

PNB Metlife



PNB Metlife India Limited – Company Overview

PNB Metlife India was one of the top 10 private life insurance companies in India based on total new business premium in Fiscal 2019 and is growing rapidly with a compounded annual growth rate of 19.85% in total new business premium from Fiscal 2015 to Fiscal 2019, according to CRISIL. Their history and relationships with MetLife and PNB have enabled them to become a strong, professionally managed company with the capabilities necessary to take advantage of significant opportunities in the fast growing Indian life insurance market.

They have a pan-India, multi-channel distribution network and a comprehensive product portfolio and provide an end-to-end customer-centric service experience.

Their product portfolio covers three principal customer needs – savings, protection and pension, which in Fiscal 2018 accounted for 82.10%, 14.89% and 3.01% of our total new business premium, respectively, and 93.41%, 4.09% and 2.51% of their individual new business premium, respectively.

The Promoters of this company are PUNJAB NATIONAL BANK and METLIFE INTERNATIONAL HOLDINGS, LLC. and are the guiding force behind the growth and strategic decisions of the Company.

Qualitative factors:

- Their pan-India, multi-channel distribution network positions us to access a demographically and geographically broad customer base across India
- Their comprehensive product portfolio addresses the diverse and evolving needs of Indian customers, and is complemented by an end-to-end customer-centric service experience
- Their scalable platform positions us for profitable growth
- Their experienced management team

Competitive Strengths of PNB Metlife India Limited:

- Pan-India, multi-channel distribution network positions us to access a demographically and geographically broad customer base across India.

- Comprehensive product portfolio addresses the diverse and evolving needs of Indian customers, and is complemented by an end-to-end customer-centric service experience.
- Scalable platform positions us for profitable growth.
- Experienced management team.

Business strategies of PNB Metlife India Limited:

- Increasing the activation of the PNB branch network and deepening our penetration of the PNB customer base.
- Growing and diversifying our multi-channel distribution footprint to strengthen our position in various geographies and customer segments.
- Deliver products aligned to the diverse needs of Indian customers supported by an end-to-end customer centric service experience.
- Driving profitability by leveraging scale and increasing persistency.
- Utilizing information technology and implementing digitization to drive efficiencies

Swot Analysis

Strengths

1. Pan-India, multi-channel distribution network positions us to access a demographically and geographically broad customer base across India.
2. Comprehensive product portfolio addresses the diverse and evolving needs of Indian customers, and is complemented by an end-to-end customer-centric service experience.
3. Scalable platform positions us for profitable growth.
4. An experienced management team

Weakness

1. Lacking in global recognition as compared to competitors
2. Brand not established yet in India
3. Limited awareness in the market

Opportunities

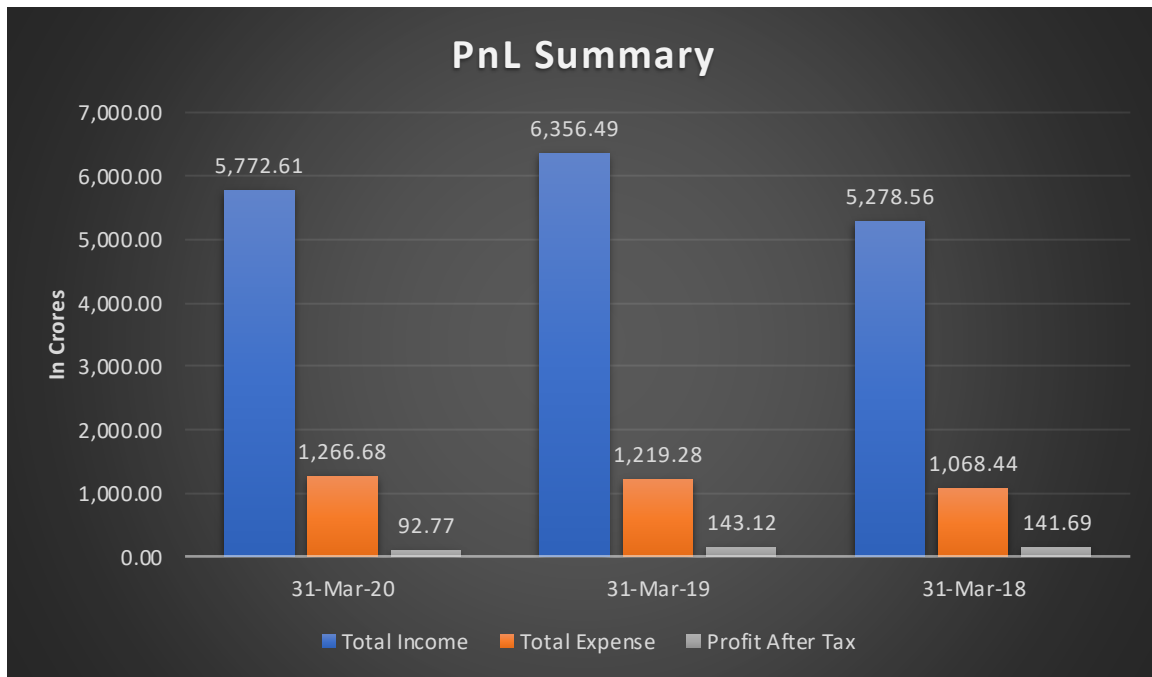
1. Expansion in other countries
2. Diversifying portfolios for customers
3. Joint Ventures
4. New Emerging markets
5. Huge Untapped potential
6. Primary focus is on Middle

Threats

1. Changing government regulations and financial crisis
2. Natural disasters and Covid Pandemic
3. Life Insurance Corporation of India, ICICI Prudential Life Insurance, Bajaj Allianz Life
4. Increasing number of private insurance companies

PNB Metlife India Limited Financial Summary:

(in INR & Crores)	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16
Total Assets	23,498.20	21,522.29	18,447.09	16,488.875	14,606.0
Total Income	5,772.61	6,356.49	5,278.56	4,676.76	3,022.8
Total Expense	1,266.68	1,219.28	1,068.44	966.98	954.41
Profit After Tax	92.77	143.12	141.69	63.87	53.63
Basic & Diluted EPS	0.46	0.71	0.70	0.51	0.34
Book Value per Share	6.49	6.05	5.34	4.64	4.12



- During all the financial years there is no other income of the company.
- Company's Net Profit after tax for the year 2017-18 is Rs. 1,416.92 Millions from the year 2016-17 of Rs. 1,034.22 Millions showing an increase of 37% from last year, showing remarkable performance.
- From the above statements, one could find that the PNB Metlife India Limited may perform well before Covid-19 and has not done badly during Covid-19.

Industry P/E Ratio:

Particulars	P/E ratio
Average	60.85
Highest	89.39
Lowest	35.78





Shareholding Pattern

Particulars	As at March 31, 2020	
	No. of equity shares	% of holding
Promoters		
Indian	603,865,285	30.00%
Foreign	645,181,407	32.05%
Non Promoters		
Indian	722,726,480	35.91%
Foreign	41,111,111	2.04%
Total	2,012,884,283	100%

Competitive Peers:

Particulars (2019)	Face Value (in Rs.)	EPS (In Rs.)	P/E Ratio	NAV (In Rs.)
PNB Metlife India Company Limited -	10	0.70	5.34	14.11%
ICICI Prudential Insurance Company Limited* Consolidated	10	11.28	47.96	24.36%
SBI Life Insurance Company* Consolidated	10	11.50	65.28	19.05%
HDFC Life Insurance Company Limited* Consolidated	10	5.53	23.60	25.83%

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