Apne liye. Apno ke liye.

**October 31, 2025** **SBIL/CS/NSE-BSE/2526/124**

**Vice President**
**Listing Department,**
**National Stock Exchange of India Limited,**
**Exchange Plaza,**
**Plot No. C/1, G Block, BKC,**
**Bandra (East), Mumbai 400051**
**NSE Symbol: SBILIFE**

**General Manager**
**Listing Department,**
**BSE Limited,**
**Phiroze Jeejeebhoy Towers,**
**Dalal Street,**
**Mumbai 400001**
**BSE Scrip Code: 540719**

Dear Sir / Madam,

**Subject: Transcript of Earnings Conference call for Q2 of FY 2025-26**

This is in continuation to our intimation letter ref. No.: SBIL/CS/NSE-BSE/2526/116 dated October 13, 2025 and in compliance with the provision of Regulation 30 read with Schedule III (Part A) (Para A) (15) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose transcript of the earnings conference call held on Friday, October 24, 2025.

The transcript of the earnings conference call with analysts and institutional investors is also hosted on the Company's website at www.sbilife.co.in

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

Girish Mahesh Manik

Digitally signed by Girish Mahesh Manik
Date: 2025.10.31 18:40:39 +05'30'

**Girish Manik**
**Company Secretary**
**ACS No. 26391**

**Encl: A/a**

# “SBI Life Insurance Company Limited

# Q2 FY '26 Earnings Conference Call”

# October 24, 2025

**Management:**

**Mr. Amit Jhingran – Managing Director and Chief Executive Officer**

**Mr. Sangramjit Sarangi – President and Chief Financial Officer**

**Mr. Abhijit Gulanikar – President, Business Strategy**

**Mr. Subhendu Bal – President and Chief Risk Officer**

**Mr. Prithesh Chaubey – President and Appointed Actuary**

**Ms. Smita Verma – Senior Vice President, Finance and Investor Relations**

**Moderator:** Ladies and gentlemen, good day and welcome to the SBI Life Insurance Company Q2 FY '26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Amit Jhingran, MD and CEO. Thank you, and over to you, sir.

**Amit Jhingran:** Good afternoon, everyone. It is a pleasure to welcome you all to the results update call of SBI Life Insurance for the half year ended September 30, 2025. We appreciate and thank you for your valuable time and efforts involved in analyzing the results and joining our earnings call. Update on our financial results can be accessed on our website as well as on the websites of both the Stock Exchanges.

Along with me, Mr. Sangramjit Sarangi, President and CFO; Mr. Abhijit Gulanikar, President, Business Strategy; Mr. Subhendu Bal, President and Chief Risk Officer; Mr. Prithesh Chaubey, President and Appointed Actuary; and Ms. Smita Verma, SVP, Finance and Investor Relations, are present.

First of all, we welcome the government's recent GST reform aimed at improving the affordability and accessibility of life insurance. This move underscores the critical role of life insurance sector that it plays in providing financial security across diverse segments of society and supports the sector's long-term sustainable growth. It is also in line with the government's goal of insurance for all by 2047. However, the industry players are required to reassess and realign the strategies in light of non-availability of input tax credit under individual business segments.

We believe the industry players will comfortably navigate these changes and work on implementation of various measures to handle the said impact. Adhering to the core principle of customer-first approach of the company, the company has passed entire GST benefit to its customers. Additionally, in September, we enhanced the benefit amount, the return rate in the Platina series of our non-participating guaranteed products by passing on the benefit of the yield curve to customers.

Q2 was a good quarter for the company, marked by a strategic shift in the product mix with robust performance in both individual and group protection segments. During the quarter, we introduced two new products, Smart Shield Plus, a protection product and Smart Money Back Plus, a participating product, tailored to meet the evolving needs of the customers.

Notably, Smart Money Back Plus received a good response and more than 8,500 customers opted for the product in less than 15 days of its launch. Also, Smart Shield Plus contributes 11% of the total protection sum assured. This strong early performance underscores the product's relevance and its wide acceptance amongst customers.

Despite operating on a high base from the corresponding period of last year, we have achieved the highest new business premium in private industry, which reaffirms the resilience of our strategy and the deep trust our customers play in us. As the insurance landscape continues to evolve, the importance of protection-oriented solutions is more pronounced than ever. SBI Life remains committed to expanding and innovating within this space to meet the increasing financial security needs of our customers.

