BUY (Maintain)

CMP: **INR 1,840** Target Price: **INR 2,140** ▲ 16%

ICICI Securities

ICICI Securities Limited is the author and distributor of this report

26 October 2025

India | Equity Research | Results Update

SBI Life Insurance Company

Life Insurance

Unchanged volume and margin guidance underlines business resilience

SBI Life has been able to maintain its mid-teen growth guidance in volume and healthy 26–28% VNB margin guidance despite the adverse GST impact on costs. This is a sound target and a further testimony to its resilient business moats. The swift change in product mix and that to be adequate to nullify the impact of GST is a positive surprise. The scope of product mix improvement is higher in SBI Life considering its traditionally high ULIP/low protection mix (64%/10% of APE as of FY25) vs. peers. Perhaps, this remains underappreciated by investors. Better productivity (branch and agent) and demand recovery in high-margin segments through GST cut are available levers evident from healthy volume growth seen in Sep-Oct'25. These arguments vs. its sound track record (APE/VNB/EV CAGR of 15.3%/21.8%/20.5% between FY20-25) and attractive valuation (1.9x FY27E P/EV) keep us constructive on SBI Life.

Retain BUY with an unchanged TP of INR 2,140, based on 2.2x FY27E EV (unchanged)

We factor in VNB margin of 27.5% and model 14%/16% APE growth for FY26/27E (8.6%/9.2% YoY APE growth and 27.8%/27.5%/27.9% VNB margin in FY25/Q1FY26/Q2FY26). We value SBI Life based on 2.2x FY27E EV per share (unchanged) and arrive at our TP of INR 2,140. We believe there is scope of improvement in multiple to reflect industry leading RoEV performance (average RoEV of ~21% in last 3/5 years) and 17.6% in H1FY26. 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; 3) possible channel restriction which has led to growth in non SBI Channels (43% YoY growth in others channel in H1FY26). On similar lines, the company expressed confidence in its ability to nullify the impact of GST cuts on margins in H2FY26 through product mix and efficiency and not through any commission cuts. Strength in cost structure and distribution remain key business moats, even if there is a reduction in the bancassurance mix. **Risks** include 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)	FY24A	FY25A	FY26E	FY27E
Reported APE	197.2	214.2	244.2	283.3
Embedded Value	582.6	702.5	825.5	969.4
New value business	55.5	59.5	67.2	77.9
VNB margin (%)	28.1	27.8	27.5	27.5
P/EV (x)	3.2	2.6	2.2	1.9
RoE (%)	12.8	14.1	13.5	13.3
RoEV (%)	26.5	20.6	17.5	17.4
Core RoEV (%)	20.4	18.6	17.9	17.7

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Market Data

Market Cap (INR)	1,845bn
Market Cap (USD)	21,013mn
Bloomberg Code	SBILIFE IN
Reuters Code	SBIL BO
52-week Range (INR)	1,912 /1,373
Free Float (%)	45.0
ADTV-3M (mn) (USD)	19.8

Price Performance (%)	3m	6m	12m
Absolute	2.6	14.4	12.5
Relative to Sensex	0.1	8.9	7.3

ESG Score	2023	2024	Change
ESG score	**72.3**	**74.3**	**2.0**
Environment	46.0	48.5	2.5
Social	74.3	78.8	4.5
Governance	80.8	83.7	2.9

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

Source: SES ESG, I-sec research

Previous Reports

28-07-2025: Q1FY26 results review

27-04-2025: Q4FY25 results review

GST impact manageable with operational and product mix levers

Management has passed on the full benefit of GST to customers and is not considering any distribution commission cuts. Company will utilise other levers (operational and product mix) to manage the impact. GST impact was 80bps in H1FY26 on VNB margin. Out of that, 20bps relates to business written from 22nd Sep'25 and balance 60bps is due to loss of ITC on renewals. Extrapolating the impact seen in Q2, there could be 1.74% impact (if product mix remains unchanged) on full year margins. However, given that protection share is increasing and the company is planning to increase protection riders (current protection rider attachment is ~38%), the consequent uplift in the margin profile is expected be more than sufficient to absorb this GST impact of 1.74%. Hence, in H2FY26, management may be able to maintain similar level of margin or maybe 20-30bps impact, but not more than that.

Management is maintaining ULIP at similar levels, while driving growth in non-par and par segments for margin expansion. ULIP margins are also expected to improve, supported by longer premium paying term and higher protection rider attachments.

