

ICICI Pru Life

Refer to important disclosures at the end of this report

Margin impresses; all eyes on FY24 APE growth

CMP	Target Price
Rs 485 as of (January 18, 2023)	Rs 605 (■) 12 months
Rating	Upside
BUY (■)	24.8 %

Change in Estimates

EPS Chg FY23E/FY24E (%)	0 / -4.8
Target Price change (%)	NA
Target Period (Months)	12
Previous Reco	BUY

Emkay vs Consensus

EPS Estimates		
	FY23E	FY24E
Emkay	6.1	7.8
Consensus	7.3	8.9
Mean Consensus TP (12M)	Rs 611	

Stock Details

Bloomberg Code	IPRU IN
Face Value (Rs)	10
Shares outstanding (mn)	1,439
52 Week H/L	649 / 430
M Cap (Rs bn/USD bn)	697 / 8.53
Daily Avg Volume (nos.)	1,914,460
Daily Avg Turnover (USD mn)	11.0

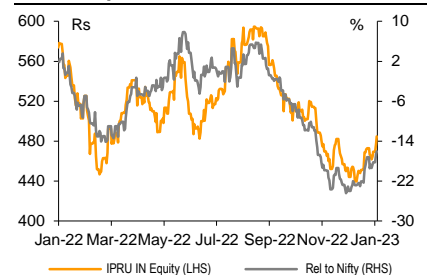
Shareholding Pattern Sep '22

Promoters	73.4%
FIIIs	16.6%
DIIIs	5.0%
Public and Others	5.0%

Price Performance

(%)	1M	3M	6M	12M
Absolute	9	(5)	(6)	(21)
Rel. to Nifty	10	(9)	(17)	(20)

Relative price trend



Source: Bloomberg

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IPRU Life reported a decent 9MFY23 financial performance, led by positive surprise on VNB margin at 32% (vs our estimate of 30.6%) that gave Management the confidence to reiterate doubling of FY19 absolute VNB in FY23. Absolute VNB reported growth of 23.2% YoY for 9MFY23 at Rs17.1bn, driven by strong VNB margin (+4.9ppts YoY) and moderate APE growth (+4% YoY), beating our estimate by 5%. The sharp increase in margin is owing to increase in Non-Par saving, Annuity and Protection products in the product mix. Retail protection appears to be finally turning the corner, with Q3FY23 Retail protection APE rising sequentially and also exceeding Q4FY22 levels. On the distribution front, all channels, except ICICI Bank, are clocking satisfactory-to-strong performance. ICICI Bank's share in the APE mix has gone down to ~18% in 9MFY23, but decline in the channel APE persists. Net net, developments in VNB margin, retail protection, non-ICICI Bank channel distribution and persistency afford increased confidence to the company, and the FY24 APE growth outlook holds the key for IPRU shares. Management appears positive about FY24 growth prospects, on grounds of the robust growth performance in agency and ex-ICICI Bank banca partnerships as well as the declining impact of ICICI Bank channel de-growth. Accounting for the developments in 9MFY23, we marginally tweak our FY23-25 estimates and reiterate our BUY rating, with our Dec-23E Target Price remaining unchanged at Rs605/share, implying FY24E P/EV of 2.1x. Post their underperformance over the past few years, IPRU shares are now valued at FY24E P/EV of 1.7x – still meaningfully undervalued versus peers and own history, and likely reflecting the negativity of the poor top-line growth and the muted expectation being already in the price. With the valuation relatively undemanding, we expect IPRU shares to re-rate, once top-line growth returns.

- Margin surprises positively; all eyes on top-line growth in FY24:** 9M VNB margins at 32% came in better than our estimate of 30.6%, driving a ~5% beat on absolute VNB to Rs17.1bn. With absolute VNB for 9MFY23 growing 23% YoY, Management reiterated its target doubling in FY23, from the FY19 absolute VNB (Rs13bn). The strong show on margins was largely driven by favorable product-mix changes, with share of non-par savings, Annuities and Protection (group and retail) in the mix improving. GAAP PAT was broadly flat YoY for 9MFY23, despite weaker PAT in 9MFY22 owing to Covid-19 delta-wave losses. The GAAP profit drag was largely on account of higher new business strain from non-par savings, annuity and protection products. With the ambitious FY23 target largely achievable, APE growth in FY24 is key for IPRU. Management is positive about the growth outlook in FY24, when it expects support from robust growth in the agency & ex-ICICI Bank banca channels and the drag from the ICICI Bank APE decline becoming muted from H2FY24. (**Exhibits 1, 5-8**)
- Operating metrics continue to improve:** Operating metrics (persistency, product mix, cost, etc) continued to improve for IPRU and look stronger, relative to the industry. Persistency across the cohort reached its best levels and cost ratios continue to improve despite muted growth in and widening of distribution channels. On the product front, retail protection appears to be turning the corner after having struggled for many quarters. Retail protection APE in Q3 saw strong growth sequentially, and even surpassed Q4FY22 levels. Improving demand backed by stable pricing and improving traction of Return of Premium (RoP) products is the likely reason for this improvement. (**Exhibits 9,10**)
- Most concerns appear priced-in; reiterate BUY:** IPRU shares are currently trading at FY24E P/EV of ~1.7x, at a meaningful discount versus private listed peers and its own historical range. This depressed valuation is a likely outcome of poor top-line growth delivery and muted expectations. With the 9MFY23 turnaround of margin and retail protection, an acceleration in APE growth in FY24 should support the stock rerating. To reflect 9MFY23 developments, we have marginally tweaked our estimates, leading to a slight increase in our FY23-25E VNB margins and absolute VNB. We reiterate our BUY rating on the stock, with an unchanged appraisal value-based TP of Rs605/share, implying FY24E P/EV of 2.1x. (**Exhibits 2-4**)

