

BUY

TP: Rs 1,650 | ▲ 27%

SBI LIFE

| Insurance

| 28 October 2023

Strong showing

- H1 APE growth strong at 21% YoY led by a rebound in ULIP and protection business during Q2
- VNB margin still high at 28.6% despite contracting due to a product mix skewed toward ULIPs
- TP revised to Rs 1,650 (vs. Rs 1,500) based on 2.5x FY25E EV (vs. 2.3x), reflecting strong numbers and outlook; maintain BUY

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Strong results: SBI Life's APE grew at a robust 21% YoY in H1FY24 to Rs 82.6bn (34% YoY to Rs 52bn in Q2FY24) and gross premium increased 21% to Rs 337bn. EV rose 21% YoY to Rs 512.6bn for the half year. The company maintains market leadership in the private life insurance space, commanding 26.8% share in NBP and 25.6% share in individual APE at end-Q2. In anticipation of a good H2FY24, we increase our FY24/FY25 APE estimates by 7%/3%, resulting in a ~1% rise in EV for each of our forecast years.

Business skewed towards ULIPs: Non-par business declined 18% YoY to Rs 14.4bn in H1FY24, causing its share in total APE to plummet to 17% (vs. 26% in H1FY23). ULIPs remained in focus at 56% of APE vs. 49%. Management indicated that it is targeting a balanced product mix. Total protection business formed 13% of APE in H1 vs. 11% in the year-ago period. Individual protection APE remained flat YoY but group protection grew 86%. Demand for annuity products has been increasing and the segment grew 45% YoY at end H1FY24, albeit on a low base.

VNB margin guided to remain rangebound: SBI Life's VNB increased from Rs 21.2bn at end-H1FY23 to Rs 23.6bn at end-H1FY24. Over this period, the VNB margin has fallen from 31% to 28.6% owing to the change in product mix towards ULIPs. Management expects margins to remain rangebound at 28-30% for FY24. We continue with our estimate of 28.5% each for FY24/FY25.

Persistency ratios improve; expense ratio <10%: Persistency in the 13th month cohort improved to 85.4% at end-H1FY24 from 85.2% in H1FY23 and in the 61st month from 52.5% to 57.5%. The expense ratio increased 5bps YoY in Q2 but declined 130bps QoQ to 9.5% (10% in H1), staying below that of listed private peers.

Our top pick: SBI Life is trading at 1.9x FY25E P/EV. Considering the company's consistent performance and robust growth outlook, we assign a higher multiple of 2.5x FY25E P/EV (2.3x earlier) – in line with the long-term mean. This together with estimate revision translates to an increased TP of Rs 1,650 (Rs 1,500 earlier) that carries 27% upside. SBI Life remains our top pick among life insurers – retain BUY.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	SBILIFE IN/Rs 1,303
Market cap	US\$ 15.9bn
Free float	45%
3M ADV	US\$ 16.3mn
52wk high/low	Rs 1,393/Rs 1,054
Promoter/FPI/DII	55%/24%/16%

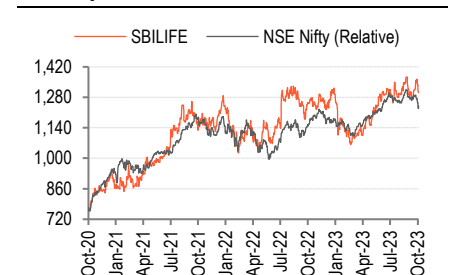
Source: NSE | Price as of 27 Oct 2023

Key financials

Y/E 31 Mar	FY23A	FY24E	FY25E
NBP (Rs mn)	2,95,886	3,48,179	4,15,424
APE (Rs mn)	1,68,100	1,92,762	2,26,678
VNB (Rs mn)	50,700	54,937	64,603
Embedded Value (Rs mn)	4,60,600	5,51,684	6,60,176
VNB margin (%)	30.1	28.5	28.5
EVPS (Rs)	475.2	566.8	674.0
EPS (Rs)	17.2	21.1	24.1
Consensus EPS (Rs)	17.2	22.0	23.8
P/EV (x)	2.7	2.3	1.9

