Motilal Oswal Financial Services

24 July 2026
1QFY27 Results Update | Sector: Financials

SBI Life Insurance

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	SBILIFE IN
Equity Shares (m)	1003
M.Cap.(INRb)/(USDb)	1864.7 / 19.3
52-Week Range (INR)	2133 / 1700
1, 6, 12 Rel. Per (%)	6/-2/9
12M Avg Val (INR M)	2071

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Net Premiums	1,000	1,151	1,314
Surplus / Deficit	33	39	44
Sh.PAT	25	31	37
NBP gr- APE (%)	13.9	17.8	14.0
Premium gr (%)	19.2	15.2	14.2
VNB margin (%)	27.5	27.5	28.5
RoE (%)	13.7	15.0	15.6
RoIC (%)	13.8	15.0	15.6
RoEV (%)	15.0	17.8	17.9
Total AUM (INRt)	4.9	5.9	6.9
VNB	67	79	93
EV per share	805	952	1,122
Valuations			
P/EV (x)	2.3	2.0	1.7
P/EVOP (x)	13.4	12.7	10.8

*VNB, VNB margins based on ETR

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	55.3	55.3	55.4
DII	19.7	19.1	18.2
FII	21.0	21.5	22.3
Others	4.1	4.0	4.1

FII includes depository receipts

CMP: INR1,859 TP: INR2,240 (+21%) Buy

Beat on APE and absolute VNB

- SBI Life Insurance (SBILIFE) reported new business APE of INR53.8b (10% beat), reflecting a strong growth of 36% YoY in 1QFY27.
- Absolute VNB grew 29% YoY to INR14.1b (5% beat), reflecting a VNB margin of 26.2% for the quarter vs. 27.4% in 1QFY26 (our est. of 27.5%).
- SBILIFE reported a 22% YoY growth in shareholder PAT to INR7.2b (7% beat). EV at the end of 1QFY27 was at INR852.9b, rising 15% YoY.
- Management is confident of sustaining ~14-15% APE growth trajectory. In the coming quarters, VNB margin is expected to move towards the upper end of the guided range of 26-28% through a higher contribution from individual business and mitigation of GST impact by 3QFY27.
- We retain our APE estimates but cut our VNB margin by 50bp in FY27, considering the 1QFY27 performance. However, we maintain our EV estimates with operating RoEV at ~18% for FY27/28. **We reiterate our BUY rating with a revised TP of INR2,240 (based on 2x FY28E P/EV).**

Strong growth in protection owing to the lumpy group business

- SBI Life reported a gross premium of INR212.9b (5% beat), reflecting growth of 20% YoY, driven by 17% YoY growth in renewal premium and 40% YoY growth in first-year premium.
- The total cost ratio was 12% vs. 10.8% in 1QFY26, with the commission ratio at 4.4% and the opex ratio at 7.7%. The impact of the new labor code, along with rising protection coverage and a higher sum assured, drove the increase in the cost ratio.
- On the product front, ULIP APE improved 7% YoY; however, its contribution to total APE declined to 45.5% (57.4% in 1QFY26). Par APE improved 33% YoY; however, its contribution was stable YoY at 4.5%. Non-par savings rose 26% YoY. Individual protection grew 19% YoY. The annuity segment saw 15% YoY growth. The lumpy group protection business witnessed growth of 310% YoY but impacted VNB margin by 0.6% YoY in 1QFY27.
- On the distribution front, the agency channel posted 20% YoY growth, driven by 56%/24%/13% YoY growth in par/non-par/ULIP segments. Agency productivity has reached INR200,000. Individual APE in the bancassurance channel improved 9% YoY, with ULIP/non-par up 5%/22% YoY, while the par segment remained flat YoY. Other channels (brokers, digital, etc.) witnessed 28% YoY growth in individual APE, driven by 2x YoY growth in the par segment and 42% YoY growth in non-par, while ULIP declined 20% YoY.
- The company witnessed improvement in persistency across 13M/25M/37M cohorts to 84.4%/76.8%/70.9% (vs. 84.2%/75.2%/70.3% in 1QFY26), while the 49M/61M persistency declined to 67.9%/59.1% (vs. 68.1%/59.8% in 1QFY26). The 61M persistency – the Covid cohort is expected to normalize from 3QFY27 as the cohort moves out of the 61M bucket.
- AUM grew 10% YoY to INR5.2t. The solvency ratio remained at 1.96x.

