

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	ICICIGI IN
Equity Shares (m)	497
M.Cap.(INRb)/(USDb)	939.1 / 10.4
52-Week Range (INR)	2075 / 1613
1, 6, 12 Rel. Per (%)	-1/-9/-9
12M Avg Val (INR M)	1313

### Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
NEP	222.4	253.6	288.3
U/W Profit	-10.1	-9.5	-9.3
PBT	40.0	46.1	52.8
PAT	30.0	34.5	39.6
EPS (INR/share)	60.9	70.1	80.3
EPS Growth (%)	19.6	15.2	14.6
BVPS (INR/share)	334.8	388.6	452.6

### Ratios (%)

Claims	70.8	70.1	69.8
Commission	19.5	19.5	19.4
Expense	13.4	13.2	13.1
Combined	103.6	102.8	102.3
RoE	19.5	19.4	19.1

### Valuations

P/E (x)	31.0	26.9	23.5
P/BV (x)	5.6	4.9	4.2

### Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	51.4	51.5	51.7
DII	17.5	17.6	16.7
FII	24.0	23.9	24.8
Others	7.1	7.0	6.9

FII includes depository receipts

**CMP: INR1,886**      **TP: INR2,260 (+20%)**      **Buy**

### NEP miss and one-off drive combined ratio and PAT miss

- ICICI Lombard's (ICICIGI) gross written premium grew 15% YoY in 3QFY26 to INR74.3b (in-line). NEP grew 13% YoY to INR56.9b, (5% miss). For 9MFY26, it grew 13% YoY to INR165b.
- Claims ratio stood at 68.7% (vs our est. of 67.4%) vs 65.8% in 3QFY25. Commission ratio came in at 22.5% vs 22.9% in 3QFY25 (vs. our expectation of 21%) and opex ratio came in at 13.3% vs. 14% in 3QFY25 (vs. our expectation of 13.2%).
- Combined ratio came in at 104.5% (vs our expectation of 101.6%), compared to 102.7% in 3QFY25. Excluding 1/n and new wage code impact of INR0.55b, combined ratio was at 102.2% in 3QFY26.
- PAT at INR6.6b declined 9% YoY (23% miss). For 9MFY26, PAT grew 11% YoY to INR15.7b. Excluding the impact of Wage Code and 1/n, PAT for 3QFY26 was INR7.2b, registering a growth of 6.3% YoY.
- Management highlighted strong underlying demand across both motor and health post GST changes and reiterated its medium-term intent to grow 100–200bp faster than the industry in FY27, while sustaining 18–20% RoE.
- We have kept our premium estimates intact. However, we have raised the claims ratio for the motor segment considering the competitive intensity, leading to a 4% decline in our FY26/27/28 EPS. **Reiterate BUY with a TP of INR2,260 (based on 28x FY28E EPS).**

### Strong fresh business growth in motor and health post GST cuts

- NEP growth of 13% YoY was driven by 10%/22% YoY growth in the motor/health (including PA) segments. The marine segment reported a YoY decline of 4%, while the fire segment witnessed a 5% YoY growth. The strong fresh business growth in motor and health post GST reductions resulted in higher URR creation and a 5% NEP miss. Hence, claims ratio came in 130bp above our estimates, while absolute claims were largely in line with our estimates.
- Underwriting loss was at INR3.5b compared to a loss of INR1.5b in 3QFY25 vs MOFSLe of INR1b. This was largely owing to 7% higher commission expenses compared to our estimates, while opex was in line.
- Total investment income in policyholders' account was in line with our estimates at INR9.2b; for shareholders' account, it was 7% below our estimates at INR3.1b.
- Claims ratio at 68.7% rose 130bp YoY, with motor OD loss ratio rising 820bp YoY and motor TP rising 970bp YoY, while the health segment's loss ratio improved 660bp YoY.
- Investment book grew 13% YoY to INR583b, reflecting a strong investment leverage of 3.6x. Absolute investment yield for 3QFY26 was at 2.1%, which was slightly lower YoY (2.15% in 3QFY25). The investment portfolio mix for 9MFY26 stood at 42.5%/ 34.3%/17.8% for corporate bonds/G-Sec/Equity (incl. Equity ETF).