Source: Company, Bloomberg, BOBCAPS Research

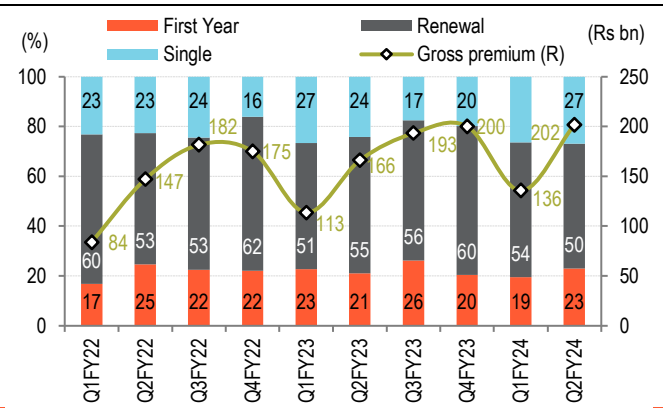
Stock performance



Source: NSE

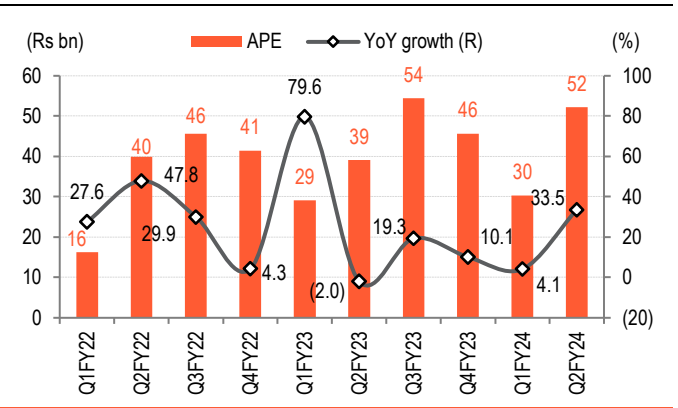


Fig 1 – Gross premium up 21% YoY in Q2FY24



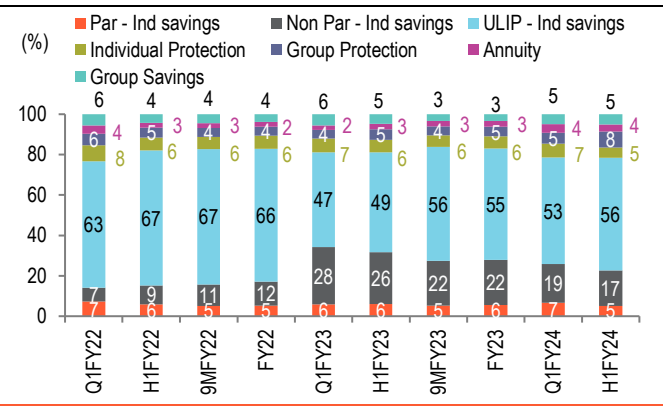
Source: Company, BOBCAPS Research

Fig 2 – APE grows 34% YoY



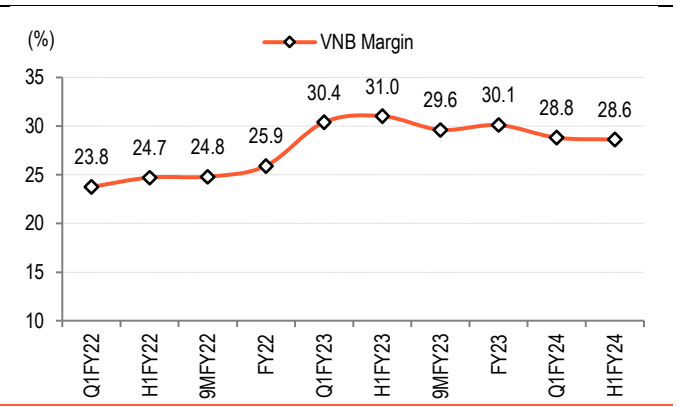
Source: Company, BOBCAPS Research

Fig 3 – Non-par APE remains weak



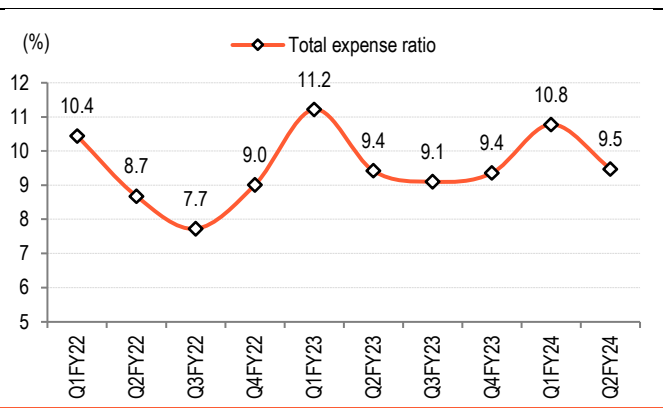
Source: Company, BOBCAPS Research | Ind - Individual

