

23 April 2026

India | Equity Research | Results Update

## SBI Life Insurance Company

Life Insurance

### Steady execution on all metrics; valuations undermine long-term compounding potential

SBI Life has been able to maintain mid-teen growth with healthy 26–28% VNB margin as per guidance, despite multiple challenges. We believe this is a sound achievement and a further testimony to its resilient business moats. FY26 is also highlighted by core operating RoEV of ~19% and higher growth in non-banca channels (banca/agency/other channels reported growth of 11%/15.2%/21.9% YoY in FY26). The scope of product mix improvement is greater in SBI Life, considering its traditionally high ULIP/low protection mix (59.4%/9.2% of total APE, as of FY26) vs. peers. Progress made on product improvement is notable (retail protection/annuity grew by 24%/34% in FY26). These arguments vs. its sound track record (APE/VNB/EV CAGR of 15.3%/21.8%/20.5% over FY20–25) and attractive valuation (1.7x FY28E P/EV) keep us constructive on SBI Life.

### Retain BUY with a revised TP of INR 2,345 (earlier INR 2,410), based on 2.1x FY28E EV (unchanged)

We factor in VNB margin of 28%/28.5% and model 15%/15% APE growth for FY27E/FY28E (8.6%/13.3% YoY APE growth and 27.8%/27.4% VNB margin in FY25/FY26). We believe there is scope for improvement in its valuation multiple to reflect industry-leading RoEV performance (average RoEV of ~21% in last 3/5 years) and 15% in FY26, along with an increase in protection/sum assured.

This is also supported by the fact that most of the adverse regulations have been well tackled over the last three years, essentially: 1) increase in surrender value; 2) removal of tax exemption on insurance premiums and income; and 3) purported banca restriction (agency grew 15.2% YoY in FY26).

On similar lines, the company has nullified the impact of GST cuts on margins in FY26 through product mix and efficiency and not through any commission cuts. Strength in cost structure and distribution remains a key business moat.

**Risks:** Any adverse change in regulation such as increase in corporate tax rates, or any fresh restriction in distribution.

### Financial Summary

Y/E March (INR bn)	FY25A	FY26A	FY27E	FY28E
APE	214.2	242.7	279.1	321.0
Embedded Value	702.5	807.9	951.4	1,120.3
New value business	59.5	66.5	78.1	91.5
VNB margin (%)	27.8	27.4	28.0	28.5
P/EV (x)	2.7	2.3	2.0	1.7
RoE (%)	14.1	13.0	12.5	12.3
RoEV (%)	20.6	15.0	17.8	17.8
Core RoEV (%)	18.6	17.9	18.1	18.0

#### Ansuman Deb

ansuman.deb@icicisecurities.com  
+91 22 6807 7312

#### Shubham Prajapati

shubham.prajapati@icicisecurities.com

#### Market Data

Market Cap (INR)	1,891bn
Market Cap (USD)	20,145mn
Bloomberg Code	SBILIFE IN
Reuters Code	SBIL BO
52-week Range (INR)	2,133 /1,601
Free Float (%)	45.0
ADTV-3M (mn) (USD)	25.4

Price Performance (%)	3m	6m	12m
Absolute	(6.8)	2.4	16.4
Relative to Sensex	(2.2)	9.4	17.8

ESG Score	2024	2025	Change
ESG score	74.3	74.2	(0.1)
Environment	48.5	56.8	8.3
Social	78.8	79.4	0.6
Governance	83.7	78.8	(4.9)

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: SES ESG, I-sec research

#### Previous Reports

03-02-2026: [Q3FY26 results review](#)

26-10-2025: [Q2FY26 results review](#)

### Key guidance tenets remain stable

Management maintained individual APE growth guidance of ~14% YoY. It expects VNB margin to remain range bound between 27–28%. Growth will likely be led by banca as well as stronger agency channel. Strategy remains – improving product mix, continued protection push, strengthening agency, building direct/online channels and maintaining sustainable long-term profitability.

### VNB for Q4FY26 subdued on high base

VNB for Q4FY26 declined by 1.8% YoY to INR 16.3bn. VNB margin was 28.3% Q4FY26, decline of 211bps YoY (on high base of 30.5% in Q4FY26) but improvement of 170bps QoQ. Basis FY26, VNB grew by 12.1% YoY and VNB margin was 27.5%. However, without the impact of GST and labour code, VNB margin could have been ~29%, with VNB growth of 18% YoY.