Research Analyst: Prayesh Jain (Prayesh.Jain@MotilalOswal.com) | Nitin Aggarwal (Nitin.Aggarwal@MotilalOswal.com)

Research Analyst: Kartikeya Mohata (Kartikeya.Mohata@MotilalOswal.com) | Muskan Chopra (Muskan.Chopra@MotilalOswal.com)

**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

- The impact on profitability due to higher URR creation and one-off wage code impact resulted in an RoE of 16.5% in 3QFY26 (21.5% in 3QFY25). Excluding the wage code impact, RoE was 17.5% for 3QFY26.
- Solvency ratio was at 2.69x (2.36x in 3QFY25).

#### Highlights from the management commentary

- The auto industry recorded a 19.5% YoY volume growth, the highest in the last 12 quarters, supported by festive demand and GST rationalization, which resulted in growth recovery for motor insurance. In health insurance, GST exemption improved affordability, driving strong uptake, particularly from first-time buyers in Tier-2 and smaller cities.
- In 3QFY26, new business contributed 35% to motor premium, with new business growth at 12.4% YoY and renewals growing 7.4% YoY. After lagging renewals earlier in the year, new business momentum strengthened meaningfully in 3Q, supported by momentum in fresh vehicle sales.
- Retail health premium grew 86% YoY in 3QFY26, raising the retail health market share to 4.5%, supported by GST exemption, higher awareness, and strengthened distribution, including the opening up of the agency channel.

#### Valuation and view

- 3QFY26 witnessed the favorable impact of the recent GST exemption, making health insurance more affordable, while rate cuts in automobile boosted vehicle sales, leading to a recovery in motor insurance.
- The company's retail health segment continues its strong momentum, gaining market share through effective new customer acquisition, strong distribution capabilities, and significant traction of its "Elevate" product. Competitive intensity remains high in the motor OD segment, but the company maintains the top position.
- We have kept our premium estimates intact. However, we have raised the claims ratio for the motor segment considering the competitive intensity, leading to 4% decline in our FY26/27/28 EPS. **Reiterate BUY with a TP of INR2,260 (based on 28x FY28E EPS).**

**Quarterly Performance**

(INR b)