Fig 4 – VNB margin contracts in H1 due to change in mix



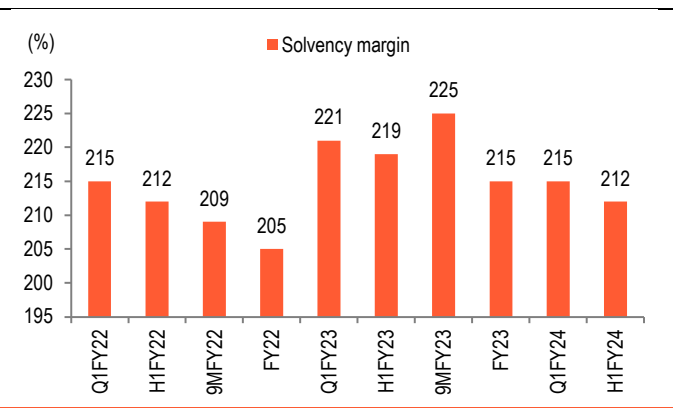
Source: Company, BOBCAPS Research

Fig 5 – Total expense ratio remains competitive



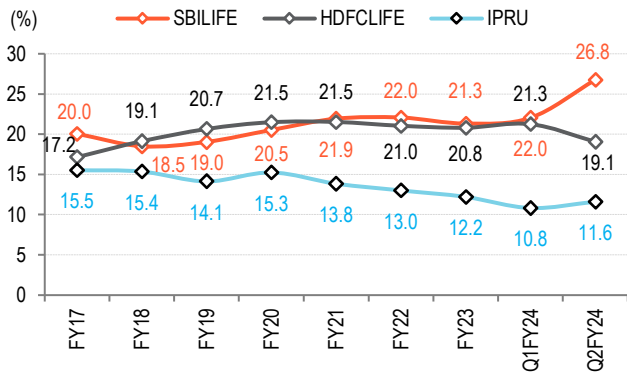
Source: Company, BOBCAPS Research

Fig 6 – Solvency margin adequate



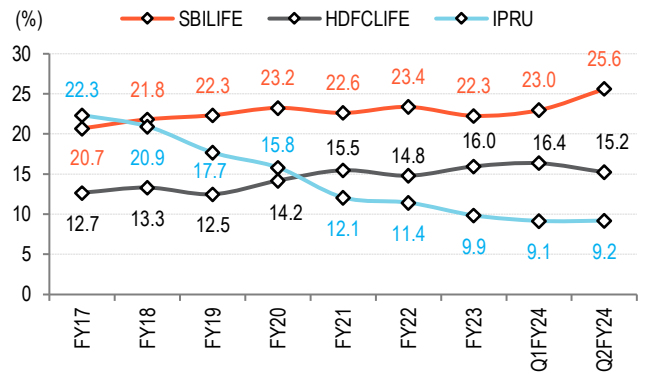
Source: Company, BOBCAPS Research

Fig 7 – NBP market share expands to 26.8%; remains the leader in private life insurance



Source: Company, BOBCAPS Research

Fig 8 – Individual APE market share expands to 25.6%



Source: Company, BOBCAPS Research

Fig 9 – Consistent outperformer

NBP (%)	7Y CAGR	5Y CAGR	3Y CAGR	Individual NBP (%)	7Y CAGR	5Y CAGR	3Y CAGR
Industry	11	11	8	Industry	11	10	8
Private	18	17	21	Private	18	15	11
SBI Life	20	24	22	SBI Life	24	22	20
Individual Rated Premium (%)	7Y CAGR	5Y CAGR	3Y CAGR	Individual Policies (%)	7Y CAGR	5Y CAGR	3Y CAGR
Industry	12	10	15	Industry	2	0.3	9
Private	16	13	21	Private	6	4	8
SBI Life	19	16	29	SBI Life	9	10	18

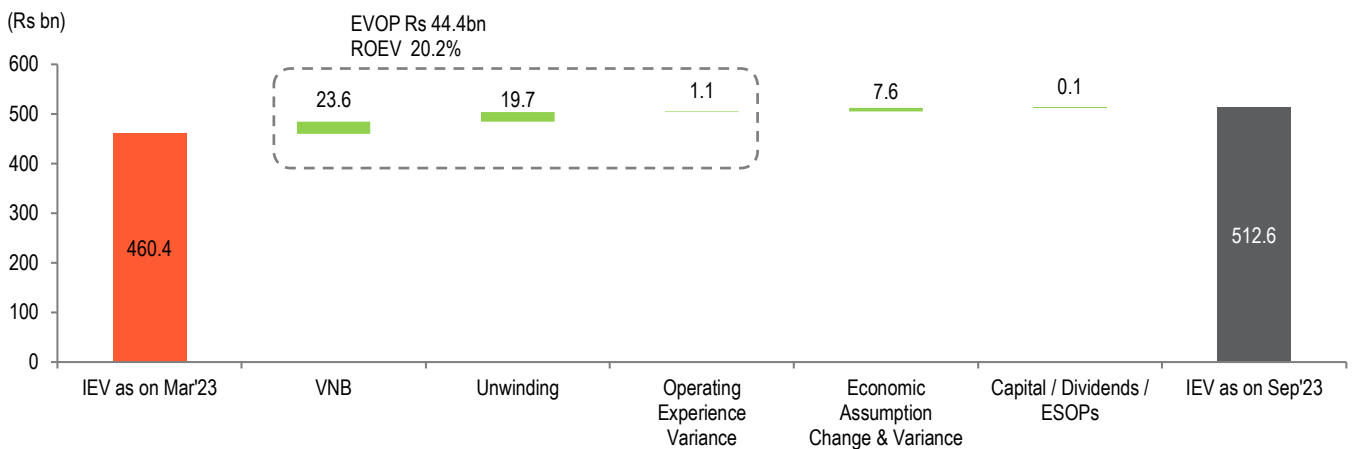
Source: Company, BOBCAPS Research | Note: H1FY24 is used to calculate the CAGR