VNB and margin grew strong; maintains guidance

VNB grew 14.7%/13.6% in Q2/H1FY26, at INR 16.6bn/ INR 27.5bn. VNB margin was 27.9%/27.7% in Q2/H1FY26, an improvement of 105bps/92bps for the same period. Sequentially also, VNB margin improved by 44bps. However, basis H1FY26, without the impact of GST, VNB growth could have been 17% YoY and VNB margin 28.5%. Management maintains full year (FY26) VNB margin guidance of 26-28%.

Shift towards protection/non-participating product mix aids margins

Total APE growth for Q2/H1FY26 was 10.4%/9.9% YoY led by protection, non-par, annuity and group savings. During Q2/H1FY26, individual savings contributed ~82% of total APE and grew 4.9%/5.2% YoY, within that, non-par was strong with growth of 40.5%/26.6% YoY while par (down 12.5%/flattish YoY in Q2/H1FY26) and ULIP (down 1.7%/flattish YoY in Q2/H1FY26) remained muted. Accordingly, share of non-par increased from 17.1% in H1FY25 to 19.7% in H1FY26, while share of par/ULIP declined to 4.6%/58% in H1FY26 (vs. 5.1%/63% in H1FY25).

Individual protection reported strong growth of 23.5%/15.6% YoY in Q2/H1FY26. Individual pure protection reported strong growth of 143% YoY in APE while individual sum insured in individual protection grew by 108% YoY in H1FY26. Group protection reported strong growth of 15.2%/41.7% YoY in Q2/H1FY26. Credit life APE grew by 25% and stood at INR 1.3bn in H1FY26. Protection remains focus area for the company which is also benefitting most from GST removal. Management plans to keep this segment above 10% of total APE mix (currently at 10.6% of total APE mix as of H1FY26).

Annuity reported strong growth of 50%/29.2% YoY in Q2/H1FY26. Group savings reported growth of 145.5%/55.6% YoY in Q2/H1FY26 but is a lumpy business.

During Q2FY26, company launched two new products: Smart Shield Plus (protection segment- contributed 11% of total protection sum assured within 15 days of launch) and Smart Money Back Plus (par segment, +8,500 customers opted for in 15 days of launch). SBIL has also enhanced Platina series benefits by passing on the benefit of yield curve. Management continues monitoring interest rate movement and repricing products to pass on the benefit to maintain the margin at current level.

Growth was 15% YoY for Sep'25 in individual APE (vs. 7% for Q2FY26) and that trend is continuing. Basis the strong traction in volumes, management maintains guidance of 13-14% individual APE growth for FY26.

Management commentary strong on channel outlook

For H1FY26 APE basis, agency business contributed 29%, other channels contributed 14% (of total 14% other business mix, 3% share of non-SBI channels, rest is coming from group business) and bancassurance contributed 57% of overall APE. Agency and banca channels have grown 8%/2.5% YoY in H1FY26, while other channels reported strong growth of 42.6% YoY.

Banca productivity stands at INR 4.6mn per branch. Banks other than SBI are also growing at 29% YoY. Non-SBI bank channel could continue to grow strong ahead and the ULIP share is much lower than main channels (agency and Banca), less than 25%, and management expects growth to continue at 15% as seen in H1FY26, may be slightly higher.

Agency productivity stood at INR 0.27mn in H1FY26 on individual NBP basis. Non-par business increased in agency channels (37% YoY growth in H1FY26), while ULIP dropped (down 10% YoY in H1FY26). Company has added more than 64k agents on gross basis and has opened 44 new branches to strengthen its agency channel. Management tweaked certain norms in Aug'25, that resulted in 15% individual APE growth in Sep'25 for agency and same trend continues in Oct'25.

During H1FY26, other channels i.e. direct corporate agents, brokers, online and web aggregators grew 36% in terms of individual NBP. Non-par business, through other channels, registered growth of 35% on APE basis. SBI Life is investing in building its online business channel. Individual APE, through this channel, has grown 20% YoY. Protection business, through this channel on IRP terms, grew 55% YoY. New products Smart Shield Plus and Smart Shield Premier have also seen good traction in online channel.