Y/E March	FY25				FY26				FY25	FY26E	3Q FY26E	act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE						
Gross premium	79.3	69.5	64.7	69.0	80.5	70.6	74.3	75.2	282.6	300.6	73.2	1.6	15%	5%
Net written premium	53.6	48.4	50.8	54.8	56.1	53.1	59.6	59.7	207.6	228.6	60.0	-0.6	17%	12%
Net earned premium	45.0	50.3	50.5	52.3	51.4	56.5	56.9	57.6	198.0	222.4	60.0	-5.2	13%	1%
Investment Income + Trf from SH A/C	8.5	8.3	8.4	6.3	9.5	9.3	9.2	9.4	31.3	37.4	9.1	2.1	10%	-1%
<b>Total Income</b>	<b>53.5</b>	<b>58.5</b>	<b>58.8</b>	<b>58.5</b>	<b>60.8</b>	<b>65.8</b>	<b>66.1</b>	<b>67.0</b>	<b>229.3</b>	<b>259.8</b>	<b>69.0</b>	<b>-4.3</b>	12%	0%
Change YoY (%)	17.9	15.9	17.6	13.4	13.7	12.5	12.4	14.5	16.1	13.3	17.4			
Incurred claims	33.3	35.9	33.2	37.4	37.5	40.7	39.0	40.1	139.9	157.4	40.4	-3.4	18%	-4%
Net commission	8.0	8.4	11.6	10.3	9.4	10.1	13.4	11.6	38.4	44.6	12.6	6.6	16%	33%
Opex	7.1	7.5	7.1	6.7	7.4	7.4	7.9	7.8	28.4	30.6	7.9	-0.0	11%	7%
Total Operating Expenses	48.5	51.9	52.0	54.4	54.3	58.3	60.4	59.5	206.7	232.5	61.0	-0.9	16%	4%
Change YoY (%)	15.3	16.5	13.3	18.2	11.9	12.4	16.2	9.5	15.8	12.5	17.3			
<b>Underwriting profit</b>	<b>-3.5</b>	<b>-1.6</b>	<b>-1.5</b>	<b>-2.1</b>	<b>-2.9</b>	<b>-1.8</b>	<b>-3.5</b>	<b>-1.9</b>	<b>-8.7</b>	<b>-10.1</b>	<b>-1.0</b>	<b>268.5</b>	N.A	N.A
Operating profit	5.0	6.6	6.9	4.2	6.5	7.5	5.7	7.5	22.7	27.3	8.1	-29.5	-17%	-24%
<b>Shareholder's P/L</b>														
Transfer from Policyholder's	5.0	6.6	6.9	4.2	6.5	7.5	5.7	7.5	22.7	27.3	8.1	-29.5	-17%	-24%
Investment income	2.5	2.8	2.8	2.6	3.3	3.2	3.1	3.4	10.6	13.0	3.3	-6.7	12%	-3%
<b>Total Income</b>	<b>7.5</b>	<b>9.4</b>	<b>9.6</b>	<b>6.8</b>	<b>9.8</b>	<b>10.7</b>	<b>8.8</b>	<b>10.9</b>	<b>33.3</b>	<b>40.3</b>	<b>11.4</b>	<b>-22.8</b>	<b>-8%</b>	<b>-18%</b>
<b>Total Expenses</b>	<b>-0.2</b>	<b>0.2</b>	<b>0.0</b>	<b>0.1</b>	<b>-0.1</b>	<b>-0.0</b>	<b>0.1</b>	<b>0.3</b>	<b>0.1</b>	<b>0.3</b>	<b>0.1</b>	<b>96.8</b>	<b>744%</b>	<b>-340%</b>
<b>PBT</b>	<b>7.7</b>	<b>9.2</b>	<b>9.6</b>	<b>6.7</b>	<b>9.9</b>	<b>10.8</b>	<b>8.7</b>	<b>10.6</b>	<b>33.2</b>	<b>40.0</b>	<b>11.4</b>	<b>-23.5</b>	<b>-9%</b>	<b>-19%</b>
Change YoY (%)	48.8	20.3	67.3	-4.2	28.4	17.2	-9.4	58.4	30.0	20.4	18.3			
Tax Provisions	1.9	2.3	2.4	1.6	2.5	2.6	2.1	2.8	8.1	10.0	2.8	-25.7	-10%	-18%
<b>Adj Net Profit</b>	<b>5.8</b>	<b>6.9</b>	<b>7.2</b>	<b>5.1</b>	<b>7.5</b>	<b>8.2</b>	<b>6.6</b>	<b>7.7</b>	<b>25.1</b>	<b>30.0</b>	<b>8.5</b>	<b>-22.7</b>	<b>-9%</b>	<b>-20%</b>
Change YoY (%)	48.7	20.2	67.9	-1.9	28.7	18.1	-9.1	51.9	30.7	19.6	17.6			
<b>Rep Net Profit</b>	<b>5.8</b>	<b>6.9</b>	<b>7.2</b>	<b>5.1</b>	<b>7.5</b>	<b>8.2</b>	<b>6.6</b>	<b>7.7</b>	<b>25.1</b>	<b>30.0</b>	<b>8.5</b>	<b>-22.7</b>	<b>-9%</b>	<b>-20%</b>
<b>Key Parameters (%)</b>														
Claims ratio	74.0	71.4	65.8	71.6	73.0	72.1	68.7	69.6	70.6	70.8	67.4	127bp	-282bp	342bp
Commission ratio	15.0	17.5	22.9	18.7	16.8	19.1	22.5	19.4	18.5	19.5	21.0	152bp	34bp	-346bp
Expense ratio	13.3	15.6	14.0	12.1	13.2	14.0	13.3	13.1	13.7	13.4	13.2	8bp	74bp	70bp
Combined ratio	102.3	104.5	102.7	102.5	102.9	105.1	104.5	102.1	102.8	103.6	101.6	287bp	-174bp	66bp
Solvency	2.56	2.65	2.36	2.69	2.70	2.73	2.69		3.0	3.1	0.0			

Y/E March	New estimates			Old estimates			Change		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
NEP	222.4	253.6	288.3	224.6	252.8	289.5	-1%	0%	0%
U/W Profit	-10.1	-9.5	-9.3	-8.1	-7.3	-7.0			
PBT	40.0	46.1	52.8	41.8	48.1	55.1	-4%	-4%	-4%
PAT	30.0	34.5	39.6	31.3	36.1	41.3	-4%	-4%	-4%
EPS (INR/share)	60.9	70.1	80.3	63.6	73.2	83.8	-4%	-4%	-4%
EPS Growth (%)	19.6	15.2	14.6	24.9	15.1	14.4			
BVPS (INR/share)	334.8	388.6	452.6	337.6	394.5	462.0			
<b>Ratios (%)</b>									
Claims	70.8	70.1	69.8	69.9	69.2	68.9	84bp	90bp	100bp
Commission	19.5	19.5	19.4	19.4	19.6	19.6	12bp	-7bp	-18bp
Expense	13.4	13.2	13.1	13.4	13.2	13.1	-4bp	0bp	0bp
Combined	103.6	102.8	102.3	102.7	102.0	101.5	92bp	84bp	82bp
RoE	19.5	19.4	19.1	20.3	20.0	19.6	-79bp	-63bp	-48bp