Fig 10 – Distribution mix (APE)

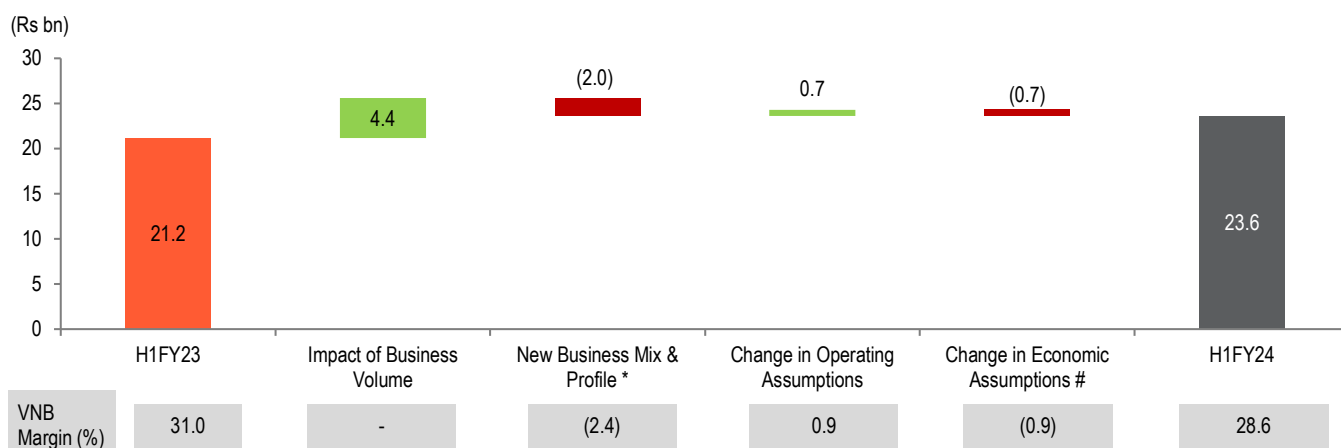
(%)	Q1FY22	H1FY22	9MFY22	FY22	Q1FY23	H1FY23	9MFY23	FY23	Q1FY24	H1FY24
Bancassurance	57.0	62.0	64.0	63.0	63.0	63.0	66.0	64.0	65.0	60.0
Agency	29.0	27.0	25.0	26.0	26.0	25.0	25.0	26.0	25.0	26.0
Others	14.0	11.0	11.0	11.0	11.0	12.0	9.0	10.0	10.0	14.0

Source: Company, BOBCAPS Research

Fig 11 – EV positively impacted by change in economic assumptions



Source: Company, BOBCAPS Research

Fig 12 – VNB up 11% YoY in H1FY24 but product mix tilted toward ULIPs led to decline in VNB margin


Source: Company, BOBCAPS Research | Note: Per the company, the methodology, assumptions and the results have been reviewed by Willis Towers Watson Actuarial Advisory LLP | *Impact of change mainly in business mix and profile (age, term, channel etc.); # Risk free rate change

Fig 13 – Policyholders' account

(Rs mn)	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	H1FY24	H1FY23	YoY (%)
Gross premium income	2,01,758	1,66,211	21.4	1,35,551	48.8	3,37,309	2,79,702	20.6
First Year Premium	46,333	34,819	33.1	26,374	75.7	72,707	60,523	20.1
Renewal Premium	1,01,211	91,240	10.9	73,480	37.7	1,74,691	1,48,817	17.4
Single Premium	54,214	40,152	35.0	35,697	51.9	89,910	70,362	27.8
Reinsurance	1,262	1,438	(12.3)	4,506	(72.0)	5,767	4,569	26.2
Net premium income	2,00,497	1,64,773	21.7	1,31,045	53.0	3,31,542	2,75,133	20.5
Income from investments (Net)	85,074	1,10,367	(22.9)	1,45,789	(41.6)	2,30,863	46,311	398.5
Other income	115	113	2.3	86	34.5	201	220	(8.8)
Contribution of funds from Shareholders' A/c	-	-	NA	-	NA	-	-	NA
Total	2,85,686	2,75,253	3.8	2,76,920	3.2	5,62,606	3,21,664	74.9
Commission on:								
First Year Premium	4,852	4,226	14.8	3,208	51.3	8,060	7,664	5.2
Renewal Premium	2,536	2,347	8.1	1,547	64.0	4,083	3,624	12.7
Single Premium	571	545	4.8	457	24.9	1,028	906	13.4
Rewards	2,210	235	840.2	225	883.7	2,434	435	459.3
Net Commission	10,169	7,353	38.3	5,436	87.1	15,605	12,629	23.6
Expenses of Management	19,121	15,664	22.1	14,609	30.9	33,730	28,397	18.8
Provision for taxes	2,674	2,481	7.8	2,303	16.1	4,977	4,448	11.9
Benefits Paid (Net)	1,00,445	76,367	31.5	71,034	41.4	1,71,480	1,28,084	33.9
Change in actuarial liability	1,59,708	1,77,323	(9.9)	1,85,197	(13.8)	3,44,904	1,54,613	123.1
Surplus/Deficit	3,639	3,446	5.6	3,801	(4.3)	7,440	6,171	20.6

