Premium	CAGR	Compounded Annual Growth Rate
NOP	Number of Policies	GDP	Gross Domestic Product
APE	Annualized Premium Equivalent	INR (Rs.)	Indian Rupees
IRP	Individual Rated Premium	USD (\$)	United State's Currency
AUM	Assets Under Management	TAT	Turn Around Time
Banca	Bancassurance	Traditional Segment	Other than Unit Linked Insurance PPlan
ULIP	Unit Linked Insurance Plan	Traditional Channel	Bancassurance + Agency
PAR	Participating	VNB	Value of New Business
NON PAR	Non-Participating	VoNB Margin	Value of New Business Margin
SDGs	Sustainable Development Goals		

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 L.I.C. of India, out 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 Corporation'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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