

Management Discussion and Analysis

I. GLOBAL ECONOMIC ENVIRONMENT

Since the start of the COVID-19 pandemic more than a million lives have been lost and the toll continues to rise. In these troubled times international solidarity has strengthened along some dimensions viz. lifting of trade restrictions on medical goods & services, financial assistance for vulnerable economies. Recent data suggests that the global economy is crawling towards recovery, better than expected, after the great lockdown in the first half of the fiscal year. The recovery is driven by 2nd & 3rd quarter GDP outturns boosted by the swift & unprecedented fiscal, monetary & regulatory responses.

Policy support in the form of liquidity injections, asset purchases, loan & credit guarantees have thwarted further slide in economic activity and bleak numbers that marked the COVID 19 recession have not fully materialised. Discretionary revenue and spending measures announced so far in advanced economies amount to more than 9 percent of GDP, with another 11 percent in various forms of liquidity support. The response in emerging & developing economies is smaller but sizable; about 3.5 percent of GDP in discretionary budget measures and more than 2 percent in liquidity support.

Vaccine approvals and staggered rollout of vaccines in some countries have raised the hopes of eventual end to the pandemic. As per the IMF projections the global economy is projected to contract an estimated 3.5% in 2020 and then grow by 5.5% in 2021 and 4.2% in 2022, reflecting the vaccine powered strengthening of economic activity combined with additional policy support in a few large economies.

II. INDIAN ECONOMY OUTLOOK

In response to the spread of the COVID-19 pandemic India went in to a stringent lockdown in March-April, 2020, followed by a gradual unlocking and phasing out of containment measures. A recession was inevitable as in absence of any containment measures, households would have voluntarily taken precautionary measures affecting demand especially of non-essential items. A lockdown reinforced this response to the pandemic. Public health measures adopted to contain the spread gave rise to immediate economic costs as they led to suspension of economic activity, curbed consumption and investment, as well as restricted labor supply and production. COVID-19, therefore led the world to the predicament of saving 'lives' or 'livelihood' as steps taken to flatten the infection curve, steepened the macroeconomic recession curve.

The great lockdown resulted in a GDP contraction of 24.4% in Q1, however India witnessed a V-shaped recovery in Q2 as evidenced by a GDP contraction of only 7.5% and recovery across all key economic indicators. The economic survey 2021 estimates

India's GDP to contract by 7.7% in FY 2020-21. The real GDP growth for FY 21-22 has been estimated at 11% supported by the initiation of a mega vaccination drive and robust growth in consumption & investments. The fiscal stimulus under AatmaNirbhar 2.0 and 3.0, coupled with increased allocation for capital expenditure under the Union Budget 2021-22, will definitely accelerate public investment and crowd in private investment. However, surge in infections, new mutants, partial lockdowns, high non-oil commodity prices and global financial market volatility impart downside risks to the growth.

The outlook for inflation will depend upon plethora of factors. While lingering supply chain disruptions, rising global crude oil prices and stronger pass-through of input costs could push up headline inflation, there is also a probability of softer international crude oil prices on the back of a weaker than anticipated global demand, bountiful food grains production and effective supply management. Preliminary estimates indicate that India will have normal monsoon this year (third time in a row).

With robust services exports and remittances, India is expected to see a current account surplus in FY2021. With strengthening US recovery leading to capital outflows, Rupee is expected to see depreciation pressures. However, the external sector metrics remain sustainable as RBI has ample forex reserves to defend the currency, which is not expected to see a speculative attack as the weakness stems only from current account deficit and less capital flows.

III. LIFE INSURANCE INDUSTRY DEVELOPMENTS

At the start of the FY 2020-21 there was a great uncertainty owing to the COVID-19 pandemic. However, as seen by the year end results of the Insurance industry has shown resilience and maintained a profitable path. Robust innovation and technological enhancements undertaken by the companies has been a major contributor. Also timely and proactive regulatory changes have ensured a healthy solvency position of the Insurance sector. The global life insurance market grew by 2.2% in 2019 with premium collection of USD 2916 bn.

As per data published by Swiss Re Group, the Indian life insurance industry is the 11th largest in the world in terms of total premium. India's share in the global life insurance market was 2.73% in 2019.

Life insurance penetration

The measure of insurance penetration and density reflects the level of development of insurance sector in a country. While insurance penetration is measured as the percentage of insurance premium to GDP, insurance density is calculated as the ratio of premium to population (per capita premium). After the Insurance sector liberalization life insurance penetration has increased from 2.15% in 2001 to

2.82% in 2019. The life insurance density has also increased from USD 9.1 in 2001 to USD 58 in 2019.

As of FY 2020, the size of the Indian Life Insurance sector was ₹ 5.73 trillion. Total premium growth was at CAGR of 14% between FY 2002 and FY 2020.

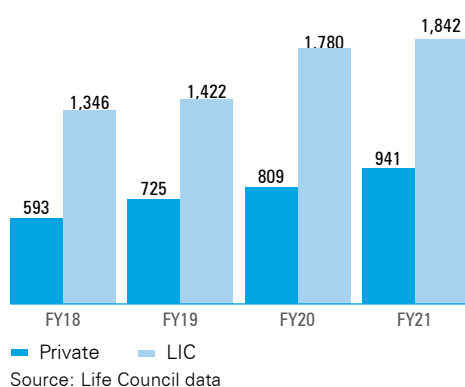
New Business Premium, Market Share, Product Mix and Distribution Mix

The domestic life insurance industry registered growth of 7.5% for new business premium in FY 2021. Private players grew by 16.3% while Life Insurance Corporation (LIC) grew by 3.5%. More than 28 million policies were sold in FY 2021 by all insurance players including LIC. While LIC grabbed a market share of 66.2% of total new business premium, the private players took a share of 33.8% in FY 2021. In terms of individual rated premium, private players have fared better, capturing a market share of 59.7% while LIC held a share of 40.3% in FY 2021.

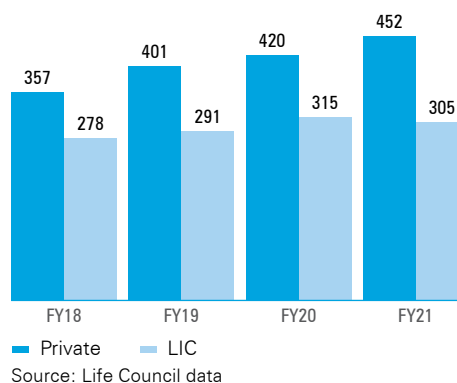
The product mix for LIC has remained consistent in the recent years. LIC focuses more on traditional products and its share in ULIPs is negligible while private players have a well balanced mix of traditional and ULIP products. For private players, share of traditional products has increased from 58% in FY 2017 to 66% in FY 2020 while share of ULIPs has decreased from 42% in FY 2017 to 34% for FY 2020.

In terms of distribution mix of individual new business premium, private players are strengthening their presence through the bancassurance channel in the recent years. However, agency channel continues to be the predominant channel for LIC with a share of 95% in Individual new business premium in FY 2020. Share of agency channel in individual new business premium of private players has reduced from 30% in FY 2017 to 25% in FY 2020 while bancassurance share has been stable at 53% from FY 2017 to FY 2020.

New Business Premium (₹ in billion)



Individual Rated Premium (₹ in billion)



IV. OPPORTUNITIES, RISKS AND WAY FORWARD

The Indian Life Insurance Industry has evolved considerably since 2000, when it was opened up for the private sector. In the past 20 years the distribution models of the Insurance companies have become more efficient. The industry has catered to evolving consumer needs by providing products which satisfy the needs of end consumer. The risk and the uncertainty which arose due to the COVID-19 pandemic has been efficiently tackled on the back of strong fundamentals. The Insurance regulator has also been proactive in these uncertain times providing the important regulatory support to the Industry. Insurance remains a long term growth opportunity and the Indian Insurance Industry is well poised to maximise the gains.

A. Opportunities and Strategy

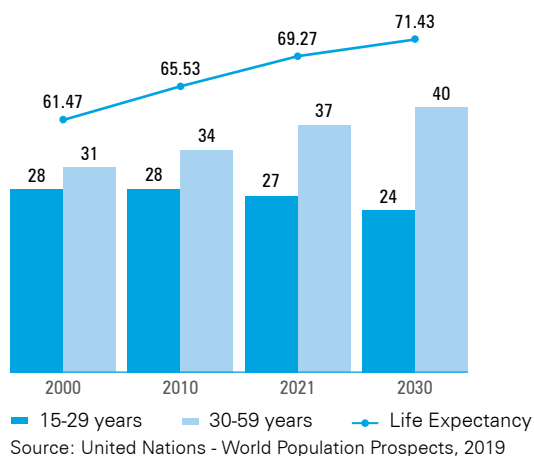
Life Insurance Industry has delivered a growth rate of approximately CAGR 14% on a total premium basis between FY 2002 and FY 2020 outpacing the growth in GDP for the same period. The Indian life insurance industry has 24 companies including Life Insurance Corporation. The share of private Life Insurance Companies in new business premium is 34% for FY 2021. The growth in New business premium is among the best globally. Despite this significant achievement the Insurance density & penetration remains very low in the Indian context. Thus there is a huge untapped potential for growth of Life Insurance Industry. Some of the factors which will provide growth opportunities are as below:

i. Demographic profile

Demographic profile on India has been its biggest strength for economic growth. India is estimated to surpass China as the most populous country in the world around 2027 according to United Nations- World Population Prospects, 2019. Nearly 40% of India's population will be between 30-59 years by 2030.

Management Discussion and Analysis (Contd.)

Increasing share of working population (%) and life expectancy (years)

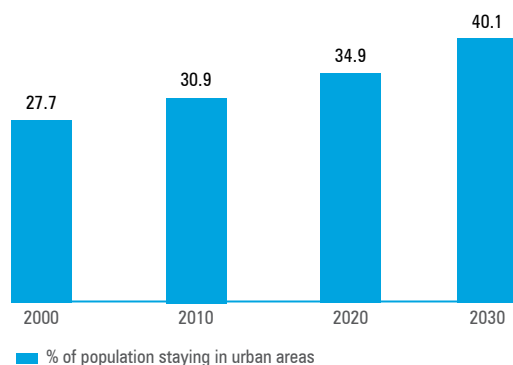


Strategy – Life Insurance provides financial risk mitigation by offering products which mobilize long term savings, provide life protection as well as annuity solutions for longevity risk. The wide variety of products offered by the company meets the insurance demand of all the age groups. Also, with the company's focus on insurance awareness and diverse product portfolio helps in capturing sizeable market share. This is further supported by a wide distribution network of 225,381 trained insurance personnel comprising of 170,096 Individual agents, 50,240 Certified Insurance Facilitators (CIFs) and 5,045 Specified persons(SP) on the ground.

ii. Urbanisation

Over the years the world has seen an increase in urban population. India is no different. The share of urban population in India has been rising and from 27.7% in 2000 is expected to reach 40.1% by 2030. Increase in urbanisation leads to increase average income levels and also overall lifestyle improvement and awareness of insurance and financial products for savings and investments.

India's growing urban population (%)

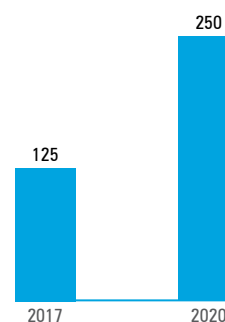


Strategy – Diverse product portfolio of the company is well suited to provide increased coverage through high ticket size policies and helps in catering to various customer needs in the life, health, pension, annuity & micro-insurance segments. Increase in per capita income levels and maintenance of higher living standard entails increase in insurance coverage. During the FY 2020-21, the Company has launched Smart Future Choices, saving product, especially designed for High Net worth Individual customers who are looking for a conservative product which offers liquidity.

iii. Digitisation

Technology is omnipresent today. It has proven to be a saviour of economic growth in such uncertain time of COVID-19 pandemic. Fast and efficient technological adoption is a major differentiator factor in company's growth prospects. The government as well as the Insurance regulator has been proactively supporting the digital adoption journey.

India's internet economy (US \$ in billion)

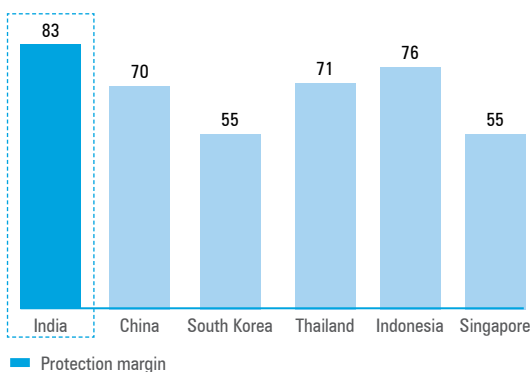


Strategy – The company adopts various digital platforms powered by analytics, automation & artificial intelligence. This has led to opening up new distribution channels beyond the traditional modes of distribution. The new digital technology adopted by the company is used to increase insurance penetration and awareness. Continuing the thrust from the previous year to adopt 'Go Digital', more than 99% of the Individual New Proposals are sourced through our Mobile Application. 90% of renewal premium is collected through digital mode. Today a personalized customer experience is a norm. Adoption of various mobile and web based application has enabled the company in providing an efficient end to end customer experience.

iv. Insurance penetration

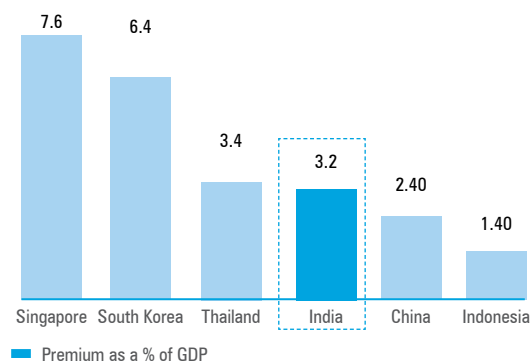
As compared to its Asian counterparts, India remains a highly under insured country. The protection margin for India was the highest amongst all the countries in Asia Pacific at 83%, as per a Swiss Re report, meaning only US\$17 is insured against the insurance need of US\$100. The protection gap in US dollar terms was US\$8.5 trillion as of 2014, which is very high as compared to its Asian counter parts. High protection gap combined with increased insurance awareness enhances growth opportunity.

Protection margin highest amongst peers (%)



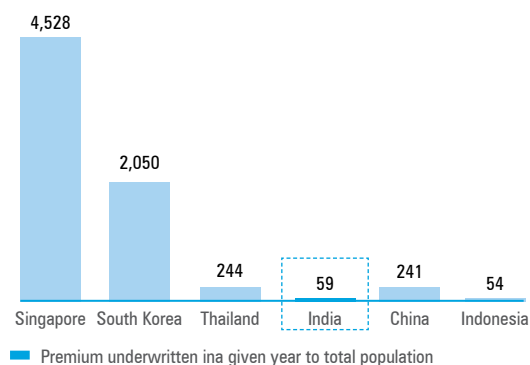
Source: Swiss Re, "Closing Asia's Mortality Protection Gap 2020"

Life Insurance Penetration (%)



Source : SwissRe Sigma 3/2021

Life Insurance Density (%)



Source : SwissRe Sigma 3/2021

Strategy – The company is focused to bridge the protection gap through its diverse range of protection products. During the year, Company has launched two Individual protection products like Corona Rakshak policy and Saral Jeevan Bima to increase the protection business. Corona Rakshak covers hospitalization of life insured on positive diagnosis of COVID-19 and Saral Jeevan Bima is pure risk premium product. Apart from this, company also has credit life protection (loan coverage) and group term products.

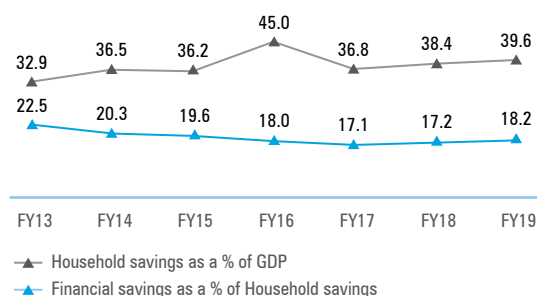
Management Discussion and Analysis (Contd.)

v. Financialisation of savings

Financial savings as a percentage of household savings has seen an upward growth trend, increasing to 39.6% in 2019 from 32.9% in 2013. Increased insurance awareness has led to higher percentage of savings being channelized to Life Insurance. The share of life insurance in financial savings has increased from 17.4% in FY 2018 to 23.2% in FY 2020. Government initiatives towards financial inclusion and insurance awareness like setting up of small finance banks, low cost insurance have also helped in the growth of household financial savings.

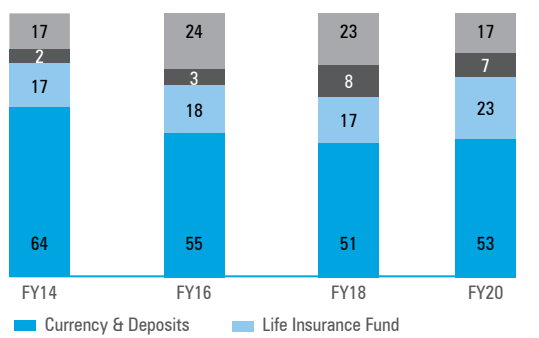
(Source: RBI Bulletin)

Household Savings and Financial Savings (%)



Source : Economic Survey 2018-19

Share of life insurance in financial savings (%)



Source : RBI

Strategy – Company's diverse product portfolio meets the twin goal of savings and protection. This makes an insurance an attractive proposition to channelize household savings. Traditional & digital distribution network of the company provides direct touch points for customer and an end to end smooth customer

journey. Company is also highly focused on increasing insurance awareness. The Company offers 38 different products to meet different end-goals (ranging from long-term investment to pure protection under individual as well group platform) depending on the risk profile of the customer through a strong distribution network of 225,381 trained insurance professionals and 947 offices.

vi. Pension and Annuities

India's share of population above the age of 60 years is expected to rise to 13% by 2030 and 19% by 2050 from the current level of 9%. Private pension assets to GDP ratio of India is around 5% due to young demographic profile, providing an opportunity of growth in pension and annuity business. Growth will be driven by changing demographics, increase in life expectancy and lack of formal social security for wider population.

Strategy - The company offers individual immediate annuity product, group immediate annuity product, a unit linked pension product and a participating pension product. NPS scheme of the government also offers a huge opportunity as at the time of vesting of the corpus 40% has to be annuitized. Due to continuous focus, there is growth in annuity new business by 169% and pension new business under linked segment by 111%. AUM of pension and annuity products account for 12.5% of the total AUM. SBI Life is also one of the insurance companies authorised as Annuity Service Providers under NPS scheme by PFRDA.

B. Risks and concerns

Awareness of the risks faced by a company is very important as it helps in managing the risks proactively. Risks such as change in customer preference, distribution challenges, change in regulatory environment can be estimated and mitigation measures can be planned for. However, risks emanating from black swan events like spread of COVID-19 cannot be forecasted and planned for in advance. While the social and medical consequences of COVID-19 have been significant, the shock to the economy and markets is having a large impact on life insurance companies. The COVID-19 pandemic poses risks such as adverse impact on business growth, mortality, persistency, capital, solvency and liquidity.

Life insurance industry also faces some macroeconomic risks like interest rate change,

slowdown in GDP, adverse change in tax structure etc. Risks emanating from ongoing pandemic for Insurance sector include but are not limited to growth, mortality, persistency and solvency which put short term pressure on the Industry. Insurance companies need to have a robust policy to tackle the risks. Digitization and innovation in all aspects of the functioning of insurance companies is necessary while simultaneously tackling the risks emanating from digitization.

The Company has instituted an enterprise risk management framework which details the governance and management of all aspects of risks that we face. Company's risks and the approach towards managing them has been highlighted in the Enterprise Risk Management section of the Annual Report.

C. Future Outlook

- As the world is experiencing once in a life time pandemic, the insurance industry growth will depend on the successful technological innovation and its adoption into the everyday functioning of the companies, better understanding of customer needs and product innovation.
- As per the economic survey, India is primed for a V-shaped economic recovery with FY 21-22 GDP growth projection at 11% supported by strong economic headwinds and improving macroeconomic fundamentals.
- Expanding young consumer base and increased financial awareness in particular about insurance will be a catalyst for insurance sector growth. Focus should be simple product and distribution structure with increased emphasis on protection as well as Annuity savings products.
- Increased technological awareness at both companies' as well as the consumer's end should be exploited to provide speedy and best in class product & service delivery.
- The future regulatory environment is expected to be stable and well positioned to drive insurance sector growth.
- Efficient investments in human & technological assets would be required to provide a platform for satisfactory growth of all the stakeholders involved.

V. REGULATORY UPDATES AND DEVELOPMENTS

The regulator has released a number of guidelines to tackle the unexpected challenges faced by all the stakeholders of the Insurance Industry. The key

highlights on recent regulatory changes impacting the Indian life insurance sector are as follows:

a) Regulatory instructions / relaxations related to COVID-19

In order to ensure safety of the employees, agents and policyholders of insurers and to protect the interest of policyholder's in the current pandemic situation and lockdown caused due to COVID-19, IRDAI issued various circulars and directions to insurers providing relaxations pertaining to:

- Extension of free look period, grace period and settlement options for maturity pay-out in ULIPs.
- Issuance of insurance policy electronically
- Issuance of e-Certificate of Insurance under Group Insurance Policies
- Dispensing with physical signatures on proposal form
- Facilitation for COVID-19 vaccination for the policyholders, employees and agents and create awareness about vaccination.,
- IRDAI has issued guidelines on COVID Standard benefit based health policy and mandated all insurers to launch a standard short term health insurance policy to specifically cover COVID – 19 diseases. The Company has launched SBI Life - Corona Rakshak, product in compliance with the regulatory directions.

b) IRDAI regulation on Minimum information for Inspection

IRDAI has issued regulations to specify the minimum information and records to be maintained by the insurers, intermediaries and insurance intermediaries in order to enable IRDAI's investigating officer undertake his/her duties and functions in accordance with Section 33 of the Insurance Act 1938.

- Maintain the physical and electronic records and destruction of old records as per the Board approved policy in this regard.
- Records shall be maintained for 10 years (12 years for claim records) or as per extant regulatory requirements, whichever is later, from the date of last transaction / expiry of the policy.

c) Video Based Identification Process (VBIP)

IRDAI has permitted Life and General insurers to carry out "Video Based Identification Process" ("VBIP") as an alternative consent based process of customer identification/ KYC in a paperless, secure, real-time basis for the purpose of customer due diligence.

Management Discussion and Analysis (Contd.)

d) **Standard Pure Term and Individual Immediate Annuity product**

To bring uniformity in insurance product offering across insurers with simple features and standard terms and conditions with identical product parameters, policy documents and terms and conditions IRDAI has notified Guidelines for standard individual term life insurance product, with named as "Saras Jeevan Bima, and Standard Individual Immediate Annuity Product, Saras Pension". All Life insurers are required to mandatorily offer this product.

e) **Increase in FDI in Insurance Sector:**

With notification of Insurance (Amendment) Act 2021 limit of foreign investment including

portfolio investment increased from 49% to 74% in Insurance sector.

VI. SEGMENT-WISE BUSINESS PERFORMANCE

The life insurance sector can be classified based on products into participating, non-linked and unit-linked products. Non-linked products are traditional products with a protection and savings element built in or only pure-protection products. Non-linked products are further classified into participating products and non-participating products. Participating products have variable returns, as it is linked to the performance of the insurance company. Linked products' returns, on the other hand, are tied to the performance of debt and equity markets.

New business performance of the Company can be analysed based on the following segments –

Sr. No.	Segments	FY 2021	FY 2020	Product Mix	Y-o-Y	(₹ in billion)
				(FY 2021) (%)	Growth (%)	(FY 2016 - FY 2021) (%)
1	Participating Segment	9.66	11.55	4.70	(16.30)	(8.10%)
2	Non Participating Segment					
	- Individual Savings	22.37	15.09	10.80	48.20	67.80
	- Group Savings	63.73	37.71	30.90	69.00	31.70
	- Individual Protection	7.42	5.29	3.60	40.30	37.50
	- Group Protection	17.17	15.53	8.30	10.60	29.10
3	Linked Segment	85.89	80.75	41.70	6.40	21.60
	Total NBP	206.24	165.92	100.00	24.30	23.70

A brief description of the segments is given below:

1. **Participating Segment**

Participating life insurance products are products where the insured participates in the profits of the underlying investment pool during the term of the policy. These are savings cum protection products that provide a guaranteed sum assured and long term returns through participation in surplus, if any, generated from these policies. The policyholder is entitled to at least a 90% share of the surplus emerging in the participating fund and the remaining belongs to the shareholders. The Company offers participating insurance products that are designed to provide benefits over the entire life of the policyholders (whole life insurance), as well as products that provide benefits over defined periods (endowment life insurance).

New business premium from participating segment constitutes 4.7% of the total new business premium of FY 2021.

2. **Non Participating Segment**

The non-participating segment comprises of individual savings, group savings and protection segments. These products cover the insured for a specific period and the insured do not participate in profits of the underlying investment

pool. Surplus arising in case of Non-participating business is transferred to shareholders' account on recommendation of Appointed Actuary.

i) **Individual Savings**

The individual savings segment comprises of an endowment product, a variable insurance plan and an immediate annuity product.

An endowment product pays the sum assured to the beneficiary in case of any unfortunate event before the maturity date or pays the amount to the insured on completion of the specified term.

In a variable insurance plan, the benefits are partially or wholly dependent on the performance of an approved external index/benchmark which is linked to the product.

An immediate annuity product guarantees a defined income, commonly known as pension, for the lifetime of the policyholder thereby covering their longevity risk. These payouts begin immediately on purchasing the product.

New business premium of individual savings segment constitutes 10.8% of the total new business premium for FY 2021 and has increased from ₹ 15.09 billion in FY 2020 to ₹ 22.36 billion in FY 2021, registering growth of 48.2%.

ii) Group Savings

Group savings segment consists of group fund management products and an immediate annuity product.

Fund based group insurance products cater to the needs of employers looking at financial solutions to fund their employees' benefit schemes including gratuity, superannuation and leave encashment.

Group immediate annuity product is primarily for corporate clients (employer-employee groups) and other informal groups, who wish to purchase an annuity to provide for their annuity liability.

New business premium from group savings segment has increased by 69.0% in FY 2021 as compared to FY 2020. Increase in Group annuity premium is 634% and increase in Group savings premium excluding Annuity is 29%.

iii) Protection

The protection segment includes both individual as well as group products.

Individual protection products offer benefits that are guaranteed in absolute terms on occurrence of a particular event during the policy term. They expire if the designated event does not occur. The risk covered in most cases covers death of the insured but may also include permanent disability or diagnosis of critical illness. This segment also includes health products which insure against expenses arising due to medical

emergencies such as hospitalisation or critical illness.

Group protection segment includes credit life products which provide insurance to banks, financial institutions in relation to repayment of outstanding loan amount in event of death or disability of the insured members of the group.

Group protection segment also includes products which provide life insurance coverage to a group of individuals, where, upon the death of a member, the sum assured is paid to the member's nominee.

These products are employee- employer schemes where the Master Policy holder is the employer and members are employees.

New business premium from protection segment has registered a strong growth of 18.1%. Due to continuous focus, Individual New Business Premium for the Protection segment has increased by 40.4%.

3. Linked Segment

Linked products provide the benefit of investment as well as protection. They provide returns directly linked to the performance of the underlying funds and have a transparent charge structure which is explicitly stated at the outset. The investment risk on these products is borne by the policyholder. This segment also includes a fund based group gratuity, superannuation and leave encashment product for employers.

New business premium from linked segment comprises 41.7% of the total new business premium of FY 2021, has increased from ₹ 80.75 billion in FY 2020 to ₹ 85.89 billion in FY 2021, registering growth of 6.4%. The growing popularity of linked products is due to favourable market movement over a few years.

VII. ANALYSIS OF FINANCIAL STATEMENTS

A. Revenue Account

The summary of Revenue Account of the Company for FY 2021 along with comparative and detailed analysis is given below:

Particulars	FY 2021	FY 2020	(₹ in billion)
			% Growth
Income			
Gross written premium	502.54	406.35	23.7
Reinsurance ceded	(4.86)	(3.11)	56.4
Net earned premium	497.68	403.24	23.4
Income from investments ¹	316.27	28.73	1000.8
Contribution from the Shareholders' Account	8.25	4.76	73.2
Other miscellaneous income	0.36	0.46	(21.7)
Total Income	822.56	437.19	88.1

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(₹ in billion)			
Particulars	FY 2021	FY 2020	% Growth
Expenses			
Commissions ²	17.79	16.25	9.5
Operating expenses relating to insurance business ³	24.12	24.14	(0.1)
Provision for taxation	0.98	3.77	(74.1)
Goods and Service Tax	6.43	5.53	16.3
Benefits paid (net) ⁴	215.83	162.51	32.9
Change in valuation of liability in respect of life policies	539.34	206.05	161.8
Total Expenses	804.49	418.24	92.3
Surplus/(deficit)	18.07	18.95	(4.6)
Transfer to Shareholders' Account	16.79	14.63	14.8
Balance being funds for future appropriations	1.28	4.32	(70.2)

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

²Commission expense includes Rewards .

³Includes provision for doubtful debt (including write off)

⁴Includes Interim and Terminal Bonus

i. Premium Income

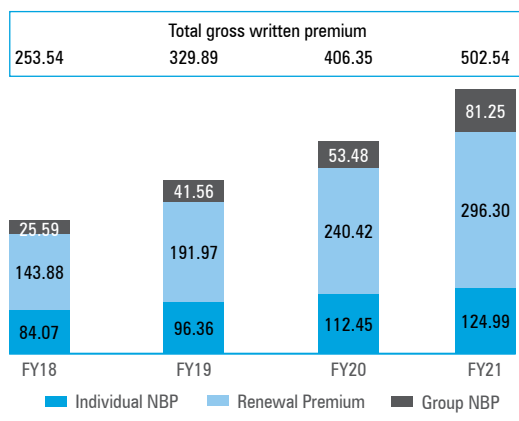
The summary of premium income is as follows:

(₹ in billion)								
Particulars	FY 2021				FY 2020			
	Par	Non Par	Linked	Total	Par	Non Par	Linked	Total
New Business Premium	9.66	110.69	85.89	206.24	11.55	73.62	80.76	165.92
Individual	9.66	29.78	85.55	124.99	11.55	20.38	80.52	112.45
Group	-	80.91	0.34	81.25	-	53.24	0.24	53.48
Renewal premium	66.39	31.14	198.77	296.30	62.85	22.98	154.59	240.42
Gross Written Premium	76.05	141.83	284.66	502.54	74.40	96.60	235.35	406.35
Less: Reinsurance ceded	(0.01)	(4.62)	(0.23)	(4.86)	(0.01)	(2.89)	(0.21)	(3.11)
Net Premium	76.04	137.21	284.43	497.68	74.39	93.71	235.13	403.24

- Gross written premium has increased by 23.7% from ₹ 406.35 billion in FY 2020 to ₹ 502.54 billion in FY 2021 mainly due to strong growth in renewal premium by 23.2% and increase in individual single premium by 54.5%.
- Individual new business premium has increased by 11.2% from ₹ 112.45 billion in FY 2020 to ₹ 124.99 billion in FY 2021 due to increase in new business premium from Non Par Life, Annuity segment and Linked pension.
- The group new business premium has increased by 51.9% from ₹ 53.47 billion in FY 2020 to ₹ 81.25 billion in FY 2021 mainly on account of increase in new business premium from Annuity business and Fund Management business.
- The renewal business has increased by 23.2% from ₹ 240.42 billion in FY 2020 to ₹ 296.30 billion in FY 2021 majorly due to increase in individual renewal business from Linked life, Linked pension, Nonpar life & Health segment.

The following chart depicts the growth in Company's total premium over the years

Gross Written Premium (₹ in billion)



ii. Investment Income

The summary of investment income is as follows:

Particulars	FY 2021				FY 2020			
	Par	Non Par	Linked	Total	Par	Non Par	Linked	Total
Interest and Dividend ¹	22.51	35.29	39.65	97.45	19.95	32.22	37.01	89.18
Profit/ (Loss) on sale of investments	8.01	4.52	49.48	62.02	5.61	4.00	11.39	21.00
Change in fair value	-	(0.05)	155.14	155.09	-	-	(80.21)	(80.21)
Provision for diminution and standard assets	1.54	0.17	-	1.71	(0.65)	(0.06)	(0.53)	(1.24)
Total	32.06	39.94	244.27	316.27	24.91	36.16	(32.34)	28.73

(₹ in billion)

¹Interest and Dividend includes net of Accretion of discount/(Amortization of premium)

Total income from investment was ₹ 316.27 billion in FY 2021 comprised of ₹ 244.27 billion under unit-linked portfolio and ₹ 72.00 billion under traditional portfolio. Total investment income has increased by ₹ 287.54 billion from ₹ 28.73 billion in FY 2020 to ₹ 316.27 billion in FY 2021, mainly due to increase in change in fair value on account of rise in valuation of equity portfolio under linked segment. The yield on investments increased from 2.45% in FY 2020 to 20.52% in FY 2021.

Traditional Portfolio (Par and Non Par):

Total investment income under traditional portfolio has increased by ₹ 10.93 billion from ₹ 61.07 billion in FY 2020 to ₹ 72.00 billion in FY 2021 majorly due to following:

- Interest income under traditional portfolio has increased by ₹ 6.33 billion from ₹ 49.26 billion in FY 2020 to ₹ 55.59 billion in FY 2021 due to increase in investment of debt securities by 28.0% under traditional portfolio.
- Net profit on sale of investment under traditional portfolio has increased by ₹ 2.93 billion from ₹ 9.61 billion in FY 2020 to ₹ 12.54 billion in FY 2021 due to profit booking.

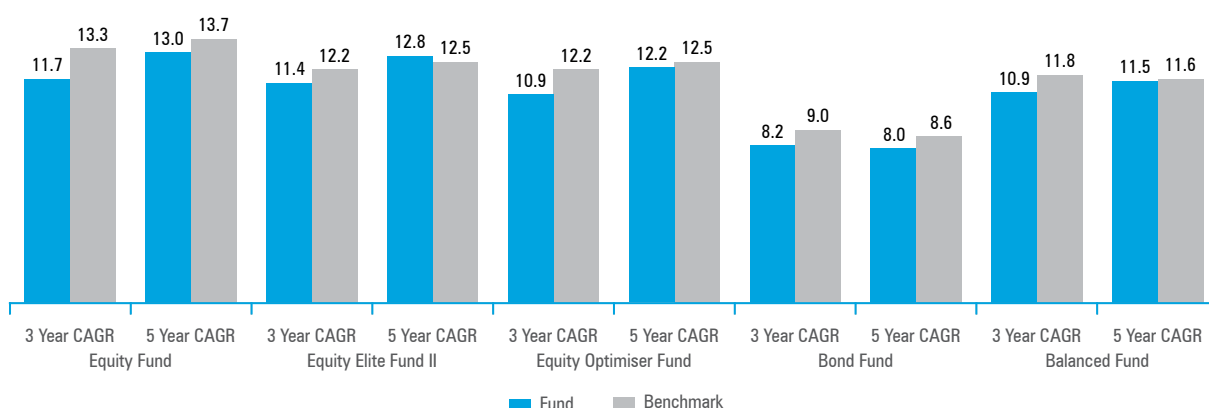
Unit Linked Portfolio:

Total investment income under unit linked portfolio has increased by ₹ 276.61 billion from ₹ (32.34) billion in FY 2020 to ₹ 244.27 billion in FY 2021 mainly due to fair value change. Fair value change has increased by ₹ 235.30 billion from a loss of ₹ 80.21 billion in FY 2020 to a gain of ₹ 155.14 billion in FY 2021 primarily due to mark to market gains in the unit linked segment in FY 2021 as compared to previous year. During FY 2021, Sensex has increased by 68.0% as against an decrease of 23.8% in the previous year. The change in fair value is an off-set with the corresponding increase in unit-linked liability (fund reserves) as it is pass-through to linked policyholders'.

The performance of the fund vis-a-vis the benchmark as on March 31, 2021 is given below:

Fund Performance

(%)



Management Discussion and Analysis (Contd.)

iii. Other miscellaneous income

Other miscellaneous income includes fees and charges, income on unclaimed fund, etc. Other miscellaneous income for FY 2021 has reduced from ₹ 0.46 billion in FY 2020 to ₹ 0.36 billion for FY 2021.

iv. Commission

The summary of commission expenses is as follows:

Particulars	Individual		Group		Total	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Premium						
First year premiums	99.70	96.08	3.680	2.21	103.38	98.29
Renewal premiums	285.70	229.98	10.60	10.45	296.30	240.42
Single premiums	25.29	16.37	77.58	51.27	102.86	67.64
Total	410.69	342.43	91.86	63.92	502.54	406.35
Commission on						
First year premiums	8.62	8.22	0.02	0.01	8.64	8.24
Renewal premiums	7.45	6.17	0.22	0.27	7.67	6.44
Single premiums	0.41	0.30	0.71	0.68	1.12	0.98
Total	16.48	14.69	0.95	0.96	17.43	15.66
Commission % of Premium						
First year premiums	8.60%	8.60%	0.50%	0.50%	8.40%	8.40%
Renewal premiums	2.60%	2.70%	2.10%	2.60%	2.60%	2.70%
Single premiums	1.64%	1.80%	0.91%	1.30%	1.10%	1.40%
Total	4.00%	4.10%	1.00%	1.50%	3.50%	3.90%

Commission expense is majorly pertaining to individual business. The commission expense has increased by 11.3% from ₹ 15.66 billion in FY 2020 to ₹ 17.43 billion in FY 2021 mainly due to following:

Renewal commission from individual business has increased by 21% from ₹ 6.17 billion in FY 2020 to ₹ 7.45 billion in FY 2021 on account of higher renewal premium collection.

First year commission and Single premium commission has also increased due to increase in business volume and change in product mix.

v. Operating expenses related to Insurance business

The summary of operating expenses is as follows –

Particulars	FY 2021		FY 2020	
	FY 2021	FY 2020	FY 2021	FY 2020
Employees remuneration and welfare expenses	14.91	13.61		
Advertisement, Publicity and marketing	0.21	0.94		
Depreciation	0.99	0.89		
Legal and Professional expenses	1.42	1.64		
Others	6.59	7.05		
Operating expenses	24.12	24.13		

Operating expenses relating to insurance business has decreased by 0.04% from ₹ 24.13 billion in FY 2020 to ₹ 24.12 billion in FY 2021. The Employees remuneration has increased by 9.5% from ₹ 13.61 billion in FY 2020 to ₹ 14.91 billion in FY 2021 due to increments and increase in number of employees to support an increase in the size of business operations. Advertisement, Publicity and marketing expenses have reduced by 77.5% from ₹ 0.94 billion in FY 2020 to ₹ 0.21 billion in FY 2021 due to no major avenues of marketing campaigns during FY 2021 on account of ongoing pandemic.

vi. Goods and Service Tax on charges

Goods and service tax on charges has increased by 16.3% from ₹ 5.53 billion in FY 2020 to ₹ 6.43 billion in FY 2021 due to increase in linked income charges namely fund management charges, premium allocation charges, etc.

vii. Benefits paid (net) and interim & terminal bonus paid

The summary of benefits paid is as follows:

Particulars	(₹ in billion)	
	FY 2021	FY 2020
Death claims	30.13	17.32
Maturity claims	62.01	43.81
Annuities/ Pension payments	3.57	2.20
Survival benefits	14.27	8.25
Surrenders	47.16	37.09
Discontinuance/ lapsed termination	24.32	15.24
Withdrawals	37.15	39.44
Others	0.37	0.31
Total benefits	218.98	163.66
Less: Reinsurance on claims	(4.05)	(1.91)
Net benefits paid	214.93	161.75
Interim & terminal bonus	0.90	0.76

Claims and benefits payout increased by 32.9% from ₹ 161.75 billion in FY 2020 to ₹ 214.93 billion in FY 2021 primarily on account of increase in Maturity claims by ₹ 18.20 billion in FY 2021 as compared to FY 2020 and increase in death claims by ₹ 12.81 billion in FY 2021.

viii. Change in actuarial liability

The summary of change in actuarial liability is as follows:

Particulars	(₹ in billion)	
	FY 2021	FY 2020
Policy liabilities (non-unit/ mathematical reserves) (gross)	163.17	112.74
Amount ceded in reinsurance	(0.46)	(0.38)
Fund reserve	357.63	76.88
Funds for discontinued policies	19.00	16.81
Change in actuarial liability	539.34	206.05

Change in actuarial liability has increased from ₹ 206.05 billion in FY 2020 to ₹ 539.34 billion in FY 2021.

- Fund reserve, which represents liability carried on account of units held by unit-linked policyholders, has increased from ₹ 76.88 billion in FY 2020 to ₹ 357.63 billion in FY 2021.
- Traditional policyholders' liability (including non-unit liability) has increased from ₹ 112.74 billion in FY 2020 to ₹ 163.17 billion in FY 2021.

ix. Surplus (Revenue account), transfer to Shareholders' account (Profit and loss account) and Fund for future appropriation (FFA)

- Surplus (Revenue account)

As a result of the above changes in income and expenses, surplus has decreased from ₹ 18.95 billion in FY 2020 to ₹ 18.07 billion in FY 2021.

Segment wise breakup of Surplus is as under:

Particulars	(₹ in billion)	
	FY 2021	FY 2020
Participating segment	2.94	5.84
Non participating segment	(2.88)	2.56
Unit linked segment	9.77	5.78
Surplus (net of Contribution from Shareholders)	9.83	14.18
Add: Contribution from Shareholders	8.24	4.76
Surplus	18.07	18.95

- Transfer to Shareholders' account (Profit and loss account)

The surplus generated in the Revenue account after setting aside fund for future appropriation is transferred to the Profit and loss account (Shareholders account) based on the recommendation of the Appointed Actuary. Transfer to Shareholders' account has increased by 14.8% from ₹ 14.63 billion in FY 2020 to ₹ 16.79 billion in FY 2021. The remaining surplus of ₹ 1.28 billion was retained as fund for future appropriation.

Management Discussion and Analysis (Contd.)

Participating segment: Profits from participating business depend on the total bonuses declared to policyholders on an annual basis. Bonus declared as per regulatory provisions has increased from ₹ 13.72 billion in FY 2020 to ₹ 14.85 billion in FY 2021. The amount transferred to shareholders increased to ₹1.65 billion in FY 2021 from ₹1.52 billion in FY 2020.

Non Participating segment: In case of Non-participating business, profit arises primarily from premium and investment income net of expenses, claims and policyholder liabilities. Profit in non-participating segment has decreased from ₹ 2.56 billion in FY 2020 to ₹ (2.88) billion in FY 2021 on account of New business strain and higher death claims due to COVID 19 pandemic.

Unit Linked (ULIP) segment: In case of unit linked business, profit arises only from the charges (net of expenses) levied on policyholders. Under unit linked business, AUM has increased by 48% on account of better market performance, also total business from linked segment has increased by 21.0%. This has led to an increase in profit from ₹ 5.78 billion in FY 2020 to ₹ 9.77 billion in FY 2021.

c. Funds for future appropriations (FFA)

Funds for future appropriations represent surplus funds which have not been allocated either to policyholders or to shareholders as at the valuation date. During the year a sum of ₹ 1.28 billion has been transferred to fund for future appropriation.

B. Profit and Loss Account (Shareholders' Account)

Particulars	(₹ in billion)		
	FY 2021	FY 2020	% Growth
Amounts transferred from Policyholders' Account	16.79	14.63	14.8%
Income from investments and other income ¹	7.19	4.75	51.3%
Expenses other than those directly related to the insurance business	0.31	0.48	(35.4)%
Contribution to Policyholders' Account	8.25	4.76	73.2%
Profit before Tax	15.43	14.14	9.1%
Provision for Taxation	0.87	(0.09)	(1103.2)%
Profit after Tax	14.56	14.22	2.4%
Profit at the beginning of the year	78.82	64.60	22.0%
Total profit available for appropriation	93.38	78.82	18.5%
Interim dividend	2.5	-	-
Profit carried to the balance sheet	90.88	78.82	15.3%

¹Net of provision for diminution

i. **Income from investments and other income**

Investment income and other income under shareholder portfolio have increased by ₹ 2.44 billion from ₹ 4.75 billion in FY 2020 to ₹ 7.19 billion in FY 2021 is mainly due to booking of profit on sale of investment. Other Income represents rental income from let-out property, interest on tax refund and Foreign exchange gain.

ii. **Expenses other than those directly related to the insurance business**

Expenses other than those directly related to the insurance business have decreased by 35.4% from ₹ 0.48 billion to ₹ 0.31 billion in FY 2021.

iii. **Contribution to Policyholders' Account**

Contribution to Policyholders' Account represents amount transferred to policyholders' account for funding the deficits in business segments During the current year, non-par Individual Life, One Year Renewable Group Term assurance (OYRGTA), Annuity and Health segments incurred loss of ₹ 8.25 billion.

iv. **Profit after tax**

Profit before tax has increased from ₹ 14.14 billion in FY 2020 to ₹ 15.43 billion in FY 2021. Tax expense for shareholders has increased from ₹ (0.09) billion in FY 2020 to ₹ 0.87 billion in FY 2021. Profit after tax has increased by 2.4% from ₹ 14.22 billion in FY 2020 to ₹ 14.56 billion in FY 2021.

v. **Interim dividend**

IRDAI through its circular no. IRDA/F&A/CIR/MISC/099/04/2020 dated April 24, 2020 urged the insurers to refrain from dividend payment till further notice with an intent to conserve capital and avoid any adverse impact on solvency position due to the COVID 19 pandemic. IRDAI assured that the position would be reassessed based on the financial results for subsequent quarters.

Based on the IRDAI circular no. IRDA/F&A/CIR/MISC/032/02/2021 dated February 25, 2021 on Prudent management of financial resources of insurers in the context of Covid-19 pandemic, IRDAI has withdrawn the earlier circular of prohibiting declaration of dividend after assessing the financial results for the quarters ending September 2020 and December 2020. The Board of directors has declared an interim dividend of 25% (₹ 2.5 per equity share of face value of Rs.10) at its meeting held on March 25, 2021. Profit carried to balance sheet is ₹ 90.88 billion in FY 2021.