Key details

- H1FY26 embedded value stood at INR 760bn with RoEV at 17.6%, which is a combination of VNB, healthy unwind and favourable operating variance experience. GST impact on EV was INR 3.3bn in H1FY26. EV growth from FY25 to H1FY26 was 8.2% (excluding the impact of GST growth it was 8.6%).
- Persistency improved across cohorts except for 25/61-month. 13/37/49-month persistency saw improvement and stood at 85.37%/71.37%/68.08% in Q2FY26 (vs. 84.16%/71.03%/65.97% in Q2FY25), while 25/61-month persistency was 75.65%/56.24% (vs. 76.80%/65.38% for Q2FY25).
- Solvency declined to 194% in Q2FY26 from 196% in Q1FY26.
- AUM increased 10% YoY in Q2FY26 to INR 4.81trn. Debt-equity mix stood at 60:40 while more than 95% of debt investments were in AAA/sovereign instruments.

Exhibit 1: Q2FY26 result review

Policyholder's account (INR mn)	FY25				FY26		YoY (%)	QoQ (%)
	Q1	Q2	Q3	Q4	Q1	Q2		
Net premium income	**1,51,055**	**2,02,661**	**2,48,275**	**2,38,607**	**1,71,785**	**2,48,483**	22.6	44.6
First year premium	*31,464*	*49,157*	*64,508*	*48,587*	*35,395*	*52,895*	7.6	49.4
Renewal premium	*85,387*	*1,17,212*	*1,44,676*	*1,46,803*	*1,05,463*	*1,40,028*	19.5	32.8
Single premium	*38,870*	*37,763*	*40,794*	*44,626*	*37,281*	*57,916*	53.4	55.3
Reinsurance ceded								
Income from investments	1,92,835	1,97,531	(62,817)	(10,408)	2,15,251	(20,553)	(110.4)	(109.5)
Other income	31	(41)	(37)	36	(77)	162	(493.9)	(310.0)
Trf from Sh.holder's account	-	-	-	13,459	-	-		
Total income	**3,43,921**	**4,00,150**	**1,85,422**	**2,41,694**	**3,86,959**	**2,28,092**	**(43.0)**	**(41.1)**
Commission paid	5,689	8,372	10,143	9,978	7,861	12,403	48.2	57.8
First year premium	*3,472*	*4,859*	*5,929*	*5,671*	*3,935*	*7,953*	63.7	102.1
Renewal premium	*1,748*	*2,937*	*3,602*	*3,708*	*2,239*	*3,542*	20.6	58.2
Single premium	*469*	*576*	*612*	*599*	*487*	*908*	57.6	86.6
Operating expenses	10,715	13,197	14,029	10,173	11,291	15,189	15.1	34.5
Total commission & Opex	**16,404**	**21,569**	**24,172**	**20,151**	**19,152**	**27,592**	**27.9**	**44.1**
Benefits paid	98,292	1,40,102	1,25,341	1,25,283	1,01,184	1,34,821	(3.8)	33.2
Change in actuarial liability	2,20,325	2,30,532	29,084	77,060	2,58,999	60,392	(73.8)	(76.7)
Total Expenses	**3,35,021**	**3,92,203**	**1,78,597**	**2,22,494**	**3,79,335**	**2,22,805**	**(43.2)**	**(41.3)**
Provisions	(167)	(22)	13	66	(121)	423		
Ser Tax on linked charges	2,271	2,764	3,122	2,902	2,611	2,677	(3.1)	2.5
PBT	6,796	5,206	3,689	16,233	5,134	2,187	**(58.0)**	**(57.4)**
Tax	615	545	219	600	453	186	(65.9)	(58.9)
Surplus/(Deficit)	**6,181**	**4,661**	**3,470**	**15,632**	**4,682**	**2,001**	**(57.1)**	**(57.2)**
Shareholders' Account	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**		**YoY (%)**	**QoQ (%)**
Amounts trf from P/H account	2,752	2,545	2,623	19,477	3,216	2,057	(19.2)	(36.0)
Income from investments	2,648	2,826	3,161	2,511	2,929	3,223	14.1	10.1
Other income	2	-	10	3	-	-		
Total income	**5,401**	**5,371**	**5,794**	**21,990**	**6,144**	**5,281**	**(1.7)**	**(14.1)**
Other expenses	84	85	69	104	76	146	71.8	93.9
Amounts trf to P/H account	-	-	-	13,459	-	-		
Provisions	(38)	(184)	9	21	(41)	2		
PBT	**5,355**	**5,469**	**5,716**	**8,406**	**6,110**	**5,132**	**(6.2)**	**(16.0)**
Tax	160	175	208	271	166	186	6.2	12.1
PAT	**5,195**	**5,294**	**5,508**	**8,135**	**5,944**	**4,946**	**(6.6)**	**(16.8)**
Check								
Ratios (%): Calc. on unwtd premiums	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**YoY (bps)**	**QoQ (bps)**
Commission expense	3.7	4.1	4.1	4.2	4.4	4.9	84	53
Opex ratio	6.9	6.5	5.6	4.2	6.3	6.1	(41)	(28)
Calculated Ratios (%) (WRP basis)								
Commission expense	4.7	4.9	4.8	5.0	5.4	6.2	132	81
Opex ratio	8.9	7.8	6.6	5.1	7.8	7.6	(11)	(17)
Reported APE Data	**Q1FY25**	**H1FY25**	**9MFY25**	**FY25**	**Q1FY26**	**H1FY26**	**YoY (%)**	
New business APE	36,400	90,300	1,59,700	2,14,200	39,700	99,200	**9.9**	
Other ratios (%)	**Q1FY25**	**H1FY25**	**9MFY25**	**FY25**	**Q1FY26**	**H1FY26**	**YoY (bps)**	
Solvency ratio	201.0	204.0	204.0	196.0	196.0	194.0	(1,000.0)	
VNB margins	26.7	26.8	26.9	27.8	27.5	27.7	92.2	
Persistency ratios (%)	**Q1FY25**	**H1FY25**	**9MFY25**	**FY25**	**Q1FY26**	**H1FY26**	**YoY (bps)**	
13th Month	86.50	86.40	86.10	87.41	87.41	87.11	71	
25th Month	77.50	77.80	77.68	77.68	77.68	77.32	(48)	
37th Month	71.70	72.20	72.38	72.08	72.08	72.20	-	
49th Month	73.00	71.60	70.16	67.99	67.99	68.88	(272)	
61st Month	59.00	61.90	63.29	62.69	62.69	60.57	(133)	
Key Metrics (INRb)	**Q1FY25**	**H1FY25**	**9MFY25**	**FY25**	**Q1FY26**	**H1FY26**		
VNB	9.7	24.2	42.9	59.5	10.9	27.5	**13.6**	
EV	-	661	681	703	703	760	**15.0**	
AUM	4,148	4,390	4,417	4,480	4,758	4,815	**9.7**	

