

TATA AIG LIFE INSURANCE COMPANY LIMITED

FORM L22 - ANALYTICAL RATIOS

(Rs. In thousand)

Particulars	2006-07	2005-06
(i) <u>New business premium income growth (segment wise)</u>		
Ordinary Life - Non linked	-14%	21%
Ordinary Life - Linked	91%	120%
Group Life	-80%	122%
Credit Life	139%	258%
Health	80%	106%
Pensions - Non Linked	50%	-63%
Pensions - Linked	-39%	143%
(ii) <u>Net retention ratio (Net premium divided by gross premium)</u>		
Net premium	13,559,486	8,671,487
Gross Premium	13,671,833	8,801,938
Ratio	0.992	0.985
(iii) <u>Expenses of management [(Operating Expenses + Commission) / Total gross direct premium]</u>		
Management expenses	5,482,567	4,283,373
Total Gross Premium	13,671,833	8,801,938
Ratio	0.401	0.487
(iv) <u>Commission Ratio (Gross commission paid to gross premium)</u>		
Gross Commission	1,912,411	1,375,528
Total Gross Premium	13,671,833	8,801,938
Ratio	0.140	0.156
(v) <u>Ratio of Policyholders' liabilities to shareholders' funds</u>		
Policyholder Liability	19,856,611	10,418,455
Shareholders funds	2,413,266	2,136,891
Ratio	8.228	3.13
(vi) <u>Growth rate of Shareholders' funds</u>		
Shareholder funds	2,413,266	2,136,891
Growth rate	12.93	45.06
(vii) <u>Ratio of Surplus/Deficit to Policyholders' liabilities</u>		
Surplus / (Deficit)	1,079,772	434,490
Policyholders Liability	11,175,343	6,687,695
Ratio	9.66	6.5
(viii) <u>Change in net worth</u>		
Net worth	2,413,266	2,136,891
Change (Rs.'000)	276,375	663,736
(ix) <u>Profit after tax/Total Income</u>		
The Company does not have any profit after tax and therefore this ratio cannot be calculated.		
(x) <u>(Total Real Estate + Loans) / Cash & invested assets</u>		
The Company does not have any investment in Real estate and has not advanced any loans; therefore, this ratio cannot be calculated.		

(xi) **Total Investments / (Capital + Surplus)**

Total Investments*	13,580,446	8,509,472
Capital	5,470,000	4,470,000
Surplus /(deficit) **	-3,056,734	-2,333,109
Ratio	5.63	3.98

*excludes linked investments

** represents profit and loss account debit balance and miscellaneous expenditure to the extent not written off or adjusted

(xii) **Total affiliated investments / (Capital + Surplus)**

The Company does not have any affiliated investments and therefore this ratio cannot be calculated

(xiii) **Investment Yield**

Particulars	2006-07		2005-06	
	without Realised Gains	with Realised Gains	without Realised Gains	with Realised Gains
Policyholder's Funds				
Non Linked- Par	9.23%	7.77%	9.22%	8.51%
Non Linked- Non Par	7.99%	8.02%	6.51%	6.51%
Sub Total	9.08%	7.80%	8.73%	8.17%
Linked Par	0.00%	0.00%	0.00%	0.00%
Linked Non Par	13.77%	13.77%	56.85%	56.85%
Sub Total	13.77%	13.77%	56.85%	56.85%
Shareholder's Funds	7.92%	7.89%	12.99%	7.63%

(xiv) **Conservation Ratio**

Segment	2006-07	2005-06
OL Linked	88%	87%
OL Non Linked	89%	90%
Group Life	71%	99%
Credit Life	70%	109%
Health	57%	60%
Pensions Non Linked	95%	28%
Pensions Linked Group	18%	21%
Total	85%	84%

(xv) **Persistence Ratio** **By premium**

	Non Linked Business	
	2006-07	2005-06
For 13th Month	73.7%	81.7%
For 25th Month	71.9%	75.2%
For 37th Month	70.6%	74.1%
For 49th Month	67.0%	67.6%
For 61st Month	64.9%	

	Linked Business	
	2006-07	2005-06
For 13th Month	92.5%	93.3%
For 25th Month	83.7%	93.1%
For 37th Month	78.9%	
For 49th Month		
For 61st Month		

Persistence Ratio **By policy**

	Non Linked Business	
	2006-07	2005-06
For 13th Month	57.9%	68.6%
For 25th Month	55.8%	58.3%
For 37th Month	53.7%	53.5%
For 49th Month	48.9%	54.6%
For 61st Month	52.7%	

	Linked Business	
	2006-07	2005-06
For 13th Month	89.0%	88.8%
For 25th Month	76.5%	86.3%
For 37th Month	69.6%	
For 49th Month		
For 61st Month		

(xvi) **NPA Ratio**

Gross NPA ratio	0	0
Net NPA ratio	0	0

Equity Holding Pattern for Life Insurers

(a)	No of Shares (in 000's)	547000	447000
(b)	% of Shareholding- Indian	74%	74%
	% of Shareholding- foreign	26%	26%
(c)	% of Government holding (in case of public sector insurance company)		
(d)	Basic and diluted EPS before Extraordinary items (net of tax expense)	(1.51)	(1.46)
(e)	Basic and diluted EPS after Extraordinary items (net of tax expense)	(1.51)	(1.46)
(f)	Book Value per share	4.412	4.781