Source: Company, BOBCAPS Research

Fig 14 – Shareholders' account

(Rs mn)	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	H1FY24	H1FY23	YoY (%)
Transfer from Policyholders' Account	1,665	1,903	(12.5)	1,890	(11.9)	3,556	2,906	22.4
Investment Income	2,476	2,032	21.9	2,120	16.8	4,596	3,790	21.3
Other income	(0)	0	(125.0)	0	(200.0)	-	4	(100.0)
Expenses other than those related to insurance business	251	88	186.3	79	215.9	330	169	95.0
Transfer of funds to Policyholders' Account	-	-	NA	34	(100.0)	34	-	NA
Profit before tax	3,870	3,866	0.1	3,897	(0.7)	7,767	6,541	18.8
Provisions for tax	68	99	(31.4)	87	(22.0)	155	145	7.0
Profit after tax and before extraordinary items	3,802	3,767	0.9	3,810	(0.2)	7,612	6,396	19.0

Source: Company, BOBCAPS Research

Fig 15 – Balance sheet

(Rs mn)	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)
Share Capital	10,011	10,007	0.0	10,010	0.0
Reserves and Surplus	1,26,990	1,10,801	14.6	1,23,097	3.2
Credit / (Debit) Fair Value Change Account	2,688	1,353	98.7	2,253	19.3
Total Equity	1,39,689	1,22,161	14.3	1,35,359	3.2
POLICYHOLDERS' FUNDS:					
Policy Liabilities	14,25,569	11,94,100	19.4	13,58,255	5.0
Provision for Linked Liabilities	15,07,701	12,59,052	19.7	14,38,144	4.8
Add: Fair value change	2,69,996	1,63,156	65.5	2,48,277	8.7
Total Provision for Linked & Discontinued Policyholders Liabilities	1,06,092	88,397	20.0	1,04,552	1.5
Funds for Future Appropriations	15,312	13,202	16.0	13,338	14.8
TOTAL	33,24,670	27,17,907	22.3	31,62,565	5.1
Total Liabilities & Equity	34,64,360	28,40,068	22.0	32,97,924	5.0
Assets					
INVESTMENTS:					
Shareholders'	1,27,134	1,11,193	14.3	1,26,760	0.3
Policyholders'	14,41,397	12,01,494	20.0	13,64,992	5.6
Asset held to cover Linked Liabilities	18,53,210	14,84,356	24.8	17,60,816	5.2
Loans	3,572	3,571	0.0	4,100	(12.9)
Fixed Assets	5,424	5,250	3.3	5,289	2.6
NET CURRENT ASSETS	33,624	34,204	(1.7)	35,967	(6.5)
TOTAL ASSETS	34,64,360	28,40,068	22.0	32,97,924	5.0

Source: Company, BOBCAPS Research

Fig 16 – Key ratios and growth metrics

(Rs mn)	Q2FY24	Q2FY23	YoY (%)	Q1FY24	QoQ (%)	H1FY24	H1FY23	YoY (%)
NBP	1,00,547	74,971	34.1	62,071	62.0	1,62,618	1,30,885	24.2
APE	52,200	39,100	33.5	30,300	72.3	82,600	68,300	20.9
VNB	14,900	12,400	20.2	8,700	71.3	23,600	21,200	11.3
Opex ratio (%)	4.4	5.0	(56bps)	6.8	(233bps)	5.4	5.6	(26bps)
Commission ratio (%)	5.0	4.4	62bps	4.0	62bps	4.6	4.5	11bps
Expense ratio (%)	9.5	9.4	5bps	10.8	(130bps)	10.0	10.2	(15bps)
VNB margin (%) – Cumulative	28.6	31.0	(240bps)	28.8	(20bps)	28.6	31.0	(240bps)
Solvency ratio (%)	212.0	219.0	(700bps)	215	(300bps)	212.0	219.0	(700bps)
Persistency ratio (Regular Premium / Limited Premium Payment under Individual category)								
13th month (%) – Cumulative	85.4	85.2	23bps	85.0	23bps	85.4	85.2	23bps
61st month (%) - Cumulative	57.5	52.5	505bps	56.7	505bps	57.5	52.5	505bps

Source: Company, BOBCAPS Research

Earnings call highlights

Business highlights

- SBI Life's NBP grew 34% YoY in Q2FY24 to Rs 101bn (+24% YoY in H1 to Rs 162.6bn). Gross premium at Rs 202bn was up 21% YoY for the quarter and APE grew 34% to Rs 52.2bn (+21% YoY in H1 to Rs 82.6bn).
- The number of policies issued grew 6% YoY at end-H1 whereas individual APE increased 17% as ticket size per policy moved up due to a higher share of ULIPs in the mix.
- Management retained its guidance of 20% YoY growth in individual APE in FY24.
- The total expense ratio increased 5bps YoY but declined 130bps QoQ to 9.5% in Q2FY24. For H1FY24, the expense ratio declined 15bps YoY to 10%. The company did not effect any change in the commission structure across channels.
- VNB margin stood at a healthy 28.6% at end-H1FY24 despite declining 240bps over H1FY23. AUM grew 22% YoY to Rs 3.4tn.
- SBI Life's solvency margin remained comfortable at 212%.

