

Life Insurance

Private players maintain the edge over LIC in Individual WRP

Exhibit : Market share trend

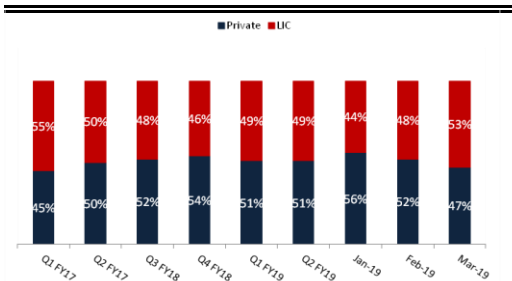
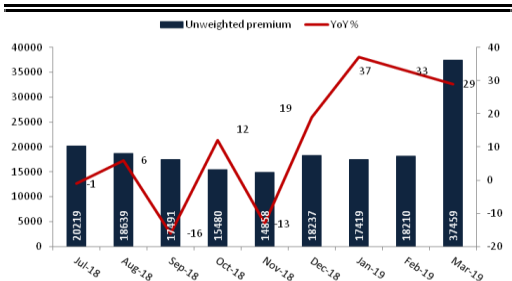


Exhibit : Trend in industry



The highest YoY growth in the weighted received premium was seen in Reliance Nippon, Tata AIA and Canara HSBC Life which grew at robust rates in the month of February, while DHFL continued to show negative growth rates.

Research Analyst

Deepak Kumar

Deepak.Kumar@narnolia.com

Dhwanik Shah

Dhwanik.Shah@narnolia.com

- On an Individual weighted received premium the private players saw a growth of 18.5% while the Life Insurance corporation fell by 0.5% on a YoY basis in the month of March
- The Total Weighted received premium shows a healthy growth of 21% and 35% by private players and LIC respectively.
- The major difference between the private players and LIC remain the group coverage policies. The month of February and March does bode well for the Life insurance Corporation of India due to a high density of group policies in their assets under management.
- The new business premium of private players in the month of March was slower than LIC for the same reason. Private players grew at 21% YoY while LIC witnessed 32% annual growth.
- The leading companies by market share on the basis of total weighted received premium are : LIC (52.2%), SBI Life(7.5%) ,ICICI Prudential Life(6.3%) and HDFC Life (5.9%).
- Non banking insurance companies like Aditya Birla Sun Life, Tata AIA and Bajaj Allianz have been successful in increasing their market share
- LIC's market share on a total weighted basis increased to 52% as against 48% in the previous month.
- The average ticket size has increased by 10% YoY in the industry where the highest growth could be seen in Bajaj Allianz and Future Generali, Companies like Canara Robecco and HSBC have seen a decline in average ticket prize to increase the topline.
- The tax saving season has provided the industry with high inflows by new business premiums. The new business premium has grown at a healthy 11% from 1.9 lakh crore in 2018 to 2.14 lakh crore in 2019.

Exhibit : New business premium on total weighted basis

Insurer	Mar-19	Mar-18	YoY %	MoM %	% of Share
Bajaj Allianz	484	314	54	174	2.8
Bharti Axa	101	99	2	93	0.6
Birla Sun Life	389	307	27	137	2.3
Canara HSBC Life	188	137	37	91	1.1
DHFL Pramerica	49	118	-59	57	0.3
Edelweiss Tokio	91	76	20	129	0.5
Exide Life	143	129	11	124	0.8
Future Generali	176	123	43	193	1.0
HDFC Standard Life	1001	929	8	94	5.9
ICICI Prudential Life	1075	857	25	42	6.3
IDBI Federal Life	67	81	-17	51	0.4
Kotak Mahindra Life	682	522	31	156	4.0
Max Life	878	761	15	108	5.2
PNB Metlife	284	244	16	123	1.7
Reliance Nippon Life	163	147	11	44	1.0
SBI Life	1273	1043	22	81	7.5
Shriram Life	100	90	12	166	0.6
Tata AIA	534	351	52	157	3.1
Private Total	8033	6640	21	97	47.2
LIC	8890	6589	35	139	52.2
Grand Total	17023	13229	29	117	

The views expressed above accurately reflect the personal views of the authors about the subject companies and its(their) securities. The authors have not and will not receive any compensation for providing a specific recommendation or view. Narnolia Financial Advisors Ltd. does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

Exhibit : Unweighted Premium of private players

As per the unweighted premium growth Tata AIA grew at 69% with Bajaj Allianz and Canara HSBC growing at 47% and 45% respectively.