Source: I-Sec research, Company data

Exhibit 2: Product mix and distribution trend

INR bn	Q1FY25	Q2FY25	H1FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	H1FY26	Q2FY26 YoY	H1FY26 YoY
Individual Savings	30.6	46.7	77.3	61.2	44.3	32.3	49.0	81.3	*4.9%*	*5.2%*
- Par	1.4	3.2	4.6	1.1	1.7	1.8	2.8	4.6	*-12.5%*	*0.0%*
- Non Par	7.0	8.4	15.4	10.9	12.8	7.7	11.8	19.5	*40.5%*	*26.6%*
- ULIP	22.2	35.0	57.2	49.4	29.6	22.8	34.4	57.2	*-1.7%*	*0.0%*
Individual Protection	1.5	1.7	3.2	2.1	3.0	1.6	2.1	3.7	*23.5%*	*15.6%*
Group Protection	1.5	3.3	4.8	3.3	4.1	3.0	3.8	6.8	*15.2%*	*41.7%*
Annuity	1.2	1.2	2.4	1.4	1.5	1.3	1.8	3.1	*50.0%*	*29.2%*
Group Savings	1.6	1.1	2.7	1.2	1.7	1.5	2.7	4.2	*145.5%*	*55.6%*
Total APE	**36.4**	**53.9**	**90.3**	**69.4**	**54.5**	**39.7**	**59.5**	**99.2**	***10.4%***	***9.9%***
Ind APE	33.3	49.5	82.8	64.9	48.7	35.2	53.0	88.2	*7.1%*	*6.5%*
Grp APE	3.1	4.4	7.5	4.5	5.8	4.5	6.5	11.0	*47.7%*	*46.7%*

Mix (APE terms) (%)	**Q1FY25**	**Q2FY25**	**H1FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**H1FY26**	**Q2FY26 YoY**	**H1FY26 YoY**
Individual	91%	92%	92%	93%	90%	89%	89%	89%	-311 bps	-299 bps
Group	9%	8%	8%	6%	11%	11%	11%	11%	276 bps	278 bps