### Costs increase due to GST impact and expansions

Total cost ratio rose from 9.7% in FY25 to 10.6% in FY26. Within that, the commission ratio remained stable at 4.4% for FY26, while operating expense ratio increased to 6.1% (vs. 5.3% in FY25). This is attributed to GST impact, revised labour code, higher branch additions, technology expenses and agency training and scale-ups.

Without GST and labour code, operating expense ratio could have been at 5.5%. Ahead, management does not expect further spikes in costs, other than technology related expense.

### Shift towards protection/participating product mix

Total APE growth for Q4FY26/FY26 was 5.5%/13.3% YoY. During Q4FY26/FY26, individual savings contributed 80.9%/84.1% of total APE and grew 5.2%/11.8% YoY. Within that, par was strong with growth of 194%/133.8% YoY while non-par was down in Q4FY26 (down 9.4% YoY) and up for FY26 (up 9.2% YoY), and ULIP (up 1%/5.9% YoY in Q4FY26/FY26) grew moderately.

Accordingly, share of par increased from 3.5% in FY25 to 7.1% in FY26, while that of par/ULIP declined to 17.6%/59.4% in FY26 (vs. 18.3%/63.6% in FY25). SBI Life is not selling higher sum-assured ULIPs. Strong growth in par product was on the back of the recently launched Smart Money Back Plus product and lower base of last year.

Individual protection reported strong growth of 30%/24.1% YoY in Q4FY26/FY26. Individual pure protection reported strong growth of 122% YoY in APE while individual sum insured in individual protection grew 62% YoY in FY26. Protection remains the focus area for the company which is also benefitting from GST removal.

Group protection reported decline of 53.7%/0.8% YoY in Q4FY26/FY26. Credit Life APE stood at INR 2.9bn and grew 14% YoY, higher than SBI loan growth. Attachments increased significantly and the attachment rate was ~50%, as per management.

Pure protection share in SBI channel is around 4%; share of credit life is even higher. While overall share is flattish, but within that, mix has improved towards pure protection products.

Annuity reported strong growth of 33.3%/34% YoY in Q4FY26/FY26. Management is working on regular deferred annuity plan, aiming to launch by next quarter.

Group savings reported growth of 82.4%/58.9% YoY in Q4FY26/FY26.

### Agency growth strong in Q4

For FY26 on APE basis, agency business contributed 28.5%, other channels contributed 11.5% and bancassurance contributed 60% of overall APE. For Q4FY26, agency channel reported strong growth of 27.6% YoY, while banca reported a decline of 4.2% YoY and other channels remained flattish YoY.

For FY26, agency/banca/other channels have grown 15.2%/11%/21.9% YoY. Management had tweaked certain norms in Aug'25 in agency channel, that resulted in strong growth.

Banca productivity stands at INR 0.71mn per branch. Basis individual APE, productivity was INR 6mn (+10% YoY). Banks other than SBI Group are also growing at 22% YoY on total APE basis.

Agency productivity stood at INR 0.3mn in FY26 on individual NBP basis (+7% YoY). Par business increased in agency channels (100% YoY growth in FY26), while ULIP remained muted (7% YoY in FY26). The company added more than 120k agents on gross basis, and opened 120 new branches to strengthen its agency channel in FY26.

Management stated that they are not targeting any reduction in SBI's contribution. However, over the last 2–3 years, there has been 3–4% shift from banca towards agency/emerging channels. On NBP basis, banca mix has reduced from 60% in FY23 to 52%/54%/50% in FY24/25/26. Management is not aware about anything on banca open architecture regulations from regulator. It has navigated many regulatory changes in past few years and expects to respond in future as well.

During FY26, other channels i.e. direct corporate agents, brokers, online and web aggregators grew 26% YoY in terms of total APE. Par business, through other channels, registered growth of 88% YoY on individual APE basis. SBI Life is investing in building its online business channel. Individual APE, through this channel, has grown 47% YoY in FY26.