## Highlights from the management commentary

### Industry Overview

- The industry growth recovery in 3QFY26 was led by a sharp recovery in the motor segment and structural tailwinds in retail health post GST modifications.
- The auto industry recorded 19.5% YoY volume growth, the highest in the last 12 quarters, with PVs growing 19.3%, 2Ws 19.2% and CVs 22.2% YoY. Growth was broad-based, with Tier-3 cities and beyond outperforming, alongside 28% YoY growth in tractor sales. Motor GDPI grew 10.9% in 3QFY26, supported by festive demand and GST rationalization.
- In health insurance, GST exemption improved affordability, driving strong uptake, particularly from first-time buyers in Tier-2 and smaller cities.
- Commercial lines premium growth remained healthy, led by sustained capex activity, with fire insurance growing 20.1% YoY in 9MFY26.

### Company Performance

- ICICIGI's reported performance in 3QFY26 was impacted by a one-time wage code charge of INR0.55b. INR0.17b will be amortized over the next three years. Excluding this impact, underlying profitability remained stable, with normalized combined ratio at 102.2% in 3QFY26 and 102.8% for 9MFY26. On a normalized basis, PAT stood at INR7.21b, growing 6.3% YoY.
- Management highlighted strong underlying demand across both motor and health post GST changes and reiterated its medium-term intent to grow 100–200bp faster than the industry in FY27, while sustaining 18–20% RoE.

### Motor Segment

- Motor growth rebounded sharply in 3QFY26 after a muted ~2% growth in 1HFY26, tracking the recovery in vehicle sales.
- ICICIGI continued to prioritize profitable growth despite heightened competitive intensity, maintaining leadership in the motor segment.
- The portfolio mix in 9MFY26 stood at 53.6% PVs, 25.8% 2Ws, and 20.6% CVs.
- While volume growth was strong, premium growth lagged vehicle sales due to higher contribution from small hatchback cars and moderation in vehicle prices, leading to lower yield per vehicle.
- Loss ratios will benefit from improved vehicle safety features, better road infrastructure, and enhanced surveillance measures.
- In 3QFY26, new business contributed 35% to motor premium, with new business growth at 12.4% YoY and renewals growing 7.4% YoY. After lagging renewals earlier in the year, new business momentum strengthened meaningfully in 3Q, supported by recovery in fresh vehicle sales.

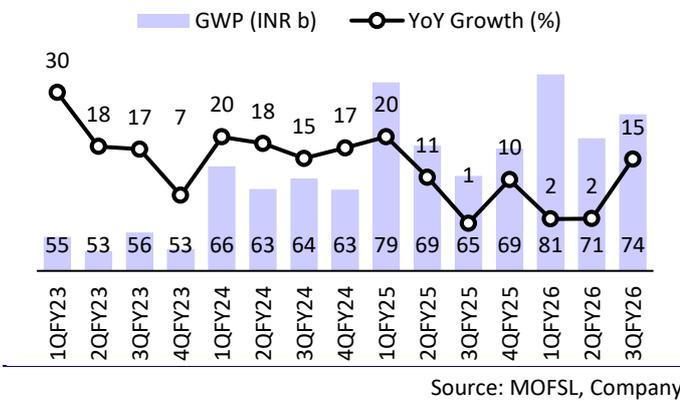
### Health Segment

- The health segment emerged as the strongest growth driver, with ICICIGI materially outperforming industry growth.
- Overall health market share increased to 4.0% in 9MFY26 from 3.2% in 9MFY25, driven by a surge in new-to-industry customers.

