

February 5, 2025

**RESULT REPORT Q3 FY25** | Sector: Insurance (Life)

# Max Financial Services Ltd.

## Relatively soft quarter not structural

### Our view – Margin improvement on the anvil via product mix change

**VNB margin** – VNB margin was impacted by product mix and surrender rule changes but guidance was somewhat encouraging: Calculated VNB margin for 3QFY25 fell -43bps QoQ and -406 bps YoY to 23.2%. Of the ~400 bps decline in margin YoY, 300 bps is due to product mix change. The remaining 100 bps impact is due to the impact of surrender value changes. The management had guided for a net impact of 100-200bps from surrender rule changes but has contained the impact at lower end. The company will revert to a medium-term VNB margin of 25% on the back of fixing its product mix. In the near term, margin is generally better in 4Q on account of operating leverage and a margin of 23-24% will be achieved. The share of about 45% currently for ULIP is on the higher side and the company would be like to be in the 35-40% range. The company should be back to a 35-40% share for ULIP in about a couple of quarters. The intention is to shift 5-7% of ULIP share to 5-7% of Non-Par share, which will help achieve the 25% VNB margin target.

**APE growth** – APE growth was negative sequentially on account of general industry slowdown and some preponement of business: New business APE de-grew/grew by -2.9%/17.4% QoQ/YoY. APE de-growth was primarily on account of a general slowdown at the industry level. The private sector grew 24% in 1H, whereas the overall industry grew 14% in 1H. This has slowed to 13% and 5%, respectively, in 3Q. There is a sequential shaving off of Rs 0.62bn worth of business to Rs 21.08bn in 3Q, of which about Rs 0.2-0.3bn could be due to preponement of business before the beginning of the surrender rule changes. The company should achieve an overall growth of 20% or higher for the full year but would not reach a 25% level. In the medium term, the company will grow 300-500 bps faster than the market.

We maintain 'BUY' rating on MAXF with a revised price target of Rs 1500: We value Max Life (MLI) at 2.7x FY26 P/EV for an FY25/26/27E RoEV profile of 19.7/19.4/19.3% and then apply a 20% holding company discount.

(See Comprehensive con call takeaways on page 2 for significant incremental colour.)

### Other Highlights (See "Our View" above for elaboration and insight)

- **VNB growth:** VNB de-grew -4.6%/-0.1% QoQ/YoY driven lower YoY by contraction in VNB Margin.
- **Expense control:** Expense ratio fell/rose -280bps/13bps QoQ/YoY to 22.9%, QoQ driven lower by fall of -297bps in Opex ratio.
- **Persistency:** 37<sup>th</sup> month ratio rose 100bps YoY to 64% whereas 61<sup>st</sup> month ratio was flat YoY at 58%

### Exhibit 1: Result table

Rs mn	Q3FY25	Q3FY24	% yoy	Q2FY25	% qoq
NBP	30,000	26,890	11.6%	30,150	-0.5%
Renewal premium	52,230	46,080	13.3%	47,230	10.6%
Income from investments	21,205	18,378	15.4%	21,705	-2.3%
APAT	698	1,712	-59.2%	1,393	-49.9%
Expense ratio	22.9%	22.8%	13bps	25.7%	-280bps
37th mo. Persistency^	64.0%	63.0%	100bps	64.0%	0bps
APE	21,080	17,950	17.4%	21,700	-2.9%
Ind APE	20,430	17,605	16.0%	20,490	-0.3%
VNB	4,887	4,890	-0.1%	5,123	-4.6%
VNB Margin	23.2%	27.2%	-406bps	23.6%	-43bps

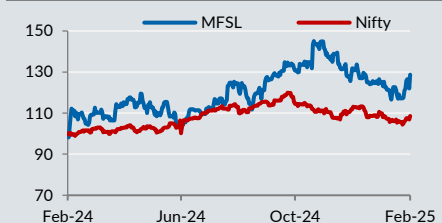
Source: Company, YES Sec-Research, ^N.B. Individual policies excluding single pay/fully paid up policies

Recommendation	: BUY
Current price	: Rs 1,121
Target price	: Rs 1,500
Potential return	: 34%