### **FY26 EV at INR 808bn with RoEV of 15% and EVOP of 18.9%**

- Unwind contribution of FY26 is at 8.4% of opening EV. VNB of INR 66.7bn is 9.5% of the opening EV. Unwind and VNB together constitute 17.9% of opening EV.
- Operating variance is positive INR 12.8bn, largely coming from mortality, persistency and some from expenses.
- Total economic and investment variance were negative INR 25.7bn which is 3.66% of opening EV. Out of this, 2.15% came from equity and balance from fixed income.
- EV sensitivity increased to reference rate. Basis FY26 sensitivity, SBIL's EV is likely to decline by 2.4% (vs. 2.1% in FY25) with a 10% drop in equity levels and by 3.4% as of Mar'26 (vs. 3.2%, as on Mar'25) with a 100bps rise in reference rates.
- VNB sensitivity has decreased to reference rates. With a 100bps rise in reference rates, VNB decreases by 0.3% in FY26 (vs. 0.5% in FY25) and with 100bps decrease in reference rates, VNB increases by 0.1% in FY26 (vs. 0.5% in FY25).

### **Persistency improves across all but 61<sup>st</sup> cohort**

- Persistency improved across cohorts except for the 61<sup>st</sup> month, which was the due ULIPs policies sold in Covid-19 year. 13/25/37/49-month persistency saw improvement and stood at 87.9%/78%/72.3%/69.1% in FY26 (vs. 87.4%/77.7%/72.1%/68% in FY25), while 61-month persistency was at 58.1% (vs. 63.6% for FY25).
- Solvency declined to 190% in FY26 from 196% in FY25.
- AUM increased 9% YoY in FY26 to INR 4.9trn. Debt-equity mix stood at 62:38 while more than 94% of debt investments were in AAA/sovereign instruments.