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- VNB witnessed a positive impact to the tune of INR3.9b owing to volume growth and INR0.5b due to a change in economic assumptions. This was offset by an INR0.3b impact of new business mix, an INR0.2b impact of change in operating assumptions, and an INR0.6b impact due to GST 2.0. EV at the end of 1QFY27 was at INR852.9b, rising 15% YoY. The impact of GST is expected to be fully mitigated by 3QFY27.

Highlights from the management commentary

- The increasing share of non-RoP products has resulted in a lower average ticket size, leading to relatively slower protection growth compared to the industry.
- Demand for Non-Par savings products has remained healthy amid favorable interest rate dynamics, as customers increasingly prefer products offering assured returns.
- Productivity within the SBI channel continued to improve, with individual APE per branch reaching INR4.5m, reflecting 7% YoY growth.

Valuation and view

- SBILIFE's 1Q VNB margin was impacted by GST changes as well as lumpy group business, which was offset, to some extent, by a favorable product mix, rising rider attachment rates, and strong business volumes. Going forward, steady traction in non-linked products and complete mitigation of GST 2.0 impact is expected to drive VNB margin in the upper range of the 26-28% guidance band.
- Continued investments in agency and digital channels are likely to drive overall growth, supported by a gradual growth recovery in the bancassurance channel.
- We retain our APE estimates but cut our VNB margin by 50bp in FY27, considering the 1QFY27 performance. However, we maintain our EV estimates with operating RoEV at ~18% for FY27/28. **We reiterate our BUY rating with a revised TP of INR2,240 (based on 2x FY28E P/EV).**

Quarterly Performance

Policyholder's A/c (INRb)	FY26				FY27				FY26	FY27E	FY27E	V/s est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
First year premium	35.4	52.9	79.2	50.9	49.5	59.4	82.6	57.6	218.4	258.1	45.0	10.1
Growth (%)	*12%*	*8%*	*23%*	*5%*	*40%*	*12%*	*4%*	*13%*	*13%*	*18%*	27%	
Renewal premium	105.5	140.0	174.7	167.1	123.8	154.4	194.6	180.7	587.3	671.2	116.0	6.7
Growth (%)	*24%*	*19%*	*21%*	*14%*	*17%*	*10%*	*11%*	*8%*	*19%*	*14%*	10%	
Single premium	37.3	57.9	50.6	61.3	39.5	62.8	59.3	69.7	207.1	237.1	41.0	(3.6)
Growth (%)	*-4%*	*53%*	*24%*	*37%*	*6%*	*8%*	*17%*	*14%*	*28%*	*14%*	10%	
Gross premium income	**178.1**	**250.8**	**304.5**	**279.4**	**212.9**	**276.6**	**336.5**	**308.0**	**1,012.9**	**1,166.3**	202.0	5.4
Growth (%)	*14%*	*23%*	*22%*	*16%*	*20%*	*10%*	*11%*	*10%*	*19%*	*15%*	13%	
PAT	**5.9**	**4.9**	**5.8**	**8.0**	**7.2**	**6.4**	**6.4**	**8.8**	**24.7**	**30.7**	6.4	13.4
Growth (%)	*14%*	*-7%*	*5%*	*-1%*	*22%*	*30%*	*12%*	*9%*	*2%*	*24%*	8%	
Key metrics (INRb)												
New Business APE	39.7	59.5	86.0	57.5	53.8	67.2	98.7	66.3	242.7	286.0	49.0	9.8
Growth (%)	*9%*	*10%*	*24%*	*6%*	*36%*	*13%*	*15%*	*15%*	13%	18%	23%	
VNB	10.9	16.6	22.9	16.3	14.1	18.5	27.5	18.5	66.7	78.6	13.5	4.6
Growth (%)	*12%*	*14%*	*22%*	*-2%*	*29%*	*11%*	*20%*	*14%*	12%	18%	24%	
AUM	4,758	4,815	5,117	4,872	5,249	5,511	5,786	5,855	4,872	5,855	5,115	2.6
Growth (%)	*15%*	*10%*	*16%*	*9%*	*10%*	*14%*	*13%*	*20%*	9%	20%	8%	
Key Ratios (%)												
VNB margin (%)	27.4	27.9	26.6	28.3	26.2	27.5	27.9	28.0	27.5	27.5	27.5	*(129)*