SBI Life remains committed to expanding and innovating within this space to meet the increasing financial security needs of our customers. Looking ahead, our unwavering focus on customer trust, a well-diversified product portfolio and disciplined execution will continue to drive sustainable growth and long-term value for all stakeholders.

Now let me give you some key highlights for the period ended September 30, 2025. New business premium stands at INR 183.5 billion with a 17% growth and private market share of 22.2%. Individual rated new business premium stands at INR 86.8 billion with a growth of 7% and private market share of 22.6%.

Gross written premium stands at INR 429 billion with a growth of 19%. Profit after tax grew by 4% at INR 10.89 billion as compared to the corresponding period last year. Value of new business stands at INR 27.5 billion with a growth of 14%. VoNB margin stands at 27.8% for the period ended September 30, 2025, a gain of 98 basis points.

Indian embedded value for the company as on September 30, 2025, stands at INR 760 billion. Our assets under management stands at INR 4.81 trillion with a growth of 10% over corresponding period last year. Solvency ratio at 1.94 as against the regulatory requirement of 1.50.

We will now update you on each of the key parameters in detail. Let me start with the premium. On individual rated new business, we stand at INR 86.8 billion with a growth of 7% over the corresponding period last year and maintaining our leadership position with private market share of 22.6% and total market share of 16.1%. The company's 3-year CAGR of individual rated new business premium stands at 12.7%, outpacing the industry CAGR of 10.2%.

Group new business premium stands at INR 61.7 billion with a contribution of 34% in new business premium. We have collected total new business premium of INR 183.5 billion. The company's private market share stands at 22.2% and total market share stands at 9%. The company's 3-year CAGR of new business premium stands at 12%, outpacing the industry CAGR of 4%. Renewal premium grew by 21% to INR 245.5 billion, which accounts for 57% of gross written premium. To sum up, gross written premium stands at INR 429 billion with a growth of 19% over corresponding previous period.

In terms of APE, premium stands at INR 99.2 billion, registering growth of 10%. Out of this, individual APE stands at INR 87.8 billion with a growth of 6%. During the half year ended

September 30, 2025, total 9.6 lakh new policies were issued. Number of lives covered during the half year ended September 30 is 11.9 million.

The growth in sum assured serves as a positive indicator of consumer confidence and the increasing awareness of the importance of financial protection. Individual and group new business sum assured registered a growth of 76% and 107%, respectively, compared to corresponding period last year.

Let me give you details about the product mix. As on September '25, our guaranteed non-par saving products are contributing 20% on individual APE basis. Amidst aggressive pricing trends across the industry, the company has remained disciplined, aligning its non-par saving product pricing with market yields and has still achieved steady and sustainable growth in this segment.

Individual ULIP new business is at INR 67 billion, and it constitutes 55% of individual new business. Protection business contributes 11% of APE and stands at INR 10.6 billion. We continue to maintain a strong focus on the protection business, which remains a key pillar of our growth strategy.

The Protection segment recorded robust performance with a 33% year-on-year growth on an APE basis. Individual protection APE is at INR 3.7 billion. Individual protection business for H1 FY'26 has grown by 16% on APE basis as compared to H1 FY'25. It is noteworthy that the individual pure protection category, which saw exceptional growth of 143% on an APE basis, reflecting rising awareness and demand for comprehensive financial protection, while the individual sum assured in the protection segment grew by 108%.

Group protection APE stands at INR 6.8 billion with a strong growth of 44%. Credit life APE has grown by 26% and stands at INR 1.3 billion. Traction in non-participating products on APE basis continues and witnessed growth of 26%. Participating products witnessed a strong momentum in Q2 with new business premium has increased by 57% compared to Q1.

New business premium in participating product has increased to INR 2.7 billion in Q2 as compared to INR 1.7 billion in Q1 of FY'26. Retirement plans assist customers in building a substantial corpus of funds to maintain the desired lifestyle and manage expenses in their golden years. Total annuity and pension new business underwritten by the company is INR 37.8 billion.

Moving to update on our Distribution partners. With strength of more than 58,000 CIFs, the bancassurance business of SBI and RRBs contributes 57% of the total APE business. On an individual APE basis, it stands at INR 54.7 billion, reflecting growth of 7%. SBI branch productivity on individual APE term stands at INR 4.6 million for the period, registering a growth of 6%. Banks other than SBI Group are also growing at 29%. In Q1 FY'26, our banca share on NBP basis was 27% of the overall industry.