## Exhibit 1: Q4FY26 result review

Policyholder's account (INR mn)	FY25				FY26				YoY (%)	QoQ (%)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
<b>Net premium income</b>	<b>1,51,055</b>	<b>2,02,661</b>	<b>2,48,275</b>	<b>2,38,607</b>	<b>1,71,785</b>	<b>2,48,483</b>	<b>3,02,453</b>	<b>2,76,838</b>	16.0	(8.5)
First year premium	31,464	49,157	64,508	48,587	35,395	52,895	79,193	50,927	4.8	(35.7)
Renewal premium	85,387	1,17,212	1,44,676	1,46,803	1,05,463	1,40,028	1,74,717	1,67,140	13.9	(4.3)
Single premium	38,870	37,763	40,794	44,626	37,281	57,916	50,584	61,322	37.4	21.2
Reinsurance ceded										
Income from investments	1,92,835	1,97,531	(62,817)	(10,408)	2,15,251	(20,553)	1,55,310	(2,39,387)	2,200.0	(254.1)
Other income	31	(41)	(37)	36	(77)	162	267	388	970.4	45.3
Trf from Sh.holder's account	-	-	-	13,459	-	-	-	18,739		
<b>Total income</b>	<b>3,43,921</b>	<b>4,00,150</b>	<b>1,85,422</b>	<b>2,41,694</b>	<b>3,86,959</b>	<b>2,28,092</b>	<b>4,58,030</b>	<b>56,578</b>	<b>(76.6)</b>	<b>(87.6)</b>
Commission paid	5,689	8,372	10,143	9,978	7,861	12,403	16,102	8,591	(13.9)	(46.6)
First year premium	3,472	4,859	5,929	5,671	3,935	7,953	10,858	4,162	(26.6)	(61.7)
Renewal premium	1,748	2,937	3,602	3,708	2,239	3,542	4,338	4,403	18.7	1.5
Single premium	469	576	612	599	487	908	906	26	(95.6)	(97.1)
Operating expenses	10,715	13,197	14,029	10,173	11,291	15,189	19,092	16,683	64.0	(12.6)
<b>Total commission &amp; Opex</b>	<b>16,404</b>	<b>21,569</b>	<b>24,172</b>	<b>20,151</b>	<b>19,152</b>	<b>27,592</b>	<b>35,195</b>	<b>25,274</b>	<b>25.4</b>	<b>(28.2)</b>
Benefits paid	98,292	1,40,102	1,25,341	1,25,283	1,01,184	1,34,821	1,44,684	1,62,546	29.7	12.3
Change in actuarial liability	2,20,325	2,30,532	29,084	77,060	2,58,999	60,392	2,73,474	(1,53,484)	(299.2)	(156.1)
<b>Total Expenses</b>	<b>3,35,021</b>	<b>3,92,203</b>	<b>1,78,597</b>	<b>2,22,494</b>	<b>3,79,335</b>	<b>2,22,805</b>	<b>4,53,352</b>	<b>34,336</b>	<b>(84.6)</b>	<b>(92.4)</b>
Provisions	(167)	(22)	13	66	(121)	423	(5)	(208)		
Ser Tax on linked charges	2,271	2,764	3,122	2,902	2,611	2,677	(34)	(1)	(100.0)	(96.5)
PBT	6,796	5,206	3,689	16,233	5,134	2,187	4,717	22,450	38.3	375.9
Tax	615	545	219	600	453	186	444	512	(14.7)	15.3
<b>Surplus/(Deficit)</b>	<b>6,181</b>	<b>4,661</b>	<b>3,470</b>	<b>15,632</b>	<b>4,682</b>	<b>2,001</b>	<b>4,273</b>	<b>21,938</b>	<b>40.3</b>	<b>413.4</b>
<b>Shareholders' Account</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q3</b>	<b>YoY (%)</b>	<b>QoQ (%)</b>
Amounts trf from P/H account	2,752	2,545	2,623	19,477	3,216	2,057	2,692	23,636	21.4	778.0
Income from investments	2,648	2,826	3,161	2,511	2,929	3,223	3,563	3,260	29.8	(8.5)
Other income	2	-	10	3	-	-	-	-		
<b>Total income</b>	<b>5,401</b>	<b>5,371</b>	<b>5,794</b>	<b>21,990</b>	<b>6,144</b>	<b>5,281</b>	<b>6,255</b>	<b>26,896</b>	<b>22.3</b>	<b>330.0</b>
Other expenses	84	85	69	104	76	146	49	27	(74.0)	(44.4)
Amounts trf to P/H account	-	-	-	13,459	-	-	-	18,739		
Provisions	(38)	(184)	9	21	(41)	2	231	(28)		
<b>PBT</b>	<b>5,355</b>	<b>5,469</b>	<b>5,716</b>	<b>8,406</b>	<b>6,110</b>	<b>5,132</b>	<b>5,975</b>	<b>8,158</b>	<b>(3.0)</b>	<b>36.5</b>
Tax	160	175	208	271	166	186	208	111	(58.9)	(46.4)
<b>PAT</b>	<b>5,195</b>	<b>5,294</b>	<b>5,508</b>	<b>8,135</b>	<b>5,944</b>	<b>4,946</b>	<b>5,767</b>	<b>8,046</b>	<b>(1.1)</b>	<b>39.5</b>
<b>Check</b>										
<b>Ratios (%) : Calc. on unwtd premiums</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YoY (bps)</b>	<b>QoQ (bps)</b>
Commission expense	3.7	4.1	4.1	4.2	4.4	4.9	5.3	3.1	(108)	(221)
Opex ratio	6.9	6.5	5.6	4.2	6.3	6.1	6.3	6.0	173	(30)
<b>Calculated Ratios (%) (WRP basis)</b>										
Commission expense	4.7	4.9	4.8	5.0	5.4	6.2	6.2	3.8	(116)	(239)
Opex ratio	8.9	7.8	6.6	5.1	7.8	7.6	7.4	7.4	235	7
<b>Reported APE Data</b>	<b>Q1FY25</b>	<b>H1FY25</b>	<b>9MFY25</b>	<b>FY25</b>	<b>Q1FY26</b>	<b>H1FY26</b>	<b>9MFY26</b>	<b>FY26</b>	<b>YoY (%)</b>	
New business APE	36,400	90,300	1,59,700	2,14,200	39,700	99,200	1,85,200	2,42,700	13.3	
<b>Other ratios (%)</b>	<b>Q1FY25</b>	<b>H1FY25</b>	<b>9MFY25</b>	<b>FY25</b>	<b>Q1FY26</b>	<b>H1FY26</b>	<b>9MFY26</b>	<b>FY26</b>	<b>YoY (bps)</b>	
Solvency ratio	201.0	204.0	204.0	196.0	196.0	194.0	191.0	190.0	(600.0)	
VNB margins	26.7	26.8	26.9	27.8	27.5	27.7	27.2	27.5	(29.5)	
<b>Persistency ratios (%)</b>	<b>Q1FY25</b>	<b>H1FY25</b>	<b>9MFY25</b>	<b>FY25</b>	<b>Q1FY26</b>	<b>H1FY26</b>	<b>9MFY26</b>	<b>FY26</b>	<b>YoY (bps)</b>	
13th Month	86.50	86.40	86.10	87.41	87.41	87.11	87.10	87.90	49	
25th Month	77.50	77.80	77.68	77.68	77.68	77.32	77.10	78.00	32	
37th Month	71.70	72.20	72.10	72.08	72.08	72.20	72.00	72.30	22	
49th Month	73.00	71.60	69.80	67.99	67.99	68.88	69.10	69.10	111	
61st Month	59.00	61.90	62.70	63.60	62.69	60.57	58.80	58.10	(550)	
<b>Key Metrics (INRb)</b>	<b>Q1FY25</b>	<b>H1FY25</b>	<b>9MFY25</b>	<b>FY25</b>	<b>Q1FY26</b>	<b>H1FY26</b>	<b>9MFY26</b>	<b>FY26</b>		
VNB	9.7	24.2	42.9	59.5	10.9	27.5	50.4	66.7	12.1	
EV	-	661	681	703	703	760	801	808	15.0	
AUM	4,148	4,390	4,417	4,480	4,758	4,815	5,117	4,872	8.7	