Policyholder's A/C (INR b)	FY26				FY27		
	1Q	2Q	3Q	4Q	1Q	YoY	QoQ
Net premium income	**171.8**	**248.5**	**302.5**	**276.8**	**200.8**	**17**	**-27**
First year premium	35.4	52.9	79.2	50.9	49.5	40	-3
Renewal premium	105.5	140.0	174.7	167.1	123.8	17	-26
Single premium	37.3	57.9	50.6	61.3	39.5	6	-36
Investment Income	215.3	-20.6	155.3	-239.4	259.8	21	-209
Total income	**387.0**	**228.1**	**458.0**	**56.6**	**460.9**	**19**	**715**
Commission paid	6.7	12.4	16.1	8.6	9.3	40	8
Operating expenses	12.5	15.2	19.1	16.7	16.4	31	-2
Total commission & Opex	**19.2**	**27.6**	**35.2**	**25.3**	**25.7**	**34**	**1**
Benefits paid	101.2	134.8	144.7	162.5	131.3	30	-19
Change in actuarial liability	**259.0**	**60.4**	**273.5**	**-153.5**	**298.1**	**15**	**-294**
Total Expenses	**379.3**	**222.8**	**453.4**	**34.3**	**455.0**	**20**	**1,225**
PBT	**5.1**	**2.2**	**4.7**	**22.5**	**5.9**	**14**	**-74**
Tax	0.5	0.2	0.4	0.5	0.5	4	-8
Surplus/(Deficit)	**4.7**	**2.0**	**4.3**	**21.9**	**5.4**	**15**	**-75**
Shareholder's A/C							
Trf from policyholder a/c	**3.2**	**2.1**	**2.7**	**23.6**	**4.6**	**42**	**-81**
Investment income	**2.9**	**3.2**	**3.6**	**3.3**	**2.8**	-4	-14
Total income	**6.1**	**5.3**	**6.3**	**26.9**	**7.4**	**20**	**-73**
PBT	**6.1**	**5.1**	**6.0**	**8.2**	**7.5**	**22**	**-9**
PAT	**5.9**	**4.9**	**5.8**	**8.0**	**7.2**	**22**	**-10**
APE Data							
Individual Savings	**32.3**	**49**	**76.4**	**46.5**	**36.6**	**13**	**-21**
Par	1.8	2.8	7.7	5.0	2.4	33	-52
Non Par	7.7	11.8	11.6	11.6	9.7	26	-16
ULIP	22.8	34.4	57.1	29.9	24.5	7	-18
Group Savings Business	**1.5**	**2.7**	**1.6**	**3.1**	**1.4**	**-7**	**-55**
Annuity	**1.3**	**1.8**	**2**	**2**	**1.5**	**15**	**-25**
Total Protection	**4.6**	**6.0**	**6.0**	**5.8**	**14.2**	**209**	**145**
Individual Protection	1.6	2.1	2.7	3.9	1.9	19	-51
Group Protection	3.0	3.8	3.4	1.9	12.3	310	547
Total APE	**39.7**	**59.5**	**86**	**57.5**	**53.8**	**36**	**-6**
APE (% of total)						**Change (bp)**	
Individual Savings	**81.4**	**82.4**	**88.8**	**80.9**	**68.0**	**-1333**	**-1284**
Par	4.5	4.7	9.0	8.7	4.5	-7	-423
Non Par	19.4	19.8	13.5	20.2	18.0	-137	-214
ULIP	57.4	57.8	66.4	52.0	45.5	-1189	-646
Group Savings Business	**3.8**	**4.5**	**1.9**	**5.4**	**2.6**	**-118**	**-279**
Annuity	**3.3**	**3.0**	**2.3**	**3.5**	**2.8**	**-49**	**-69**
Total Protection	**11.6**	**10.1**	**7.0**	**10.1**	**26.4**	**1481**	**1631**
Individual Protection	4.0	3.5	3.1	6.8	3.5	-50	-325
Group Protection	7.6	6.4	4.0	3.3	22.9	1531	1956
Distribution mix (%)						**Change (bp)**	
Banca	58.2	56.8	68.4	52.3	47.4	-1079	-487
Agency	27.5	30.3	23.6	34.7	25.1	-236	-958
Others	14.4	12.9	8.0	13.1	27.5	1315	1444
Key Ratios (%)						**Change (bp)**	
Operating ratios							
Commission (Unwtd)	3.7	4.9	5.3	3.1	4.4	63	129
Opex (UnWtd)	7.0	6.1	6.3	6.0	7.7	67	171
Total Cost (Unwtd)	10.8	11.0	11.6	9.0	12.0	130	300
Solvency ratio	196.0	194.0	191.0	190.0	196.0	0	600
Operating ratios							
VNB margins	27.4	27.9	26.6	28.3	26.2	-119	-214
Persistency ratios							
13th mth	84.2	85.4	84.0	87.9	84.4	11	-354
25th mth	75.2	75.7	73.9	77.3	76.8	158	-51
37th mth	70.3	71.4	69.4	71.7	70.9	61	-76
49th mth	68.1	68.0	66.8	68.6	67.9	-24	-69
61st mth	59.8	56.2	55.1	56.7	59.1	-65	240
Key Metrics (INRb)							
VNB	10.9	16.6	22.9	16.3	14.1	29	-13
AUM	4758	4815	5117	4872	5249	10	8