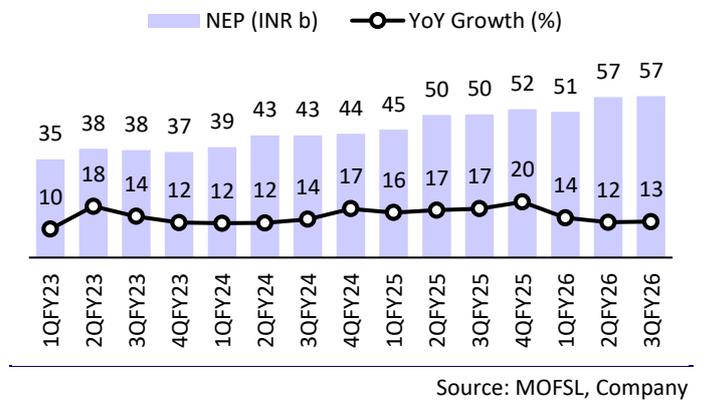
- Retail health premium grew 86% YoY in 3QFY26, raising the retail health market share to 4.5%, supported by GST exemption, higher awareness, and strengthened distribution, including the opening up of the agency channel.
- Demand was broad-based across geographies, with most new policies being sold in the INR0.75-1m sum insured range. Management highlighted that higher sum insured cohorts tend to be stickier and offer better long-term economics.
- Group health loss ratio improved to 90.7% in 3QFY26 from 97.2% last year, while retail health loss ratio moderated to 63.1% from 65% YoY. Management reiterated comfort in maintaining loss ratios of ~90% in corporate health and 65–70% in retail health.

**Key exhibits**

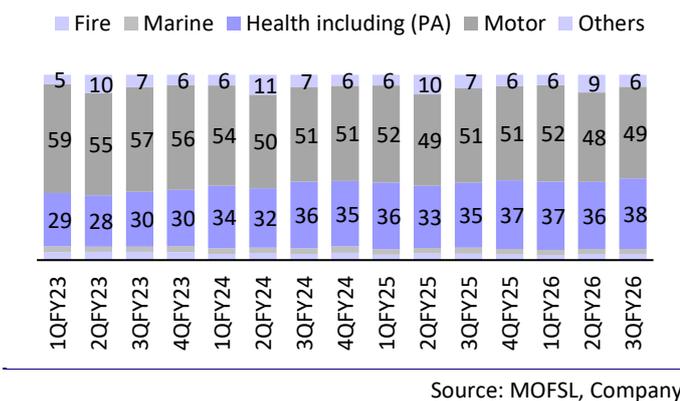
**Exhibit 1: GWP rose 15% YoY to INR74b in 3QFY26**



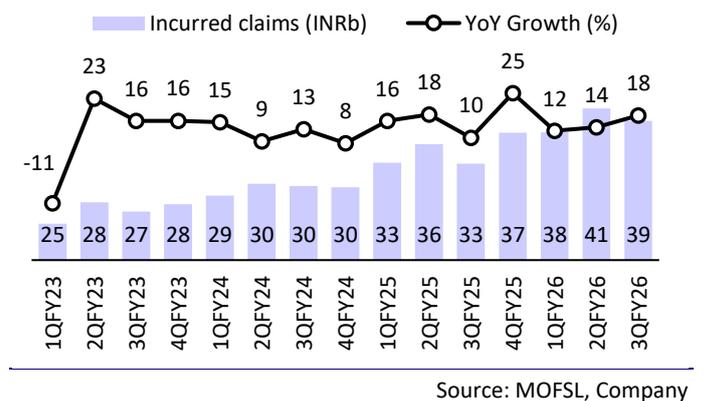
**Exhibit 2: NEP grew 13% YoY in 2QFY26**



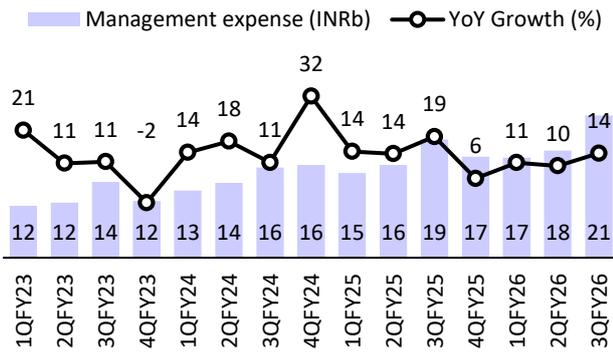
**Exhibit 3: Product mix % segment-wise**