Financial Snapshot

Y/E March (Rs bn)	FY21	FY22	FY23E	FY24E	FY25E
Annualised Premium Equivalent (APE)	64.6	77.3	80.8	88.9	100.0
New Business Value (NBV)	16.2	21.6	26.0	28.6	32.5
NBV Margin (% of APE)	25.1	28.0	32.2	32.2	32.5
Embedded Value	291.1	316.3	354.3	405.6	464.4
Embedded Value Operating Profit	35	32	51	57	65
Operating RoEV (%)	15.2	11.0	16.0	16.0	15.9
EVPS (Rs)	203	220	246	282	323
EPS (Rs)	6.66	5.28	6.08	7.82	9.97
BVPS (Rs)	50.2	63.4	63.7	68.0	72.7
P/EV (x)	2.4	2.2	2.0	1.7	1.5

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Source: Company, Emkay Research

Exhibit 1: Quarterly / 9M Financial Results

(Rs bn)	9MFY23	9MFY22	% YoY	9MFY23E	Var	3QFY23	3QFY22	% YoY
Annualised Premium Equivalent (APE)	53.4	51.3	4.2	53.2	0.5%	18.2	19.3	-5.5
--o/w Savings	42.9	42.7	0.5	-		14.8	16.2	-8.7
--o/w Protection	10.5	8.6	22.7	-		3.4	3.1	8.7
Protection APE (% of total APE)	19.7	16.7	3.0ppts	-		18.7	16.2	2.5ppts
Value of New Business	17.1	13.9	23.2	16.3	5.1%	6.2	5.2	20.0
New Business Margin (%)	32.0	27.1	4.9ppts	30.6	1.4ppts	33.9	26.7	7.2ppts
Total New Business Premium	116.5	105.9	10.0	-		40.3	39.0	3.3
Renewal premium	152.9	151.5	0.9	-		57.5	54.4	5.7
Gross written premium	269.4	257.5	4.6	-		97.8	93.4	4.7
PAT	5.8	5.7	1.5	7.2	-20.2%	2.2	3.1	-28.2
AUM	2,519	2,376	6.0	2504	0.6%	-	-	-
SH Equity	100.9	90.9	11.1	-		-	-	-
13th month persistency (%)	86.1	84.8	1.3ppts	-				
49th month persistency (%)	66.0	59.4	6.6ppts	-				
61st month persistency (%)	64.2	52.7	11.5ppts	-				
Solvency ratio (%)	212.2	202.2	10ppts	-		212.2	202.2	10ppts

Source: Company, Emkay Research

Exhibit 2: IPRU Life – Appraisal Method Valuation

Parameter (Rs bn)	Value
FY23-38E APE CAGR	8.7%
FY23-38E VNB CAGR	8.8%
Terminal growth rate	4.0%
Cost of Equity	13.5%
FY24E EV	406
Present value of future new business	492
Appraisal value - Mar- 24	901
Share count (mn)	1,437
Appraisal value per share (Rs) - Mar-24	627
Price target (Rs) - Dec-23	605

Source: Company, Emkay Research

Exhibit 3: Implied Valuation Multiples for IPRU Life

Target multiple on FY24 numbers (Rs/share)	605
P/EV	2.1x
RoEV	16.0
P/Op. EV Profit	15.3x
Implied FY25e VNB multiple	15.1x
Current price multiple on FY24 estimates (Rs/share)	485
P/EV	1.7x
RoEV (%)	16.0
P/EVOP	12.3x
Implied FY25e VNB multiple	9.0x