Source: I-Sec research, Company data

## Exhibit 2: Product mix and distribution trend

INR bn	Q4FY25	FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	FY26	Q4FY26 YoY	FY26 YoY
Individual Savings	44.3	182.8	32.3	49.0	76.4	46.6	204.3	5.2%	11.8%
- Par	1.7	7.4	1.8	2.8	7.7	5.0	17.3	194.1%	133.8%
- Non Par	12.8	39.1	7.7	11.8	11.6	11.6	42.7	-9.4%	9.2%
- ULIP	29.6	136.2	22.8	34.4	57.1	29.9	144.2	1.0%	5.9%
Individual Protection	3.0	8.3	1.6	2.1	2.7	3.9	10.3	30.0%	24.1%
Group Protection	4.1	12.2	3.0	3.8	3.4	1.9	12.1	-53.7%	-0.8%
Annuity	1.5	5.3	1.3	1.8	2.0	2.0	7.1	33.3%	34.0%
Group Savings	1.7	5.6	1.5	2.7	1.6	3.1	8.9	82.4%	58.9%
<b>Total APE</b>	<b>54.5</b>	<b>214.2</b>	<b>39.7</b>	<b>59.5</b>	<b>86.0</b>	<b>57.5</b>	<b>242.7</b>	<b>5.5%</b>	<b>13.3%</b>
Ind APE	48.7	196.4	35.2	53.0	81.0	52.5	221.7	7.8%	12.9%
Grp APE	5.8	17.8	4.5	6.5	5.0	5.0	21.0	-13.8%	18.0%
<b>Mix (APE terms ) (%)</b>									
Individual	89.5%	91.7%	88.7%	88.9%	94.3%	91.3%	91.3%	176 bps	-34 bps
Group	10.6%	8.3%	11.3%	10.9%	5.8%	8.7%	8.7%	-195 bps	34 bps
<b>VNB (INR bn)</b>									
VNB (INR bn)	16.6	59.5	10.9	16.6	22.9	16.3	66.7	-1.8%	12.1%
VNB Margin	30.5%	27.8%	27.5%	27.9%	26.6%	28.3%	27.5%	-211 bps	-30 bps
Embedded Value (INR bn)	702.5	702.5	742.6	760.0	801.3	807.9	807.9	15.0%	15.0%
<b>Total APE Mix (%)</b>									
Protection	13.0%	9.6%	11.6%	9.9%	7.1%	10.1%	9.2%	-294 bps	-34 bps
Savings	80.9%	85.3%	81.4%	82.4%	88.8%	80.9%	84.1%	-5 bps	-116 bps
- Par	3.1%	3.5%	4.5%	4.7%	9.0%	8.7%	7.1%	558 bps	367 bps
- Non Par	23.5%	18.3%	19.4%	19.8%	13.5%	20.2%	17.6%	-331 bps	-66 bps
- ULIP	54.3%	63.6%	57.4%	57.8%	66.4%	52.0%	59.4%	-231 bps	-417 bps
Annuity	2.8%	2.5%	3.3%	3.0%	2.3%	3.5%	2.9%	73 bps	45 bps
Group savings	3.1%	2.6%	3.8%	4.5%	1.9%	5.4%	3.7%	227 bps	105 bps
<b>Total Distribution mix</b>									
Banca	31.3	131.3	23.1	33.8	58.8	30.0	145.7	-4.2%	11.0%
Agency	15.6	60.0	10.9	18.0	20.3	19.9	69.1	27.6%	15.2%
Others	7.5	22.8	5.7	7.7	6.9	7.5	27.8	0.0%	21.9%
<b>Total APE</b>	<b>54.5</b>	<b>214.2</b>	<b>39.7</b>	<b>59.5</b>	<b>86.0</b>	<b>57.5</b>	<b>242.7</b>	<b>5.5%</b>	<b>13.3%</b>
<b>Total Distribution mix</b>									
Banca	57.4%	61.3%	58.2%	56.8%	68.4%	52.2%	60.0%	-526 bps	-126 bps
Agency	28.6%	28.0%	27.5%	30.3%	23.6%	34.6%	28.5%	598 bps	46 bps
Others	13.8%	10.6%	14.4%	12.9%	8.0%	13.0%	11.5%	-72 bps	81 bps
Total APE	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		

