

Price Waterhouse Chartered Accountants LLP
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G. M. Kapadia & Co.
Chartered Accountants
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213 Nariman Point,
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Auditors' Report on Standalone Financial Results for the quarter and year ended March 31, 2021 of HDFC Life Insurance Company Limited

To The Board of Directors of
HDFC Life Insurance Company Limited

1. We have audited the accompanying standalone financial results of HDFC Life Insurance Company Limited (“the Company”) for the quarter and year ended March 31, 2021 which are included in the accompanying Statement of Standalone Audited Results for the quarter and year ended March 31, 2021, the Standalone Balance sheet as on that date and the receipts and payment account for the year ended on that date, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and IRDA Circular reference: IRDAI/ F&I/ REG/ CIR/ 208/ 10/2016 dated 25th October 2016 (“Standalone financial results”) which have been approved by the Board of Directors on April 26, 2021.

Management's Responsibility for the standalone financial results

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these quarterly and year ended March 31, 2021 standalone financial results based on our audit of such standalone financial statements, which have been prepared by the Company's Management in accordance with the recognition and measurement principles specified under Section 133 of the Companies Act, 2013 (“the Act”), including the relevant provisions of the Insurance Act, 1938 (the “Insurance Act”), the Insurance Regulatory and Development Authority Act, 1999 (the “IRDA Act”) and other accounting principles generally

accepted in India, to the extent considered relevant and appropriate for the purpose of these standalone financial results and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI") to the extent applicable.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:
 - I) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI IRDA Circular reference: IRDAI/F&I/REG/CIR/208/10/2016 dated 25th October 2016 in this regard; and
 - II) give a true and fair view of the net profit and other financial information for the quarter and year ended March 31, 2021 and also the standalone balance sheet and the receipts and payment account as at and for the year ended on that date.

Emphasis of Matter

6. We draw your attention to Note 5 to the standalone financial results which explains the uncertainties and the management's assessment of the financial impact due to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period. Our opinion is not modified in respect of this matter.

Other Matters

7. The actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of

which premium has been discontinued but liability exists as at March 31, 2021 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 for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the standalone financial statements of the Company. Our opinion is not modified in respect of this matter.

8. The Standalone financial results dealt with by this report has been prepared for the purpose of filing with stock exchanges. These Standalone financial results is based on and should be read with the audited standalone financial statements of the company for the year ended March 31, 2021 on which we issued an unmodified audit opinion vide our report dated April 26, 2021.

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

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Alpa Kedia
Partner
Membership No. 100681
UDIN: 21100681AAAABX9500

Place: Mumbai Date: April 26, 2021

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

Rajen Ratansi
Ashar

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Rajen Ashar
Partner
Membership No. 048243
UDIN: 21048243AAAACC7790

HDFC Life Insurance Company Limited
Statement of Standalone Audited Results for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Sr. No. | Particulars | Three Months ended / As at | | | Year ended / As at | |
|---------------------------|--|----------------------------|-------------------|----------------|--------------------|------------------|
| | | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| POLICYHOLDERS' A/C | | | | | | |
| 1 | Gross premium income | | | | | |
| | (a) First Year Premium | 238,921 | 177,224 | 172,201 | 685,843 | 604,427 |
| | (b) Renewal Premium | 635,040 | 457,698 | 552,617 | 1,847,687 | 1,546,844 |
| | (c) Single Premium | 417,058 | 327,899 | 336,665 | 1,324,820 | 1,119,418 |
| 2 | Net premium income ¹ | 1,286,801 | 948,701 | 1,046,446 | 3,812,230 | 3,222,360 |
| 3 | Income from investments (Net) ² | 601,542 | 1,159,424 | (1,022,992) | 3,267,757 | (331,087) |
| 4 | Other income | 6,661 | 3,567 | 10,931 | 18,339 | 24,395 |
| 5 | Contribution of funds from Shareholders' A/c ³ | 24,128 | 988 | 7,479 | 25,856 | 10,475 |
| 6 | Total (2 to 5) | 1,919,132 | 2,112,680 | 41,864 | 7,124,182 | 2,926,143 |
| 7 | Commission on | | | | | |
| | (a) First Year Premium | 43,447 | 33,206 | 29,840 | 126,612 | 108,205 |
| | (b) Renewal Premium | 9,215 | 6,816 | 8,301 | 27,708 | 24,053 |
| | (c) Single Premium | 5,351 | 4,114 | 4,263 | 13,302 | 14,119 |
| | Rewards | 1,738 | 684 | 490 | 3,418 | 2,741 |
| 8 | Net Commission¹ | 59,751 | 44,820 | 42,894 | 171,040 | 149,118 |
| 9 | Operating Expenses related to insurance business (a+b) | | | | | |
| | (a) Employees remuneration and welfare expenses | 53,103 | 43,735 | 43,668 | 167,558 | 167,696 |
| | (b) Other operating expenses* | 97,908 | 86,995 | 81,550 | 291,039 | 258,994 |
| 10 | Expenses of Management (8+9) | 210,762 | 175,550 | 168,112 | 629,637 | 575,808 |
| 11 | Provisions for doubtful debts (including bad debts written off) | - | - | - | - | - |
| 12 | Provisions for diminution in value of investments ⁵ | (9,010) | (4,452) | 37,585 | (18,854) | 56,742 |
| 13 | Goods & Services Tax on linked charges | 9,575 | 8,997 | 9,300 | 35,675 | 35,324 |
| 14 | Provision for taxes | 18,381 | 4,134 | 12,218 | 27,439 | 14,903 |
| 15 | Benefits Paid ⁴ (Net) ¹ | 883,757 | 618,253 | 532,691 | 2,257,478 | 1,902,148 |
| 16 | Change in actuarial liability | 762,268 | 1,282,778 | (731,647) | 4,082,963 | 244,076 |
| 17 | Total (10+11+12+13+14+15+16) | 1,875,733 | 2,085,260 | 28,259 | 7,014,338 | 2,829,001 |
| 18 | Surplus/Deficit (6-17) | 43,399 | 27,420 | 13,605 | 109,844 | 97,142 |
| 19 | Appropriations | | | | | |
| | (a) Transferred to Shareholders A/c | 28,659 | 13,976 | 45,166 | 99,090 | 119,139 |
| | (b) Funds for Future Appropriations | 14,740 | 13,444 | (31,561) | 10,754 | (21,997) |
| 20 | Details of Surplus / Deficit | | | | | |
| | (a) Interim bonus paid | 11,715 | 4,968 | 2,019 | 20,182 | 5,850 |
| | (b) Terminal bonus paid | 22,280 | 11,680 | 22,296 | 59,228 | 78,994 |
| | (c) Allocation of bonus to policyholders | 74,153 | - | 80,285 | 74,153 | 80,285 |
| | (d) Surplus shown in the Revenue Account | 43,399 | 27,420 | 13,605 | 109,844 | 97,142 |
| | Total Surplus | 151,547 | 44,068 | 118,205 | 263,407 | 262,271 |
| SHAREHOLDERS' A/C | | | | | | |
| 21 | Transfer from Policyholders' Account | 28,659 | 13,976 | 45,166 | 99,090 | 119,139 |
| 22 | Total income under Shareholders' Account | | | | | |
| | (a) Investment Income ² | 27,130 | 14,273 | 8,601 | 64,757 | 43,781 |
| | (b) Other income | - | - | 1,856 | - | 1,856 |
| 23 | Expenses other than those related to insurance business ⁵ | 2,405 | 1,840 | 1,794 | 6,373 | 3,342 |
| 24 | Transfer of funds to Policyholders' Account | 24,128 | 988 | 7,479 | 25,856 | 10,475 |
| 25 | Provisions for doubtful debts (including write off) | - | - | - | - | - |
| 26 | Provisions for diminution in value of investments ⁶ | (1,652) | (1,279) | 17,903 | (3,731) | 19,785 |
| 27 | Profit before tax | 30,908 | 26,700 | 28,447 | 135,349 | 131,174 |
| 28 | Provisions for tax | (886) | 201 | (2,724) | (661) | 1,647 |
| 29 | Profit after tax and before Extraordinary items | 31,794 | 26,499 | 31,171 | 136,010 | 129,527 |
| 30 | Profit after tax and Extraordinary items | 31,794 | 26,499 | 31,171 | 136,010 | 129,527 |

HDFC Life Insurance Company Limited
Statement of Standalone Audited Results for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Sr. No. | Particulars | Three Months ended / As at | | | Year ended / As at | |
|---------|--|----------------------------|-------------------|----------------|--------------------|----------------|
| | | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| 31 | Dividend per share (₹) (Nominal value ₹ 10 per share) | | | | | |
| | (a) Interim Dividend | - | - | - | - | - |
| | (b) Final Dividend | - | - | - | - | - |
| 32 | Profit carried to Balance Sheet ⁷ | 592,940 | 561,147 | 456,929 | 592,940 | 456,929 |
| 33 | Paid up equity share capital | 202,094 | 202,046 | 201,880 | 202,094 | 201,880 |
| 34 | Reserve & Surplus (excluding Revaluation Reserve) | 640,737 | 606,725 | 496,750 | 640,737 | 496,750 |
| 35 | Fair Value Change Account and Revaluation Reserve (Shareholders) | 20,744 | 22,814 | (19,197) | 20,744 | (19,197) |
| 36 | Total Assets: | | | | | |
| | (a) Investments: | | | | | |
| | - Shareholders' | 854,211 | 820,986 | 585,548 | 854,211 | 585,548 |
| | - Policyholders Fund excluding Linked Assets | 9,053,783 | 8,411,298 | 6,718,861 | 9,053,783 | 6,718,861 |
| | - Assets held to cover Linked Liabilities (Linked Assets) | 7,475,950 | 7,330,062 | 5,418,208 | 7,475,950 | 5,418,208 |
| | (b) Other Assets (Net of current liabilities and provisions) | (77,361) | (46,509) | (4,072) | (77,361) | (4,072) |

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

| | | | | | |
|-------------------------------|--------|--------|--------|---------|---------|
| Advertisement and publicity | 44,315 | 36,327 | 33,024 | 141,011 | 106,957 |
| Business development expenses | 29,428 | 27,825 | 23,464 | 66,590 | 61,209 |

Foot notes :

- 1 Net of reinsurance
- 2 Net of amortisation and losses (including capital gains)
- 3 Includes contribution of funds from shareholders accounts towards excess EOM
- 4 Inclusive of interim and terminal bonus
- 5 Includes Remuneration of MD/CEOs/WTDs over specified limits and Interest on Non-convertible debentures
- 6 Inclusive of provision for standard and non-standard assets
- 7 Represents accumulated surplus

The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

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HDFC Life Insurance Company Limited
Standalone Balance Sheet as at March 31, 2021

