



February 2, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Scrip Code: 500271

Scrip Code: MFSL

Dear Sir/Madam,

Reference: Finance Bill - 2023

We place herewith the media statement issued by our material subsidiary company, Max Life Insurance Company Limited.

Kindly take the above information on records.

Thanking you,

Yours faithfully

for **Max Financial Services Limited**

V. Krishnan
Company Secretary & Compliance Officer

Encl: as above

MAX FINANCIAL SERVICES LIMITED

CIN: L24223PB1988PLC008031

Corporate Office: L20M, Max Towers, Plot No. C-001/A/1, Sector 16B, Noida 201301 | P 0120 4696000 | www.maxfinancialservices.com
Regd. Office: 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144 533, India

Max Life's statement on proposal for non-linked life insurance policies in the Budget

New Delhi 02 February 2023

In the Budget 2023, certain proposals have been made for non-linked life insurance policies that will be sold after 1 Apr 2023 whereby it is proposed to tax income from insurance policies (other than ULIPs) having premium or aggregate of premium above Rs 5,00,000 in a year. Tax exemption of Section 10(10D) is proposed to continue for proceeds upon death. Policies sold until 31 Mar 2023 are outside the scope of this proposal and does not impact those policies in any way.

Speaking on the specific proposal, **Prashant Tripathy, CEO & MD of Max Life** said that "Max Life has a well-diversified product mix across products and customer segments, and our share of business from customers with the impacted non-unit linked policies with annual premium of above Rs 5,00,000 is approximately ~9% of Individual APE for 9M FY23 and was ~6% for FY22. We don't expect this sale to completely disappear as among many levers such as shifting to lower ticket size and alternative products, we are confident of retaining significant portion of the sale. You will recall in budget of 2021 a similar exemption was withdrawn for ULIPs with ticket size more than 2.5 lac and post which we did not see any material impact even on the share of high ticket ULIPs. Further the VNB impact will be marginally lower than sales impact as such high ticket size policies do operate at lower margins."

About Max Financial Services Limited:

Max Financial Services Limited (MFSL) is part of India's leading business conglomerate – the Max Group. Focused on Life Insurance, MFSL owns and actively manages an 87% majority stake in Max Life Insurance, India's largest non-bank, private life insurance company. The company is listed on the NSE and BSE. Besides a 11.5% holding by Anajit Singh and sponsor family, some of the other group shareholders include MSI, Ward ferry, New York Life, GIC, Baron, Vanguard, Jupiter, Blackrock, etc.

About Max Life Insurance Company:

Max Life is the sole operating subsidiary of Max Financial Services Limited. Max Life - a part of Max Group, an Indian multi-business corporation – is India’s largest non-bank private life insurer and the fourth largest private life insurance company.

On April 6, 2021, Axis Bank Limited, India’s third-largest private sector bank, together with its subsidiaries Axis Capital Limited and Axis Securities Limited (collectively referred to as “Axis Entities”) became the co-promoters of Max Life. This was after completion of the acquisition of 12.99% stake collectively by the Axis Entities in Max Life. Max Life offers comprehensive protection and long-term savings solutions, through its multichannel distribution including agency and third distribution partners. Max Life has built its operations over almost two decades through a need-based sales process, a customer-centric approach to engagement and service delivery and trained human capital. It has 346 branch units across India.

Press Contacts:

Nabanita Das

Phone: +91 8334825999

Email: ndas@maxindia.com

Manisha Singh

Manisha.singh1@maxlifeinsurance.com