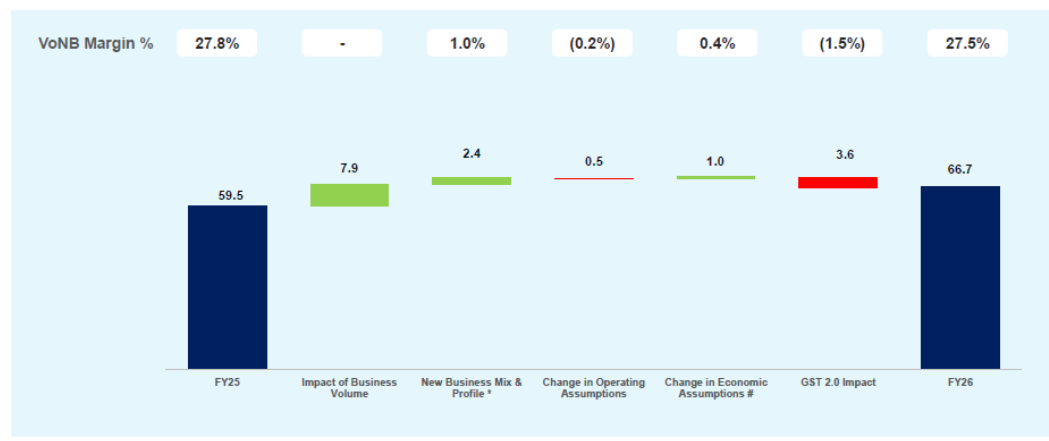
Source: I-Sec research, Company data

### Exhibit 3: EV projection

	FY24	FY25	FY26	FY27E	FY28E
<b>Embedded value (IEV)</b>	<b>582.6</b>	<b>702.5</b>	<b>807.9</b>	<b>951.4</b>	<b>1,120.3</b>
	9%	7.2%	12%	18%	17%
<b>Embedded value (IEV)</b>					
VNB (effective tax rate)	55.5	59.5	66.5	78.1	91.5
VNB Margin (effective tax rate)	28.1	27.8	27.4	28.0	28.5
<b>Opening EV</b>	<b>460.4</b>	<b>582.6</b>	<b>702.5</b>	<b>807.9</b>	<b>951.4</b>
Unwinding	38.2	48.8	59.3	67.9	79.9
- Unwinding rate	8.3%	8.4%	8.4%	<b>8.4%</b>	<b>8.4%</b>
VNB	55.5	59.5	66.5	78.1	91.5
Operating experience variance	6.1	7.3	12.8	-	-
change in operating assumptions	0.8	2.2	(5.7)		
<b>EVOP</b>	<b>100.6</b>	<b>117.8</b>	<b>132.9</b>	<b>146.0</b>	<b>171.4</b>
Economic assumption change and variance	23.9	4.2	(25.7)		
Dividend paid / capital injection	(2.3)	(2.1)	(1.8)	(2.5)	(2.5)
<b>Closing EV</b>	<b>582.6</b>	<b>702.5</b>	<b>807.9</b>	<b>951.4</b>	<b>1,120.3</b>

Source: I-Sec research, Company data, FY26 change in operating assumptions includes impact of GST and impact of one-time labour cost.