(₹ in Lakhs)

| Particulars | As at | |
|---|-------------------|-------------------|
| | March 31, 2021 | March 31, 2020 |
| | (Audited) | (Audited) |
| SOURCES OF FUNDS | | |
| <i>SHAREHOLDERS' FUNDS:</i> | | |
| Share Capital | 202,094 | 201,880 |
| Share application money received pending allotment of shares | 197 | 559 |
| Reserves and Surplus | 640,737 | 496,750 |
| Credit / (Debit) Fair Value Change Account | 20,744 | (19,197) |
| Sub-Total | 863,772 | 679,992 |
| <i>BORROWINGS</i> | 60,000 | - |
| <i>POLICYHOLDERS' FUNDS:</i> | | |
| Credit / (Debit) Fair Value Change Account | 255,501 | 4,960 |
| Policy Liabilities | 8,552,302 | 6,527,082 |
| Insurance Reserve | - | - |
| Provision for Linked Liabilities | 5,430,538 | 5,437,675 |
| Add: Fair value change | 1,665,814 | (353,256) |
| Provision for Linked Liabilities | 7,096,352 | 5,084,419 |
| Funds for discontinued policies | | |
| (i) Discontinued on account of non-payment of premium | 377,616 | 332,790 |
| (ii) Others | 1,982 | 999 |
| Total Provision for Linked & Discontinued Policyholders Liabilities | 7,475,950 | 5,418,208 |
| Sub-Total | 16,283,753 | 11,950,250 |
| Funds for Future Appropriations | 99,058 | 88,303 |
| TOTAL | 17,306,583 | 12,718,545 |
| APPLICATION OF FUNDS | | |
| <i>INVESTMENTS:</i> | | |
| Shareholders' | 854,211 | 585,548 |
| Policyholders' | 9,053,783 | 6,718,861 |
| Asset held to cover Linked Liabilities | 7,475,950 | 5,418,208 |
| <i>LOANS</i> | 42,405 | 29,905 |
| <i>FIXED ASSETS</i> | 34,015 | 33,013 |
| <i>CURRENT ASSETS</i> | | |
| Cash and Bank Balances | 103,556 | 67,987 |
| Advances and Other Assets | 392,875 | 362,717 |
| Sub-Total (A) | 496,431 | 430,704 |
| <i>CURRENT LIABILITIES</i> | 642,318 | 490,192 |
| <i>PROVISIONS</i> | 7,894 | 7,502 |
| Sub-Total (B) | 650,212 | 497,694 |
| NET CURRENT ASSETS (C) = (A - B) | (153,781) | (66,990) |
| Miscellaneous Expenditure (to the extent not written off or adjusted) | - | - |
| Debit Balance in Profit and Loss Account (Shareholders' Account) | - | - |
| TOTAL | 17,306,583 | 12,718,545 |
| Contingent liabilities | 185,391 | 218,849 |

The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

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HDFC Life Insurance Company Limited
Receipts and Payments Account for the year ended March 31, 2021

(₹ in Lakhs)

| Sr. No. | Particulars | Year ended | |
|-----------|---|------------------|------------------|
| | | March 31, 2021 | March 31, 2020 |
| | | (Audited) | (Audited) |
| A. | Cash Flows from the operating activities: | | |
| 1 | Premium received from policyholders, including advance receipts | 3,961,064 | 3,357,458 |
| 2 | Other receipts | 16,774 | 24,648 |
| 3 | Payments to the re-insurers, net of commissions and claims/ Benefits | (17,025) | 1,246 |
| 4 | Payments of claims/benefits | (2,268,819) | (1,908,225) |
| 5 | Payments of commission and brokerage | (165,203) | (158,967) |
| 6 | Payments of other operating expenses ¹ | (470,558) | (487,434) |
| 7 | Preliminary and pre-operative expenses | - | - |
| 8 | Deposits, advances and staff loans | 2,191 | 110 |
| 9 | Income taxes paid (net) | (25,336) | (27,846) |
| 10 | Goods and Services Tax paid | (62,783) | (63,959) |
| 11 | Other payments | - | - |
| 12 | Cash flows before extraordinary items | 970,305 | 737,031 |
| 13 | Cash flow from extraordinary operations | - | - |
| | Net cash flow from operating activities | 970,305 | 737,031 |
| B | Cash flows from investing activities: | | |
| 1 | Purchase of fixed assets | (6,023) | (3,833) |
| 2 | Proceeds from sale of fixed assets | 94 | 172 |
| 3 | Purchases of investments | (9,116,941) | (10,669,379) |
| 4 | Loans disbursed | - | - |
| 5 | Loan against policies | (12,500) | (21,946) |
| 6 | Sales of investments | 7,694,130 | 9,200,495 |
| 7 | Repayments received | - | - |
| 8 | Rents/Interests/ Dividends received | 833,301 | 630,131 |
| 9 | Investments in money market instruments and in liquid mutual funds (net) | (291,573) | 86,191 |
| 10 | Expenses related to investments | (17) | (33) |
| | Net cash flow from investing activities | (899,529) | (778,202) |
| C | Cash flows from financing activities: | | |
| 1 | Proceeds from issuance of share capital | 7,632 | 3,277 |
| 2 | Proceeds from borrowing | 60,000 | - |
| 3 | Repayments of borrowing | - | - |
| 4 | Interest/dividends paid | - | - |
| 5 | Share application Money | 197 | 519 |
| | Net cash flow from financing activities | 67,829 | 3,796 |
| D | Effect of foreign exchange rates on cash and cash equivalents, (net) | - | - |
| E | Net increase in cash and cash equivalents: | 138,605 | (37,375) |
| 1 | Cash and cash equivalents at the beginning of the year | 577,498 | 614,873 |
| 2 | Cash and cash equivalents at the end of the year | 716,103 | 577,498 |
| | Note - Components of Cash and cash equivalents at end of the year: | | |
| | Cash and cheques in hand | 9,857 | 141 |
| | Bank Balances * | 93,663 | 67,809 |
| | Fixed Deposit (less than 3 months) | 12,500 | 23,500 |
| | Money Market Instruments | 600,083 | 486,048 |
| | Total Cash and cash equivalents | 716,103 | 577,498 |
| | Reconciliation of Cash & Cash Equivalents with Cash & Bank Balance: | | |
| | Cash & Cash Equivalents | 716,103 | 577,498 |
| | Add: Deposit Account - Others | 36 | 37 |
| | Less: Fixed Deposit (less than 3 months) | (12,500) | (23,500) |
| | Less: Money market instruments | (600,083) | (486,048) |
| | Cash & Bank Balances | 103,556 | 67,987 |
| | * Bank Balances includes Unclaimed Dividend of ₹ 18 lakhs (₹ 18 lakhs at March 31, 2020) | | |

The above Receipts and Payments Account has been prepared as prescribed by Insurance Regulatory and Development Authority (Preparation of financial statements and auditor's report of insurance companies) Regulations, 2002 under the Direct method in accordance with Accounting Standard 3 Cash Flow Statements.

Notes :

- Includes cash paid towards Corporate Social Responsibility expenditure ₹ 1,489 lakhs (previous year ended March 31, 2020: ₹ 1,977 lakhs).

The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

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HDFC Life Insurance Company Limited
Statement of Standalone Audited Results for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Particulars | Three Months ended / As at | | | Year ended / As at | |
|---|----------------------------|----------------------|-------------------|--------------------|-------------------|
| | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| Analytical Ratios: | | | | | |
| (i) Solvency Ratio | 201% | 202% | 184% | 201% | 184% |
| (ii) Expenses of Management Ratio | 16.3% | 18.2% | 15.8% | 16.3% | 17.6% |
| (iii) Policyholder's liabilities to shareholders' fund | 1896.7% | 1878.6% | 1770.4% | 1896.7% | 1770.4% |
| (iv) Earnings per share (in ₹): | | | | | |
| a) Basic EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three months) | 1.57 | 1.31 | 1.54 | 6.73 | 6.42 |
| b) Diluted EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three months) | 1.57 | 1.31 | 1.54 | 6.73 | 6.41 |
| (v) NPA ratios: (for Policyholders' fund) | | | | | |
| a) Gross NPAs | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | 5,250.0 | 5,125.0 | 5,125.0 | 5,250.0 | 5,125.0 |
| Net NPAs | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| b) % of Gross NPAs | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% |
| % of Net NPA | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| (vi) Yield on Investments (on Policyholders' fund) | | | | | |
| A. Without unrealised gains | | | | | |
| - Non Linked | | | | | |
| Par | 2.5% | 1.9% | -0.2% | 8.5% | 7.0% |
| Non Par | 2.3% | 2.4% | 2.4% | 9.5% | 9.6% |
| - Linked | | | | | |
| Non Par | 3.1% | 2.2% | 1.2% | 8.6% | 6.3% |
| B. With unrealised gains | | | | | |
| - Non Linked | | | | | |
| Par | 0.5% | 7.0% | -2.8% | 16.3% | 5.4% |
| Non Par | -1.0% | 4.2% | 4.8% | 7.2% | 15.0% |
| - Linked | | | | | |
| Non Par | 5.3% | 14.9% | -17.3% | 47.2% | -14.6% |

HDFC Life Insurance Company Limited
Statement of Standalone Audited Results for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Particulars | Three Months ended / As at | | | Year ended / As at | |
|---|----------------------------|----------------------|-------------------|--------------------|-------------------|
| | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| (vii) NPA ratios: (for Shareholders' fund) | | | | | |
| a) Gross NPAs | NIL | NIL | NIL | NIL | NIL |
| Net NPAs | NIL | NIL | NIL | NIL | NIL |
| b) % of Gross NPAs | NIL | NIL | NIL | NIL | NIL |
| % of Net NPAs | NIL | NIL | NIL | NIL | NIL |
| (viii) Yield on Investments (on Shareholders' fund) | | | | | |
| A. Without unrealised gains | 3.3% | 1.8% | 0.1% | 8.9% | 6.5% |
| B. With unrealised gains | 1.1% | 5.8% | -3.7% | 15.4% | 2.9% |
| (ix) Persistency Ratio | | | | | |
| 13th month | 91.4% | 92.9% | 88.4% | 91.7% | 90.1% |
| 25th month | 83.7% | 82.6% | 80.5% | 84.2% | 80.2% |
| 37th month | 76.3% | 72.1% | 71.8% | 74.7% | 73.8% |
| 49th month | 68.6% | 67.4% | 65.9% | 69.6% | 67.2% |
| 61st month | 54.6% | 51.8% | 54.6% | 54.4% | 55.0% |
| (x) Conservation Ratio | | | | | |
| Participating Life- Individual & group | 89.3% | 91.6% | 82.1% | 87.6% | 83.7% |
| Participating Pension- Individual & group | 92.2% | 104.5% | 84.1% | 90.0% | 90.8% |
| Non Participating Life - Individual & group | 87.7% | 86.3% | 69.9% | 86.4% | 70.0% |
| Non Participating Pension - Individual & Group | 70.7% | 87.4% | 77.1% | 77.1% | 79.5% |
| Non Participating - Life Group Variable | NA | NA | NA | NA | NA |
| Non Participating - Pension group variable | NA | NA | NA | NA | NA |
| Non Participating Fund - Annuity | NA | NA | NA | NA | NA |
| Non Participating Fund - Individual & Group Health | 90.5% | 77.9% | 59.7% | 83.4% | 62.7% |
| Unit Linked - Individual Life | 87.5% | 83.7% | 79.2% | 85.7% | 81.6% |
| Unit Linked - Individual Pension | 74.3% | 70.0% | 69.7% | 71.9% | 74.6% |
| Unit Linked - Group Life | NA | NA | NA | NA | NA |
| Unit Linked - Group Pension | NA | NA | NA | NA | NA |