CONFERENCE CALL

Highlights from the management commentary

Performance:

- The insurer reported a GST-related impact of INR2.3bn during the quarter, which weighed on profitability.
- The operating expense ratio increased to 7.7%, while the total cost ratio rose to 12.0% compared with 10.8% in 1QFY26.
- Higher employee expenses were primarily driven by the implementation of the Labour Code, while other operating expenses increased in line with higher sum assured and expanding protection coverage.
- Decline in 61M persistency is largely attributable to the COVID-era cohorts. As these cohorts move beyond the 61M bucket by the end of 3QFY27, persistency metrics are expected to normalize.

Product mix:

- The Group business accounted for a relatively higher share of business during 1QFY27, which weighed on VNB margins. However, its contribution has moderated compared to the previous year.
- Management continues to focus on reducing the volatility associated with large group transactions and remains confident of delivering 14–15% APE growth, while maintaining VNB margins towards the upper end of the guided range through a higher contribution from individual business.
- Rider attachment in the ULIP portfolio has improved significantly, with 45–50% of total policies now being sold with riders, resulting in higher sum assured and improved product profitability.
- Within the individual protection portfolio, Return of Premium (RoP) products contributed 68% of business, while Non-RoP products accounted for 32%, compared to 73% RoP in the previous year.
- The increasing share of Non-RoP products has resulted in a lower average ticket size, leading to relatively slower protection growth compared to the industry.
- Pure Protection APE grew 41% YoY, reflecting continued strong customer demand.
- Credit Protect segment is expected to witness a gradual recovery over the coming quarters.
- Demand for Non-Par savings products has remained healthy amid favourable interest rate dynamics, as customers increasingly prefer products offering assured returns. The company continues to reprice products in line with movements in the yield curve to maintain product competitiveness and profitability.