The agency individual rated premium stands at INR 28.3 billion as on 30th September 2025. Our agent productivity for the period stands at INR 2.7 lakhs on individual NBP terms. Agency channel has witnessed shift in product mix, increase in contribution from non-par segment by 738 basis points and share of ULIP stands at 62% versus 70% in corresponding period last year, supported with robust growth of 83% in agency individual sum assured.

During the half year ended, the company added more than 64,000 agents on a gross basis. We have opened 44 new branches this year. The expansion is aligned with our vision to create infrastructure that supports the long-term development of our agency channel. As mentioned in opening remarks, the other channels, direct, corporate agents, brokers, online and web aggregators grew at 36% in terms of individual new business premium and contribute 14% of total APE as compared to corresponding period last year.

Non-par business through other channel registered growth of 35% on APE basis. We are investing in building our online business channel. Individual rated premium through this channel has grown by 34% in the current quarter compared to corresponding quarter of last year. And protection business through this channel on IRP terms grew by 55% as compared to corresponding quarter of last year.

Moving to updates on profitability. Our financial performance reflects the transitional impact of revised GST rates on life insurance premiums, which led to increased GST expenses and some pressure on profitability. The company's profit after tax for the half year ended September 30, 2025, stands at INR 10.89 billion with a growth of 4% as compared to corresponding period last year. Our solvency remained strong at 1.94 as against regulatory requirement of 1.50.

Value of new business stands at INR 27.5 billion with a growth of 14%. VoNB margin stands at 27.8% for half year ended September 30, 2025 as compared to 26.8% in H1 of FY 2025. This shift in VoNB is mainly on account of shift in product mix as compared to corresponding quarter. For Q2 FY'26, the VoNB margin is 28.0% as compared to 26.8% for the same period last year, and VoNB stands at INR 16.7 billion, a growth of 15%. The said VoNB and margin is post accounting the impact of GST changes. Without the GST impact, the H1 VoNB growth is at 17% and margin would stand at 28.5%. Embedded value for the company as on September 30, 2025, stands at INR 760 billion, growth of 15% over corresponding period and operating return on EV is at 17.6%.

Coming to operational efficiency, the opex ratio stands at 6.2% and total cost ratio stands at 10.9% for the half year ended September 30, 2025, as compared to 5.8% and 10.6%, respectively, for the half year ended September 30, 2024.

With respect to persistency of individual regular premium, 13th month persistency stands at 87.11% with an improvement of 70 basis points. As mentioned in my opening remarks, asset under management stands at INR 4.81 trillion as at September 30, 2025, having a growth of 10%.

Death claim settlement ratio stands at 99% for the half year ended September 30. Our mis-selling ratio stands at 0.02%, which is one of the lowest in the private industry, and this is achieved through our consistent approach adopted to ensure right selling to the customers.

Digitalization is transforming the life insurance industry, enabling us to deliver enhanced services and a more seamless experience for our customers. As we embrace this digital transformation, we remain committed to innovate and excellence, ensuring that we stay ahead in an increasingly competitive landscape. The company continues efficient usage of technology for simplification of processes with 99% of individual proposals being submitted digitally. 59% of the individual proposals are processed through automated underwriting.

To conclude, by fostering a culture of resilience and continuous improvement, supported by a clear focus of developing our agency channel, along with partners bank network, we are confidently positioned for the future.

Our commitment to provide exceptional customer service strengthens client relationships and reinforces our status as a trusted leader in the market. As I mentioned in opening remarks, the company is confident that the recent GST reform in the long term will add in the overall growth potential of life insurance sectors in India.

With few structural changes, the industry will reap long-term benefits from this reform. We remain optimistic about our H2 growth with improved customer sentiment. With a focus on long-term sustainable and profitable growth, we aim to create lasting value for our customers, shareholders and communities, paving the way for a prosperous future together.

Thank you all. And now we are happy to take any questions that you may have.

**Moderator:** The first question comes from the line of MW Kim with JPMorgan.

**MW Kim:** Sir, I note that overall, the protection business is expanding rapidly. However, on the review of the EV movement, it appears that the current EV unwind is substantial relative to the new business addition. So, I have two questions. The firstly, is the company targeting higher growth in the protection sales over the coming period? If so, what is the management expectation for the mix of the protection business contribution over next 12 to 24 months?

Secondly, given this focus, should we expect potentially the milder near-term earnings growth potential as a greater portion of the profit may be deferred and recognized over the longer period if the protection book starts growing larger? So that is my question. Thank you.