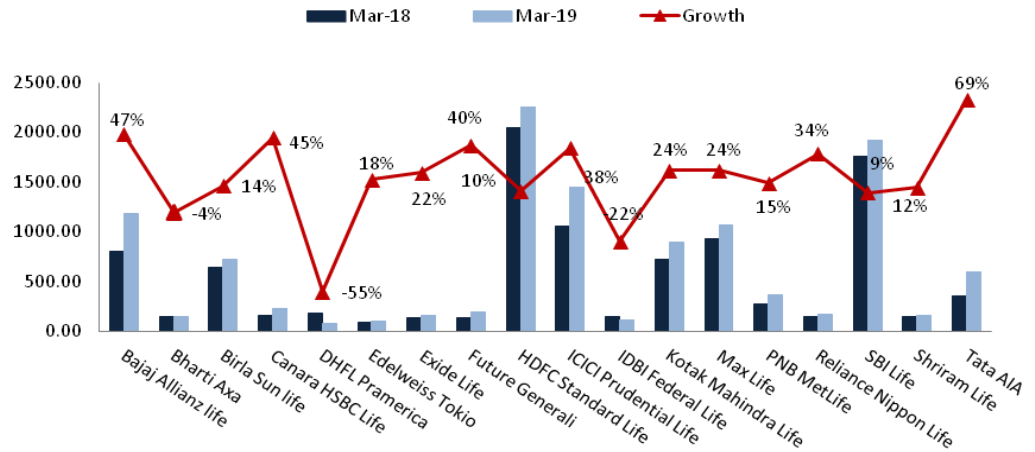


Exhibit : New business premium on individual weighted basis

Insurer	Mar-19	Mar-18	YoY growth	Mom growth %
Bajaj Allianz	386	235	64%	155
Bharti Axa	99	95	3%	95
Birla Sun Life	344	259	33%	131
Canara HSBC Life	179	134	33%	100
DHFL Pramerica	26	56	-53%	51
Edelweiss Tokio	70	68	4%	134
Exide Life	127	121	5%	184
Future Generali	118	79	50%	90
HDFC Standard Life	837	830	1%	40
ICICI Prudential Life	937	824	14%	26
IDBI Federal Life	64	79	-18%	123
Kotak Mahindra Life	435	392	11%	102
Max Life	860	746	15%	149
PNB Metlife	265	226	17%	44
Reliance Nippon Life	115	129	-11%	47
SBI Life	1,184	922	28%	82
Shriram Life	93	80	16%	173
Tata AIA	518	337	54%	152
Private Total	6,952	5,867	18%	94
LIC	5,040	5,064	0%	101
Grand Total	11,992	10,931	10%	97

Exhibit : Persistency Ratio of 13th month

New business premiums give only half a picture about the business of a company, persistency ratio shows the full picture and shows if the premium payers continue the paying pattern till the maturity is reached. Generally 13th, 25th, 37th, 49th and 61st month's persistency ratios are calculated.

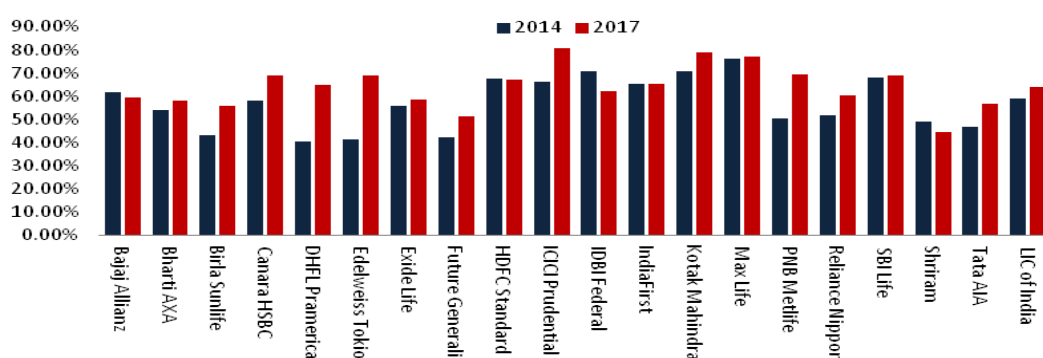


Exhibit : Persistency Ratio of 61st month

The persistency ratios of all the private players have increased significantly notifying that the quality of customers and service both have improved while LIC still has the same ratio it had in 2014

