

April 27, 2023



Sar utha ke jyo!
Current Price:

₹ 531.90

STOCK DATA

BSE Code	540777
NSE Symbol	HDFCLIFE
Reuters	HDFL BO
Bloomberg	HDFCLIFE IN

VALUE PARAMETERS

52 W H/L(Rs)	620.70/457.95
Mkt. Cap.(Rs Cr)	114326.38
Latest Equity(Subscribed)	2149.40
Latest Reserve (cons.)	10840.60
Latest EPS (cons.) -Unit Curr.	6.37
Latest P/E Ratio -cons	83.50
Latest Bookvalue (cons.) -Unit Curr.	60.44
Latest P/BV - cons	8.80
Dividend Yield -%	0.36
Face Value	10.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2023
Foreign	30.23
Institutions	6.62
Non Promoter Corp. Hold.	4.84
Promoters	50.32
Public & Others	7.99

Results Consolidated Shareholders Account

In Cr.

Particulars	Qtr Ended	Qtr Ended	Var %
	Mar. 23	Mar. 22	
Amounts transferred from Policyholders` account	586.23	628.62	-7
Income from investments	197.11	168.13	17
Others	71.90	5.56	1193
Total income	855.24	802.31	7
Expenses (apart from Insurance)	40.01	40.03	0
Contribution to policyholders account	542.61	290.02	87
Others	-0.77	-0.58	33
Total Expenses	581.85	329.47	77
PBT	273.39	472.84	-42
Tax	-88.58	-33.35	166
PAT	361.97	506.19	-28
EPS (Rs)*	1.68	2.40	

Q4FY23, Sustains steady performance, below estimates

HDFC Life Insurance Company, on consolidated basis, has posted 28% decline in net profit to Rs 361.97 crore in the quarter ended March 2023 (Q4FY2023), while the net profit has remained flat on sequential basis. The company has maintained market leadership position as a top three life insurer across individual and group businesses. It closed the year with a strong growth of 27% in individual WRP with a market share of 16.5% and 10.8% in the private and overall sector respectively, clocking expansion of 40 and 70 basis points respectively.

The company has continued to maintain a steady growth trajectory, growing by 69% in terms of total APE to Rs 5162 crore in Q4FY23. New business premium jumped 46% to Rs 10372 crore, while the renewal premium galloped 26% to Rs 9254 crore. The total premium income has increased 36% to Rs 19626 crore in Q4FY2023. The value of new business surged 69% to Rs 1511 crore in Q4FY2023. The growth has been boosted by strong buying of big ticket policies ahead of change of taxation from 1 April 2023.

New business margin for FY2023 has further improved to 27.6% from 26.5% for 9MFY2023 and 27.4% in FY2022. The company has achieved aspiration of maintaining FY22-margin neutrality for the combined entity, having delivered steady 27.6% NBM, compared to 27.4% in FY22. The value of new business has surged 69% to Rs 1511 crore for Q4FY2023. The embedded value is Rs 39527 crore, with an operating return on embedded value of 19.7% for FY23 up from 16.6% in FY2022.

AUM of the company increased to Rs 238782 crore end March 2023 from Rs 233839 crore end December 2022 crore and Rs 204170 crore end March 2022. The consolidated Network stood at Rs 12970 crore end March 2023, while the solvency ratio of the company was at 206% end March 2023.

Financial Performance Fy2023:

HDFC Life Insurance Company has posted 3% decline in the net profit to Rs 1368.28 crore on consolidated basis in FY2023. Total Premium increased 25% to Rs 57533 crore in FY2023, aided by new business premium of Rs 29085 crore and renewal premium of Rs 28448 crore. Value of

HDFC Life Insurance Company: Results Consolidated Policyholders Account

In Cr.

Particulars	Qtr ending Mar'23	Qtr ending Mar'22	Var %
Premium earned (net)	19468.60	15624.90	25
Income from Investments	1191.50	1688.56	-29
Other income	267.79	78.83	240
Contribution from the Shareholders` account	542.61	290.02	87
Total Income	21470.50	17682.31	21
Commission	1113.51	686.45	62
Op. expenses related to Insurance business	2923.50	2042.90	43
Others	96.00	102.57	-6
Benefits paid (Net)	11226.12	10305.23	9
Change in valuation of policy liabilities	5285.98	3722.04	42
Provision for taxation	251.19	154.86	62
Total Expense	20896.30	17014.05	23
PAT	574.20	668.26	-14
Transfer to Shareholders` account	586.23	628.62	-7

New Business surged 37% to Rs 3674 crore and new business margin improved to 27.6% in 9MFY2023.

Management Comment

Commenting on the full year performance for FY23, Ms. Vibha Padalkar, MD & CEO said "As you may be aware, the RBI has permitted HDFC Bank or HDFC Ltd to increase their shareholding in HDFC Life to more than 50% prior to the effective date, thus clearing any uncertainty around HDFC Bank's eventual shareholding in us. We look forward to collaborating with our parent to be, towards creating value for all stakeholders.

We closed the year with a strong growth of 27% in individual WRP with a market share of 16.5% and 10.8% in the private and overall sector respectively, clocking expansion of 40 and 70 basis points respectively. We continue to grow faster than the private industry and be ranked amongst the top 3 life insurers across individual and group businesses. In terms of Individual WRP, we have outpaced the private industry over multiple timeframes including, in the past 3, 5 and 7 years, thereby consistently demonstrating growth leadership.

There has been an increase in protection share in total NBP from 24% in FY22 to 29% in FY23. Our overall protection APE grew by about 20% in FY23. Retail protection trends remain encouraging with sequential growth being over 50% and YoY growth being over 40% in Q4. Our annuity business in FY23 grew by 18% on received premium basis compared to a 2% growth for the industry. APE growth is much higher at 59% due to a pickup in our regular premium annuity product - Systematic Retirement Plan during the year.

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