Notes :

- Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosure.
- The persistency ratios are calculated in accordance with the IRDAI circular no. IRDA/ACT/CIR/MISC/035/01/2014 dated January 23, 2014 and hence are with a lag of one month.
- Group business, where persistency is measurable, has been included in the calculations. Rural business policies issued from FY 2018-19 onwards are included in persistency ratio calculations.
- The persistency ratios for the quarter ended March 31, 2021 have been calculated for the policies issued in the December to February period of the relevant years. E.g.: the 13th month persistency for the current quarter is calculated for the policies issued from December 2019 to February 2020. The persistency ratios for quarter ended December 31, 2020 and March 31, 2020 have been calculated in a similar manner.
- The persistency ratios for the year ended March 31, 2021 have been calculated for the policies issued in the March to February period of the relevant years. E.g.: the 13th month persistency for the current year is calculated for the policies issued from March 2019 to February 2020. The persistency ratios for the previous year ended March 31, 2020 have been calculated in a similar manner.

The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

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HDFC Life Insurance Company Limited
Segment Reporting (Standalone) for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Sr. No. | Particulars | Three Months ended | | | Year ended | |
|-----------|---|--------------------|-------------------|----------------|----------------|----------------|
| | | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| 1 | Segment Income | | | | | |
| A) | Policyholders : | | | | | |
| | Segment A - Participating - Individual & Group Life : | | | | | |
| | Net Premium | 273,045 | 196,337 | 219,239 | 746,872 | 583,500 |
| | Income from Investments ² | 90,556 | 61,591 | (41,122) | 267,499 | 136,368 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 4,841 | 2,046 | 5,265 | 12,207 | 13,610 |
| | Segment B - Participating - Individual & Group Pension : | | | | | |
| | Net Premium | 6,037 | 5,357 | 6,550 | 18,281 | 20,260 |
| | Income from Investments ² | 5,288 | 6,043 | 1,245 | 22,704 | 22,311 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 258 | 145 | 155 | 493 | 304 |
| | Segment C - Non Participating - Individual & Group Life : | | | | | |
| | Net Premium | 406,920 | 293,786 | 262,771 | 1,150,509 | 899,868 |
| | Income from Investments ² | 59,428 | 58,550 | 40,645 | 208,452 | 134,045 |
| | Transfer of Funds from shareholders' account | 24,544 | - | 7,158 | 24,544 | 9,536 |
| | Other Income | 810 | 613 | 541 | 2,535 | 2,293 |
| | Segment D - Non Participating - Life Group Variable : | | | | | |
| | Net Premium | 9,703 | 6,707 | 10,349 | 46,244 | 84,514 |
| | Income from Investments ² | 6,159 | 6,201 | 5,728 | 24,188 | 21,963 |
| | Transfer of Funds from shareholders' account | - | - | 238 | - | 626 |
| | Other Income | - | - | - | - | - |
| | Segment E - Non Participating - Individual & Group Pension : | | | | | |
| | Net Premium | 36,498 | 11,723 | 32,625 | 174,408 | 73,302 |
| | Income from Investments ² | 9,957 | 10,799 | 7,521 | 38,867 | 28,587 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 10 | 6 | 1 | 29 | 24 |
| | Segment F - Non Participating - Pension Group Variable : | | | | | |
| | Net Premium | 40,830 | 42,736 | 46,272 | 155,676 | 164,664 |
| | Income from Investments ² | 7,375 | 7,311 | 6,919 | 28,928 | 27,485 |
| | Transfer of Funds from shareholders' account | 731 | 363 | 83 | 1,312 | 313 |
| | Other Income | - | - | - | - | - |
| | Segment G - Non Participating - Individual & Group Annuity : | | | | | |
| | Net Premium | 130,672 | 93,564 | 85,469 | 392,720 | 269,358 |
| | Income from Investments ² | 21,129 | 20,388 | 13,424 | 77,754 | 60,045 |
| | Transfer of Funds from shareholders' account | (1,147) | 625 | - | - | - |
| | Other Income | 19 | 16 | (13) | 68 | 57 |
| | Segment H - Non Participating - Individual & Group Health : | | | | | |
| | Net Premium | 1,549 | 1,052 | 2,311 | 5,291 | 9,478 |
| | Income from Investments ² | 124 | 121 | 153 | 573 | 623 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 4 | 3 | (35) | 16 | (18) |
| | Segment I - Unit Linked - Individual Life : | | | | | |
| | Net Premium | 342,854 | 245,693 | 328,112 | 982,517 | 959,915 |
| | Income from Investments ² | 381,980 | 852,881 | (955,921) | 2,280,991 | (765,401) |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 714 | 735 | 5,021 | 2,986 | 8,116 |
| | Segment J - Unit Linked - Individual Pension : | | | | | |
| | Net Premium | 16,881 | 11,692 | 21,017 | 51,797 | 68,971 |
| | Income from Investments ² | 24,284 | 93,939 | (122,098) | 226,325 | (74,855) |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 3 | 1 | (5) | 7 | 8 |
| | Segment K - Unit Linked - Group Life : | | | | | |
| | Net Premium | 20,044 | 37,394 | 29,733 | 79,985 | 80,662 |
| | Income from Investments ² | 3,657 | 39,096 | (13,759) | 93,501 | 21,399 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | - | - | - | - | - |
| | Segment L - Unit Linked - Group Pension : | | | | | |
| | Net Premium | 1,767 | 2,660 | 1,996 | 7,930 | 7,869 |
| | Income from Investments ² | 763 | 6,988 | (3,267) | 17,027 | 3,259 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | - | - | - | - | - |
| B) | Shareholders : | | | | | |
| | Income from Investments ² | 28,781 | 15,552 | (9,301) | 68,488 | 23,997 |
| | Other Income | - | - | 1,856 | - | 1,856 |

HDFC Life Insurance Company Limited
Segment Reporting (Standalone) for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Sr No. | Particulars | Three Months ended / As at | | | Year ended / As at | |
|----------|--|----------------------------|-------------------|-------------------|--------------------|-------------------|
| | | March 31, 2021 | December 31, 2020 | March 31, 2021 | March 31, 2021 | March 31, 2020 |
| | | (Audited) | (Audited) | (Audited) | (Audited) | (Audited) |
| 2 | Segment Surplus/ Deficit (net of transfer from Shareholders' A/c) : | | | | | |
| | Segment A - Participating - Individual & Group Life | 26,550 | 16,424 | (19,832) | 27,374 | (8,541) |
| | Segment B - Participating - Individual & Group Pension | 205 | (1,130) | (109) | 443 | 4,891 |
| | Segment C - Non Participating - Individual & Group Life | (32,379) | (2,286) | 15,502 | (24,544) | 13,124 |
| | Segment D - Non Participating - Life Group Variable | 187 | 157 | (238) | 394 | (626) |
| | Segment E - Non Participating - Individual & Group Pension | (327) | 1,152 | 206 | 3,292 | 7,522 |
| | Segment F - Non Participating - Pension Group Variable | (731) | (363) | (84) | (1,312) | (313) |
| | Segment G - Non Participating - Individual & Group Annuity | 1,768 | (625) | (751) | 620 | 3,319 |
| | Segment H - Non Participating - Individual & Group Health | 721 | 235 | 271 | 3,082 | 4,891 |
| | Segment I - Unit Linked - Individual Life | 18,671 | 8,946 | 8,109 | 58,214 | 46,930 |
| | Segment J - Unit Linked - Individual Pension | 3,946 | 2,970 | 2,779 | 12,909 | 12,394 |
| | Segment K - Unit Linked - Group Life | 556 | 783 | 179 | 2,940 | 2,599 |
| | Segment L - Unit Linked - Group Pension | 103 | 167 | 91 | 576 | 476 |
| | Total | 19,270 | 26,430 | 6,123 | 83,988 | 86,666 |
| | Shareholders | 27,261 | 13,510 | (6,515) | 62,777 | 20,862 |
| | Grand Total | 46,531 | 39,940 | (392) | 146,765 | 107,528 |
| 3 | Segment Assets: | | | | | |
| | Segment A - Participating - Individual & Group Life | 3,427,824 | 3,309,548 | 2,812,223 | 3,427,824 | 2,812,223 |
| | Segment B - Participating - Individual & Group Pension | 296,853 | 296,047 | 266,423 | 296,853 | 266,423 |
| | Segment C - Non Participating - Individual & Group Life | 2,543,157 | 2,251,146 | 1,650,757 | 2,543,157 | 1,650,757 |
| | Segment D - Non Participating - Life Group Variable | 328,648 | 329,597 | 295,331 | 328,648 | 295,331 |
| | Segment E - Non Participating - Individual & Group Pension | 611,066 | 567,157 | 409,096 | 611,066 | 409,096 |
| | Segment F - Non Participating - Pension Group Variable | 459,898 | 426,240 | 354,510 | 459,898 | 354,510 |
| | Segment G - Non Participating - Individual & Group Annuity | 1,191,472 | 1,059,963 | 777,715 | 1,191,472 | 777,715 |
| | Segment H - Non Participating - Individual & Group Health | 6,101 | 5,479 | 5,693 | 6,101 | 5,693 |
| | Segment I - Unit Linked - Individual Life | 6,123,677 | 5,950,268 | 4,228,828 | 6,123,677 | 4,228,828 |
| | Segment J - Unit Linked - Individual Pension | 654,642 | 684,706 | 614,863 | 654,642 | 614,863 |
| | Segment K - Unit Linked - Group Life | 601,226 | 597,278 | 498,895 | 601,226 | 498,895 |
| | Segment L - Unit Linked - Group Pension | 101,239 | 101,286 | 86,860 | 101,239 | 86,860 |
| | Total | 16,345,803 | 15,578,715 | 12,001,194 | 16,345,803 | 12,001,194 |
| | Shareholder | 912,354 | 878,864 | 667,483 | 912,354 | 667,483 |
| | Unallocated ³ | 48,426 | 58,259 | 49,868 | 48,426 | 49,868 |
| | Grand Total | 17,306,583 | 16,515,838 | 12,718,545 | 17,306,583 | 12,718,545 |
| 4 | Segment Policy Liabilities⁴ : | | | | | |
| | Segment A - Participating - Individual & Group Life | 3,233,440 | 3,110,854 | 2,832,635 | 3,233,440 | 2,832,635 |
| | Segment B - Participating - Individual & Group Pension | 272,455 | 274,348 | 263,729 | 272,455 | 263,729 |
| | Segment C - Non Participating - Individual & Group Life | 2,528,444 | 2,220,695 | 1,643,115 | 2,528,444 | 1,643,115 |
| | Segment D - Non Participating - Life Group Variable | 326,681 | 327,266 | 293,364 | 326,681 | 293,364 |
| | Segment E - Non Participating - Individual & Group Pension | 609,933 | 565,771 | 408,081 | 609,933 | 408,081 |
| | Segment F - Non Participating - Pension Group Variable | 458,224 | 424,186 | 352,854 | 458,224 | 352,854 |
| | Segment G - Non Participating - Individual & Group Annuity | 1,184,165 | 1,054,618 | 778,089 | 1,184,165 | 778,089 |
| | Segment H - Non Participating - Individual & Group Health | 6,234 | 6,026 | 5,853 | 6,234 | 5,853 |
| | Segment I - Unit Linked - Individual Life | 6,150,655 | 5,982,888 | 4,255,269 | 6,150,655 | 4,255,269 |
| | Segment J - Unit Linked - Individual Pension | 654,651 | 684,709 | 614,865 | 654,651 | 614,865 |
| | Segment K - Unit Linked - Group Life | 601,190 | 596,857 | 498,879 | 601,190 | 498,879 |
| | Segment L - Unit Linked - Group Pension | 101,240 | 102,084 | 86,860 | 101,240 | 86,860 |
| | Total | 16,127,312 | 15,350,302 | 12,033,593 | 16,127,312 | 12,033,593 |
| | Shareholders | 923,772 | 891,674 | 679,992 | 923,772 | 679,992 |
| | Unallocated | - | - | - | - | - |
| | Grand Total | 17,051,084 | 16,241,976 | 12,713,585 | 17,051,084 | 12,713,585 |