**Management:** So, as we discussed in last conference calls also and as has been the company's guidance, protection is one of the focus areas for the company. And we have been consistently introducing new product lines in protection segment for both agency and banca channel as well as also on YONO channel for the digital customers of our partner bank.

Our expectation of protection growth has met with success and the growth in the protection segment has been higher compared to the overall growth of the company. That is the result of our products that we have introduced, which are very competitive as far as the price point is concerned.

And with the recent GST reduction, the most benefited segment will also be the protection segment. So, we expect that going forward, the growth in protection segment will be even higher. It also gels with the increasing financial awareness amongst the young population of India. The company expects to increase its protection share to above 10% of APE, and it is in line with our H1 growth.

**Management:** What is your second question?

**MW Kim:** The second question is about the profit recognition is that we have the bigger portion of the protection book. And then once this is accumulated in the reserve, how this could translate into the EV unwind and then overall the earnings in general?

**Management:** See, as you know, the protection business is a high-margin business. So, if protection business keep growing, unwinding will happen. And I think protection is a long-term business. So, unwinding for the protection will be gradual in nature, and it will unwind over the longer period.

**Management:** Only one thing we have to keep in mind that protection business is increasing in proportion. And we think that trend will continue a little. To that extent, the premium growth as a proportion of share will not be in line with sum assured growth, which will be much higher than premium growth.

**Moderator:** The next question comes from the line of Kushagra Goel with CLSA.

**Kushagra Goel:** Just a clarification. So, you said you expect individual protection to be more than 10% of individual APE. Can you give some timeline as to when do you expect this to happen?

**Management:** Actually, it is not of the individual business. It is on the overall APE basis. We expect it to be more than 10%. Sorry for the slip.

**Kushagra Goel:** Okay. Individual protection to be more than 10% of total APE?

**Management:** Protection business to be more than total more than 10% of APE, not the individual protection. Sorry for the slip.

**Kushagra Goel:** Okay. Sure. So, moving to the main question. So one is, if you could sort of help us clarify the GST impact. So you have said that it's 70 to 80 bps on the first half, right, but that would have happened only on the September sales?

So, if I try and calculate the annualized gross number, that's coming to be quite high. So, if you could like call out what would be the gross impact of this GST change on VNB margins, that would be quite helpful?

**Management:** So if you see, we have clarified this total GST impact is 80 basis points for the H1. Out of that, the business written on 22nd and onwards has impact of only 20 basis points. So this 9 days business constitute around 11%, 11.5% precisely. So, if you extrapolate the impact for the margin, it will be 1.74%.

And given you see the profile in the business is more than 100 basis points. And given that our protection sales is increasing, we have been launching the protections, and we are also in the -- about to launch the protection rider and current protection rider attachment is more than 38%.

So, we're expecting this uplift in the profile and product mix in H2 will be more than sufficient to absorb this GST impact of 1.74%. And hence, in H2, our impact will be maybe able to maintain similar level of margin. Otherwise, might be 20 to 30 basis point impact might be happened, not more than that.

**Kushagra Goel:** Okay. Sure. That's very helpful. Just one final question. So are you negotiating with your distributors about this impact? Or as you said, like the product mix shift will help you absorb it, so you won't be changing any distributor commissions or anything of that sort?

**Management:** No. As of now, we are not considering any changes in the distribution commission and company will be utilizing other levers on operational side and the product mix side to manage this impact.

**Moderator:** The next question comes from the line of Avinash Singh with Emkay Global.

**Avinash Singh:** Just two clarifications. The first one is, again, on margins. So, the 20-basis point margin impact is for last 9 days or 11% of first half individual business. Does that mean that 60 basis point impact is coming from that 89% of the business that you wrote where you had to kind of adjust your maintenance expense assumptions?

So is my understanding correct that this 60-basis point impact is coming on the business written after 1st April 2025 until 21st September. And on that business, you have to now readjust your maintenance expense assumption? So that's one.

And the second piece clarification, of course, I mean, you clarified that you are going to adjust or rather pull-on other levers at the product level and operational efficiency to drive or rather adjust for this margin loss, GST impact. But does that mean that, okay, I mean, if you are not going to touch the distributor commission of course, that's already very low.

But if you're not going to touch that and also, if you are not going to touch your product construct in ULIP, I mean, your reduction in yield, does that mean -- I mean, at the product level, ULIP is going to see some softer margins? These are my two questions.