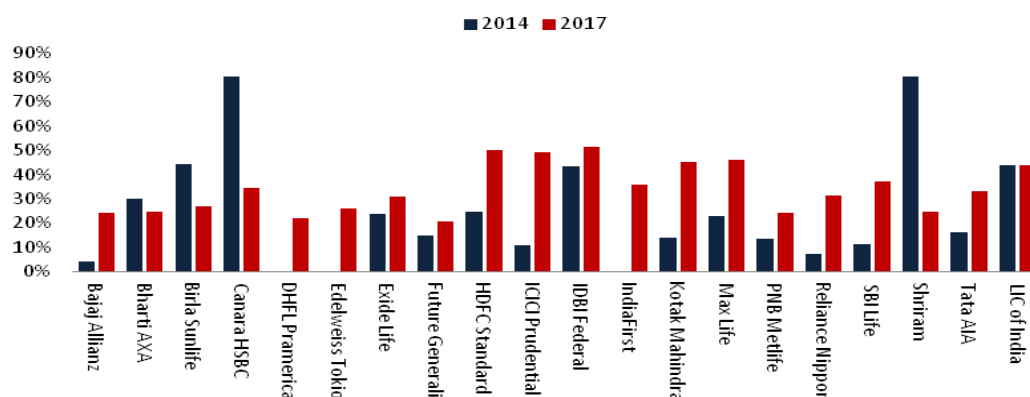


Exhibit : Average ticket size in individual regular premium

Average ticket size is also an important business performance matrix to judge a company. LIC has the largest customer base with one of the lowest average ticket size while ICICI Prudential Life recorded the highest average ticket size in the month of February. Canara HSBC Life and Bharti Axa have recorded good growth rates in new business while they have witnessed degrowth in their average ticket size.

Insurer	Mar-18	Mar-19	YoY %
Bajaj Allianz	53876	73125	36%
Bharti Axa	30076	35994	20%
Birla Sun Life	75378	70911	-6%
Canara HSBC Life	83465	75084	-10%
DHFL Pramerica	41182	43208	5%
Edelweiss Tokio	46922	47798	2%
Exide Life	43607	42582	-2%
Future Generali	61754	76346	24%
HDFC Standard Life	73306	80768	10%
ICICI Prudential Life	103628	110896	7%
IDBI Federal Life	63525	74662	18%
Kotak Mahindra Life	68810	78091	13%
Max Life	79093	83215	5%
PNB Metlife	76542	80032	5%
Reliance Nippon Life	38390	42437	11%
SBI Life	50107	59164	18%
Shriram Life	19330	19953	3%
Tata AIA	66635	76284	14%
LIC	15961	18811	18%

Exhibit : Number of Agents as on 31st Mar-2019

Insurer	Mar-18	Mar-19	YoY %
<i>Birla Sun Life</i>	91720	81528	-11%
<i>Aegon</i>	5740	5671	-1%
<i>Aviva</i>	16431	13803	-16%
<i>Bajaj Allianz</i>	70763	72719	3%
<i>Bharti Axa</i>	28638	39382	38%
<i>DHFL Pramerica</i>	12318	14250	16%
<i>Edelweiss Tokio</i>	31031	43681	41%
<i>Exide Life</i>	46126	49833	8%
<i>Future Generali</i>	11890	7629	-36%
<i>HDFC Standard Life</i>	77048	91172	18%
<i>ICICI Prudential Life</i>	151563	170572	13%
<i>IDBI Federal Life</i>	10763	14402	34%
<i>India First</i>	1660	2038	23%
<i>Kotak Mahindra Life</i>	94688	124500	31%
<i>Max Life</i>	56968	50854	-11%
<i>PNB Metlife</i>	6452	7338	14%
<i>Reliance Nippon Life</i>	65099	55492	-15%
<i>Sahara</i>	10480	10439	0%
<i>SBI Life</i>	108261	123613	14%
<i>Shriram Life</i>	4498	4455	-1%
<i>Satr union Dai Chi</i>	4757	2678	-44%
<i>Tata AIA</i>	26963	29469	9%
Private Total	933857	1015518	9%
LIC	1148811	1179229	3%
Grand Total	2082668	2194747	5%