C. Financial Position/ Balance Sheet

Particulars	(₹ in billion)	
	As at March 31, 2021	As at March 31, 2020
SOURCES OF FUNDS:		
Equity capital and reserves (including change in fair value)	104.00	87.43
Policyholders' Funds/Policy Liabilities	2113.50	1,531.01
Funds for Future Appropriations	8.42	7.14
Total	2,225.92	1,625.58
APPLICATION OF FUNDS:		
Investments		
Shareholders'	86.05	68.28
Policyholders'	939.36	734.20
Assets held to cover linked liabilities	1162.15	785.65
Loans	3.58	3.64
Fixed assets	5.65	5.81
Current assets and advances (A)	71.51	58.21
Current liabilities and provisions (B)	42.38	30.22
Net current assets (A) – (B)	29.13	27.99
Total	2,225.92	1,625.58

Sources of Funds

i. Equity Capital and Reserves/ Shareholders' fund

The breakup of capital and reserves is as follows –

Particulars	(₹ in billion)	
	As at March 31, 2021	As at March 31, 2020
Share Capital	10.00	10.00
Reserves and Surplus	90.92	78.84
Credit/ (Debit) Fair Value Change Account	3.08	(1.41)
Equity capital and reserves/ Shareholders' fund	104.00	87.43

a. Equity Share Capital

Equity Share Capital of the Company comprises of 1,000,070,908 equity shares of face value of ₹ 10 each (1,000,026,295 equity shares as at March 31, 2020). Out of the total equity share capital, 555,000,000 (55.5%) equity shares are held by the State Bank of India (576,000,000 (57.6%) as at March 31, 2020). 2,003,612 (0.2%) equity shares are held by the BNP Paribas Cardif (52,007,092 (5.2%) as at March 2020). During the year ended March 31, 2021, there was no capital infusion by the promoters.

The equity shares of the Company were listed on National Stock Exchange of India Ltd. ('NSE') and BSE Ltd. ('BSE') on October 03, 2017.

b. Reserves and Surplus

Increase in reserves and surplus is on account of profit earned during the year and increase in securities premium as a result of issue of equity shares pursuant to exercise of stock options by eligible employees.

c. Fair value change account

Fair value change account represents unrealized gains (net of unrealized losses) on equity and mutual fund holdings in shareholders' investments as on the respective Balance Sheet dates. The increase in fair value change is predominantly because of the rise in the equity market for current financial year compared to the loss suffered in previous financial year.

Management Discussion and Analysis (Contd.)

ii. Policyholders' Funds

The summary of policyholders' funds is as follows –

Particulars	(₹ in billion)	
	As at March 31, 2021	As at March 31, 2020
Policyholders' traditional liabilities	951.35	745.36
Credit/ (debit) fair value change account	27.28	(15.87)
Policy liabilities	924.07	761.23
Policyholders' linked liabilities	1162.15	785.65
Linked liabilities	965.50	763.01
Credit/ (debit) fair value change account	126.54	(28.61)
Funds for discontinued policies	70.11	51.25
Total Policyholders' Funds	2,113.50	1,531.01

Policyholders' traditional liabilities

Fair value change account represents: -

1. unrealized gains (net of unrealized losses) on equity and mutual fund holdings in non-linked policyholders' investments as on the respective Balance Sheet dates
2. effective portion of fair value gain / loss on the interest rate derivative i.e. "Hedge Fluctuation Reserve" or HFR

The increase in fair value change is predominantly because of the rise in the equity market for current financial year compared to the loss suffered in previous financial year.

The movement in policy liabilities is a consequence of various factors such as receipt of premium (both new business and renewal), surrenders & other claims, various actuarial assumptions and other factors varying on a product to product basis.

The reserves on traditional policies are estimated by using prospective gross premium valuation method. Mathematical reserves are calculated based on future assumptions having regard to current and future experience e.g. interest rates, inflation, mortality, morbidity and expense.

Policyholders' linked liabilities

The policyholders' linked liabilities represents the unit liability in respect of linked business and has been considered as the value of the units standing to the credit of the policy holders, using the net asset value (NAV) as on the valuation date.

iii. Funds for future appropriation

Funds for future appropriation amounting to ₹ 8.42 billion is appearing in the participating segment. It represents funds, the allocation of which, either to participating policyholders' or to shareholders', has not been determined as at the Balance Sheet date.

Application of Funds

i. Investments

The summary of investments as on balance sheet dates is as follows:

Particulars	(₹ in billion)	
	As at March 31, 2021	As at March 31, 2020
Investments		
- Shareholders'	86.05	68.28
- Policyholders' (Non Linked)	939.36	734.20
Assets held to cover Linked Liabilities	1162.15	785.65
Total	2,187.56	1,588.13

Total investments grew by ₹ 599.43 billion from ₹ 1,588.13 billion as at March 31, 2020 to ₹ 2,187.56 billion as at March 31, 2021. Equity investment portfolio constitutes 27% and Debt portfolio constitutes 73% of the total AUM as at March 31, 2021. For detailed category wise breakup of investments, refer Schedule 8, 8A and 8B of the financial statements.

Shareholder's portfolio grew by 26.0%, non-linked policyholder's investment grew by 27.9% and unit linked assets grew by 47.9% as compared to previous year ended March 31, 2020.

Increase in policyholders' portfolio is attributable to increase in premium and investment income offset by net outgo due to operating expenses and claims.

Company's investment philosophy has always been to maximize returns at an optimal level of risk on a continuous long-term basis. This calls for investing in high quality securities, which are suitably matched to the duration of Company's liabilities. The Company invests strictly within the framework of rules and regulations prescribed by IRDAI. Further, the Company has implemented sound and robust investment risk management systems & processes.

ii. Loans

Loans comprises of Loan against policy and corporate loans. Loans have decreased from ₹ 3.64 billion to ₹ 3.58 billion. Loans disclosed in balance sheet are net of provision for standard assets made in accordance with IRDAI investment regulations and Master circular on preparation of financial statements and filing of returns of life insurance business. The Company has no NPAs as on March 31, 2021.

iii. Fixed Assets

Fixed Assets (net of depreciation) have decreased marginally from ₹ 5.81 billion to ₹ 5.65 billion. There is no major capital expenditure incurred during the year.

iv. Net current Assets

Net current assets have increased by 4.07% from ₹ 27.99 billion to ₹ 29.13 billion. Current assets have increased by 22.83% from ₹ 58.21 billion to ₹ 71.51 billion and current liabilities have also increased by 40.24% from ₹ 30.22 billion to ₹ 42.38 billion.

a. Current assets and advances

The summary of current assets and advances is as follows –

Particulars	(₹ in billion)	
	As at March 31, 2021	As at March 31, 2020
Cash and bank balances	27.11	14.23
Advances		
- Prepayments	0.44	0.41
- Advance to suppliers and employees	0.14	0.12
Other Assets		
- Income accrued on investments	24.93	31.00
- Outstanding premiums	3.57	4.51
- Due from reinsurers	1.24	0.04
- Security deposit	2.13	1.17
- GST and Service tax advance and unutilized credit	1.49	0.99
- Assets held for unclaimed amounts (including income accrued)	3.65	3.27
- Other receivables (incl. Agent balance)	6.81	2.47
Total current assets	71.51	58.21

Some of the key items impacting current assets and advances are explained below:

- The cash and bank balances represent premium collected during last few days of the financial year including fixed deposits held with banks, cheques on hand and cheques deposited but not cleared.
- Income accrued on investments represents interest income accrued, however not due as at March 31, 2021. It is mainly on government securities, debentures and fixed deposits.
- Outstanding premium represents the premium due but not received on traditional products as at March 31 and which are within the grace period.
- Due from reinsurers represents amounts to be received from reinsurers regarding claims admitted by the company. This amount is net of premium ceded to reinsurers.
- Security Deposits represent deposits placed for premises taken on lease for setting up branches as well as for leased accommodations for employees, electricity deposits, telephone, legal deposits and other utility deposits. It also includes margin money kept with Clearing Corporation of India Ltd (CCIL) and with Stock exchanges for trading in Government securities & equities respectively.
- GST and Service tax advance and unutilized credit represents CENVAT credit which will be utilized in the future for set off against payment of GST liabilities.

Management Discussion and Analysis (Contd.)

vii. Pursuant to IRDAI circular on “Handling of unclaimed amounts pertaining to policyholders”, the Company has created a single segregated fund to manage all the unclaimed monies of policyholders with effect from April 1, 2016. Amount standing in the segregated fund for unclaimed amounts is ₹ 3.65 billion as at March 31, 2021.

viii. Other receivables represents the sales proceeds pending to be received (but not overdue) on sale of investment securities, dividend receivable and amount receivable from unit linked funds etc.

b. Current liabilities and provisions

The summary of current liabilities is as follows –

Particulars	(₹ in billion)	
	As at March 31, 2021	As at March 31, 2020
Current liabilities		
- Agent balances	0.90	0.58
- Balance due to other reinsurers	0.12	0.20
- Premium received in advance	0.06	0.05
- Unallocated Premium and other deposits	3.62	3.18
- Sundry creditors	7.42	7.10
- Due to subsidiaries/ holding companies	0.45	0.56
- Claims outstanding and annuities due	6.19	2.50
- Unclaimed amounts of policyholders	3.65	3.27
- Others	15.63	10.40
Provisions		
- Provision for tax	0.75	1.19
- Provision for employee benefits	1.08	1.19
- Provision for interim dividend	2.50	-
Total current liabilities and provisions	42.38	30.22

Some of the key items impacting current liabilities and provisions are explained below:

- Agents' balances represents amount payable to insurance advisors towards commission as on the Balance Sheet date. Amount outstanding is mainly attributable to business sourced during the last month of the financial year.
- Premium received in advance represents premium paid in advance by policyholders which will be recognised as premium income on the due date of the policy.
- Premium and other deposits are primarily attributable to monies received from policyholders but pending to be allocated on issuance of insurance policy. It mainly includes amount received during the last few days where policy could not be issued due to underwriting requirements or pending documents.
- Sundry creditors represent amounts payable to various service providers towards goods and services availed by the Company along with the provision for the services availed or goods received but invoices are not received.
- Policyholders' claims outstanding represents amounts payable to the policyholders for all claims viz. death, survival, surrenders, annuity, etc. that are intimated to the Company and are outstanding as on date due to pending investigation as a part of the normal claim process or are pending due to documents pending from policyholders.
- Other liabilities includes amount to be paid for securities purchased including brokerage, GST and TDS payable and amount payable to unit linked funds etc.
- Provision for tax is shown net of advance tax paid by the Company.
- Provision for employee benefits represents company's liability towards gratuity, leave encashment and long term service award, computed as per the requirements of Accounting Standard 15 (Revised) on Employee Benefits.

D. Cash Flow Statement

The summary of Cash Flow Statement is given below –

Particulars	₹ in billion)	
	Year ended March 31, 2021	Year ended March 31, 2020
Net cash generated from/ (for) operating activities	238.78	192.99
Net cash generated from/ (for) investing activities	(192.03)	(169.87)
Net cash generated from/ (for) financing activities	0.03	(1.98)

Cash flows from operating activities

Net cash flows generated from operating activities increased from ₹ 192.99 billion in FY 2020 to ₹ 238.78 billion in FY 2021. This increase was primarily due to an increase in premium collection which is partially off-set by increase in policy benefits paid and commission and vendor pay outs.

Cash flows from investing activities

Net cash flows used in investing activities increased from ₹ 169.87 billion in FY 2020 to ₹ 192.03 billion in FY 2021. This increase was primarily due to an increase in investment in bonds, Government securities, etc.

Cash flows from financing activities

Net cash flows from financing activities increased from ₹ (1.98) billion in FY 2020 to ₹ 0.03 billion in FY 2021 on account of fund received on exercise of ESOPs.

VIII. KEY PERFORMANCE INDICATORS

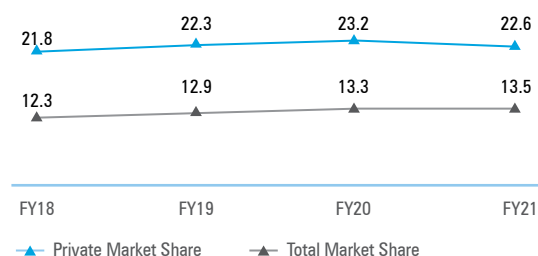
Following are the key parameters on which performance of the Company is measured

i. Market share, product mix and distribution mix**Market Share**

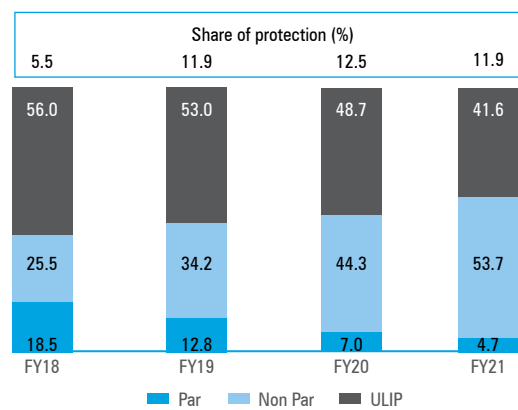
The Company's individual rated premium has increased from ₹ 97.72 billion in FY 2020 to ₹ 102.23 billion in FY 2021.

The Company's market share in individual rated premium has increased over the years on account of growth in individual regular new business premium. Individual new business premium has increased by 11% from ₹ 112.45 billion in FY 2020 to ₹ 124.99 billion in FY 2021.

Total market share has increased marginally from 13.3% in FY 2020 to 13.51% in FY 2021.

IRP Market Share (%)**Product mix**

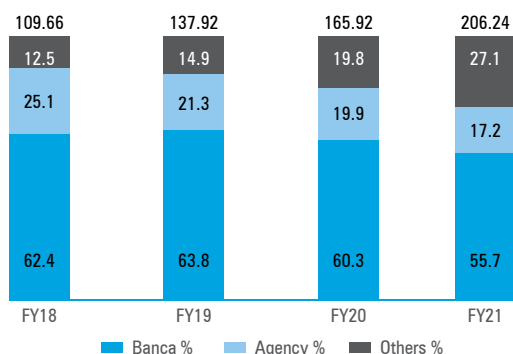
The Company has maintained a balanced product mix over the years.

NBP Product mix (%)**Distribution mix**

The Company continues to ensure diversification and strengthening of its distribution channels. All key distribution channels of the Company have demonstrated growth over the years. The share of Banca channel has increased over the years. For FY 2021, the share of Banca channel is 55.7%. Apart from agency and bancassurance channel, others comprise of Company's corporate agents, brokers, micro agents and common service centre (CSC), insurance marketing firm (IMF) and direct business.

Management Discussion and Analysis (Contd.)

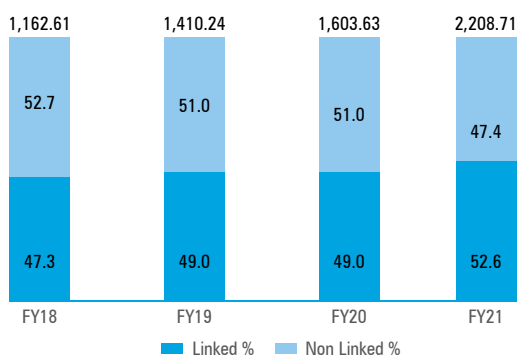
NBP channel mix (₹ in billion)



ii. Assets under management

The assets under management have significantly grown over the years due to increasing premium inflows. The Company has registered a growth of 37.7% from ₹ 1,603.63 billion in FY 2020 to ₹ 2,208.71 billion in FY 2021. The Company has a consistent debt-equity mix of 73:27 and over 90% of the debt investments are in AAA rated and sovereign instruments as on March 31, 2021.

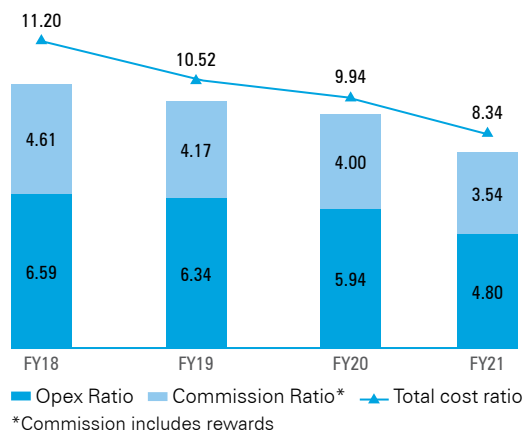
Assets under Management (₹ in billion)



iii. Cost Efficiency

The Company is continuously focusing on cost containment activities to reduce operating expenses. The Company's 'Operating Expense to Gross written Premium (GWP) Ratio' is one of the lowest amongst private life insurance players on a consistent basis. The total cost ratio has also declined over the years.

Cost ratio (%)

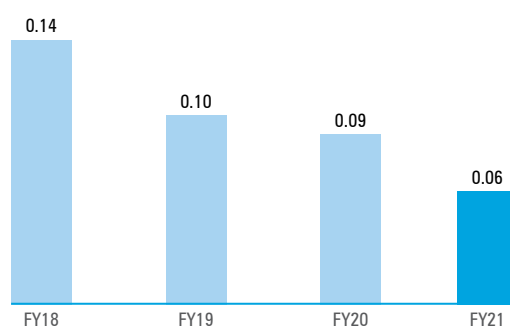


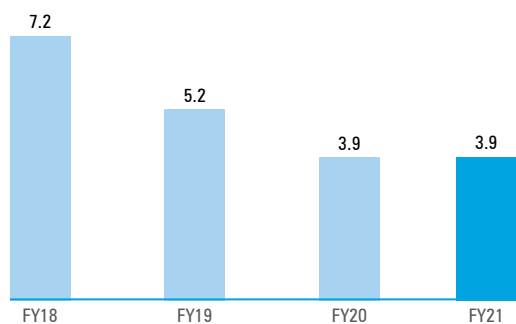
Total cost ratio is calculated as operating expenses, commission, provision for doubtful debts and bad debts written off divided by gross written premium.

iv. Customer Satisfaction

The Company promotes ethical sales and aims to improve overall customer experience. Continuous customer engagement and awareness campaigns have reduced mis-selling complaints and surrender ratio.

Unfair Business Practices (%)

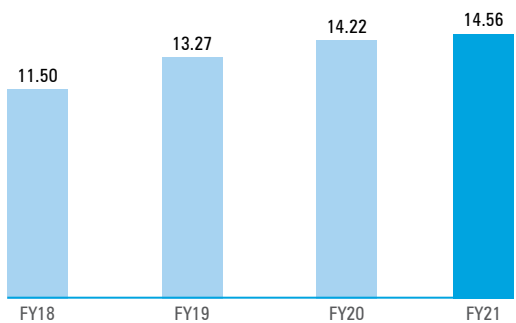
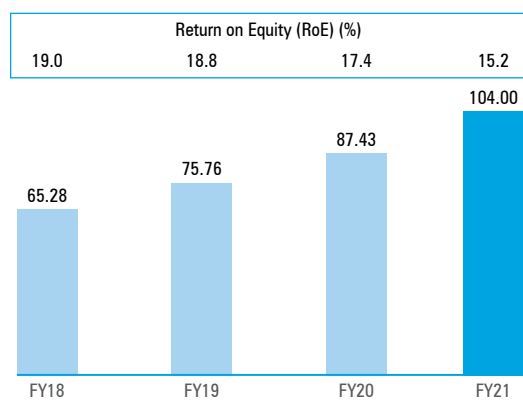


Surrender Ratio (%)

* Surrender ratio-individual linked products (Surrender/average AuM).

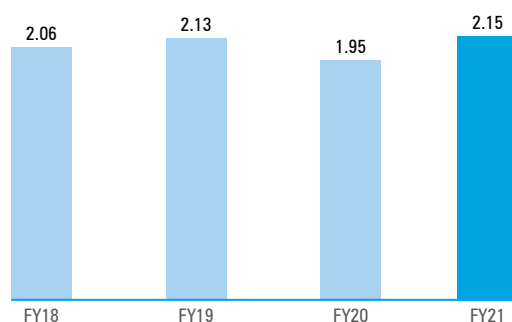
v. Profitability and Net worth

Profits have witnessed an increase of 2.4% from ₹ 14.22 billion in FY 2020 to ₹ 14.56 billion in FY 2021. Net worth of the company has also consistently increased from ₹ 65.28 billion in FY18 to ₹ 104.00 billion in FY 2021.

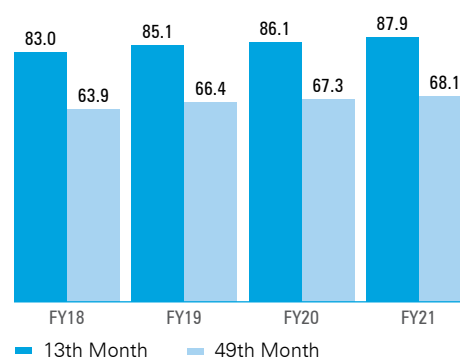
Profit after Tax (₹ in billion)**Networth (₹ in billion)****vi. Solvency**

Solvency is a regulatory measure of capital adequacy. It is expressed as a ratio of available

capital and required capital. It is critical in determining our ability to meet future contingencies and fund growth plans. As at March 31, 2021, the Company has a solvency of 2.15 against the mandatory requirement of 1.50. There has been no capital infusion by the promoters in the company after FY 2008.

Solvency Ratio**vii. Persistency**

Persistency is a key parameter for insurance companies. It measures the proportion of policy holders who have continued with their policies. It indicates the ability of the Company to retain customers. Maintaining a high level of persistency is critical as it provides scope of regular revenues through renewal premiums. The 13th month persistency ratio (based on premium) has increased from 83.0% in FY18 to 87.9% in FY 2021. Persistency based on regular premium has also increased across all cohorts. 13th month persistency based on regular premium has increased from 83.7% in FY 2020 to 85.4% in FY 2021. 13th month persistency for Agency channel has improved from 87.6% in FY 2020 to 89.1% in FY 2021 and for Bancassurance channel has increased marginally from 83.5% in FY 2020 to 85.4% in FY 2021.

Persistency (%)

Management Discussion and Analysis (Contd.)

Note: The persistency ratios are calculated as per IRDA/ACT/CIR/MISC/035/01/2014 circular dated 23rd January 2014. Single Premium and Fully Paid-Up policies are considered in above calculation. Group Business where persistency is measurable is included. Persistency Ratios are calculated using policies issued in March to February period of the relevant years.

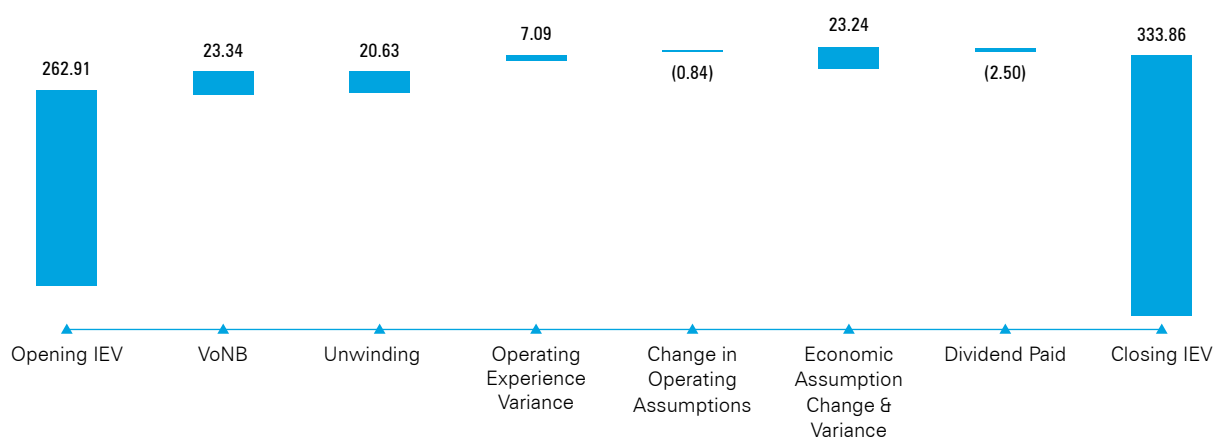
viii. Embedded Value and Value of New Business (VoNB) Margin analysis

- Embedded value of the Company as at March 31, 2021 has increased to ₹ 333.86 billion from ₹ 262.91 billion at March 31, 2020, showing a growth of 27%. On effective tax rate basis EV as at March 31, 2021 has increased to ₹ 364.02 billion from ₹ 276.36 billion at March 31, 2020, showing a growth of 32%.
- Value of new business has increased from ₹ 20.12 billion in FY 2020 to ₹ 23.34 billion in FY 2021, registering a growth of 16.0%. On effective tax rate basis VoNB as at March 31, 2021 has increased to ₹ 26.60 billion from ₹ 22.20 billion at March 31, 2020, showing a growth of 20%.
- VoNB margin has also increased from 18.7% in FY 2020 to 20.4% in FY 2021. On effective tax rate basis VoNB margin has increased from 20.7% in FY 2020 to 23.2% in FY 2021.

Embedded Value has increased on account of value of new business added. Improvement in persistency has contributed to the increase in New Business Margin.

Analysis of movement in IEV

(₹ in billion)



Sensitivity Analysis

Scenario	Change in EV%	Change in VoNB%
Reference Rate +100 bps	(2.4%)	(0.6%)
Reference Rate -100 bps	2.7%	0.1%
Decrease in Equity Value 10%	(1.5%)	(0.3%)
Proportionate change in lapse rate +10%	(1.1%)	(4.1%)
Proportionate change in lapse rate -10%	1.4%	5.3%
Mortality / Morbidity +10%	(1.7%)	(6.2%)
Mortality / Morbidity -10%	1.7%	6.2%
Maintenance Expense +10%	(0.6%)	(2.0%)
Maintenance Expense -10%	0.6%	2.0%
Mass Lapse for ULIPs in the year after the surrender penalty period of 25% *	(2.7%)	(8.7%)
Mass Lapse for ULIPs in the year after the surrender penalty period of 50% *	(6.3%)	(19.8%)
Tax Rate Change to 25% on Normal tax rate basis	(8.6%)	(12.7%)

*Mass lapse sensitivity (of 25% or 50%) for ULIP business is applied at the end of surrender penalty period as defined by APS 10, which is taken to be the beginning of 5th policy year for current generation of our ULIP products.

IX. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has aligned its internal financial control system with the requirements of the Companies Act 2013, on lines of globally accepted risk based framework as issued by Committee of Sponsoring Organizations (COSO). The internal control framework is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires the Company to identify and analyse risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness.

The Company's internal financial control framework is based on 'three lines of defence model'. The Company has laid down standard operation procedures and policies to guide the business operations and has a well-defined delegation of power with authority limits for approving revenue and capital expenditure. Statutory, Concurrent and Internal Auditors undertake testing of the control environment of the Company. The Company also has a Chief Audit Officer with a dedicated in-house internal audit team which is commensurate with the size, nature & complexity of operations of the Company. The internal audit plan covers Information System Audit, different process audit as well as transaction based audits at the Head office, Regional Offices and across various branches of the Company. The approach of the audit is to verify compliance with the regulatory, operational and system related controls.

X. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

We believe that our people are one of our most important investments and greatest assets. We are committed to attract, develop and retain a diverse population of talented, qualified and skilled employees at all levels of our organization and being among the industry's leading employers. To achieve this we promote a collaborative and transparent culture which rewards merit and high performance.

In this extraordinary year, we continued to stay focused on safety, health and wellbeing of our employees while they were providing essential services to people across the country. We were able to respond swiftly to the ever changing situation and ensure continued availability of services to our customers by embracing technology & acclimatizing to the new normal, while keeping employee safety as our topmost priority. We started with extending work from home facility to critical resources which was subsequently extended to all employees.

Some of the employee centred initiatives taken during the FY were coverage of Covid-19 expenses for tele-consultation services, diagnostic tests, medicines, ambulance charges, hospitalization expenses etc for employees as well as their dependent family members. We also extended facility of special leave to employees in case they or their family members tested positive for Covid-19. Frequent health and wellness sessions were conducted online for employees and their families providing a platform to connect with the experts to address their concerns. Senior management reached out to employees through E - Town hall meetings to convey the organizational initiatives, seek employee suggestions & resolve employee queries. We also ensured that all the benefits and rewards for the performance exhibited by employees were paid on time.

Employee recruitment continued to be focused on hiring the best fit candidates. With the social distancing norms in place, all our induction programs were conducted through digital tools with employees participating remotely. Organization also put extensive L&D efforts to upskill and reskill employees.

For us, each of our employees is a brand ambassador who represents our brand & conveys our values to the customer. Happy & Engaged employees create better experiences, which lead to more satisfied and loyal customers and, ultimately, brand and company growth. In our continued engagement efforts, we conducted our annual get together, 'Sangam', virtually for all our employees on a pan India level with the use of technology. The theme for this year's event was 'Shine Together, Thrive Together'.

The company, one of the most trusted private Life insurance brands, is now more than 20 years old. Our family has grown from 16,759 employees as on March 31, 2020 to 17,464 employees as on March 31, 2021 i.e. a growth of 4%. The average age of employees is around 36 years. The average tenure is around 5 years which demonstrates a sense of belongingness resulting from the mutual trust between employees and the organization.

It is our sense of resilience and the indomitable spirit that has helped us in making steady progress towards realising our vision 'to be the most trusted and preferred life insurance provider' in India.

Directors' Report

To,
The Members of
SBI Life Insurance Company Limited

The Directors are pleased to present the 21st Annual Report of SBI Life Insurance Company Limited ("SBI Life" or "the Company") along with the audited financial statements for the financial year ended March 31, 2021.

1. SUMMARY OF FINANCIAL PERFORMANCE

The summary of the financial performance of the Company for FY 2021 is presented below:

		(₹ billion)	
Particulars	FY 2021	FY 2020	
A. Financial Parameters:			
Gross Written Premium (GWP)	502.54	406.35	
- New Business Premium (NBP)	206.24	165.92	
- Renewal Premium (RP)	296.30	240.42	
Profit / (Loss) before taxation	16.40	17.90	
Provision for taxation	1.84	3.68	
Profit / (Loss) after taxation	14.56	14.22	
Profit at the beginning of the year	78.82	64.60	
Total profit available for appropriation	93.38	78.82	
Interim dividend	2.50	-	
Profit carried to the balance sheet	90.88	78.82	
Earnings per equity share (EPS)			
- Basic (in ₹)	14.56	14.22	
- Diluted (in ₹)	14.55	14.22	
Net worth	104.00	87.42	
B. Business Parameters:			
Indian Embedded Value (IEV)	333.86	262.91	
Annualized Premium Equivalent (APE)	114.48	107.37	
Value of New Business (VoNB)	23.34	20.12	
New Business Margin (VoNB Margin)	20.4%	18.7%	
Assets under Management (AUM)	2,208.71	1,603.63	
Individual Rated Premium (IRP)	102.23	97.72	
Total Protection NBP (Individual + Group)	24.59	20.82	
Total Protection NBP Share	11.9%	12.5%	
NBP Product mix (%) (Par/Non Par/ULIP)	5/54/41	7/44/49	
NBP Channel mix (%) (Banca/Agency/Others)	56/17/27	60/20/20	
Operating expense ratio	4.8%	5.9%	
Commission ratio [§]	3.5%	4.0%	
Total cost ratio*	8.3%	9.9%	
Solvency ratio	2.15	1.95	
Persistency ratio (13th month on premium basis)	87.92%	86.14%	
Persistency ratio (61st month on premium basis)	61.63%	59.90%	
Number of new policies issued (in 000's)	1,656.89	1,551.86	

[§] Commission ratio = Commission (including rewards) / Gross Written Premium (GWP)

* Total Cost = Operating expenses + Commission + Provision for doubtful debt + Bad debts written off

2. HIGHLIGHTS OF FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

The Company witnessed a growth and consistent performance in FY 2021. The key financial parameters of the Company are as follows:

- New Business Premium (NBP) has increased by 24% from ₹ 165.92 billion in FY 2020 to ₹ 206.24 billion in FY 2021.
- Individual Rated premium (IRP) has increased by 5% from ₹ 97.72 billion in FY 2020 to ₹ 102.23 billion in FY 2021 with private market share of 22.6%.

- Total protection new business premium has increased by 18% from ₹ 20.82 billion in FY 2020 to ₹ 24.59 billion in FY 2021.
- Individual protection business has increased by 40% to ₹ 7.42 billion in FY 2021 from ₹ 5.29 billion in FY 2020.
- APE has increased by 7% to ₹ 114.48 billion over previous year.
- GWP has increased by 24% to ₹ 502.54 billion primarily due to increase in renewal premium by 23% from ₹ 240.42 billion to ₹ 296.30 billion and a significant increase in individual single premium by 55% from ₹ 16.37 billion to ₹ 25.29 billion.
- The Company's profit after tax grew to ₹ 14.56 billion in FY 2021 from ₹ 14.22 billion in FY 2020.
- The operating expense ratio (Operating Expense to GWP) stands at 4.8% in FY 2021 as against 5.9% in FY 2020.
- AUM has grown by 38% from ₹ 1,603.63 billion as of March 31, 2020 to ₹ 2,208.71 billion as of March 31, 2021 with debt-equity mix of 73:27.
- Solvency ratio of the Company stands at 2.15 as against the regulatory requirement of 1.50 indicating the strong & stable financial health of the Company.
- The 13th month persistency ratio (based on premium) improved by 178 bps to 87.92% in FY 2021 from 86.14% in FY 2020 and 61st month persistency ratio (based on premium) improved by 173 bps to 61.63% in FY 2021 from 59.90% in FY 2020.
- Indian Embedded Value of the Company stands at ₹ 333.86 billion, as on March 31, 2021 as compared to ₹ 262.91 billion as on March 31, 2020.
- Value of New Business grew by 16% from ₹ 20.12 billion to ₹ 23.34 billion in FY 2021 leading to an increase in value of new business margin from 18.7% to 20.4% in FY 2021.

- **Distribution reach**

The Company, with a view to increase the market share and serving underpenetrated market, continues to emphasise on the expansion of its distribution reach through opening up of new offices, quality recruitments and new business partnerships. As at March 31, 2021, the Company has 947 offices, 170,096 Insurance Advisors (IAs) and 50,240 Certified Insurance Facilitators (CIFs) across the country as against 937 offices, 130,418 IAs and 53,096 CIFs as on March 31, 2020.

The Company had obtained necessary regulatory approvals from IRDAI and Central Bank of Bahrain

(CBB) for opening branch office in Kingdom of Bahrain to conduct life insurance business. The Board in its meeting held on January 22, 2020 have resolved to surrender the Certificate of Commencement issued by the Central Bank of Bahrain (CBB) and to withdraw all the resources of the Company in accordance to the applicable laws. During the year ended March 31, 2021, the Company has surrendered the Certificate of Commencement and Insurance license issued by CBB for branch office in Kingdom of Bahrain and withdrawn all the resources of the Company from Bahrain branch.

- **Distribution Mix**

During the year, the Company collected New Business Premium of ₹ 206.24 billion, comprising of ₹ 114.78 billion from 'Bancassurance' which represents company's largest distribution network, ₹ 35.50 billion from Retail Agency and ₹ 55.96 billion from other distribution channel which includes direct sales, sales by non-bancassurance corporate agents, brokers, micro agents, common service centres (CSC), insurance marketing firms (IMFs) and Web aggregators.

The Company's direct sales primarily comprise sale of group products, as well as standardised individual products sold through online offerings.

3. INDUSTRY AND COMPANY OUTLOOK

The COVID-19 pandemic has taken more than a million lives as the toll continues to rise. Many countries are witnessing their second and third waves. During such times, there was an urgent need for lifting of trade restrictions on medical goods & services, financial assistance for vulnerable economies to cope with the impact and get back to some sort of recovery. Recent data has suggested that the global economy is slowly on the recovery path, after the great lockdown in the first half of the fiscal year. The swift regulatory and monetary policies have enabled the GDP recovery in the subsequent half of the year.

As the world continues on the path of recovery from the pandemic, India witnessed a tremendous contraction in GDP of 24.4% in the 1st quarter of this financial year. This contraction was bound to occur on account of complete lockdown across the entire country. The 2nd quarter of the year witnessed recovery with the GDP contraction reducing to 7.5%. The real GDP growth rate for FY 2021-22 is estimated to be 11% which would be supported by the mass vaccination of the huge population, increase in consumptions and various stimulus packages by the Government.

There was great uncertainty due to the pandemic but as we begin recovery from the same, insurance industry has demonstrated strong recovery. Further, innovation and technology continues to help

Directors' Report (Contd.)

the industry to cope up with the evolved needs of the stakeholders

The global life insurance market grew by 2.2% in 2019 with premium collection of USD 2,916 billion. As regards the Indian markets, the Total Rated Premium of the life insurance industry was reduced by 14% Y-o-Y. As regards the Individual Rated Premium, there was a marginal increase of 3% from ₹ 734.88 billion in FY 2019-20 to ₹ 756.58 billion in FY 2020-21. Thus, the industry is witnessing traction and expects to growth in the future.

Key challenges are listed below:

Second wave and a possible third wave of COVID-19: Our country is already into the second wave, which has caused more disruption to health and economic activities. Currently, the biggest challenge is to cope up with the opening up of all the activities and curbing further spread of virus at the same time as this is going to be difficult to find the right balance. The first lockdown has caused considerable damage to the economy and with the country already into the second wave, and a possible third wave, the recovery seems difficult.

Low consumption levels threaten to slow down any possible recovery of the economy. The best possible solution, which is vaccination of the entire population is also such a challenging task with the country's population and lack of proper distribution system.

All these factors would determine the revival of the economy and its impact on life insurance industry.

Cyber-crime: With the need to provide Work from Home (WFH) facilities to employees, the Company faces the risk of cyber-crime. It is important for an organisation to understand that cyber-security is very crucial in such times. During the lockdown, cyber-attacks have increased manifold. Thus, one of the biggest threats to the Company is the possibility of cyber-crimes, which may cause significant and irreparable damage. Thus, there is an utmost need of secure networks and stringent security of our IT assets to ensure safety.

Rising customer expectations: With the increasing competition and use of technology in insurance business, the customer expectations has been on the rise. Creating unique and personalized customer experiences has been a priority for many years, indicating that many companies are still playing catch-up and remain vulnerable to non-traditional players. Thus, better customer experiences have been a priority for years — and will remain one for the foreseeable future.

Regulatory update:

Regulatory instructions/relaxations related to COVID-19

In order to ensure safety of the employees, agents and policyholders of insurers and to protect the interest of policyholder's in the current pandemic situation

and lockdown caused due to COVID-19, IRDAI issued various circulars and directions to insurers providing relaxations pertaining to:

- extension of free look period, grace period and settlement options for maturity pay-out in ULIPs.
- Issuance of insurance policy electronically
- Issuance of e-Certificate of Insurance under Group Insurance Policies
- Dispensing with physical signatures on proposal form
- Facilitation for COVID-19 vaccination for the policyholders, employees and agents and create awareness about vaccination.,

IRDAI has issued guidelines on COVID Standard benefit based health policy and mandated all insurers to launch a standard short term health insurance policy to specifically cover COVID – 19 diseases. The Company has launched SBI Life - Corona Rakshak, product in compliance with the regulatory directions.

IRDAI (Minimum Information Required for Investigation and Inspection) Regulations

IRDAI has issued regulations to specify the minimum information and records to be maintained by the insurers, intermediaries and insurance intermediaries in order to enable IRDAI's investigating officer undertake his/her duties and functions in accordance with Section 33 of the Insurance Act 1938.

- Maintain the physical and electronic records and destruction of old records as per the Board approved policy in this regard.
- Records shall be maintained for 10 years (12 years for claim records) or as per extant regulatory requirements, whichever is later, from the date of last transaction / expiry of the policy.

Video Based Identification Process (VBIP)

IRDAI has permitted Life and General insurers to carry out "Video Based Identification Process" ("VBIP") as an alternative consent based process of customer identification/KYC in a paperless, secure, real-time basis for the purpose of customer due diligence.

Standard Pure Term and Individual Immediate Annuity product

To bring uniformity in insurance product offering across insurers with simple features and standard terms and conditions with identical product parameters, policy documents and terms and conditions IRDAI has notified Guidelines for standard individual term life insurance product, with named as "Saral Jeevan Bima, and Standard Individual Immediate Annuity Product, Saral Pension". All Life insurers are required to mandatorily offer this product.

Increase in FDI in Insurance Sector:

With notification of Insurance (Amendment) Act 2021 limit of foreign investment including portfolio investment increased from 49% to 74% in Insurance sector.

4. COVID 19

The COVID-19 pandemic has led to a great loss of human life worldwide and presents an unprecedented challenge to public health, food systems and the world of work. The economic and social disruption caused by the pandemic is devastating. The Company has responded swiftly to the pandemic, while ensuring business continuity along with safety and security of all the stakeholders. Listed below are the various measures undertaken by the Company.

Business Continuity Plan

The impact of COVID-19 pandemic was felt across the entire country and across all economic sectors. In initial stage, the Company responded actively and promptly with the Business Continuity Plan (BCP) to enable operations to run with minimal disruptions. With the onset of the lockdowns, the Company made a quick transition to Work from home (WFH), also ensuring secure connections for data safety. The Company also continued to deliver to its customers by providing 24x7 availability through our digital platforms.

Work from Home & Employee Safety

In this extra-ordinary year, we continued to stay focused on safety, health and wellbeing of our employees while they were providing essential services to people across the country. We were able to respond swiftly to the ever changing situation and ensure continued availability of services to our customers by embracing technology & acclimatizing to the new normal, while keeping employee safety as our topmost priority. We started with extending work from home facility to critical resources which was subsequently extended to all employees.

Some of the employee centred initiatives taken during the FY were coverage of Covid-19 expenses for tele-consultation services, diagnostic tests, medicines, ambulance charges, hospitalization expenses etc for employees as well as their dependent family members. We also extended facility of special leave to employees in case they or their family members tested positive for Covid-19. Frequent health and wellness sessions were conducted online for employees and their families providing a platform to connect with the experts to address their concerns.

Opening up

After the announcement of staggered unlock by the Government, the Company ensured strict compliance with the guidelines. Temperature checks, maintaining rosters, tracing and physical distancing was strictly complied with the opening of offices.

Customer focus and engagement

The Company continued to communicate with its existing customers to make them aware of services that they can avail and ensure continuous customer engagement. Post gradual unlock by the government, the Company was able to scale up the operations with the help of the vast network of various distributors. The Company's robust digital platform enabled our distributors to connect with customers digitally to enable sale of new policies.

Risk Assessment

Covid-19 virus continues to spread across the globe including India, resulting in significant impact on global and India's economic environment including volatility in the capital markets. The company has assessed the impact of the pandemic and has made additional provision of ₹ 183 Cr. Covid-19 impact is still evolving and there is uncertainty regarding the future impact. Company is well capitalised and maintains a healthy solvency ratio of 215% as at 31st March 2021. The Company will continue to closely monitor any future developments in this regard.

Stricter underwriting and enhanced medical examinations are undertaken in view of the current situation so as to mitigate the risk of covering sub-standard lives.'

The investment policy of the Company is to widely diversify the investments into Government Securities, Bonds & Debentures, Equity Shares, Money Market Instruments, Fixed Deposits, etc. A majority of the investments of the Company are in large cap Nifty 50 Index stocks, sovereign and AAA rated securities. We have evaluated and understand that there is no exposure to industries which will materially affected us because of the pandemic. The Company assesses the impact of Covid-19 prior to investing.

The Company has a robust Business Continuity Management (BCM) which has helped it in successfully managing the pandemic. All critical activities were successfully done on 'Work from Home' (WFH) basis. Adequate number from WFH connections ensured that the Company could carry out the year end activities (including statutory audit and announcing the financial results) on a timely basis. All statutory filings were done within the timelines specified by the relevant authority / regulations.

The Company made adequate arrangements for servicing of customers. Routine operations including logging in new business proposals, issuance of policies, collection of renewal premiums, processing & payout of survival / maturity benefits and settlement of death claims are being carried out. Salary to employees, commission to intermediaries & vendor invoices are being processed and payouts being released in a timely manner.

Directors' Report (Contd.)

Adequate measures in terms of sanitizing all offices, vaccinating employees & outsourced staff and closing / opening of offices are done in line with Local, State & Central Government prescriptions. Requisite Information security measures and sensitization of all employees in light of WFH is being done regularly.

Future outlook

It has been more than a year now, since the COVID-19 outbreak and still all businesses are facing the hardships. The second wave of COVID-19 in India continues to affect the economy adversely. However, with the roll-out of vaccination drive, we are hopeful that the impact of COVID-19 would gradually decline. The Company will continue to closely monitor any further developments relating to COVID-19 which may have any impact on the business and financial statements.

5. DIVIDEND AND RESERVES

IRDAI vide its circular no. IRDAI/F&A/CIR/MISC/099/04/2020 dated April 24, 2020 on prudent management of financial resources of insurers in context of COVID-19 Pandemic, had urged all insurers to take a conscious call to refrain from dividend pay-out from profits pertaining to FY ending March 31, 2020 till further instructions.

IRDAI subsequently vide its circular no. IRDAI/F&A/CIR/MISC/032/02/2021 dated February 25, 2021 on prudent management of financial resources of insurers in context of COVID-19 pandemic has withdrawn the applicability of its erstwhile circular no. IRDAI/F&A/CIR/MISC/099/04/2020 dated April 24, 2020 with immediate effect post assessment of financial results of the insurers for the quarter ended September 30, 2020 and December 31, 2020. However, the Authority has directed the insurers to take conscious call in matter of declaring dividend for FY 2020-21 considering the capital, solvency and liquidity positions. The Company's profit after tax stands at ₹14.56 billion in FY 2021 as against ₹ 14.22 billion in FY 2020. The Company has carried forward ₹ 12.06 billion to its Reserves and Surplus, and had accumulated balance of ₹ 90.88 billion as on March 31, 2021. The Company has a solvency ratio of 2.15 as at March 31, 2021 as against regulatory mandate of 1.50.

The Board of Directors of the Company at its meeting held on March 25th 2021 has declared an interim dividend of ₹ 2.50 per equity share of the face value of ₹ 10 each @ 25% during the year (previous year ₹ Nil per equity share of the face value of ₹ 10 each) after considering the capital, liquidity and solvency position of the company in accordance IRDAI no. IRDAI/F&A/CIR/MISC/032/02/2021 dated February 25, 2021 and dividend distribution policy of the Company. The total interim dividend pay-out amounts to ₹ 2.50

billion. No final dividend is recommended for the year ended March 31, 2021 and the said interim dividend declared is to be confirmed as final dividend.

In terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Dividend Distribution Policy of the Company is disclosed on the website <https://www.sbilife.co.in/en/about-us/investor-relations>

The Company has uploaded the details of unpaid and unclaimed dividend on the Company's website: <https://www.sbilife.co.in/en/about-us/investor-relations>

6. CAPITAL AND SHAREHOLDING

During the year there was no fresh capital infusion by the promoters in the Company. The authorized share capital and paid up share capital of the Company stands at ₹ 20.00 billion and ₹ 10.00 billion respectively. The shareholding pattern during the year under review is in compliance with the statutory requirement. The shareholding pattern is provided as a part of Form No. MGT-9 which is annexed to this Report and under Schedule – 5A which forms part of the Financial Statement.

During the year, State Bank of India (Promoter) has sold 2.1% stake i.e. 21,000,000 equity shares of ₹ 10 each at an average price of ₹ 744.05 per share for a consideration of ₹ 15.63 billion. BNP Paribas Cardif S.A. (Promoter) has sold 4.99% stake i.e. 50,003,480 equity shares of ₹ 10 each at an average price of ₹ 911.28 per share for a consideration of ₹ 45.57 billion.

During the year ended March 31, 2021, the Company has allotted 44,613 equity shares of ₹ 10 each pursuant to exercise of stock options by the eligible employees. This allotment has resulted in increase in paid-up equity share capital by ₹ 446 thousands and securities premium by ₹ 26,072 thousands.

7. DEPOSITS

During the year under review, the Company has not accepted any deposits from the public as per Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

8. INCLUSION IN NIFTY 50 OF NSE

Equity share of SBI Life Insurance Company has been included in Benchmark Index of NSE i.e. NIFTY 50 from September 25, 2020.

9. AWARDS & RECOGNITIONS

The Company has received various awards during the year across brand management, technology

etc. Brief highlight of some of the major awards are mentioned below:

- SBI Life has won 'Silver' Award under the category of "CSR COVID Relief Project" at the 4th CSR Health Impact Awards 2020
- SBI Life won the 'Insurer of the Year- Life Category' award at The Insurance Industry Awards 2020 by FICCI
- SBI Life won a 'Silver' for 'Real Life Real Stories featuring Suyash Jadhav' for 'Best Use of Video' at the Shark Awards 2020
- SBI Life won a 'Silver' for 'Real Life Real Stories featuring Suyash Jadhav' for 'Best Branded Content' at the Brandwagon ACE Awards 2020
- SBI Life won a 'Gold' for 'Real Life Real Stories featuring Suyash Jadhav' at Campaign India Digital Crest Awards
- SBI Life won 'Silver' under Digital Technologies by SKOCH Award for CKYC, Offline KYC and ASP Process Integration initiatives
- SBI Life won 'Gold' honour at DIGIXX Awards 2021 for Digital Marketing Excellence for M.Connect Life in the Technology (sales platform) category
- SBI Life awarded 'Gold' honour in Editor's Choice for 'Customer Orientation in Life Insurance' at 20th Outlook Money Awards 2020.

As we work to deliver performance with purpose, we are proud that numerous organisations have recognised our efforts and achievements. These awards demonstrate the Company's commitment to achieve excellence, across all spheres of its activities and operations.

10. PRODUCTS

SBI Life has a wide range of products catering to various customer needs in the life, health, pension & micro-insurance segments. These products are customer centric, simple to understand and have competitive features.

To maintain its competitive edge in the market, the Company has reviewed and modified six existing products (Five individual products and One group product) during FY 2021. The products pertaining to various categories which were modified and launched are as given below:

- 1) SBI Life – Smart Samriddhi
- 2) SBI Life – Smart Platina Assure
- 3) SBI Life – Annuity Plus
- 4) SBI Life – Swarna Jeevan
- 5) SBI Life – Poorna Suraksha
- 6) SBI Life – Sampoon Cancer Suraksha

The product SBI Life – Smart Samriddhi was modified post the IRDAI (Insurance) Product Regulations, 2019 and to reduce the minimum premium under the product.

The products SBI Life – Smart Platina Assure, SBI Life – Annuity Plus and SBI Life – Swarna Jeevan were modified in view of the changing interest rate scenario and to accommodate market demand.

The products SBI Life – Poorna Suraksha and SBI Life – Sampoon Cancer Suraksha were modified in line with IRDAI Master Circular on Standardization of Health Insurance Products, 2020.

Considering the market demand, the Company has launched four new products during FY 2021 as follows

- 1) SBI Life – Smart Future Choices
- 2) SBI Life – New Smart Samriddhi
- 3) Corona Rakshak Policy, SBI Life Insurance Company Limited
- 4) SBI Life – Saral Jeevan Bima

SBI Life – Saral Jeevan Bima product has been launched as per IRDAI guidelines on Standard Individual Term Life Insurance Product 2020. On the launching of this product, the existing individual term insurance product SBI Life- Saral Shield was withdrawn from the market.

11. CUSTOMER AND PARTNER SERVICE ENABLEMENT FOR BUSINESS GROWTH

During the year under review, the Company has been in a position to handle a total volume of 16.56 lacs Individual New business policies, 106.57 lakhs new lives under group policies and total New business Premiums of ₹ 206.24 billion, resulting in an increase of 24% in New Business Premium. Apart from this, the Company has also managed to collect Renewal Premium of ₹ 296.30 billion, showing an increase of 23% in Renewal Premium Business. During the year, the Company has made policy payout (net of reinsurance) of ₹ 214.93 billion to individual policy holders and the group master policy members

We effectively organised and responded to crisis situation created by the outbreak of Covid-19 pandemic. During the pandemic period, the Company adopted various digital initiatives / strategies for end-to-end digital customer on-boarding to customer servicing. Customer experience has taken a new meaning against this backdrop. While working towards raising the bar in 'End-to-End' digital services, the Company has also ensured the health & safety of its stakeholders viz. Customers, Distributors, Employees and Business Partners.

With the help of newer technologies like Artificial Intelligence (AI) and Machine Learning (ML) capabilities, we have implemented the automation

Directors' Report (Contd.)

of high-volume and repeatable tasks. Further, Robotic Process Automation (RPA) helping in scalability in the long - run and to reduces the cycle time for processing of activities while keeping in mind error-free delivery. The introduction of Robotics has given a major boost to process automation and has the power to replicate human tasks without affecting the underlying systems.

Moreover, with an expeditious online Claims processing system in place, we have attempted to provide pragmatic help to customers in financial distress. Keeping in mind the situation and the substantial demand for digital servicing, the shift to online and digital servicing channels has proven effective in the day-to-day functioning of our organisation.

The snapshot of various activities undertaken by various departments under the overall Operations Business Unit, which are highlighted below:

The list of activities executed by the Company which benefitted more than one department in the Operations team are as below:

Robotic Process Automation (RPA):

Robotic process automation (RPA) is an emerging form of business process automation technology based on the notion of software robots. It uses software with artificial intelligence (AI) and machine learning (ML) capabilities to handle high-volume and repeatable tasks. RPA helps in scalability in the long run and also helps in decreasing the cycle time for processing of activities. Robots can replicate human tasks without affecting the underlying systems; this can lead to manifold increase in productivity levels without a corresponding increase in manpower budgets. Depending on the requirements on the process, robotics can help in making processes run 24x7x365, resulting in increased stakeholder satisfaction and service availability for customers. Under this project, currently, 25 processes in operations with a high ROI (Return over Investment) were taken up for automation in FY 2021.

Smart Care: (Customer Engagement app.)

The 'Smart Care' has been developed with the objective of re-defining the digital servicing experience of our policyholders as well as prospective clients, keeping in mind the expectations of the present-day users with digital platforms. The Progressive Web Application (PWA) platform makes this Smart Care application device agnostic; it provides the user with seamless experience and to have the same functionalities and experience on any device ranging from mobile to web applications. The user interface developed is very user friendly and has many features that will help engage the user right from choosing the right insurance up to maturity / claim settlement) of the policy. A host of self-servicing options also have been provided that will enable the user to transact

on their policy at the click of a button with minimum dependency. The beta version of the application was launched on 3rd February, 2021.

Leveraging IIBI information in risk evaluation:

Insurance Information Bureau of India (IIBI) maintains a central repository of life insurance policies of participating insurance companies. The participating insurers get the facility to raise query on this entire database. It is particularly used at the time of New Business Underwriting and also during Claims assessment as it helps in getting all the information in respect of the insurance policies held by the Proposer / Life Assured taken from other insurance companies. Other information, such as whether any of the LA's proposals was ever declined / accepted with extra rating etc., by other companies is also made available. This information proves very vital in detecting various Non-disclosures / claim frauds. This also helping the Company to take the right Underwriting decisions with proper pricing.

SBIL was the first Company to have an API Integration with IIBI wherein this information is received by us directly on real time basis, as and when we raise query for vital information on proposer / life assured.

Customer On-boarding experience:

New Business Department is pivotal in ensuring a smooth on-boarding experience to the customers as well as sourcing partners. The initiatives taken throughout the year are focussed on improving the customer on-boarding experience through improving the processes thereby leading to faster issuance, digitization and better communication.

● Introduction of Alternate Sales Process -

With the outbreak of Covid-19, the traditional form of customer interaction and business sourcing was no longer possible. This gave impetus to development of Alternate Sales Process (ASP) on MConnect for uninterrupted customer on boarding through Digital platform. With the launch of ASP process, the entire on boarding journey became 'Paperless – Penless', wherein no documents were required to be provided by the customer towards KYC or signature verification. This has been achieved through two digital KYC options introduced in MConnect i.e. ASP eKYC (OTP based Aadhaar verification process) and ASP Video KYC (Video based verification process).

With the implementation of ASP process, we have been able to completely eliminate the need to submit physical documents or the movement of physical document across offices. Further, we have also been able to create a complete digital ecosystem for the on boarding process.

- NPS Online -**
 Your Company has introduced a digital onboarding module specifically for onboarding of NPS (National Pension System) Proposals. 'Parivartan' in NPS has levered SBI Life to a leading position in Private insurance sector and has made life easy for all stakeholders. Improved service standards, removal of manual activities such as data entry and logistics, faster issuance TAT reduction in cost to Company are other important benefits of Parivartan.
- Automation of Excess Deposit Refund -**
 One of the important parameters of PPI (Protection of Policy Holder Interest) guideline is to refund any Excess Deposit paid by customer towards the policy within a stipulated TAT. We have moved to a complete seamless movement integration of various systems like Ingenium (our Policy Management System) & I Pay (Integrated Payment module). This has resulted in faster payouts with less of manual intervention and efforts thereby enabling the Company to better adherence to PPI guidelines and other Regulatory provisions.
- Introduction of Customer Services on WhatsApp -**
 SBI Life has introduced various Push Services on WhatsApp platform. We have now introduced a concept of "Service on Demand" wherein information will be imparted to the customer on request by the customer on WhatsApp. With the help of these services, we have empowered the customer to get information as per their needs and convenience by maintain all the required security and safety of the same. Various New Business services such as Proposal Status, Shortage link and Soft Copy of Policy Document have already been made live under this category
- Email ID verification -**
 Email Id is one of the most critical contact details shared by the customer taking into consideration the substantial number of communications sent to customers through email. Hence, it is critical to ensure that the email Id as shared by the customer is correct and it pertains to the proposer. In order to facilitate the capturing and storing of correct email Id, Company initiated email Id verification process, wherein the customer verifies the correctness of the email Id mentioned in the proposal form. This in turn will help to ensure that communication is sent to customers on correct email ids for posterity.
- Real Time Bank Account Verification in Workflow -**
 Capturing and storing of correct bank account details of the client is of utmost importance as these bank account details are used for making various payouts to customers. Hence, it is

critical to ensure that the account details being captured at the time of proposal on boarding are authentic, still valid and also pertain to the customer, for which Penny Drop service has been implemented. This service helps to verify the authenticity of the customer's bank account number mentioned in the proposal. This gives your Company the confidence that the amount due to the customer has been credited to the correct account and that the customer receives the amount on time.

- Implementation of Realtime services- Dedupe and Rural Services Mapping -**

Your Company has appointed a vendor who has a software with the ability to match the details of any new business proposer with our existing client database and provide us different matches with the probability of the matching.

Apart from the dedupe service, another service has been integrated to identify whether policy - holder pertains to Rural or Urban area. An algorithm developed for all the new cases issued the service maps the cases as Rural or Urban based on the communication address of the customer against Census data of 2011 on a real time basis. This helps us in submitting the details of Rural Policies to IRDAI, to ensure submission of the IRDAI Rural Regulation.

Underwriting process simplification:

In view of the pandemic situation, Work From Home (WFH) was the only mantra for business continuity. The WFH facility was not only required for company employees but for vendors also. There was need to build fool-proof systems to facilitate processing of various business activities. The processes were revisited with an aim to ensure business continuity. Also, the application is integrated with various external systems like CRIF, Credit bureau, IIBI, NSDL, vendors' system and Ingenium (our Policy Management Systems). Seamless synchronization of systems was a critical task, which has been implemented, successfully resulting in a fully integrated Workflow system that is being used by various stakeholders.

Described below are the major Digital Enablers and process changes your Company introduced in the Underwriting Department during the year under review. These were aimed at improving the overall process efficiency at the same time ensuring proper risk mitigation. The concept was improvised in accordance with the ideology of Digital Transformation and Customer oriented approach, aimed at reduction of issuance TAT, thus ensuring improved customer satisfaction.

Underwriting department played a key role in devising and implementation of Alternate Sales Process for On-Boarding of New Business Proposals.

Directors' Report (Contd.)

Other Major Initiatives/process changes implemented in Underwriting Department are as follows:

- **UW Checks at sourcing -**
These aim at guiding the sales person on proposal quality with underwriting rules incorporated in mConnect through rule engine. Basic checks introduced on parameters including Occupation, Qualification, Age and Annual income, etc. For all eligible cases user can continue with proposal, which ensures minimal requirements and faster proposing / issuance.
- **Improved User Experience for Frontline Sales using OCR Technology -**
Auto capture of data using Optical Character Recognition (OCR) technology has ensures higher accuracy, reduced manual data entry with improved accuracy.
- **Require management through Bitly link -**
Requirements including Consent for Revised terms, various Questionnaires required for Underwriting purpose and Shortage received through bitly link. Pending requirements are being flagged through SMS bitly link to customer's registered mobile number for Consent for extra premium, Shortage payment and various medical & non-medical questionnaires / requirements.
- **Digital Moral Hazard Report: (eMHR / Short MHR/ MHR through BITLY Link – to be submitted by the sales intermediary) -**
Captures detailed and meaningful information from the primary underwriter (front end sales intermediary) who at times is the only person to meet the customer thus maintaining authenticity, improving legibility, providing convenience to the issuing authority and ensuring that MHR is received from the correct authority.
- **Propagating Videography -**
In Videography certified Third Party Administrators (TPA), technician conducts medicals through home visit. Equipped with ECG and medical kit for doing blood test, MER is conducted through video conference with doctors at Head Office of TPA. Benefits include Reduced TAT, Real time ECG verification to eliminating wrong ECG's, Transparency in medicals conducted and Reduction in fraudulent medicals.
- **Profile score Underwriting -**
Parameters like age group, occupation, qualification, product type and other factors like Good persistency, Absence of Claims and fraud, Customer location, various rating agencies scores are considered. The model provides relaxed financial underwriting including reduced documentation. This has helped minimize requirements and improve AUTO underwriting percentage.

- **Online IMPS Bank Verification -**
Online bank verification (Digitalized collection of bank account details) has been introduced in MConnect, which validates customer bank account details (Name, Bank Account number and IFSC code). On successful verification, the proposal would be processed without asking for documentary evidence for bank details.
- **Medical Grid Relaxation (in pandemic to Tele MER) -**
In view of the pandemic situation and subsequent lockdown, medical business was impacted to a certain extent. Tele MER proved to be a quick resolution. In consultation with Reinsurers and Actuaries, full medicals were converted to Tele MER / Video MER. This has resulted in conversion of medical business with reduced TAT without compromising on the risk.
- **Volume Management -**
Underwriting volumes were managed effectively by process changes, coordinating with Regional Underwriting Units (RUUs) and with vendors. Auto underwriting percentage plays a crucial role in management of volume and to maintain non-medical TAT, at desired level. The Auto underwriting percentage has been maintained around 42% to 45%. Various steps were taken by the Company to improve the auto-u/w percentage, which has later been improved and maintained at above level. This has helped the Company in managing the volumes well.

Policy holder services and customer retention:

Policy Servicing is a critical aspect of a policyholder journey with the Company as they gain several experiences during the policy. During the times of pandemic, it became outmost important to provide customers with digital servicing platforms for faster hassle-free services and also abiding to the new normal of social distancing.

Similarly, Renewals is an important function of the Company and this helps the Company to understand the quality of sales. It gives an insight into what the customer feels about the product, the Company and its services rendered. This is also an important parameter in assessing the *persistency of the policies*. This also gives the Company a view of how long the customer might stay with the Company and keep on paying their premiums regularly. 87.9% 13th month persistency and 61.6% of 61st month persistency is an exhibit of customer retention.

The Company has taken several steps to enhance customer experience in Policy Servicing and improve the Renewals thereby resulting in higher persistency of the policies. Longer the duration and good persistency of the policy creates great value for the customer, Company and shareholders. Major initiatives being given below:

Revival campaign – Customer Retention initiative:

During the period under review, a very successful Revival Campaign was launched with the motive of reviving lapsed policies and rebuilding the relationship with our policyholders. Over 1 lakhs policies were revived leading to a renewal premium collection of ₹ 508 Cr. Strategic inputs generated through Renewal Analytics were utilized to identify likelihood of revival of any policy. Call centre engagement was done based on the Analytics by targeting the Likely & Moderate bucket customer through specialized callers. This has helped the Company to improve the persistency. Higher rate of revivals has been made from 61st Month (19.75%), 49th Month (14.29%) and 13th Month (13.28%).

Digital Initiatives -

SBI Life Insurance Co Ltd. is steadily continuing its path of Digital transformation by adopting various Digital initiatives. The whole motive is to make the transition from Customer Satisfaction to Customer Delight. Our Digital Platforms are contributing towards making processes & services faster and automated. Listed below are some of the initiatives taken by the PS / Payouts and the Renewals Vertical during FY 2021. These initiatives were introduced for customers, both internal and external.

Digital Platforms for Policyholders:

- **Easy Access -**

Enhancements were made to the Easy Access App (Customer Engagement app) to enable customers to place requests for FLC, Partial Withdrawal, LTR Withdrawal, Correction in personal details. These requests are being authenticated using OTP and Geo Tagging of Location based verification.

- **Customer Self Service Portal – (CSSP)**

Similarly, enhancements were made to the CSSP enabling the Customers to submit COVID and NRI questionnaire along with an e-DGH revival request. It should be noted that during FY 21, the Digital Transactions on our self-service portal increased by a staggering 124% compared to FY 20.

- **Smart Care App -**

The latest customer app Smart Care, has been enabled with various functionalities to provide policyholders a digital platform to service his policies with SBI Life. They can create service requests, download quotes and forms, generate statements, pay premiums. On successful launch of the same the current Easy Access and CSSP will integrate into this app making this the only app for Customer engagement.

- **Missed Call Service was enabled for Customers -**

When customer gives a missed call to the designated number, a payment link is sent to the customer depending on their policy status.

- **Mobile POS -**

Premium collection through Cheque / DD is an effort oriented, time consuming process. Hence, your Company adopted the “mPOS” (Mobile Point of Sale) device for Renewal premium payments. mPOS is a portable point of sale which functions as a register, it's an ideal way for businesses to take card payments on the go. Usage of the m-POS machine eliminates the need for Cheque / DD collections / submission to branch, manual cashing, awaiting realization and chances of CDA of instrument. It is a real-time flow of transactions, auto-cashiering and realization. Selected IAs were given mPOS devices enabling them to collect premium on the go.

- **BBPS Online Payment -**

In our continual effort to provide policyholders a base for making digital payments, SBI Life is onboarded as a Biller with NPCI for their popular bill payment service known as Bharat Bill Pay Services. This has opened up a platform for SBI Life to be able to collect premium through policyholders having their accounts with banking and non- banking institutions.

- **OneConnect -** A single page module is developed where the policyholder can view, update, verify his personal details, like email id, PAN, account number, register for CSS, auto-pay, demat, **WhatsApp** services.

With the growing popularity and usage of **WhatsApp** for providing information / services to policyholders. We also broadened the scope of WhatsApp use by enabling the following functions -

- Sending Renewal intimation,
- Payout details to policyholders
- Enabling options for generating Premium Paid Certificates, Renewal Premium Receipts, TDS Certificate
- Using it as a medium to popularize various servicing options

- **Sales Digital Platforms -**

Similarly, in order to disseminate information to sales team, we brought in further enablement in the Smart Advisor app (Sales Intermediary app) for Sales Monitoring of unrealized premium data and Sending e-Mandate link in addition to the existing feature of tracking unpaid dues. Further, integration of the SMS functionality was made for the Sales Intermediaries. Geolocation feature for Sales intermediaries was enabled - now Google Map is integrated in the mobile app, which shows Renewal dues details, location and distance-wise.

Directors' Report (Contd.)

Assisted Digital servicing is introduced with collection of revival requests through Smart Advisor. LM/CIF can simply login to Smart Advisor and fill eDGH, Covid Q in the app, complete KYC, collect online premium and complete the revival initiation process under one umbrella.

- **Enhancing Process Efficiency -**

Several projects have been conceptualized and developed in order to bring in efficiency in the current processes handled in SBI Life, keeping in mind both branches and CPC. Some of the important projects has been enumerated below:

- **Revival Workflow:** Development of revival workflow was completed and introduced done to bring in seamless revival of policy. Today we have multiple resources for receiving revival request - customer walk-in, sales request, online revival request. All such request has been brought on the common platform of processing the request. The rule-based workflow provides a better risk control on the requests received in a transparent manner.
- Enhanced the scope and functionality of CRM module of SBI Life, to make it more informative, inclusion of straight through processing, workflow management.
- Robotics Process Automation (RPA) was successfully rolled out. The processes identified were repetitive manual tasks nature. We have been able to gain faster processing, better reconciliation, error free smoother monitoring in terms of flow of transactions.

- **Smart Advisor - Desktop Version -**

Access was provided on the mobile platform to all users across the Regions. This was enabled during the initial phase of the Lockdown to help in remote servicing during WFH phase. It was enabled with the following functionalities

- The Renewal due list was updated and details were made available on this app.
- The granular data with regards to Persistency was made available. This platform was fully leveraged during the lockdown where our staff in the Region / Branches effortlessly switched to Renewal follow up through their Mobile Handsets.
- Revival Campaign updates were made available on the Smart Advisor (Desktop Version).
- Dashboards to display Digital Campaign Data (Region/HPC and Primary Branch wise) were made available.

- Updating and view rights were made available in order to update the calling disposition and sub dispositions.
- Different month-wise persistency for various channel were also updated for intermediaries.

Claims settlement – the ultimate customer service goal:

Claims management is at the heart of any insurance company. Today, when product offerings from Life insurance companies are similar in nature, efficient claim management can be one of the differentiator.

Year 2020-21 had presented some unique challenges in the form of a pandemic, sudden lockdowns resulting in uneven claim intimations etc. FY 2021 also saw surge in total claim intimations under, both, Individual and Group Portfolio. Total claim intimation jumped by 40.66% as compared to FY 2019-20. Despite this surge, Total claims settlement for FY 2020-21 stood at healthy 96.1% and Individual claim settlement stood at 93.1%.

As far as Living Benefit Portfolio is concerned, your Company has processed highest ever payouts. Total Survival benefits transactions processing stood at 3.43 lakhs. In the year under review, the Company has also processed another 2.17 lakh policies for maturity payout. Payout involved in Individual living benefit portfolio stood at ₹ 74.28 billion. 98.85% of these payouts were made thru EFT bettering last year's ratio of 98.54%. This was achieved, despite lockdown constraints, which made timely document submission difficult for policyholders.

Covid related Claims:

Your Company has reported COVID Claims amounting to ₹ 4.11 billion (Gross of reinsurance) during the year.

Digital Initiatives / Enablers to assist claimants & claim processing:

- **Option to upload Living Benefits documents in Easy Access app -**
SMSs are being sent to policyholders whose policies were due (either Maturity / Survival Benefits) with Bitly links for accessing SBI Life's "Easy Access" mobile app. With this link, policyholders could upload the required documents such as bank account proof, KYC docs and scan copy of policy document. This has played vital role in last FY since this option has enabled policyholders to submit necessary docs right from their homes without need of physical submission
- **Introduction of simplified Maturity process -**
In FY 2021, we have started processing living benefit claims (up to payout of ₹ 5 lakhs and with the exception of assignment policies), on basis of the bank account details available with us post verification through NPCI / IMPS and without insisting for submission of original policy

document. This simplified maturity process along with online upload option as mentioned in point (a), has ensured better YoY performance in terms of 'On or Before Settlement' despite lockdown constraints.

- **Risk Score for Early Claims -**

Each year, we have seen growth in claims numbers and this year was no different. In both Early and Non-Early portfolio, we saw surge in intimations. Early claims needed to be investigated and till now the process of subjecting the case to investigation was a manual activity. Not all claims that are investigated are repudiated, which mean there was need of a predictive / analytical model to identify cases for either 'likelihood of a claim being a Fraud / misrepresentation case' or 'probability of claim being repudiated'.

In FY 2021, "Risk Score" was implemented for Early Claim. This analytical model provides a predictive score as well as Red-Amber-Green (RAG) categorization indicating the probability of 'Fraud Risk'.

- **Decentralization of Non-Early Claims -**

This year, we have witnessed a whopping 85% jump in Non-Early Claims. To ensure faster processing and to facilitate / enable regions, we have enhanced regional limit to ₹ 15 lakhs from earlier ₹ 5 Lakhs. This has facilitated timely processing of claims despite surge in intimations and lockdown / Work from Home constraints.

Post Issuance Profile Verification (PIPV) Process -

In view of revised Section 45 of the Insurance Act, profile verification of high-risk cases, through external investigation, was started from April 2017. This exercise has helped us in early identification of fraudulent cases and initiate appropriate action to curb recurring frauds.

In the year under review, Company cancelled 371 policies Post Issuance Profile Verification (PIPV) as against 294 policies cancellation in FY 2019-2020. These policy cancellations have helped us to reduce our repudiation ratio by 1.03%. Sum Assured for policies cancelled under PIPV process is ₹ 21.76 crores.

Group business process redesign:

The core activities of the Group Operations department involve processing of New Business generated through Group Term Insurance, Fund Management & Group Claims Management, including PMJJBY. Apart from this, servicing Group Corporate & Group Non-Corporate Customers. With the focus on Digitization, Process improvements & Enhancing Customer Experience, following initiatives were undertaken during the period under review.

- **Digital On-Boarding for Group Products -**

Towards facilitating digital On-boarding under various Group insurance products (Sampoorn

Suraksha, Kalyan Ulip & Cap Assure Gold etc.) provision for digital downloading & submission of master proposals form was created.

- **e-Certificate of Insurance (COI) & Annuity Certificate -**

In line with IRDAI guidelines wherein Insurers can promote e-COI, Bitly SMS, WhatsApp, email, to ensure better delivery of COI's, and support green initiatives to align with Digital India. For Group customers provision was created for sending the COI & Annuity Certificates through (1) SMS Bitly Link (2) Availability on Group Customer Portal (3) Availability on Group Corporate Portal.

- **New Enrolments under YONO Insta Suraksha (Banks app) -**

During the period under review, a total 6.29 lakhs new members were enrolled, thus total lives covered under master policy stand at 7.25 lakhs, as on March 31, 2021. In this policy group members can avail upto a maximum of ₹ 40 lakhs sum assured risk coverage just on three clicks, a most seamless process enabling issuance of e-COI instantly upon completion of on-boarding process. This is by far the best example of close integration with the banking partner app to market Life Insurance to its customers through API integration.

- **Group work flow application for Processing GTI Business -**

Work flow Module for end to end system processing of Group Term Insurance New Business and Renewal Business was established. This has helped in Real time tracking of cases & status availability thereby eliminating the person dependent processing.

- **Digital procurement of e-CHQ -**

In order to meet changing requirements under the GTI product member level Declaration of Good Health & Covid Questionnaires, we switched over from manual collection of CHQ / DGH to digital modes. Facility was created for digital submission of Common Health & Covid questionnaire through bitly Link to remove time - consuming physical movement of documents with added convenience to customers.

- **New Enrolments under PMJJBY Scheme -**

During the period under review, 80.19 lakhs fresh members were enrolled through various partner Banks. During the corresponding period last year, 51.37 lakhs members were enrolled. There is a growth of 56% in new enrolments under PMJJBY Scheme during the period under review. As on March 31, 2021, there were total 1.73 Crores active members under PMJJBY Scheme, highest in the private sector life insurance segment.

Directors' Report (Contd.)

- **Settlement of claims under PMJJBY Scheme -**
During the year under review, the Company has settled 17,820 claims thereby achieving a claim settlement ratio of 99.94% under PMJJBY Scheme.
- **Virtual Account for Premium Remittance -**
For facilitating the premium payment & premium allocation, separate Virtual Account Number (VAN) was created for master policy holders. VAN a technology solution that serves the purpose of masking actual account number and managing real time status with remitters details.

Customer grievance redressal and engagement:

The Client Relationship Department plays a pivotal role in ensuring that Customer Queries and Grievances are resolved swiftly to the full satisfaction of the customer and within the defined timelines. Client Relationship includes both Reactive Functions (efforts to solve customers' issues) and Proactive Functions (measures taken to ensure a long-term relationship with customers) performed by the Company. Therefore, the Company's initiatives in the year under review has been to empower its employees to improve the Query / Grievance handling techniques, provide efficient and effective Resolution to Customers' Grievances and to devise mechanisms to enhance the Customers' overall experience at the post-sale service stage.

We have developed and are constantly upgrading our Portals and Digital Tools to improve our processes. CRM Next is an automated workflow that has been created for handling Customer Grievances, obtaining Sales Teams' comments & Recommendation from the Regional Leadership Group, initiating Investigation wherever necessary, and seeking necessary approvals from the Competent Authority.

A web-based, real-time integration of Parivartan Module with our CRM Next Module has also been established. This is a module designed to empower SBI (Partner Banks) to log in Customer Queries / Complaints pertaining to SBI Life received at their end, to help us track and provide a quick Resolution to the same.

Over the years, your Company has seen a rise in Customer Satisfaction levels resulting in substantial decrease in the number of Complaints thereby giving an excellent Ratio to Total Issuance for Complaints Received across all categories and also in the whole industry. On comparing the total complaints received in the year under review with its corresponding period of the previous FY, we have recorded a dip in

- Mis-selling Complaints by 28%,
- Policy Not Received (PNR) Complaints by 29%,
- Non-Mis-selling Complaints by 17% and an

- Overall Reduction of 26% in total Complaints received.

This shows that the number of happy customers is increasing and we are striving hard to ensure sustainable growth in this area.

- **Contact Center -**
Your Company in-bound Call Center handled over 11 lac calls during the year under review and 93 thousand of the calls were responded through the IVR.

In the current pandemic situation, SBI Life continued its Contact Centre Services in Q1 (FY 20-21) with the active involvement and support from Employees of CR & CE Team at CPC & Regions and later through WFH set up for Contact Centres. Necessary infrastructure (safe & secured) was set up in coordination with SBI Life IT Team to continue the services remotely on the Mobile of Employees and later on the Mobile of CCE at contact centers.

- We successfully handled more than 2 lacs calls from April '20 to July '20, out of which more than 1 lacs calls were handled through the WFH Model.
- CR & CE Team at CPC and Regions handled 18,907 calls during the complete lock down i.e between April '20 – May '20.

SBI Life's Contact Center was the only one across the Industry, which was made operational in the shortest possible time during the lockdown period. This activity helped us to gain the trust of our customers. Your Company turned the pandemic challenge into an opportunity and promoted our Digital Platforms like the CSS Portal to our customers to use it to their advantage.

Despite having unseen, unheard challenges, the Customer Engagement Department thought out of the box to provide uninterrupted services to our Customers by taking various initiatives. Some of the Customer-centric initiatives in the FY 2021 are elaborated below.

- **Initiatives that improves Services offered by the Company -**
 - Self Service option on IVR has been introduced to Customer to access bitly link of 10 commonly used services via SMS on their Mobile number (Services like CSS Portal, Address change, Policy Revival, E Mandate Registration, TDS Certificate, Renewal Payment, Premium Paid Certificate, E Policy document, Branch Locator, E-mail ID updation). This has helped us to handle high call volumes at the Contact Centre and reduce Call Abundancy Rate.

- We have introduced Automated out-calling on the abandoned calls to ensure Nil Call Abundant Rate.
- We are also triggering Auto SMS for out-bound Non-Contactable Cases with Contact Center details. Currently SMS's are being triggered for Call Back Request/Missed Call and for Lead/SMS Celebration & Solve/Abandoned Calls/NPS SRs.
- Monthly "Learning cum Training" Model is introduced for Branches/HPCs at Regions and Contact Center Agents.
- POC is also done for E-mail Automation Project. This project will help us to give a quick response to customer queries with a high Accuracy Level.

Leveraging Big Data Analytics:

SBI Life has been leveraging Analytics to help mitigate and control Risks in various business functions like Underwriting, Claims, Persistency etc. The outcomes of the various models are helping the respective functions to take more informed decisions, and helping in creating more efficient business processes.

- **Profile Score Model -**

The model holistically estimates future behaviour of the customer considering all aspects of fraud, lapsation, surrender and early claim propensity. A unified score called the 'Profile Score' is generated at the time of proposal submission for aiding Underwriting decision. The model indicates the propensity of the proposal towards Good Behaviour (Good Persistency, Low Risk of Early Claims/Surrenders).

Model provides R-A-G categorisation. Your Company intend to use this Score for financial underwriting. The model output helps to waive off financial documentation requirements for green flagged proposals. Model score is also being utilized to increase the Auto Underwriting percentage. The Profile Score is being made available on Real Time basis in Work Flow Module. Scores output is being monitored on a regular basis to ensure that the Model stays in conformity with the Actual Experience. The Model has been made live in the month of May 2020. Monthly basis scoring being done for 1 to 1.5 Lakhs proposals.

- **Re-development of Lapse Revival Model -**

Your Company used this model for Lapse Revival & also to predict the revival propensity for policies in Lapsed status. The model was developed utilising existing policy data with the Company. However, present evaluation of model output shows that there is significant change in bucket size in prediction from development time, and change in data proportion for most

significant variables. Subsequently there was performance drop & inconsistency in terms of revival and capture rate by the model. Based on the observations the Lapse model has been taken up for re-development with Revised Model Approach.

Further considering the request from Renewal vertical team "to map the behavioural pattern of revival for 13th Month persistency policy bucket separately", lapsed model has been refined for carrying out in-depth analysis in different buckets.

These Models are run on monthly basis and the outcome from the model provides the likelihood of revival within the next six months from the prediction date. All our Revival Campaigns utilize the data generated by this Model to improve the hit ratio.

- **Surrender prediction model -**

'Surrender Risk Prediction' helps to predict likelihood of Surrender which helps in initiating proactive steps for Surrender prevention. Customer engagement strategies have been formulated to focus more on very high and highly likely buckets of surrenders. Defined process has been formulated to flag customer issues to the concerned departments for resolution. This helps to reduce the amount of surrenders. By using this model your Company is successful in having a very low Surrender to AUM ratio.

The in-force policy portfolio has been divided into 3 sub-groups which have historically shown very different behaviour in terms of the Surrender experience. Separate predictive models have been developed for each of these sub-groups. The Model went live in the month of Jun' 2020.

- **Post Issuance Profile Verification (PIPV) Analytics -**

Even though the Risk Score Models are in place, it was a little difficult to detect all Fraudulent Customers at inception stage. Hence, suspicious policies must be identified immediately post issuance via Post Issuance Profile Verification (PIPV) model to prevent fraudulent claims from arising in the future. The PIPV Analytics Model was developed with the aim of identifying the right set of policies that to be sent / selected for PIPV. Identifying the right set for PIPV increases the likelihood of capturing all fraudulent customers. By targeting a focus group of the total policy base, we were able to capture major events that includes Repudiations and PIPV Cancelled cases. By utilizing this model, we aim to increase success ratio of PIPV investigation. This also helps to reduce the PIPV investigation costs.

- **"Claim Fraud Detection" model-**

The Model was developed with an objective to flag every early death claim based on risk

Directors' Report (Contd.)

propensity score of being fraudulent at death claim intimation stage. Flags generated by the Model has been integrated in I-Pay worksheet Panel under "Additional Policy details" against each early death claim on real-time basis. This helps assessors in claim evaluation to identify claims with higher propensity of being fraudulent and take further decision to go for investigation. The model provides output flags as very High, High Moderate and Low based on the propensity of the claims of being fraudulent. Top five influencers from prediction output are also displayed along with the risk flag and risk score in the assessment sheet. This helps in increasing the success ratio of Claim investigation and reduce Claim Settlement TAT. The model has been made live in the month of January, 2021.

12. INFORMATION TECHNOLOGY

FY 2021 has been a landmark year for SBI Life in Digital transformation. We continued our digital journey by implementing innovative solutions for business and customer support, using cutting - edge technology.

The improved digital tools and intuitive customizations have played a significant role in enhancing the experience of both, our internal and external customers. We have progressively enhanced the capacity and capabilities of our technology infrastructure that has consistently improved the availability of systems and applications for the business.

New normal in "Work From Home" (WFH) was maintained throughout the year with increased number of processes and employees ratio with scalable, secure and sustainable VDI technology. We ensured seamless transition of work environment while working at office to WFH without change in user experience, look and feel and desktop environment. All business operations, working from home or office, were carried out throughout the year by the respective stakeholder seamlessly, validating the technology capabilities and versatility of SBI Life, yet again.

In view of the continuing situation of the pandemic, laptops had been provided to all the staff to enable them to seamlessly switch between WFH and office depending on the local situation.

Some of the improvements implemented during the year are listed below:

A. Infrastructure

• **Data Centre (DC), Disaster Recovery (DR) and Wide Area Network (WAN)**

- We have been proactively managing our DC/DR/WAN infrastructure to ensure that our Head office, CPC and 940+ branches are adequately supported to handle the business volumes and to provide quality service to our customers.

- During the year under review, the reach of MPLS network increased from 836 branches to 947 branches thereby consuming 1,722 MPLS links from 6 telecommunication companies, thus providing customer services at branches with dual redundant links.
- **Email Security**
 - The Company has upgraded the existing email infrastructure thereby moving all users to a single email domain. This has increased the user experience and significantly enhanced the security features including data loss prevention (DLP) capabilities. 2-Factor authentication in the webmail has been implemented and tested. Roll out for all users would be completed by Apr 2021 with enhancing security.
- **VPN solution**
 - During Covid-19 locked down 1,800 plus employees were enabled with VPN to work from home (WFH) to continue critical business processes at Regions and Branches.
- **DDoS (Distributed Denial of Services) Mitigation Services**
 - The Company obtained volumetric DDoS attack mitigation services on all central corporate Internet links in Data Centre. This will prevent DDoS attacks initiated globally across the Internet.
 - The solution is also configured to prevent legit based (low & slow) DDoS attacks.
- **Network Access Control (NAC)**
 - The Company has implemented NAC security feature of industry leading OEM, on all desktop /laptops systems in Corporate Office, CPC & branch offices.
 - This is being effectively utilised to evaluate security policy compliance of desktop systems, before permitting access to corporate network.
- **End Point Detection and Response**
 - Implemented the Symantec End Point Detection and Response solution in all the end points.
 - This helps monitor and collect activity data from endpoints that could indicate a threat, analyze the data to identify threat patterns and automatically respond to identified threats to remove or contain them, and notify IT and IS personnel.
 - Helps discover and resolve threats with deep endpoint visibility and superior

detection analytics, reducing mean time to remediation.

- Integrated with our SOC so that any attack can be immediately acted upon and remediation activities can be initiated.
- **Trend Micro Deep Security Antivirus**
 - Upgraded the existing Symantec Antivirus to Trend Micro Deep Security Anti-virus in our servers.
 - Deep Security features integrated modules including anti-malware, predictive machine learning, web reputation, firewall, intrusion prevention, integrity monitoring, application control, and log inspection to ensure server, application, and data security across physical, virtual, and cloud environments.
- **Laptops for enabling WFH for employees**
 - Provided over 9000 laptops to employees across the country to enable them to WFH in case of pandemics. This has improved employees' productivity and ensured that the work gets completed on time.
 - These laptops are already with the latest Windows edition and patches along with the antivirus, NAC and VPN agents configured for ready to use and monitored for security.
- **Firewall Management Rule system**
 - Deployed the AlgoSec Firewall rule management system to help monitor and manage the firewall rules that are being deployed / removed from all the firewalls in the Company from a central console.
 - AlgoSec Firewall Analyzer delivers visibility and analysis of complex network security policies across on-premise and cloud networks. It automates and simplifies security operations including troubleshooting, auditing, and risk analysis.
- **Security Operation Centre: (SOC)**

In the year under review, the Company have further strengthened the existing, state of art, SOC to monitor 24x7 all critical IT devices, websites, mobile applications and other domains, owned or used by the Company.

SOC monitors all production applications & related infrastructure devices for security alerts. Technology based on machine learning/artificial intelligence, data analytics, Threat Intelligence, Anticipation and Analytics with Threat Hunting, network behavior and user behavior are deployed. It has capability to quickly identify and detect cyber threats. Brand protection services for Internet facing websites, mobile application and social media handles are in operation. Dark Web are monitored for SBI Life contents

with Intelligence Feed and action based on Incident are taken.

Implemented deception & decoy technology to provide a layer of protection to stop attackers who have penetrated the network level up to traps (decoy) IT asset.

- **Adoption of Virtualisation environment**

- Over 990 Virtual servers created on 56Host Servers resulting in power and space saving with optimum use of compute and storage.
- During Covid-19 lockdown and continued WFH, 1600 plus employees were enabled to WFH for Head Office and Central Processing Centre (CPC) employees, using VDI technology. Further, security of VDI was enhanced by deployment of unified access gateway (UAG) with second factor authentication which helped the Company in carrying out all departmental activities by employees throughout the year, while working from home, in a risk free environment.

B. Process Area

Following are the major process improvements done during the FY 2021:

- **New Policy Management System (PMS):**

"Ingenium", the new Policy Management system, has been fully implemented in the FY 2021. This has resulted in drastic improvement of customer service quality and shorter TAT (Turnaround Time) for new Product Launches. It is now successfully managing multiple lines of business.

The balance of the older (Closed products) policies have also been migrated in the year under review as per schedule. This migration was a massive exercise, the biggest project in the insurance industry in India, and has been carried out in a smooth manner without any adverse impact to the end-customer.

- **Customer Relationship Management (CRM) system:**

"CRM Next" is the core system providing 360-degree view of the customer, leading to better service across all touch-points. It has recently been upgraded to the latest version and further enhancements have been carried out in the year under review to further enhance the quality of customer engagement.

- **Call-center during pandemic:** Continuing the inbound calling service was crucial to support the customers when the lockdown commenced in March'20. SBI Life devised a solution to this end and came out with a WFH solution in April'20 itself making

Directors' Report (Contd.)

SBI Life the only Insurer to have an operational call-center.

- **Robust Applications:** Applications are continuously tuned to be at an optimal state to be in position to process huge transactional volumes each day smoothly.
- **Work Flow System:** The New Business Work Flow System caters to the on boarding and Underwriting of new proposals for Individual business. The Group Workflow caters to the Underwriting of new proposals for Group and Credit-Life business. These platforms have greatly improved the efficiency of New Business and Underwriting Processes.
- **Robotic Process Automation, (RPA):** The existing operational processes were evaluated in the year under review and around 25 processes have been transformed into RPA during the year under review, leading to improved efficiency and cost savings. This is a continuous activity with many more scheduled to be taken up in the coming year.
- **Mobile Solutions:** Continuing the thrust from the previous year to adopt 'Go Digital', more than 99% of the Individual New Proposals are sourced through our Mobile Application – mConnect. We strengthened our stack of mobility solutions for our sales force, internal users and customers. *mConnect* application is the proposal sourcing application that enables our sales force to procure business anywhere any time. *Smart advisor Plus* is extensively used by our sales intermediaries for providing pre and post-sales support to their customers. This tool provides a bouquet of services to the Sales manager and they can get any policy related information on the fly. This tool reduced the burden on our branch offices by enabling the sales executive (Life Mitra, CIF in the bank or Business Development Manager or Unit Managers) to provide prompt information and services to their customers. ***Smart Advisor Plus is like a "mini Office in the pocket" for our sales intermediaries.***

We also provide a dedicated application to our customers known as 'Easy Access'. Premium due alerts, ability to raise queries, submission of e-COE (Certificate of Existence) for pension products, are some of the key features of this application.

In the year under review, with the focus continuing on "Go Digital", many new

initiatives were expedited and we are at the forefront in its adaptation in all areas starting from Customer enrichment, Distributor efficiency and / or Employee empowerment. This journey is here to remain for a long time for us.

- **Digital bouquet for partner on-boarding:**

Your Company has developed a ready set of digital platform bouquet including mobility and **API (application program Interface)** and has been made available for quick integration and on-boarding of partners for new business and renewal premiums.

In the year under review, we have integrated Real time EFT for Allahabad Bank, Indian Bank and RinnRakha apart from already running 60 API's which includes SBI YONO.

- C. **Business Intelligence and Reporting**

SBI Life has various reporting and analytics platforms for strategic decision making and actionable to a wide range of users, both internal and external. These platforms include reporting tools like AARAM, Crystal SAP BO, Banca Online, Agency Online and Analytics & BI platforms like AASAN. These tools support users from Sales and Marketing, Senior Management, Audit, Risk, Business Strategy, Operations as well as Corporate Agents and Brokers. Further, mobile reporting and dashboard application is made available to SBI Controllers and other Bank Partners through SAARATHI. This apart, various trackers, notifications and operational MIS are made available through automated mailer on periodic basis to above users.