**Management:** On the first question, we'll again reiterate that total GST impact is 80 basis points. And why we classified 0.2 separately is the input credit available for the business written prior to the 22nd October and after the 22nd October is different because in 22nd onwards, you will not get the input credit for all premium, including the first year premium, whereas in the business written prior to 22$^{nd}$, right from the 1st of April, we'll have the input credit available for the first premium, but the input credit will not be available for renewal premium. So that's the impact clarified.

Second question on ULIP, we don't expect there will be compression on the ULIP margin. In fact, we expect the ULIP margin slightly go up given the product that we launched has a longer premium paying term. And secondly, we have also introduced the rider attaching to those products. So, if I look into the totality of the ULIP business, along with the protection rider attached to the ULIP business, we are expecting there will be some uptick in the ULIP margin itself.

Another part is you are saying that the ULIP business, you see the impact also not there on the charges. So, you get the secondary order benefit from the removal of GST that also will help to compensate the impact of the GST in ULIP business.

**Moderator:** The next question comes from the line of Swarnabha Mukherjee with B&K Securities.

**Swarnabha Mukherjee:** A couple of questions on other products. I mean, so first of all, non-par, just wanted to understand that in this category, we have seen strong growth. I think our overall absolute numbers also look very strong compared to what we have seen in the last few quarters. Now what is the headroom for growth in this product? I think essentially, this quarter, growth was largely driven by this product. So, what is the headroom for growth?

And given the third quarter, normally, we see an uptick on the ULIP side, this year, would we be able to replace with non-par in terms of the mix going forward? So, what will be the strategy there? And given that you mentioned that you have passed on the benefits of the yield curve movement to customers, then how should we think about the margin in this product? Is there a bit of a margin squeeze there? If you could help us understand that.

Second is on the group savings side. So is this group fund management product or is also group annuity classified in this? Because the reason why I'm asking you the question is because I think the sizable jump in this product. However, your overall margin profile has been very strong this quarter.

So just wanted to understand that is this a detractor in terms of margin this quarter? And had this growth been not there, then would we have expect the overall margin profiles to be even stronger? So I wanted your comments on that. Yes. So these are my two questions, sir.

**Management:** If you look at the growth of our various lines of businesses, the entire growth is coming from the non-par and par segment. In the non-par segment, all 3 segments, annuities, protection as well as the guaranteed return lines are showing strong growth and so is the protection growth. We also introduced new par products during the first half year and in the last month of September also. And in both these products, we have seen strong growth coming in.

You are right about the third quarter having a ULIP strong quarter. But in the first 23 days, what we have seen is that we are maintaining the trend of the month of September specifically, and the growth is coming from the non-par and par segment. ULIP, we are maintaining at the same level.

Our ask from our distributor is to not to deny ULIP sales, not to deny ULIP product to our customers, but at the same time, the focus for growth should be on the non-par and par products, which are margin accretive for the company also. So we see good growth coming in, and we expect that this trend will continue in the third and fourth quarter also.

**Management:** And group fund is a lumpy business, so you don't expect such kind of growth to come forward. We get some couple of big clients and then in certain quarters, we will show large growth. I would not read too much into growth of group fund business....

**Swarnabha Mukherjee:** And the -- yes, please go ahead, sir.

**Management:** Other question that passing on the benefit to the customer yield curve movement that already baked in. So what we do that we keep monitoring the interest rate movement, and we keep repricing those products to pass on the benefit to that.

So our endeavour is to maintain the margins at the current level. So in case yield curve movement move down, we will go and reprice the product. As of now, the benefits of yield curve -- giving the party benefits, we have just passed on to the customers.

So, we don't expect any dent, or any reflection will come on the because of the repricing. We have been keep doing the repricing and the repricing has done both the way, depending on the which direction yield curve is moving up.

**Swarnabha Mukherjee:** Right, sir. Understood. Sir, just to clarify once more that you said maybe next quarter, 20, 30 basis points kind of impact coming due to the GST impact. And given that group fund management business is relatively lumpy, so maybe only be there next quarter. And if our product mix remains steady, then would it be correct to assume that maybe next quarter, we'll be able to even build up on the margin profile that we have reported this quarter?

**Management:** So, our guidance for the margin remains what we had given earlier in the range of 26% to 28%. And we are kind of happy that we are sticking to that range despite the headwinds. Going forward also, our guidance and our expectation remains the same of around what we guided earlier.

**Swarnabha Mukherjee:** Okay, sir. So would it be fair to assume that if it crosses 28%, then you might reinvest in the business? Would that be a fair assumption?