**Exhibit 4: Incurred claims rose 18% YoY to INR39b**

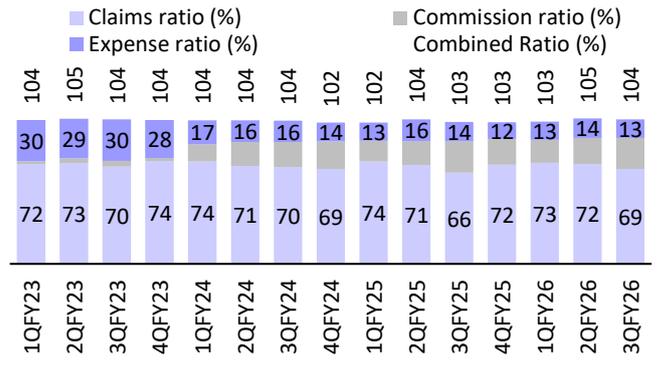


**Exhibit 5: Expense growth was at 14% YoY**



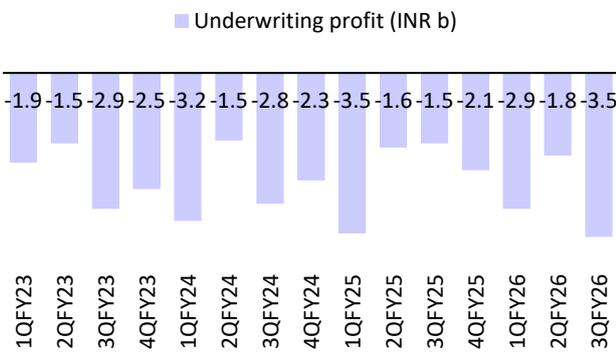
Source: MOFSL, Company

**Exhibit 6: Profitability ratio trends**



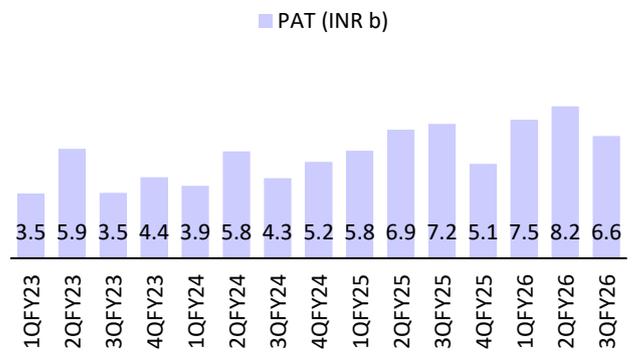
Source: MOFSL, Company

**Exhibit 7: Trend in underwriting profit (INR b)**



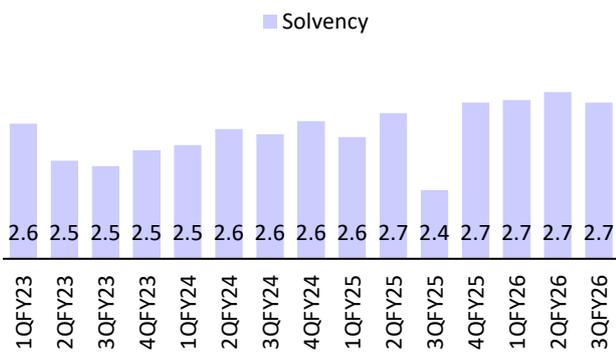
Source: MOFSL, Company

**Exhibit 8: Trend in PAT (INRb)**



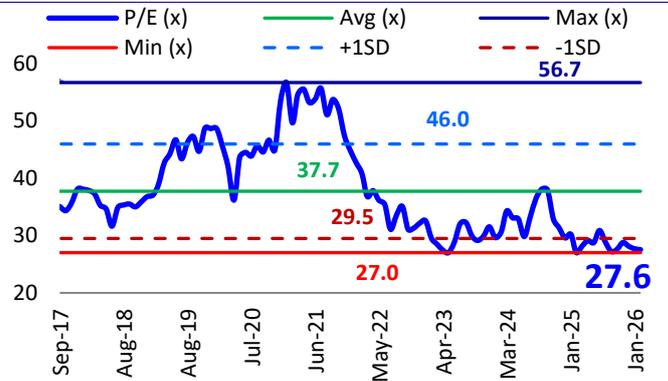
Source: MOFSL, Company

**Exhibit 9: Trend in solvency margins**



Source: MOFSL, Company

**Exhibit 10: One-year forward P/E ratio of ICICIGI**



Source: MOFSL, Company

## Financials and valuations

Income Statement								(INR m)		
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	
GWP	1,33,128	1,40,031	1,85,624	2,17,718	2,55,942	2,82,577	3,00,629	3,46,239	3,95,784	
Change (%)	-8.1	5.2	32.6	17.3	17.6	10.4	6.4	15.2	14.3	
NWP	96,407	1,06,850	1,34,896	1,55,395	1,81,656	2,07,611	2,28,605	2,60,677	2,96,430	
<b>NEP</b>	<b>94,036</b>	<b>1,00,140</b>	<b>1,30,321</b>	<b>1,48,229</b>	<b>1,68,665</b>	<b>1,98,002</b>	<b>2,22,368</b>	<b>2,53,578</b>	<b>2,88,293</b>	
Change (%)	12.3	6.5	30.1	13.7	13.8	17.4	12.3	14.0	13.7	
Net claims	68,515	68,708	97,819	1,07,256	1,19,395	1,39,868	1,57,400	1,77,841	2,01,370	
Net commission	3,639	6,009	6,339	4,722	30,890	38,380	44,562	50,847	57,531	
Expenses	22,931	27,342	39,201	45,148	28,177	28,409	30,552	34,355	38,704	
<b>Underwriting Profit/(Loss)</b>	<b>-1,049</b>	<b>-1,919</b>	<b>-13,038</b>	<b>-8,898</b>	<b>-9,797</b>	<b>-8,655</b>	<b>-10,147</b>	<b>-9,465</b>	<b>-9,312</b>	
Investment income (PH)	16,492	21,474	30,978	32,721	28,856	31,324	37,409	40,623	44,657	
Operating profit	15,443	19,555	17,940	23,823	19,059	22,669	27,262	31,159	35,345	
Investment income (SH)	4,800	5,170	7,061	7,757	8,500	10,642	12,993	15,348	18,049	
Expenses	3,272	5,185	8,166	10,454	2,007	98	266	441	626	
<b>PBT</b>	<b>16,971</b>	<b>19,540</b>	<b>16,835</b>	<b>21,125</b>	<b>25,552</b>	<b>33,213</b>	<b>39,990</b>	<b>46,065</b>	<b>52,768</b>	