Source: Company, Emkay Research

Exhibit 4: Changes in Estimates

(Rs mn)	Old			Revised			% Change		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
APE	80,795	88,875	99,962	80,795	88,875	99,962	0.0	0.0	0.0
VNB	25,009	27,940	32,087	25,981	28,640	32,453	3.9	2.5	1.1
VNB Margin (%)	31.0	31.4	32.1	32.2	32.2	32.5	1.2ppts	0.8ppt	0.4ppt
EVOP	49,664	56,014	64,016	50,636	56,789	64,533	2.0	1.4	0.8
EV	353,293	403,589	461,626	354,265	405,562	464,365	0.3	0.5	0.6
PAT	8,737	11,795	14,945	8,737	11,229	14,326	0.0	-4.8	-4.1

Source: Company, Emkay Research

Story in Charts

Exhibit 5: Product Mix for 9MFY23 follows the H1FY23 trend

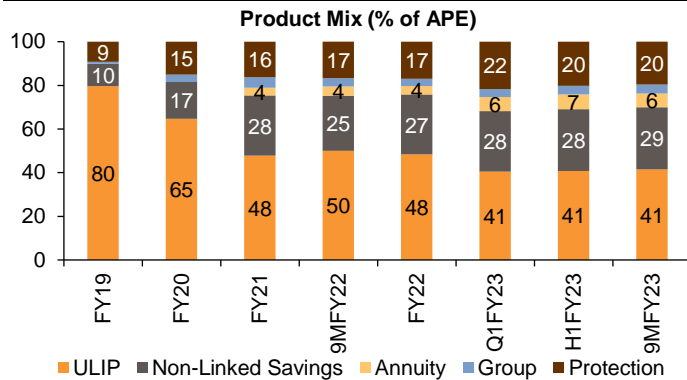


Exhibit 6: Share of Banca channel decreases to 30%

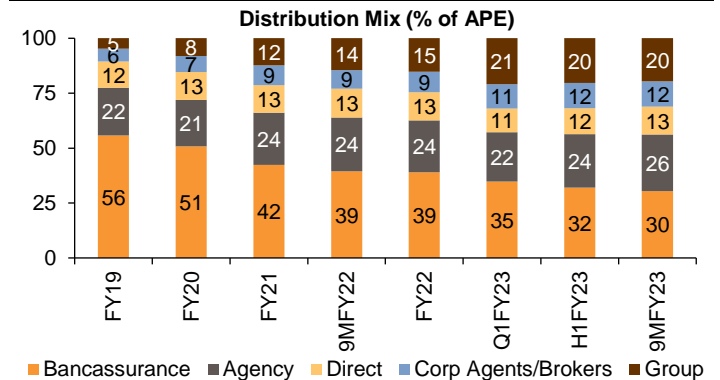


Exhibit 7: APE growth moderates to 4.2% YoY in 9MFY23

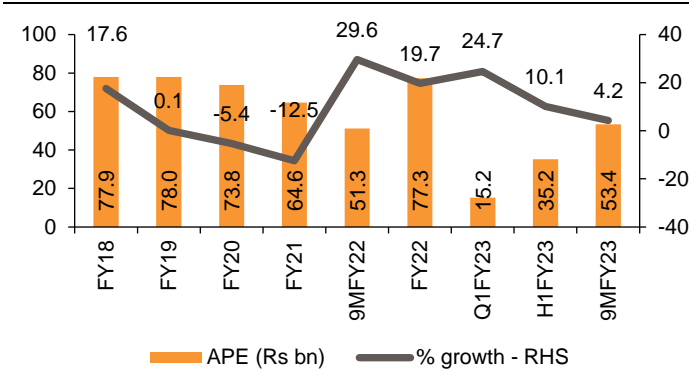


Exhibit 8: Surprise on VNB Margins, at 32% for 9MFY23

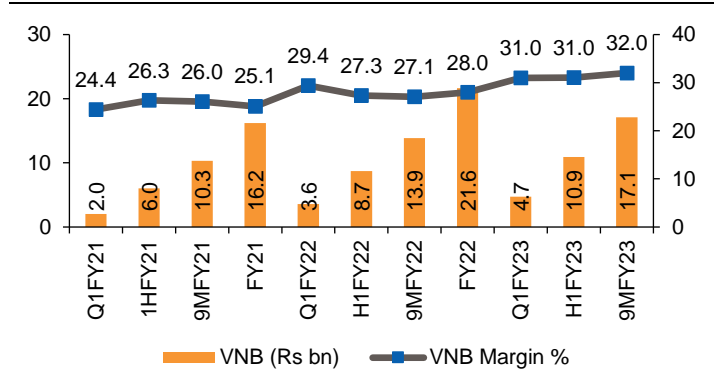


Exhibit 9: Expense ratio improves sequentially

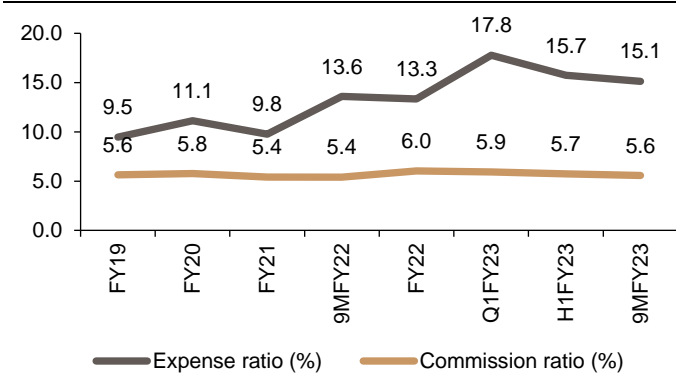
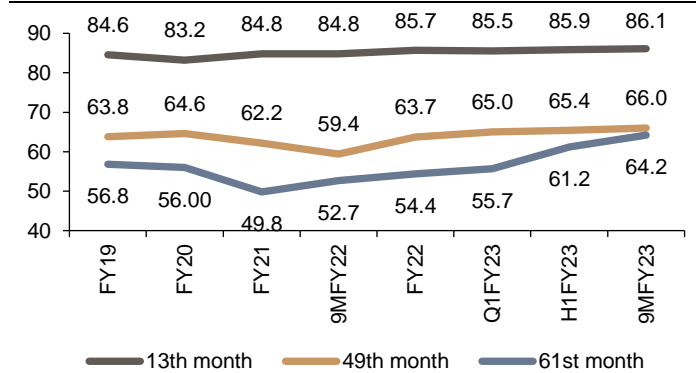


Exhibit 10: IPRU witnesses best persistency ratios so far, in 9MFY23



Conference Call Highlights

- IPRU Life entered into partnership with UCO Bank (a leading PSU bank with 3,000 branches), to expand its distribution channel.
- Management said that focus is on investing in & building the existing channel, and widening the distribution network. With more than 24,000 agents added and >850 partnerships as well as the recent increase in the tie-up limit for corporate agents and insurance marketing firms, Management expects further expansion in the distribution network.
- Retail Protection has now started to see sequential growth for Q3FY23, with the Total New business sum assured market share increasing, from 13.4% in FY22 to 14.6% for 9MFY23.
- Management stated that given the opportunity in the insurance sector and the favorable regulatory environment, the company will further invest in expansion of distribution and technology for enhancing the growth trajectory. While costs might increase in the near term, Management believes the investments will lead to sustainable growth in premiums and value creation.