Various datamarts are developed to cater to distribution channels & depts. that enable tracking quarterly performances of sales users on the defined KPIs, as well as sharing of the granular data (real-time and periodic basis) with corporate agents seamlessly on various platforms.

13. INVESTMENTS

Equity markets rebounded strongly in FY21 after the sharp fall it had experienced in March 2020 on back of COVID-19 related disruption and uncertainty. Indian equities had a stellar year with Nifty touching an all-time high and ending the year with ~ 70% returns for the year. The small cap and midcap indices outperformed the large caps and ended the year with over 100% gains erasing some its past underperformance. The recovery was driven by large monetary and fiscal stimulus measures globally, high global and domestic liquidity, lower cost of capital, good recovery in economic activity post easing of lockdowns, lower than anticipated impact of COVID-19 on corporate earnings and economy,

optimism on roll out of vaccines, etc. Indian markets witnessed strong FPI inflows of ~ USD 37 billion in FY 2021 even as domestic mutual funds witnessed outflows of ~ ₹ 63,000 crore. Retail participation in financial markets saw a sharp uptick through the year. India is expected to witness a 9.5% growth of real GDP based on estimates of various international agencies after a 7.3% contraction in FY 2021. INR appreciated by 3.2% from 75.54 to 73.11 thanks to the weakening of USD index. The index started falling with high twin deficits in the US and massive QE buying by the Federal Reserve.

Yield on 10-year Government of India Bond stayed almost entirely flat and moved marginally upwards by 2 basis points to end the year at 6.15%. Markets reacted positively with huge monetary support by RBI cutting policy rates by 135 bps to battle against Covid-19. Yields fell to 5.7% after the monetary support including OMO purchases. However, rising inflation amidst supply shocks, started pushing yields up to almost 6.27%, especially with the recovery of growth emerging. However, continued monetary accommodation and emergence of a second wave of the virus brought yields back to 6.15% by March end.

The Assets under Management (AUM) of the Company has increased by 37.7% from ₹ 1,603.63 billion as on March 31, 2020 to ₹ 2,208.71 billion as at March 31, 2021. The AUM was made up of ₹ 1,046.56 billion of traditional funds (including shareholders') and ₹ 1,162.15 billion of Unit Linked Funds. The Unit linked portfolio majorly comprises of Equity funds, Bond funds and NAV guaranteed funds.

14. PERSISTENCY

Persistency is a critical indicator of business viability and brand success. During the FY 2021, the Company has witnessed 23% growth in Renewal Premium collection at ₹ 296.30 billion, which contributed to 59% of Gross Written Premium. The Company has continued to focus on renewals and has undertaken initiatives to improve persistency of its existing policies. The independent Renewal Vertical is focusing on collection of renewal premiums and servicing policyholders. We shall continue to accord prime importance to this area.

15. PARTICULARS OF EMPLOYEES

SBI Life, one of the most trusted private Life insurance brands is now more than 20 years old. SBI Life family has grown from 16,759 employees as on March 31, 2020 to 17,464 employees as on March 31, 2021 which depicts a growth of 4%. While the average age of employees is 36 years 2 months and the average tenure is 5 years 1 months.

In terms of Section 136(1) of Companies Act, 2013 the Report and the Accounts are sent to the Members

excluding the statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The statement containing aforesaid details may be obtained by the Members by writing to the Company Secretary at the Registered Office of the Company.

16. EMPLOYEES STOCK OPTION SCHEME

The SBI Life Employee Stock Option Plan 2018 ('ESOP 2018') and SBI Life Employees Stock Option Scheme 2018 ('the Scheme' or 'ESOS 2018') has been approved by the shareholders of the Company in the Annual General Meeting (AGM) held on September 27, 2018 based on the recommendation of the Board Nomination & Remuneration Committee ('NRC') and Board of Directors ('Board') in their meetings held on August 31, 2018.

The maximum number of stock options granted to eligible employees in accordance with ESOP 2018 shall not exceed 30,000,000 shares. During any one year, no Employee shall be granted Options equal to or exceeding 1% of the issued share capital of the Company at the time of Grant of Options unless an approval from the Shareholders is taken by way of special resolution in a General Meeting. Further, the maximum number of Options in aggregate granted to an employee under this Plan shall not exceed 1,00,00,000 Options. The Exercise Price shall be determined by the Board Nomination & Remuneration Committee in concurrence with the Board of Directors of the Company on the date the Options are granted and provided in the letter of grant.

During the year, NRC in its meeting held on July 21, 2020 has approved the grant of 924,690 Employee Stock Options ('Options') under the provisions of ESOS 2018.

No employee was granted options during one year amounting to five percent or more of options granted during that year. Similarly, no employee was granted options during any one year, equal to or exceeding one percent of the issued capital of the Company at the time of grant.

During the year FY 2021, the Company has not granted any loan to its employees for purchasing shares of the Company.

The Scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, as amended from time to time ('SEBI SBEB Regulations'). Further, there are no changes in the scheme. The below disclosures pursuant to the SEBI SBEB Regulations have been placed on website of the Company at <https://www.sbilife.co.in/en/about-us/investor-relations>

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The disclosures pursuant to SEBI SBEB Regulations, Guidance Note on accounting for employee share based payments, disclosure of diluted EPS in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standard have been disclosed in the Notes to Accounts which form part of financial statements in the Annual Report.

17. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has an Internal Complaints Committee to investigate and inquire into sexual harassment complaints in line with The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has in place a policy on Anti-Sexual Harassment, which purports the Company's zero-tolerance towards any form of prejudice, gender bias and sexual harassment at the workplace. The Company had undertaken training on e-shiksha empowered, our digital platform, on awareness and sensitization with respect to sexual harassment at workplace. During FY 2020-21, all employees were mandated to take online training on the subject with help of specially designed module, 'Prathishta' so that they understand the anti-sexual harassment policy, the complete framework adopted by the Company to report and resolve instances of sexual harassment etc., details of which have been mentioned in the Business Responsibility Report. Further, the Company's Policy on Prevention of Sexual Harassment of Women at the Workplace along with the details of Internal Committee at each Region is accessible to all employees on the Company's intranet, e-bandhan. During the year FY 2021 under review, 2 sexual harassment cases were filed excluding 2 cases pending from previous year. Of these, 3 were disposed-off during the year and appropriate actions were taken within timelines for 1 case in FY 2021-22. Having an adept POSH policy has enabled us in employer branding by creating employee value proposition, permeating a sense of safety amongst employees, retaining vital talent and promoting inclusively.

18. RISK MANAGEMENT

SBI Life is in the business of covering life, health & longevity risks of its policyholders on the consideration of a premium. The Company as a part of its business, invests the premiums received and provides long term returns to the customers on its savings & investment products. Risk Management therefore becomes an integral part of its business activities. The Company recognises and manages its risks in a proactive, ongoing and positive manner. Risk philosophy of the Company is outlined in the Risk Management Policy.

The Risk Management policy specifies the process for identification, measurement and analysis of the Company's risk exposures; develop risk management strategies and its monitoring. The Risk Management Policy is supported by various other policies pertaining to insurance, market, compliance, outsourcing, fraud, information security and business continuity management. Above referred policies are reviewed by the Risk Management Committee of the Board on an annual basis. The Company has formulated risk appetite statements at the corporate as well as at the functional level, which are reviewed and monitored by the Risk Management Committee of the Board and Internal Risk Management Committee respectively. The Company also carries out an ICAAP (Internal Capital Adequacy Assessment Process) activity, which details the assessment of material risks, estimation of capital requirement and adequacy for maintaining solvency requirements.

The Company has aligned its risk management practices to ISO 31000:2018 standard on Risk Management. This implies that the Company has strong processes for risk identification, management and ISO 22301 certified and its Information Security Management System (ISMS) is ISO 27001 certified.

Sound risk management practices followed by the Company enabled mitigation. The Company's Business Continuity Management System (BCMS) is it to continue core business operations at an acceptable level. The Company seamlessly moved a bulk of its operations to 'Work from Home' model during the nationwide lockdown announced due to Covid-19. Requisite training was imparted and appropriate cyber security measures were undertaken prior to operationalisation of the model.

The Company carried out a maturity assessment of its cyber security practices through an independent consultant. The assessment was done using National Institute of Standards and Technology (NIST) framework and evaluated the Company's security posture at a broad level. This would also assist in developing tactical and strategic directions to further mature and strengthen the Company's security program. This would enable the Company to take a proactive approach to cyber security and thereby prevent unpleasant surprises later. Based on the assessment, the Company is taking additional steps to further enhance effectiveness and maturity of cyber security practices adopted by the Company.

More information on the risk practices adopted by the Company is available in the 'Enterprise Risk Management' section appended to this report and 'Management Report' section of the Annual report.

19. INTERNAL AUDIT AND COMPLIANCE FRAMEWORK

Internal Audit:

The Company has in place a robust internal audit framework. The Inspection and Audit (I & A) Department undertakes risk based audit approach and it commensurate with the nature of the business and the size of its operations. The internal audit plan covers Information System Audit, different process audit as well as transaction based audits at the Head office, Regional Offices and across various branches of the Company.

The audits are carried out by the internal audit team of the Company and also by the outsourced audit firms. The approach of the audit is to verify compliance with the regulatory, operational and system related controls. Key audit observation and recommendations are reported to the Board Audit Committee of the Company. Implementation of the recommendations is actively monitored.

I & A has designed offsite monitoring system (OMS) with an objective to identify deviations at an early stage and sharing the same with concerned process owners for immediate corrective action. During FY 2021, exception reports developed were made operational for around 90 scenarios. The output of these exception reports for processes viz. Underwriting, New Business, Survival Benefit Claims and Channel Administration were shared with concerned department for corrective actions.

Also, in FY 2021, we have successfully conducted audit of all the branches remotely (i.e. without onsite visits) by in-house audit team.

Concurrent Audit:

In accordance with Insurance Regulatory and Development Authority of India (Investment) Regulations, the Company has also engaged professional chartered accountants firm to carry out concurrent audit of investment operation as per IRDAI investment regulations / guidelines and guidance note on Internal / Concurrent Audit of Investment functions of Insurance Companies, issued by the Institute of Chartered Accountants of India. Any significant findings in the concurrent audit are presented to the Audit Committee and reviewed by Board Investment Sub Committee and Board Investment Committee.

Compliance:

The Board Audit Committee of the Company has laid down governing principles to oversee the compliance framework of the Company. The Committee discusses the level of compliance in the Company and any associated risks and reports the same to the Board. The Company has also formulated various internal policies and procedures to define framework for the working of various functions to ensure

compliance. The Compliance function identifies and communicates regulatory requirements to relevant functions in a timely manner and monitors critical compliance risks based on suitable monitoring mechanism. The Compliance function works in liaison with the regulators and provides clarifications to various functions on applicable laws, regulations and circulars issued by the regulatory authorities. A compliance certificate signed by the Managing Director & CEO is placed at the Board Audit Committee on a quarterly basis.

The Company has also formulated various internal policies and procedures relating to working of various functions to ensure compliance.

20. INTERNAL FINANCIAL CONTROLS

The Companies Act, 2013 requires the Board of Directors, to lay down adequate and effective internal financial controls with reference to the Financial Statements and include it in the Board report. The Company has aligned its internal financial control system with the requirements of the Companies Act 2013, on lines of globally accepted risk based framework as issued by Committee of Sponsoring Organizations (COSO). The internal control framework is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires the Company to identify and analyse risks and manage appropriate responses. The key components of the internal financial control framework include:

Entity level controls:

Entity Level Controls (ELCs) operates at an organisation level. The Company has defined a set of entity level policies and controls. The ELCs set up by the Company includes various policies and procedure in place such as Anti Money Laundering and Counter-Financing of Terrorism policy, Business Continuity Management policy, IT and Information Security policy, Risk Management Policy, Whistle blower Policy etc.

Process level controls:

The Company has defined a set of process level controls across its business and support functions such as premium, reinsurance, claims management, agency management fixed assets etc. The control type covers key operating controls, financial reporting controls & IT controls have been done to ensure compliance with COSO framework.

Review controls:

The Company's internal financial control framework is based on 'three lines of defence model'. The Company has laid down standard operation procedures and policies to guide the business operations.

Directors' Report (Contd.)

The Company has a well-defined delegation of power with authority limits for approving revenue and capital expenditure. Statutory, Concurrent and Internal Auditors undertake rigorous testing of the control environment of the Company.

The Company has a Chief Audit Officer with a dedicated internal audit team which is commensurate with the size, nature & complexity of operations of the Company.

The Company also undergoes an independent internal / concurrent audit by specialised third party professional consultants to review function specific regulatory compliances as well as internal controls.

The Audit Committee reviews reports submitted by the Management and audit reports submitted by the internal auditors and statutory auditors. Suggestions for improvements are considered and the Audit Committee follows up on corrective actions. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations, if any periodically.

Auditor's Report

There were no qualifications, reservations, adverse, remarks or disclaimers on Internal Financial Controls made by the Statutory Auditors in their report for the financial year ended March 31, 2021.

21. RELATED PARTY TRANSACTIONS

The Company has Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions to regulate the transactions with its related parties. As per the policy, all related party transactions require approval of the Board Audit Committee. As per Rule 6A of the Companies (Meeting of Boards and its Powers) Rules 2014, the Audit Committee may grant omnibus approval for related party transaction proposed to be entered into by the Company subject to terms and conditions mentioned in the said Rule.

All the Related Party Transactions entered during the financial year were on arm's length basis and in ordinary course of business. All related party transactions are placed before the Audit Committee of the Board for its approval. During the year, there were no material contracts or arrangements or transactions with related parties that need to be disclosed as per Section 188(1) of the Companies Act, 2013.

M/s. S.K. Patodia & Associates, Chartered Accountants, reviewed the related party transactions for the year ended March 31, 2021 and their certificate is placed at the meeting of the Board Audit Committee, along with details of such transactions.

All Related Party Transactions as required under Accounting Standards AS-18 are reported in Note 39 of Schedule 16(C) – Notes to Accounts of the Financial Statements of the Company.

The policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, has been hosted on the website of the Company can be viewed at <https://www.sbilife.co.in/en/about-us/investor-relations>

22. IND AS IMPLEMENTATION

IRDAI ("Authority") vide its circular dated January 21, 2020 has withdrawn its erstwhile circular dated June 28, 2017 on implementation of Ind AS from FY 2020-21 and dispensed with the requirement of quarterly submission of Proforma Ind AS financial statements on account of proposed amendments in IFRS 17 by International Accounting Standard Board (IASB). Thus, effective date of IND AS implementation shall be decided by the IRDAI post finalization of IFRS 17 by IASB.

In June 2020, IASB published amendments to IFRS 17 including a deferral of the effective date of the Standard by two years, i.e., globally IFRS 17 is effective from annual periods beginning on or after 1 January 2023.

Subsequently in December 2020, Institute of Chartered Accountants of India (ICAI) has issued an exposure draft of Amendments to Ind AS 117, Insurance Contracts applicable with effect from 1st April 2023. The final dates for Ind AS implementation are yet to be announced by the Authority.

23. BOARD OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

Change in Directors and Key Managerial Personnel's (KMPs) during the year:

Name of the Director / KMP	Nature of change	With effect From
Mr. Mahesh Kumar Sharma	Appointed as Deputy Chief Executive Officer	April 08, 2020
Mr. Sanjeev Nautiyal	Ceased as Managing Director & Chief Executive Officer	May 08, 2020
Mr. Mahesh Kumar Sharma	Ceased as Deputy Chief Executive Officer and Appointed as a Managing Director and Chief Executive Officer	May 09, 2020
Ms. Manjula Kalyanasundaram	Ceased as Executive Vice President & Chief of Human Resources & Management Services	May 19, 2020
Ms. Seema Trikannad	Appointed as Executive Vice President & Chief of Human Resources & Management Services	May 20, 2020
Ms. Sunita Sharma	Appointed as Additional Independent Director	August 20, 2020
Mr. Ashutosh Pednekar	Appointed as Additional Independent Director	August 20, 2020
Mr. Narayan K. Seshadri	Appointed as Additional Independent Director	August 20, 2020
Mr. Ashutosh Pednekar	Ceased as Independent Director due to resignation	September 03, 2020
Mr. Raj N. Bhardwaj	Ceased as Independent Director upon completion of term	September 06, 2020
Mr. Ravi Rambabu	Ceased as Independent Director upon completion of term	September 06, 2020
Mr. Nilesh Vikamsey	Ceased as Independent Director upon completion of term	September 06, 2020
Mr. Deepak Amin	Re-appointed as Independent Director for second term	September 07, 2020
Mr. Prithesh Chaubey	Appointed as Appointed Actuary	September 30, 2020
Mr. Sanjeev Pujari	Ceased as President – Risk Management & Actuarial	September 30, 2020
Mr. Subhendu Kumar Bal	Appointed as Chief Actuary & CRO (Chief Risk Officer)	October 01, 2020
Mr. Rajnish Kumar	Ceased as the Chairman	October 06, 2020
Ms. Sunita Sharma	Ceased as an Independent Director	November 23, 2020
Mr. Dinesh Kumar Khara	Appointed as the Chairman	November 24, 2020
Mr. Shobinder Duggal	Appointed as Additional Independent Director	December 28, 2020

Key Managerial Personnel

Mr. Mahesh Kumar Sharma (Managing Director & CEO), Mr. Sangramjit Sarangi (President & Chief Financial Officer) and Mr. Vinod Koyande (Company Secretary) are designated "Key Managerial Personnel" of the Company, under the provisions of Section 203 of the Companies Act 2013. During the year Mr. Sanjeev Nautiyal (Managing Director & CEO) has resigned on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma has been appointed as Managing Director & CEO of the Company w.e.f. May 09, 2020.

Further, in accordance with Corporate Governance Guidelines ("CG Guidelines") issued by IRDAI the Company has fifteen (15) Key Management Persons including above mentioned KMPs.

Declaration by directors

All independent Directors have registered themselves in the Independent Director Databank and have submitted declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 along with rules framed thereunder and Regulation 16 of the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

The Company has also received declarations from all its Directors as per Section 164 of the Companies Act, 2013, confirming they are not disqualified from being appointed as Directors of the Company. The said declarations were noted by the Board of Directors at its Meeting held on May 3, 2021.

'Fit and Proper' criteria

In accordance with Guidelines for Corporate Governance issued by IRDAI, the Directors of insurers have to meet the 'fit and proper' criteria. Accordingly, all the Directors of the Company have confirmed compliance with the 'fit and proper' criteria, prescribed under the Corporate Governance Guidelines issued by the IRDAI.

Directors & Officers Liability Insurance

Regulation 25 (10) of the SEBI (Listing Obligations & Disclosures Requirement) Regulations 2015 requires the Companies to take Directors and Officers Liability Insurance (D&O) for all its Independent Directors. The Company has taken D&O Insurance for all its Board of Directors and Members of the Senior Management Team for such quantum and risks as determined by the Board

Directors' Report (Contd.)

Common Directorships

Pursuant to Section 48A of the Insurance Act, 1938, the Company has obtained the necessary approval from IRDAI for directors having common directorship with State Bank of India (being corporate agent of the Company).

Meetings

During the year, thirteen Board Meetings were convened and held, the details of which are given in the Report on Corporate Governance, which is forming a part of this report. The intervening gap between the said Board Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board and Board Committee meetings and the attendance of Directors thereat, forms part of the Corporate Governance Report, which is annexed to this Directors' Report.

Secretarial Standards

During the FY 2021, the Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board and general meetings.

Remuneration Policy

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board has approved the remuneration policy as recommended by the Board Nomination & Remuneration Committee. The details of the said policy are annexed as **Annexure I** to this Report.

24. CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is to comply with not only the statutory requirements but also to voluntarily formulate and adhere to a strong set of Corporate Governance practices which includes code of business conduct, corporate ethics, values, risk management, etc. The Company is committed to achieve the highest standard of Corporate Governance. The Report on Corporate Governance is annexed and forms part of this Annual Report.

25. CORPORATE SOCIAL RESPONSIBILITY

The Company constituted the Corporate Social Responsibility Committee (CSR) of the Board of Directors in accordance with the provisions of Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility) Rules 2014, which drives the CSR program of the Company.

The CSR Committee of the Board confirms that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

The brief outline of CSR Policy, including overview of the program proposed to be undertaken, the composition of the CSR Committee, average net

profits of the Company for the past three financial years, prescribed CSR expenditure and details of amount spent on CSR activities during the financial year have been disclosed in **Annexure II** to this report, as mandated under the said Rules. Further, the Corporate Social Responsibility Policy of the Company as approved by the Board has been hosted on the Company's website

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

In line with the clarification given by the Ministry of Corporate Affairs under the Removal of Difficulty Order dated 13 February 2015, the provisions of Section 186 of the Companies Act 2013 relating to loans, guarantees and investments do not apply to the Company.

27. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Ventures or Associate Company.

28. RURAL AND SOCIAL SECTOR OBLIGATIONS

As per the regulatory requirements, the Company has met its Rural and Social Sector obligations for FY 2021. As against the minimum requirement of 20%, the Company has issued 26.61% policies in the rural sector which affirms the Company's approach towards life insurance inclusion. Further, 571,378 new lives covered (6.38% of total new lives covered in preceding year) by the Company are from the underprivileged social sector as against the regulatory requirement of at least 5% of total lives covered in preceding year. Consequently, the Company has met the minimum social and rural regulatory norms.

29. MANAGEMENT REPORT

Pursuant to the provisions of Regulation 3 of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, the Management Report is placed separately and forms part of the Annual Report.

30. STATUTORY AUDITORS

In view of the applicability of Section 139 of the Companies Act 2013, Comptroller and Auditor General of India (C&AG) appoints Statutory Auditors of the Company. Accordingly, C&AG appointed M/s S. K. Patodia & Associates, Chartered Accountants and M/s S.C. Bapna & Associates, Chartered Accountants, as joint statutory auditors of the Company for FY 2020-21.

Statutory Audit and other fees paid to Joint Statutory Auditors for FY 2021 as below:

(₹ in 000's)	
Particulars	Amount
Joint Statutory Audit Fees	5,700
Other Certification Fees	1,933

31. STATUTORY AUDITORS' REPORT

The Statutory Auditors' Report (including annexure thereof) to the Members does not contain any qualification, reservation, adverse remark, or disclaimer hence do not call for any further comments u/s 134 (3) (f) of the Companies Act 2013. There were no reportable frauds identified by the statutory auditors during the FY2021.

32. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE COMPANY

The Comptroller & Auditor General of India (C&AG) have conducted a supplementary audit u/s 143(6)(b) of the Companies Act, 2013 of the accounts of the Company for the year ended March 31, 2021. The C&AG vide their report no. GA/CA-I/Accounts/SBI Life/2020-21/67 dated July 23, 2021 have stated that there is nothing significant which would give rise to any comment upon or supplement to Statutory Auditors' Report. The Report of C&AG is being placed with the report of Statutory Auditors of the Company.

33. SECRETARIAL AUDITORS' REPORT

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s N. L. Bhatia & Associates, Practicing Company Secretary, Mumbai as the Secretarial Auditor of the Company.

The Auditor has not made any qualification, reservation or adverse remark or disclaimer in his report for FY 2021. The detailed report on Secretarial Audit of the Company for FY 2021 is enclosed as **Annexure III** to the Board report.

34. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company as the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for the services rendered by the Company.

35. ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act 2013 (as amended by the Companies (Amendment) Act, 2017), read with Rule 12 of the Companies (Management and Administration) Rules, 2014 an extract of the Annual Return (in form MGT 9) has been annexed as **Annexure IV** to this Report.

36. MATERIAL EVENTS, CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

The Outbreak of COVID-19 virus continue to spread across the globe including India, resulting in significant impact on global and India's economic environment including volatility in the capital markets. This outbreak was declared as global pandemic by World Health Organisation (WHO) on March 11, 2020. The Company has assessed the overall impact of this pandemic on its business and financials, including valuation of assets, policy liabilities and solvency for the year ended March 31, 2021. Based on the evaluation, the Company have made an additional reserve amounting to ₹ 1.83 billion towards COVID-19 pandemic and the same has been provided for as at 31/03/2021 in the actuarial policy liability. The Company will continue to closely monitor any future developments relating to COVID-19 which may have any impact on its business and financial position.

37. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND OPERATIONS OF THE COMPANY

During FY 2021, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

38. DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(3) (c) read with 134(5) of the Companies Act, 2013 and the Corporate Governance Guidelines, your Directors confirm that;

- in the preparation of the annual accounts for the year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2021 and of the profit of the Company for the year ended on that date;

Directors' Report (Contd.)

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the accounts for the current financial year ended March 31, 2021 on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

39. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

In view of the nature of business activity of the Company, the information relating to the conservation of energy, as required under Section 134 (3) and Rule 8 (3) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

B. Technology Absorption

Sr. No.	Particulars	Remarks
Research & Development (R&D)		
1.	Specific areas in which R & D carried out by the Company	<ul style="list-style-type: none"> In the year under review, some of the areas where we have experimented in our Digilab includes Optical Character Recognition (OCR), communication thru digital medium, voice processing and IoT
2.	Benefits derived as a result of the above R&D	<p>In the year under review, we have been able to roll out a number of initiatives based on the R&D done in Digilab. A few noted ones are provided below:</p> <ul style="list-style-type: none"> Web OCR: Web OCR is in-house developed tool to identify the document type. It also performs Aadhaar masking. Offline KYC: Customers are able to perform Offline KYC with the help of our mobile app during the proposal journey. The solution makes it convenient for the customers and sales agent in faster closure of cases Chatbot Integration: Our Chatbot "RIA" has been integrated in a number of ways, with the website, on the intranet pages, on Whatsapp to answer customer queries, assist in premium payment thru chat etc., to name a few. e-Certificate of Existence (eCOE): A digital process has been introduced where the CoE can be submitted using mobile app, eliminating the need for a visit to our branch. Voice based solutions: These include, integration with Amazon Alexa, voice based search on our website, conversational analytics
3.	Future plan of action	We will continue to work with the new technologies available and find ways to improve the experience for our stakeholders in technology area
4.	Expenditure on R & D: (a) Capital (b) Recurring (c) Total (d) Total R & D expenditure as a percentage of total turnover	In-house development.
Technology absorption, adaption and innovation		
1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	<ul style="list-style-type: none"> Insta PIVC: PIVC application acts as one solution that is now included in customer proposal form filling journey in all channels, where sales intermediary can get the customer verification done digitally by capturing photo / video. A transcript is generated for further processing. Travel Kit for Renewal: The Application is a Mobile based Traveller kit (integrated with Smart Advisor) to access Renewal data. Let's Huddle: Application for managed conference call through mobile now launched pan-India for various hierarchies.

Sr. No.	Particulars	Remarks
2.	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	Key benefits are faster turnaround for new business completion, improvement in the renewal premium collection and faster communication among the teams in corporate office and Regional offices
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: (a) Technology imported (b) Year of import (c) Has technology been fully absorbed? (d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.	Nil

C. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo required under above Rules are as under:

Particulars	(₹ in billion)	
	FY 2021	FY 2020
Foreign Exchange Earnings	0.07	0.09
Foreign Exchange Outgo	0.19	0.21

40. INVESTOR RELATIONS

The Company has always valued its customer relationships and it is the Company's belief that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. The Company disseminates information on its operations and initiatives on a regular basis. The Company's website (www.sbilife.co.in) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on the Company's strategy, financial performance, operational performance and the latest press releases.

The Company publishes financial results on a quarterly basis. The financial results of the Company are prepared and posted on the website of the Company for the current as well as previous years. Further, the quarterly results and earnings update are also posted on the website of the Company. Every quarter, the Managing Director & CEO along with the senior management officials of the Company participate on a call with the analysts / shareholders. The Company's investor relations personnel respond to specific queries and play a proactive role in disseminating information to both analysts and investors. All information which could have a material bearing on the Company's share price is released through as per regulatory requirements.

41. BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report as stipulated under Regulation 34 of the Listing Regulations form part of the Annual Report.

42. INTEGRATED REPORTING

The Securities Exchange Board of India had recommended top 500 listed entities to voluntarily prepare their Annual Report adopting the principles of Integrated Reporting prescribed by the International Integrated Reporting Council.

In view of the above, The Company has voluntarily adopted the principles and has prepared its third Integrated Report for FY 2021 which forms part of this Annual Report.

43. IRDAI LICENSE

The Insurance Regulatory and Development Authority of India (IRDAI) have renewed the annual license of the Company to continue the Life Insurance Business for the FY 2021.

Directors' Report (Contd.)

44. OTHER INFORMATION

A. Economic Capital:

The annual assessment of Economic Capital of SBI Life was carried out as on March 31, 2021. As part of this exercise, we have quantified the capital requirements relating to various risks such as Insurance Risks (Mortality risk, Morbidity Risk, Longevity Risk, Persistency Risk, Expense Risk, Catastrophe Risk) and Non- Insurance Risks (Market Risk, Operational Risk, Default Risk). As at 31st March 2021 Solvency ratio on Economic Basis is 3.14. The Solvency Ratio on Economic Basis has been estimated as, the ratio of excess of economic Assets over economic Liability to Total Economic Capital Requirement.

B. Solvency Margin:

The Directors are pleased to report that the assets of the Company are higher than the liabilities of the Company and the assets are more than sufficient to meet the minimum solvency margin level of 1.50 times, as specified in section 64 VA of the Insurance Act, 1938 read with the IRDAI (Assets, Liabilities, and Solvency Margin of Life Insurance Business) Regulations, 2016. The Company has a strong solvency ratio of 2.15 as on March 31, 2021 (Previous year ended March 31, 2020: 1.95) as against the Regulatory requirement of 1.50.

C. IRDAI Directions

IRDAI has issued directions under Section 34 (1) of the Insurance Act, 1938 to distribute the administrative charges paid to master policyholders amounting to ₹ 843,174 thousands (previous year ended March 31, 2020: ₹ 843,174 thousands) vide order no. IRDA/Life/ORD/Misc/228/10/2012 dated October 5, 2012. The Company had filed an appeal against the said order with the Ministry of Finance, Government of India, which remanded the case back to IRDAI on November 4, 2015. Thereafter, IRDAI issued further directions dated January 11, 2017 reiterating the directions issued on October 5, 2012. The Company filed an appeal against the said directions/ orders with the Securities Appellate Tribunal (SAT), which was dismissed by the SAT vide order dated 7 April, 2021. Basis the strong legal opinions on the merits of the case, the Company had decided to challenge the order of Hon'ble SAT

and accordingly disclosed the amount under contingent liabilities in the notes to accounts forming part of Financial Statement for year ended March 31, 2021. Further, on June 21, 2021, the Company has instituted Civil Appeal in the Hon'ble Supreme Court of India challenging the SAT order dated April 7, 2021. The appeal has been dismissed by the Hon'ble Supreme Court, at a hearing held on July 26, 2021. The Company has filed review petition before Hon'ble Supreme Court of India against its order dated July 26, 2021.

IRDAI has issued directions under section 34 (1) of the Insurance Act, 1938 to refund commission paid to corporate agents amounting to ₹ 2,752,948 thousands (previous year ended March 31, 2020: ₹ 2,752,948 thousands) vide order no. IRDA/Life/ORD/Misc/083/03/2014 dated March 11, 2014 to the members or the beneficiaries. The said IRDAI order has been set aside by the Securities Appellate Tribunal (SAT) vide its order dated January 29, 2020. The SAT has remitted the matter to IRDAI with a direction to recalculate the interest earned on advance premium collected. The Company had granted discount in respect of advance premium collected. Subsequently, on March 3, 2021 the Company has received notice of institution of civil appeals filed by IRDAI in Supreme Court against the SAT order dated January 29, 2020. The Company on the basis of legal opinion and good case on merits has challenged the order of 29 January 2020 with Hon'ble Supreme Court of India vide a Civil Appeal instituted on 22 June 2021.

At hearing held on July 26, 2021 by the Hon'ble Supreme Court notice has been issued to IRDAI.

D. Appointed Actuary's Certificate

The certificate of the Appointed Actuary on valuation and actuarial assumptions is enclosed in the financial statements.

E. Certificate from Compliance Officer (under the IRDAI Corporate Governance Guidelines)

A Compliance Certificate, for complying with IRDAI Corporate Governance Guidelines, issued by the Company Secretary, designated as the Compliance officer under the IRDAI Corporate Governance Guidelines, is enclosed and forms part of the Corporate Governance Report.

45. ACKNOWLEDGEMENTS

The Directors are grateful to the Insurance Regulatory and Development Authority of India (IRDAI), Reserve Bank of India (RBI), Comptroller and Auditor General of India (C&AG), Securities and Exchange Board of India (SEBI) and Government of India (GOI) for their continued co-operation, support and advice. The Directors would also like to take this opportunity to express their sincere thanks to the valued customers and shareholders' for their trust and patronage.

The Directors also express their gratitude for the advice, guidance and support received from time to time, from the auditors, and statutory authorities. The Directors express their deep sense of appreciation to all the employees, insurance advisors, corporate agents and brokers, distributors, re-insurers, bankers and the Registrars who continue to display outstanding professionalism and commitment, enabling the organization to retain market leadership in its business operations. The Directors also wish to express their gratitude to all stakeholders for their continued support and trust.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 24, 2021

Dinesh Kumar Khara
Chairman
DIN: 06737041

Corporate Governance Report

INTRODUCTION

Our Company is explicitly committed to creating value for all its stakeholders – policyholders, employees, investors, vendors and the community. Fairness in words, actions and deeds with all stakeholders form the base of the Company's Corporate Governance philosophy. Corporate Governance enables the Company to perform efficiently and ethically towards the long term wealth and create value for all its stakeholders.

The imperative need to have good governance surfaced to demarcate the division between its ownership and its management. Concept of corporate governance rests on the fulcrum of transparency behind all decisions taken, accountability for the said decisions and safeguarding the interests of stakeholders.

Company continues to lay great emphasis on the highest standards of Corporate Governance which are an integral part of all Company activities to ensure efficient conduct of the affairs of the Company, without compromising its core values. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

Through the Governance mechanism in the Company, the Board along with its committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, accountability, fairness and independence in its decision making. It helps to adopt sound and prudent principles and practices for the governance of the Company.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Company's philosophy on Corporate Governance is laid on a foundation of Integrity, Excellence and Ethical values, which have been in practice since its inception. Strong leadership and effective corporate governance practices have been the Company's inherited values from the SBI culture and ethos. The Board is committed to meet expectation of all the stakeholders and strive hard to fulfill them. SBI Life, in this pursuit, places emphasis in the philosophy of Corporate Governance by embedding values like transparency, accountability, integrity and fair disclosures in the Company Structure. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values.

The Company believes in adopting and adhering to the best standards of corporate governance. Certain tenets of our Corporate Governance Philosophy are:

- Appropriate composition, size of the Board and commitment to adequately discharge its responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Maximum disclosure of information to the Board and its Committees for focused and meaningful discussions in the meetings.

- Operating in a sound system of internal control and risk management with a thrust on integrity and accountability.
- Independent verification and assured integrity of financial reporting.
- Timely and adequate disclosure of all material information to all stakeholders.
- Compliance of applicable laws, rules, regulations & guidelines.
- Fair and equitable treatment of all its stakeholders including employees, vendors, policyholders and shareholders.

The Company complies with the Corporate Governance Guidelines issued by the IRDAI. Further, the Company also complies with the Corporate Governance provisions prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and as amended thereto.

(I) Board of Directors ('Board')

The composition of the Board of Directors of the Company is governed by the provisions of Companies Act, 2013, Listing Regulations issued by SEBI and Corporate Governance Guidelines, 2016 issued by IRDAI.

The role of the Board is that of trusteeship, to protect and enhance the shareholder value through strategic direction to the Company. The role of the Chairman and the Chief Executive Officer are distinct and separate. The Chairman is primarily responsible for ensuring that the Board provides effective governance to the Company and the responsibility of Chief Executive Officer is to execute the corporate strategy in consultation with the Board.

The Board of Directors comprises of Executive director, Non-Executive Non-Independent directors as well as Independent Directors. There is an optimum combination of Executive, Non-Executive and Independent Directors. Except the Managing Director and CEO, all other directors including Chairman of the Board are Non-Executive Directors. There is one Woman Independent Director on the Board of Company. The Directors possess experience in diverse fields including Banking, Finance, Insurance, Human Resource, Information Technology, Marketing and Actuarial. The skill and knowledge of the Directors have proved to be of immense value to the Company. There is no inter-se relationship between the Directors.

Video or tele-conferencing facilities are also used to facilitate Directors travelling or residing abroad or at other locations to participate in the meetings.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company. They play a critical role in balancing the functioning of the Board by

providing independent judgments on various issues raised in the Board meetings like formulation of business strategies, monitoring of performances etc.

The Company has issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria of independence as laid down under Corporate Governance Guidelines issued by IRDAI and Listing Regulations issued by SEBI.

The Company has well-defined Policy for determining criteria for appointment of Directors and Senior Management personnel.

COMPOSITION OF THE BOARD

As on March 31, 2021, the Board comprised of six (6) Directors i.e., four (4) Independent Directors, two (2) Directors nominated by State Bank of India ("SBI") including Managing Director & CEO. On April 12, 2021, two (2) Directors were appointed on the Board, one Independent Director and another Director nominated by SBI.

The Board functions either as a full Board or through various Committees constituted to oversee specific areas. The Board has constituted nine Committees, namely, Board Audit Committee, Board Risk Management Committee, Board Investment Committee, Board Policyholders' Protection Committee, Board Nomination and Remuneration Committee, Board Corporate Social Responsibility Committee, Board Stakeholders Relationship Committee, Board With Profits Committee and Board Information Technology & Information Security Committee.

As per Regulation 26 of the Listing Regulations, the number of Committees (Audit Committee and Stakeholders Relationship Committee) of public limited companies in which a director is a member or chairman is within the limits prescribed under the said regulation.

Mr. Dinesh Kumar Khara, Non-Executive Director was inducted as Chairman w.e.f. November 24, 2020 in place of Mr. Rajnish Kumar on account of his superannuation/retirement.

The quorum of the Board is three members or one-third members, whichever is higher.

The composition of the Board of Directors as on March 31, 2021 is as under:

Sr. No.	Name of the Director (DIN)	Number of other Directorships in		Number of other Committee Membership [#]	Directorship in other listed entity (Category of Directorship)
		Indian Public Limited Companies*	Other Companies [@]		
Non-Executive, Non-Independent Director, Nominated by SBI					
1	Mr. Dinesh Kumar Khara (06737041)	8	3	6	1. State Bank of India (Chairman) 2. SBI Cards and Payment Services Limited (Non-Executive - Nominee Director-Chairman)
Non-Executive, Independent Director					
2	Mr. Deepak Amin (01289453)	Nil	2	Nil	–
3	Mr. Narayan K. Seshadri (00053563)	6	6	5	1. PI Industries Limited (Independent Non-Executive Chairman) 2. Astrazeneca Pharma India Limited (Independent Non-Executive Chairman) 3. Kalpataru Power Transmission Limited (Independent Director)
4	Ms. Joji Sekhon Gill (05310881)	Nil	0	Nil	–
5	Mr. Shobinder Duggal (00039580)	Nil	0	Nil	–
Executive, Non-Independent Director, Nominated by SBI					
6	Mr. Mahesh Kumar Sharma (08740737)	Nil	0	Nil	–

* Comprises of public limited companies incorporated in India.

@ Comprises private limited companies incorporated in India and foreign companies but excludes Section 8 companies and not for profit foreign companies.

Comprises only Audit Committee and Stakeholders Relationship Committee of Indian public limited companies.

Corporate Governance Report (Contd.)

BRIEF PROFILE OF THE DIRECTORS

Sr. No.	Name of the Director	Qualification	Field of Specialization/ skills/ expertise/ competencies fundamental for the effective functioning of the Company
1	Mr. Dinesh Kumar Khara	Master's in Commerce, MBA and Certified Associate of the Indian Institute of Bankers	<p>More than 36 years of experience in all facets of commercial banking such as retail credit, international banking operations, branch management etc.</p> <p>Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.</p>
2	Mr. Ashwini Kumar Tewari*	Bachelor's in Electrical Engineering, Certified Associate of Indian Institute of Bankers and Certified Financial Planner	<p>Mr. Tewari has started his career from banking. In the year of 1991, he was appointed as Probationary Officer in SBI. Presently, he is Managing Director (MD) of State Bank of India handling portfolio of International Banking, Information Technology and Associates & Subsidiaries of the Bank. Prior to becoming MD at SBI, he served as MD & CEO of SBI Cards and Payment Services Ltd.</p> <p>He has been a part of SBI, for almost three decades now and has handled several assignments for the bank, across various locations in India and abroad.</p> <p>Knowledge and skills in banking operations including international banking and information technology. He has done certification course in management from Xavier Labour Relations Institute (XLRI).</p>
3	Mr. Deepak Amin	Bachelor's in Computer Science and Engineering. Post-graduation in Computer Science	<p>More than 28 years of experience in the field of Information Technology and Risk Management.</p> <p>He worked at Microsoft, USA for number of years and lead as senior engineer in the original Internet Explorer browser team and he was also lead engineer for Microsoft Windows Networking teams. An active angel investor in technology startup companies. He has also served on the Advisory Board of National Science and Technology Entrepreneurship Development Board (Department of Science and Technology, Government of India), to promote technology entrepreneurship and innovation in India.</p> <p>Knowledge and skills in Risk Management and Information Technology, he served the technology advisory council of Grameen foundation for Microfinance, USA.</p>
4	Mr. Narayan K. Seshadri	Bachelor's in Science and Fellow member of Institute of Chartered Accountants of India	<p>More than 31 years of experience in the field of accounting, auditing, litigation support etc. and industry experience includes manufacturing, process, health care, financial services, utilities, infrastructure and technology. He worked with some large Fortune 500/FTSE 100 companies to small start-ups in various international jurisdictions.</p> <p>Knowledge and skills in financial service sector, global expansion, risk management, capital structuring and long-term succession planning, business consultancy practice etc. He audited some of the largest foreign and private sector banks, mutual funds, investment banks and NBFC's. Also worked for special assignments involving business reorganizations and transformation and transforming family run chemicals and agricultural inputs enterprises into a professional business.</p>
5	Ms. Joji Sekhon Gill	Bachelor's in Economics (Science) and Masters in Personnel Management and Industrial Relations	<p>More than 28 years of experience in Human Resources and Personnel Management.</p> <p>Knowledge and skills in International Human Resources and has lived and worked in 3 different continents. She was responsible for driving the Talent Strategy for DuPont's South Asia region and the Regional HR Director for Asia Pacific EMEA (Europe, Middle East, Africa) Managing Director of DuPont Singapore.</p>
6	Mr. Shobinder Duggal	Bachelor's in Economics (Hons.) and a member of Institute of Chartered Accountants of India	<p>He has 36 years of work experience with Nestle including Voltas India Limited. He was CFO of South Asia Region for Nestle from May 2004 to February 2020 and has also handled procurement and IT/IS responsibilities. Further he was Executive Director and CFO in Nestle India Limited and Board member in Nestle Lanka PLC.</p>

Sr. No.	Name of the Director	Qualification	Field of Specialization/ skills/ expertise/ competencies fundamental for the effective functioning of the Company
			<p>He was responsible for overseeing Financials of India entity & South Asia Region and was reporting to Chairman, Managing Director & Group Management. He also worked for Group companies of Nestle since 1986.</p> <p>Knowledge and skills in finance, governance, corporate planning and risk management. He has attended programme at IMD, Lausanne and handled various responsibility under corporate control, internal audit and some important assignments at the Nestle group headquarters in Switzerland.</p>
7	Dr. Tejendra Mohan Bhasin*	Bachelor's Degree in Laws, Master's in Business Administration and Certified associate of the Indian Institute of Bankers	<p>Dr. Bhasin is presently the Chairman, Advisory Board for Banking and Financial Frauds. He was appointed as the vigilance commissioner in central vigilance commission by the President of India. He has over 42 years of experience in administration, banking and finance industry. He joined Oriental Bank of Commerce as a Probationary Officer in June 1978 and rose to the rank of General Manager. He served as Executive Director in United Bank of India and elevated as the Chairman and Managing Director (C&MD) of Indian Bank.</p> <p>Knowledge and skills in finance, banking, law and management, vigilance administration and anti-corruption laws. Dr. Bhasin has pursued his Advanced Financial Enterprises Management Programme from Harvard University and pursued his research under C.H. Bhabha Research Scholarship of Indian Bank's Association.</p>
8	Mr. Mahesh Kumar Sharma	Bachelor's in Chemistry (Science), Master's in Physical Chemistry (Science) and Certified Associate of Indian Institute of Bankers (CAIIB)	<p>He joined State Bank of India as Probationary Officer in the year 1990 and has held several assignments in all areas of Banking. During a span of more than 30 years in the Bank, he has served in various geographical locations both in India and abroad. He was posted as DGM (B&O), Jaipur & DGM, LHO Delhi. He was also posted as Chief Executive Officer, State Bank of India, Tel Aviv Branch. Till March 2020 he was posted as Regional Head, East Asia, Hong Kong.</p> <p>Knowledge and skills in banking sector. He has undertaken many important assignments in State Bank of India including overseas assignments as IBTO in the Paris office and as Chief Executive Officer of the Tel Aviv branch.</p>

*Mr. Ashwini Kumar Tewari and Dr. Tejendra Mohan Bhasin were appointed on the Board w.e.f. April 12, 2021.

BOARD MEETINGS

Notice, Agenda and Minutes

The meetings of the Board of Directors are usually held in Mumbai where the registered office of the Company is situated. The Board meets at least once in every quarter, a minimum of four (4) meetings are held in a financial year to review financial results, business strategies, risk management and other regular agendas. The Board also meets as and when necessary to address specific issues concerning the businesses of the Company.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The proceedings of each meeting of the Board and its Committees are conducted in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The Companies Act, 2013 read with rules issued there under, allows conducting of meetings through audio-visual means or video-conferencing. Pursuant to notification dated March 19, 2020; June 23, 2020; September 28, 2020 and December 30, 2020, the Ministry of Corporate

Affairs had relaxed companies to hold physical meetings and allowed the Companies to conduct the meeting through Video Conferencing or other audio-visual means in accordance with rule 3 of Companies (Meeting of Board and its Powers) Rules, 2020.

In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by the Companies Act, 2013, which is confirmed in the next Board Meeting.