**Management:** Hypothetical. Let's see how going forward, right?

**Moderator:** The next question comes from the line of Sanketh Godha with Avendus Spark.

**Sanketh Godha:** Sir a small clarification. So if the product mix, what you have done after September 22 remains broadly the same, then the impact you are expecting to be on the full year margin is 174 basis points. That's the right understanding, sir, right?

**Management:** Yes. So, what we're saying that the product mix will remain there. We'll continue to get on the profile mix, and that will more or less offset the impact on GST. So, in H2, particularly, if we are able to maintain this product mix, we are able to deliver the margin that we have reported for the September.

**Sanketh Godha:** Got it. Got it, sir. And second thing, sir, is on growth. See, a large part of your growth in the current half came from the other channels, while your banca and agency still seems to be lower compared to your own standard 7% growth, 2% growth seems to be very muted on individuality. So, any colour you want to give why these channels are still struggling when we can expect this growth to come back in December?

**Management:** So our dominant channel are banca and agency channel. We keep reviewing our business strategies, our distribution strategies in line with the growth. And when we saw that up to the month of August, the expectations were not being met, we tweaked certain norms, and that has resulted in a very positive environment in the month of September. If you look at the individual September month numbers, the growth was around 15%.

And we are happy that the same trend is continuing in the month of October also. So I think that both the channels agency as well as banca are back on track since the month of September. And on the same basis, we are expecting that we will be able to meet the guidance that we had provided for originally.

**Sanketh Godha:** Okay. So, the conclude is that in second half, banca and agency can grow mid-teens or teens at least in that sense?

**Management:** Definitely, definitely, yes.

**Sanketh Godha:** Okay. Okay, sir. And in ULIP, you alluded to the point that higher riders, maybe longer plans will improve the margins for the negation of the GST impact. So just want to understand at the current juncture, how much of the total ULIP, what we sell have attachments of riders, percentage terms, if you can quantify? And how much you can take it to basically?

**Management:** So, for products which are eligible, around 40% products, we have rider attachment in the first half, 37% or 38% precisely, yes.

**Sanketh Godha:** And sir, how much you expect it to grow potentially?

**Management:** Yes. Twofold policy. That is the area which we have not yet explored. So, we are attaching only to new business now, and we are working on how we can attach to renewals also.

**Sanketh Godha:** Okay. Okay. Understood, sir. And lastly, if I can squeeze in. Impact of GST, when you said in the press release immediately after the GST announcement, it was 20 bps. Now it seems to be around 47 bps. So, any reason for the difference between 20 and 47 bps?

**Management:** See, when we make the release, that is given by the end of year impact so EV year-end. And we what we reported today as on date. We have not built up any efficiency that we're looking into. So by March end, we expect there will be efficiency will come on side.

And at the same time, EV growth will also be there. And that as a result, we are able to reach the impact what we have initially estimated, so be closer to the estimate number. As of now we have reported, not building up any efficiency for the future.

**Moderator:** The next question comes from the line of Nidhesh with Investec.

**Nidhesh:** First question again is on the GST impact. I'm not able to understand why in VoNB box the impact is 80 basis points, while you are saying that the recurring impact is only 20 basis points. So, what is leading to this 60-basis point impact that we have seen in H1 because of GST change?

**Management:** As I explained earlier as well, there is a difference in the availability of input credit from GST. So while the business written prior to the 22nd of October, they have availed the GST input credit for the first year premium, but the same input credit is no longer available for the renewal premium.

Whereas in the business written 22nd and onward, the GST impact will not be available for the premium. So even for the business written prior to 22nd October, there will be impact on the GST. That's the reason you see the number that reported is 0.8.

**Nidhesh:** Okay. Understood. And secondly, what is the APE growth guidance for the full year?

**Management:** APE growth, as we have mentioned, it will be in the around 13% to 14%. And we are talking about individual APE for the overall for FY '26.

**Nidhesh:** Sure. And sir, lastly, if you can break up the group protection APE in Credit Life APE and Non-credit Life APE for the quarter?

**Management:** Credit Life has grown by about 25% remaining is Non-credit Life.

**Moderator:** The next question comes from the line of Madhukar Ladha with Nuvama Wealth Management.

**Madhukar Ladha:** Sir, just first on the GST. So, what I understand is if we don't do anything, then there is about 174 basis impact point on the margins, which you are saying is that currently, the new business mix profile, if that sustains, then it will completely offset this negative impact. Is that understanding correct?