Tax	5,031	4,809	4,125	3,835	6,366	8,130	9,997	11,516	13,192	
Tax rate (%)	29.6	24.6	24.5	18.2	24.9	24.5	25.0	25.0	25.0	
<b>PAT</b>	<b>11,940</b>	<b>14,731</b>	<b>12,710</b>	<b>17,291</b>	<b>19,186</b>	<b>25,083</b>	<b>29,992</b>	<b>34,549</b>	<b>39,576</b>	
Change (%)	13.8	23.4	-13.7	36.0	11.0	30.7	19.6	15.2	14.6	

Balance sheet								(INR m)		
Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	
Equity Share Capital	4,543	4,546	4,909	4,911	4,927	4,957	4,957	4,957	4,957	
Reserves & Surplus	56,797	69,809	86,188	99,016	1,14,678	1,38,076	1,60,015	1,86,514	2,18,039	
<b>Net Worth</b>	<b>61,340</b>	<b>74,355</b>	<b>91,097</b>	<b>1,03,928</b>	<b>1,19,605</b>	<b>1,43,034</b>	<b>1,64,973</b>	<b>1,91,471</b>	<b>2,22,996</b>	
FV change - Shareholders	-948	1,630	831	512	2,445	1,818	1,909	2,005	2,105	
FV change - Policyholders	-3,338	5,174	2,762	1,621	7,450	4,989	5,239	5,501	5,776	
Borrowings	4,850	4,850	2,550	350	350	-	-	-	-	
Claims Outstanding	1,80,074	1,82,845	2,49,752	2,69,166	3,09,541	3,55,972	4,11,062	4,73,306	5,43,785	
Other liabilities	1,28,440	1,24,123	1,61,492	1,75,286	1,93,692	1,84,390	1,99,198	2,15,896	2,34,784	
<b>Total Liabilities</b>	<b>3,70,418</b>	<b>3,92,977</b>	<b>5,08,483</b>	<b>5,50,862</b>	<b>6,33,083</b>	<b>6,90,203</b>	<b>7,82,380</b>	<b>8,88,179</b>	<b>10,09,447</b>	
Investments (PH)	2,04,671	2,34,565	2,98,684	3,33,221	3,73,204	3,97,823	4,46,744	5,02,531	5,65,955	
Investments (SH)	58,595	74,356	89,179	98,583	1,15,869	1,37,255	1,62,165	1,92,157	2,26,706	
Net Fixed Assets	6,765	6,268	5,775	5,640	7,009	8,020	8,120	8,220	8,320	
Def Tax Assets	3,063	3,498	3,456	2,653	2,926	1,691	1,521	1,369	1,232	
Current Assets	96,998	72,013	1,08,463	1,08,734	1,30,730	1,44,539	1,66,220	1,91,152	2,19,825	
Cash & Bank	326	2,277	2,926	2,031	3,346	876	-2,389	-7,251	-12,593	
<b>Total Assets</b>	<b>3,70,418</b>	<b>3,92,977</b>	<b>5,08,483</b>	<b>5,50,862</b>	<b>6,33,083</b>	<b>6,90,203</b>	<b>7,82,380</b>	<b>8,88,179</b>	<b>10,09,447</b>	