Product mix

- The non-participating segment remained soft, declining 18% YoY to Rs 14.4bn at end-H1FY24 and forming 17% of total APE vs. 26% in H1FY23. Management indicated that it has cut IRR by 10-15bps in one of its non-par savings products.
- Positive market sentiment boosted the demand for ULIPs by 37% YoY to Rs 46.1bn at end-H1FY24, raising their share in APE from 49% in the year-ago period to 56%. Annuity plans grew 45% YoY on a lower base, constituting 4% of the mix from 3% in H1FY23. Per management, this business is largely driven by its 'Smart Annuity Plus' product.
- Protection business increased 39% YoY to Rs 10.7bn at end-H1FY24, with individual growth being flat whereas group protection grew 86% YoY to Rs 6.5bn. The protection business constituted 13% of APE from 11% in the year-ago period.
- The company is working to boost sales of par and non-par products to maintain a healthy product mix.

Distribution channels

- Bancassurance constituted 60% of APE at end-H1FY24 (vs. 63% a year ago), whereas the share contributed by agents was stable at 26%.
- SBI Life added 28,204 agents during H1, taking the total count to 236,978 (+33% YoY).
- All SBI branches are authorised to sell SBI Life products, but the monthly active rate of these branches is only 55-65%

VNB

- VNB margin decreased from 31% in H1FY23 to 28.6% in H1FY24 on account of a change in product mix (-240bps impact) and economic assumptions (-90bps), offset by higher operating assumptions (+90bps).
- VNB increased from Rs 21.2bn at end-H1FY23 to Rs 23.6bn at end-H1FY24.

Embedded value

- EV stood at Rs 512.6bn, rising 21% over H1FY23. Operating variance was positive owing to a better mortality experience. Management expects operating variance to rise substantially by end-FY24.
- Embedded value operating profit stood at Rs 44.4bn as of H1. Operating return on embedded value was 20.2%.

Persistency & Surrender ratios

- 13th month persistency improved from 85.2% at end-H1FY23 to 85.4% in H1FY24. The 61st month cohort improved significantly from 52.5% to 57.5% because the company ran several revival and renewal campaigns.
- The surrender ratio moved up from 4.3% in H1FY23 to 6.1% in H1FY24.

Valuation methodology

SBI Life has consistently outperformed peers and maintains its market leadership in the private life insurance space, commanding 26.8% share in NBP and 25.6% share in individual APE at end-Q2FY24. The exclusive bancassurance partnership (closed architecture) with parent SBI remains a key competitive edge owing to the bank's deep reach in smaller towns and cities. The company boasts strong brand equity and pedigree, a wide network of ~1,000 branches and ~240,000 agents, and one of the lowest cost ratios among listed peers.

Following a quiet first quarter, SBI Life saw a rebound in Q2FY24 with strong APE and NBP growth. Management has retained its guidance of 20% growth in individual APE for FY24. In anticipation of a good H2FY24, we raise our APE estimates by 7%/3% for FY24/FY25. Consequently, our EV estimates increase by ~1% for each of the forecast years. Management has guided that VNB margin will hold in the range of 28-30% for FY24, and we retain our estimate of 28.5% each for FY24/FY25.

SBI Life is trading at 1.9x FY25E P/EV. Considering the company's consistent performance and robust growth outlook, we assign a higher multiple of 2.5x FY25E P/EV (2.3x earlier) – in line with the long-term mean. This together with our revised estimates translates to an increased TP of Rs 1,650 (Rs 1,500 earlier) that carries 27% upside. We continue to prefer SBI Life in the life insurance space for its market leadership, high VNB margins, efficient cost ratios and strong brand – maintain BUY.