### Stock data (as on February 5, 2025)

Nifty	23,776
52 Week h/l (Rs)	1306 / 862
Market cap (Rs/USD mn)	373915 / 4291
Outstanding Shares (mn)	345
6m Avg t/o (Rs mn):	1,141
Div yield (%):	-
Bloomberg code:	MAXF IN
NSE code:	MFSL

### Stock performance



	1M	3M	1Y
Absolute return	3.0%	-8.7%	31.2%

### Shareholding pattern (As of Dec'24 end)

Promoter	3.3%
FII+DII	90.2%
Others	6.5%

### Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	1500	1550

### Financial Summary

Rs mn	FY25E	FY26E	FY27E
APE	90,274	105,205	122,654
% yoy	21.5%	16.5%	16.6%
VNB	20,763	25,775	30,050
VNB Margin	23.0%	24.5%	24.5%
PAT	8,607	10,611	13,000
% yoy	139.3%	23.3%	22.5%
EVPS (Rs)	580.4	687.4	813.0
VNBPS (Rs)	48.7	60.5	70.5
ROEV (%)	19.7%	19.4%	19.3%
P/EV (x)	1.9	1.6	1.4
P/VNB (x)	23.0	18.5	15.9

### Δ in earnings estimates

Rs bn	FY25E	FY26E	FY27E
VNB (New)	20.8	25.8	30.1
VNB (Old)	21.8	26.5	30.9
% change	-4.8%	-2.8%	-2.9%

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## COMPREHENSIVE CON-CALL TAKEAWAYS

### VNB and VNB margin

- **VNB**
  - The VNB was at Rs 12.55bn in 9MFY25, up by 9% YoY.
  - The VNB was at 4.89bn in 3QFY25, flat YoY.
  - **Guidance**
    - The company expects VNB to grow by high single digit in FY25.
- **VNB margin**
  - The VNB margin for 9MFY25 was 21.9%, down by -340bps YoY.
  - The VNB margin for 3QFY25 was at 23.2%, down -400bps YoY.
- **Reasons for decline in margin**
  - Of the 400 bps decline in margin YoY from Q3FY24 to Q3FY25, 300 bps is due to product mix change.
  - The remaining 100 bps impact is due to the impact of surrender value changes.
  - It may be noted that the share of Non-Par has declined on sequential basis and had its share been stable, the margin would have improved (sequentially).
- **Margin guidance**
  - The company will revert to a medium-term VNB margin of 25% on the back of fixing its product mix.
  - **Near-term guidance**
    - Margin is generally better in 4Q on account of operating leverage and a margin of 23-24% will be achieved (unclear whether for 4Q or full year FY25).
- **Product mix rebalancing**
  - The product mix is arrived at by balancing customer demand, growth and profitability.
  - The share of about 45% currently for ULIP is on the higher side and the company would be like to be in the 35-40% range.
  - The company has mitigated for this by attaching more riders along with ULIP sales.
  - The company should be back to a 35-40% share for ULIP in about a couple of quarters.
  - Achieving product mix change will be a function of customer demand and the company's ability to win market share.
  - The intention is to shift 5-7% of ULIP share to 5-7% of Non-Par share, which will help achieve the 25% VNB margin target.
- **More on impact from surrender rule changes**
  - The management had guided for a net impact of 100-200bps but has contained the impact at lower end i.e. at 100bps.
  - The company has taken all action with regards to product pricing and negotiations with the distributors to contain the impact.
  - **More on commission actions**
    - All actions have been taken during the quarter in terms of adjusting commission payouts to distribution partners.
    - The actions have been in line with what the industry has done.
    - The actions include upfront reduction, deferral or clawback depending on the nature of the distributor.
  - **Other mitigating steps**
    - The company is working on improving product level margin of segments, tweaking IRR and so on.

(Con call takeaways continue on the next page)

- **General comment**
  - Product redesign has entailed looking at customer return, commission payout and cost but the first 2 are market-driven and there is only that much that can be done.
- **Combined Axis Max Life brand**
  - The combined Axis Max Life brand will allow the company to price better in the medium term, which would have a positive impact on margin.

