BUSINESSWOMAN OF THE YEAR AT THE ECONOMIC TIMES AWARDS FOR CORPORATE EXCELLENCE 2025

For HDFC Life CEO Vibha Padalkar, Leadership Lessons Began at Home

Deloitte. presents The Economic Times Awards for Corporate Excellence

Shilpy Sinha

Mumbai: For Vibha Padalkar, inspiration did not come from boardrooms or business icons. It came from home.

"I grew up, not privileged in money terms, but certainly in thought terms," she says.

In a household where her mother was an IAS officer and women across generations were professionals, ambition was never debated, rather it was assumed. Dinner table conversations, she recalls, were "always amongst equals," and there was "no question in my mind that I would not do anything."

That quiet, early conditioning, where there were no visible ceilings went on to shape the leadership of the managing director and CEO of HDFC Life Insurance Company.

At 17, Padalkar moved to London to pursue her chartered accountancy. What followed was a string of rejections when she sent applications to 80 firms and most of them were unanswered. Her father's response was very simple. "Out of 80, you needed only one."

It reframed failure. "I didn't focus on the things that I didn't have. I focused on the things that I had," she says. "I just focused on getting that one as a toehold." This mindset shaped her future success.

Padalkar did not begin her career in financial services. When she joined HDFC Life Insurance Company in 2008, the sector itself was a learning curve. She realised quickly that insurance was unlike anything else.

"If I have sold a bar of soap, that is all I have done. While if I have sold a policy, it is for very long term, the promise is there for many years to come," she said.

Understanding how insurers make money, through actuarial assumptions, persistency and long-term risk required a complete reset. "It was a very different ballgame," she says.

When Padalkar took charge as managing director and CEO in September 2018, HDFC Life was already among the top private insurers. Her approach was not to reinvent, but to execute and deliver consistent result. The task ahead was to sustain growth, navigate regulatory churn, and steer a shifting ownership structure.

She oversaw HDFC Life's transition from a joint venture with Standard Life to becoming a subsidiary of HDFC Bank from July 1, 2023, following the merger with HDFC Ltd.

Within two years of her appointment, the pandemic struck, triggering increased claims and operational disruption. Early investments in technology helped the insurer manage claims seamlessly while adapting to regulatory changes, including revised surrender norms and tighter expense frameworks.

Nearly seven years on, the company has not just held its ground but strengthened its position. HDFC Life's annualised premium equivalent (APE) grew at a compounded annual rate of about 17% between FY21 and FY25, outpacing the industry's roughly 10%.

The company has also sustained a rare trajectory for a large insurer, doubling key metrics every four to five years. Under her leadership, the company doubled key metrics over a few years, expanded distribution aggressively, and deepened its presence beyond metros. Acquisition of Exide Life during Covid accelerated its reach into Tier 2 and 3 markets.

"We have to grow faster than the market, be the best choice for the customer and deliver a smooth upward curve on profitability," Padalkar says.

In FY25, HDFC Life reported a 15% rise in net profit to Rs 1,802 crore, up from Rs 1,569 crore a year earlier.

"Any short-termism will come back to bite you," she adds. "There is no objective to dress up something to deliver it."

Padalkar is the Businesswoman of the Year at The Economic Times Awards for Corporate Excellence.

In a home where "there was no male, female, what you can do, what you can't do." In a father who reduced rejection to probability. And in an upbringing where ambition was never questioned, only pursued.

For Padalkar, the foundation was never outside. It was always within.

The Economic Times Awards for Corporate Excellence 2025 will be presented on Saturday, April 25, in Mumbai.

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VIBHA PADALKAR, CEO, HDFC Life

AR/RA CONFUSION

Sebi Pushes for Clarity on FPI Tax Representatives

Overseas funds wary of exposure to potential tax liabilities

Sugata Ghosh

Mumbai: India's capital market regulator has asked the apex tax body to spell out its stand on a vexing question that foreign portfolio investors (FPIs) are facing.

The Securities and Exchange Board of India (Sebi) has asked the Central Board of Direct Taxes (CBDT) to specify the obligations of the 'authorised representative' (AR) of an overseas fund. Fund houses want the government to clear the air since an AR would have to deal with the tax office if the FPI faces a tax demand.

Under the new income-tax (I-T) rules, an FPI registering with Sebi to trade on Indian stock exchanges must name either an AR or a 'representative assessee' (RA). The name of the person acting as the AR or RA is to be mentioned in the common application form (CAF) that FPIs file to register, obtain permanent account number (PAN), and complete KYC for bank and demat accounts.

However, most external professionals and fund employees are unwilling to be named as AR/RA without knowing what the responsibilities are. As ET had reported on March 20, this stems from concerns that they could be construed as 'agents' and held liable for unpaid tax. Many overseas fund employees are reluctant to share their passport copies and be named as representatives in tax office records.

"There has been a lot of noise around this since there is no clarity on what are the obligations of the person whose name is given in the form. How does it work? What does it entail? What does it mean when you really name someone as AR or RA? These are questions we have as well. We are actively engaging with CBDT, scheduled meetings with senior authorities in CBDT," said Aparna Thyagarajan, chief general manager, Sebi, at a webinar with FPIs last week.

Asked whether the authorities would make a distinction between an AR and RA, she said, "We are in dialogue with CBDT. Very soon we should be able to clarify," she said.

THE UNPREDICTABLE TAXMAN

While CAs, lawyers, Big4 firms and other consultants, acting as ARs to collect tax notices or represent FPIs in proceedings may not face problems, they are awaiting a clarification amid fears over how the tax department may question treaty benefits claimed by an FPI or invoke the general anti-avoidance rule (GAAR).

In the regular course, taxes on capital gains from stock sale, interest earnings, and dividend income are deducted before FPIs remit money out of India. However, after the reassessment order on the American quant trading firm Jane Street and the Supreme Court's ruling against the US investor Tiger Global (giving more choices to tax officers), together with the taxman's occasional strident stand, anyone representing a foreign investor would like to have more clarity on possible obligations and liabilities. Besides FPIs, direct investors like foreign venture capital funds have to appoint AR/RA.

However, according to chartered accountant Ashish Karundia, an 'AR' and an agent of a non-resident are distinct concepts and should not be conflated. "An agent assumes tax liability on behalf of the non-resident. In contrast, an AR does not necessarily bear any tax liability. For instance, a person who is merely related to a non-resident and not employed by or otherwise connected in the manner described in Section 306(1) of the I-T Act, cannot qualify as an agent. Since such a person may still act as an AR without incurring any corresponding tax liability, no specific clarification from the CBDT may be needed," said Karundia.

Meanwhile, Sebi is trying to make things easier for FPIs—probably, spurred by large equity sell-offs. These include faster clearance of applications, giving FPIs more time to report material changes, and a clearer rule to identify beneficial owners. A master circular is expected in May. Accompanying Ms. Thyagarajan, other Sebi officials who participated in the webinar, organised by financial services group Nuvama, were Siddarth K Dachalwal, Sharath Ellagonda, and Nikki Agarwal.

"By focusing on risk-based KYC review, and beneficial ownership disclosures on genuinely high-risk, opaque structures, SEBI aims to reduce frictions for broad-based, low-risk funds. This is in line with the regulator's long-term goals of easing market access," said Richie Sancheti, a lawyer specialising on investment funds and asset management.

Asked whether Sebi was reviewing the granular disclosure norms, Ms. Thyagarajan said it was too early to comment. The rule requires an FPI which is overexposed to stocks of any group, to disclose the ultimate beneficial owners, down to the last natural persons, behind all its investors.