	Q1FY25	**Q2FY25**	**H1FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**H1FY26**	**Q2FY26 YoY**	**H1FY26 YoY**
VNB (INR bn)	9.73	14.47	24.20	18.70	16.60	10.90	16.60	27.50	*14.7%*	*13.6%*
VNB Margin	26.7%	26.8%	26.8%	26.9%	30.5%	27.5%	27.9%	27.7%	105 bps	92 bps
Embedded Value (INR bn)	618.60	660.70	660.70	618.40	702.50	742.60	760.00	760.00	*15.0%*	*15.0%*

Total APE Mix (%)	**Q1FY25**	**Q2FY25**	**H1FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**H1FY26**	**Q2FY26 YoY**	**H1FY26 YoY**
Protection	8.2%	9.3%	8.9%	7.8%	13.0%	11.6%	9.9%	10.6%	64 bps	173 bps
Savings	84.1%	86.5%	85.5%	88%	81%	81%	82%	82%	-410 bps	-354 bps
- Par	3.8%	5.9%	5.1%	1.6%	3.1%	4.5%	4.7%	4.6%	-123 bps	-46 bps
- Non Par	19.2%	15.6%	17.1%	15.7%	23.5%	19.4%	19.8%	19.7%	425 bps	260 bps
- ULIP	61%	65%	63%	71%	54%	57%	58%	58%	-712 bps	-568 bps
Annuity	3.3%	2.2%	2.7%	2.0%	2.8%	3.3%	3.0%	3.1%	80 bps	47 bps
Group savings	4.4%	2.0%	3.0%	1.7%	3.1%	3.8%	4.5%	4.2%	250 bps	124 bps

	Q1FY25	**Q2FY25**	**H1FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**H1FY26**	**Q2FY26 YoY**	**H1FY26 YoY**
Banca	21.6	31.1	52.7	47.3	31.3	23.1	33.8	56.9	*8.7%*	*8.0%*
Agency	10.9	17.3	28.2	16.2	15.6	10.9	18.0	28.9	*4.0%*	*2.5%*
Others	3.9	5.5	9.4	5.9	7.5	5.7	7.7	13.4	*40.0%*	*42.6%*
Total APE	36.4	53.9	90.3	69.4	54.5	39.7	59.5	99.2	*10.4%*	*9.9%*

Total Distribution mix	**Q1FY25**	**Q2FY25**	**H1FY25**	**Q3FY25**	**Q4FY25**	**Q1FY26**	**Q2FY26**	**H1FY26**	**Q2FY26 YoY**	**H1FY26 YoY**
Banca	59%	58%	58%	68%	57%	58%	57%	57%	-89 bps	-100 bps
Agency	30%	32%	31%	23%	29%	27%	30%	29%	-184 bps	-210 bps
Others	11%	10%	10%	9%	14%	14%	13%	14%	274 bps	310 bps
Total APE	100%	100%	100%	100%	100%	100%	100%	100%		