Narnolia Financial Advisors Ltd. is a SEBI registered Research Analyst having SEBI Registration No. INH300006500. The Company/Analyst (s) does/do not have any holding in the stocks discussed but these stocks may have been recommended to clients in the past. Clients of Narnolia Financial Advisors Ltd. may be holding aforesaid stocks.

The stocks recommended are based on our analysis which is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed.

Disclosures: Narnolia Financial Advisors Ltd. (NFAL) (FormerlyMicrosec Capital Ltd.) is a SEBI Registered Research Analyst having registration no. INH300006500. NFALis engaged in the business of providing Stock Broking, Depository Participant, Merchant Banking, Portfolio Management & distribution of various financial products. Details of associate entities of NFAL is available on the website at www.narnolia.com

No penalties have been levied on NFAL by any Regulatory/Statutory authority. NFAL, it's associates, Research Analyst or their relative may have financial interest in the subject company. NFAL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. NFAL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of NFAL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. NFAL and/or its associates may have received compensation from the subject company in the past 12 months. In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, NFAL or any of its associates may have: a) managed or co-managed public offering of securities from subject company of this research report, b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report. d) Subject Company may have been a client of NFAL or its associates during 12 months preceding the date of distribution of the research report. NFAL and it's associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. NFAL and / or its affiliates may do and seek to do business including Investment Banking with companies covered in the research reports. As a result, the recipients of this report should be aware that NFAL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific Merchant Banking, Investment Banking or Brokerage service transactions. Research Analyst's views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of NFAL or its associates maintains arm's length distance with Research Team as all the activities are segregated from NFAL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Analyst Certification The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
---	-----

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AIC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

Registration details of Company: Narnolia Financial Advisors Ltd. (NFAL): SEBI Stock Broker Registration: INZ000166737 (NSE/BSE/MSEI); NSDL/CDSL: IN-DP-380-2018; Research Analyst: INH300006500, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI Registered Mutual Fund distributor: ARN 3087

Registration Details of Group entities: G. Raj & Company Consultants Ltd (G RAJ)-BSE Broker INZ260010731; NSDL DP: IN-DP-NSDL-371-2014 || Narnolia Commerze Limited (Formerly Microsec Commerze Ltd.)-MCX/NCDEX Commodities Broker: INZ000051636 || NarnoliaVelox Advisory Ltd.- SEBI Registered PMS: INP000005109 || Eastwind Capital Advisors Pvt Ltd. (EASTWIND)-SEBI Registered Investment Adviser: INA300005439 || Narnolia Insurance Brokers Limited (Formerly Microsec Insurance Brokers Ltd.)-IRDA Licensed Direct Insurance Broker (Life & Non-Life) Certificate No. 134, License No. DB046/02 || Narnolia Securities Ltd. (NSL)-AMFI Registered Mutual Fund distributor: ARN 20558, PFRDA NPS POP: 27092018 || Narnolia Capital Advisors Pvt. Ltd. - RBI Registered NBFC:B.05.02568.

Disclaimer:

This report has been prepared by Narnolia Financial Advisors Ltd. (NFAL)and is meant for sole use by the recipient and not for public circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of NFAL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances.The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors.Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his/her/its own advisors to determine the merits and risks of such an investment. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NFAL will not treat recipients as customers by virtue of their receiving this report. Neither the Company, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits or lost opportunities that may arise from or in connection with the use of the information/report. The person accessing this information specifically agrees to exempt NFAL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold NFAL or any of its affiliates or employees responsible for any such misuse and further agrees to hold NFAL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NFAL & its group companies to registration or licensing requirements within such jurisdictions.