Note:

1. Segments include:

a. Linked Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

b. Non-Linked:

1. Non-Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

2. Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable

c. Variable insurance shall be further segregated into Life and Pension.

2. Net of provisions for diminution in value of investment.

3. Unallocated row in the segmental assets above includes income tax deposited with tax authorities which is contested by the company and Advance Tax (net of provision for taxation). As per Accounting Standard 17, tax asset cannot be allocated across reporting segments.

4. Segment policy liabilities includes fund for future appropriations and excludes Credit / (Debit) Fair Value Change Account on Policyholders' funds.

The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

HDFC Life Insurance Company Limited

Statement of Audited Standalone half yearly disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Lakhs)

| Particulars | Year ended / As at | |
|---|------------------------------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| | (Audited) | (Audited) |
| 1 Credit Rating and change in credit rating | CRISIL AAA/Stable' and [ICRA] AAA' | NA |
| 2 Asset cover available, in case of non-convertible debt securities ¹ (no of times) | 14.8 | NA |
| 3 Debt Equity Ratio ² (no of times) | 0.1 | NA |
| 4 i) Previous due date for the payment of interest of non-convertible debentures (a) 6.67% NCDs (issued on 29th July 2020) | NA | NA |
| ii) Whether Interest has been paid or not for the above due dates (a) 6.67% NCDs (issued on 29th July 2020) | NA | NA |
| 5 i) Next due date for the payment of Interest of non-convertible debentures (a) 6.67% NCDs (issued on 29th July 2020) | 29th July 2021 | NA |
| ii) Amount for the payment of Interest of non-convertible debentures (a) 6.67% NCDs (issued on 29th July 2020) | 4,002 | NA |
| iii) Next due date for the re-payment of principal of non-convertible debentures ³ (a) 6.67% NCDs (issued on 29th July 2020) | 29th July, 2030 | NA |
| iv) Amount for the re-payment of principal of non-convertible debentures (a) 6.67% NCDs (issued on 29th July 2020) | 60,000 | NA |
| 6 Debt service coverage ratio ⁴ (no of times) | 57.1 | NA |
| 7 Interest service coverage ratio ⁵ (no of times) | 57.1 | NA |
| 8 Outstanding redeemable preference shares (quantity and value) | NA | NA |
| 9 Capital redemption reserve / debenture redemption reserve | NA | NA |
| 10 Net Worth ⁶ | 843,028 | 699,189 |
| 11 Net profit/ loss after tax ⁷ | 136,010 | 129,527 |
| 12 Earnings per share | | |
| a) Basic EPS before and after extraordinary items (net of tax expense) for the period (not annualized for six months) | 6.73 | 6.42 |
| b) Diluted EPS before and after extraordinary items (net of tax expense) for the period (not annualized for six months) | 6.73 | 6.41 |

Notes :

- The Asset Cover Ratio computation is in accordance with the SEBI Circular SEBI/ HO/MIRSD/ CRADT/ CIR/ P/2020/230 dated November 12, 2020 and net assets are excluding Policyholders funds and Funds for Future Appropriations. Assets Cover ratio is computed as net assets divided by total borrowings.
- Debt-Equity Ratio is calculated as Total Borrowings divided by Networth. Net worth is shareholders funds excluding Credit / (Debit) Fair Value Change Account.
- The redemption/maturity date is ten years from the deemed date of allotment, however the company shall have the right to exercise the call option at the end of five years from deemed date of allotment and annually thereafter with prior approval of IRDAI.
- DSCR is calculated as Profit before interest, depreciation and tax divided by interest expense together with principal repayments of long-term debt during the period. Tax for this purpose includes tax of the company reduced by tax pertaining to par segment.
- ISCR is calculated as Profit before interest, depreciation and tax divided by interest expense. Tax for this purpose includes tax of the company reduced by tax pertaining to par segment.
- Net worth is shareholders funds excluding Credit / (Debit) Fair Value Change Account.
- Net profit/ loss after tax is the profit after tax as per shareholders account.
- Disclosures for previous period comparables are not applicable since the company has raised the debt during the year (29th July,2020).

HDFC Life Insurance Company Limited

Other disclosures :

Status of Shareholders Complaints as on March 31, 2021

| Sr No. | Particulars | Number of Complaints |
|---------------|---|-----------------------------|
| 1 | Investor complaints pending at the beginning of the quarter | 0 |
| 2 | Investor complaints received during the quarter ended March 31, 2021 | 2 |
| 3 | Investor complaints disposed of during the quarter ended March 31, 2021 | 1 |
| 4 | Investor complaints remaining unresolved as on March 31, 2021 | 1 |

HDFC Life Insurance Company Limited

Other disclosures :

Status of Investor Complaints for the quarter ended March 31, 2021

| Sr No. | Particulars | Number of Complaints |
|---------------|---|-----------------------------|
| 1 | Investor complaints pending at the beginning of the quarter | NIL |
| 2 | Investor complaints received during the quarter ended March 31, 2021 | NIL |
| 3 | Investor complaints disposed of during the quarter ended March 31, 2021 | NIL |
| 4 | Investor complaints remaining unresolved as on March 31, 2021 | NIL |

Notes:

1. The standalone results of the company for the quarter and year ended March 31, 2021 were reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on April 26, 2021.
2. The standalone financial results have been prepared in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and IRDAI Circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for Life Insurance companies.
3. In view of seasonality of industry, the results of interim period are not necessarily indicative of the results that may be expected of any other interim periods or for the full year.
4. During the quarter and year ended March 31, 2021, the Company has allotted 487,885 equity shares and 2,145,567 equity shares respectively of face value of ₹10 each pursuant to exercise of employee stock options.
5. In light of the COVID-19' pandemic outbreak, its continuous effect and information available upto the date of approval of these financial statements, the Company has assessed the impact of pandemic on its assets, including valuation and impairment of investments, liabilities including policy liability and solvency position. Based on the evaluation, the Company has made
 - (a) adequate impairment provisions on the investments to an extent necessary,
 - (b) additional COVID reserve of ₹ 16,500 lakhs as at the Balance Sheet date, for potential adverse mortality. This reserve is over and above the policy level liabilities calculated based on the applicable IRDAI regulations. The Covid reserve of ₹ 4,100 lakhs set up as at 31st March 2020 has been utilised to pay Covid claims during FY 21.The Company has also assessed its solvency position as at the Balance sheet date and is at 201%, which is above the prescribed regulatory limit of 150%. Further, based on the Company's current assessment of the business operations over next one year, it expects the solvency ratio to continue to remain above the minimum limit prescribed by the Insurance regulator. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.
6. The accounting policies and practices which are material for the purpose of determining results of operations for the year ended March 31, 2021 are consistent with those adopted in the financial statements for the previous financial year ended March 31, 2020 except for the following:
The Company had been consistently following the conservative practice of accounting for provision for lapsation in line with the generally accepted accounting principles. Pursuant to IRDAI letter dated December 08, 2020, the Company has changed its accounting policy of accruing provision for lapsation on premiums due. The change in accounting resulted in an increase in premium income and actuarial reserves with a resultant net impact on profit for the year ended March 31, 2021, which is not material to the financial statements.
7. The Board of Directors have recommended a final dividend of ₹ 2.02 per equity share of face value of ₹10 each in its board meeting held on 26th April, 2021, subject to Shareholders approval in the Annual General Meeting.
8. In accordance with the requirements of IRDAI Master Circular on "Preparation of Financial Statements and Filing Returns of Life Insurance Business" dated December 11, 2013, the Company will publish the financials on the company's website not later than May 25, 2021.
9. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company is in process of evaluating the financial impact, if any.
10. Figures of the previous period have been regrouped wherever necessary, in order to make them comparable.
11. The above standalone financial results have been audited by joint statutory auditors of the Company.

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The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

Mumbai
April 26, 2021

For and on behalf of the Board of Directors

Vibha
Padalkar

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Vibha Padalkar
Managing Director & CEO
(DIN: 01682810)

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G. M. Kapadia & Co.