Source: I-Sec research, Company data

Exhibit 3: EV projection

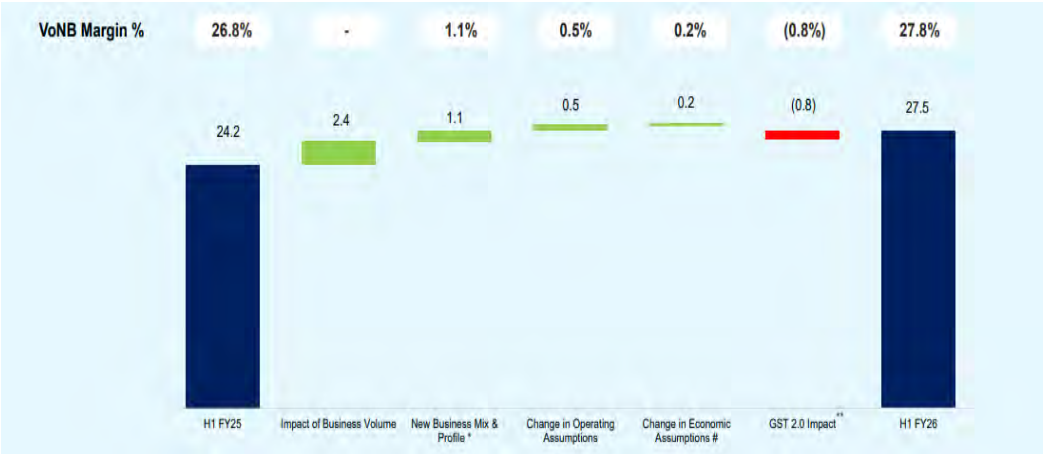
	FY23	FY24	FY25	FY26E	FY27E
Opening EV	**396.30**	**460.4**	**582.6**	**702.5**	**825.5**
Unwinding	34.1	38.2	48.8	58.3	68.5
- Unwinding rate	8.6%	8.3%	8.4%	**8.3%**	**8.3%**
VNB	50.7	55.5	59.5	67.2	77.9
Operating experience variance	-	6.1	7.3	2.3	-
change in operating assumptions	5.8	0.8	2.2		
EVOP	**90.6**	**100.6**	**117.8**	**127.8**	**146.4**
Economic assumption change and variance	(24.0)	23.9	4.2	1.0	
Dividend paid / capital injection	(2.1)	(2.3)	(2.1)	(5.8)	(2.5)
Closing EV	**460.80**	**582.6**	**702.5**	**825.5**	**969.4**
Embedded Value per share (INR)	459.8	581.4	701.0	823.7	967.3
EV Profit, (INR bn)	64.5	122.2	119.9	123.0	143.9
RoEV (%)	16.3%	26.5%	20.6%	17.5%	17.4%
EVOP as a % of EV	22.9%	21.9%	20.2%	18.2%	17.7%
EVOP, INR bn	90.6	100.6	117.8	127.8	146.4
Core ROEV (%)	21.4%	20.4%	18.6%	17.9%	17.7%

Source: I-Sec research, Company data

Exhibit 4: EV walk

Source: I-Sec research, Company data

Exhibit 5: VNB walk



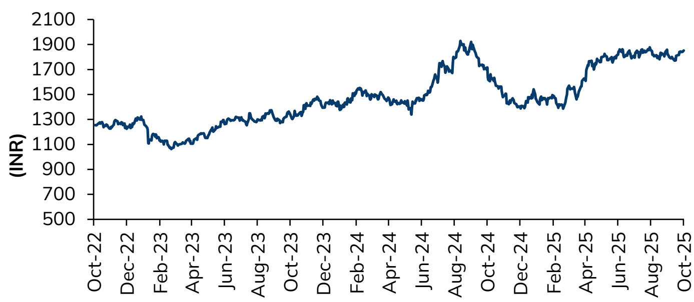
Source: I-Sec research, Company data

Exhibit 6: Shareholding pattern

%	Mar '25	Jun '25	Sep '25
Promoters	55.4	55.4	55.4
Institutional investors	39.5	39.5	39.2
MFs and others	15.0	14.6	15.0
FIs/Banks	0.7	0.8	0.9
Insurance	1.9	1.7	1.4
FIIs	21.9	22.3	21.9
Others	5.1	5.1	5.4

Source: Bloomberg

Exhibit 7: Price chart



Source: Bloomberg

Financial Summary

Exhibit 8: Technical Account

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Gross Premiums	8,14,306	8,49,846	10,49,990	12,03,208
Reinsurance Ceded	(8,435)	(9,248)	(2,126)	(2,126)
Net Premiums	8,05,871	8,40,598	10,47,864	12,01,082
Income from Investments	5,03,666	3,17,141	2,44,315	2,71,123
Other Income	501	(12)	2,029	2,029
Total income	**13,10,038**	**11,57,728**	**12,94,208**	**14,74,234**
Commission	31,051	34,182	42,929	49,144
Operating expenses	41,321	48,113	64,069	73,413
Total commission and opex	**72,372**	**82,296**	**1,06,998**	**1,22,556**
Benefits Paid (Net)+ bonus	4,31,074	4,89,018	3,89,062	4,28,181
Chg in reserves	7,84,313	5,57,001	7,21,906	8,29,158
Total expenses	**13,07,657**	**11,28,315**	**12,17,966**	**13,79,895**
Prov for doubtful debts	19,897	23,863	65,303	83,758
PBT	**26,17,695**	**23,09,906**	**25,77,477**	**29,37,888**
Surplus / Deficit before tax	27,915	29,945	39,132	47,408
Tax (incl. Service Tax &GST)	1,357	1,979	7,405	8,593
Prov for Tax	1,357	1,979	7,405	8,593
Surplus / Deficit	**27,915**	**29,945**	**29,293**	**35,543**