- Management said that ICICI Bank sells Protection, Annuity and ULIP products (in order of priority). The company has endeavored to understand the ICICI customer base and has been able to get a large catchment in terms of roll out of pre-qualified offers for protection products. The focus remains on protection and annuity.
- Management said that the Non Par savings product is the new growth engine leading to high business strain. With protection products continuing to track a strong growth trajectory, protection will be in a deficit.
- Management expects profit stability in the near term and the capital adequacy is high. Company focus stays on VNB and EV growth.
- With passage of time, Management expects the ROP product to grow further, with protection seeing sequential growth. Management is comfortable with the protection growth so far and, going forward, the protection growth trajectory should move upwards.
- At 212% solvency ratio, IPRU is the best capitalized company. With access to subordinate debts, Management has no concerns with respect to equity raise for funding the growth.
- The drop in investment income came from the ULIP business. Other than in the Linked Business, there is no drop in investment income.
- Management said that with deposit growth at banks moving up and insurance premiums accounting to a marginal share as a percentage of incremental deposits, there is no concern regarding growth at the banca channel.
- In FY23, post the pandemic, GTI prices have reduced. Despite the price moderation, the company is seeing good growth in the group term business. Renewals from May-Jun '22 saw a drop in prices and, post May-Jun 2023, Management does not see any more material drop in price.
- Management said that it is comfortable with the pricing in the protection segment and that there is no limit on increasing the protection mix from a risk perspective. There are no capacity constraints limiting further growth in protection.
- Management said that despite the change in retention for protection in Dec-21, there has any been either a positive or a negative impact on VNB margins.
- The tenure of the current MD & CEO, NS Kanan, is due to end in June 2023. The retirement age within the ICICI Group is 58 years. Management said that the Board and shareholders will take an appropriate call regarding the reappointment of the MD/CEO.