Chartered Accountants
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213 Nariman Point,
Mumbai – 400021

Auditor’s Report on Consolidated Financial Results for the quarter and year ended March 31, 2021 of HDFC Life Insurance Company Limited (“hereinafter referred to as the Holding Company”), and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”)

To The Board of Directors of
HDFC Life Insurance Company Limited

1. We have audited the accompanying Statement of consolidated financial results of HDFC Life Insurance Company Limited (“hereinafter referred to as the Holding Company”), and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), for the year ended March 31, 2021 and the consolidated Balance sheet and the consolidated receipts and payment account as at and for the year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and IRDA Circular reference: IRDAI/F&I/ REG/ CIR/208/10/2016 dated 25th October 2016 (“Consolidated financial results”) which have been approved by the Board of Directors on April 26, 2021.

Management’s Responsibility for the Consolidated financial results

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

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the year ended Mach 31, 2021 consolidated financial results based on our audit of such consolidated financial statements, which have been prepared by the Holding Company’s Management in accordance with the recognition and measurement principles specified under Section 133 of the Companies Act, 2013 (“the Act”), including the relevant provisions of the Insurance Act, 1938 (the “Insurance Act”), the

Insurance Regulatory and Development Authority Act, 1999 (the “IRDA Act”) and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of these consolidated financial results and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors’ Report of Insurance Companies) Regulations, 2002 (the “Regulations”) and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India (“IRDAI”) to the extent applicable.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
5. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.
6. The consolidated financial results includes the results of the following subsidiaries
 - a) HDFC Pension Management Company Limited, and
 - b) HDFC International Life and Re Company Limited

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results:
 - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI IRDA Circular reference: IRDAI/F&I/REG/CIR/208/10/2016 dated 25th October 2016 in this regard; and
 - ii. give a true and fair view of the consolidated net profit and other financial information for quarter and year ended March 31, 2021 and also the consolidated balance sheet as at March 31, 2021 and the consolidated receipts and payment account for the year ended on that date.

Emphasis of Matter

8. We draw your attention to Note 5 to the consolidated financial results which explains the uncertainties and the management’s assessment of the financial impact due to the COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period. Our opinion is not modified in respect of this matter.

Other Matters

9. The actuarial valuation of liabilities for life policies in force is the responsibility of the Holding Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2021 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists, as contained in the consolidated financial statements of the Group. Our opinion is not modified in respect of this matter.
10. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 3,69,163 (in '000') and net assets of Rs. 2,59,765 (in '000') as at March 31, 2021, total revenue of Rs. 14,700 (in '000') and Rs. 54,995 (in '000'), net profit /(loss) of Rs. (1,646) (in '000') and Rs. 860 (in '000') for the quarter and year ended March 31, 2021 and net cash flows amounting to Rs. 922 (in '000') for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors. Our opinion on the Consolidated financial results is not modified in respect of the above matter.
11. We did not audit the financial statements of one subsidiary located outside India, whose financial statements reflect total assets of Rs. 28,33,646 (in '000') and net assets of Rs. 26,61,060 (in '000') as at March 31, 2021, total revenue of Rs. 2,85,290 (in '000') and Rs. 7,61,432 (in '000'), net profit of Rs. 13,030 (in '000') and Rs. 6,816 (in '000') for the quarter and year ended March 31, 2021 and net cash flows amounting to Rs. 4,33,155 (in '000') for the year ended on that date, have been prepared in accordance with accounting principles generally accepted in their respective country and have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in their respective country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion insofar as it relates to the balances and affairs of such subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us. Our opinion on the Consolidated financial results is not modified in respect of the above matter.
12. The consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year. Our opinion on the Consolidated financial results is not modified in respect of

the above matter.

13. The consolidated financial results are dealt with by this report has been prepared for the purpose of filing with stock exchanges. These Consolidated financial results is based on and should be read with the audited consolidated financial statements of the Group for the year ended March 31, 2021 on which we issued an unmodified audit opinion vide our report dated April 26, 2021.

For Price Waterhouse Chartered Accountants LLP

For G.M.Kapadia & Co.

Chartered Accountants

Firm Registration No.012754N/N500016

Firm Registration No.104767W

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Alpa Kedia

Partner

Membership No. 100681

UDIN 21100681AAAABY9945

Place: Mumbai

Date: April 26, 2021

Rajen Ashar

Partner

Membership No. 048243

UDIN 21048243AAAACD9423

HDFC Life Insurance Company Limited

Statement of Consolidated Audited Results for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Sr. No. | Particulars | Three Months ended / As at | | | Year ended / As at | |
|---------------------------|--|-----------------------------|-------------------|-----------------|--------------------|------------------|
| | | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | | (Unaudited) Refer Note 9 | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| POLICYHOLDERS' A/C | | | | | | |
| 1 | Gross premium income | | | | | |
| | (a) First Year Premium | 2,38,921 | 1,77,224 | 1,72,201 | 6,85,843 | 6,04,427 |
| | (b) Renewal Premium | 6,35,040 | 4,57,698 | 5,52,617 | 18,47,687 | 15,46,844 |
| | (c) Single Premium | 4,17,058 | 3,27,899 | 3,36,665 | 13,24,820 | 11,19,418 |
| 2 | Net premium income ¹ | 12,86,955 | 9,48,884 | 10,47,595 | 38,14,881 | 32,24,498 |
| 3 | Income from investments (Net) ² | 6,01,542 | 11,59,424 | (10,22,992) | 32,67,757 | (3,31,087) |
| 4 | Other income | 6,661 | 3,567 | 10,931 | 18,339 | 24,395 |
| 5 | Contribution of funds from Shareholders' A/c ³ | 24,128 | 988 | 7,479 | 25,856 | 10,475 |
| 6 | Total (2 to 5) | 19,19,286 | 21,12,863 | 43,013 | 71,26,833 | 29,28,281 |
| 7 | Commission on | | | | | |
| | (a) First Year Premium | 43,447 | 33,206 | 29,840 | 1,26,612 | 1,08,205 |
| | (b) Renewal Premium | 9,215 | 6,816 | 8,301 | 27,708 | 24,053 |
| | (c) Single Premium | 5,351 | 4,114 | 4,263 | 13,302 | 14,119 |
| | Rewards | 1,738 | 684 | 490 | 3,418 | 2,741 |
| 8 | Net Commission⁴ | 59,751 | 44,820 | 42,894 | 1,71,040 | 1,49,118 |
| 9 | Operating Expenses related to insurance business (a+b) | | | | | |
| | (a) Employees remuneration and welfare expenses | 53,103 | 43,735 | 43,668 | 1,67,558 | 1,67,696 |
| | (b) Other operating expenses ⁵ | 97,908 | 86,995 | 81,550 | 2,91,039 | 2,58,994 |
| 10 | Expenses of Management (8+9) | 2,10,762 | 1,75,550 | 1,68,112 | 6,29,637 | 5,75,808 |
| 11 | Provisions for doubtful debts (including bad debts written off) | - | - | - | - | - |
| 12 | Provisions for diminution in value of investments ⁶ | (9,010) | (4,452) | 37,585 | (18,854) | 56,742 |
| 13 | Goods & Services Tax on linked charges | 9,575 | 8,997 | 9,300 | 35,675 | 35,324 |
| 14 | Provision for taxes | 18,381 | 4,134 | 12,218 | 27,439 | 14,903 |
| 15 | Benefits Paid ⁷ (Net) | 8,84,243 | 6,19,640 | 5,33,256 | 22,61,255 | 19,03,504 |
| 16 | Change in actuarial liability | 7,62,268 | 12,82,778 | (7,31,647) | 40,82,963 | 2,44,076 |
| 17 | Total (10+11+12+13+14+15+16) | 18,76,219 | 20,86,647 | 28,824 | 70,18,115 | 28,30,357 |
| 18 | Surplus/Deficit (6-17) | 43,067 | 26,216 | 14,189 | 1,08,718 | 97,924 |
| 19 | Appropriations | | | | | |
| | (a) Transferred to Shareholders A/c | 28,327 | 12,772 | 45,750 | 97,964 | 1,19,921 |
| | (b) Funds for Future Appropriations | 14,740 | 13,444 | (31,561) | 10,754 | (21,997) |
| 20 | Details of Surplus / Deficit | | | | | |
| | (a) Interim bonus paid | 11,715 | 4,968 | 2,019 | 20,182 | 5,850 |
| | (b) Terminal bonus paid | 22,280 | 11,680 | 22,296 | 59,228 | 78,994 |
| | (c) Allocation of bonus to policyholders | 74,153 | - | 80,285 | 74,153 | 80,285 |
| | (d) Surplus shown in the Revenue Account | 43,067 | 26,216 | 14,189 | 1,08,718 | 97,924 |
| | Total Surplus | 1,51,215 | 42,864 | 1,18,789 | 2,62,281 | 2,63,053 |
| SHAREHOLDERS' A/C | | | | | | |
| 21 | Transfer from Policyholders' Account | 28,327 | 12,772 | 45,750 | 97,964 | 1,19,921 |
| 22 | Net Reinsurance Premium | 2,746 | 1,428 | 675 | 4,538 | 2,234 |
| 23 | Total income under Shareholders' Account | - | - | - | - | - |
| | (a) Investment Income ⁴ | 27,317 | 14,477 | 8,820 | 65,627 | 44,629 |
| | (b) Other income | 95 | 85 | 1,911 | 310 | 1,986 |
| 24 | Reinsurance Claims incurred | 1,305 | 430 | 353 | 1,762 | 1,511 |
| 25 | Expenses relating to reinsurance business & Change in reinsurance contract liabilities (net of reinsurance assets) | 1,115 | 87 | 1,065 | 2,212 | 1,834 |
| 26 | Expenses other than those related to insurance business ⁵ | 2,568 | 1,990 | 1,915 | 6,912 | 3,773 |
| 27 | Transfer of funds to Policyholders' Account | 24,128 | 988 | 7,479 | 25,856 | 10,475 |
| 28 | Provisions for doubtful debts (including write off) | - | - | - | - | - |
| 29 | Provisions for diminution in value of investments ⁶ | (1,652) | (1,279) | 17,903 | (3,731) | 19,785 |
| 30 | Profit before tax | 31,021 | 26,546 | 28,441 | 1,35,428 | 1,31,392 |
| 31 | Provisions for tax | (885) | 202 | (2,724) | (659) | 1,647 |
| 32 | Profit after tax and before Extraordinary items | 31,906 | 26,344 | 31,165 | 1,36,087 | 1,29,745 |
| 33 | Profit after tax and Extraordinary items | 31,906 | 26,344 | 31,165 | 1,36,087 | 1,29,745 |
| 34 | Dividend per share (₹) (Nominal value ₹ 10 per share) | | | | | |
| | (a) Interim Dividend | - | - | - | - | - |
| | (b) Final Dividend | - | - | - | - | - |
| 35 | Profit carried to Balance Sheet ⁷ | 5,92,430 | 5,60,524 | 4,56,343 | 5,92,430 | 4,56,343 |
| 36 | Paid up equity share capital | 2,02,094 | 2,02,046 | 2,01,880 | 2,02,094 | 2,01,880 |
| 37 | Reserve & Surplus (excluding Revaluation Reserve) | 6,40,944 | 6,06,677 | 4,97,420 | 6,40,944 | 4,97,420 |
| 38 | Fair Value Change Account and Revaluation Reserve (Shareholders) | 20,744 | 22,814 | (19,197) | 20,744 | (19,197) |
| 39 | Total Assets: | | | | | |
| | (a) Investments: | | | | | |
| | - Shareholders' | 8,52,364 | 8,24,098 | 5,88,503 | 8,52,364 | 5,88,503 |
| | - Policyholders Fund excluding Linked Assets | 90,53,783 | 84,11,298 | 67,18,861 | 90,53,783 | 67,18,861 |
| | - Assets held to cover Linked Liabilities (Linked Assets) | 74,75,950 | 73,30,062 | 54,18,208 | 74,75,950 | 54,18,208 |
| | (b) Other Assets (Net of current liabilities and provisions) | (69,976) | (45,098) | (2,180) | (69,976) | (2,180) |