Source Company data, I-Sec research

Exhibit 9: Shareholder's Account

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Transfer from technical a/c	25,977	27,397	28,974	35,159
Income From Investments	10,341	11,145	12,037	13,000
Total Income	**36,317**	**38,555**	**41,026**	**48,174**
Other expenses	515	342	500	500
Contribution to P/H A/C	16,276	13,459	13,594	17,672
Total Expenses	16,790	13,801	14,094	18,172
PBT	**19,421**	**24,947**	**26,932**	**30,003**
Prov for Tax	483	814	808	900
PAT	**18,938**	**24,133**	**26,124**	**29,103**

Source Company data, I-Sec research

Exhibit 10: Balance Sheet

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
Share Capital	10,015	10,021	10,021	10,021
Reserves And Surplus	1,35,900	1,57,907	1,81,031	2,07,134
Shareholders' Fund	**1,49,086**	**1,69,854**	**1,93,170**	**2,19,485**
Policy Liabilities	19,36,423	21,94,297	25,21,287	29,48,425
Prov. for Linked Liab.	16,67,408	19,38,117	25,28,795	29,99,032
Funds For Future App.	-	1,434	1,434	1,434
Current liabilities & prov.	70,836	80,826	75,605	86,252
Borrowings	-	-	-	-
Total	**39,82,773**	**45,70,955**	**55,32,268**	**64,95,746**
Shareholders' investment	1,30,364	1,46,045	7,42,655	8,56,613
Policyholders' investment	15,65,436	18,52,268	20,84,226	24,43,851
Assets to cover linked liab.	21,60,103	24,76,357	25,99,954	30,79,788
Loans	3,888	4,817	4,817	4,817
Fixed Assets	5,570	5,903	6,494	7,143
Current assets	1,17,412	85,565	94,122	1,03,534
Total	**39,82,773**	**45,70,955**	**55,32,268**	**64,95,746**

Source Company data, I-Sec research

Exhibit 11: Premium Details

(INR mn, year ending March)

	FY24A	FY25A	FY26E	FY27E
New business premium	3,91,804	4,25,581	4,85,162	5,62,788
Total weighted APE	1,95,607	2,12,469	2,42,215	2,80,969
Renewal premium	4,34,214	4,99,185	5,64,828	6,40,420
Total premium	8,26,018	9,24,766	10,49,990	12,03,208
NBP growth (%)	29.3	8.6	14.0	16.0
APE growth (%)	17.6	8.6	14.0	16.0
Renewal premium growth (%)	14.9	15.0	13.1	13.4
Total premium growth (%)	21.3	12.0	13.5	14.6

Source Company data, I-Sec research

Exhibit 12: Key ratios

(Year ending March)

	FY24A	FY25A	FY26E	FY27E
Operating Ratios (%)				
Investment yield (%)	14.9	7.9	5.2	4.8
Commissions / GWP	3.8	4.0	4.1	4.1
Operating expenses / GWP	5.1	5.7	6.1	6.1
Total expense ratio	8.9	9.7	10.2	10.2
Benefits Paid / Total Liability	13.4	13.1	8.5	7.9
Total AUMs (Rs bn)	3,855.9	4,474.7	5,426.8	6,380.3
Profitability ratios (%)				
VNB margin, basis effective tax rate (%)	28.1	27.8	27.5	27.5
RoE (%)	**12.8**	**14.1**	**13.5**	**13.3**
Core EVOP(unwind +VNB)	20.4	18.6	17.9	17.7
EVOP as % of IEV	21.9	20.2	18.2	17.7
RoEV (%)	26.5	20.6	17.5	17.4
Valuation ratios				
Dividend per share (INR)	3.0	3.0	3.0	3.0
EPS (INR)	**19.0**	**23.9**	**26.1**	**29.0**
VNB (INR bn)	55.5	59.5	67.2	77.9
EV (INR bn)	582.6	702.5	825.5	969.4
VIF (INR bn)	423.6	522.7	622.4	739.9
ANW (INR bn)	159.0	179.8	203.1	229.4
VIF as % of EV	158.7	179.4	202.7	228.9
EV per share (INR)	**581.4**	**701.0**	**823.7**	**967.3**
P/EV (x)	3.2	2.6	2.2	1.9
P/EPS (x)	96.8	77.0	70.6	63.4

Source Company data, I-Sec research

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