### Exhibit 4: VNB walk



Source: I-Sec research, Company data

### Exhibit 5: Shareholding pattern

%	Sep '25	Dec '25	Mar '26
Promoters	55.4	55.3	55.3
Institutional investors	39.2	40.9	40.6
MFs and others	15.0	16.1	16.0
FIs/Banks	0.9	0.8	1.9
Insurance	1.4	1.3	1.2
FIIIs	21.9	22.7	21.5
Others	5.4	3.8	4.1

Source: Bloomberg

### Exhibit 6: Price chart



Source: Bloomberg

## Financial Summary

### Exhibit 7: Technical Account

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Gross Premiums	8,49,846	10,12,861	11,93,880	13,64,580
Reinsurance Ceded	(9,248)	(13,302)	(2,126)	(2,126)
Net Premiums	8,40,598	9,99,559	11,91,754	13,62,454
Income from Investments	3,17,141	1,10,621	2,71,040	3,01,937
Other Income	(12)	739	2,029	2,029
<b>Total income</b>	<b>11,57,728</b>	<b>11,10,920</b>	<b>14,64,823</b>	<b>16,66,421</b>
Commission	34,182	44,957	48,791	55,739
Operating expenses	48,113	62,255	72,847	83,259
<b>Total commission and opex</b>	<b>82,296</b>	<b>1,07,212</b>	<b>1,21,637</b>	<b>1,38,998</b>
Benefits Paid (Net)+ bonus	4,89,018	5,43,235	4,25,234	4,68,286
Chg in reserves	5,57,001	4,39,382	8,18,968	9,35,361
<b>Total expenses</b>	<b>11,28,315</b>	<b>10,89,828</b>	<b>13,65,839</b>	<b>15,42,645</b>
Prov for doubtful debts	23,863	12,269	83,727	1,07,534
<b>PBT</b>	<b>23,09,906</b>	<b>22,13,016</b>	<b>29,14,389</b>	<b>33,16,599</b>
Surplus / Deficit before tax	29,945	32,894	52,083	64,293
Tax (incl. Service Tax & GST)	1,979	1,595	8,562	9,921
Prov for Tax	1,979	1,595	8,562	9,921
<b>Surplus / Deficit</b>	<b>29,945</b>	<b>32,894</b>	<b>39,050</b>	<b>48,261</b>

Source Company data, I-Sec research

### Exhibit 8: Shareholder's Account

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Transfer from technical a/c	27,397	31,601	38,668	47,803
Income From Investments	11,145	12,974	14,012	15,133
<b>Total Income</b>	<b>38,555</b>	<b>44,575</b>	<b>52,680</b>	<b>62,936</b>
Other expenses	342	297	500	500
Contribution to P/H A/C	13,459	18,739	24,361	31,669
Total Expenses	13,801	19,037	24,861	32,169
<b>PBT</b>	<b>24,947</b>	<b>25,374</b>	<b>27,819</b>	<b>30,766</b>
Prov for Tax	814	671	835	923
<b>PAT</b>	<b>24,133</b>	<b>24,703</b>	<b>26,984</b>	<b>29,843</b>