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

| | | | | | |
|-------------------------------|--------|--------|--------|----------|----------|
| Advertisement and publicity | 44,315 | 36,327 | 33,024 | 1,41,011 | 1,06,957 |
| Business development expenses | 29,428 | 27,825 | 23,464 | 66,590 | 61,209 |

Foot notes :

- 1 Net of reinsurance
- 2 Net of amortisation and losses (including capital gains)
- 3 Includes contribution of funds from shareholders accounts towards excess EOM
- 4 Inclusive of interim and terminal bonus
- 5 Includes Remuneration of MD/CEOs/WTDs over specified limits
- 6 Inclusive of provision for standard and non-standard assets
- 7 Represents accumulated surplus

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| HDFC Life Insurance Company Limited | | |
|---|-----------------------|-----------------------|
| Consolidated Balance Sheet as at March 31, 2021 | | |
| (₹ in Lakhs) | | |
| Particulars | As at | |
| | March 31, 2021 | March 31, 2020 |
| | (Audited) | (Audited) |
| SOURCES OF FUNDS | | |
| SHAREHOLDERS' FUNDS: | | |
| Share Capital | 2,02,094 | 2,01,880 |
| Share application money received pending allotment of shares | 197 | 559 |
| Reserves and Surplus | 6,40,944 | 4,97,420 |
| Credit / (Debit) Fair Value Change Account | 20,744 | (19,197) |
| Sub-Total | 8,63,979 | 6,80,662 |
| BORROWINGS | | |
| | 60,000 | - |
| POLICYHOLDERS' FUNDS: | | |
| Credit / (Debit) Fair Value Change Account | 2,55,501 | 4,960 |
| Policy Liabilities | | - |
| i) relating to Life insurance business | 85,52,302 | 65,27,082 |
| ii) relating to Reinsurance business | 5,330 | 4,177 |
| Insurance Reserve | - | - |
| Provision for Linked Liabilities | 54,30,538 | 54,37,675 |
| Add: Fair value change | 16,65,814 | (3,53,256) |
| Provision for Linked Liabilities | 70,96,352 | 50,84,419 |
| Funds for discontinued policies | | |
| (a) Discontinued on account of non-payment of premium | 3,77,616 | 3,32,790 |
| (b) Others | 1,982 | 999 |
| Total Provision for Linked & Discontinued Policyholders Liabilities | 74,75,950 | 54,18,208 |
| Sub-Total | 1,62,89,083 | 1,19,54,427 |
| Funds for Future Appropriations | 99,058 | 88,303 |
| TOTAL | 1,73,12,120 | 1,27,23,392 |
| APPLICATION OF FUNDS | | |
| INVESTMENTS: | | |
| Shareholders' | 8,52,364 | 5,88,503 |
| Policyholders' | 90,53,783 | 67,18,861 |
| Asset held to cover Linked Liabilities | 74,75,950 | 54,18,208 |
| LOANS | 42,405 | 29,905 |
| FIXED ASSETS | 34,152 | 33,071 |
| CURRENT ASSETS | | |
| Cash and Bank Balances | 1,09,926 | 69,075 |
| Advances and Other Assets | 3,95,545 | 3,64,763 |
| Sub-Total (A) | 5,05,471 | 4,33,838 |
| CURRENT LIABILITIES | | |
| | 6,44,004 | 4,91,389 |
| PROVISIONS | 8,001 | 7,605 |
| Sub-Total (B) | 6,52,005 | 4,98,994 |
| NET CURRENT ASSETS (C) = (A - B) | (1,46,534) | (65,156) |
| Miscellaneous Expenditure (to the extent not written off or adjusted) | - | - |
| Debit Balance in Profit and Loss Account (Shareholders' Account) | - | - |
| TOTAL | 1,73,12,120 | 1,27,23,392 |
| Contingent liabilities | 1,85,690 | 2,18,966 |

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The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

| HDFC Life Insurance Company Limited | | | |
|--|--|-------------------|-------------------|
| Consolidated Receipts and Payments Account for the Year ended March 31, 2021 | | | |
| (₹ in Lakhs) | | | |
| Sr. No. | Particulars | Year ended/As at | |
| | | March 31,2021 | March 31,2020 |
| | | (Audited) | (Audited) |
| A. | Cash Flows from the operating activities: | | |
| 1 | Premium received from policyholders, including advance receipts | 39,68,308 | 33,60,528 |
| 2 | Other receipts | 17,067 | 24,770 |
| 3 | Payments to the re-insurers, net of commissions and claims/ Benefits | (23,281) | (709) |
| 4 | Payments of claims/benefits | (22,68,819) | (19,08,226) |
| 5 | Payments of commission and brokerage | (1,65,408) | (1,59,075) |
| 6 | Payments of other operating expenses ¹ | (4,71,676) | (4,86,839) |
| 7 | Preliminary and pre-operative expenses | - | - |
| 8 | Deposits, advances and staff loans | 2,191 | 114 |
| 9 | Income taxes paid (net) | (25,340) | (27,847) |
| 10 | Goods and Services Tax/ Service tax paid | (62,758) | (63,949) |
| 11 | Other payments | - | - |
| 12 | Cash flows before extraordinary items | 9,70,284 | 7,38,767 |
| 13 | Cash flow from extraordinary operations | - | - |
| | Net cash flow from operating activities | 9,70,284 | 7,38,767 |
| B | Cash flows from investing activities: | | |
| 1 | Purchase of fixed assets | (6,121) | (3,858) |
| 2 | Proceeds from sale of fixed assets | 94 | 173 |
| 3 | Purchases of investments | (91,13,257) | (1,06,73,218) |
| 4 | Loans disbursed | - | - |
| 5 | Loan against policies | (12,500) | (21,946) |
| 6 | Sales of investments | 76,94,656 | 92,01,045 |
| 7 | Repayments received | - | - |
| 8 | Rents/Interests/ Dividends received | 8,34,090 | 6,30,962 |
| 9 | Investments in money market instruments and in liquid mutual funds (net) | (2,91,573) | 86,191 |
| 10 | Expenses related to investments | (17) | (33) |
| | Net cash flow from investing activities | (8,94,628) | (7,80,684) |
| C | Cash flows from financing activities: | | |
| 1 | Proceeds from issuance of share capital | 7,632 | 3,277 |
| 2 | Proceeds from borrowing | 60,000 | - |
| 3 | Repayments of borrowing | - | - |
| 4 | Interest/dividends paid | - | - |
| 5 | Share application Money | 197 | 519 |
| | Net cash flow from financing activities | 67,829 | 3,796 |
| D | Effect of foreign exchange rates on cash and cash equivalents, (net) | (540) | 1,755 |
| E | Net increase in cash and cash equivalents: | 1,42,945 | (36,366) |
| 1 | Cash and cash equivalents at the beginning of the period | 5,78,901 | 6,15,267 |
| 2 | Cash and cash equivalents at the end of the period | 7,21,846 | 5,78,901 |
| | Note - Components of Cash and cash equivalents at end of the period: | | |
| | Cash and cheques in hand | 9,857 | 141 |
| | Bank Balances * | 99,080 | 68,231 |
| | Fixed Deposit (less than 3 months) | 12,702 | 24,405 |
| | Money Market Instruments | 6,00,207 | 4,86,124 |
| | Total Cash and cash equivalents | 7,21,846 | 5,78,901 |
| | Reconciliation of Cash & Cash Equivalents with Cash & Bank Balance: | | |
| | Cash & Cash Equivalents | 7,21,846 | 5,78,901 |
| | Add: Deposit Account - Others | 56 | 57 |
| | Less: Fixed Deposit (less than 3 months) | (12,702) | (24,405) |
| | Less: Money market instruments | (6,00,207) | (4,86,124) |
| | Add: Point of Presence Funds held in trust | 933 | 646 |
| | Cash & Bank Balances | 1,09,926 | 69,075 |
| | * Bank Balances includes Unclaimed Dividend of ₹ 18 lakhs (₹ 18 lakhs at March 31, 2020) | | |

The above Receipts and Payments Account has been prepared as prescribed by Insurance Regulatory and Development Authority (Preparation of financial statements and auditor's report of insurance companies) Regulations, 2002 under the Direct method in accordance with Accounting Standard 3 Cash Flow Statements.

Notes :

- 1 Includes cash paid towards Corporate Social Responsibility expenditure ₹ 1,489 lakhs (previous year ended March 31, 2020: ₹1,977 lakhs).