## Overall revenue growth

- **Growth guidance**
  - While 4Q is typically the largest quarter during the year, achieving a full year growth of 25% may not be possible.
  - The company should achieve an overall growth of 20% or higher for the full year (presumably on APE basis), with 20% being the lower end.
  - The company will not take any draconian decision with respect to product mix that will impact overall growth.
  - **Medium term guidance**
    - In the medium term, the company will grow 300-500 bps faster than the market.
- **Bundling term insurance with mutual funds**
  - The mutual fund industry had attached term insurance long ago but there was not much impact seen at that time.
  - These are two different customer bases and distribution methodologies.
  - The life insurance is watching this development closely and could sell life insurance products to a large mutual fund customer base.
- **Sequential sluggishness**
  - **Industry slowdown**
    - The sequential sluggishness leading to APE de-growth was primarily on account of a general slowdown at the industry level.
    - The private sector grew 24% in 1H, whereas the overall industry grew 14% in 1H. This has slowed to 13% and 5%, respectively, in 3Q.
  - **Preponement**
    - There is a sequential shaving off of Rs 0.62bn worth of business to Rs 21.08bn in 3Q, of which about Rs 0.2-0.3bn could be due to preponement of business before the beginning of the surrender rule changes.
- **Growth outcomes**
  - New business premium for 9MFY25 was Rs 80.91 bn, up 16% YoY.
  - Individual Adjusted First Year Premium grew by 25% to Rs 53.52 bn in 9M.
  - Total APE was at Rs 57.31 bn for 9MFY25, up 26% YoY.
  - Number of policies issued increased by 19% YoY in 9MFY25.
- **Max Life Rebranding**
  - The company has rebranded Max Life to Axis Max Life in Q3.
  - The rebranding will help the company in growing beyond major metros and Tier 1 cities.
  - The company has carried out a brand survey in January 2025 and it has indicated a positive impact of the rebranding, especially in Tier II and III cities.
  - Tier 2 and 3 cities almost contribute to half the number of the policies sold.
  - Hence, the combined Axis Max Life brand will see investments.

(Con call takeaways continue on the next page)

## Channel growth and mix

- **Proprietary channel**
  - Proprietary channels APE grew by 41% in 9MFY25 on YoY basis.
  - Proprietary channel APE was at Rs 8.88 bn in 3QFY25, up 24% YoY.
  - The growth was driven by Agency, Cross Sell and E-commerce channel.
  - **Comment on Agency channel**
    - The company will focus on expanding this channel since there is significant room to augment capacity.
  - **Comment on Direct sales team**
    - The direct sales team is doing well and focuses on cross sell and upsell.
- **Banca channel**
  - The banca channel APE was at Rs 30.62bn in 9MFY25, up 14% YoY.
  - In Q3, the banca channel APE grew by 11% YoY.
  - **Axis Bank**
    - Axis Bank channel has been lower than other bank channels.
    - In the new calendar, Axis Bank growth has been significantly higher.
  - **New partners**
    - Max Life onboarded 8 new partners in 3QFY25, i.e. 5 new GCL partners, 2 Brokers and 1 Corporate agent.
    - The new partnerships have already surpassed the Rs 1.0bn mark.

## Product mix

- **Product Mix**
  - The share of ULIP has increased from 31% in 9MFY24 to 43% in 9MFY25 in APE terms.
  - The share of Par products has decreased to 13% in 9MFY25 in APE terms, down by -700bps YoY.
  - The share of Non-Par savings products has decreased to 23% in 9MFY25 in APE terms, down by -400bps YoY
  - The share of Protection & Health has increased to 10% in 9MFY25 as against 9% in 9MFY24.
- **Protection**
  - Retail protection and Health was at Rs 5.94bn in 9MFY25, up 37% YoY.
  - In 9MFY25, the company achieved the highest rider attachment rate of 45% vs 32% YoY.
  - Rider APE grew by more than 250% YoY in 9M.
  - **New Products**
    - The company has launched a new protection product 'Smart Term Plan Plus'
  - **Group Protection**
    - Group credit life grew by 18% YoY in 9MFY25.
    - Group Term life grew by 5% YoY in 9MFY25.
- **ULIP**
  - ULIP segment APE was at Rs 25.63bn in 9MFY25, up by 70% YoY.
  - ULIP segment APE grew by 49% YoY in Q3.
  - **ULIP share**
    - It may be noted that as the market goes down, there is a sales story which focuses on investing now since the market is low (which is why ULIP has done well in 3Q).
- **Par business**
  - PAR segment APE grew by 10% YoY in Q3.
  - The company has launched a new par product proposition with income advancing option.