**Management:** Yes, to some extent, you're right. So what you're saying that 1.74% is if you would be doing the product mix that we had done the last year. You have seen that there is accretive coming on the margin on account of the profile change. Second point is 1.74% is the margin for the new business and second half is approximately, right, 58% kind of business.

So even if we've not done anything, the margin impact will not be 1.74%. It will be around 1% kind of things which is 60%. And then the new business profile upgrade, we'll able to offset this.

So we are quite optimistic on that basis. The work that we have done and the channel -- distribution channel is doing that in terms of getting the better profile product mix and within the product mix also is the better profile rider that will be to offset that.

**Madhukar Ladha:** Got it. Sir, and if I look at the EV walk from March '25 until now, there are certain operating experience variances and economic assumption changes. So, we've not made any assumption changes, right? It's only sort of operating experience variance.

**Management:** Yes. So you're right. So we have not made any changes in the assumption. So assumption remains the same. Only this is economic assumption is just a matter of the movement in the yield curve that we have taken. And other aspect will come on the operating variance that we're getting.

**Madhukar Ladha:** Got it. And sir, final question on the growth side. Our pillars of growth have always been banca and agency, but growth in first half and even last year was weaker in these channels. So what should we expect going forward? Yes.

**Management:** So yes, first half growth, if you look at the consolidated half year numbers, that is lower at 7% on individual rated premium basis. But when we look at the number of stand-alone month September, the growth is around 15%. What happened that when we saw that the kind of growth that was happening till the month of August, we tweaked certain schemes, and we reengaged with our distributors and all.

So the month of September provided a growth of around 15% in the IRP basis. And we are seeing that the same kind of trend is continuing in the month of October also. So we, as of now, are sticking to our guidance for the full year that was provided at around 13% to 14%. And we are optimistic that we will be able to meet this growth by the end of the financial year.

**Moderator:** The next question is from the line of Dipanjan Ghosh with Citi.

**Dipanjan Ghosh:** So, a few questions. First, you mentioned your growth on the online business, both in terms of IRP and also in terms of protection. And those are quite strong numbers. So, I just wanted to get some sense of the strategic change on the online side and what is really driving this growth? And is there a vision that you have discussed with your counterparties on the online side in terms of the counter share that you would want to have at those specific counters?

Second question is on the non-SBI banca. In your opening commentary, you mentioned that there has been a strong growth in those channels also. So, could you give some colour on your counter share in those channels or the overall growth trajectory or the product mix that you are targeting in those non-SBI banca channels?

And third, you have touched upon this, but just wanted to kind of dig a little bit deep in terms of what norms were there till August, which got tweaked in September because of which you are seeing incremental growth picking up at agency and banca. If you can give some granular colour on that part?

**Management:** Okay. So that is -- we keep tweaking our contest from time to time on what works, what does not work. So we can't provide any picture on details of what we tweaked in September. But be assured that we do watch very carefully how distributors and sales force respond to the schemes and the products we have and then try to meet, their expectations from time to time. As far as the online business is concerned, it is coming almost solely from our own website and not from any partner.

And we have been working on our side for quite some time. You will further see improvement in the tech that we are providing back-end tech, also the products that are getting offered. The new products, Smart Shield Plus and Smart Shield Premier have been extremely well taken in online channel because it is extremely competitive.

So we will continue to see improvement in online as a combination of the product offering and the tech support. There is still a long way to go. We are not market leaders there like we are in our other businesses. So our -- we would have a long way to go there.

As far as other banks are concerned, non-SBI Bank, the ULIP share there is much lower than our main channels, agency and banca, less than 25%. And we will continue to grow at this 15% kind of growth rate that we have seen in the first half, maybe slightly higher but I wouldn't want to say anything around same numbers, 15 percentage growth in non-SBI channels -- non-SBI partners.

**Dipanjan Ghosh:** Just one follow-up. What is the mix of non-SBI banca within the overall individual business, APE?

**Management:** I think 3%?

**Management:** Yes.

**Management:** 3%. I'll double check the number, but it is small.

**Moderator:** The next question comes from the line of Vinod Rajamani with Nirmal Bang.

**Vinod Rajamani:** So I had a question on this par construct specifically. If you're saying that you're not going to tinker with, say, the commission payouts and so on, and you're trying to also increase, trying to attach more riders and also increasing tenor and so on.

