

## TATA AIG LIFE INSURANCE COMPANY LIMITED

## FORM L22 - ANALYTICAL RATIOS

(Rs. In thousand)

Particulars		2007-08	2006-07
(i) <b>New business premium income growth (segment wise)</b>			
Ordinary Life - Non linked		-48%	-14%
Ordinary Life - Linked		94%	91%
Group Business		16%	78%
Health		14%	80%
Pensions - Non Linked		20%	50%
Pensions - Linked		66%	-39%
(ii) <b>Net retention ratio (Net premium divided by gross premium)</b>			
Net premium		20,327,858	13,559,486
Gross Premium		20,463,453	13,671,834
Ratio		0.993	0.992
(iii) <b>Expenses of management [(Operating Expenses + Commission) / Total gross direct premium]</b>			
Management expenses		9,314,442	5,482,567
Total Gross Premium		20,463,453	13,671,834
Ratio		0.455	0.401
(iv) <b>Commission Ratio (Gross commission paid to gross premium)</b>			
Gross Commission		2,289,212	1,912,411
Total Gross Premium		20,463,453	13,671,833
Ratio		0.112	0.140
(v) <b>Ratio of Policyholders' liabilities to shareholders' funds</b>			
Policyholder Liability		35,945,059	19,856,611
Shareholders funds		2,253,891	2,413,266
Ratio		15.948	8.228
(vi) <b>Growth rate of Shareholders' funds</b>			
Shareholder funds		2,253,891	2,413,266
Growth rate		-6.60	12.93
(vii) <b>Ratio of Surplus/Deficit to Policyholders' liabilities</b>			
Surplus / (Deficit)		1,572,561	955,393
Policyholders Liability		16,315,454	11,009,505
Ratio		9.64	8.68
(viii) <b>Change in net worth</b>			
Net worth		2,253,891	2,413,266
Change (Rs.'000)		-159,375	276,375
(ix) <b>Profit after tax/Total Income</b>			
The Company does not have any profit after tax and therefore this ratio cannot be calculated.			
(x) <b>(Total Real Estate + Loans) / Cash &amp; invested assets.</b>			
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*	19,163,205	13,580,446
Capital	8,700,000	5,470,000
Surplus/(deficit) **	-6,446,108	-3,056,734
<b>Ratio</b>	<b>8.5</b>	<b>5.63</b>

\*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	2007-08		2006-07	
	without Realised Gains	with Realised Gains	without Realised Gains	with Realised Gains
<b>Policyholder's Funds</b>				
Non Linked- Par	10.02%	10.00%	9.23%	7.77%
Non Linked- Non Par	8.34%	8.34%	7.99%	8.02%
Sub Total	9.70%	9.68%	9.08%	7.80%
Linked Par	0.00%	0.00%		
Linked Non Par	21.87%	21.87%	13.77%	13.77%
Sub Total	21.87%	21.87%	13.77%	13.77%
<b>Shareholder's Funds</b>	7.92%	7.91%	7.92%	7.89%

(xiv) **Conservation Ratio**

Segment	2007-08	2006-07
OL Linked	85%	88%
OL Non Linked	86%	89%
Group Life	100%	71%
Credit Life	68%	70%
Health	53%	57%
Pensions Non Linked	78%	95%
Pensions Linked Group	44%	18%
<b>Total</b>	<b>84%</b>	<b>85%</b>

(xv) **Persistency Ratio By premium**

	Non Linked Business	
	2007-08	2006-07
For 13th Month	57.8%	73.7%
For 25th Month	64.5%	71.9%
For 37th Month	69.2%	70.6%
For 49th Month	69.8%	67.0%
For 61st Month	69.4%	64.9%

	Linked Business	
	2007-08	2006-07
For 13th Month	90.4%	92.5%
For 25th Month	83.9%	83.7%
For 37th Month	80.2%	78.9%
For 49th Month	84.5%	
For 61st Month	0.0%	

**Persistency Ratio By policy**

	Non Linked Business	
	2007-08	2006-07
For 13th Month	36.7%	57.9%
For 25th Month	44.2%	55.8%
For 37th Month	50.7%	53.7%
For 49th Month	50.5%	48.9%
For 61st Month	46.8%	52.7%

	Linked Business	
	2007-08	2006-07
For 13th Month	87.5%	89.0%
For 25th Month	79.3%	76.5%
For 37th Month	75.4%	69.6%
For 49th Month	77.1%	
For 61st Month		

Ratio Analysis contd....		
(xvi) <b>NPA Ratio</b>		
Gross NPA ratio	0	0
Net NPA ratio	0	0
<b>Equity Holding Pattern for Life Insurers</b>		
(a) No of Shares (in 000's)	870000	547000
(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)	(5.55)	(1.51)
(e) Basic and diluted EPS after Extraordinary items (net of tax expense)	(5.55)	(1.51)
(f) Book Value per share	2.591	4.412