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The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26,2021.

| HDFC Life Insurance Company Limited | | | | | |
|---|-----------------------------|-------------------|----------------|------------------|----------------|
| Statement of Consolidated Audited results for the Quarter and Year ended March 31, 2021 | | | | | |
| (₹ in Lakhs) | | | | | |
| Particulars | Three Months ended / As at | | | Year ended/As at | |
| | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | (Unaudited) Refer Note 9 | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| Analytical Ratios: | | | | | |
| (i) Solvency Ratio | 201% | 202% | 184% | 201% | 184% |
| (ii) Expenses of Management Ratio | 16.3% | 18.3% | 15.9% | 16.3% | 17.6% |
| (iii) Policyholder's liabilities to shareholders' fund | 1896.8% | 1879.3% | 1769.3% | 1896.8% | 1769.3% |
| (iv) Earnings per share (in ₹): | | | | | |
| a) Basic EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three months) | 1.58 | 1.30 | 1.54 | 6.74 | 6.43 |
| b) Diluted EPS before and after extraordinary items (net of tax expense) for the period (not annualized for three months) | 1.58 | 1.30 | 1.54 | 6.73 | 6.42 |
| (v) NPA ratios: (for Policyholders' fund) | | | | | |
| a) Gross NPAs | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | 5250.00 | 5125.00 | 5125.00 | 5250.00 | 5125.00 |
| Net NPAs | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| b) % of Gross NPAs | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% |
| % of Net NPA | | | | | |
| - Non Linked | | | | | |
| Par | NIL | NIL | NIL | NIL | NIL |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| - Linked | | | | | |
| Non Par | NIL | NIL | NIL | NIL | NIL |
| (vi) Yield on Investments (on Policyholders' fund) | | | | | |
| A. Without unrealised gains | | | | | |
| - Non Linked | | | | | |
| Par | 2.5% | 1.9% | -0.2% | 8.5% | 7.0% |
| Non Par | 2.3% | 2.4% | 2.4% | 9.5% | 9.6% |
| - Linked | | | | | |
| Non Par | 3.1% | 2.2% | 1.2% | 8.6% | 6.3% |
| B. With unrealised gains | | | | | |
| - Non Linked | | | | | |
| Par | 0.5% | 7.0% | -2.8% | 16.3% | 5.4% |
| Non Par | -1.0% | 4.2% | 4.8% | 7.2% | 15.0% |
| - Linked | | | | | |
| Non Par | 5.3% | 14.9% | -17.3% | 47.2% | -14.6% |
| (vii) NPA ratios: (for Shareholders' fund) | | | | | |
| a) Gross NPAs | NIL | NIL | NIL | NIL | NIL |
| Net NPAs | NIL | NIL | NIL | NIL | NIL |
| b) % of Gross NPAs | NIL | NIL | NIL | NIL | NIL |
| % of Net NPAs | NIL | NIL | NIL | NIL | NIL |
| (viii) Yield on Investments (on Shareholders' fund) | | | | | |
| A. Without unrealised gains | 3.3% | 1.8% | 0.1% | 8.9% | 6.5% |
| B. With unrealised gains | 1.1% | 5.8% | -3.7% | 15.4% | 2.9% |
| (ix) Persistency Ratio | | | | | |
| 13th month | 91.4% | 92.9% | 88.4% | 91.7% | 90.1% |
| 25th month | 83.7% | 82.6% | 80.5% | 84.2% | 80.2% |
| 37th month | 76.3% | 72.1% | 71.8% | 74.7% | 73.8% |
| 49th month | 68.6% | 67.4% | 65.9% | 69.6% | 67.2% |
| 61st month | 54.6% | 51.8% | 54.6% | 54.4% | 55.0% |
| (x) Conservation Ratio | | | | | |
| Participating life- Individual & group | 89.3% | 91.6% | 82.1% | 87.6% | 83.7% |
| Participating pension- Individual & group | 92.2% | 104.5% | 84.1% | 90.0% | 90.8% |
| Non Participating life- Individual & group | 87.7% | 86.3% | 69.9% | 86.4% | 70.0% |
| Non Participating pension- Individual & Group | 70.7% | 87.4% | 77.1% | 77.1% | 79.5% |
| Non Participating - Life Group Variable | NA | NA | NA | NA | NA |
| Non Participating - Pension group variable | NA | NA | NA | NA | NA |
| Non Participating fund - Individual & Group Annuity | NA | NA | NA | NA | NA |
| Non Participating fund - Individual & Group Health | 90.5% | 77.9% | 59.7% | 83.4% | 62.7% |
| Unit Linked - Individual life | 87.5% | 83.7% | 79.2% | 85.7% | 81.6% |
| Unit Linked - Individual pension | 74.3% | 70.0% | 69.7% | 71.9% | 74.6% |
| Unit Linked - Group life | NA | NA | NA | NA | NA |
| Unit Linked - Group pension | NA | NA | NA | NA | NA |

Notes :

- Analytical ratios have been calculated as per definition given in IRDAI Analytical ratios disclosure.
- The persistency ratios are calculated in accordance with the IRDAI circular no. IRDA/ACT/CIR/MISC/035/01/2014 dated January 23, 2014 and hence are with a lag of one month.
- Group business, where persistency is measurable, has been included in the calculations. Rural business policies issued from FY 2018-19 onwards are included in persistency ratio calculations.
- The persistency ratios for the quarter ended March 31, 2021 have been calculated for the policies issued in the December to February period of the relevant years. E.g.: the 13th month persistency for the current quarter is calculated for the policies issued from December 2019 to February 2020. The persistency ratios for quarter ended December 31, 2020 and March 31, 2020 have been calculated in a similar manner.
- The persistency ratios for the year ended March 31, 2021 have been calculated for the policies issued in the March to February period of the relevant years. E.g.: the 13th month persistency for the current year is calculated for the policies issued from March 2019 to February 2020. The persistency ratios for the previous year ended March 31, 2020 have been calculated in a similar manner.

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HDFC Life Insurance Company Limited

Consolidated Segment Reporting for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Sr. No. | | Three Months ended / As at | | | Year ended / As at | |
|---------|---|-----------------------------|-------------------|----------------|--------------------|----------------|
| | | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | | (Unaudited) Refer Note 9 | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| 1 | Segment Income | | | | | |
| A) | Policyholders : | | | | | |
| | Segment A - Participating - Individual & Group Life : | | | | | |
| | Net Premium | 2,73,045 | 1,96,337 | 2,19,239 | 7,46,872 | 5,83,500 |
| | Income from Investments ² | 90,556 | 61,591 | (41,122) | 2,67,499 | 1,36,368 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 4,841 | 2,046 | 5,265 | 12,207 | 13,610 |
| | Segment B - Participating - Individual & Group Pension : | | | | | |
| | Net Premium | 6,037 | 5,357 | 6,550 | 18,281 | 20,260 |
| | Income from Investments ² | 5,288 | 6,043 | 1,245 | 22,704 | 22,311 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 258 | 145 | 155 | 493 | 304 |
| | Segment C - Non Participating - Individual & Group Life : | | | | | |
| | Net Premium | 4,07,075 | 2,93,969 | 2,63,920 | 11,53,160 | 9,02,006 |
| | Income from Investments ² | 59,428 | 58,550 | 40,645 | 2,08,452 | 1,34,045 |
| | Transfer of Funds from shareholders' account | 24,544 | - | 7,158 | 24,544 | 9,536 |
| | Other Income | 810 | 613 | 541 | 2,535 | 2,293 |
| | Segment D - Non Participating - Life Group Variable : | | | | | |
| | Net Premium | 9,703 | 6,707 | 10,349 | 46,244 | 84,514 |
| | Income from Investments ² | 6,159 | 6,201 | 5,728 | 24,188 | 21,963 |
| | Transfer of Funds from shareholders' account | - | - | 238 | - | 626 |
| | Other Income | - | - | - | - | - |
| | Segment E - Non Participating - Individual & Group Pension : | | | | | |
| | Net Premium | 36,498 | 11,723 | 32,625 | 1,74,408 | 73,302 |
| | Income from Investments ² | 9,957 | 10,799 | 7,521 | 38,867 | 28,587 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 10 | 6 | 1 | 29 | 24 |
| | Segment F - Non Participating - Pension Group Variable : | | | | | |
| | Net Premium | 40,830 | 42,736 | 46,272 | 1,55,676 | 1,64,664 |
| | Income from Investments ² | 7,375 | 7,311 | 6,919 | 28,928 | 27,485 |
| | Transfer of Funds from shareholders' account | 731 | 363 | 83 | 1,312 | 313 |
| | Other Income | - | - | - | - | - |
| | Segment G - Non Participating - Individual & Group Annuity : | | | | | |
| | Net Premium | 1,30,672 | 93,564 | 85,469 | 3,92,720 | 2,69,358 |
| | Income from Investments ² | 21,129 | 20,388 | 13,424 | 77,754 | 60,045 |
| | Transfer of Funds from shareholders' account | (1,147) | 625 | - | - | - |
| | Other Income | 19 | 16 | (13) | 68 | 57 |
| | Segment H - Non Participating - Individual & Group Health : | | | | | |
| | Net Premium | 1,549 | 1,052 | 2,311 | 5,291 | 9,478 |
| | Income from Investments ² | 124 | 121 | 153 | 573 | 623 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 4 | 3 | (35) | 16 | (18) |
| | Segment I - Unit Linked - Individual Life : | | | | | |
| | Net Premium | 3,42,854 | 2,45,693 | 3,28,112 | 9,82,517 | 9,59,915 |
| | Income from Investments ² | 3,81,980 | 8,52,881 | (9,55,921) | 22,80,991 | (7,65,401) |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 714 | 735 | 5,021 | 2,986 | 8,116 |
| | Segment J - Unit Linked - Individual Pension : | | | | | |
| | Net Premium | 16,881 | 11,692 | 21,017 | 51,797 | 68,971 |
| | Income from Investments ² | 24,284 | 93,939 | (1,22,098) | 2,26,325 | (74,855) |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | 3 | 1 | (5) | 7 | 8 |
| | Segment K - Unit Linked - Group Life : | | | | | |
| | Net Premium | 20,044 | 37,394 | 29,733 | 79,985 | 80,662 |
| | Income from Investments ² | 3,657 | 39,096 | (13,759) | 93,501 | 21,399 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | - | - | - | - | - |
| | Segment L - Unit Linked - Group Pension : | | | | | |
| | Net Premium | 1,767 | 2,660 | 1,996 | 7,930 | 7,869 |
| | Income from Investments ² | 763 | 6,988 | (3,267) | 17,027 | 3,259 |
| | Transfer of Funds from shareholders' account | - | - | - | - | - |
| | Other Income | - | - | - | - | - |
| B) | Shareholders : | | | | | |
| | Income from Investments ² | 28,969 | 15,755 | (9,082) | 69,358 | 24,844 |
| | Other Income | 95 | 85 | 1,911 | 310 | 1,986 |

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HDFC Life Insurance Company Limited