The Company Secretary is responsible for collation, review, preparation and distribution of the agenda papers submitted to the Board and preparation of minutes. The Company Secretary attends all the meetings of the Board and its Committees. The Company Secretary acts as a mediator between the Board of Directors and other stakeholders to ensure proper flow of information for the smooth functioning of the business operations.

With a view to leverage on technology and as a Go Green initiative, the notice and agenda papers of Board and Board Committee meetings including presentations are circulated to the members and invitees in soft copy through a web-based application.

Corporate Governance Report (Contd.)

NUMBER OF BOARD MEETINGS HELD DURING FY 2020- 21

During the year under review, thirteen (13) Board Meetings were held on the following dates as against the minimum requirement of four (4) meetings and the time gap between two successive Board meetings did not exceed more than 120 days.

- April 08, 2020
- May 05, 2020
- May 08, 2020
- May 19, 2020
- May 29, 2020
- July 21, 2020
- August 20, 2020
- August 31, 2020
- September 29, 2020
- October 26, 2020
- December 28, 2020
- January 22, 2021
- March 25, 2021

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND GENERAL MEETINGS

The attendance of Directors at the Company's Board Meetings held during the FY 2020-21 and at the last General Meetings are as follows:

Sr. No.	Name of the Directors	Board Meetings held during the tenure of the Director	Board Meetings attended during the tenure	Whether attended the last AGM held on September 24, 2020 (Yes/No)
1	Mr. Rajnish Kumar ¹	9	1	Yes
2	Mr. Dinesh Kumar Khara ¹	13	13	Yes
3	Mr. Raj Narain Bhardwaj ²	8	8	NA
4	Mr. Ravi Rambabu ²	8	8	NA
5	Mr. Nilesh Vikamsey ²	8	8	NA
6	Mr. Deepak Amin	13	13	Yes
7	Mr. Narayan K. Seshadri ³	6	6	Yes
8	Ms. Joji Sekhon Gill	13	7	Yes
9	Mr. Shobinder Duggal ³	2	2	NA
10	Ms. Sunita Sharma ⁴	3	3	Yes
11	Mr. Ashutosh Pednekar ⁵	1	1	NA
12	Mr. Sanjeev Nautiyal ⁶	3	3	NA
13	Mr. Mahesh Kumar Sharma ⁶	10	10	Yes

¹Mr. Rajnish Kumar ceased as the Chairman w.e.f. October 6, 2020 & Mr. Dinesh Kumar Khara was appointed as Chairman w.e.f. November 24, 2020.

²Mr. Raj Narain Bhardwaj, Mr. Ravi Rambabu and Mr. Nilesh Vikamsey were ceased as Independent Director of the Company w.e.f. September 6, 2020 due to expiry of their second term.

³Mr. Narayan K. Seshadri was appointed as an Independent Director w.e.f. August 20, 2020 and Mr. Shobinder Duggal was inducted as an Additional Independent Director w.e.f. December 28, 2020.

⁴Ms. Sunita Sharma was appointed as an Independent Director w.e.f. August 20, 2020 and ceased w.e.f. November 23, 2020.

⁵Mr. Ashutosh Pednekar was appointed as an Additional Independent Director w.e.f. August 20, 2020 and ceased w.e.f. September 3, 2020.

⁶Mr. Sanjeev Nautiyal ceased as Managing Director & CEO w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma was appointed as Managing Director & CEO w.e.f. May 9, 2020.

(II) Committees of the Board of Directors

The Committees constituted by the Board play an important role in the governance structure of the Company and they deal in specific areas or activities that need closure or review. The Committees have been set up under the formal approval of the Board to carry out pre-defined roles and responsibilities. The terms of reference of these Committees are in line with the requirements of the Companies Act, 2013, Corporate Governance Guidelines issued by IRDAI and Listing Regulations. The minutes of all the Committee meetings are placed before the Board of Directors. The Chairman of each Committee briefs the Board on the important deliberations and decisions of the respective Committees.

The quorum for all the Board Committees is two members or one-third members, whichever is higher.

The Board has Nine (9) Committees, where the members of the Committees take informed decisions in the best interest of the Company. Following Committees monitor the activities falling within their terms of reference:

- A. Board Audit Committee
- B. Board Investment Committee

- C. Board Risk Management Committee
- D. Board Policyholder Protection Committee
- E. Board Nomination and Remuneration Committee
- F. Board Corporate Social Responsibility Committee
- G. Board With Profits Committee
- H. Board Stakeholders Relationship Committee
- I. Board Information Technology & Information Security Committee

A. Board Audit Committee

The Board Audit Committee assists the Board of Directors to fulfill its corporate governance and overseeing responsibilities in relation to an entity's financial reporting, internal control system, risk management system & internal and external audit functions. Its role is to provide advice and recommendations to the Board within the scope of its terms of reference.

The Committee acts as a link between the Management, Auditors and Board of Directors. As per Corporate Governance Guidelines, the association of the Managing Director and Chief Executive Officer in the Board Audit Committee is limited to eliciting any specific information concerning audit findings. The Chief Financial Officer, Chief Audit Officer, Compliance Officer and Appointed Actuary are the permanent invitees to the meetings.

The Committee monitors the Company's financial reporting process and appropriate disclosure of financial information to ensure that the financial statements are accurate and credible. The role of the Committee includes oversight of the financial reporting process, the audit process, the adequacy of internal controls, transactions with related parties and compliance with applicable laws and regulations.

The Committee reviews with the Management all the quarterly, half yearly and annual financial statements prior to recommending the same to the Board for approval. The Committee also reviews any additional work entrusted to the auditors.

The Audit Committee in co-ordination with Internal and Statutory Auditors on regular intervals reviews the adequacy of Internal Control Systems within the Company.

Composition

The composition of the Board Audit Committee is governed by the provisions of Companies Act, 2013, Listing Regulations and Corporate Governance Guidelines, 2016 issued by IRDAI.

The Company has a qualified Independent Audit Committee consisting of four (4)

Independent Directors and one (1) Nominee Director. All the members of the Committee are financially literate and have necessary accounting & financial management expertise. Mr. Narayan K. Seshadri, Independent Director, Chairman of the Committee is a professional Chartered Accountant with strong financial analysis background.

Number of Board Audit Committee Meetings held during FY 2020-21

During the year under review, nine (9) Board Audit Committee Meetings were held on the following dates and the time gap between any two meetings was not more than 120 days.

- April 08, 2020
- May 04 & 05, 2020
- May 29, 2020
- July 21, 2020
- August 20, 2020
- September 29, 2020
- October 26, 2020
- January 22, 2021
- March 25, 2021

Attendance of Members

The details of composition of Committee and attendance at the Company's Board Audit Committee Meetings held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Narayan K. Seshadri – Chairman ¹	4	4
Mr. Ravi Rambabu ²	5	5
Mr. Dinesh Kumar Khara	9	8
Mr. Raj Narain Bhardwaj ²	5	5
Mr. Nilesh Vikamsey ²	5	5
Ms. Sunita Sharma ³	2	2
Mr. Deepak Amin	9	9
Ms. Joji Sekhon Gill	9	4
Mr. Shobinder Duggal ⁴	2	2

¹Mr. Narayan K. Seshadri was appointed as Chairman of the Committee w.e.f. September 16, 2020 and he has been member of this Committee since September 7, 2020.

²Mr. Ravi Rambabu ceased as Chairman and Mr. Raj Narain Bhardwaj & Mr. Nilesh Vikamsey ceased as members w.e.f. September 6, 2020.

³Ms. Sunita Sharma was appointed as member of the Committee w.e.f. September 7, 2020 who ceased as member w.e.f. November 23, 2020.

⁴Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

Corporate Governance Report (Contd.)

During the FY 2020-21, there were no instances of any non-acceptance of recommendation(s) of the Audit Committee by the Board of Directors.

Terms of Reference

The scope and function of the Board Audit Committee is in accordance with Section 177 of the Companies Act 2013, Regulation 18(3) of the Listing Regulations and Clause 7.1 of the Corporate Governance Guidelines and its terms of reference include, inter alia, the following:

I. Accounts and Audit:

1. Oversee the financial statements, financial reporting process, statement of cash flow and disclosure of its financial information, both on an annual and quarterly basis, to ensure that the financial statement is correct, sufficient and credible;
2. Recommend to the board of directors the appointment, re-appointment, terms of appointment and, if required, the replacement; remuneration, reviewing (with management) performance, and oversight of the work of the auditors (internal/statutory/concurrent) and to review and monitor the auditor's independence and performance, and effectiveness of audit process in accordance with applicable law;
3. Overseeing procedures and processes established to address issues relating to maintenance of books of account, administration procedure, transactions and other matters which would have a bearing on the financial position of the insurer, whether raised by the auditors or by any other person;
4. Evaluation of internal financial controls and risk management systems;
5. Discuss with the statutory auditors before the audit commences, about the nature and scope of audit, as well as, have post-audit discussions to address areas of concern;
6. Approval of payment to statutory auditors and internal auditors or any of its associated persons or companies, for any other services rendered by them;
7. Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgement by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements to the extent applicable;
 - f) Approval or any subsequent modification and disclosure of any related party transactions of the Company;
 - g) Modified opinion(s) in the draft audit report.
8. Review with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
9. To the extent applicable review with the management, the statement of uses/end use/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matter, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
10. Scrutiny of inter-corporate loans and investments, if any;
11. Valuation of undertakings or assets of our Company, wherever it is necessary;
12. Carrying out any other function, if any, as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the Listing Regulations, or by the Corporate Governance Guidelines or under any applicable law.

II. Internal audit:

1. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

2. Oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice;
3. Establishing procedures and processes to address all concerns relating to adequacy of checks and control mechanisms set in place;
4. Discussion with internal auditors of any significant findings and follow up there on; Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
5. Review with the management, performance of internal auditors, and the adequacy of the internal control systems;
6. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
7. Review the functioning of the whistle blower/vigil mechanism for directors and employees.

III. Compliance and ethics:

1. Discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches and act as a compliance committee to ascertain and monitor compliance level of the Company and any associated risks;
2. Act as a compliance committee to ascertain and monitor compliance level of the Company and any associated risks in order to report to the board of directors on any significant compliance breaches;
3. Approve compliance programmes, reviewing their effectiveness on a regular basis and signing off on any material compliance issues or matters;
4. Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate.

In addition to the above, the powers of the Audit Committee, inter alia, include investigating any activity within its terms of reference and to seek

information from any employee. The reviewing powers of the Audit Committee, inter alia, include review of management's discussion and analysis of financial condition and results of operations and statement of significant related party transaction as defined by the Audit Committee and submitted by the management.

B. Board Investment Committee

The objective of the Committee is to review various aspects of the investment activity to ensure that investments of shareholder and policyholder funds are made consistent with the product features, investment guidelines and policies (regulatory and internal) and keeps in view protection, safety and liquidity of such funds. The Committee periodically reviews the Investment policy based on the investment performance and evaluation of the dynamic market conditions. The Board Investment Committee has been constituted pursuant to the IRDAI (Investment) Regulations and IRDAI Corporate Governance Guidelines.

Composition

The Company's Board Investment Committee consists of three (3) Independent Directors, one (1) Nominee Director, one (1) Managing Director & CEO, President & Chief Financial Officer, Chief Investments Officer, Chief Actuary & Chief Risk Officer and Appointed Actuary. As per IRDAI regulations Board Investment Committee shall comprise of Appointed Actuary, Chief Investment Officer, Chief Financial Officer and Chief Risk Officer as members.

The members of the Committee are fully conversant with the various responsibilities casted on them by IRDAI (Investment) Regulations and any amendments thereto. Mr. Narayan K. Seshadri, Independent Director, is the Chairman of the Committee.

Number of Board Investment Committee Meetings held during FY 2020-21

During the year under review, five (5) Board Investment Committee Meetings were held on the following dates and the time gap between any two meetings was not more than four months.

- May 04, 2020
- May 29, 2020
- July 20, 2020
- October 21, 2020
- January 20, 2021

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Attendance of Members

The composition and attendance of the Board Investment Committee held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Narayan Seshadri – Chairman ¹	2	2
Mr. Raj Narain Bhardwaj ²	3	3
Mr. Dinesh Kumar Khara	5	0
Mr. Ravi Rambabu ²	3	3
Mr. Nilesh Vikamsey ²	3	2
Ms. Sunita Sharma ³	1	0
Mr. Shobinder Duggal ⁴	1	1
Mr. Deepak Amin ⁵	2	2
Mr. Sangramjit Sarangi	5	5
Mr. Sanjeev Pujari ⁶	3	3
Mr. Subhendu Kumar Bal ⁶	5	5
Mr. Prithesh Chaubey ⁶	2	2
Mr. Gopikrishna Shenoy	5	4
Mr. Sanjeev Nautiyal ⁷	1	1
Mr. Mahesh Kumar Sharma ⁷	4	4

¹Mr. Narayan K. Seshadri was appointed as Chairman w.e.f. September 7, 2020.

²Mr. Raj Narain Bhardwaj ceased as Chairman and Mr. Ravi Rambabu & Mr. Nilesh Vikamsey were ceased as members w.e.f. September 06, 2020.

³Ms. Sunita Sharma was appointed as member on September 7, 2020 and ceased as member w.e.f. November 23, 2020.

⁴Mr. Shobinder Duggal was appointed as member w.e.f. December 28, 2020.

⁵Mr. Deepak Amin was appointed as member w.e.f. August 20, 2020.

⁶Mr. Sanjeev Pujari ceased as member w.e.f. September 30, 2020 due to his superannuation/retirement and Mr. Subhendu Kumar Bal designated as Chief Actuary & Chief Risk Officer w.e.f. October 1, 2020 in place of Mr. Sanjeev Pujari. Mr. Prithesh Chaubey, Appointed Actuary was appointed as member w.e.f. September 30, 2020.

⁷Mr. Sanjeev Nautiyal ceased as member w.e.f. May 08, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma was appointed as member w.e.f. May 09, 2020.

Terms of Reference

The terms of reference of the Board Investment Committee of our Company, inter alia, include the following:

1. Responsible for the recommendation of the Investment Policy and operational framework for the investment operations of the Company. The Investment Policy and operational framework should, inter alia, focus on a prudential asset liability management supported by robust internal control systems; and encompass aspects concerning liquidity

for smooth operations, compliance with prudential regulatory norms on investments, risk management/mitigation strategies to ensure commensurate yield on investments in line with policyholders' reasonable expectations and above all protection of policyholders' funds;

2. Put in place an effective reporting system to ensure compliance with the Investment Policy set out by it apart from Internal/Concurrent Audit mechanisms for a sustained and on-going monitoring of Investment Operations;
3. To submit a report to the Board on the performance of investments at least on a quarterly basis and provide an analysis of its investment portfolio (including with regard to the portfolio's safety and soundness) and on the future outlook;
4. The committee review the investment decisions and ensure the support by the internal due diligence process for making appropriate investment decisions; and
5. Carrying out any other function, if any, as is mentioned in the terms of reference of the Investment Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the Listing Regulations, or by the Corporate Governance Guidelines issued by the IRDAI, or under any applicable law.

Additionally, the Investment committee is, inter alia, responsible for implementing the investment policy approved by the Board.

C. Board Risk Management Committee

The Company recognizes that risk is an integral element of the business and risk management framework is essential for the generation of shareholder value. The Board Risk Management Committee is constituted pursuant to IRDAI Corporate Governance Guidelines and Listing Regulations.

The Company has in place a mechanism to inform the Board about the risk assessment and mitigation procedures and periodical review to ensure that management controls risk through means of a properly defined framework. The Committee reviews the Risk Management policy of the Company, including Asset Liability Management (ALM), to monitor all risks across the various lines of business of the Company and establish appropriate systems to mitigate such risks. The Committee also ensures that the Company invests in a manner that would enable the Company to meet its long term obligations and at the same time deliver optimum return to the policyholders.

Composition

The Company's Board Risk Management Committee consists of three (3) Independent Directors, one (1) Nominee Director and one (1) Managing Director & CEO. Mr. Deepak Amin, Independent Director, is the Chairman of the Committee.

Number of Board Risk Management Committee

Meetings held during FY 2020-21

During the year under review, five (5) Board Risk Management Committee Meetings were held on the following dates and the time gap between any two meetings was not more than four months:

- May 04, 2020
- May 29, 2020
- July 20, 2020
- October 21, 2020
- January 20, 2021

Attendance of Members

The details of composition and attendance at the Company's Board Risk Management Committee Meetings held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Deepak Amin – Chairman ¹	5	5
Mr. Ravi Rambabu ²	3	3
Mr. Dinesh Kumar Khara	5	0
Mr. Raj Narain Bhardwaj ²	3	3
Mr. Nilesh Vikamsey ²	3	2
Ms. Sunita Sharma ³	1	0
Mr. Narayan K. Seshadri ⁴	2	2
Mr. Shobinder Duggal ⁵	1	1
Mr. Sanjeev Nautiyal ⁶	1	1
Mr. Mahesh Kumar Sharma ⁶	4	4

¹Mr. Deepak Amin was appointed as Chairman of the Committee w.e.f. November 26, 2020 and he has been member of this Committee since July 13, 2017.

²Mr. Ravi Rambabu ceased as Chairman and Mr. Raj Narain Bhardwaj & Mr. Nilesh Vikamsey ceased as members w.e.f. September 6, 2020.

³Ms. Sunita Sharma was appointed as Chairperson on September 7, 2020 and ceased as Chairperson w.e.f. November 23, 2020.

⁴Mr. Narayan K. Seshadri appointed as member w.e.f. September 7, 2020.

⁵Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

⁶Mr. Sanjeev Nautiyal ceased as member w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma appointed as member w.e.f. May 9, 2020.

Terms of Reference

I. Risk management:

1. Assisting the Board in effective operation of the risk management system by performing specialised analysis and quality reviews;
2. Maintaining a group wide and aggregated view of the risk profile of the Company in addition to the individual risk profiles;
3. Reporting to the Board details of the risk exposures and the actions taken to manage the exposures, set the risk tolerance limits and assess the cost and benefits associated with risk exposure and review, monitor and challenge where necessary, risks undertaken by the Company;
4. Advising the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, acquisitions and related matters;
5. Review the Company's risk-reward performance to align with overall policy objectives;
6. Discuss and consider best practices in risk management in the market and advise the respective functions;
7. Maintain an aggregated view on the risk profile of the Company for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.;
8. Review the solvency position of the Company on a regular basis;
9. Monitor and review regular updates on business continuity;
10. Formulation of a fraud monitoring policy and framework for approval by the Board;
11. Monitor implementation of anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds;
12. Review compliance with the guidelines on Insurance Fraud Monitoring Framework dated January 21, 2013, issued by the IRDAI; and
13. Carrying out any other function, if any, as is mentioned in the terms of reference of the Risk Management

Corporate Governance Report (Contd.)

Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the Listing Regulations, or by the Corporate Governance Guidelines issued by the IRDAI, or under any applicable law.

II. Asset Liability Management:

1. Formulating and implementing optimal ALM strategies, both at the product and enterprise level and meeting risk versus reward objectives and ensuring they remain within acceptable monitored tolerances for liquidity, solvency and the risk profile of the entity;
2. Reviewing the Company's overall risk appetite and laying down the risk tolerance limits; including annual review of strategic asset allocation;
3. Monitoring risk exposures at periodic intervals and revising strategies as appropriate including those for ALM;
4. Placing information pertaining to ALM before the Board at periodic intervals;
5. Setting the risk/reward objectives i.e. the risk appetite of the Company informed by assessment of policyholder expectations and other relevant factors;
6. Quantifying the level of risk exposure (market, credit and liquidity) and assessing the expected rewards and costs associated with the risk exposure;
7. Ensuring that management and valuation of all assets and liabilities comply with the standards, prevailing legislation and internal and external reporting requirements;
8. Reviewing key methodologies and assumptions including actuarial assumptions, used to value assets and liabilities;
9. Managing capital requirements at the company level using the regulatory solvency requirements;
10. Reviewing, approving and monitoring capital plans and related decisions over capital transactions; and
11. Carrying out any other function, if any, as is mentioned in the terms of reference of the Risk Management Committee and any other terms of reference as may be decided by the Board and/or specified/provided under

the Companies Act, 2013 or the Listing Regulations, or by the Corporate Governance Guidelines issued by the IRDAI, or under any applicable law.

D. Board Policyholder Protection Committee

The Board Policyholder Protection Committee is established to assist the Board to protect the interests of the policyholders and improve their experiences in dealing with the Company at all stages and levels. The Committee monitors adoption of sound and healthy market practices in terms of sales, marketing, advertisements, promotion, publicity, redressal of customer grievances, consumer awareness and education.

The Board Policyholder Protection Committee has been constituted pursuant to Corporate Governance Guidelines issued by IRDAI. The Committee is responsible to put in place proper procedures and effective mechanism to ensure that policyholders have access for redressal mechanisms. The Committee also establishes policies and procedures for the creation of a dedicated unit to deal with customer complaints and resolve disputes expeditiously. The Committee is responsible for ensuring compliance with the statutory requirements as laid down in the regulatory framework pertaining to policyholder's protection.

Composition

The Company's Board Policyholder Protection Committee consists of three (3) Independent Directors, one (1) Nominee Director and one (1) Managing Director & CEO. Mr. Narayan K. Seshadri, Independent Director, is the Chairman of the Committee.

Mr. Raj Narain Bhardwaj attended Committee meetings as an invitee, in the capacity of expert/representative of customer for the meeting held on October 2020 & January 2021.

Number of Board Policyholder Protection Committee Meetings held during FY 2020-21

During the year under review, five (5) Board Policyholder Protection Committee Meetings were held on the following dates and the time gap between any two meetings was not more than four months:

- May 04, 2020
- May 29, 2020
- July 20, 2020
- October 21, 2020
- January 20, 2021

Attendance of Members

The details of composition and attendance at the Company's Board Policyholder Protection Committee Meetings held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Narayan K. Seshadri – Chairman ¹	2	2
Mr. Raj Narain Bhardwaj ²	3	3
Mr. Dinesh Kumar Khara	5	0
Mr. Ravi Rambabu ²	3	3
Mr. Nilesh Vikamsey ²	3	2
Ms. Sunita Sharma ³	1	1
Ms. Joji Sekhon Gill	5	4
Mr. Shobinder Duggal ⁴	1	1
Mr. Sanjeev Nautiyal ⁵	1	1
Mr. Mahesh Kumar Sharma ⁵	4	4

¹Mr. Narayan K. Seshadri appointed as Chairman w.e.f. November 26, 2020 and he has been member of this Committee since September 7, 2020.

²Mr. Raj Narain Bhardwaj ceased as Chairman w.e.f. September 6, 2020 and Mr. Ravi Rambabu & Mr. Nilesh Vikamsey ceased as members w.e.f. September 6, 2020.

³Ms. Sunita Sharma was appointed as chairperson w.e.f. September 7, 2020 and ceased w.e.f. November 23, 2020.

⁴Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

⁵Mr. Sanjeev Nautiyal ceased as member w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma appointed as member w.e.f. May 9, 2020.

Terms of Reference

The terms of reference of the Policyholders' Committee of our Company include the following:

1. Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries;
2. Ensure compliance with the statutory requirements as laid down in the regulatory framework pertaining to policyholders' protection;
3. Review the mechanism at periodic intervals;
4. Ensure adequacy of disclosure of "material information" to the policyholders. These disclosures shall, for the present, comply with the requirements prescribed by the IRDAI both at the point of sale and at periodic intervals;
5. Review the status of complaints of the policyholders and take steps to reduce these complaints at periodic intervals;

6. Provide the details of grievances at periodic intervals in such formats as may be prescribed by the IRDAI;
7. Provide details of insurance ombudsmen to the policyholders;
8. Shape the customer service philosophy and policies of the organisation based on the overall environment in the financial services industry;
9. Oversee the functions of the customer service council;
10. Review measures for enhancing the quality of customer service;
11. Provide guidance to improve in the overall satisfaction level of customers;
12. Adopt standard operating procedures to treat the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof;
13. Put in place a framework for review of awards given by Insurance Ombudsman/Consumer Forums. Analyse the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any;
14. Review all the awards given by Insurance Ombudsman/Consumer Forums remaining unimplemented for more than three months with reasons therefore and report the same to the Board for initiating remedial action, where necessary;
15. Review of Claims Report, including status of Outstanding Claims with ageing of outstanding claims;
16. Reviewing Repudiated claims with analysis of reasons;
17. Status of settlement of other customer benefit payouts like Surrenders, Loan, and Partial withdrawal requests etc.; and
18. Review of unclaimed amounts of Policyholders, as required under the Circulars and guidelines issued by the IRDAI.

Additionally, the Policyholder's Committee, inter alia, recommends the formulation of policies and establishing systems for customer education and to ensure that policyholders have access to redressal mechanism. It is also responsible for putting in place a dedicated unit to address complaints and grievances of policyholders.

Corporate Governance Report (Contd.)

E. Board Nomination and Remuneration Committee

The Nomination and Remuneration Committee is required to scrutinize the declarations of intending applicants before the appointment/reappointment/election of directors by the shareholders at the General Meetings. The Committee is also required to scrutinize the applications and details submitted by the aspirants for appointment as the Key Management Persons and assists in selection of Board Members from diversified field of specialization.

The Composition of the Board Nomination and Remuneration Committee is governed by the provisions of Companies Act, 2013, Listing Regulations and Corporate Governance Guidelines, 2016 issued by IRDAI.

The Committee consists of three (3) Independent Directors and one (1) Nominee Director. Mr. Narayan K. Seshadri, Independent Director is the Chairman of the Committee.

Number of Board Nomination and Remuneration Committee Meetings held during FY 2020-21

During the FY 2020-21 ten (10) Board Nomination and Remuneration Committee Meetings were held on the following dates:

- April 08, 2020
- May 05, 2020
- May 08, 2020
- May 19, 2020
- May 29, 2020
- July 21, 2020
- August 20, 2020
- August 31, 2020
- September 29, 2020
- December 28, 2020

Attendance of Members

The details of composition and attendance at the Company's Board Nomination and Remuneration Committee Meetings held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Narayan K. Seshadri – Chairman ¹	2	2
Mr. Ravi Rambabu ²	8	8
Mr. Dinesh Kumar Khara	10	9
Mr. Nilesh Vikamsey ²	8	8
Mr. Raj Narain Bhardwaj ²	8	8
Ms. Sunita Sharma ³	1	1

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Ms. Joji Sekhon Gill	10	4
Mr. Shobinder Duggal ⁴	0	0

¹Mr. Narayan K. Seshadri was inducted as member of this committee since September 7, 2020 and was appointed as Chairman w.e.f. November 26, 2020.

²Mr. Ravi Rambabu ceased as Chairman w.e.f. September 6, 2020 and Mr. Nilesh Vikamsey & Mr. Raj Narain Bhardwaj ceased as members w.e.f. September 6, 2020.

³Ms. Sunita Sharma was appointed as member since September 7, 2020 and was appointed as Chairperson w.e.f. September 16, 2020 and was ceased as Chairperson w.e.f. November 23, 2020.

⁴Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee, inter alia, include:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
2. To consider and approve employee stock option schemes and to administer and supervise the same;
3. To devise a policy on diversity of the Board;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and formulate criteria for evaluation of every director's performance;
5. To scrutinize the declarations of intending applicants before the appointment/re-appointment/ election of directors by the shareholders at the annual general meeting; and to scrutinize the applications and details submitted by the aspirants for appointment as the key managerial personnel;
6. To consider whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors and;
7. Carrying out any other function, if any, as is mentioned in the terms of reference of the Board Nomination and Remuneration Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the Listing Regulations, or by the

Corporate Governance Guidelines issued by the IRDAI, or under any applicable law.

F. Board Corporate Social Responsibility Committee

Corporate Social Responsibility forms an integral part of the Company's corporate principles and business philosophy. As a Company with a strong sense of values and commitment, SBI Life believes that profitability must go hand in hand with a sense of responsibility towards employees, stakeholders and the society. The purpose of the Committee is to formulate and recommend to the Board the CSR policy of the Company. It also assists in putting the annual CSR plan and monitor the CSR activities and recommending it to the Board.

The Committee has been formed in line with provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and as amended from time to time. The Committee consists of two (2) Independent Directors, one (1) Nominee Director, one (1) Managing Director & CEO, President & Chief Financial Officer and EVP & Chief of HR & Management Services. Mr. Narayan K. Seshadri, Independent Director, is the Chairman of the Committee.

A detailed report on CSR activities is enclosed as **Annexure-II** of the Directors' report.

Number of Board Corporate Social Responsibility Committee Meetings held during FY 2020-21

During the year under review, five (5) Board Corporate Social Responsibility Committee Meetings were held on the following dates:

- May 05, 2020
- May 29, 2020
- July 20, 2020
- October 21, 2020
- January 20, 2021

Attendance of Members

The details of composition and attendance at the Company's Board Corporate Social Responsibility Committee meetings held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Narayan K. Seshadri - Chairman ¹	2	2
Mr. Raj Narain Bhardwaj ²	3	3
Mr. Dinesh Kumar Khara	5	1
Mr. Ravi Rambabu ²	3	3
Ms. Sunita Sharma ³	1	1

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Shobinder Duggal ⁴	1	1
Mr. Sanjeev Pujari ⁵	3	3
Mr. Sanjeev Nautiyal ⁶	1	1
Mr. Mahesh Kumar Sharma ⁶	4	4
Mr. Sangramjit Sarangi	5	5
Ms. Manjula Kalyanasundaram ⁷	1	1
Ms. Seema Trikanad ⁷	4	4

¹Mr. Narayan K. Seshadri was appointed as Chairman w.e.f. September 7, 2020.

²Mr. Raj Narain Bhardwaj and Mr. Ravi Rambabu ceased as chairman and member, respectively w.e.f. September 6, 2020.

³Ms. Sunita Sharma was appointed as member on September 7, 2020 and ceased as member w.e.f. November 23, 2020.

⁴Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

⁵Mr. Sanjeev Pujari ceased to be member of the Committee w.e.f. September 30, 2020.

⁶Mr. Sanjeev Nautiyal ceased as member w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma appointed as member w.e.f. May 9, 2020.

⁷Ms. Manjula Kalyanasundaram ceased to be member w.e.f. May 19, 2020 and Ms. Seema Trikanad appointed as member w.e.f. May 20, 2020.

Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee are set out below:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company.
2. To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities; and
3. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

G. Board With Profits Committee

The Board With Profits Committee is constituted pursuant to IRDAI (Non-linked Insurance Products) Regulations, 2019. The Committee has been constituted to deliberate on issues like investment income earned on the fund, working of asset share etc. The report of the Committee is required to be appended to the Actuarial Report and Abstract. The Committee consists of two (2) Independent Director, one (1) Nominee Director, one (1) Managing Director & CEO, President & Chief Financial Officer, Appointed Actuary and Independent Actuary. As per IRDAI regulations With Profit Committee shall comprise of Chief Financial Officer, Independent

Corporate Governance Report (Contd.)

Actuary and Appointed Actuary. Mr. Narayan K. Seshadri, Independent Director, is the Chairman of the Committee.

Number of Board With Profits Committee Meetings held during FY 2020-21

During the year, one (1) Board With Profits Committee Meeting was held on May 04, 2020.

Attendance of Members

The details of attendance at the Company's Board With Profits Committee meetings held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Raj Narain Bhardwaj – Chairman ¹	1	1
Mr. Narayan K. Seshadri ²	0	0
Mr. Dinesh Kumar Khara	1	0
Ms. Sunita Sharma ³	0	0
Mr. Shobinder Duggal ⁴	0	0
Mr. Mahesh Kumar Sharma ⁵	0	0
Mr. Sanjeev Nautiyal ⁵	1	1
Mr. Sanjeev Kumar Pujari ⁶	1	1
Mr. Subhendu Kumar Bal ⁷	1	1
Mr. Prithesh Chaubey ⁸	0	0
Mr. Saisrinivas Dhulipala	1	1
Mr. Sangramjit Sarangi	1	1

¹Mr. Raj Narain Bhardwaj ceased as Chairman w.e.f. September 6, 2020.

²Mr. Narayan K. Seshadri appointed as Chairman w.e.f. November 26, 2020.

³Ms. Sunita Sharma appointed as Chairperson w.e.f. September 7, 2020 and ceased as Chairperson w.e.f. November 23, 2020.

⁴Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

⁵Mr. Sanjeev Nautiyal ceased as member w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma appointed as member w.e.f. May 9, 2020.

⁶Mr. Sanjeev Kumar Pujari ceased as member w.e.f. September 30, 2020.

⁷Mr. Subhendu Kumar Bal ceased as member w.e.f. September 30, 2020.

⁸Mr. Prithesh Chaubey appointed as member w.e.f. September 30, 2020.

Terms of Reference

The terms of reference of the With Profits Committee include the following:

1. Maintaining the asset shares at policy level, and ensuring that only the portion of expenses representing this business shall be allocated and interest rate credits to these asset shares represent the underlying assets of these funds;

2. Determining the asset share for each product in accordance with the guidance or practice standards, etc. issued by the Institute of Actuaries of India and IRDAI; and
3. Determining and providing approval for the detailed working of the asset share, the expense allowed for, the investment income earned on the fund of policyholders, etc. which were represented in the asset share.

H. Board Stakeholders' Relationship Committee

The Board Stakeholders' Relationship Committee is responsible for the redressal of shareholder grievances. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Listing Regulations.

The committee consists of three (3) Independent Directors, one (1) Nominee Director and one (1) Managing Director & CEO. Mr. Narayan K. Seshadri, Independent Director is the Chairman of the Committee.

Number of Board Stakeholders' Relationship Committee Meetings held during FY 2020-21

During the year, four (4) Board Stakeholders' Relationship Committee Meetings were held on the following dates:

- May 05, 2020
- July 21, 2020
- October 26, 2020
- January 22, 2021

Attendance of Members

The details of composition and attendance at the Company's Board Stakeholders' Relationship Committee meetings held during the FY 2020-21 are as follows:

Name of the Committee Member	Meetings held during the tenure of the Member	Number of Meetings attended
Mr. Narayan K. Seshadri – Chairman ¹	1	1
Mr. Raj Narain Bhardwaj ²	2	2
Mr. Dinesh Kumar Khara	4	4
Ms. Sunita Sharma ³	1	1
Ms. Joji Sekhon Gill ⁴	1	1
Mr. Shobinder Duggal ⁵	1	1
Mr. Mahesh Kumar Sharma ⁶	3	3
Mr. Sanjeev Nautiyal ⁶	1	1

¹Mr. Narayan K. Seshadri appointed as Chairman w.e.f. November 26, 2020. He has been member of the Committee since September 7, 2020.

²Mr. Raj Narain Bhardwaj ceased as Chairman w.e.f. September 6, 2020.

³Ms. Sunita Sharma was appointed as Chairperson w.e.f. September 16, 2020 and ceased w.e.f. November 23, 2020.

⁴Ms. Joji Sekhon Gill appointed as member w.e.f. November 26, 2020.

⁵Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

⁶Mr. Sanjeev Nautiyal ceased as member w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma appointed as member w.e.f. May 9, 2020.

Mr. Vinod Koyande, Company Secretary acts as the Compliance Officer of the Company in accordance with the requirements of Listing Regulations.

During the FY 2020-21, 40 investor complaints were received and resolved. No Complaints were pending for resolution as at March 31, 2021.

Terms of Reference

The terms of reference of the Stakeholders' Relationship Committee of our Company include the following:

1. Consider and review redressal and resolutions of the grievances of the security holders of the Company including those of shareholders, debenture holders and other security holders;
2. Approval and rejection of transfer and transmission of shares or securities including preference shares, bonds, debentures and securities;
3. Approval and rejection of requests for split and consolidation of share certificates;
4. Approval and rejection of issue of duplicate share certificates issued from time to time;
5. Redemption of securities and the listing of securities on stock exchanges;
6. Allotment of shares and securities; and
7. Any other activities as decided by the Board or required under Companies Act/ SEBI Listing Regulations and any other applicable Laws.

I. Board Information Technology & Information Security Committee

The Board Information Technology & Information Security Committee (IT & IS) has been constituted on January 01, 2019 to provide strategic direction for the Company's information technology and network related infrastructure, security and services.

The Company's Board Information Technology & Information Security Committee consists of three (3) Independent Directors, one (1) Nominee Director and one (1) Managing Director & CEO. Mr. Deepak Amin, Independent Director, is the Chairman of the Committee.

During the FY 2020-21, no meeting was conducted for Board Information Technology & Information Security Committee.

Terms of Reference

The terms of reference of the Board Information Technology & Information Security Committee (IT & IS) of our Company include the following:

1. Provide strategic direction for the Company's information technology and network related infrastructure, security and services.
2. Recommending IT and IT Security policy documents to the Board of the Directors, ensuring that the management has put an effective strategic planning process in place;
3. Promoting and supporting the development of best practices in the Company's knowledge creation and dissemination imperatives through the provision of the best possible infrastructure and services.
4. Ensuring that the IT Organisational structure complements the business model and its direction and reviewing IT performance measurement and contribution of IT to businesses (i.e. delivering the promised value);
5. To ensure that the Company is adequately prepared to mitigate Information and cyber security related risks and develop an in-built governance mechanism for effective implementation of Information and cyber security frame work;
6. Carrying out any other function, if any, as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the listing regulations or by the Corporate Governance Guidelines issued by the IRDAI or under any applicable law.

The Company Secretary acts as the secretary to all the Committees.

(III) Familiarization Programme for Independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programmes through presentations on economy and industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time. The policy on familiarisation programmes for independent directors and the details of the familiarisation programmes have been hosted on the website of the Company and can be accessed on the link <https://www.sbilife.co.in/en/about-us/investor-relations>

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(IV) Meeting of Independent Directors

The meeting of the Independent Directors as envisaged under Schedule IV of the Companies Act, 2013 was conducted on March 24, 2021. All Independent Directors attended the meeting through Video Conference. Mr. Narayan K. Seshadri was elected as the Chairman of the meeting.

At the meeting, the Independent Directors reviewed the performance of the non-independent Directors (including the Chairman) and the Committees of the Board and the Board as a whole as per the requirements of the Companies Act, 2013.

(V) Annual Performance Evaluation of Board, Committees and Directors

In terms of the provisions of the Companies Act, 2013 read with rules made thereunder, and the Corporate Governance Guidelines issued by IRDAI, the Board of Directors on the recommendation of the Board Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director (including Independent Director) and Committees were carried out for the financial year ending March 31, 2021.

The evaluations of the Individual Performance of Directors (including Independent Directors), the Board, the Committees and the Chairman of the Board were undertaken through circulation of four questionnaires each for the Individual Performance of Directors, for the Board, Committee and Chairman of the Board. The performance of the Board was assessed on selected parameters related to roles, responsibilities and obligations towards the Board etc. The evaluation criteria for the Individual Performance of Directors were based on their participation, contribution, offering guidance etc. The evaluation criteria for the Committees related to its composition, adequate independence of the Committee etc. The evaluation criteria for the Chairman of the Board besides the general criteria adopted for assessment of all Directors, focused incrementally on leadership abilities, timely resolution of grievances of Board Members etc.

(VI) Sitting Fees to Independent Directors

The details of sitting fees paid to the Independent Directors, during the FY 2020-21, for attending Board and other Committee meetings are as under:

Name of Director	Amount (₹)
Mr. Raj Narain Bhardwaj ¹	2,295,000
Mr. Ravi Rambabu ¹	2,145,000
Mr. Nilesh Vikamsey ¹	1,745,000
Mr. Deepak Amin	2,360,000
Mr. Narayan K. Seshadri	1,500,000
Ms. Joji Sekhon Gill	1,470,000
Mr. Shobinder Duggal	650,000
Total	12,165,000

¹Mr. Raj Narain Bhardwaj, Mr. Ravi Rambabu and Mr. Nilesh Vikamsey ceased as an Independent Director w.e.f. September 06, 2020 due to expiry of their second term.

²Mr. Ashutosh Pednekar and Ms Sunita Sharma has not availed any sitting fees from the Company for attending the Board and Committee Meetings.

No remuneration or commission, other than the Sitting Fees for attending Board and/or its Committee meetings, is paid to Non-Executive Directors.

(VII) Equity Shares held by Non-Executive Directors

During the FY 2020-21, 2 shares held by Mr. Dinesh Kumar Khara (DIN 06737041) on behalf of and as nominee of State Bank of India were transferred back to State Bank of India.

(VIII) Disclosures of Remuneration pursuant to IRDAI Guidelines

IRDAI guidelines on Remuneration of Non-Executive Directors and Managing Director/Chief Executive Officer/Whole Time Directors of Insurers (IRDAI Guidelines) issued vide reference no. IRDA/F&A/GDL/LSTD/155/08/2016 dated August 5, 2016 requires the Company to make following disclosures on remuneration on an annual basis in their Annual Report:

A. Qualitative Disclosures

1. Board Nomination & Remuneration Committee

The Board Nomination & Remuneration Committee ("the Committee") oversees the appointment and remuneration aspects of Key Managerial Personnel including Managing Director and Chief Executive Officer. The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified and carrying requisite specialization to become Directors of the Company and who may be appointed as key managerial personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal and formulate a criteria for evaluation of every director's performance and recommend to the board a policy relating to the remuneration (including variable pay or performance linked bonus) of the key managerial personnel and other employees based on the financial and strategic plan approved by the Board. The Committee also evaluates the performance of Managing Director & Chief Executive Officer's and Non- Executive Director's once in a year.

2. Objectives and key features of Remuneration Policy

The purpose of the remuneration policy is to put in place a framework for remuneration of Directors, Key Managerial Personnel and other employees, keeping in view

various regulatory and other requirements. This policy is guided by the set of principles and objectives as particularly envisaged under Section 178 of the Companies Act 2013, which include principles pertaining to determining the qualifications, positive attributes, integrity and independence of Director etc.

The basic objectives of the Remuneration Policy are given below:

- To be compatible with the organization's Vision and Mission,
- To be externally & internally equitable
- To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- While making appointment of employees for particular positions their relevant qualification, experience and expertise shall be taken into account.

The Remuneration Policy was reviewed and approved by the Board of Directors in its meeting held on July 12, 2021.

3. Remuneration of Managing Directors and Other Senior Management Personnel

As per Article of Association of the Company, the Managing Director and Chief Executive Officer of the Company is appointed by State Bank of India and

the appointment is subject to Insurance Regulatory and Development Authority of India (IRDAI) approval. The remuneration of Managing Director and Chief Executive Officer is governed by SBI Officers Service Rules and is being reimbursed by the Company to State Bank of India.

The appointment of other Key Management Personnel & Senior Management staff at SBI Life and their removal from services of the Company are governed by the Human Resource policies of the Company and approved by the Managing Director and Chief Executive Officer / Board wherever applicable.

Remuneration aims to motivate personnel to deliver Company's key strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long term.

The Company has an annual increment and variable pay policy which is based on merit pay philosophy. The performance linked incentive is based on both individual as well as Company's performance. Various performance parameters for the Company (based on the financial and strategic plan approved by the Board) are reviewed by the Committee and approved by the Board at the beginning of every year.

Based on the predefined parameters the actual performance of the company is reviewed by the Committee to award a performance rating. The company performance rating is approved by the Board based on the recommendations of the Committee at the end of every financial year. The framework of annual increment and performance linked Variable Pay for all the employees is also reviewed by the Committee and approved by the Board every year.

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B. Quantitative Disclosures

The following table sets forth, for the period indicated, the details of quantitative disclosure for remuneration of Executive Directors/Whole Time Directors/ Managing Director and CEO:

		(₹ in million)	
Sr. No.	Particulars	As on March 31, 2021	As on March 31, 2020
1	Number of WTD/ CEO/ MD having received a variable remuneration award during the financial year*	1	1
2	Number and total amount of sign on awards made during the financial year	Nil	Nil
3	Details of guaranteed bonus, if any, paid as joining/ sign on bonus	Nil	Nil
4	Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other form	Nil	Nil
5	Total amount of deferred remuneration paid out in the financial year	Nil	Nil
6	Breakup of amount of remuneration awarded for the financial year to show fixed and variable, deferred and non-deferred:		
	Fixed	5.49	5.02
	Variable	1.78	0.94
	Non-Deferred	-	-
	Share Linked Instrument	-	-

*Mr. Sanjeev Nautiyal resigned as Managing Director & CEO w.e.f. May 08, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma was inducted as Managing Director & CEO w.e.f. May 09, 2020

Disclosure required with respect to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including amendments thereof

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Mr. Mahesh Kumar Sharma 12.3:1

Mr. Sanjeev Nautiyal 23.2:1

- (ii) The percentage increase in remuneration of each director, President and Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

The percentage increase in remuneration of MD & CEO, President and Chief Financial Officer and Company Secretary ranged between 8% to 27%.

- (iii) The percentage increase in the median remuneration of employees in the financial year

The percentage increase in the median remuneration of employees, who are part of annual bonus plan, in the financial year was around 10.8%

- (iv) The number of permanent employees on the rolls of company;

The number of permanent employees on the rolls of company is 17,464.

- (v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average percentage increase in the salaries of total employees other than the Key Managerial Personnel for fiscal 2021 was around 7.9%, while the average increase in the remuneration of the Key Managerial Personnel was in the range of 8% to 27%.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the company.

Yes, the remuneration is as per the remuneration policy of the company.

(IX) Recording of Minutes of Proceedings of Board / Board Committee Meetings:

The Company Secretary records the Minutes of the proceedings of each Board and Board Committee Meetings. The finalized Minutes are entered in the Minutes Book within 30 days from the conclusion of that meeting. The decisions and Action Taken reports are communicated promptly to concerned departments for their necessary action. Action taken reports on decision or minutes of the previous meeting(s) are placed at the succeeding meeting of the Board or Board Committee for noting.

(X) Other Key Governance Practices**(a) Policies, Procedures and Compliance**

The Company has put in place the following Board approved policies, which are reviewed on an annual basis and status update of compliance is placed before the Board / Management on regular basis.