Exhibit 11: Financial Summary

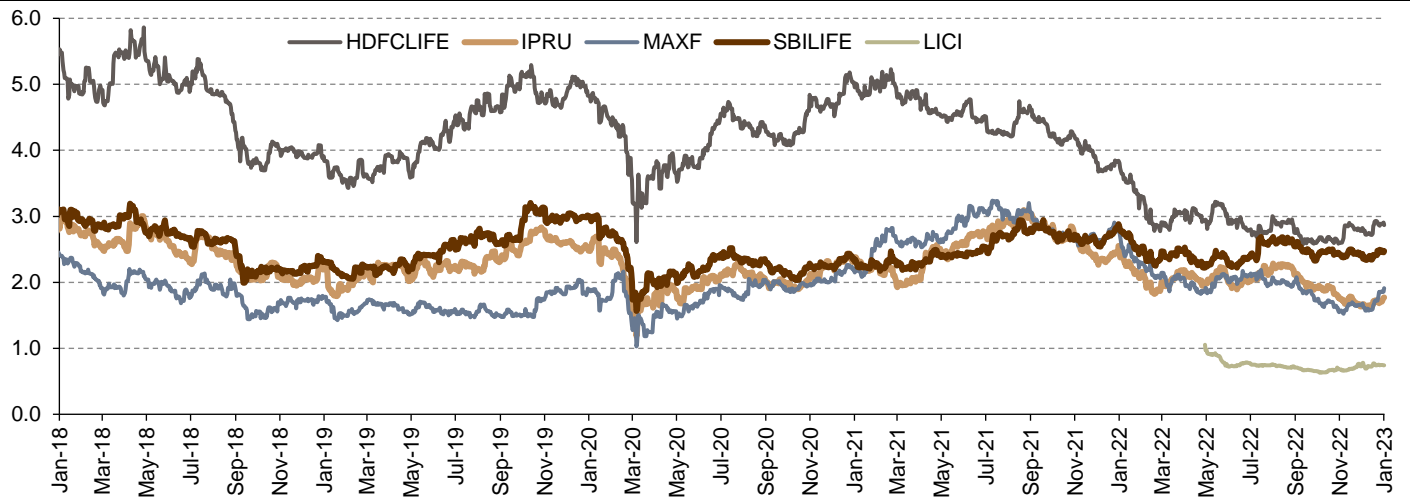
Y/E March (Rs mn)	2019	2020	2021	2022	2023E	2024E	2025E
Policyholders' account							
Gross written premium	3,09,298	3,34,307	3,57,328	3,74,580	3,93,856	4,19,927	4,61,670
Net earned premium	3,05,783	3,28,790	3,49,733	3,63,212	3,80,919	4,06,133	4,46,505
Total revenue	4,14,003	2,19,395	8,40,791	6,35,645	4,18,030	5,72,534	6,04,832
Commission expense	15,513	15,860	15,002	16,729	17,545	18,706	20,565
Operating expenses	26,053	28,469	26,883	36,730	34,711	37,008	40,687
Surplus/Deficit	12,333	21,967	21,053	21,903	23,228	21,110	20,976
Shareholders' account							
Transfer from policyholders' account	10,770	19,887	19,849	21,602	21,728	20,110	19,975
Investment income	6,443	6,628	7,709	10,143	7,091	8,068	9,361
Expenses	5,694	15,855	16,795	23,916	19,424	16,103	13,932
Profit before tax	11,613	10,670	10,774	7,948	9,394	12,074	15,404
Tax expense	223	0	1,213	356	658	845	1,078
Profit after tax	11,389	10,670	9,562	7,592	8,737	11,229	14,326
Balance Sheet							
Sources of Funds							
Shareholders' Funds	70,423	72,125	91,093	91,580	97,696	1,04,433	1,13,028
Policyholders' Funds: Insurance reserves and provisions	15,13,451	14,42,536	20,30,269	22,86,439	23,60,358	25,78,450	27,97,717
Total	15,94,218	15,26,987	21,34,893	23,91,852	24,73,270	26,99,621	29,29,158
Application of Funds							
Shareholders' Investments	79,862	74,152	1,00,807	98,469	1,01,652	1,11,045	1,20,488
Policyholders' Investments	4,00,712	4,67,503	6,35,726	7,73,880	7,98,899	8,72,716	9,46,930
Assets Held to Cover Linked Liabilities	11,09,458	9,70,850	13,85,491	15,08,663	15,57,437	17,01,341	18,46,020
Total	15,94,218	15,26,987	21,34,893	23,91,852	24,73,270	26,99,621	29,29,158
Embedded Value Account							
Embedded Value	2,16,230	2,30,300	2,91,060	3,16,250	3,54,265	4,05,562	4,64,365
--o/w Adjusted Net Worth	73,540	78,430	95,220	83,600	1,02,696	1,09,433	1,18,028
--o/w Value-in-Force	1,42,690	1,51,870	1,95,840	2,32,650	2,51,569	2,96,129	3,46,336
Annualised Premium Equivalent (APE)	77,990	73,810	64,620	77,330	80,795	88,875	99,962
New Business value	13,280	16,050	16,210	21,630	25,981	28,640	32,453
New Business Margin (%)	17.0	21.7	25.1	28.0	32.2	32.2	32.5
EV Operating Profit	38,010	32,890	35,060	31,920	50,636	56,789	64,533
Operating RoEV (%)	20.2	15.2	15.2	11.0	16.0	16.0	15.9
Per share data (Rs)							
EPS	7.93	7.43	6.66	5.28	6.08	7.82	9.97
DPS	4.9	2.3	0.0	2.0	1.8	3.1	4.0
EVPS	150.6	160.4	202.7	220.0	246.5	282.2	323.1
BVPS	49.0	50.2	63.4	63.7	68.0	72.7	78.6
EV Op. Profit per share	26.5	22.9	24.4	22.2	35.2	39.5	44.9
Key Ratio							
Return on Equity (%)	16.4	15.0	11.7	8.3	9.2	11.1	13.2
Commission expense/TWRP (%)	5.6	5.8	5.4	6.0	6.0	6.1	6.2
Operating expenses/TWRP (%)	9.5	11.1	9.8	13.3	11.9	12.1	12.3
Total expense (% of TWRP)	15.1	16.9	15.2	19.4	18.0	18.2	18.5
Total expense (% of Avg AUM)	2.77	2.83	2.29	2.36	2.15	2.15	2.18
Conservation ratio (%)	81.6	76.0	82.0	79.3	78.3	81.3	82.3