Fig 17 – Revised estimates

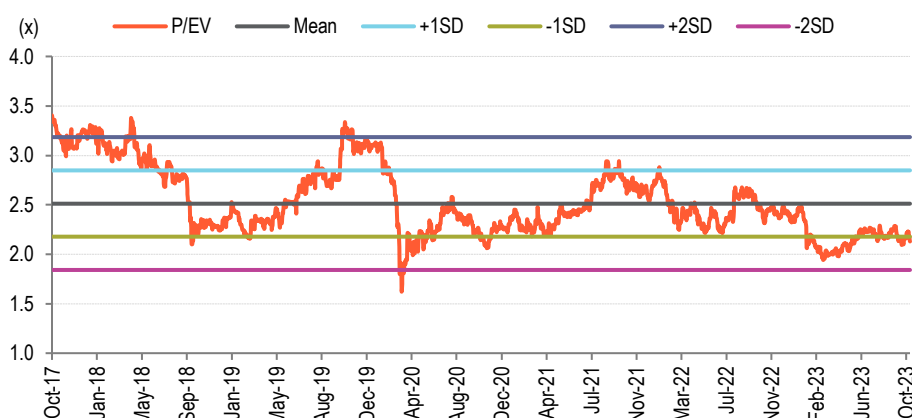
(Rs bn)	New		Old		Change (%)	
	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Gross Premium	7,76,863	9,09,034	7,53,652	8,60,268	3.1	5.7
Net Premium	7,67,147	8,97,692	7,44,430	8,49,799	3.1	5.6
VNB	55	65	51	63	7.1	2.8
APE	193	227	180	221	7.1	2.8
EV	552	660	548	654	0.7	0.9
VNB Margin (%)	28.5	28.5	28.5	28.5	0bps	0bps

Source: BOBCAPS Research

Fig 18 – Valuation summary

Particulars	
Embedded Value (FY25E) (Rs bn)	660
PV of Future business (Rs bn)	974
Total value (Rs bn)	1,635
Current P/EV (FY25E) (x)	1.9
Implied P/EV (FY25E) (x)	2.5
Implied Target Price (Rs)	1,650
Current Price (Rs)	1,303
Upside (%)	27

Source: Company, BOBCAPS Research

Fig 19 – 1Y fwd P/EV – Trading around -1SD

Source: Bloomberg, BOBCAPS Research

Key risks

Key downside risks to our estimates are:

- **Change in regulatory framework:** Any unfavourable change in regulations can impact business growth. For example, ULIP proceeds are currently taxed to the extent the yearly premium exceeds Rs 0.25mn and any further tax hike would be negative. Similarly, any increase in the income tax rate for insurance companies can adversely impact profitability.
- **Losses from capital and bond markets:** Prolonged weakness in capital markets could hamper the growth of ULIPs. Although insurance companies are opting for a balanced product mix, many of them have sizeable business coming from ULIPs.
- **Increasing interest rates:** The guaranteed return businesses can be affected by an increase in interest rates as other financial instruments, such as deposits, become more attractive.
- **Adverse economic events:** A significant economic decline may result in financial difficulties or defaults by issuers of bonds in the company's investment portfolios. The shareholders' equity and earnings and policyholders' funds may be affected by fair value revaluation of bonds held in investment portfolios.
- **High surrender of policies:** Life insurance companies face the risk of surrendered policies. In ULIPs, customers can withdraw policies after five years even if they have been taken for longer durations. Policies can also be surrendered for reasons such as job loss and monetary requirements, which lowers the persistency ratios.

Sector recommendation snapshot

Company	Ticker	Market Cap (US\$ bn)	Price (Rs)	Target (Rs)	Rating
HDFC Life	HDFCLIFE IN	15.8	609	700	HOLD
ICICI Prudential Life	IPRU IN	9.1	519	518	HOLD
LIC	LICI IN	46.7	607	770	BUY
SBI Life	SBILIFE IN	15.9	1,303	1,650	BUY

Source: BOBCAPS Research, NSE | Price as of 27 Oct 2023

Glossary

Glossary of Abbreviations			
APE	Average Premium Equivalent	NBP	New Business Premium
EOM	Expenses of Management	ROEV	Return on Embedded Value
EV	Embedded Value	RWRP	Retail Weighted Received Premium
EVOP	Embedded Value Operating Profit	ULIP	Unit Linked Insurance Plan
HNI	High Net Worth Individuals	VNB	Value of New Business
IRDA	Insurance Regulatory and Development Authority		

Financials

Revenue Account (Technical)

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Gross premium income	5,02,542	5,87,596	6,73,156	7,76,863	9,09,034
First year premium	1,03,381	1,29,415	1,51,971	1,73,279	2,03,103
Renewal premium	2,96,299	3,33,023	3,77,270	4,28,685	4,93,610
Single premium	1,02,861	1,25,158	1,43,915	1,74,900	2,12,321
Net written premium	4,97,683	5,84,323	6,65,810	7,67,147	8,97,692
Income from investments	3,14,560	2,35,679	1,32,601	3,29,849	2,47,486
Other Income	8,606	10,270	17,573	19,289	21,199
Total income	8,20,849	8,30,272	8,15,985	11,16,285	11,66,377
Commissions	17,788	21,583	30,625	38,749	45,144
Operating expenses	22,409	30,153	34,224	41,431	48,366
Benefits and bonuses paid	2,15,826	3,13,398	3,02,875	4,26,114	4,49,607
Change in liabilities (net)	5,39,342	4,37,619	4,10,031	5,64,958	5,73,635
Others	0	0	0	0	0
Total expenses	7,95,365	8,02,753	7,77,754	10,71,252	11,16,753
Surplus before tax	25,484	27,519	38,231	45,033	49,625
Provision for tax	7,410	8,681	9,668	12,634	12,823
Surplus after tax	18,074	18,838	28,562	32,399	36,801
Trf to shareholders' a/c	16,788	17,324	27,072	30,701	34,582
Balance being FFA	1,287	1,513	1,491	1,697	2,220