VNB margin

- VNB growth during the quarter was driven by healthy volume growth alongside a favourable shift in product mix.
- Excluding the GST impact, the VNB margin would have been 27.4%, remaining comfortably within the company's long-term profitability expectations. VNB margins are expected to remain within the guided 26–28% range.
- GST changes resulted in a 110 bps drag on VNB margin during the quarter. Management expects this impact to be mitigated primarily through favourable

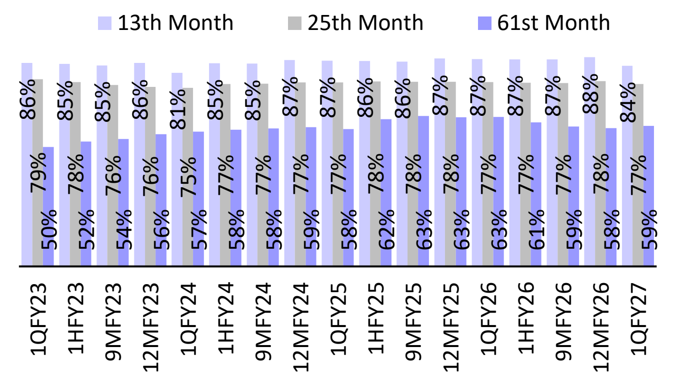
product mix changes rather than cost optimisation initiatives, with the GST impact expected to largely normalize by 3QFY27.

Distribution

- The SBI channel contributed 47% of total APE during 1QFY27.
- Productivity within the SBI channel continued to improve, with individual APE per branch reaching INR4.5mn, reflecting 7% YoY growth.
- The agency channel also continued to strengthen, with agent productivity at approximately INR200,000. Higher rider attachment and an improving product mix drove a 63% YoY increase in agency individual sum assured.
- During the quarter, the company added 34,000 gross agents and expanded its proprietary network by opening 11 new branches, reinforcing its long-term focus on strengthening the agency franchise.
- Among bancassurance partners, banks other than SBI delivered 19% YoY growth in total APE, while the SBI channel grew 10% YoY.
- The company has also entered into a new corporate agency partnership, with business expected to commence towards the end of 2QFY27.