Source: Company, Emkay Research

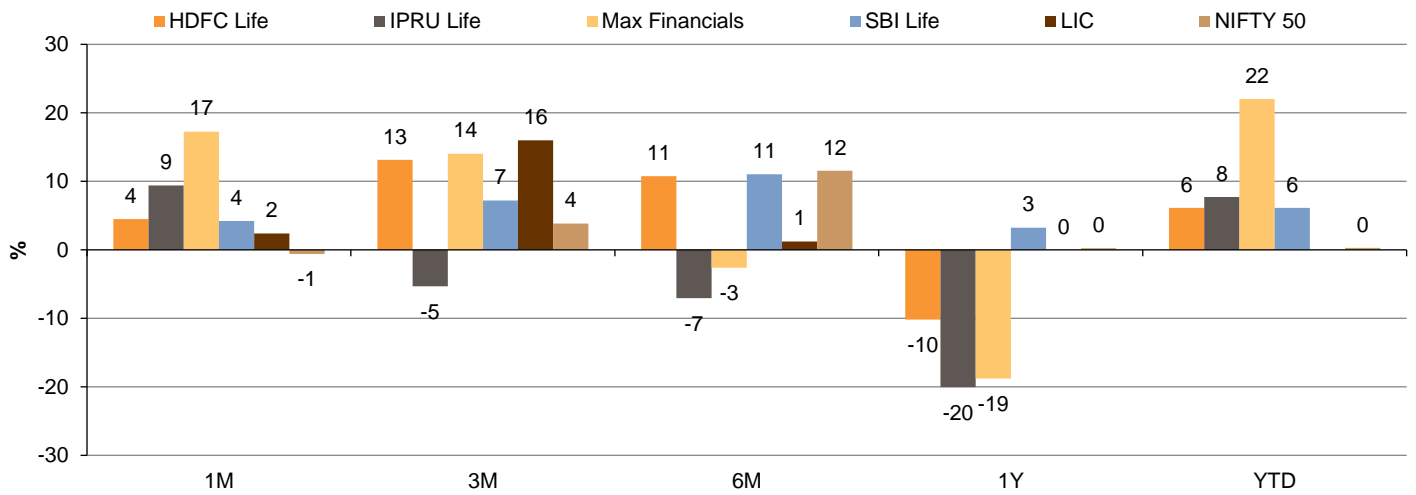
Exhibit 12: Peer Valuation

Company	Unit	HDFC Life					ICICI Prudential Life					Max Financial Services					SBI Life				
Bloomberg ticker		HDFCLIFE IN					IPRU IN					MAXF IN					SBILIFE IN				
Rating		BUY					BUY					BUY					BUY				
Current market price	Rs	602					487					825					1308				
Market Capitalisation	Rs bn	1294					701					285					1309				
Market Capitalisation	USD mn	15,895					8,606					3,500					16,074				
Target price	Rs	700					605					920					1630				
Upside/Downside	%	16.3					24.2					11.5					24.6				
		HDFC Life					ICICI Prudential Life					Max Financial Services					SBI Life				
Profitability		FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E
VNB Margin	%	26.1	27.4	27.4	28.8	29.9	25.1	28.0	32.2	32.2	32.5	25.2	27.3	27.8	27.8	28.3	23.2	25.9	29.0	29.2	29.9
Operating RoEV	%	18.5	16.6	17.5	18.6	18.6	15.2	11.0	16.0	16.0	15.9	18.6	19.2	19.8	19.5	19.2	19.4	16.4	20.3	19.8	19.3
Valuation at CMP		FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E
P/EV	x	4.6	4.2	3.3	2.8	2.4	2.4	2.2	2.0	1.7	1.5	2.5	2.5	2.2	1.9	1.6	3.8	3.3	2.8	2.4	2.0
P/EVOP	x	31.8	28.0	22.3	17.6	15.0	20.0	21.9	13.8	12.3	10.8	15.9	15.4	12.6	11.1	9.5	24.5	23.1	16.3	14.3	12.4
Implied P/VNB	x	46.2	37.2	30.5	22.9	17.5	28.9	18.9	14.8	12.1	9.1	16.1	13.8	13.1	10.5	7.7	38.8	26.0	18.8	15.3	11.8
Implied P/VIF	x	6.4	5.6	4.3	3.5	2.9	3.1	2.6	2.4	2.0	1.7	2.9	2.9	2.5	2.1	1.7	5.4	4.4	3.7	3.0	2.4
P/B	x	14.1	8.2	6.9	6.3	5.8	7.7	7.6	7.2	6.7	6.2	8.5	7.2	6.6	5.9	5.2	12.6	11.3	9.9	8.6	7.4
P/E	x	89.4	102.1	73.3	61.1	56.0	73.2	92.2	80.1	62.3	48.8	56.9	112.4	81.4	52.3	44.1	89.8	86.9	73.7	57.7	51.3
P/AUM	x	0.70	0.62	0.54	0.46	0.39	0.33	0.29	0.28	0.26	0.24	0.33	0.33	0.28	0.24	0.21	0.59	0.49	0.43	0.37	0.32
per share data		FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E
EV	Rs	131.7	142.2	183.9	216.3	254.5	202.7	220.0	246.5	282.2	323.1	331.0	332.7	377.4	445.4	527.1	345.9	396.2	459.7	546.4	649.6
EVOP	Rs	18.9	21.5	27.0	34.2	40.2	24.4	22.2	35.2	39.5	44.9	51.8	53.4	65.7	74.6	86.7	53.5	56.7	80.5	91.2	105.2
VNB	Rs	10.8	12.7	15.1	18.3	22.0	11.3	15.0	18.1	19.9	22.6	34.9	35.9	37.6	42.7	49.4	26.6	37.0	48.4	55.5	64.5
VIF	Rs	87.2	100.3	127.2	152.3	182.4	136.4	161.9	175.0	206.0	241.0	253.5	259.7	300.2	355.6	422.3	217.1	272.0	313.9	380.0	459.7