Source Company data, I-Sec research

### Exhibit 9: Balance Sheet

(Rs mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
Share Capital	10,021	10,031	10,031	10,031
Reserves And Surplus	1,57,907	1,80,831	2,05,315	2,32,658
<b>Shareholders' Fund</b>	<b>1,69,854</b>	<b>1,90,860</b>	<b>2,15,344</b>	<b>2,42,687</b>
Policy Liabilities	21,94,297	23,23,079	26,51,367	30,98,704
Prov. for Linked Liab.	19,38,117	22,27,711	29,89,729	35,11,900
Funds For Future App.	1,434	1,465	1,465	1,465
Current liabilities & prov.	80,826	1,01,218	97,465	1,11,252
Borrowings	-	-	-	-
<b>Total</b>	<b>45,70,955</b>	<b>50,00,460</b>	<b>61,35,020</b>	<b>71,72,721</b>
Shareholders' investment	1,46,045	1,67,101	4,68,723	5,40,721
Policyholders' investment	18,52,268	21,07,130	24,42,155	28,56,265
Assets to cover linked liab.	24,76,357	25,89,445	30,74,284	36,11,497
Loans	4,817	6,051	6,051	6,051
Fixed Assets	5,903	6,877	7,565	8,321
Current assets	85,565	1,23,856	1,36,242	1,49,866
<b>Total</b>	<b>45,70,955</b>	<b>50,00,460</b>	<b>61,35,020</b>	<b>71,72,721</b>

Source Company data, I-Sec research

### Exhibit 10: Premium Details

(INR mn, year ending March)

	FY25A	FY26A	FY27E	FY28E
New business premium	4,25,581	4,82,206	5,54,536	6,37,717
Total weighted APE	2,12,469	2,40,739	2,76,850	3,18,377
Renewal premium	4,99,185	5,64,828	6,39,343	7,26,863
Total premium	9,24,766	10,47,033	11,93,880	13,64,580
NBP growth (%)	8.6	13.3	15.0	15.0
APE growth (%)	8.6	13.3	15.0	15.0
Renewal premium growth (%)	15.0	13.1	13.2	13.7
Total premium growth (%)	12.0	13.2	14.0	14.3

Source Company data, I-Sec research

### Exhibit 11: Key ratios

(Year ending March)

	FY25A	FY26A	FY27E	FY28E
<b>Operating Ratios (%)</b>				
Investment yield (%)	7.9	2.6	5.3	4.9
Commissions / GWP	4.0	4.4	4.1	4.1
Operating expenses / GWP	5.7	6.1	6.1	6.1
Total expense ratio	9.7	10.6	10.2	10.2
Total AUMs (Rs bn)	4,474.7	4,863.7	5,985.2	7,008.5
<b>Profitability ratios (%)</b>				
VNB margin, basis effective tax rate (%)	27.8	27.4	28.0	28.5
RoE (%)	14.1	13.0	12.5	12.3
<b>Core EVOP(unwind +VNB)</b>	<b>18.6</b>	<b>17.9</b>	<b>18.1</b>	<b>18.0</b>
EVOP as % of IEV	20.2	18.9	18.1	18.0
RoEV (%)	20.6	15.0	17.8	17.8
<b>Valuation ratios</b>				
Dividend per share (INR)	3.0	2.5	2.5	2.5
EPS (INR)	23.9	24.8	26.9	29.8
<b>VNB (INR bn)</b>	<b>59.5</b>	<b>66.5</b>	<b>78.1</b>	<b>91.5</b>
EV (INR bn)	702.5	807.9	951.4	1,120.3
VIF (INR bn)	522.7	607.1	726.1	867.7
ANW (INR bn)	179.8	200.8	225.3	252.6
VIF as % of EV	179.2	200.2	224.6	251.8
EV per share (INR)	701.0	806.2	949.4	1,117.9
<b>P/EV (x)</b>	<b>2.7</b>	<b>2.3</b>	<b>2.0</b>	<b>1.7</b>
<b>P/EPS (x)</b>	<b>78.9</b>	<b>76.0</b>	<b>70.0</b>	<b>63.3</b>

Source Company data, I-Sec research

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet\_babbar@icicisecuritiesinc.com, Rishi\_agrawal@icicisecuritiesinc.com and Kadambari\_balachandran@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)  
**BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return**

#### ANALYST CERTIFICATION

I/We, Ansuman Deb, MBA, BE; Shubham Prajapati, CA; authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

#### Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager, Research Analyst and Alternative Investment Fund. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities AIF Trust's SEBI Registration number is IN/AIF3/23-24/1292 ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient 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 ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances. This report 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. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. 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. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

---

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk free return to the investors.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report.

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions. ([Link](#))

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal, Contact number: 022-40701000, E-mail Address : [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com)

For any queries or grievances: [Mr. Jeetu Jawrani](#) Email address: [headservicequality@icicidirect.com](mailto:headservicequality@icicidirect.com) Contact Number: 18601231122

---