- Prohibition of Insider Trading and Code of Conduct for Dealing in Securities
- Whistle Blower Policy
- Fraud Prevention Policy
- Policy for Opening, Relocation and Closure of Offices (Places of Business)
- Asset Liability Management Policy
- Compliance Policy
- Audit Policy
- Investment Policy
- Insurance Awareness Policy
- Policy for Protection of Policyholders' Interests
- Anti Money Laundering and Counter Financing of Terrorism Policy
- Risk Management Policy
- Underwriting Policy and Health Insurance Underwriting Policy
- Retention and Reinsurance Policy
- Bonus Policy
- Information and Cyber Security Policy
- Information Technology Policy
- Outsourcing Policy
- Corporate Social Responsibility Policy
- Stress Test Policy
- Policy on Allotment and Servicing of Orphaned policies
- Remuneration Policy
- Policy for Prevention of Sexual Harassment
- Policy on matters relating to Insurance Agents
- Business Continuity Management Policy
- Policy on Telemarketing and Distance Marketing
- Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions
- Record Maintenance and Document Retention Policy
- Policy on Empanelment and On-boarding of Insurance intermediaries

- Policy for Allocation and Apportionment of Expense of Management
- Liquidity Policy
- Stewardship Policy
- Policy on Succession Planning for the Board and Senior Management
- Policy for Determination of Materiality and Disclosure of events / information
- Policy on Performance Evaluation of Directors
- Customer Awareness Policy
- Dividend Distribution Policy
- Voting Policy
- Policy on Product Suitability
- Interest Rate Risk Hedging Policy
- Insurance Agent and Insurance Intermediaries Debit Balance Write-off Policy
- Policy on Declaration of Interest Rates under Group Savings Insurance Products

(b) Compliance Certification

Information relating to applicable laws, regulations and circulars related to insurance and other regulatory requirements is disseminated to various functions across the Company. In order to ensure existence of compliance culture at all the levels, the Company has put in place a robust compliance certification process, wherein respective functional Heads provides certificate of Compliance on a quarterly basis to the Managing Director and Chief Executive Officer. Based on the certification from respective functional heads, a compliance certificate by the Managing Director and Chief Executive Officer along with Compliance Officer is placed at the Board Audit Committee and then placed before the Board of Directors on a quarterly basis.

(c) Code of Business Conduct and Ethics

The Company has laid down its code of conduct and ethics by adopting the following practices and policies:

- Confidentiality of Information
- Employment conduct
- Conflict of Interest
- Compliance to Laws, Rules and Regulations
- Policy for Prevention of Sexual Harassment
- Code of conduct for all the Directors and senior management
- Familiarization programme for Independent Directors

Corporate Governance Report (Contd.)

As per Regulation 46 of the Listing Regulations, the Code of conduct for all the Directors and senior management is hosted on the website of the Company <https://www.sbilife.co.in/en/about-us/investor-relations>

(d) Whistle Blower Policy

The Company has a Board approved 'Whistle Blower Policy' in place which allows for disclosure by employees and permits the Company to address such disclosures or complaints by taking appropriate action, including but not limited to, disciplining or terminating the employment and/or services of those responsible. The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. The details of whistle blower cases are presented to the Board Audit Committee on a quarterly basis. The Whistle Blower Policy is hosted on the website of the Company <https://www.sbilife.co.in/en/about-us/investor-relations>

(e) Prohibition of Insider Trading and Code of Conduct for Dealing in Securities

The Company's Board has prescribed policy on 'Prohibition of Insider Trading and Code of Conduct for Dealing in Securities' as required under SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and 'Technical Guide on review and certification of Investment Risk Management Systems & Processes of Insurance Companies' issued by ICAI and IRDAI (Investment) Regulations as amended from time to time.

The scope of policy covers monitoring the investment transactions done by the 'Access Personnel' to avoid any conflict of interest vis-à-vis Company's investment activities.

The policy ensures that all security transactions by these 'Access Personnel' does not affect any actual or potential interest of the Company and the 'Access Personnel' have not taken any undue advantage of any price-sensitive information that they may have in the course of working with the Company. The policy stipulates conditions for prior approvals for investment purposes by the 'Access Personnel' and quarterly / annual disclosures of investments transactions and holdings. A status report on the implementation of the policy and instances of violation, if any, is placed before the Board Audit Committee on a quarterly basis.

Pursuant to amendments in the SEBI (Prohibition of Insider Trading) Regulations 2015, the insider trading policy was amended during the year to include the requirements in compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) (Second Amendment) Regulations, 2020.

(f) Dividend Distribution Policy

The Company may declare dividend from, inter alia, profits for the Fiscal, or from profits for any previous year, or from free reserves available. The declaration of dividend is required to be in compliance with Companies Act, Insurance Act, the Listing Regulations and Article of Association. The dividend policy stipulates, inter alia, certain financial and external factors which will be considered before declaration of dividend by Board. Such factors include profitability and key financial metrics, available solvency margin, capital expenditure requirements and such other factors and or material events which Board may consider. The Dividend distribution Policy is hosted on the website of the Company <https://www.sbilife.co.in/en/about-us/investor-relations>

(g) Stewardship Policy

The Company has put in place a Stewardship policy pursuant to IRDAI Guidelines on Stewardship Code for Insurers in India vide letter ref no. IRDA/F&A/GDL/CMP/059/03/2017 and subsequent amendments / revisions thereto. The policy aims at laying down set of principles to engage with the management of the investee company at a greater level to improve governance.

(h) Policy for Prevention of Sexual Harassment

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment. The Company has a laid down policy on sexual harassment at workplace and periodical awareness program and training is given to the employees. The Company believes in providing a safe working environment at the workplace.

The details of the total filed and disposed cases pertaining to incidents under the policy are as follows:

Particulars	No. of Cases
Number of complaints pending at the beginning of the financial year	2
Number of complaints received during the financial year	2
Number of complaints disposed-off during the financial year	3
Number of complaints pending at the end of the financial year*	1

* One pending case was closed in FY 2021-22 within the stipulated timeline.

(i) Holding Company

The Company is a listed Indian subsidiary company of State Bank of India (SBI), which holds 55.50% of the Company's share

capital. The Company regularly reports all its material information to the Stock Exchanges ("BSE" and "NSE").

(j) Compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has adhered to all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and some of the discretionary requirements pertaining to Corporate Governance stipulated under the Listing Regulations.

The Company has adopted following discretionary requirements:

(a) Modified opinion(s) in audit report:

During the year under review, there was no audit qualification in financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.

(b) Separate posts of Chairman and Chief Executive Officer:

The Company has complied with the requirement of having separate persons for the posts of Chairman and Managing Director & Chief Executive Officer.

(c) Reporting of internal auditor:

The internal auditor presents their reports directly to the Audit Committee.

(k) Management Discussion and Analysis

Pursuant to Regulation 34(2)(e) of Listing Regulations, the Annual Report has a separate chapter titled Management Discussion & Analysis.

(XI) Shareholder and General Information

A. Corporate Information

SBI Life Insurance Company Limited was incorporated as a public limited company on October 11, 2000 under the Companies Act, 1956. The Company has been constituted as a joint

venture between State Bank of India and BNP Paribas Cardif S.A. The Company is registered with the Insurance Regulatory and Development Authority of India and is carrying on the business of life insurance and annuity.

The key information of the Company is as follows:

1. Date of Incorporation	October 11, 2000
2. Corporate Identification No. (CIN)	L99999MH2000PLC129113
3. Financial Year	April 1 to March 31
4. IRDAI Registration No.	111
5. Permanent Account No. (PAN)	AAFCS2530P
6. ISIN	INE123W01016
7. Registered Office & Corporate Office / Address for Correspondence	SBI Life Insurance Company Limited 'NATRAJ' M. V. Road & Western Express Highway Junction, Andheri (East), Mumbai – 400069 Tel. No.: +91 22 61910000 Fax No.: +91 22 61910517 Website: www.sbilife.co.in
8. Company Secretary	Mr. Vinod Koyande Tel. No.: +91 22 61910050 E-mail: vinod.koyande@sbilife.co.in

B. Listing of Equity Shares on Stock Exchange

The Company has listed its equity shares on the following Stock Exchanges:

Stock Exchange	Code
BSE Limited (BSE) (Equity) Phiroze Jeejabhoy Tower, Dalal Street, Mumbai- 400 001	540719
National Stock Exchange of India Limited (NSE) (Equity) 'Exchange Plaza', Bandra-Kurla Complex, Bandra (E), Mumbai- 400051	SBILIFE

The equity shares of the Company got listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on October 3, 2017. The Company has paid the annual listing fees for the relevant periods to BSE and NSE where its equity shares are listed.

C. Dematerialisation of Company Shares and Liquidity

The Company's equity shares are regularly traded in dematerialised form on NSE and BSE. As at March 31, 2021, approximately 100.00% equity shares of Company were held in dematerialised form.

Corporate Governance Report (Contd.)

The details of mode of holding equity shares of the Company as on March 31, 2021 is given below:

Mode of holding	Number of Equity Shares	% to paid-up capital
Electronic or Dematerialised:		
Central Depository Services Limited (CDSL)	566,637,532	56.66%
National Securities Depository Limited (NSDL)	433,433,371	43.34%
Physical*	5	0.00%
Total	1,000,070,908	100.00%

*Physical holding of equity shares is less than 0.01%

D. Registrar and Share Transfer Agents and Share Transfer System

The Company's Registrar and Share Transfer Agent is the KFin Technologies Private Limited (RTA). All shares' transfers and related operations are conducted by RTA.

Address:

KFin Technologies Private Limited

Selenium bldg, Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Rangareddi, Telangana, India - 500032

Tel: (91 40) 23311968

Fax: (91 40) 23420184

E-mail: support@karvy.com

E. General Body Meetings

a) The details of forthcoming 21st Annual General Meeting (AGM)

Financial Year	AGM	Date and Time	Venue
2020-21	21 st	September 24, 2021 at 11:00 A.M.	In view of the outbreak of the COVID-19 pandemic, the AGM will be conducted through Video Conference (VC)/ Other Audio Visual Means (OAVM). The deemed venue for 21 st AGM shall be the registered office of the Company

Financial Year: April 1, 2020 to March 31, 2021

b) The details of the last three Annual General Meetings (AGMs) and special resolutions passed thereat:

Financial Year	AGM	Date and Time	Venue	Business Transacted by Special Resolutions
2019-20	20 th	September 24, 2020 at 3:00 PM	Through Video Conference (VC) or Other Audio-Visual Means (OAVM)	1. Re-appointment of Mr. Deepak Amin (DIN:01289453), as an Independent Director of the Company
2018-19	19 th	August 23, 2019 at 10:30 A.M.	SBI Auditorium, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai – 400021	1. Re-appointment of Ms. Joji Sekhon Gill as an Independent Director of the Company 2. Continuation of Directorship of Mr. Raj Narain Bhardwaj as an Independent Director of the Company 3. Revision in the remuneration of Mr. Sanjeev Nautiyal, Managing Director and Chief Executive Officer of the Company 4. Increase in Foreign Portfolio Investment Limits in the Company 5. Appointment of Mr. Gregory Michael Zeluck as Non-Executive Director
2017-18	18 th	September 27, 2018 at 10:30 A.M.	SBI Auditorium, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai – 400021	1. Appointment of Mr. Sanjeev Nautiyal as Managing Director and Chief Executive Officer (DIN: 08075972). 2. Approve SBI Life Employee Stock Option Plan 2018 and Scheme 2018.

Note: - No Voting was carried out through Postal Ballot during the year ended March 31, 2021

c) The details of Extraordinary General Meetings (EGMs) held in last three financial years and special resolutions passed thereat:

Date and Time	Venue	Business Transacted
January 24, 2018 at 10:30 A.M	SBI Auditorium, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai – 400021	To approve the amendments carried out to the Articles of Association of the Company.
July 13, 2017 at 04:30 P.M	10th Floor, Corporate Centre, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai – 400021	To approve the amendments carried out to the Articles of Association of the Company.

Note: - No Voting was carried out through Postal Ballot during the year ended March 31, 2021

F. Dividend History

Sr. No.	Financial Year	Interim / Final	Rate of Dividend	Date of Declaration	Date of Payment (Date of dividend Warrant)
1	2011-12	Final	5% (₹ 0.50 per share)	July 14, 2012	August 06, 2012
2	2012-13	Interim	5% (₹ 0.50 per share)	March 25, 2013	April 05, 2013
3	2013-14	Interim	10% (₹ 1.0 per share)	March 25, 2014	April 10, 2014
4	2014-15	Interim	12% (₹ 1.2 per share)	March 27, 2015	April 06, 2015
5	2015-16	Interim	12% (₹ 1.2 per share)	March 28, 2016	April 11, 2016
6	2016-17	Interim	15% (₹ 1.5 per share)	March 22, 2017	April 17, 2017
7	2017-18	Interim	20% (₹ 2 per share)	March 23, 2018	April 12, 2018
8	2018-19	Interim	20% (₹ 2 per share)	March 26, 2019	April 22, 2019
9	2020-21	Interim	25% (₹ 2.5 Per Share)	March 25, 2021	April 19, 2021

No interim or final dividend was declared by the Board of Directors for FY 2019-20 in accordance with IRDAI circular no. IRDAI/F&A/CIR/MISC/099/04/2020 dated April 24, 2020 on "Prudent management of financial resources of insurers in the context of Covid-19 pandemic". IRDAI subsequently vide its circular no. IRDAI/F&A/CIR/MISC/032/02/2021 dated February 25, 2021 on prudent management of financial resources of insurers in context of COVID-19 pandemic has withdrawn the applicability of its erstwhile circular dated April 24, 2020 with immediate effect post assessment of financial results of the insurers for the quarter ended September 30, 2020 and December 31, 2020. However, the Authority has directed the insurers to take conscious call in matter of declaring dividend for FY 2020-21. The Board has declared interim dividend for FY2021 taking cognizance of the IRDAI circulars.

G. Information on shareholding

(a) The Shareholding pattern of the Company as at March 31, 2021:

Sr. No.	Name of Shareholders	No. of holders	No. of Equity Shares held	% of Shareholding
1	Promoters & Promoter Group*	3	557,040,986	55.70%
2	Banks / Financial Institutions	4	550,500	0.06%
3	Mutual Funds	35	58,909,992	5.89%
4	Alternate Investment Funds	21	10,005,169	1.00%
5	Foreign Portfolio Investors	535	305,098,496	30.51%
6	NBFCs Registered with RBI	2	30,000	0.00%
7	Non-Resident Indians	4,465	980,720	0.10%
8	Non-Resident Indians- Non-Repatriable	2,023	403,427	0.04%
9	Bodies Corporates	1,080	3,981,842	0.40%
10	Clearing Members	171	639,845	0.06%
11	Trusts	15	2,109,926	0.21%
12	Foreign Bodies	1	15,100,000	1.51%
13	Qualified Institutional Buyers	25	20,341,721	2.03%
14	Resident Individuals	393,093	24,866,964	2.49%
15	Beneficial Holding under MGT – 4	2	11,320	0.00%
	Total	401,475	1,000,070,908	100.00%

* SBI General Insurance Company Limited holding 37,374 shares forms part of the Promoter Group entity.

(b) Top ten Shareholders of the Company as at March 31, 2021:

Corporate Governance Report (Contd.)

Sr. No.	Name of Shareholders [§]	No. of Equity Shares held	% of Shareholding
1	State Bank of India	555,000,000	55.50%
2	CA Emerald Investments	60,000,000	6.00%
3	Canada Pension Plan Investment Board	28,583,625	2.86%
4	Government of Singapore	23,209,888	2.32%
5	Macritchie Investments Pte Ltd.	15,100,000	1.51%
6	Stichting Depositary Apg Emerging Markets Equity	9,049,680	0.90%
7	ICICI Prudential Life Insurance Company Limited	8,930,353	0.89%
8	Hermes Investment Funds Plc	7,582,177	0.76%
9	ICICI Prudential Blue Chip Fund	7,126,550	0.71%
10	Monetary Authority of Singapore	6,271,223	0.63%

[§]The list of top 10 shareholders is derived based on PAN consolidation.

- (c) Shareholders of the Company with more than 1% holding as at March 31, 2021 (other than promoters of the Company):

Sr. No.	Name of Shareholders [§]	No of Shares	% of Total Equity Shares
1	CA Emerald Investments	60,000,000	6.00%
2	Canada Pension Plan Investment Board	28,583,625	2.86%
3	Government of Singapore	23,209,888	2.32%
4	Macritchie Investments Pte Ltd	15,100,000	1.51%

[§]The list of shareholders is derived based on PAN consolidation.

- (d) Distribution of shareholding of the Company as at March 31, 2021:

Sr. No.	Category	No. of Holders	% To Holders	Amount (₹)	% To Equity
1	1-5000	395,520	98.52	163,107,870	1.63
2	5001 – 10000	3,220	0.80	23,160,540	0.23
3	10001 – 20000	1,222	0.30	17,271,240	0.17
4	20001 – 30000	365	0.09	9,244,490	0.09
5	30001 - 40000	130	0.03	4,619,240	0.05
6	40001 - 50000	122	0.03	5,655,380	0.06
7	50001 - 100000	241	0.06	17,357,180	0.17
8	100001 & above	655	0.16	9,760,293,140	97.60
	Total	401,475	100	10,000,709,080	100

H. Means of Communication

It is the Company's belief that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. The Company disseminates information on its operations and initiatives on a regular basis. The Company's website (www.sbilife.co.in) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on the Company's strategy, financial performance, operational performance and the latest press releases.

The Company's investor relations personnel respond to specific queries and play a proactive role in disseminating information to both analysts and investors. All information which could have a material bearing on the Company's share price is released through as per regulatory requirements. The information is also disseminated to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) from time to time. Other information such as press-releases, stock exchange disclosures & presentations made to analyst/investors etc. are regularly displayed on company's website.

The financial and other information and the various compliances as required/ prescribed under the Listing Regulations are filed electronically with NSE and BSE through NSE Electronic Application Processing (NEAP) System and through BSE Listing Centre respectively and are also available on their respective websites in addition to the Company's website. Additionally, information is also disseminated to BSE/NSE where required by email or fax.

The Company's quarterly financial results are published in the Financial Express (All editions), Loksatta (Mumbai edition), IRDAI release (Half yearly) is also given in Jansatta (All edition). The financial results, official news releases, analyst call transcripts and presentations are also available on the Company's website.

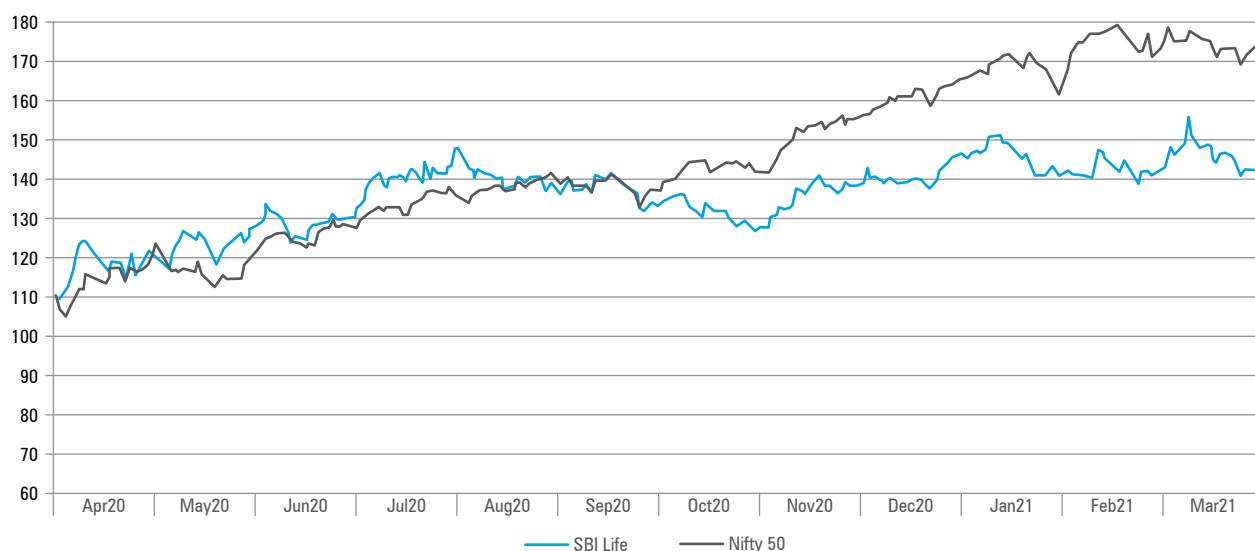
I. Stock Market Price Information

The reported high and low prices and volume of equity shares of the Company traded on NSE and BSE during each month in the period (i.e., from April 01, 2020 to March 31, 2021) are set out in the following table:

Month	NSE			BSE			Total volume Traded of BSE & NSE
	High (₹)	Low (₹)	Volume (in shares)	High (₹)	Low (₹)	Volume (in shares)	
April	795.00	627.30	23,495,549	794.65	627.35	814,824	24,310,373
May	783.00	675.50	36,896,423	782.75	675.60	738,232	37,634,655
June	820.50	728.75	38,498,162	820.80	725.15	1,159,967	39,658,129
July	921.75	802.00	33,796,589	921.85	801.65	1,661,850	35,458,439
August	911.00	818.55	28,696,255	918.00	818.65	969,040	29,665,295
September	876.00	780.00	39,296,185	874.95	780.00	783,752	40,079,937
October	836.00	755.25	29,886,902	835.45	755.55	900,083	30,786,985
November	868.70	762.20	27,638,589	869.00	761.80	1,104,645	28,743,234
December	911.00	825.20	45,048,348	911.00	825.00	1,423,848	46,472,196
January	954.50	838.00	35,228,937	954.65	838.20	1,262,479	36,491,416
February	921.90	845.10	42,852,555	921.75	845.50	1,983,985	44,836,540
March	983.75	852.20	82,164,931	983.95	840.00	56,811,118	13,897,6049
Fiscal 2021	983.75	627.30	463,499,425	983.95	627.35	69,613,823	533,113,248

J. Share Price Performance

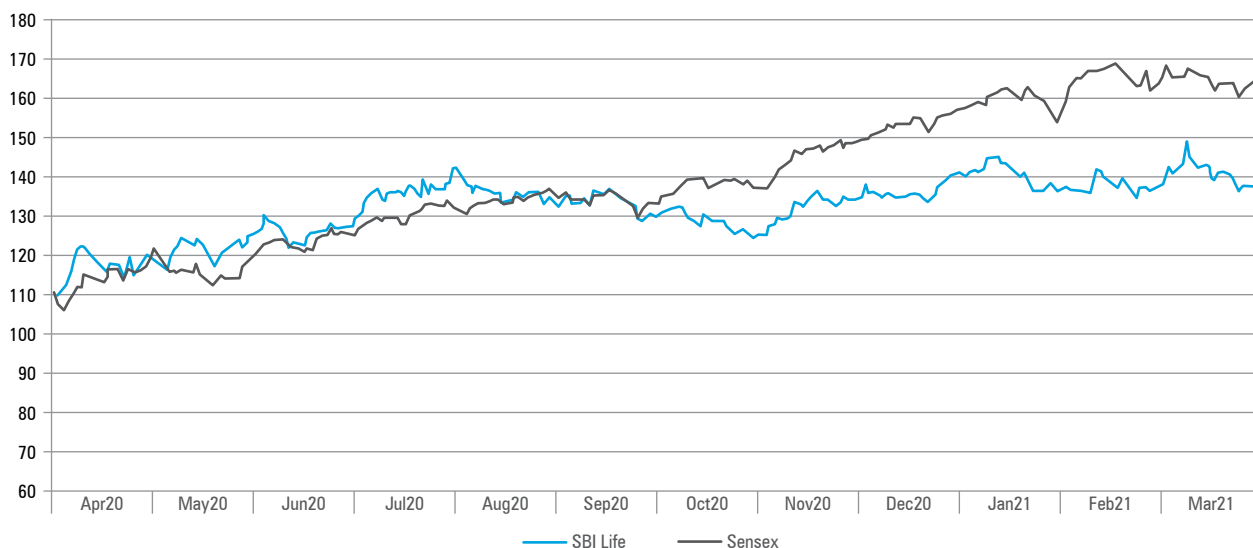
SBI Life share price versus the NSE - NIFTY 50 Index movement (rebased to 100)*:



* Share price and index are rebased to 100 for closing price/value on March 31, 2020.

Corporate Governance Report (Contd.)

SBI Life share price versus the BSE - SENSEX Index movement (rebased to 100)*:



* Share price and index are rebased to 100 for closing price/value on March 31, 2020.

K. Unclaimed Suspense Accounts

Pursuant to Regulation 39 read with Part F of schedule V of Listing Regulations, details of unclaimed suspense provided by our Registrar and Share Transfer Agent are given below:

Sr. No.	Description	No. of shareholder	No. of shares
1	Aggregate number of shareholders and the outstanding shares lying unclaimed as on April 1, 2020	Nil	Nil
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil	Nil
3	Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
4	Aggregate Number of shareholders and the outstanding shares lying unclaimed as on March 31, 2021	Nil	Nil

L. Fit and Proper criteria for investors and continuous monitoring requirement

The IRDAI guidelines for Listed Indian Insurance Companies prescribe the following:

- Self-certification of 'fit and proper person' criteria by a person holding/intending to acquire equity shares of 1% or more of paid-up equity share capital.
- Prior permission of IRDAI for holding shares beyond 5% of the paid-up equity share capital.

Further information on detailed procedure and format for self-certification is hosted on the Company's website <https://www.sbilife.co.in/en/about-us/investor-relations>

M. Plant Locations

Since the Company is in the business of Life Insurance, the disclosure with regard to plant location is not applicable.

N. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

This is not applicable since the Company does not have any derivatives or liabilities denominated in foreign currency.

O. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

P. Queries related to the Operational and Financial Performance of the Company may be addressed to:

Mr. Sangarmjit Sarangi
Investor Relations
SBI Life Insurance Company Limited
Ph: 91 22 61910281
investorrelations@sbilife.co.in

Q. Other disclosures**1. Accounting Standards**

The Company has complied with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Company (Accounts) Rules, 2014, further amended by Companies (Accounting Standards) Amendment Rules, 2016, to the extent applicable.

2. Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government from time to time.

3. Related Party Transactions

There are no materially significant related party transactions that may have potential conflict with the interest of the Company.

During the year, there were no material individual transactions with related parties, which were not in the normal course of business, nor were there any material transactions with related parties or others, which were not on an arm's length basis. The policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, has been hosted on the website of the Company can be viewed at <https://www.sbilife.co.in/en/about-us/investor-relations>

4. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years

The Equity shares of the Company were listed on the National Stock Exchange of India Limited and BSE Limited on October 3, 2017. There are no penalties or strictures imposed on the Company by the Stock Exchanges, the Securities & Exchange Board of India (SEBI) or any other statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years viz. FY 2019, FY 2020 and FY 2021.

5. Whistle Blower

In terms of the Whistle Blower Policy of the Company, no employee of the Company has been denied access to the Audit Committee.

6. Loans and advances to subsidiaries, associates and related entities

As per Listing Regulations, disclosures pertaining to loans and advances given to subsidiaries, associates and related entities are given below:

- During the year, there were no loans and advances given to subsidiaries, associates and firms/companies in which directors are interested.

- There are no investments by the loanee in the shares of the Company.

7. Disclosure of Material Events, pursuant to Listing Regulations

Pursuant to Regulation 30 of the Listing Regulations, the Company has made necessary disclosures of material events to the Stock Exchanges from time to time as per the Policy for Determination of Materiality and Disclosure of events / information.

8. Disclosure Requirements as prescribed by the IRDAI Guidelines on Corporate Governance for Insurance Sector

The following disclosures are made in accordance with the IRDAI Corporate Governance guidelines for insurer in India.

(a) Basis, methods and assumptions on which the financial information is prepared and impact of changes, if any

The basis, methods and assumptions used in preparation of the financial statements has been disclosed in Schedule 16: Significant accounting policies and notes forming part of the financial statements.

(b) Quantitative and qualitative information on the Company's financial and operating ratios, namely, commission and expenses ratios

Quantitative and qualitative information on the financial and operating ratios has been disclosed in the Management and Discussions Analysis section forming part of the Annual Report and "Ratios as prescribed by IRDAI" of Schedule 16: Significant accounting policies and notes forming part of the financial statements.

(c) Actual solvency margin details vis-à-vis the required margin

The details of the solvency ratio are as below:

Particulars	FY 2021	FY 2020
Actual solvency ratio (ASM)	2.15	1.95
Required solvency ratio (RSM)	1.50	1.50

(d) Persistency ratio

Persistency ratio based on number of policies and based on premium is disclosed in "Ratios as prescribed by IRDAI" of Schedule 16: Significant accounting policies and notes forming part of the financial statements.

Corporate Governance Report (Contd.)

(e) **Financial performance including growth rate and current financial position of the insurer**

Financial performance of the Company including growth rate and current financial position has been furnished in the Management Discussion & Analysis section forming part of the Annual Report.

(f) **Description of the risk management architecture**

The risk management architecture of the Company has been disclosed in "Enterprise Risk Management" section forming part of the Annual Report.

(g) **Details of number of claims intimated, disposed of and pending with details of duration**

Movement of claim outstanding:

Particulars	FY 2021	FY 2020
Claims Outstanding at the beginning of the year	22,926	4,095
Claims reported during the year	1,753,853	1,427,518
Claims Settled during the year	1,741,698	1,407,107
Claims Repudiated during the year	1,611	1,441
Claim Rejected	14	4
Claims Written Back	146	135
Claims Outstanding at end of the year	33,310	22,926

Ageing of claims intimated and settled:

Particulars	FY 2021	FY 2020
On or before maturity	845,984	642,577
Less than 1 month	868,420	757,021
1 month to 3 months	20,750	4,145
3 months to 6 months	3,343	940
6 months to 1 year	3,039	1,126
1 year and above	162	1,298
Claims settled during the year	1,741,698	1,407,107

Ageing of claims intimated and outstanding:

Particulars	FY 2021	FY 2020
Less than 3 months	30,355	21,283
3 months to 6 months	2,900	1,104
6 months to 1 year	54	536
1 year and above	1	3
Claims Outstanding at end of the year	33,310	22,926

(h) **All pecuniary relationships or transactions of non-executive directors**

The Company's Non-Executive Directors and Independent Directors do not have any pecuniary relationships or transactions with the Company except sitting fees paid for attending Board and Committee Meetings which is disclosed in the Corporate Governance report.

(i) **Elements of remuneration package (including incentives) of MD & CEO and all other directors and Key Management Persons**

In line with the disclosure requirements under the Corporate Governance Guidelines of IRDAI, the details in respect of remuneration of Managing Director & Chief Executive Officer (MD & CEO) and KMPs are as follows:

(₹ in million)

Particulars	FY 2021		FY 2020	
	MD & CEO ^	Other KMPs**	MD & CEO	Other KMPs**
Basic	1.79	68.87	1.53	62.52
Allowances/Perquisites [§]	3.70	103.25	3.49	87.56
Retiral Benefits	0.19	18.90	0.16	11.08
Bonus [@]	1.78	82.06	0.94	54.53
Total	7.45	273.09	6.12	215.69

*Excluding remuneration of Managing Director and Chief Executive Officer

**KMP's are as defined under IRDAI Corporate Governance Guidelines

@performance linked incentive paid in FY 2019-20 and FY 2020-21 for FY 2018-19 and FY 2019-20 respectively. It also includes arrears performance linked incentive paid to Mr. Sanjeev Nautiyal pertaining to his tenure as MD & CEO of the Company.

§excluding perquisite such as furnished house, vehicle etc. provided by the Company.

^ Mr. Sanjeev Nautiyal ceased as Managing Director & CEO w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma inducted as Managing Director & CEO w.e.f. May 9, 2020. The remuneration of MD&CEO includes remuneration of Mr. Mahesh Kumar Sharma and Mr. Sanjeev Nautiyal.

During the FY 21, Performance linked incentive of ₹ 288 thousands was paid to Mr. Arijit Basu for FY 17-18 pertaining to his tenure as MD & CEO of the Company.

(j) **Payments made to group entities from the Policyholders Funds**

The detail of payment made to group entities by the Company has been disclosed in Note no. 39 "Related party disclosures as per Accounting Standard 18" of Schedule 16: Significant accounting policies and notes forming part of the financial statements.

(k) **Any other matters which have material impact on the financial position**

There are no matters which have material impact on the financial position except those disclosed in the financial statements and notes to accounts.

R. CEO/CFO Certification

In terms of the Listing Regulations, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting for the year ended March 31, 2021 has been obtained.

S. Certificate from Practicing Company Secretary

The Company has obtained a certificate from M/s. N L Bhatia & Associates (Firm's Registration No. P1996MH055800), Practicing Company Secretaries, confirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

T. Compliance Certificate of the Secretarial Auditors

The Company has annexed to this report (Annexure - V), a certificate obtained from the Secretarial Auditor, M/s. N.L. Bhatia & Associates, Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance as per Regulation 34(3) read with Schedule V of Listing Regulations.

U. Compliance with the Code of Conduct for all the Directors and Senior Management

I confirm that all Directors and members of the senior management have affirmed compliance with Code of Conduct for all the Directors and Senior Management for the year ended March 31, 2021.

Mahesh Kumar Sharma

Managing Director & CEO
DIN: 08740737

Date: August 24, 2021

Place: Mumbai

V. Certification for Compliance of the Corporate Governance Guidelines

I, Vinod Koyande, hereby certify that the Company has, for the financial year ended March 31, 2021, complied with the Corporate Governance Guidelines as prescribed by Insurance Regulatory and Development Authority of India as amended from time to time and nothing has been concealed or suppressed.

Vinod Koyande

Company Secretary
ACS 33696

Date: August 24, 2021

Place: Mumbai

Annexure - I

REMUNERATION POLICY

In pursuance of the Company's policy to attract, motivate and retain manpower in a competitive market, and in terms of the provisions of the Companies Act, 2013, the Policy on remuneration of Directors, Key Managerial Personnel and other employees has been put in place.

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Companies Act, 2013.

Objectives of the remuneration policy:

Compensation and benefits play a critical role in every organization. A well-defined compensation and benefits system helps to attract, motivate and retain the deserving employees for achievement of organizational objectives. The policy reflects our commitment to good corporate governance as well as sustained long-term value creation for shareholders.

Philosophy

At SBI Life, we follow contribution-oriented philosophy and our compensation programs are performance-driven, emphasizing and recognizing the contributions that individual employees make to the organization. It accentuates performance-based pay, incentives and shared responsibility for benefits. Its basic objective is to:

- Be compatible with the organization's Vision and Mission;
- Be externally & internally equitable;
- Ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations;

- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

While making appointment of employees for particular positions their relevant qualification, experience and expertise shall be taken into account.

Reward Policies:

- Remuneration packages for Whole Time Directors are designed subject to the limits laid down under the Companies Act 2013 to remunerate them fairly and responsibly.
- Remuneration also aims to motivate personnel to deliver Company's Key strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long term.
- Remuneration of Key Management Personnel and other Senior Management personnel will be with approval of the Managing Director & CEO.

Key Managerial Personnel and Senior Management

Appointment, remuneration, repatriation etc. of Key Management Personnel such as MD & CEO and few other Key Functional Heads like Audit, Human Resources etc. is governed by SBI Officers' service rules as they are on Deputation from SBI.

Appointment of other Key Management Personnel & Senior Management staff at SBI Life and their removal from services of the Company are governed by the Human Resource policies of the Company and approved by the MD & CEO / Board wherever applicable.

Annexure - II

ANNUAL REPORT ON CSR ACTIVITIES APPLICABLE FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company.

Corporate Social Responsibility (CSR) is about the way in which organizations meet their wider economic, social and environmental obligations towards all stakeholders and society at large. It includes, but is not limited to sustainable development practices, corporate citizenship, corporate governance and business ethics. The Corporate Social Responsibility Policy of SBI Life Insurance has been designed in consonance with Companies Act, 2013 and the rules / directions made there under.

SBI life's CSR Policy pertains to all activities undertaken by the Company towards fulfilling its Corporate Social Responsibility objectives as stated below-

- To contribute to the social cause of the society, to project the humane face of the Company and to develop a better image of the Company as a responsible corporate citizen.
- To create a social orientation amongst the employees of the Company as a conscious organizational policy.

The Company primarily work towards the thematic areas of Education & Healthcare, with the focus of delivering services/benefits predominantly to underprivileged sections of the society as far as possible. However, basis the requirements and needs of stakeholders, the Company may also undertake other CSR activities in lines with Schedule VII activities.

The Company's CSR policy is reviewed by Corporate Social Responsibility Committee (CSRC) and approved by the Board of Directors. The Board discloses the contents of such Policy in its report and also places it on the Company's website and also ensures that the activities are governed by CSR policy of the company. The CSRC, of the Board, as prescribed under the Companies Act, 2013 is responsible for over-seeing the Company's CSR program, ensuring its compliance and reporting to the Board on a timely basis. The CSRC also formulates and recommends to the Board, action plan on all CSR activities undertaken.

The annual CSR Budget would be approved by the Board on the recommendation of the CSR Committee, subject to the provisions of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Narayan K. Seshadri - Chairman ¹	Chairman - Independent Director	2	2
2	Mr. Raj Narain Bhardwaj ²	Chairman - Independent Director	3	3
3	Mr. Dinesh Kumar Khara	Member - Non Independent Director	5	1
4	Mr. Ravi Rambabu ²	Member - Independent Director	3	3
5	Ms. Sunita Sharma ³	Member - Independent Director	1	1
6	Mr. Shobinder Duggal ⁴	Member - Independent Director	1	1
7	Mr. Sanjeev Pujari ⁵	Member - President - Actuarial & Risk Management	3	3
8	Mr. Sanjeev Nautiyal ⁶	Member - Managing Director & CEO	1	1
9	Mr. Mahesh Kumar Sharma ⁶	Member - Managing Director & CEO	4	4
10	Mr. Sangramjit Sarangi	Member - President & Chief Financial Officer	5	5
11	Ms. Manjula Kalyanasundaram ⁷	Member - EVP - Chief of Human Resources and Management Services	1	1
12	Ms. Seema Trikannad ⁷	Member - EVP - Chief of Human Resources and Management Services	4	4

¹Mr. Narayan K. Seshadri was appointed as Chairman w.e.f. September 7, 2020.

²Mr. Raj Narain Bhardwaj and Mr Ravi Rambabu ceased as chairman and member, respectively w.e.f September 6, 2020.

³Ms. Sunita Sharma was appointed as member on September 7, 2020 and ceased as member w.e.f. November 23, 2020.

⁴Mr. Shobinder Duggal appointed as member w.e.f. December 28, 2020.

⁵Mr. Sanjeev Pujari ceased to be member of the Committee w.e.f. September 30, 2020 on account of his superannuation/retirement.

⁶Mr. Sanjeev Nautiyal ceased as member w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma appointed as member w.e.f. May 9, 2020.

⁷Ms. Manjula Kalyanasundaram ceased to be member w.e.f. May 19, 2020 and Ms. Seema Trikannad appointed as member w.e.f. May 20, 2020.

Annexure - II (Contd.)

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company : <https://www.sbilife.co.in/en/about-us/investor-relations>
<https://www.sbilife.co.in/en/about-us/corporate-social-responsibility>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : The Company takes cognizance of sub-rule (3) of rule 8 of the Companies CSR Policy Rules 2014. There are no projects undertaken or completed after January 22, 2021, for which the impact assessment report is applicable in FY 2021.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl No.	Financial year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
Nil	Nil	Nil	Nil

6. Average net profit of the company as per section 135(5). : ₹ 1,246.48 crores
7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 24.93 crores
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil
 (c) Amount required to be set off for the financial year if any. : Nil
 (d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ 24.93 crores
8. (a) CSR amount spent or unspent for the financial year: :

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
262,520,619			NA		

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) in ₹	Mode of Implementation - Direct (Yes/ No)
				State	District.					
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Mode of Implementation – Through Implementing Agency
										Name
										CSR Registration number
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8		
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency.		
				State	District				Name	CSR Registration number
1	Child Sexual Abuse Prevention and training program	Schedule VII Activity (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Y	Assam, Jharkhand, Uttar Pradesh, Chhattisgarh, Meghalaya, Nagaland, Mizoram, Delhi, Maharashtra	-	20,000,000	No	ARPAN	NA	
2	Support for Education & other related support to students in Haryana		Y	Haryana	Sonpat		9,650,000	No	Ashoka University	NA
3	Project Isha Vidhya		Y	Tamil Nadu	Chennai		2,983,224	No	Isha Education	NA
4	Support towards special education, therapy services and holistic development of underprivileged children with multiple disability and vision impairment		Y	Maharashtra	Mumbai		4,373,890	No	Muskan	NA
5	Education and holistic development of underprivileged girls		Y	Delhi	Delhi	13,017,427	No	ONYVA Trust	NA	
6	Livelihood training to underprivileged rural women and youth		Y	Maharashtra, Uttar Pradesh	Karjat, Raie Bareli	1,335,950	No	Light of Life Trust Pipal Tree Foundation	NA	

Annexure - II (Contd.)

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR Registration number
7	Support for Education, Nutrition, Sports, and other activities for children in Karnataka		Y	Karnataka	Bangalore	22,160,000	No	Parikrama Humanity Foundation	NA
8	Education and holistic development of underprivileged children in Tamil Nadu		Y	Tamil Nadu	Theni	22,842,700	No	Reaching the Unreached	NA
9	Reinstating school dropout children in formal education and providing them with supplementary education		Y	Jharkhand	Singbhum, Dumka, Jamtara	1,875,000	No	Rotary India Literacy Mission	NA
10	Support towards education, nutrition, accommodation, personality development, health, and other need-based support for special children in Odisha	Schedule VII Activity (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Y	Odisha	Kinjochar	3,355,148	No	Sadbhabana	NA
11	Education support for underprivileged children in Bihar		Y	Bihar	Patna	7,375,360	No	Shoshit Seva Sangh	NA
12	Support towards intervention of early detection of hearing impairment, special education, and development of mobile app for these children and their parents		Y	Maharashtra	Mumbai	5,477,040	No	Stephen High School for the Deaf and Aphasic	NA
13	Education support for underprivileged children in West Bengal		Y	West Bengal	Barackpore	6,834,614	No	UDAYAN	NA

1	2	3	4	5		6	7	8
SI. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name
				State	District			
14	Support towards special education, therapy services and holistic development of differently abled children in Tamil Nadu	Schedule VII Activity (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Y	Tamil Nadu	Madurai	11,649,628	No	YMCA NA
15	Support towards Education and holistic development of girls		Y	Bihar	Saran	3,209,560	No	Yugrishi Shriram Sharma Acharya Charitable Trust NA
16	Support for special education and therapy of differently abled children		Y	Karnataka, Telangana	Hyderabad, Bangalore	1,858,000	No	Ashray Akruati NA Spastic Society of Karnataka NA
17	Support for Education, Nutrition, and other education related Infrastructure across PAN India Location through Implementing Partners	Schedule VII Activity (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Y	Delhi, Karnataka, Goa, Maharashtra, Odisha, Telangana, West Bengal	Bangalore, 24 Pargana, Hyderabad, Mumbai, Chengalpattu, Kevale, Navi Mumbai, Tirunelveli	4,495,346	No	Chaitnya Charitable Trust NA Concern India Foundation NA Devnar Foundation for the Blind NA I & U Being Together NA Irular Tribal women's Welfare Society NA KIDS Foundation NA M K Educational Society NA Mahabhinishkraman Unnayan Sansthan (MUS) NA Practical Action Foundation NA Samarth Bharat Vyaspith NA Saranalayam NA Shanta Durga Shikshan Samiti NA Shree Trust NA Sunshine Society NA Vanvasi Kalyan Ashram NA YAGNA NA

Annexure - II (Contd.)

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name	CSR Registration number
				State	District				
18	Support for Education, Nutrition, and other education related Infrastructure across PAN India Location directly	Schedule VII Activity (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Y	Andhra Pradesh, Assam, Kerala, Mizoram, Odisha, Tamil Nadu, Telangana	Tondavada, Alizwal, Sivasagar, North Lakhimpur, Kanchipuram, Gummidiipoondi, Dharmapuri, Pangolathur, Ernakulam, Hyderabad,	2,570,810	Yes	NA	NA
19	Project Cancer Mukti Yojana	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Rajasthan	Jaipur	2,034,000	No	Bhagwan Mahaveer Hospital Cancer Hospital & Research Center	NA
20	Support for Medical Mobile Unit in Jammu			Jammu & Kashmir	Jammu	3,947,922	No	Bharat Sevashram Sangh	NA
21	Support to Shishu Ashray Sthal & Arogya Bhavan (residential facilities for cancer care treatment)			Assam, Maharashtra	Guwahati, Navi Mumbai	3,273,422	No	Deepsikha	NA
22	Addressing Malnutrition and strengthening of Anganwadis			Madhya Pradesh, Rajasthan	Dhar, Baran	20,352,444	No	Fight Hunger Foundation	NA
23	Treatment of congenital Heart Disease			PAN India	-	5,023,088	No	Genesis Foundation	NA
24	Support towards cataract surgeries of underprivileged children			Odisha	Khurda, Puri, Jagatsinghpur, Kendrapada, Nayagarh	3,500,000	No	RIHF Rotary Club Bhubaneshwar Royal Eye Care Trust	NA
25	Support for bus for conducting eye screening camps as well as transportation of patients from remote areas of Odisha to hospital for cataract surgeries			Odisha	Sanbalpur	2,605,601	No	Vision India Foundation	NA

1	2	3	4	5		6	7	8
SI. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name
				State	District			CSR Registration number
26	Support for healthcare - medicines, infrastructure, nutrition, and others across PAN India locations through implementing Partners	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Telangana	Bhopal, Hyderabad, Navi Mumbai, Ahmedabad, Mumbai	5,508,249	No	Abhay Nari Kalyan Samiti Heal a child Helping Hand Foundation Helping Hands Jaipur Society Home for Disabled Jyothis Charitable Trust Karunasri Seva Samiti Kasturba Gandhi National Memorial Trust Lifeline Foundation MANASA SANHIITA CENTRE FOR WOMEN AND GIRL CHILDREN SOCIETY Vanavasi Kalyana Vasantha Memorial Trust
27	AI enabled Corona Testing Mobile Clinics for Covid 19 testing and vaccination	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Delhi	Delhi	14,500,000	No	Growdiesel Climate Care Council
28	Supply of PPE kits to doctors and nurses to hospitals in Maharashtra		Y	Maharashtra	Mumbai	7,522,900	No	Fight Hunger Foundation
29	Developing mobile app to support My Family My Responsibility campaign of Maharashtra Government		Y	Maharashtra	Pan Maharashtra	2,000,000	No	Bhugol GIS Pvt Ltd

Annexure - II (Contd.)