Book Value	Rs	42.7	73.3	87.5	94.9	102.9	63.4	63.7	68.0	72.7	78.6	96.9	114.0	124.2	139.9	158.7	104.0	116.2	131.7	152.3	175.8
Earnings	Rs	6.7	5.9	8.2	9.8	10.8	6.7	5.3	6.1	7.8	10.0	14.5	7.3	10.1	15.8	18.7	14.6	15.1	17.7	22.7	25.5
AUM	Rs	860	966	1,124	1,315	1,535	1,488	1,666	1,720	1,878	2,037	2,529	2,523	2,956	3,451	4,017	2,209	2,673	3,023	3,528	4,117
ANW		44.5	41.9	56.6	64.0	72.1	66.3	58.2	71.4	76.1	82.1	77.4	73.0	81.9	95.4	111.4	116.8	124.1	145.7	166.3	189.8
Key parameters		FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E
APE	Rs bn	83.7	97.6	117.9	136.6	158.3	64.6	77.3	80.8	88.9	100.0	49.6	55.9	57.5	65.3	74.3	114.5	143.0	167.0	189.8	215.8
VNB	Rs bn	21.9	26.8	32.4	39.3	47.3	16.2	21.6	26.0	28.6	32.5	12.5	15.3	16.0	18.2	21.0	26.6	37.0	48.4	55.5	64.5
EVOP	Rs bn	38.3	44.1	57.7	73.5	86.3	35.1	31.9	50.6	56.8	64.5	18.5	22.8	28.0	31.8	36.9	53.5	56.7	80.5	91.3	105.2
EV	Rs bn	266.2	300.5	395.0	464.7	546.8	291.1	316.3	354.3	405.6	464.4	118.3	141.7	162.8	192.1	227.4	345.9	396.3	459.8	546.5	649.7
Net Worth	Rs bn	86.4	154.9	188.0	203.8	221.2	91.1	91.6	97.7	104.4	113.0	33.4	39.3	42.8	48.3	54.8	104.0	116.2	131.7	152.4	175.9
Net Profit	Rs bn	13.6	12.1	17.5	21.2	23.1	9.6	7.6	8.7	11.2	14.3	5.6	3.2	4.4	6.9	8.2	14.6	15.1	17.8	22.7	25.5
AUM	Rs bn	1,738	2,042	2,416	2,825	3,297	2,136	2,395	2,472	2,699	2,927	904	1,075	1,259	1,470	1,711	2,209	2,674	3,024	3,529	4,118
Growth YoY		FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E	FY21	FY22	FY23E	FY24E	FY25E
APE	%	13.0	16.6	20.8	15.9	15.9	-12.5	19.7	4.5	10.0	12.5	19.5	12.7	2.8	13.6	13.7	6.6	24.9	16.8	13.7	13.7
VNB	%	13.9	22.4	21.0	21.5	20.2	1.0	33.4	20.1	10.2	13.3	39.2	22.3	4.7	13.6	15.8	19.8	39.1	30.9	14.6	16.2
EVOP	%	15.4	15.2	31.0	27.3	17.4	6.6	-9.0	58.6	12.2	13.6	2.1	23.0	23.0	13.6	16.1	11.4	6.0	42.0	13.4	15.3
EV	%	28.9	12.9	31.5	17.6	17.6	26.4	8.7	12.0	14.5	14.5	18.6	19.8	14.8	18.0	18.3	25.2	14.6	16.0	18.9	18.9
Net Worth	%	27.0	79.3	21.4	8.4	8.5	26.3	0.5	6.7	6.9	8.2	397.2	17.7	8.9	12.7	13.4	19.0	11.7	13.3	15.7	15.4
Net Profit	%	5.0	-11.2	45.1	20.7	9.2	-10.4	-20.6	15.1	28.5	27.6	286.1	-43.1	39.6	54.8	18.5	2.4	3.4	17.9	27.6	12.5
AUM	%	36.6	17.4	18.3	16.9	16.7	39.9	12.1	3.2	9.2	8.5	32.0	18.9	17.1	16.8	16.4	38.4	21.1	13.1	16.7	16.7