(Con call takeaways continue on the next page)

## Interest rate cuts

- The company keeps a close eye on the yield curve but product repricing after a rate cut happens with a lag.
- Also, in the context of Non-Par and traditional products, other competing products outside of life insurance also see an adjustment in pricing.

## Max Financial – Max Life merger

- The company is very optimistic about the potential for amendment to Section 35 pertaining to merger.
- This has the potential to shorten regulatory approval for the merger of Max Financial with Max Life.
- The overall process which includes NCLT and other approvals will still take about 1 year but, overall, the process could be shortened by a few months.

## Increase of Axis Bank stake to 19.99%

- The stake of Axis Bank and associated entities is 19.02% and the residual increase of 97 bps is pending at Axis Bank's end.
- The Axis Bank Board has approved the increase to 19.99% but other approvals are awaited.

## New tax regime

- 70-75% of the tax payers had already shifted to the new regime but the industry growth has been healthy.
- 80C is no longer a predominant reason for buying insurance and research shows it has fallen outside the top 10 reasons.
- Section 10 (10 D) is more important and remains intact (for non-large ticket policies).

## New business strain

- A large part of the strain is due to ULIP growing faster.
- For Max Life, ULIP strain is slightly higher than for Non-Par Savings.

## Persistence

- The 13th month persistency is 87% whereas, the 61st month persistency is 58%.
- **NPS score**
  - NPS score improved by 5 points from 56 in FY24 to 61 in Q3 FY25.

## Embedded Value

- The EV was Rs 241.29bn as of December 2024, up 29% YoY.
- The operating variance was nil in 9M.
- **Return on Embedded Value**
  - The operating RoEV was 17.3% for 9MFY25, down -130bps YoY.
- **Economic variance**
  - The non-operating variance had a positive impact of Rs 5.37bn in 9M.
  - Economic variance is down from Rs 6.6bn as of September to Rs 5.37bn on account of equity markets.

(Con call takeaways continue on the next page)

## Claims

- The company's risk analytics engines Shield, Medichack etc. were able to identify and avoid claim risk of Rs 7bn in 9MFY25.

## Operating expenses

- The opex to GWP ratio was 14.9% in 9MFY25, up by 10bps YoY.

## AUM

- The AUM is up 20% YoY to Rs 1.72 trn.

## Solvency

- The solvency ratio is 196% as of December 2024, up by 17% points YoY.

## Exhibit 2: Other Business Parameters

Rs mn	Q3FY25	Q3FY24	% yoy	Q2FY25	% qoq
<b>APE Mix, Rs mn</b>					
PAR	3,425	3,313	3%	2,118	62%
Individual protection	2,071	1,616	28%	2,192	-5%
Group protection	877	980	-11%	1,094	-20%
Annuity	1,036	1,077	-4%	1,096	-5%
Non PAR savings	4,398	5,123	-14%	5,554	-21%
ULIP	9,273	5,841	59%	9,646	-4%
<b>Total APE</b>	<b>21,080</b>	<b>17,950</b>	<b>17%</b>	<b>21,700</b>	<b>-3%</b>
<b>APE Mix (% Proportion)</b>					
PAR	16%	18%	-221bps	10%	649bps
Individual protection	10%	9%	83bps	10%	-27bps
Group protection	4%	5%	-130bps	5%	-88bps
Annuity	5%	6%	-109bps	5%	-14bps
Non PAR savings	21%	29%	-768bps	26%	-473bps
ULIP	44%	33%	1145bps	44%	-46bps
<b>Total APE</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	
<b>APE by channel (Rs mn)</b>					
Proprietary	8,551	7,180	19%	9,546	-10%
Banca	12,108	10,411	16%	11,720	3%
Others	422	359	17%	434	-3%
<b>Total</b>	<b>21,080</b>	<b>17,950</b>	<b>17%</b>	<b>21,700</b>	<b>-3%</b>
<b>Channel mix (% in APE)</b>					
Proprietary	41%	40%	56bps	44%	-343bps
Banca	57%	58%	-56bps	54%	343bps
Others	2%	2%	0bps	2%	0bps
<b>Persistence^</b>					
13th Month*	87%	85%	200bps	87%	0bps
61st Month*	58%	58%	0bps	58%	0bps
<b>Expense ratio</b>					
Commission ratio	10.0%	8.6%	143bps	9.9%	17bps
Opex ratio	12.8%	14.1%	-130bps	15.8%	-297bps
<b>Solvency</b>					
Solvency ratio	196%	179%	1700bps	198%	-200bps