1	2	3	4	5		6	7	8
SI. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name
				State	District			CSR Registration number
30	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through implementation partners for PAN India locations	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Gujarat, Kerala, Madhya Pradesh, Maharashtra, Delhi, Odisha, Rajasthan, Telangana, Uttar Pradesh, West Bengal		7,479,394	No	Abhay Nari Kalyan Samiti Annamitra Foundation Bhagat Youth Council Bharat Sevashram Sangh Blind Organization of India CHILD IN NEED INSTITUTE Don Bosco Helping Hand Foundation INDIAN ASSOCIATION OF BLOOD CANCER & ALLIED DISEASES INITIATIVE FOR REHABILITATION AND PALLIATIVE CARE JAGRITI NGO Kalinga Kusum MAA BHAWANI CHARITABLE TRUST MANIKJORE SEVA SANGHA MAYA JAN VIKAS SEVA SANSTHAN Rotary Club of Thane SAHAYOG Society for Participatory Rural Development Sunshine Society VOICE OF WORLD

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name	CSR Registration number
				State	District				
31	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Andhra Pradesh	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Andhra Pradesh	Guntur, Krishna, Sikakulam	3,000,655	Yes	NA	NA
32	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Assam	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Assam	Kamrup	414,500	Yes	NA	NA
33	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Bihar	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Bihar	Patna	866,750	Yes	NA	NA

Annexure - II (Contd.)

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	State	Location of the project District	Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name	CSR Registration number
34	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Delhi	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Delhi	Delhi	3,580,750	Yes	NA	NA
35	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Gujarat	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Gujarat	Ahmedabad	4,083,000	Yes	NA	NA
36	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Haryana	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Haryana	Panchkula	331,500	Yes	NA	NA

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR Registration number
37	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Himachal Pradesh	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Himachal Pradesh	Shimla	168,806	Yes	NA	NA
38	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Karnataka	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Karnataka	Bangalore	1,035,369	Yes	NA	NA

Annexure - II (Contd.)

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency.	CSR Registration number
				State	District			Name	
39	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Kerala	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Kerala	Waynad, Idukki, Kannur, Thiruvananthapuram,	3,541,127	Yes	NA	NA
40	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Madhya Pradesh	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Madhya Pradesh	Indore, Gwalior, Bhopal, Chhindwara	353,170	Yes	NA	NA
41	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Maharashtra	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Maharashtra	Nashik, Akola, Dhule, Thane	127,500	Yes	NA	NA

1	2	3	4	5		6	7	8
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name
				State	District			
42	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Odisha	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Odisha	Puri, Khurda, Sundergarh, Sanbhalpur	2,668,522	Yes	NA NA
43	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Punjab	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Punjab	SAS Nagar (Mohali)	271,186	Yes	NA NA
44	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Rajasthan	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Rajasthan	Ajmer, Jaipur, Jodhpur, Bharatpur,	377,591	Yes	NA NA

Annexure - II (Contd.)

1	2	3	4	5	6	7	8
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name
				State District			CSR Registration number
45	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Tamil Nadu	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Tamil Nadu Chennai, Kanyakumari, Coimbatore, Dindigul, Tiruchirapalli, Erode, Tiruvallur	3,339,583	Yes	NA NA
46	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Telangana	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Telangana Hyderabad	498,125	Yes	NA NA
47	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Uttar Pradesh	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Uttar Pradesh Lucknow, Barabanki	2,245,678	Yes	NA NA

1	2	3	4	5		6	7	8
SI. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency.
				State	District			Name
48	Support towards COVID Relief (Nutrition, PPE Kits, Medical equipments, hygiene and healthcare essentials and others) through direct support in Chandigarh	Schedule VII Activity (i) Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Y	Chandigarh (UT)	Chandigarh (UT)	152,500	Yes	NA
49	Maintenance of green belt along with Metro rail corridor	Schedule VII Activity (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	Y	Maharashtra	Mumbai	1,021,054	Yes	NA
50	Support towards "Green Aurangabad, Clean Aurangabad"		Y	Maharashtra	Aurangabad	66,000	Yes	NA
51	Support for solar panel and healthcare to underprivileged old people		Y	Odisha	Bhubaneshwar	195,000	Yes	NA

Annexure - II (Contd.)

1	2	3	4	5	6	7	8
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project State District	Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation – Through implementing agency. Name CSR Registration number
52	Contribution to PMCARES Fund	Schedule VII Activity (viii) Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central government for socio economic development and relief and welfare of the schedule caste, schedule tribes, other backward classes, minorities and women;	Y	PAN India -	10,307,220	Yes	NA NA
53	Support for Disaster Relief	Schedule VII Activity (xii) Disaster management, including relief, rehabilitation, and reconstruction activities.	Y	Maharashtra, West Bengal Pune, Kolkata	902,294	No	Bharat Sevashram Sangh Girivihar NA NA
TOTAL					262,358,594		

- (d) Amount spent in Administrative Overheads : ₹ 162,025
 (e) Amount spent on Impact Assessment, if applicable : Not Applicable
 (f) Total amount spent for the Financial Year : ₹ 262,520,619
 (8b+8c+8d+8e)
 (g) Excess amount for set off, if any

Sl. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	249,296,819
(ii)	Total amount spent for the Financial Year	262,520,619
(iii)	Excess amount spent for the financial year [(ii)-(i)]	13,223,800
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	13,223,800

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specifies under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Date of transfer.	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project- Completed/ Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

Sr. No	Date of Creation or acquiring asset*	CSR Amount Spent	Asset registered under the name of		Details of the asset (including address)	
1	26 May 2020	2,198,000	Bharat Sevashram Sangh		Medical Mobile Unit, Currently operational in Jammu	
2	13 May 2020	422,750	Bihar Medical services and infrastructure corporation limited (BMSICL)		5 Infrared thermal thermometers, Bihar	
3	20 May 2020	85,080	Hmangaihna IN Orphanage Home		Wooden Almirah, Desk and Bench, Air Purifier (Aizwal, Mizoram)	
4	22 June 2020	99,900	Phukan Phadia Bezgaon Adarsha LP School, Fuleswari Girls' HS School, Sapekhathi HS School, Sivasagar Girls' College, Nazira College		6 water purifier, Assam State	
5	2 September 2020	38,920	Jalbhari M.V.School		14 pairs of desk & benches, Lakhimpur Assam	
6	26 May 2020	198,590	MAHAKAVI KUMARANASAN MEMORIAL LP SCHOOL		Smart Classroom set up - desk & benches, projector, green board, screen, speaker (KANJOOR, Kerala)	
7	5 May 2020	339,899	Deepsikha		Infrastructure like shoe rack, cupboard etc (Maharashtra)	
8	9 December 2020	5,490,000	Growdiesel Climate Care Council		Three AI enabled Corona Testing Mobile Clinics for Covid 19 testing and vaccination (Delhi)	
9	16 March 2021	227,600	Helping Hand Foundation		Wheelchairs, stretchers, infusion pumps (Hyderabad, Telangana)	
10	23 September 2020	711,972	Jyothis Charitable Trust		Vehicle for conveyance of HIV/AIDS affected destitute women during medical emergencies (Maharashtra)	
11	14 December 2020	81,356	KIDS Foundation		Adjustable desk & bench for sarvodaya special school (Puttur, Karnataka)	
12	4 February 2021	1,300,000	Life Line Foundation		Purchase of ambulances to provide emergency services to victims of accidents or any other crucial inter hospital transfer, Gujarat	
13	30 September 2020	80,000	Arcot Narayansamy mudaliyar School		Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board (Kanchipuram, Tamil Nadu)	

Annexure - II (Contd.)

Sr. No	Date of Creation or acquiring asset*	CSR Amount Spent	Asset registered under the name of	Details of the asset (including address)
14	7 August 2020	199,000	OERM Government Higher Secondary School – Paganery	Renovation of LAB and School Building (Paganery, Tamil Nadu)
15	26 August 2020	295,000	Rotary Club of Thane	Portable X Ray Machine to Rotary Club of Thane for Chhatrapati Shivaji Maharaj Hospital (Thane, Maharashtra)
16	30 March 2021	6,975,360	Shoshit Seva Sangh	Solar Panel (Patna, Bihar)
17	13 July 2020	489,885	Shree Trust	Purchase of equipments for Science Laboratory (Pune, Maharashtra)
18	June 2020 – October 2020	662,169	Police Department, Kerala	Furniture facilities at Corona Care Centre (refrigerator, water heaters, exhaust fa, stabilizer etc (Kerala)
19	21 July 2020	80,495	Panchayat Union Middle School	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker , 1 Multi Media Projector and 1 Interactive Board , (Anyamangalam, Tamil Nadu)
20	17 July 2020	82,342	Panchayat Union Middle School	Setting up smart class room for Government School - 1 Computer, 1 Multi Media Speaker , 1 Multi Media Projector and 1 Interactive Board,(Kambiliyampatti, Tamil Nadu)
21	7 May 2020	299,107	Chitradurga Police Station	One drone camera with tablet (Chitradurga, Karnataka)
22	16 June 2020	498,197	Vanvasi Kalyan Ashram	Construction of 5 Toilets & 1 Bathroom for Residential school run by Vanvasi Kalyan Ashram (Navi Mumbai, Maharashtra)
23	15 July 2020	93,340	Vasantha Memorial Trust	2 examination couches for cancer screening & 6 sewing machines for vocational training (Mumbai, Maharashtra)
24	10 March 2021	98,700	Chaitnya Charitable Trust	Solar water heater to residential facility for children with special need(Udupi, Bangalore)
25	27 January 2021	2,605,601	Vision India Foundation	Bus for transportation of patients from remote areas of Odisha to hospital for cataract surgeries (Sambalpur, Odisha)
27	31 March 2021	195,000	ULTRA NGO	Solar Panel (Khurda, Odisha)
28	11 February 2021	246,650	Practical Action Foundation	Renovation of 10 washrooms and soakpits, Handwash platform of children, school gate renovation, training and orientation for students on basic hygiene and handwash (Bhubaneswar, Odisha)
29	15 February 2021	71,900	Saranalayam	UPS for the institute for the smart classes (Tirunelveli, Tamil Nadu)
30	11 February 2021	57,496	Primary Healthcare Center	Medical Equipments like ECG Machine, Nebulizer, X Ray Lobby, medicine trolley provided to primary healthcare services, (Kanyakumari, Tamil Nadu)
31	24 February 2021	76,536	Irular Tribal women's Welfare Society	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker , 1 Multi Media Projector and 1 Interactive Board(Chengalpattu, Tamil Nadu)
32	24 February 2021	175,500	Government Hospital, Kanyakumari	Medical Equipments for Government Hospital- Kulasekaram in the context of Covid 19 (Semi Automatic Analyzer, ECG Machine, Wheel Chair and Nebulizer (Kanyakumari, Tamil Nadu)
33	24 February 2021	78,000	Municipal Higher Secondary School	Setting up smart class room for Government School - 1 Computer, 1 Multi Media Speaker , 1 Multi Media Projector and 1 Interactive Board (Pallavram, Tamil Nadu)

Sr. No	Date of Creation or acquiring asset*	CSR Amount Spent	Asset registered under the name of	Details of the asset (including address)
34	24 February 2021	78,000	Maraimalai Adigal Higher secondary school	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board (Pallavaram, Tamil Nadu)
35	2 February 2021	437,410	Bairampur Hospital	High Flow Nasal Oxygen Apparatus (Lucknow, Uttar Pradesh)
36	29 January 2021	80,000	ADW Elementary School	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board, (Vellore, Tamil Nadu)
37	18 February 2021	438,000	Shanta Durga Shikshan Samiti	Support for setting up robotic lab (Kavale, Goa)
38	25 March 2021	418,089	Sampradaya Patasala	Sanitary pad disposal machine, printer, water purifier (Thondavada, Andhra Pradesh)
39	17 March 2021	78,000	Panchayat Middle School, Trisulam	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board, (Kanchipuram, Tamil Nadu)
40	17 March 2021	78,000	Pallavaram Municipal Primary School	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board, (Chengalpattu, Tamil Nadu)
41	26 March 2021	79,000	Adhi Dravidar Welfare Government Middle School	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board,(Pangolathur, Tamil Nadu)
42	22 March 2021	80,000	KLK Government Higher Secondary School	Setting up smart class room for Government School -1 Computer, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board,(Gummidipoondi, Tamil Nadu)
43	29 March 2021	129,285	Government High School, Vellolai	Setting up smart class room for Government School - 4 Computers, UPS, 1 Multi Media Speaker ,1 Multi Media Projector and 1 Interactive Board (Dharmapuri, Tamil Nadu)
44	9 February 2021	498,900	Institute of Health Center	Donation of equipment like Muscle stimulator, Ultrasound Unit, Static Cycle with ergo meter, Quadriceps Table, Hand Exercise table etc (Bhubneswar)
45	16 October 2020	84,661	Government Secondary High School Sengipatty	1 Laptop, 1 Desktop and UPS for School (Thanjavur, Tamil Nadu)
46	31 July 2020	81,648	Government School, Kannapasamy Nagar	Constructing shed for a rural school (Chennai, Tamil Nadu)

*Date of payment processing from Company

Mahesh Kumar Sharma
Managing Director & CEO
DIN: 08740737

Narayan K. Seshadri
Chairman - CSR Committee
DIN: 00053563

Place: Mumbai
Date: August 24, 2021

Annexure - III

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and RuleNo.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

SBI Life Insurance Company Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SBI Life Insurance Company Limited (herein after called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ("FEMA") and the Rules and Regulations made thereunder to the extent applicable;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)

Regulations, 2009;- during the period under review not applicable to the Company

- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable for this financial year**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable for this financial year**
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable for this financial year**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable for this financial year**

Amongst the various laws which are applicable to the Company, following are the laws which are specifically applicable to the Company:

1. Insurance Act, 1938 (amended till date) and Insurance Rules, 1939;
2. Insurance Regulatory and Development Authority Act 1999, and Rules & Regulation, Circular and Notifications etc issued by the IRDAI there under;
3. Anti-Money Laundering Regulation issued by IRDAI and various Circulars and Guidelines thereunder;
4. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent adequately in advance of the

meetings, in case of less than seven days the Company has taken shorter notice consent from Directors / Members of the Board / Committees, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes where applicable. All the decisions have been taken unanimously and no dissent recorded in Board Meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and

Guidelines. All the notices and orders received by the Company pursuant to the above Laws Rules, Regulations and Guidelines has been adequately dealt with/ duly replied/ complied with.

For M/s. N. L. Bhatia & Associates

Practising Company Secretaries

UIN: P1996MH055800

UDIN: F005436C000632645

Bharat Upadhyay

Partner

FCS No: 5436

C P No.: 4457

Peer Review No.: 700/2020

Place: Mumbai

Date: July 14, 2021

Annexure A

To,
The Members,

SBI LIFE INSURANCE COMPANY LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations,

standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. Due to ongoing Covid-19 situation it was not possible to conduct a physical audit and hence the Company has extended virtual data room facility to the Auditor for performing Secretarial Audit.

For M/s. N. L. Bhatia & Associates

Practising Company Secretaries

UIN: P1996MH055800

UDIN:F005436C000632645

Bhaskar Upadhyay

Partner

FCS No. 8663

CP No. 9625

Peer Review No.: 700/2020

Place: Mumbai

Date: July 14, 2021

Annexure - IV

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I. CIN	L99999MH2000PLC129113
II. Registration Date	October 11, 2000
III. Name of the company	SBI Life Insurance Company Limited
IV. Category of the Company	Life Insurance Company
V. Address of the Registered office and contact details	Natraj, M. V. Road, Western Express Highway Junction, Andheri (East), Mumbai – 400 069 Tel.: +91 22 6191 0000 Fax: +91 22 6191 0517 Website: www.sbilife.co.in
VI. Whether listed company	Yes
VII. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. KFin Technologies Private Limited Selenium bldg, Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Rangareddi, Telangana, India - 500032 Tel: (91 40) 23311968 Fax: (91 40) 23420184

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Life insurance	65110	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	State Bank of India State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai – 400 021.	NA	Holding Company	55.50	2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category-wise Share holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A. Promoters							
(1) Indian							
a) Individual/ HUF	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-
e) Banks / FI	576,000,000	0	576,000,000	555,000,000	0	555,000,000	(2.10)
f) Any Other....	-	-	-	-	-	-	-
Sub-total (A) (1):-	576,000,000	0	576,000,000	555,000,000	0	555,000,000	(2.10)
(2) Foreign							
a) NRIs-Individuals	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-
e) Any Other.....	52,007,092	0	52,007,092	2,003,612	0	2,003,612	(4.99)
Sub-total (A) (2):-	52,007,092	0	52,007,092	2,003,612	0	2,003,612	(4.99)
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	628,007,092	0	628,007,092	557,003,612	0	557,003,612	(7.10)
B. Public Shareholding							
(1) Institutions							
a) Mutual Funds	56,946,922	0	56,946,922	68,915,161	0	68,915,161	1.20
b) Banks / FI	435,219	0	435,219	550,500	0	550,500	0.01
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIs	258,748,952	0	258,748,952	305,098,496	0	305,098,496	4.63
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-
Sub-total (B)(1):-	316,131,093	0	316,131,093	374,564,157	0	374,564,157	5.84
(2) Non-Institutions							
a) Bodies Corp.							
i. Indian	4,156,584	0	4,156,584	4,030,536	0	4,030,536	(0.01)
ii. Overseas	-	-	-	-	-	-	-

ii. Shareholding of Promoters

iii. Change in Promoters' Shareholding

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Annexure - IV (Contd.)

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholders ^s	Shareholding at the beginning of the year April 01, 2020		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)		Shareholding at the end of the year March 31, 2021	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	CA Emerald Investments	60,000,000	6.00%	NA	Nil	60,000,000	6.00%
2	Canada Pension Plan Investment Board	28,583,625	2.86%	NA	Nil	28,583,625	2.86%
3	Government of Singapore	15,448,447	1.54%	03/04/2020 – 31/03/2021	7,761,441	23,209,888	2.32%
4	Macritchie Investments Pte Ltd	15,100,000	1.51%	NA	Nil	15,100,000	1.51%
5	Stichting Depository APG Emerging Markets Equity	5,698,199	0.57%	10/04/2020 – 31/03/2021	3,351,481	9,049,680	0.90%
6	ICICI Prudential Life Insurance Company Limited	4,948,349	0.49%	03/04/2020 – 31/03/2021	3,982,004	8,930,353	0.89%
7	Hermes Investment Funds Plc	4,719,762	0.47%	24/04/2020 – 31/03/2021	2,862,415	7,582,177	0.76%
8	ICICI Prudential Blue Chip Fund	9,273,122	0.93%	05/06/2020 – 29/01/2021	(2,146,572)	7,126,550	0.71%
9	Monetary Authority of Singapore	4,790,755	0.48%	03/04/2020 – 31/03/2021	1,480,468	6,271,223	0.63%
10	Aberdeen Emerging Markets Fund	4,946,046	0.49%	22/05/2020 – 19/03/2021	636,400	5,582,446	0.56%

^sThe list of top 10 shareholders is derived on the basis of PAN consolidation

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Director / KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Sanjeev Nautiyal, MD & CEO (April 01, 2020 to May 8, 2020)	-	0.00%	-	0.00%
2		-	Nil	-	Nil
3		-	0.00%	-	0.00%
1	Mr. Mahesh Kumar Sharma, MD & CEO (May 09, 2020 to March 31, 2021)	-	0.00%	-	0.00%
2		-	Nil	-	Nil
3		-	0.00%	-	0.00%
1	Mr. Sangramjit Sarangi, Chief Financial Officer	777	0.00% ^	777	0.00% ^
2		-	0.00%	-	0.00%
3		777	0.00% ^	777	0.00% ^
1	Mr. Vinod Koyande, Company Secretary	-	0.00%	-	0.00%
2		-	0.00%	-	0.00%
3		-	0.00%	-	0.00%

^ Holding of equity shares is less than 0.01% in the total share capital of the Company

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	NIL	NIL	NIL	NIL
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
• Addition / Reduction				
Net Change				
Indebtedness at the end of the financial year				
i. Principal Amount	NIL	NIL	NIL	NIL
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹'000)

Sr. No. Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
	Mr. Mahesh Kumar Sharma, MD & CEO ²	Mr. Sanjeev Nautiyal, MD & CEO ²	
1 Gross salary			
Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 ¹	3,529	2,684	6,213
Value of perquisites u/s 17(2) Income-tax Act, 1961	780	274	1,054
Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2 Stock Option	-	-	-
3 Sweat Equity	-	-	-
4 Commission	-	-	-
- as % of profit	-	-	-
- others, specify	-	-	-
5 Others, please specify	-	-	-
Total (A)	4,309	2,958	7,267

¹Includes performance linked incentive paid in FY 2020-21 for FY 2019-20.

²Mr. Sanjeev Nautiyal ceased as Managing Director & CEO w.e.f. May 8, 2020 on account of repatriation back to SBI and Mr. Mahesh Kumar Sharma inducted as Managing Director & CEO w.e.f. May 9, 2020.

During the FY 21, Performance linked incentive of ₹ 288 thousands was paid to Mr. Arijit Basu for FY 2017-18 pertaining to his tenure as MD & CEO of the Company.

B. Remuneration to other directors:

(₹'000)

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. Nilesh Vikamsey ¹	Mr. Raj Narain Bhardwaj ¹	Mr. Ravi Rambabu ¹	Mr. Deepak Amin	Mr. Narayan K. Seshadri	Ms. Joji Sekhon Gill	Mr. Shobinder Duggal	
1.	Independent Directors								
	● Fee for attending board committee meetings	1,745	2,295	2,145	2,360	1,500	1,470	650	12,165
	● Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	● Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	1,745	2,295	2,145	2,360	1,500	1,470	650	12,165
2.	Other Non-Executive Directors								
	● Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	● Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	● Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	1,745	2,295	2,145	2,360	1,500	1,470	650	12,165

¹Mr. Raj Narain Bhardwaj, Mr. Ravi Rambabu and Mr. Nilesh Vikamsey ceased as an Independent Director w.e.f. September 06, 2020 due to expiry of their second term.

Note: Mr. Ashutosh Pednekar and Ms Sunita Sharma has not availed any sitting fees from the Company for attending the Board and Committee Meetings.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

(₹'000)

Sr. No.	Particulars of Remuneration	Key Management Personnel		
		Mr. Sangramjit Sarangi President and Chief Financial Officer	Mr. Vinod Koyande, Company Secretary	Total Amount
1	Gross salary			
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	23,193	1,434	24,627
	Value of perquisites u/s 17(2) Income-tax Act, 1961	789	-	789
	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Options Granted during the year (No. of Options)	19	-	19
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (does not include the number of stock options)	23,982	1,434	25,416

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment					
Compounding					
B. Directors					
Penalty	-	-	-	-	-
Punishment					
Compounding					
C. Other Officers in default					
Penalty	-	-	-	-	-
Punishment					
Compounding					

Annexure - V

CERTIFICATE OF CORPORATE GOVERNANCE

To
The Members of

SBI LIFE INSURANCE COMPANY LIMITED

We have examined all the relevant records of **SBI Life Insurance Company Limited** ("the Company") for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period from April 1, 2020 to March 31, 2021. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s. N. L. Bhatia & Associates

Practising Company Secretaries

UIN: P1996MH055800

UDIN: F005436C000632414

Bharat Upadhyay

Partner

FCS: 5436

CP No. 4457

Place: Mumbai

Date: July 14, 2021

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L99999MH2000PLC129113
2. Name of the Company	SBI Life Insurance Company Limited
3. Registered address	"Natraj" M.V. Road & Western Express Highway Junction, Andheri (East), Mumbai – 400069
4. Website	www.sbilife.co.in
5. E-mail id	vinod.koyande@sbilife.co.in
6. Financial Year reported	2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	65110
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)	The Company offers a wide range of 32 individual and 6 group products across categories like savings, protection, retirement, pension, health, etc.
9. Total number of locations where business activity is undertaken by the Company	The Company has Pan-India presence through a vast network of 947 offices as on March 31, 2021. Additionally we have distribution touch points through several tie-ups comprising of 71 partners, 107 brokers and 170,096 Life Mitras i.e. individual life insurance agents.
(a) Number of International Locations (Provide details of major 5)	The Company does not have any International Locations/ Branches
(b) Number of National Locations	The Company has pan-India presence through a vast network of 947 offices as on March 31, 2021.
10. Markets served by the Company – Local/State/National/International	The Company serves customer across India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	₹ 1,000.07 Cr
2. Total Turnover (INR)	₹50,254.17 Cr
3. Total profit after taxes (INR)	₹ 1,455.85 Cr
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	26.25 Cr (Over 2% of the average net profit of last three years) has been spent towards CSR activities in FY 2020-21.
5. List of activities in which expenditure in 4 above has been incurred:-	The CSR efforts of the Company have been focused majorly on providing education to the economically disadvantaged children, supporting preventive healthcare and wellness, rural development and environmental upgrade. The Company continues to remain focused on improving the quality of life and serving communities through CSR. The budget for the Company's CSR spends for FY 2020-21 was ₹ 24.93 Cr, which was equivalent to 2% of average net profit of last 3 years computed in accordance with Section 135 of the Companies Act, 2013. The actual spend for CSR was ₹ 26.25 Cr. Details of the Company's CSR activities are provided in the 'Corporate Social Responsibility' section of the Annual Report for FY 2020-21.

SECTION C: OTHER DETAILS**1. Does the Company have any Subsidiary Company/ Companies?**

No

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)

Not applicable

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No

1. DIN Number - 08740737

2. Name - Mr. Mahesh Kumar Sharma

3. Designation - Managing Director and Chief Executive Officer

b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Mr. Sangramjit Sarangi
3	Designation	President & Chief Financial Officer
4	Telephone number	022-6191 0281
5	e-mail id	sangramjit.sarangi@sbilife.co.in

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION**1. Details of Director/Directors responsible for BR**

a) Details of the Director/ Directors responsible for implementation of the BR policy/policies

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6*	P7*	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	N	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	-	-	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	-	-	Y	Y
4	Has the policy being approved by the Board? if yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	-	-	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	-	-	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	-	-	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	-	-	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	-	-	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	-	-	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	-	-	Y	Y

*P6 – The aspects under this principle are not substantially relevant to the Company given the nature of business. The Company constantly endeavors to undertake innovative initiatives to protect the environment. The Company is committed to keeping its environmental footprints as small as possible and has taken proactive steps to reduce direct impact of its operations on the environment.

*P7 - In taking public policy positions, the Company has not advocated/lobbied through any association.

Business Responsibility Report (Contd.)

3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Company is aware of its Business Responsibilities and shall review and assess initiatives periodically.

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has published BR report in its Annual report for FY 2020-21.

Total 3,220 customer complaints were received during the FY 2020-21. All these complaints have been satisfactorily resolved.

Additionally, the Company has also setup an Investor Grievance mechanism to respond to investor grievances in a timely and appropriate manner. The investor grievances are reviewed by the Board through 'Stakeholders Relationship Committee'. Total 40 Shareholders complaints were received during FY 2020-21, and all these have been satisfactorily resolved.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company is committed to the best practises in the areas of Corporate Governance and it committed to acting professionally, fairly and with integrity in all its dealings.

The Company has a well-defined Code of Conduct which lays down principles for every employee to act in accordance with the highest standards of personal and professional integrity, honesty, ethical and legal conduct. The Code is applicable to all Directors, Senior Management and employees of the Company.

The Company through its Whistle Blower Policy (Vigil Mechanism Policy) encourages and enables directors, employees to raise serious concerns, grievances about any unacceptable practice or any event of misconduct, irregularities, governance weaknesses, financial reporting issues within the Company.

Yes, the policy has been extended to cover vendors, channel partners and distributors as well.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

We have a dedicated client relationship team which takes every care to resolve customer complaints/grievances within stipulated timelines. Further, in order to ensure fair and unbiased resolution of grievances of the policyholders/claimants regarding claim settlement, the Company formed a Claims Review Committee. Exhibiting the commitment of the Company to provide a fair resolution to the claimants' grievances in a transparent manner. The Claims Review Committee comprises of key members of top management and a Retired High Court Justice.

PRINCIPLE 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Our bouquet of insurance products span across Protection, Savings and Investment, Retirement, Women, Children and Health categories catering to various needs of the customers across segments. Additionally, we offer Micro-insurance products like SBI Life - Grameen Super Suraksha and SBI Life - Grameen Bima to cater to Company's Rural and Social Sector Obligations.

Protection business is one area where there has been a lot of focus in the recent years. This helps to take care of the protection needs of the population by selling products like SBI Life – Smart Swadhan Plus, SBI Life - Smart Shield, SBI Life - eShield, SBI Life-Sampoorn Cancer Suraksha and SBI Life-Poorna Suraksha. Further in the wake of the on-going pandemic we have also launched the Corona Rakshak Policy, SBI Life Insurance Co. Ltd. to address the emerging risk being faced by the society at large. Further, SBI Life - Saral Jeevan Bima, was launched as part of IRDAI's initiative to address financial inclusion in the insurance domain by having a simple & easy to understand plan.

We continue to support "Pradhan Mantri Jeevan Jyoti Bima Yojana" (PMJJBY) scheme the flagship insurance scheme launched by Government of India as a low premium insurance scheme to widen penetration of insurance in India. Currently we have insured over 1.32 Crore members under this scheme.

Further, with growing focus of digitization, number of internet users, growing penetration of smart phones, etc., we have launched innovative products that can be easily accessed through digital platform. SBI Life – New Smart Samridhi & just launched SBI Life – Saral Pension are available to the POS (Point of Sale) Channel. These are meant to address the needs to have a solution for the lower end of the segment. We have developed a digital platform to provide an entirely paperless new policy issuance and servicing process to our customers. This platform has also been extended to our partners and Life Mitras. This has not only helped us in improving customer convenience

and internal efficiencies but has also had a positive impact on the environment.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**
 - a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Not applicable considering the nature of business of the Company.
 - b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not applicable
3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**
Not applicable considering the nature of business of the Company.
 - a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Not applicable
4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**
Not applicable considering the nature of business of the Company.
 - a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Not applicable
5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**
As our Company is not a manufacturing Company, this point is not applicable.

PRINCIPLE 3

1. **Please indicate the total number of employees.**
As on March 31, 2021 our total employee count was 17,464. Additionally, we have 1,70,096 individual insurance agents associated with us who are distributing insurance on our behalf.
2. **Please indicate the total number of employees hired on temporary/contractual/casual basis.**
As on March 31, 2021 total count of contractual workers i.e. temporary staff was 770 excluding housekeeping staff, office boys etc.
3. **Please indicate the Number of permanent women**

employees.

As on March 31, 2021, we had 2,811 permanent women employees.

4. **Please indicate the Number of permanent employees with disabilities**
We are an equal opportunity employer and treat all our employees at par, thus we do not specifically track number of disabled employees. Based on income tax declarations received from employees for claiming tax deduction for self-disability, the Company has 15 such employees.
5. **Do you have an employee association that is recognized by management?**
The Company does not have any employee association.
6. **What percentage of your permanent employees is members of this recognized employee association?**
Not applicable
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**
The Company's recruitment policy does not permit any engagement of child labour, forced labour or involuntary labour. The Company also refrains from any discrimination on the basis of caste, creed, gender or religion.

The Company has a policy against Sexual Harassment of Women at work place in accordance with applicable regulations. There were 2 cases pending at the beginning of the FY 2020-21; 2 new cases were received during the FY. Out of these, 1 case was disposed of during FY 2020-21. Remaining 1 case was disposed of during FY 2021-22 within stipulated timelines.
8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
 - (a) Permanent Employees – 98.16% (17,452/17,780) of the total employees were given skill upgradation training last year. 95.46% of permanent employees have undergone more than three different trainings in last FY.
 - (b) Permanent Women Employees - 96.19% (2,754/2,863) of the total women employees were given skill upgradation training last year. 92.04% of women employee have completed more than three training programs in last FY.
 - (c) Casual/Temporary/Contractual Employees - NIL
 - (d) Employees with Disabilities – Total 15 employees with disabilities. All the employees with disability have undergone 3 or more trainings in last Financial Year i.e. 100% training coverage.

Learning & Development designs appropriate training to all employees and segments based

Business Responsibility Report (Contd.)

on the identified needs. Training is imparted through classroom modules led by an instructor; web-based e-learning and mobile app. Equal focus is laid on product, process and behavioral trainings. The new LMS platform, e-Shiksha Empowered, encourages self-paced 24 X 7 learning. In addition, Learning and Development facilitates On the Job trainings [OTJ] too in collaboration with functional departments. The details of OTJ are not captured in our learning database for obvious reasons.

We also tie-up with reputed management institutes within and outside India, avail the services of global domain experts and professional trainers besides third party service providers to impart specialized training to employees as well as distributors.

The Company accords prime importance to employee health and safety. All employees undergo periodic training on basic & advanced fire safety including evacuation drills. Fire evacuation drills are periodically conducted for all our offices. Further employees are also periodically sensitized on fire safety norms. The Company has tie-ups with vendors to educate and demonstrate use of fire-fighting equipment. Educative mailers are circulated to all employees on Health, Safety & Environment (HSE), natural calamities and epidemics on a regular basis.

All new employees undergo mandatory orientation sessions. Employees at junior, middle and senior levels undergo need based training programmes including management development, leadership workshops apart from functional skills programmes on product & process knowledge. Digital knowledge repositories have also been made available to enable new hires to access key learning content on the go and on demand.

With an intention to encourage employees to acquire higher functional qualifications/certifications, the Company defined a policy to incentivize its employees for acquiring higher functional/technical qualifications.

We have an Internal Job Posting system that encourages job rotation and multi-skilling. We offer all colleagues the opportunity to take on challenging roles across a variety of functions and geographies and thereby, facilitate their career growth and success.

PRINCIPLE 4

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its key stakeholder groups.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

The Company is guided as per regulation prescribed by IRDAI on a definite/certain percentage of our customized affordable insurance products to be sold to the customers in rural areas and under privileged sectors.

Details of the rural and social sector obligations of the Company are provided in the Directors' Report of the Company.

The Company is also providing specific products for women segment and few products are for social security schemes as launched by the Government. The Company is also managing SBI Life - Dhanrashi scheme for Delhi Government. This scheme was announced by Delhi Government to encourage birth of girl child born and facilitate completion of their education. The scheme also provides financial support to girls who are below poverty line and annual income of parents is less than Rs. 1 lakhs. As per the scheme, the government will deposit the fixed sum amount of money at various stages like, on her birth, admission in the school, admission in different standard and all the money will be given to the girl when she turns age of 18 years.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

In FY 2020-21, the Company made a positive change in the lives of 4,30,000 beneficiaries through its CSR activities across multiple states in India. Through its regular healthcare initiatives such as sponsoring cost of treatment, providing medical equipment, improving health and nutrition status of rural / tribal children between 0-2 years of age, pregnant and lactating mother, the Company reached out to 78,000 beneficiaries. Further, COVID -19 relief activities contributed largely to the Company's healthcare initiatives and reached out to 3,20,400 beneficiaries across 18 states. Overall development of 27,000 children, youth & women was ensured through various education projects like infrastructure support, therapy aids for differently abled, education & nutrition support & livelihood enhancement. The Company additionally catered to 4,600 beneficiaries Pan India through various disaster relief & environmental conservation efforts.

Please also refer Principle 2.

PRINCIPLE 5**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The Company is an equal opportunity, gender neutral employer and has a zero tolerance policy towards any discrimination based on gender, religion, caste or class and strives to uphold fairness at the workplace through transparent policies, systems and processes and has instituted a structured grievance redressal mechanism to address employee concerns.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

For details, kindly refer Principle 1.

PRINCIPLE 6**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

This principle is not substantially relevant to the Company given the nature of its business.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

(a) The corporate office building is a Green Building; certified by Indian Green Building Council (IGBC) to comply with efficient use of natural resources and minimal waste generation. The administrative processes are designed to ensure efficient use of natural resources. Few of the sustainable green initiatives to conserve natural resources and protect the environment are as given below.

(i) **Waste Water Recycling:** We have incorporated rainwater Harvesting system as a process of collecting the rainwater during the monsoon season and recouping the existing underground sumps. The water so collected is being used for in the cooling towers for air conditioning. This way we have been able to overcome the shortage of water during the summer season.

(ii) **Plastic Bottle Recycling:** All the plastic being used in the premises is being collected, packed and sent to the vendor for various plastic recycling initiatives. Our average monthly contribution towards this initiative was 20 kgs during the FY 2020-21. The procurement of PET bottles has been completely stopped post Aug-2019 to support honorable PM's call to reduce one-time-use plastics.

(iii) **Reduction of Food Wastage:** Food wastage in the cafeteria is discouraged through awareness campaign through graffiti's.

Leftover food and food waste generated in our cafeteria is collected and recycled through a composter biodegradation process into organic manure of about 160 kg per month for plants in the premises.

(iv) **Solar Power Generation:** A feasibility study to ascertain the viability of power generation on roof top using solar panels is under way. Completion of the project will result in saving of electricity load by up to 35 percent from existing demand.

(v) **Waste Paper Recycling:** The Company has tied up with Bombay Leprosy Project, an NGO engaged in leprosy relief work to collect the used newspapers/ magazine of about 130 kgs per months. The NGO uses the waste paper for making paper envelopes there by generating employment and income to the underprivileged.

The Company is committed to keeping its environmental footprints as small as possible and has taken proactive steps to reduce direct impact of its operations on the environment.

3. Does the Company identify and assess potential environmental risks? Y/N

The Company complies with applicable environmental regulations in respect of its premises and operations. The Company tries to address environmental concerns through various measures towards waste management and water management. Please refer point 2 above for more details.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The aspect outlined in this principle is not applicable to the Company given its nature of its business.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

As mentioned in Point 2 above, the Company undertakes several measures to reduce wastage and for ensuring optimum utilization of resources.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Not applicable considering the nature of business of the Company.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Not applicable considering the nature of business of the Company.

Business Responsibility Report (Contd.)

PRINCIPLE 7

- Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
 - Life Insurance Council
 - The Federation of Indian Chambers of Commerce and Industry (FICCI)
 - The Confederation of Indian Industry
 - The Advertising Standards Council of India
 - The Indian Society of Advertisers
- Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
In taking public policy positions, the Company has not advocated/lobbied through any association.

PRINCIPLE 8

- Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
Being a socially responsible Company, SBI Life is not only responsible for the profitability of its shareholder but also committed to the well-being of the communities with which it co-exists.

SBI Life's CSR initiatives focuses primarily on education and healthcare, however, aligning to national priorities and other critical areas of community development such as disaster relief and environmental conservation are also crucial to the Company's CSR commitments. Through these initiatives the Company strive to support the underprivileged communities and work towards enabling the mainstreaming of such communities towards inclusive and sustainable growth.

The CSR initiatives undertaken by SBI Life can be broadly categorized under-

Education	Healthcare	Disaster Relief	Environmental Conservation
Infrastructure development of school premises, equipping classrooms with smartboards, sanitation facilities, hostel & playgrounds across various educational institutes	Support towards the medical cost/ aid of treating underprivileged people	Contribution made to PM CARES Fund, set up by the GoI with the primary objective of dealing with any kind of emergency/distress situation, like the current pandemic situation	Support towards environmental conservation with initiatives like plantations, ensuring maintenance of green belts in urban areas
Support towards education, training and therapy aid to differently abled students	Support towards development of medical infrastructure.	Extending support to underprivileged families affected by Cyclone Amphan in West Bengal and Cyclone Nisarg in Maharashtra by providing with relief materials	Promotion of renewable energy through setting up of solar panels at an NGO run for the elderly
Support towards education, nutrition and overall development of underprivileged children	Support towards healthcare of elderly, early detection of disabilities among children		
Support towards education, nutrition and overall development of underprivileged children	Support towards ensuring healthy new lives of babies and childhood and improving health of pregnant and lactating women through a 1000 days program		
Support for vocational training and skill development of underprivileged youth & women to enhance their livelihood opportunities	Support towards various COVID-19 relief effort-providing protective gears to FLWs, medical equipment to hospitals serving COVID-19 patients , AI enabled Corona testing mobile clinics for testing & vaccination and providing grocery kits to the underprivileged		

Further, SBI Life's CSR policy provides a structured framework to carry out all Corporate Social Responsibility activities contributing to the betterment of the society.

2. Are the programmes/projects undertaken through in-house team/own foundation / external NGO/government structures/any other organization?

SBI Life's in-house team drives the CSR projects, which are executed with the help of implementing partners registered as either

- Trust or
- Society or
- Section 8 Company or
- Directly with Government department / agency to leverage the expertise in the specific sector for more meaningful impact. The Company has decentralized structure where projects up to the certain financial limits are identified, evaluated, implemented and monitored at regional level. The projects with extensive budget and spread across states are initiated, implemented and evaluated by the central CSR team based at SBI Life's corporate office.

3. Have you done any impact assessment of your initiative?

SBI Life has defined monitoring tools and performance indicators, which are customized for various projects.

Both qualitative as well as quantitative parameters are considered while evaluating the impact of the project.

In FY 2020-21, SBI Life impacted 4,30,000 lives across the country through its various CSR initiatives. 27,000 out of these were children, youth and women across 22 states who have benefitted out of the support extended by SBI Life through its educational initiatives like- support in the form of educational material / sponsorship / infrastructure facilities etc. Impact evaluation of such initiatives show increased number of enrolments, enhanced academic performance of the children, improved attendance.

Similarly, over 3,98,400 beneficiaries across 18 states had received support under health interventions – both regular and COVID-19 relief efforts. Initiatives under health interventions are tracked for performance with indicators like patient registrations, patient's savings on the treatment, improved knowledge of patients on various health issues, etc.

Further, SBI Life supported 2,600 people through its disaster relief initiatives and covered under 2,000 people under its environmental relief efforts.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

In FY 2020-21, SBI Life has contributed ₹ 26.25 Crore under various CSR initiatives, details of the contributions are listed below:

Sr. No.	CSR Project	Sector in which the Project is covered	Project reach	Total Amount Spent in FY 20-21 (₹ in Cr)
1	Support towards the infrastructure development of school premises, hostels, playgrounds, classrooms, digital equipment for building smart classrooms, sanitation facilities, kitchen facilities, transport facilities to various schools in rural areas	Education	Across 22 States	0.45
2	Support towards infrastructure, education and training to visually challenged, mentally & differently abled children.	Education		2.79
3	Support towards education, nutrition and overall development of underprivileged children from the society.	Education		11.14
4	Support for vocational training and skill development to people from disadvantaged sections of the society in order to enhance their livelihood opportunities.	Education	Maharashtra & Uttar Pradesh	0.13
5	Support for regular healthcare including development of infrastructure, preventive care and treatment support for cancer and other diseases and healthcare- COVID 19 relief efforts	Healthcare	More than 18 States	10.49
6	Environmental Sustainability Initiatives including planting and maintenance of saplings and support towards renewable energy	Environmental Sustainability	Maharashtra, & Odisha	0.13
7	Disaster Relief Support in the form of providing relief material to the victims of flash floods, arranging clean-up and disinfection drives, and providing warm clothes and other essentials	Disaster Management	Pan India, West Bengal & Maharashtra	1.12

Business Responsibility Report (Contd.)

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

As guidelines, the implementing partner has to have minimum 3 years of experience in implementing similar projects. This ensures that partner has developed skill set in community mobilization as well as proposed activities are tested on the ground for community acceptance. Additionally, implementing partners are advised to use tools like rural participatory appraisal during need assessment to ensure community involvement from beginning. Assistance is provided to implementing partners in developing Information Education Communication (IEC) material having local community focus.

This is also supplemented by progress reports, photographs etc. documenting the involvement of the community. Implementing partners are advised to train community leaders from sustainability perspective.

Exit strategy highlighting how the ownership will be transferred to community is an integral part of the project document.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Not applicable considering the nature of business of the Company. With respect to products and services, the Company complies with the disclosures requirements.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

In the ordinary course of insurance business, several customers have disputes with the Company which could result in their filing a civil suit, criminal complaint or a consumer complaint alleging deficiency of services. The Company always strives to have a cordial relationship with its customers and attempts to have an amicable settlement of the dispute but in some cases needs to pursue legal resolution of the same.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company has implemented Net Promoter Score (NPS) as a management tool that is used to gauge the loyalty of a firm's customer relationships. Net Promoter Score has been deployed to conduct customer experience feedback survey across various touch-points. These feedbacks aid in tracking, measuring & improving the client experience effectively.

PRINCIPLE 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

There was only 1 complaint (0.03% of total complaints received in FY 2020-21) outstanding at the end of FY 2020-21. We had received only 3,220 complaints during the FY 2020-21 which is 0.19% of total policies issued during the financial year. This status puts us best in the industry. Customer complaints are received through Call Center, E-mail, SMS, WhatsApp, Company website, mobile app Easy Access and walk-in at our branch offices across the country. Customer complaint can be registered at SBI branch. SBI Bank CRM is directly integrated with our CRM for seamless flow of customer grievance for time bound resolution.