E: MOFSL Estimates

## Financials and valuation

### Ratios

Y/E March	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
GWP growth	-8.1	5.2	32.6	17.3	17.6	10.4	6.4	15.2	14.3
NWP growth	1.1	10.8	26.2	15.2	16.9	14.3	10.1	14.0	13.7
<b>NEP growth</b>	<b>12.3</b>	<b>6.5</b>	<b>30.1</b>	<b>13.7</b>	<b>13.8</b>	<b>17.4</b>	<b>12.3</b>	<b>14.0</b>	<b>13.7</b>
Claim ratio	72.9	68.6	75.1	72.4	70.8	70.6	70.8	70.1	69.8
Commission ratio	3.8	5.6	4.7	3.0	17.0	18.5	19.5	19.5	19.4
Expense ratio	23.8	25.6	29.1	29.1	15.5	13.7	13.4	13.2	13.1
<b>Combined ratio</b>	<b>100.4</b>	<b>99.8</b>	<b>108.8</b>	<b>104.5</b>	<b>103.3</b>	<b>102.8</b>	<b>103.6</b>	<b>102.8</b>	<b>102.3</b>
<b>Profitability Ratios (%)</b>									
RoE	20.8	21.7	15.4	17.7	17.2	19.1	19.5	19.4	19.1
<b>Valuations</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
BVPS (INR)	124.5	150.9	184.9	210.9	242.8	290.3	334.8	388.6	452.6
Change (%)	15.3	21.2	22.5	14.1	15.1	19.6	15.3	16.1	16.5
<b>Price-BV (x)</b>	<b>15.2</b>	<b>12.5</b>	<b>10.2</b>	<b>9.0</b>	<b>7.8</b>	<b>6.5</b>	<b>5.6</b>	<b>4.9</b>	<b>4.2</b>
EPS (INR)	24.2	29.9	25.8	35.1	38.9	50.9	60.9	70.1	80.3
Change (%)	13.8	23.4	-13.7	36.0	11.0	30.7	19.6	15.2	14.6
<b>Price-Earnings (x)</b>	<b>77.9</b>	<b>63.2</b>	<b>73.2</b>	<b>53.8</b>	<b>48.5</b>	<b>37.1</b>	<b>31.0</b>	<b>26.9</b>	<b>23.5</b>

E: MOFSL Estimates

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

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

#### Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

MOFSL 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 MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL 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. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>. As per Regulatory requirements, Research Audit Report is uploaded on [www.motilaloswal.com](http://www.motilaloswal.com) > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com). Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

#### Regional Disclosures (outside India)

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 MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

#### For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

#### For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

#### For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore. This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL.

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to [grievances@motilaloswal.com](mailto:grievances@motilaloswal.com).

Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

#### Specific Disclosures

- Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies). MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.  
Nature of Financial interest is holding equity shares or derivatives of the subject company
- Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.  
MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
- Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.  
MOFSL may have received compensation from the subject company(ies) in the past 12 months.
- Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.  
MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
- Research Analyst has not served as an officer, director or employee of subject company(ies).
- MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
- MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
- MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
- MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
  - actual/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 or date of the public appearance.
  - received compensation/other benefits from the subject company in the past 12 months
  - 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 MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
  - acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
  - 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)
  - received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
  - Served subject company as its clients during twelve months preceding the date of distribution of the research report.
- The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report  
 Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

**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.

**Terms & Conditions:**

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for 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 MOFSL. 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. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

**Disclaimer:**

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. This report and information herein is solely for informational purpose and may 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. 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. 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 its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. 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. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. 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 MOFSL 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. Neither the Firm, 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 that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL 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 meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.