Source: Company, YES Sec - Research, ^N.B. Individual policies excluding single pay/fully paid up policies

## Exhibit 3: Quarterly Actuals Vs Estimates

Q3FY25 (Rs. mn)	Actuals	Estimates	Diff, %
New Business Premium	30,000	30,960	(3.1)
Total APE	21,080	21,950	(4.0)
VNB	4,887	5,160	(5.3)

Source: Company, YES Sec - Research

## ANNUAL FINANCIALS

### Exhibit 4: Policyholder account

Y/e 31 Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
<b>Policyholders account</b>					
Net premium	248,818	289,847	336,146	395,985	465,152
Income from investments	60,886	170,071	142,278	167,802	197,542
Other income	688	804	600	600	600
Contri. from shareholders A/C	155	77	100	100	100
<b>Total income</b>	<b>310,547</b>	<b>460,800</b>	<b>479,124</b>	<b>564,487</b>	<b>663,394</b>
Commission	16,138	23,983	21,513	25,343	29,770
Operating Expenses	35,834	40,861	47,060	55,438	65,121
Benefits paid	99,765	133,177	137,202	161,627	189,858
Change in valuation of liability	150,603	257,486	259,328	305,642	359,356
Others	2,211	2,130	3,025	3,564	4,186
Provision for Tax	0	0	0	0	0
<b>Surplus/(Deficit)</b>	<b>5,997</b>	<b>3,164</b>	<b>10,994</b>	<b>12,874</b>	<b>15,103</b>
Transfer to shareholders A/C	4,563	2,612	8,246	9,655	11,328

Source: Company, YES Sec – Research

### Exhibit 5: Shareholder account

Y/e 31 Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Transfer from Policyholders' account	4,563	2,612	8,246	9,655	11,328
Income from Investments	3,295	4,246	4,745	5,905	7,265
<b>Total A</b>	<b>7,858</b>	<b>6,858</b>	<b>12,991</b>	<b>15,560</b>	<b>18,592</b>
Expenses (apart from insurance)	812	737	817	899	989
Contribution to Policyholders' Acc	1,999	2,373	2,610	2,871	3,158
Others	0	0	0	0	0
<b>Total B</b>	<b>2,811</b>	<b>3,110</b>	<b>3,428</b>	<b>3,770</b>	<b>4,147</b>
Profit/(Loss) before tax	5,046	3,749	9,563	11,790	14,445
Provision for Taxation	694	152	956	1,179	1,444
<b>Profit/(Loss) after tax</b>	<b>4,352</b>	<b>3,597</b>	<b>8,607</b>	<b>10,611</b>	<b>13,000</b>