Enterprise Risk Management

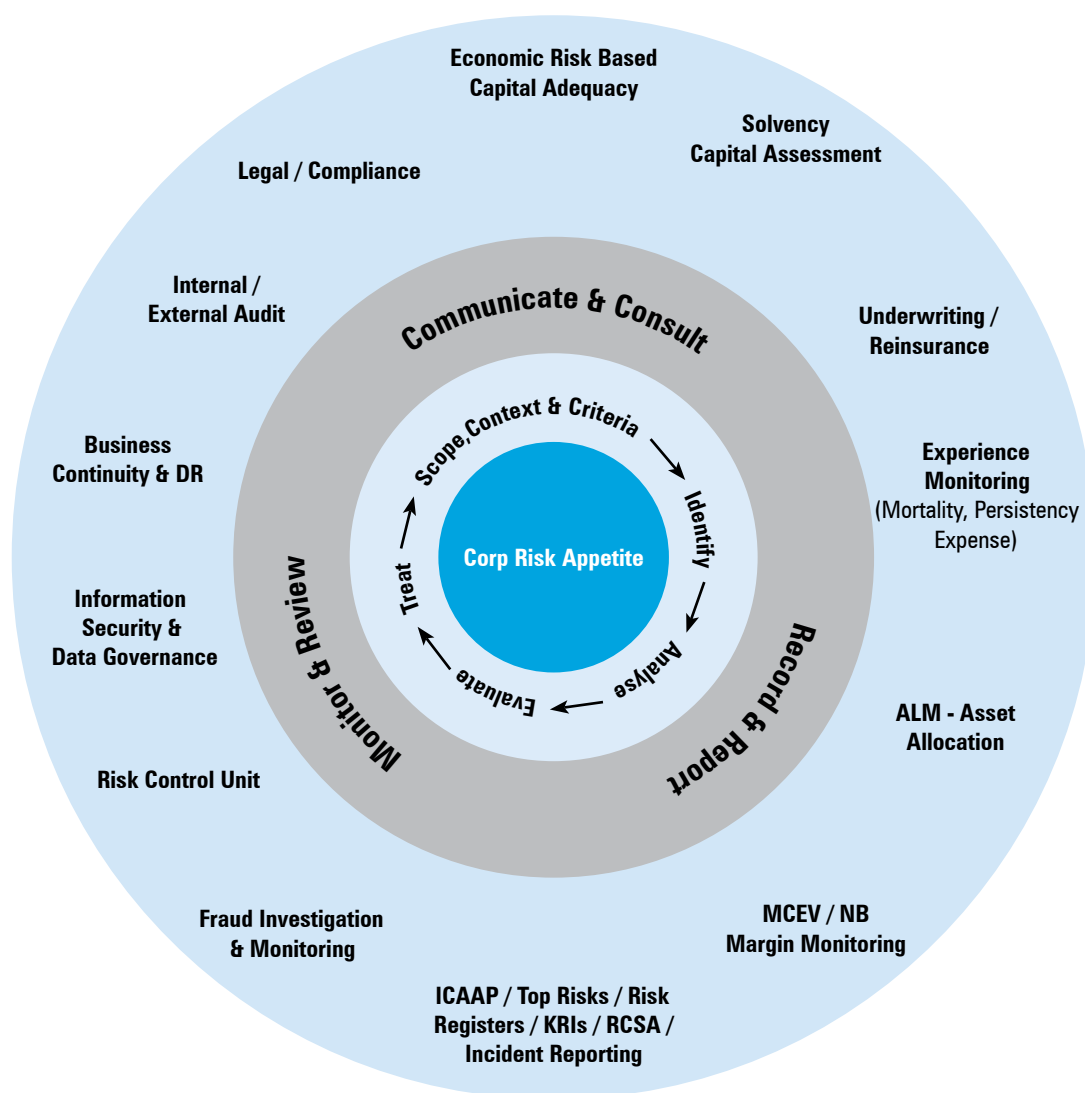
RISK MANAGEMENT FRAMEWORK

Effective management of risks is essential to achieve the Company's strategic, business and operational objectives and goals with a degree of assurance. In line with its quest for implementation of Enterprise Risk Management, SBI Life has developed a robust Risk Management Framework to identify, assess and mitigate its key business & strategic risks. The Company has also formulated a set of Risk Appetite Statements as the centrepiece of this framework so as to integrate risk management with strategic business objectives and lay down the overall risk appetite for the organisation.

The Enterprise Risk Management at SBI Life encompasses all risks including Strategic Risk, Insurance Risk, Investment / Market Risk, Reputation Risk and Operational Risks like Fraud Risk, Information & Cyber Security Risk, Compliance Risk, Business Continuity Risk, etc.,

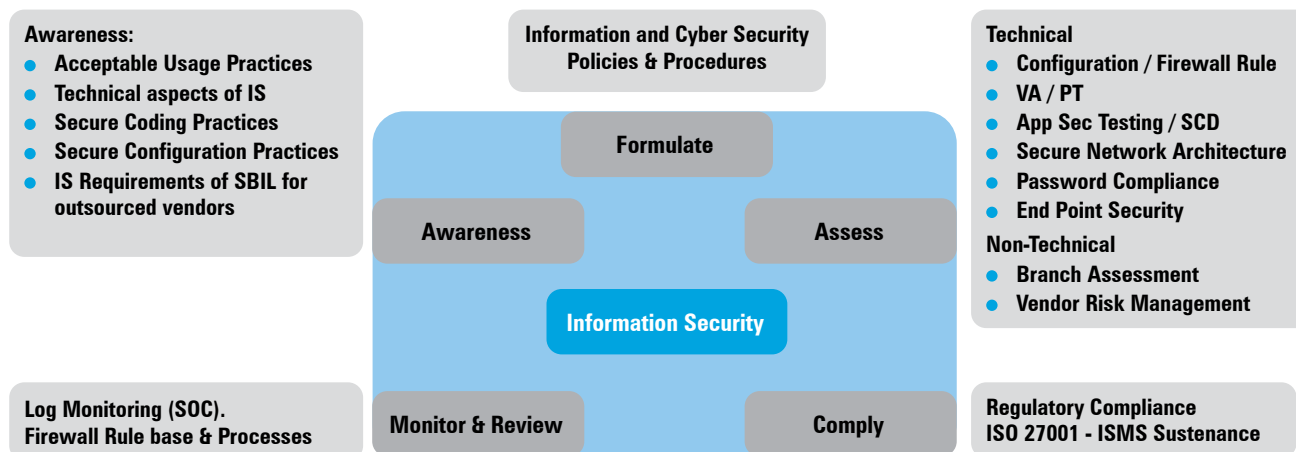
The ISO 31000:2018 'Statement of Compliance' issued by British Standards Institution (BSI), in May 2018, for Enterprise Risk Management System of SBI Life covers all departments and functions at Corporate Office, Central Processing Centre, Regional & Branch Offices of the Company.

The Company has various Committees' to manage its risks. The Company considers risk management to be fundamental to prudent management practice and a significant aspect of Corporate Governance. The Risk Management framework at SBI Life is depicted in the following diagram-



Enterprise Risk Management (Contd.)

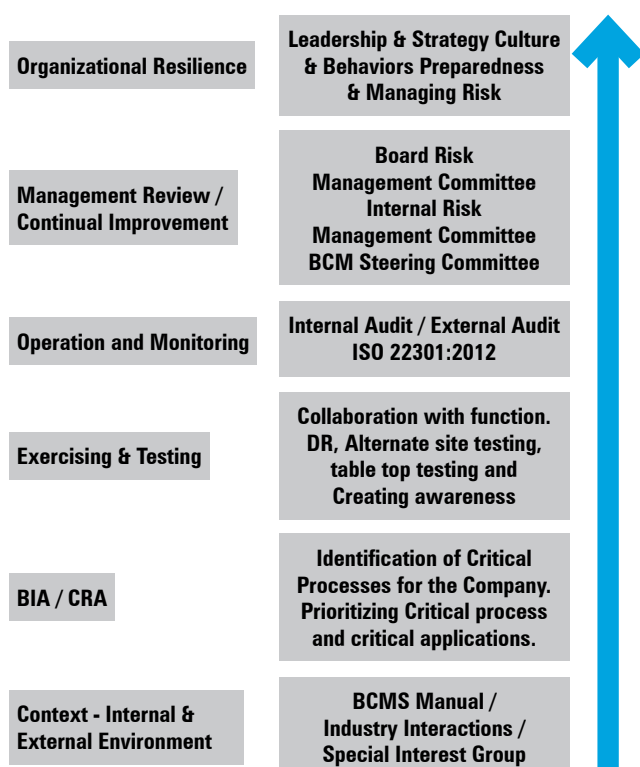
INFORMATION SECURITY FRAMEWORK



The Company considers information security as a critical area and has a fully functional Information Security Team (IST) headed by Chief Information Security Officer (CISO). Information security practices of the Company are ISO 27001:2013 certified. The Information Security Committee (ISC), convened by the CISO, oversees all information security related activities that are carried out by the Company. Update of information security activities are presented to the Board Risk Management Committee on a regular basis.

The Company's Business Continuity Management (BCM) practices are ISO 22301:2012 certified. BCM activities are planned in such a manner that testing of the business continuity plans is regularly done in coordination with the concerned department / function. Proper planning and regular testing enabled the Company to successfully continue its essential / critical processes even during the complete lockdown due to Covid-19. Adequate Work from Home (WFH) connections were extended to Employees to continue the operations of the Company.

BUSINESS CONTINUITY MANAGEMENT FRAMEWORK



Data Governance Framework

The Company is in the process of implementing a Data Governance Framework. As a first step in this regard a Data Governance Policy (DGP) was formulated and approved by the Board. The policy provides a set of principles and rules for managing and protecting data across the Company. A Data Governance Committee has been formed to overlook the Data Privacy and Protection aspects. A Data Protection Team headed by a Data Protection Officer has been set up and is responsible for planning, organizing, directing and coordinating data governance activities across the Company.

The key focus areas of the above Risk Management frameworks are:

- Strategic Risk Assessment & Capital Planning
- Governance
- Risk Universe
- Risk Awareness

a. Strategic Risk Assessment & Capital Planning –

SBI Life conducts Strategic Risk Assessment activity for identification, assessment, mitigation, monitoring and controlling Top risks facing the Company on an annual basis. There is a well established Asset Liability Management process along with Strategic Asset Allocation based on matching of liabilities with different asset classes & duration. As a part of

Capital Budgeting activity, the Company develops a 5-year Capital Rolling Plan which is regularly monitored. Risk assessment and risk management forms an integral part of these activities. Further, the risk categories have been standardised to ensure seamless assessment. The same are described in SBI Life Risk Management Policy & Internal Capital Adequacy Assessment Process (ICAAP) document. These documents are reviewed by the Risk Management Committee of the Board on an annual basis.

b. Governance

A risk reporting process has been formulated and implemented to manage risk governance requirements. Risk management is considered to be the responsibility of every employee of the Company and the same is driven by the Board.

The Company conducts an annual risk assessment exercise to identify the major risks faced by the Company for the ensuing year. Based on the same, top risks are identified and assigned to relevant risk owner for appropriate mitigation. Mitigation plans are monitored on a periodic basis.

A quarterly Risk Management Committee (RMC) of Executives and Asset Liability Committee (ALCO) is convened to discuss the ongoing risk management issues. In accordance with the IRDAI Corporate Governance guidelines, the Company has also set up RMC at the Board level. These Committees meet on a quarterly basis. The RMC of the Board provides directions on Risk Management & Asset Liability Management.

c. Risk Universe-

The Company is exposed to several risks in pursuit of its business goals and objectives. The Company has put in place adequate safeguard(s) to mitigate these risks. In the capital adequacy framework, various risks are assessed and quantified by allocating capital to each risk at the desired level of confidence. Some of the key risk areas and their assessment are detailed below:

Operational Risk - Operational risks are managed through tools like Risk Registers, Risk Control Self-Assessment (RCSA), Incident Reporting, Business Continuity Planning, Information Security assessments and Key Risk Indicators (KRIs). The risks are discussed with stakeholders and mitigation strategies are devised with appropriate monitoring & control.

Market Risk - The Investments department complies with all regulations on Investments issued by IRDAI from time to time. Investments are done strictly in line with the IRDAI regulations. The Investment Policy is exhaustive and covers all the key areas of risk management & reporting with regard to Market Risk. Market risk is further mitigated by matching assets and liabilities by type and duration and matching cashflows. A strategic asset allocation is approved by the ALCO for each business segment optimizing risk and reward of each asset class in the context of the asset liability profile of the segment. Guarantees provided on the products are assessed and monitored on an ongoing basis.

The Company undertakes economic capital assessment periodically to assess its capital adequacy on an economic basis.

Insurance Risk - Insurance risk is managed at the process level through appropriate system validations and functional structuring with the aid of analytical & modeling tools. The Actuarial team has formulated policies like Stress Test Policy, Reinsurance Policy and ALM Policy for Asset Liability Management.

d. Risk Awareness –

Sensitization and awareness creation of Risk Management across the Company is done through Training, Workshops, E-mailers, Seminars, Conferences, Quizzes, and Compendium of Loss incidents. 1st September of every year is celebrated as Risk Awareness Day wherein customized messages / emailers / audio visuals are broadcasted to enhance the risk awareness levels among employees. 30th November of every year is observed as 'Computer Security Day.' This occasion is used to create awareness in respect of information and cyber security in the Company. January 28th of every year is celebrated as 'Data Protection Day' and used to sensitise employees on data privacy and protection.

Management Report

In accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, and circulars/guidelines issued by IRDAI thereafter, the following Management Report is submitted by the Board of Directors for the financial year ended March 31, 2021.

1. CERTIFICATE OF REGISTRATION

The Company is registered with the Insurance Regulatory and Development Authority of India ('IRDAI') vide registration no. 111 dated March 29, 2001 and is carrying on the business of life insurance. We confirm that the Certificate of Registration granted by the Insurance Regulatory and Development Authority of India ('IRDAI') to enable the Company to transact life insurance business was valid as at March 31, 2021 and is in force as on the date of this report.

2. STATUTORY DUES

We certify that all relevant statutory dues payable by the Company have been generally deposited on time except those under dispute or disclosed under contingent liabilities in the notes to accounts forming part of the financial statements.

3. SHAREHOLDING PATTERN

We confirm that the shareholding pattern of the Company is in accordance with the requirements of the Insurance Act, 1938 (amended by Insurance Laws (Amendment) Act, 2015 and Insurance laws (Amendment) Act, 2021) ('Act') and the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000. Further, transfer of shares during the year have been in compliance with the applicable statutory and regulatory requirement. There was no capital infusion by the promoters during the year. During the year, the Company has allotted Equity shares on exercise of certain stock options granted under SBI Life Employees Stock Option Scheme 2018 ('the Scheme' or 'ESOS 2018').

The shareholding pattern is available in Schedule 5A which forms part of the financial statements. Further, the shareholding pattern in accordance with the SEBI (Listing Obligation and Disclosure Requirement Regulations) Requirement 2015 is available on the website of the Company (www.sbilife.co.in) and on the website of the Stock exchanges i.e. NSE and BSE.

4. INVESTMENT OF FUNDS

We have not directly or indirectly invested the funds of the holders of the policies issued in India in any securities outside India.

5. SOLVENCY MARGIN

We confirm that the Company has adequate assets to cover both its liabilities and the minimum solvency margin as stipulated in Section 64VA of the Insurance Act, 1938

(as amended by the Insurance Laws (Amendment) Act, 2015 and Insurance Laws (Amendment) Act 2021) and IRDAI (Assets, Liabilities and Solvency Margins of life Insurance Business) Regulations 2016.

The actual solvency ratio as compared to required minimum solvency ratio of 1.50 are as below:

Particulars	March 31, 2021	March 31, 2020
Actual Solvency Ratio	2.15	1.95

6. VALUATION OF ASSETS

We certify that the values of all the assets have been reviewed on the date of Balance Sheet and to best of our knowledge and belief, the amounts reflected under "Loans", "Investments" (excluding debt securities held in the Shareholders' account and non-linked Policyholders' account which are carried at weighted average amortised cost), "Agents' balances", "Outstanding Premium", "Interest, Dividend and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amount due from other persons or bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the items specified under "Other Accounts" does not exceed their respective realizable or market value.

7. APPLICATION AND INVESTMENTS OF LIFE INSURANCE FUNDS

We certify that no part of the life insurance fund has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 (amended by Insurance Laws (Amendment) Act, 2015 and Insurance Laws (Amendment) Act 2021), and all investments made are in accordance with IRDAI (Investment) Regulations, 2016, and orders/directions issued by IRDAI thereafter.

8. RISK EXPOSURE AND MITIGATION

The Company has a comprehensive Risk Management Policy covering a wide gamut of risks. The policy is reviewed on an annual basis. Together with policies on all key functions and a system of documented standard operating procedures, the Company's risk management policy ensures a robust risk management framework for its operations. The Risk Management Committee of the Board (RMC-B) is responsible for overseeing the Company's risk management program and for ensuring that significant risks to the Company are monitored and reported to the Board on a timely basis.

The Risk Management Committee of the Executives (RMC-E) and the Asset Liability Committee (ALCO) are jointly responsible for reviewing the risk management framework of the Company and periodically evaluating the various risk management initiatives undertaken by the Company and provide updates to the RMC-B on a regular basis.

At the apex level, the Company has the Corporate Risk Appetite statement basis which it decides the extent

of risk it is willing to take in pursuance of its strategic objectives. At the departmental / regional level, the Company has functional risk appetite statements.

(I) Risk Mitigation Strategies

Risk mitigation strategies for major risks faced by the Company are as under:

(a) Market risk:

To manage the interest risk, the Company monitors the duration of assets and liabilities for different portfolios on quarterly basis. Also, expected cash-flows of the assets and liabilities are monitored closely to identify any potential re-investment risk.

Investment strategy for each line of business is laid down so that the assets are appropriately matched by the nature and duration of liabilities. A range is provided for each asset class and the investment front office team takes tactical investment decision within the stated range. The Corporate Risk Appetite is the basis on which the risk reward framework is optimized for this purpose.

All investments are made strictly in compliance to the IRDAI Investment Regulations issued from time to time.

Market risk is monitored at the fund level and the Company level. This risk is measured using certain real world stress test scenarios. The results provide insights into the ability the Company has in terms of asset allocation. The limit on some volatile / risky assets is decided based on the risk appetite / limits laid down by the Board. Within these constraints, the Company decides on a strategy so as to improve policyholders and company value.

The Company's product mix is also monitored in the context of the level and concentration of market risk within overall risks of the Company.

(b) Credit risk:

The Company manages the credit risk through the following measures:

- (i) Exposure limits for companies, groups and industries are in accordance with IRDAI (Investment) Regulations, 2016, and regulations/orders/directions issued by IRDAI thereafter.
- (ii) Internal risk assessment and constant monitoring of the Investment portfolio for change in credit ratings.
- (iii) Limit Credit Exposure by setting a range for investments in Corporate Bonds, in the context of risk reward framework.

- (iv) Counterparty risk is mitigated by placing reinsurance only with reputed and highly rated reinsurers.

- (v) Counterparty credit risk under derivative transactions is mitigated through exchange of margin once MTM threshold is crossed.

(c) Liquidity risk:

The Company faces limited liquidity risk due to the nature of its liabilities & business structure. The cash investment along with expected future premium from existing business provides the liquidity to meet outgoes; this is monitored to be sufficient to cover expected outgo of the Company as forecasted by the ALM team under normal condition as well as under stressed conditions.

(d) Morbidity and Mortality risk:

The Company uses the following approaches to manage its mortality and morbidity risk:

- (i) **Reinsurance:** The Company uses a combination of surplus, quota share and catastrophe reinsurance treaties. The reinsurance treaties are reviewed and compliant with the relevant IRDAI regulations.
- (ii) **Experience Analysis:** The Company monitors the expected vs. actual mortality experience on quarterly basis and takes corrective action, if need be.
- (iii) **Repricing:** The Company reserves the right to review risk charges, in case of adverse experience, with appropriate IRDAI approval.
- (iv) **Underwriting and claims controls:** Underwriting and claims policies and procedures are in place to assess and manage the risks. The Company conducts periodic reviews of both underwriting and claims procedures and policies to ascertain the mortality risk experience. The underwriting norms are generally aligned to pricing basis.
- (v) **Others:** Various measures have been recently introduced to combat fraudulent death claims and as response to the modification of section 45 of the Insurance Act. These include:
 - a. Monitoring the early claims at agent, unit manager, branch and regional level.
 - b. Introduction of risk based underwriting through claim analysis.

Management Report (contd.)

(e) **Persistency risk:**

The persistency risk is managed with the following approaches:

- (i) **Experience analysis:** The Company conducts its experience analysis quarterly to ensure that corrective action can be initiated at the earliest opportunity and that assumptions used in product pricing and embedded value are in line with experience.
- (ii) **Product features:** The Company uses features like bonuses, guaranteed additions and additional allocation of units to encourage policyholders to continue with the policy. However, such features are included strictly in compliance with the IRDAI product regulations issued from time to time.
- (iii) **Service initiatives:** The Company uses a combination of proactive and reactive interventions to manage persistency. The interventions could include sending communication via different media like email, mailers, SMS to customers and distributors, reminders and telephonic interviews with customers, and visits to customers. Various customer education initiatives are also taken up for this cause.
- (iv) **Aligning key performance areas:** The Company uses different key performance areas for different levels of hierarchy in Sales and Operations to align interests and ensure adequate focus on persistency. Persistency Managers at regional level help focus on the need and requirements matching of the customers besides contributing to the renewal business.

(f) **Expense risk:**

The Company actively monitors its expense levels, which are then fed back into new product pricing, calculation of reserves and management reporting. In case of any adverse deviations between actual unit costs and planned unit costs, mitigation measures are taken.

Regular monitoring ensures that the actual expense does not vary a great deal from the budgeted expense level.

Stress testing for Expense Risk is being done with deterministic shocks as per historical experience given for entire portfolio.

(g) **Operational risk:**

The Company manages its Operational Risks through-

- (i) **Risk Registers**
Risk Registers document the high level risks for all the offices based on likelihood &

impact rating. Controls in place to manage the risks are captured and rated to arrive at the residual risk.

(ii) **Risk Control Self-Assessment (RCSA)**

RCSA requires each business unit within the Company to identify and assess inherent risks and controls relevant to the risk. The risk events are then mapped to the existing control framework to determine the residual risk. The controls are periodically assessed for its effectiveness.

(iii) **Incident Reporting**

The Company also has a web-based incident reporting process to collect loss incidents to track the extent of operational risk. The incident reporting tool has helped the company in development of system based modules for operational efficiency and to prevent recurrence. Loss data records may be used to estimate the capital required for operational risk.

(iv) **Risk Control Unit (RCU)**

A 'Risk Control Unit' (RCU) is in place to undertake proactive measures for detecting process gaps / weakness so as to mitigate frauds / leakages. Lacunae observed are addressed in consultation with the relevant stakeholder. The RCU carries out 'Risk Assessments,' reviews processes and provide inputs to mitigate risks.

(v) **Fraud Monitoring**

The Company takes a holistic approach to identify, measure, control and monitor fraud risk through the Fraud Prevention Policy. Various measures taken in coordination with the concerned stakeholders to mitigate fraud risk. The Company also participates in Industry forums to proactively obtain information on latest fraud trends.

(vi) **Information Security**

The Information Security Committee (ISC) monitors information and cyber security risks. The Company complies with relevant regulatory and statutory information security requirements and is ISO 27001 certified. To further enhance the information security, the Company periodically conducts user awareness campaigns across locations.

(vii) **Data Protection**

The Company employs various data protection solutions to ensure that the data of its customers, employees, vendors and other stakeholders is appropriately

handled through its life cycle. A Data Governance Framework is in the process of being formulated by the Company.

(viii) Business Continuity Management

The Company has requisite business continuity and disaster recovery plans in place and is ISO 22301 certified. The Company adheres to the Business Continuity requirements notified by the Authority.

(h) Regulatory risk:

Compliance function monitors regulatory risks and has a sound compliance management and suitable monitoring mechanisms in place. Relevant regulatory requirements and clarifications are communicated to relevant business functions on a timely basis. Suitable training is imparted to ensure adherence to applicable regulations.

(i) Reputational risk:

The Company has a structured process for identifying and managing risks emerging from reputational and other external events. Such events are discussed in the Risk Events Monitoring Committee, which meets on a quarterly basis. Events impacting the reputation are also monitored through the Corporate Risk Appetite statement.

(j) Legal risk:

Litigation cases are reviewed periodically by the senior management and appropriate steps are taken to adequately represent the Company in various forums.

(k) Country Risk:

The Company had obtained necessary regulatory approvals from IRDAI and Central Bank of Bahrain (CBB) for opening branch office in Kingdom of Bahrain to conduct life insurance business. The Board in its meeting held on January 22, 2020 have resolved to surrender the Certificate of Commencement issued by the Central Bank of Bahrain (CBB) and to withdraw all the resources of the Company in accordance to the applicable laws. During the year ended March 31, 2021, the Company has surrendered the Certificate of Commencement and Insurance license issued by CBB for branch office in Kingdom of Bahrain and withdrawn all the resources of the Company from Bahrain branch and do not foresee any Country Risk.

(l) COVID19

The Outbreak of COVID-19 virus continue to spread across the globe including India, resulting in significant impact on global and India's economic environment including

volatility in the capital markets. This outbreak was declared as global pandemic by World Health Organisation (WHO) on March 11, 2020. The Company has assessed the overall impact of this pandemic on its business and financials, including valuation of assets, policy liabilities and solvency for the year ended March 31, 2021. Based on the evaluation, the company have made an additional reserve amounting to ₹ 1,829,818 thousands towards COVID-19 pandemic and the same has been provided for as at 31/03/2021 in the actuarial policy liability. The Company will continue to closely monitor any future developments relating to COVID-19 which may have any impact on its business and financial position.

(II) Risk Quantification, Capital Allocation and Concentration:

The Company has a mechanism to allocate risk capital to various risks on an economic basis. The exposure level to various risks is monitored so as to ensure that concentration does not happen in any particular area of risk. The Company also ensures that adequate capital is maintained to cover its risks and thereby remain solvent on an economic basis.

9. OPERATIONS IN OTHER COUNTRIES:

The Company had obtained necessary regulatory approvals from IRDAI and Central Bank of Bahrain (CBB) for opening branch office in Kingdom of Bahrain to conduct life insurance business. The Board in its meeting held on January 22, 2020 have resolved to surrender the Certificate of Commencement issued by the Central Bank of Bahrain (CBB) and to withdraw all the resources of the Company in accordance to the applicable laws. During the year ended March 31, 2021, the Company has surrendered the Certificate of Commencement and Insurance license issued by CBB for branch office in Kingdom of Bahrain and withdrawn all the resources of the Company from Bahrain branch.

10. AGEING OF CLAIMS

Mortality Claims Average Settlement period for last 6 years

Financial Year	Average Claim Settlement Time (in days)
FY 2021	4.26
FY 2020	2.76
FY 2019	2.76
FY 2018	3.71
FY 2017	4.43
FY 2016	4.48

Management Report (contd.)

The ageing of claims* registered and not settled are as below:

(i) Traditional Claims

Year	Upto 30 Days		30 Days to 6 Months		6 Months to 1 Year		1 Year to 5 Years		5 Years & Above	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
FY 2021	19,031	19,200	6,520	5,961	52	69	-	-	-	-
FY 2020	17,083	10,979	2,690	1,364	517	146	3	6	-	-
FY 2019	779	1,002	2,102	686	1	1	9	19	3	14
FY 2018	1,792	5,000	2,436	3,222	6	60	22	82	2	36
FY 2017	181	311	1,315	1,480	12,410	432	32,982	1,618	199	14
FY 2016	4,677	1,638	20,766	3,545	8,022	354	5,389	1,161	305	19

(ii) Ulip Claims

Year	Upto 30 Days		30 Days to 6 Months		6 Months to 1 Year		1 Year to 5 Years		5 Years & Above	
	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount
FY 2021	7,374	27,327	330	2,436	2	17	1	7	-	-
FY 2020	2,417	8,196	197	896	19	339	-	-	-	-
FY 2019	1,022	4,340	179	390	-	-	-	-	-	-
FY 2018	976	4,042	112	492	3	10	14	47	1	1
FY 2017	2,411	7,926	30	153	13	41	86	376	18	43
FY 2016	3,465	6,819	304	767	169	451	538	1,084	4	17

*Claims includes death, maturity, survival, surrender, withdrawal, annuity and health

11. VALUATION OF INVESTMENTS

We certify that the investments made out of Shareholders' funds and Non-Linked Policyholders' funds in debt securities, redeemable preference shares are classified as "held to maturity" and stated at historical cost subject to amortization of premium or accretion of discount over a period of holding / maturity on yield to maturity basis. Fixed Deposit and Reverse Repo are valued at cost.

The book value and the market value of these investments are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Book Value	Market Value	Book Value	Market Value
Non-linked and shareholder funds' Investments valued at book value subject to amortisation of premium & discount	901,545,567	945,034,826	711,988,243	759,071,200
Non-linked and shareholder funds' Investments valued at market value	114,639,916	145,016,384	125,252,145	105,993,306
Total investments in non-linked and shareholder funds	1,016,185,483	1,090,051,210	837,240,388	865,064,506

i. Valuation – shareholders' investments and non-linked policyholders' investments

Debt securities

Debt securities, including Government securities and money market securities are stated at historical cost subject to amortisation of premium or accretion of discount over a period of holding/ maturity on yield to maturity basis.

Investments in Fixed Deposits with banks and Reverse Repo are valued at cost.

Equity, equity related instruments & preference shares

Listed equity shares, equity related instruments & preference shares are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, the closing price at primary exchange i.e. NSE is considered.

If NSE closing price is not available for any security, then BSE closing price is used for valuation.

Unlisted equity shares, equity related instruments & preference shares are measured at historical cost.

In case of Security Lending & Borrowing ('SLB'), Equity Shares lent are valued as per valuation policy for equity shares as mentioned above.

Additional Tier 1 (Basel III Compliant) Perpetual Bonds classified under "Equity" as specified by IRDAI, are valued at prices obtained from Credit Rating Information Services of India Limited ('CRISIL').

Unrealised gains or losses arising due to change in the fair value of equity shares are recognised in the Balance Sheet under "Fair value change account".

On each balance sheet date, the Company assess whether impairment of listed equity securities has occurred. Any impairment loss is recognised as an expense in the Revenue or Profit and Loss Account to the extent of the difference between the re-measured fair value of the security or investment and its weighted average cost as reduced by any previous impairment loss recognised as an expense in the Revenue or Profit and Loss Account. Any reversal of impairment loss, earlier recognised in Revenue or Profit and Loss Account, is recognised in the Revenue or Profit and Loss Account.

Mutual funds

Investments in mutual funds are valued at the previous day's Net Asset Value (NAV). Unrealised gains or losses arising due to change in the fair value of mutual fund units are recognised in the Balance Sheet under "Fair value change account".

Alternative Investment Funds (AIFs)

Investments in Alternative Investment Funds (AIFs) are valued at latest available NAV. Unrealised gains or losses arising due to change in the fair value of Alternative Investment Funds (AIFs) are recognised in the Balance Sheet under "Fair value change account".

Interest Rate Derivatives (IRDs)

Interest Rate Derivative (IRD) contracts for hedging of highly probable forecasted transactions on insurance contracts and investment cash flows in life, pension and annuity business, are accounted for in the manner specified in accordance with 'Guidance Note on Accounting for Derivative Contracts' issued by the Institute of Chartered Accountants of India (ICAI) in June 2015 effective from FY 2016-17, IRDAI circular no. IRDA/F&I/INV/CIR/138/06/2014 dated June 11, 2014 ('the IRDAI circular on Interest Rate Derivatives') and IRDAI Investment Master Circular issued in May 2017.

The Company has well defined Board approved interest rate risk hedging Policy and Process document covering various aspects related to functioning of the derivative transactions undertaken to mitigate interest rate risk as per the Interest rate risk hedging strategy. At the inception of the hedge, the Company designates and documents the relationship between the hedging instrument and the hedged item, the risk management objective, strategy for undertaking the hedge and the methods used to assess the hedge effectiveness. Hedge effectiveness is the degree to which changes in the fair value or cash flows of the hedged item that are attributable to a hedged risk are offset by changes in the fair value or cash flows of the hedging instrument. Hedge effectiveness is ascertained at the time of

inception of the hedge and periodically thereafter at Balance Sheet date.

Forward Rate Agreement ("FRA") is a forward contract to hedge the risk of movements in interest rates. In a FRA contract, the Company fixes the yield on the government bond for the period till the maturity of the contract. The Company enters into FRA to hedge interest rate risk on forecasted transactions: a) Reinvestment of maturity proceeds of existing fixed income investments; b) Investment of interest income receivable; and c) Expected policy premium income receivable on insurance contracts which are already underwritten in Life, Pension & Annuity business.

The Company follows "hedge accounting" for accounting of all Interest rate derivative financial instruments as per Guidance Note on Accounting for Derivative Contracts issued by Institute of Chartered Accountants of India (ICAI).

The Forward Rate Agreement (FRA) contract is valued at the difference between the market value of underlying bond at the spot reference yield taken from the SEBI approved rating agency and present value of contracted forward price of underlying bond including present value of intermediate coupon inflows from valuation date till FRA contract settlement date, at applicable INR-OIS rate curve. The fair valuation or Mark to market valuation of the derivative financial instruments is done independently by both the parties i.e. the Company and the counter party. The counter party (bank) valuation is considered for margin settlement as the counter party (bank) is the valuation agent as per forward rate agreement.

Hedging instruments are initially recognised at fair value and are re-measured at fair value at subsequent reporting dates. The effective portion of fair value gain / loss on the interest rate derivative that is determined to be an effective hedge is recognised in equity account i.e. "Hedge Fluctuation Reserve" or "HFR" under the head 'Credit/(Debit) Fair Value Change Account' in the Balance Sheet and the ineffective portion of the change in fair value of such derivative instruments is recognised in the revenue account or profit and loss account in the period in which they arise. The fair value gain / loss on the interest rate derivative that is determined to be an ineffective hedge is recognised in the revenue account or profit and loss account in the period in which they arise.

The accumulated gains or losses that were recognised in the Hedge Fluctuation Reserve are reclassified into Revenue Account or profit and loss account, in the same period during which the income from investments acquired from underlying forecasted cash flow is recognized in the Revenue Account or profit and loss account. Hedge accounting

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is discontinued when the hedging instrument is terminated or it becomes probable that the expected forecast transaction will no longer occur or the risk management objective is changed or no longer expected to be met. On such termination, accumulated gains or losses that were recognised in the Hedge Fluctuation Reserve are reclassified into Revenue Account or profit and loss account. Costs associated with derivative contracts are considered as at a point in time cost.

Real Estate Investment Trusts (REITs)/ Infrastructure Investments Trusts (InvITs)

The Investment in Units of REITs / InvITs are valued at Market Value (last quoted price should not be later than 30 days). For the purpose of determining market value, the closing price at primary exchange i.e. NSE is considered. If NSE closing price is not available for any security, then BSE closing price is used for valuation. Where market quote is not available for the last 30 days, the units are valued as per the latest NAV (not more than 6 months old) of the units published by the trust. Unrealised gains or losses arising due to change in the fair value of Real Estate Investment Trust (REITs)/Infrastructure Investments Trusts (InvITs) are recognised in the Balance Sheet under "Fair value change account".

ii. Valuation – Linked business

Debt securities

Debt securities including Government securities with remaining maturity of more than one year are valued at prices obtained from CRISIL.

Debt securities including government securities with remaining maturity of less than one year are valued on yield to maturity basis, where yield is derived using market price provided by CRISIL on the day when security is classified as short term. If security is purchased during its short term tenor, it is valued at amortized cost using yield to maturity method. In case of securities with options, earliest Call Option / Put Option date will be taken as maturity date for this purpose.

Money market securities are valued at historical cost subject to amortisation of premium or accretion of discount on yield to maturity basis.

Investments in Fixed Deposits with banks and Reverse Repo are valued at cost.

Equity, equity related instruments & preference shares

Listed equity shares, equity related instruments & preference shares are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, closing price at primary exchange i.e. NSE is considered.

If NSE closing price is not available for any security, then BSE closing price is used for valuation.

Unlisted equity shares, equity related instruments & preference shares are measured at historical cost.

In case of Security Lending & Borrowing (SLB), Equity Shares lent are valued as per valuation policy for equity shares as mentioned above.

Additional Tier 1 (Basel III Compliant) Perpetual Bonds classified under "Equity" as specified by IRDAI, are valued at prices obtained from CRISIL.

Unrealised gains or losses arising due to change in the fair value are recognised in the Revenue Account.

Mutual funds

Investments in mutual funds are valued at the previous day's Net Asset Value (NAV). Unrealised gains or losses arising due to change in the fair value of mutual fund units are recognised in the Revenue Account.

Real Estate Investment Trusts (REITs)/ Infrastructure Investments Trusts (InvIT)

The Investment in Units of REITs / InvITs are valued at Market Value (last quoted price should not be later than 30 days). For the purpose of determining market value, the closing price at primary exchange i.e. NSE is considered. If NSE closing price is not available for any security, then BSE closing price is used for valuation. Where market quote is not available for the last 30 days, the units are valued as per the latest NAV (not more than 6 months old) of the units published by the trust. Unrealised gains or losses arising due to change in the fair value of REITs units are recognised in the Revenue Account.

12. REVIEW OF ASSET QUALITY

The Company invests its funds in Government Securities, bonds & debentures, equity shares, money market instruments, fixed deposits, etc. in accordance with the Investment guidelines prescribed by IRDAI from time to time. The assets held are ₹ 220,871 crores as on March 31, 2021 and is having the following bifurcation:

Investment Category	Shareholders' Funds	Policyholders' Funds		Total
		PH - Non ULIP	PH - ULIP	
Government Securities	47.82%	56.82%	32.70%	43.78%
Corporate Bonds:				
- AAA	22.84%	20.42%	8.59%	14.29%
- AA / AA+	5.47%	2.21%	1.35%	1.89%
- AA- & Below	2.80%	0.17%	0.48%	0.43%
Equity Shares ^	18.42%	11.10%	46.17%	29.84%
Fixed Deposits with Banks	0.00%	1.83%	0.32%	0.96%
Mutual Fund*	0.00%	1.50%	1.04%	1.20%
Money Market Instruments	1.99%	4.89%	8.05%	6.44%
Others**	0.66%	1.06%	1.30%	1.17%
Grand Total	100.00%	100.00%	100.00%	100.00%
Size of Funds (₹ in Crores)	8,605	96,051	116,215	220,871

^ Includes Investment in Equity Exchange traded funds (ETF), Additional tier 1 (AT1) Bonds.

* Mutual Fund includes Liquid schemes and Debt ETF (CPSE bonds as underlying).

** Include Investment in Loans, Loan against policy, REITs, Alternate Investment Funds and Net Current Assets.

The Investments are made with strong research recommendations based on fundamentals, long term view and growth potentials. Around 81% of the equity investments are in large cap Nifty 50 Index stocks and approximately 96% (including Central Government Securities, State Government Securities and Other Approved Securities) of the rated debt investments are in AAA or equivalent rating for long term and A1+ or equivalent rating for short term instruments, which indicates the safe & reliable asset quality. The Company follows the guidelines, prescribed by IRDAI, with respect to strong Investment Risk Management Systems & Processes. Further, all the investment transactions are subject to independent Concurrent Audit.

Returns generated by Unit Linked Funds during the year are given below:

Funds	AUM as on 31st March 2021 (₹ in Crs)	Return for 1 Year		Return for 3 Years (CAGR)		Return for 5 Years (CAGR)	
		Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
EQUITY FUNDS							
Equity	27,550.96	64.71%	70.87%	11.69%	13.25%	12.95%	13.68%
Equity Pension	525.44	68.70%	70.87%	11.93%	13.25%	13.66%	13.68%
Equity Pension II	3,654.36	66.63%	70.87%	12.27%	13.25%	13.87%	13.68%
Growth	1,622.91	47.81%	49.59%	12.40%	12.50%	12.91%	12.53%
Growth Pension	191.11	49.29%	49.59%	12.74%	12.50%	13.32%	12.53%
Equity Optimiser	1,393.72	55.71%	55.37%	10.87%	12.19%	12.21%	12.48%
Equity Optimiser Pension Fund	153.13	57.65%	55.37%	13.15%	12.19%	13.95%	12.48%
Equity Elite	10.85	62.35%	55.37%	15.32%	12.19%	15.52%	12.48%
Equity Elite Fund II	6,954.81	51.94%	55.37%	11.36%	12.19%	12.75%	12.48%
Index	708.94	70.01%	70.87%	12.72%	13.25%	13.02%	13.68%
Index Pension	30.75	68.89%	70.87%	12.63%	13.25%	12.96%	13.68%
Top 300 Fund	983.43	56.86%	55.37%	13.72%	12.19%	14.30%	12.48%
Top 300 Pension Fund	184.01	56.83%	55.37%	14.02%	12.19%	14.41%	12.48%
Midcap Fund	4,058.55	77.24%	102.44%	13.41%	8.10%	NA	NA
Pure Fund	399.74	61.59%	NA	10.45%	NA	NA	NA
DEBT FUNDS							
Bond Fund	26,075.19	7.08%	7.69%	8.21%	8.99%	7.97%	8.62%
Bond Pension Fund	390.46	7.48%	7.69%	8.99%	8.99%	8.65%	8.62%
Bond Pension Fund II	10,927.00	6.86%	7.69%	7.41%	8.99%	7.46%	8.62%
Group Short Term Plus Fund	0.01	4.13%	7.69%	5.62%	8.99%	7.80%	8.62%

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Funds	AUM as on 31st March 2021 (₹ in Crs)	Return for 1 Year		Return for 3 Years (CAGR)		Return for 5 Years (CAGR)	
		Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Group Short Term Plus Fund II	1.42	5.35%	7.69%	7.38%	8.99%	8.33%	8.62%
Guaranteed Pension Fund GPF070211	6.76	5.90%	NA	7.97%	NA	8.03%	NA
RGF150611	85.28	5.52%	NA	6.95%	NA	7.19%	NA
Bond Optimiser Fund	579.69	18.86%	18.61%	NA	NA	NA	NA
Corporate Bond Fund	328.26	8.60%	8.81%	NA	NA	NA	NA
BALANCED FUNDS							
Balanced	15,732.66	33.52%	36.55%	10.87%	11.75%	11.53%	11.58%
Balanced Pension	87.87	34.75%	36.55%	12.52%	11.75%	12.69%	11.58%
Flexi Protect	0.24	1.29%	NA	3.38%	NA	4.83%	NA
Flexi Protect (Series II) Fund	0.10	1.90%	NA	4.32%	NA	6.50%	NA
Group Balance Plus	101.81	20.28%	21.47%	10.56%	10.52%	10.43%	10.20%
Group Balance Plus II	90.80	19.69%	21.47%	10.35%	10.52%	10.40%	10.20%
Group Debt Plus	3.23	12.61%	13.05%	9.75%	9.64%	9.56%	9.27%
Group Debt Plus II	133.38	11.72%	13.05%	9.61%	9.64%	9.37%	9.27%
Group Growth Plus Fund	1.70	34.28%	33.42%	12.76%	11.53%	12.52%	11.32%
Group Growth Plus Fund II	3.94	33.04%	33.42%	12.33%	11.53%	12.21%	11.32%
Daily Protect Fund I	0.07	5.07%	NA	5.96%	NA	7.39%	NA
Daily Protect Fund II	0.50	3.27%	NA	5.62%	NA	7.18%	NA
Daily Protect Fund III	4,972.90	4.71%	NA	5.95%	NA	7.53%	NA
P/E Managed Fund	330.45	38.59%	NA	9.39%	NA	10.69%	NA
LIQUID FUNDS							
Money Market	304.18	3.88%	4.10%	5.68%	5.97%	6.22%	6.37%
Money Market Pension	51.92	3.95%	4.10%	5.69%	5.97%	6.24%	6.37%
Money Market Pension II	568.87	3.67%	4.10%	5.39%	5.97%	5.96%	6.37%
Group Money Market Plus Fund	2.16	3.11%	4.10%	4.93%	5.97%	NA	NA
Group STO Plus Fund II	0.00	NA	NA	NA	NA	NA	NA
DISCONTINUED FUNDS							
Discontinued Policy Fund	5,932.08	4.87%	NA	6.55%	NA	6.38%	NA
Discontinue Pension Fund	1,079.37	5.24%	NA	7.04%	NA	6.73%	NA

NA- indicates that the fund has not completed the relevant period under consideration

Returns generated by Conventional portfolios and shareholders' portfolio during the year are given below:

Particulars	Assets Held (₹ '000)		Returns on Assets * (%)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Participating Policyholders Funds	403,896,099	308,989,714	8.73%	8.76%
Non Participation Policyholders Funds	556,618,761	440,712,373	8.15%	8.92%
Shareholders' Funds	86,047,092	68,279,462	8.58%	7.10%

* Returns are based on realized income i.e. without considering the unrealised gains and losses.

13. MANAGEMENT'S RESPONSIBILITY STATEMENT

The Management of the Company also confirm that:

- in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any;
- the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the operating profit and of the profit of the company for the year;
- the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938) (amended by Insurance Laws

(Amendment) Act, 2015 and Insurance Laws (Amendment) Act 2021), Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the management has prepared the financial statements on a going concern basis;
- (e) the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

14. PAYMENTS MADE TO INDIVIDUALS, FIRMS, COMPANIES AND ORGANISATIONS IN WHICH DIRECTORS ARE INTERESTED

The details of payments made to individuals, firms, companies and organizations in which directors are interested are as follows:

				₹ ('000)	
Sr. No.	Name of Director	Entity in which Director is interested	Interested as	FY 2021	FY 2020
1	Mr. Rajnish Kumar*	State Bank of India	Chairman	12,446,936	9,926,760
		SBI Cards and Payment Services Pvt. Ltd.	Chairman	235	226
		SBI General Insurance Company Ltd.	Director	6,507	12,259
		SBI Foundation	Chairman	-	-
		SBI Capital Markets Ltd.	Chairman	-	-
2	Mr. Dinesh Khara	State Bank of India	Chairman	12,446,936	9,926,760
		SBI Cards and Payment Services Pvt. Ltd.	Chairman	235	226
		SBI General Insurance Company Ltd.	Chairman	6,507	12,259
		SBICAPS Securities Pvt. Ltd	Chairman	32,326	25,637
		SBI DFHI Ltd.	Chairman	-	-
		SBI Global Factors Ltd.	Chairman	-	-
		SBI Foundation	Chairman	-	-
		SBI Capital Markets Ltd.	Chairman	-	-
		SBI Fund Management Pvt. Ltd.	Director	-	-
		SBI Pension Funds Private Ltd.	Director	-	-
		SBI CAP Ventures Limited	Director	-	-
		SBI CAPS Singapore Limited	Director	-	-

* Mr. Rajnish Kumar resigned on October 06, 2020.

For and on behalf of the Board of Directors

Dinesh Kumar Khara
Chairman
(DIN : 06737041)

Narayan K. Seshadri
Director
(DIN : 00053563)

Mahesh Kumar Sharma
MD & CEO
(DIN : 08740737)

Sangramjit Sarangi
President & CFO

Prithesh Chaubey
Appointed Actuary

Vinod Koyande
Company Secretary

Place: Mumbai
Date: May 03, 2021