Income Statement (Non-technical)

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Trf from policyholders' a/c	16,788	17,324	27,072	30,701	34,582
Income from investments	6,885	9,831	7,945	10,312	11,475
Contr. to policyholders' fund	(8,248)	(9,821)	(17,075)	(18,758)	(20,634)
Others	0	(1,726)	(357)	(543)	(655)
PBT	15,425	15,608	17,584	21,712	24,767
Provision for taxation	(866)	(548)	(379)	(543)	(619)
PAT	14,559	15,060	17,206	21,169	24,148
Dividend+Interim div.+DDT	2,500	2,003	2,504	3,004	3,004

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
Equity	1,04,004	1,16,223	1,30,175	1,47,410	1,68,554
Policyholders' funds	20,43,379	24,74,190	28,57,634	34,22,592	39,96,227
FFA	8,423	9,936	11,427	11,770	12,006
Others	70,115	81,723	96,630	99,529	1,01,519
Total liabilities	22,25,921	26,82,072	30,95,866	36,81,301	42,78,306
Shareholders' funds	86,047	1,00,758	1,12,087	1,45,713	1,82,141
Policyholders' funds	9,39,364	11,21,307	12,98,702	16,35,710	20,35,176
Assets to cover linked liab.	11,62,150	14,26,253	16,32,555	17,95,811	19,75,392
Others	38,359	33,754	52,521	1,04,066	85,597
Total assets	22,25,921	26,82,072	30,95,866	36,81,301	42,78,306

Key Metrics

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23A	FY24E	FY25E
AUM (Rs mn)	22,08,710	26,74,000	30,73,390	35,93,143	41,99,462
NBP (Rs mn)	2,06,242	2,54,574	2,95,886	3,48,179	4,15,424
APE (Rs mn)	1,14,500	1,43,000	1,68,100	1,92,762	2,26,678
VNB (Rs mn)	23,358	37,037	50,700	54,937	64,603
VNB margin (%)	20.4	25.9	30.1	28.5	28.5
Embedded value (Rs mn)	3,33,630	3,96,030	4,60,600	5,51,684	6,60,176
ROEV (%)	19.1	20.7	22.9	20.4	20.2
ROE (%)	15.2	13.7	14.0	15.3	15.3
Opex ratio (%)	4.8	5.1	5.1	5.3	5.3
Cost ratio (%)	8.3	8.7	9.6	10.3	10.3
Solvency ratio (%)	214.7	204.8	215.4	211.6	219.4
EPS (Rs)	14.6	15.0	17.2	21.1	24.1
BVPS (Rs)	104.0	116.2	130.1	147.3	168.4
EVPS (Rs)	333.6	395.5	475.2	566.8	674.0

Source: Company, BOBCAPS Research

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BUY – Expected return >+15%

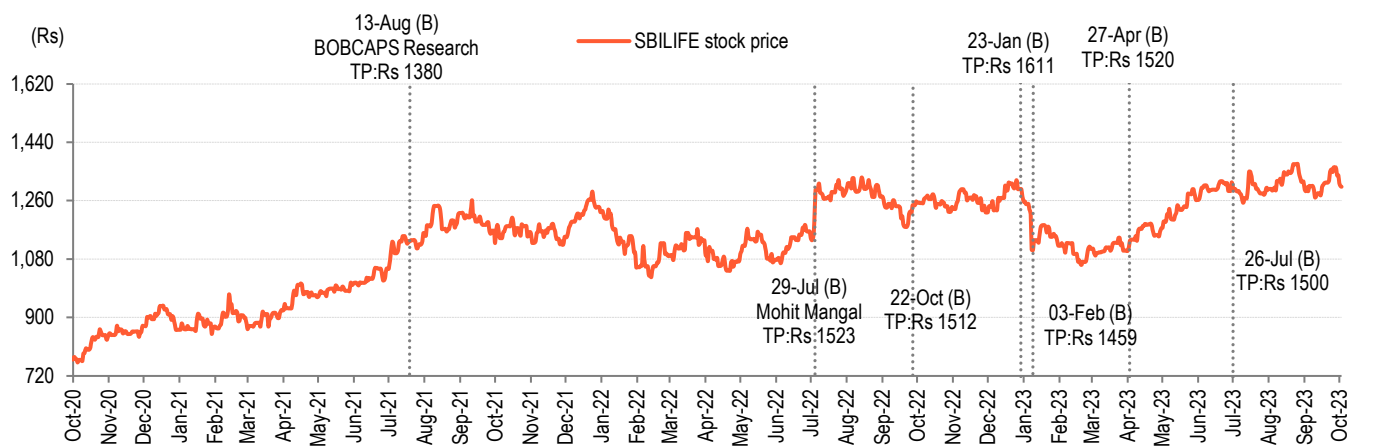
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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Ratings and Target Price (3-year history): SBI LIFE (SBILIFE IN)



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