Source: Company, Emkay Research

Exhibit 13: Price-to-EV (x) performance for Life Insurers

Source: Company, Emkay Research

Exhibit 14: Price Performance of Stocks in the Insurance Sector

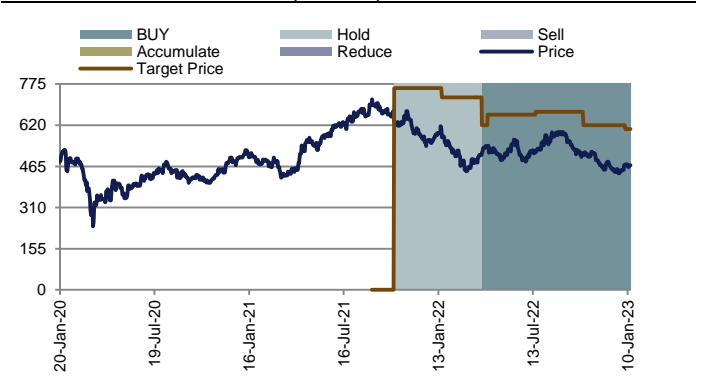
Source: Company, Emkay Research

RECOMMENDATION HISTORY (Rs/share)

Date	Closing Price	TP	Period	Rating	Analyst
10-Jan-23	466	605	12m	Buy	Avinash Singh
05-Jan-23	472	605	12m	Buy	Avinash Singh
03-Jan-23	469	620	12m	Buy	Avinash Singh
08-Dec-22	462	620	12m	Buy	Avinash Singh
08-Nov-22	513	620	12m	Buy	Avinash Singh
17-Oct-22	510	620	12m	Buy	Avinash Singh
10-Oct-22	516	670	12m	Buy	Avinash Singh
29-Sep-22	530	670	12m	Buy	Avinash Singh
07-Sep-22	594	670	12m	Buy	Avinash Singh
05-Sep-22	585	670	12m	Buy	Avinash Singh
24-Aug-22	584	670	12m	Buy	Avinash Singh
08-Aug-22	570	670	12m	Buy	Avinash Singh
18-Jul-22	523	670	12m	Buy	Avinash Singh
08-Jun-22	544	660	12m	Buy	Avinash Singh
17-May-22	500	660	12m	Buy	Avinash Singh
12-May-22	489	660	12m	Buy	Avinash Singh
09-May-22	505	660	12m	Buy	Avinash Singh
06-May-22	510	660	12m	Buy	Avinash Singh
19-Apr-22	516	660	12m	Buy	Avinash Singh
17-Apr-22	541	660	12m	Buy	Avinash Singh
06-Apr-22	517	620	12m	Buy	Avinash Singh
08-Feb-22	516	725	12m	Hold	Avinash Singh
19-Jan-22	574	725	12m	Hold	Avinash Singh
18-Jan-22	608	760	12m	Hold	Avinash Singh
07-Dec-21	587	760	12m	Hold	Avinash Singh
09-Nov-21	651	760	12m	Hold	Avinash Singh
20-Oct-21	632	760	12m	Hold	Avinash Singh
07-Sep-21	702	-	12m	UR	Avinash Singh

Source: Company, Emkay Research

RECOMMENDATION HISTORY (Rs/share)



Source: Bloomberg, Company, Emkay Research

Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 18 Jan 2023 18:19:47 (SGT)

Dissemination Date: 18 Jan 2023 18:20:47 (SGT)

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