Source: Company, YES Sec – Research



## Exhibit 6: Balance sheet

Y/e 31 Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Shareholders' Funds:					
Share Capital	19,188	19,188	19,188	19,188	19,188
Reserve and surplus	16,209	20,184	25,740	32,691	41,299
Credit/(Debit) Fair Value Ch. Acct.	71	611	611	611	611
Borrowings	4,960	4,960	4,960	4,960	4,960
Policyholders' Funds					
Policy Liabilities	805,354	973,550	1,165,496	1,393,649	1,663,891
Provision for Linked Liabilities	303,656	387,991	455,373	532,862	621,975
Fair Value change	8,466	39,204	39,204	39,204	39,204
Insurance Reserve	0	0	0	0	0
Fund For Discontinued Policies	48,847	53,802	64,563	77,475	92,970
Funds for future appropriation	35,803	38,727	40,663	42,697	44,831
<b>Sources of Funds</b>	<b>1,242,553</b>	<b>1,538,216</b>	<b>1,815,798</b>	<b>2,143,336</b>	<b>2,528,930</b>
Investments - Shareholders	55,043	58,484	73,326	90,706	111,095
Investments Policyholders	821,021	1,008,078	1,185,363	1,393,155	1,636,815
Assets Held to Cover Linked Liab.	352,502	441,793	526,502	623,917	735,945
Loans	9,248	10,605	11,135	11,692	12,276
Fixed Assets	3,452	4,153	4,453	4,753	5,053
Net Current Assets	1,287	15,103	15,019	19,114	27,746
Misc. Expenditure	0	0	0	0	0
<b>Application of funds</b>	<b>1,242,553</b>	<b>1,538,216</b>	<b>1,815,798</b>	<b>2,143,336</b>	<b>2,528,930</b>

Source: Company, YES Sec – Research

## Exhibit 7: Embedded Value Walk

Y/e 31 Mar (Rs mn)	FY23	FY24	FY25E	FY26E	FY27E
Opening EV	141,750	162,630	194,940	247,292	292,899
Unwind of Discount	12,450	13,690	16,570	21,020	24,896
Value of New Business	19,490	19,730	20,763	25,775	30,050
Operating Variance	(620)	(570)	975	1,236	1,464
<b>EV Operating Profit (EVOP)</b>	<b>31,320</b>	<b>32,850</b>	<b>38,308</b>	<b>48,031</b>	<b>56,411</b>
Economic Variance	(10,440)	(540)	975	1,236	1,464
<b>EV Profit</b>	<b>20,880</b>	<b>32,310</b>	<b>39,282</b>	<b>49,268</b>	<b>57,876</b>
Net Capital Inflow / Outflow	0	0	13,070	(3,660)	(4,393)
<b>Closing EV</b>	<b>162,630</b>	<b>194,940</b>	<b>247,292</b>	<b>292,899</b>	<b>346,382</b>

Source: Company, YES Sec – Research

## Exhibit 8: Change in annual estimates

Y/e 31 Mar (Rs mn)	Revised Estimate			Earlier Estimate			% Revision		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Annual Premium Equivalent	90,274	105,205	122,654	92,801	108,237	126,293	(2.7)	(2.8)	(2.9)
Value of new business	20,763	25,775	30,050	21,808	26,518	30,942	(4.8)	(2.8)	(2.9)
Embedded Value	247,292	292,899	346,382	248,337	294,787	349,341	(0.4)	(0.6)	(0.8)