But given the issues with the participating product construct, will it be fair to say that a lot of the costs of this GST and so on will be borne by the end consumer in the sense that the returns might be below what it was, say, before this input tax credit was allowed. So that's the only question I have on the participating product.

**Management:** So not really. As you keep saying that we have been the fair to the customer. And in case of non-par product where we would have been infrared our margin, we have passed on the benefit to the customer. So there is no question for charging this passing on -- borne by the policyholder.

What we say that we try to grow the participating business and our business composition you might be seeing is not 3% to 4%. We do have the existing book on that perspective. And when we price -- and we do the supportable bonus because if I compare to us to the other player, our commission rate and expenses were much lower.

And that will help us to absorb this impact and that will not have adverse impact on the participating business. Our participating fund is significant and they're also giving a very handsome return. If you look into the bonuses that we give to the customer, we have -- last 3 years, we keep increasing the bonuses, and we have always declared the bonus what we have illustrated even more than that.

So that perspective will continue to ensure that what bonuses we have illustrated despite, as a company, we are able to deliver that. So no point we are trying to pass on the expenses to the end consumer for par. And to be noted, our par business is only 3% to 4%, so not as significant that we are going to use the participating business to our expenses.

**Moderator:** The next question comes from the line of Nischint Chawathe with Kotak.

**Nischint Chawathe:** I was just looking at the impact on EV because of the GST change and likewise on the margins. And I understand that you shared a part of the margin impact basically happening to the renewal business.

But if I try to really do the ratios, the way it works out to be is that the impact on EV is around 40-odd basis points, 40, 45. But if I pick up the renewal business for the -- basically, it works out to something like around 67, 70 basis points. So first of all, is my math accurate? And why would there be distraction?

**Management:** See Nischint, I think it is not appropriate to compare the impact of EV to the new business, correct? Because EV has the existing book that have a different mix, and there is a significant profit coming from. Whereas if you look into the EV renewal -- new businesses that written there, the -- all the -- is a longer product because we're selling non-par and the longer tenure as compared to existing one.

So that's the reason you might see the impact for the unavailability of input credit for renewal premium has higher impact. But I will suggest not to -- there is no way link between the VoNB impact as compared to the EV impact.

**Nischint Chawathe:** I understood what you're trying to say.

**Moderator:** The next question comes from the line of Shreya Shivani with Nomura.

**Shreya Shivani:** Congratulations on a good set of numbers. I have two questions. My first question is on the expense ratio side. This is the non-commission expenses. That seems to be slightly higher this year versus trends in the previous year. Any colours on what is adding to this?

My second question is on the other channel, which has been doing well for us. Now I understand you mentioned that the non-SBI bank is about 3% of the mix. So, 14 minus 3%, what is the split of the remaining 11%? How much would be our website, how much would be brokers?

And sorry, one more question, third question. Can you give us in descending order, what is the product which gets hit the most because of the GST cut and which one would be the least impacted for SBI Life?

**Management:** See, as far as the expense ratio is concerned, I think it is normal, which is planned accordingly in sync with the business growth, which we have aspired for FY '26. So, there is no such kind of variances as we planned. As far as the non-SBI to SBI, as already mentioned that we have got almost around 3% business, and the rest is coming from group business. So that is the reason the overall number which we see that is, as a total business, including the non-SBI.

And the last one, product-wise, the GST impact, I don't think so there is any such kind of bifurcations are warranted. So, what we have done is, overall, we have calculated and given as per the requirement on the VoNB, and the margins are concerned.

**Managment:** The increase in expenses, you can also attribute to our planned expansion of our branches that we had guided for. We have opened 44 new branches, and there is increase in employee count by more than 3,500 during first half year. So that is coming in as increase in operating expenses.

**Shreya Shivani:** Right, sir. Sir, my question on the non-SBI banks was basically the channel mix, 14% is other channels. In that 3% I get is non-SBI banks, what is the other 11%, split between brokers and our own website?

**Management:** See, it is all group business. So, our internal, what we do is showed it as a direct business.

**Shreya Shivani:** Okay. All right. So bancassurance channel is only SBI. Others have non-SBI banks and the group business, right?

**Management:** Correct. Correct.

**Moderator:** Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for their closing remarks.

**Amit Jhingran:** Thank you very much, everyone, for your time and queries. You may get in touch with our Investor Relations team in case you have any follow-up questions. Thank you, and good day ahead.

**Moderator:** Thank you. On behalf of SBI Life Insurance Company, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

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