Consolidated Segment Reporting for the Quarter and Year ended March 31, 2021

(₹ in Lakhs)

| Sr No. | Particulars | Three Months ended / As at | | | Year ended | |
|----------|--|----------------------------|--------------------|--------------------|--------------------|--------------------|
| | | March 31, 2021 | December 31, 2020 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | | (Unaudited) Refer Note 9 | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| 2 | Segment Surplus/ Deficit (net of transfer from shareholders' A/c) : | | | | | |
| | Segment A - Participating - Individual & Group Life | 26,550 | 16,424 | (19,832) | 27,374 | (8,541) |
| | Segment B - Participating - Individual & Group Pension | 205 | (1,130) | (109) | 443 | 4,891 |
| | Segment C - Non Participating - Individual & Group Life | (32,712) | (3,490) | 16,085 | (25,670) | 13,905 |
| | Segment D - Non Participating - Life Group Variable | 187 | 157 | (238) | 394 | (626) |
| | Segment E - Non Participating - Individual & Group Pension | (327) | 1,152 | 206 | 3,292 | 7,522 |
| | Segment F - Non Participating - Pension Group Variable | (731) | (363) | (84) | (1,312) | (313) |
| | Segment G - Non Participating - Individual & Group Annuity | 1,768 | (625) | (751) | 620 | 3,319 |
| | Segment H - Non Participating - Individual & Group Health | 721 | 235 | 271 | 3,082 | 4,891 |
| | Segment I - Unit Linked - Individual Life | 18,671 | 8,946 | 8,109 | 58,214 | 46,930 |
| | Segment J - Unit Linked - Individual Pension | 3,946 | 2,970 | 2,779 | 12,909 | 12,394 |
| | Segment K - Unit Linked - Group Life | 556 | 783 | 179 | 2,940 | 2,599 |
| | Segment L - Unit Linked - Group Pension | 103 | 167 | 91 | 576 | 476 |
| | Total | 18,937 | 25,226 | 6,706 | 82,862 | 87,447 |
| | Shareholders | 27,707 | 14,560 | (7,104) | 63,979 | 20,299 |
| | Grant Total | 46,644 | 39,786 | (398) | 1,46,841 | 1,07,746 |
| 3 | Segment Assets: | | | | | |
| | Segment A - Participating - Individual & Group Life | 34,27,824 | 33,09,548 | 28,12,223 | 34,27,824 | 28,12,223 |
| | Segment B - Participating - Individual & Group Pension | 2,96,853 | 2,96,047 | 2,66,423 | 2,96,853 | 2,66,423 |
| | Segment C - Non Participating - Individual & Group Life | 25,42,156 | 22,49,559 | 16,50,373 | 25,42,156 | 16,50,373 |
| | Segment D - Non Participating - Life Group Variable | 3,28,648 | 3,29,597 | 2,95,331 | 3,28,648 | 2,95,331 |
| | Segment E - Non Participating - Individual & Group Pension | 6,11,066 | 5,67,157 | 4,09,096 | 6,11,066 | 4,09,096 |
| | Segment F - Non Participating - Pension Group Variable | 4,59,898 | 4,26,240 | 3,54,510 | 4,59,898 | 3,54,510 |
| | Segment G - Non Participating - Individual & Group Annuity | 11,91,472 | 10,59,963 | 7,77,715 | 11,91,472 | 7,77,715 |
| | Segment H - Non Participating - Individual & Group Health | 6,101 | 5,479 | 5,693 | 6,101 | 5,693 |
| | Segment I - Unit Linked - Individual Life | 61,23,677 | 59,50,268 | 42,28,828 | 61,23,677 | 42,28,828 |
| | Segment J - Unit Linked - Individual Pension | 6,54,642 | 6,84,706 | 6,14,863 | 6,54,642 | 6,14,863 |
| | Segment K - Unit Linked - Group Life | 6,01,226 | 5,97,278 | 4,98,895 | 6,01,226 | 4,98,895 |
| | Segment L - Unit Linked - Group Pension | 1,01,239 | 1,01,286 | 86,860 | 1,01,239 | 86,860 |
| | Total | 1,63,44,802 | 1,55,77,128 | 1,20,00,810 | 1,63,44,802 | 1,20,00,810 |
| | Shareholders | 9,18,893 | 8,84,974 | 6,72,813 | 9,18,893 | 6,72,813 |
| | Unallocated ³ | 48,426 | 58,259 | 49,868 | 48,426 | 49,868 |
| | Grant Total | 1,73,12,121 | 1,65,20,361 | 1,27,23,491 | 1,73,12,121 | 1,27,23,491 |
| 4 | Segment Policy Liabilities⁴: | | | | | |
| | Segment A - Participating - Individual & Group Life | 32,33,440 | 31,10,854 | 28,32,635 | 32,33,440 | 28,32,635 |
| | Segment B - Participating - Individual & Group Pension | 2,72,455 | 2,74,348 | 2,63,729 | 2,72,455 | 2,63,729 |
| | Segment C - Non Participating - Individual & Group Life | 25,28,444 | 22,20,695 | 16,43,115 | 25,28,444 | 16,43,115 |
| | Segment D - Non Participating - Life Group Variable | 3,26,681 | 3,27,266 | 2,93,364 | 3,26,681 | 2,93,364 |
| | Segment E - Non Participating - Individual & Group Pension | 6,09,933 | 5,65,771 | 4,08,081 | 6,09,933 | 4,08,081 |
| | Segment F - Non Participating - Pension Group Variable | 4,58,224 | 4,24,186 | 3,52,854 | 4,58,224 | 3,52,854 |
| | Segment G - Non Participating - Individual & Group Annuity | 11,84,165 | 10,54,618 | 7,78,089 | 11,84,165 | 7,78,089 |
| | Segment H - Non Participating - Individual & Group Health | 6,234 | 6,026 | 5,853 | 6,234 | 5,853 |
| | Segment I - Unit Linked - Individual Life | 61,50,655 | 59,82,888 | 42,55,269 | 61,50,655 | 42,55,269 |
| | Segment J - Unit Linked - Individual Pension | 6,54,651 | 6,84,709 | 6,14,865 | 6,54,651 | 6,14,865 |
| | Segment K - Unit Linked - Group Life | 6,01,190 | 5,96,857 | 4,98,879 | 6,01,190 | 4,98,879 |
| | Segment L - Unit Linked - Group Pension | 1,01,240 | 1,02,084 | 86,860 | 1,01,240 | 86,860 |
| | Total | 1,61,27,312 | 1,53,50,302 | 1,20,33,593 | 1,61,27,312 | 1,20,33,593 |
| | Shareholders | 9,29,310 | 8,96,197 | 6,84,839 | 9,29,310 | 6,84,839 |
| | Unallocated | - | - | - | - | - |
| | Grand Total | 1,70,56,622 | 1,62,46,499 | 1,27,18,432 | 1,70,56,622 | 1,27,18,432 |

Note:

- Segments include:
 - Linked Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
 - Non-Linked:
 - Non-Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
 - Participating Policies: (i) Life (ii) General Annuity and Pension (iii) Health (iv) Variable
- Variable insurance shall be further segregated into Life and Pension.
- Net of provisions for diminution in value of investment.
- Unallocated row in the segmental assets above includes income tax deposited with tax authorities which is contested by the company and Advance Tax (net of provision for taxation). As per Accounting Standard 17, tax asset cannot be allocated across reporting segments.
- Segment policy liabilities includes fund for future appropriations and excludes Credit / (Debit) Fair Value Change Account on Policyholders' funds.

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HDFC Life Insurance Company Limited

Other disclosures :

Status of Shareholders Complaints as on March 31,2021

| Sr No. | Particulars | Number of Complaints |
|---------------|---|-----------------------------|
| 1 | Investor complaints pending at the beginning of the quarter | 0 |
| 2 | Investor complaints received during the quarter ended March 31, 2021 | 2 |
| 3 | Investor complaints disposed of during the quarter ended March 31, 2021 | 1 |
| 4 | Investor complaints remaining unresolved as on March 31, 2021 | 1 |

HDFC Life Insurance Company Limited

Other disclosures :

Status of Investor Complaints for the quarter ended March 31, 2021

| Sr No. | Particulars | Number of Complaints |
|--------|---|----------------------|
| 1 | Investor complaints pending at the beginning of the quarter | NIL |
| 2 | Investor complaints received during the quarter ended March 31, 2021 | NIL |
| 3 | Investor complaints disposed of during the quarter ended March 31, 2021 | NIL |
| 4 | Investor complaints remaining unresolved as on March 31, 2021 | NIL |

Notes:

1. The above consolidated financial results of the group for the quarter and year ended March 31, 2021 were reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on April 26, 2021.
2. These consolidated financial results have been prepared in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and IRDAI Circular IRDA/F&I/REG/CIR/208/10/2016 dated October 25, 2016 on publication of financial results for Life Insurance companies.
3. In view of seasonality of industry, the results of interim period are not necessarily indicative of the results that may be expected of any other interim periods or for the full year.
4. During the quarter and year ended March 31, 2021, the Holding Company has allotted 487,885 equity shares and 2,145,567 equity shares respectively of face value of ₹10 each pursuant to exercise of employee stock options.
5. In light of the COVID-19' pandemic outbreak, its continuous effect and information available upto the date of approval of these financial statements, the Group has assessed the impact of pandemic on its assets, including valuation and impairment of investments, liabilities including policy liability and solvency position. Based on the evaluation, the Group has made
 - (a) adequate impairment provisions on the investments to an extent necessary,
 - (b) additional COVID reserve of ₹ 16,500 lakhs as at the Balance Sheet date, for potential adverse mortality. This reserve is over and above the policy level liabilities calculated based on the applicable IRDAI regulations. The Covid reserve of ₹ 4,100 lakhs set up as at 31st March 2020 has been utilised to pay Covid claims during FY 21.The Holding Company has also assessed its solvency position as at the Balance sheet date and is at 201%, which is above the prescribed regulatory limit of 150%. Further, based on the Holding Company's current assessment of the business operations over next one year, it expects the solvency ratio to continue to remain above the minimum limit prescribed by the Insurance regulator. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. The Group will continue to closely monitor any material changes to future economic conditions.
6. The accounting policies and practices which are material for the purpose of determining results of operations for the year ended March 31, 2021 are consistent with those adopted in the financial statements for the previous financial year ended March 31, 2020 except for the following:
The Holding Company had been consistently following the conservative practice of accounting for provision for lapsation in line with the generally accepted accounting principles. Pursuant to IRDAI letter dated December 08, 2020, the Holding Company has changed its accounting policy of accruing provision for lapsation on premiums due. The change in accounting resulted in an increase in premium income and actuarial reserves with a resultant net impact on profit for the year ended March 31, 2021, which is not material to the financial statements.
7. The Board of Directors have recommended a final dividend of ₹ 2.02 per equity share of face value of Rs. 10 each in its board meeting held on 26th April, 2021, subject to Shareholders approval in the Annual General Meeting.
8. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group is in process of evaluating the impact, if any.
9. The amounts for the quarter ended March 31, 2021 are balancing amounts between the amounts as per audited accounts for the year ended March 31, 2021 and published unaudited year to date figures upto nine months ended December 31, 2020 which were subjected to review by the joint statutory auditors of the Company
10. Figures of the previous period have been regrouped wherever necessary, in order to make them comparable.
11. The above consolidated financial results have been audited by joint statutory auditors of the Company.

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For and on behalf of the Board of Directors

The joint statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with their report dated April 26, 2021.

Mumbai
April 26, 2021

Vibha Padalkar

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Vibha Padalkar
Managing Director & CEO
(DIN: 01682810)