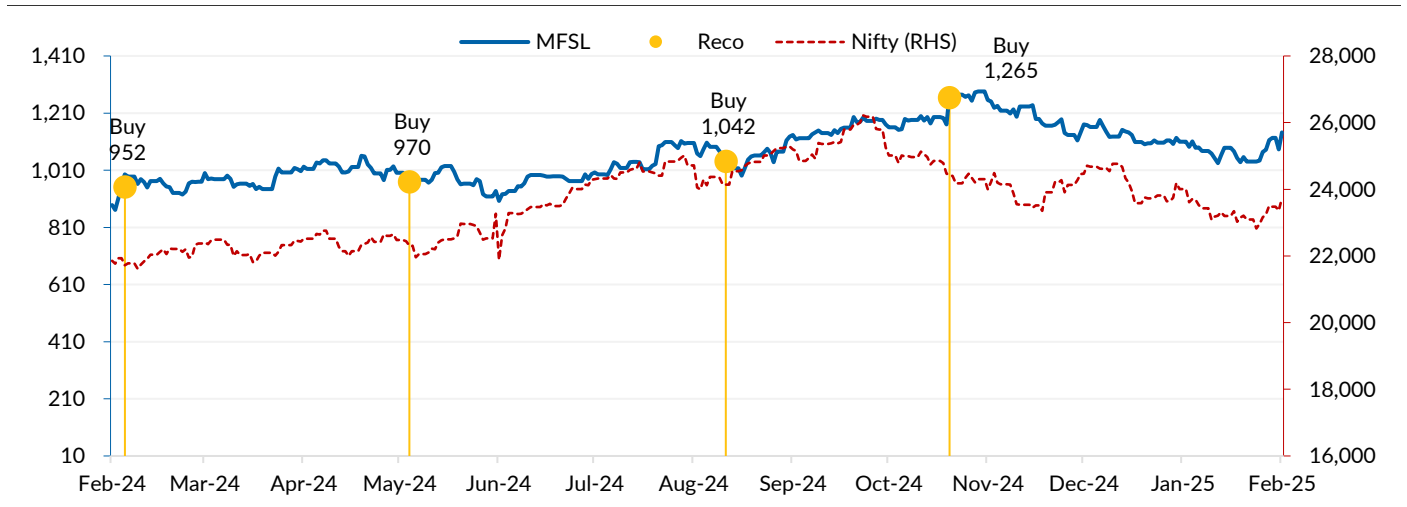
Source: Company, YES Sec – Research

## Exhibit 9: Ratio analysis

Y/e 31 Mar	FY23	FY24	FY25E	FY26E	FY27E
<b>Growth (%) - P&amp;L</b>					
New business premium	13.3%	23.0%	15.3%	16.5%	16.6%
Renewal premium	12.9%	13.0%	16.6%	18.5%	18.0%
Net premium	13.2%	16.5%	16.0%	17.8%	17.5%
PAT	12.5%	-17.4%	139.3%	23.3%	22.5%
VNB	27.6%	1.2%	5.2%	24.1%	16.6%
<b>Growth (%) - Balance Sheet</b>					
Total AUM	14.3%	22.8%	18.4%	18.1%	17.8%
Total Assets	14.7%	23.8%	18.0%	18.0%	18.0%
Embedded value	14.7%	19.9%	26.9%	18.4%	18.3%
<b>Profitability ratios (%)</b>					
VNB Margins	31.2%	26.5%	23.0%	24.5%	24.5%
Commission ratio	6.5%	8.3%	6.4%	6.4%	6.4%
Opex ratio	14.4%	14.1%	14.0%	14.0%	14.0%
Expense ratio	20.9%	22.4%	20.4%	20.4%	20.4%
Conservation Ratio	82.6%	83.1%	85.0%	85.0%	85.0%
<b>Return ratios (%)</b>					
ROE	12.3%	9.1%	19.2%	20.5%	21.5%
RoEV	22.1%	20.2%	19.7%	19.4%	19.3%
RoA	0.4%	0.3%	0.5%	0.5%	0.6%
<b>Investment Return (%)</b>					
<b>Solvency</b>					
Solvency Ratio	190%	172%	200%	195%	195%
<b>Underwriting</b>					
Claims ratio	40.1%	45.9%	40.8%	40.8%	40.8%
Claims / AUM	8.1%	8.8%	7.7%	7.7%	7.6%
<b>Per share data - MaxF Share (Rs)</b>					
EPS	10.2	8.4	20.2	24.9	30.5
VNBPS	45.7	46.3	48.7	60.5	70.5
BVPS	83.1	92.4	105.4	121.8	142.0
EVPS	381.7	457.5	580.4	687.4	813.0
<b>Valuation (x)</b>					
P/E	109.7	132.8	55.5	45.0	36.7
P/VNB	24.5	24.2	23.0	18.5	15.9
P/BV	13.5	12.1	10.6	9.2	7.9
P/EV	2.9	2.5	1.9	1.6	1.4

Source: Company, YES Sec – Research; Per share figures are as per MFS' stake in MLI's value divided by MFS share count and valuation multiples are resultant figures and the rest are MLI figures

## Recommendation Tracker



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