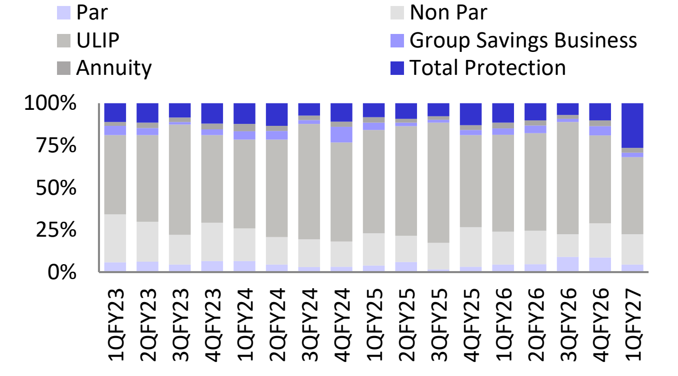
Story in charts

Exhibit 1: Persistency ratios across cohorts



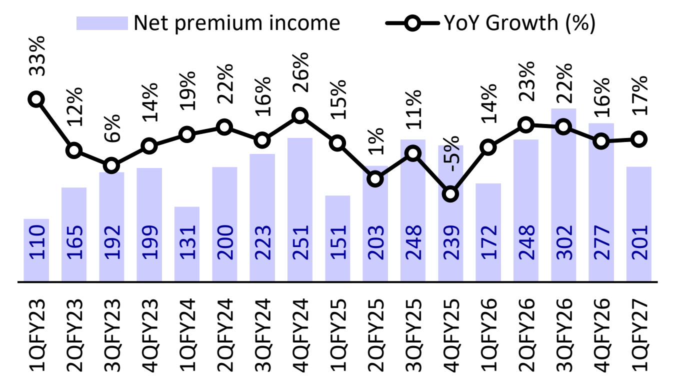
Source: MOFSL, Company

Exhibit 2: Share of ULIP fell YoY to 46% of total APE in 1Q



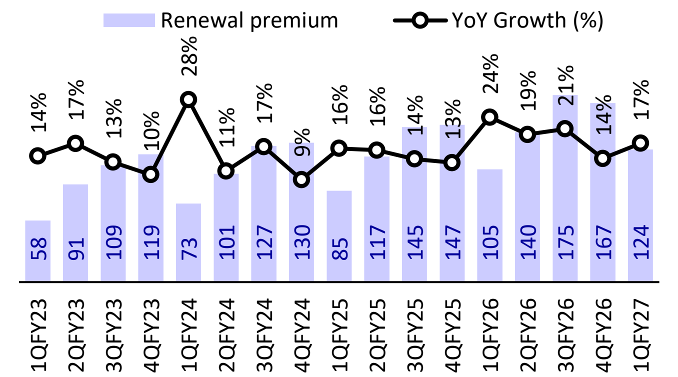
Source: MOFSL, Company

Exhibit 3: Net premium up 17% YoY in 1QFY27



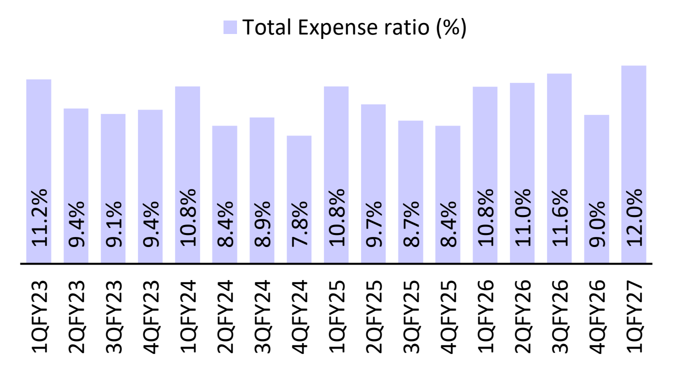
Source: MOFSL, Company

Exhibit 4: Renewal premium grew 17% YoY in 1QFY27



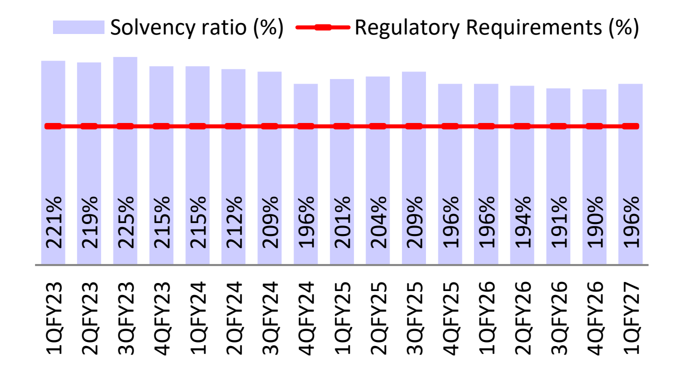
Source: MOFSL, Company

Exhibit 5: Total expense ratio stood at 12%



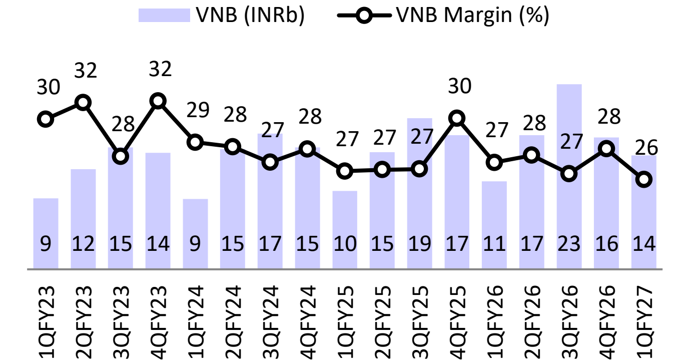
Source: MOFSL, Company

Exhibit 6: Solvency ratio remained healthy at 196%



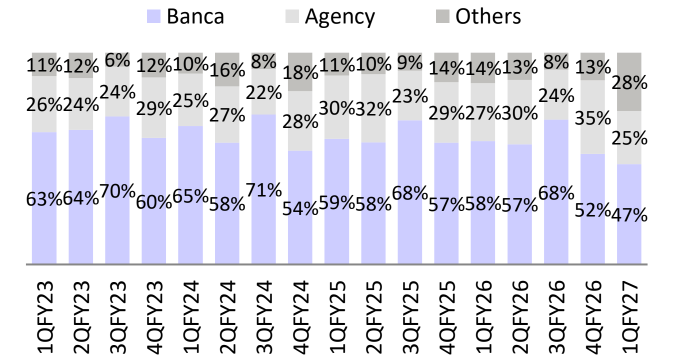
Source: MOFSL, Company

Exhibit 7: VNB margin stood at 26.2% in 1QFY27



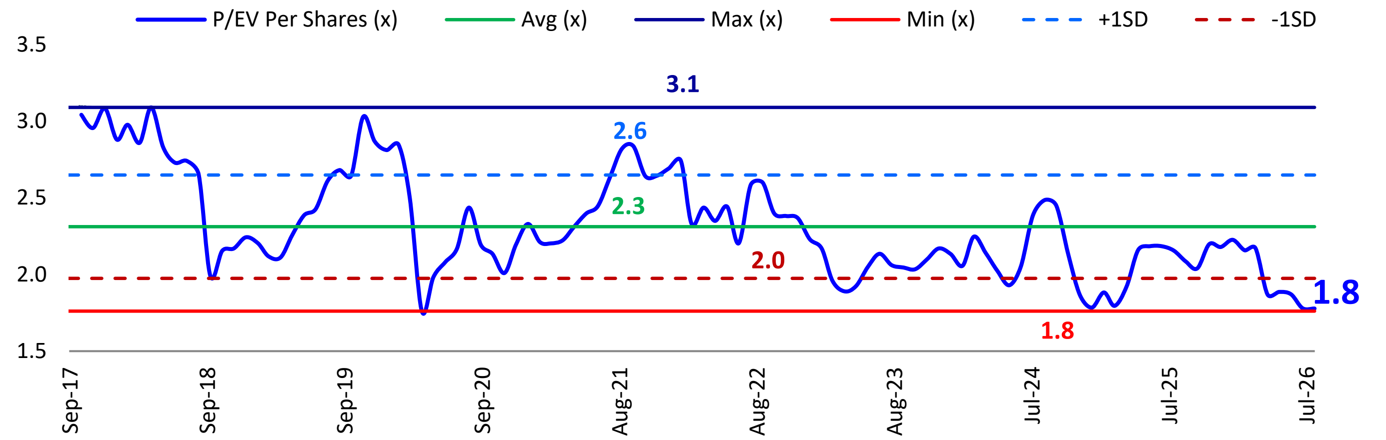
Source: MOFSL, Company; Margins based on effective tax rate

Exhibit 8: Diverse distribution mix



Source: MOFSL, Company; Distribution mix based on APE

Exhibit 9: One-year forward P/EV



Source: MOFSL, Company

Financials and valuations

Technical account (INR b)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Gross Premiums	406.3	502.5	587.6	673.2	814.3	849.8	1,012.9	1,166.3	1,331.9
Reinsurance Ceded	-3.1	-4.9	-3.3	-7.3	-8.4	-9.2	(13.3)	(15.3)	(17.5)
Net Premiums	403.2	497.7	584.3	665.8	805.9	840.6	999.6	1,151.0	1,314.4
Income from Investments	30.0	314.6	235.7	132.6	503.9	317.1	110.6	389.6	449.8
Other Income	5.2	8.6	10.3	17.6	16.6	13.4	19.5	20.5	21.5
Total income (A)	**438.4**	**820.8**	**830.3**	**816.0**	**1,326.3**	**1,171.2**	**1,129.7**	**1,561.1**	**1,785.6**
Commission	16.2	17.7	21.6	30.1	32.0	34.2	45.0	52.5	59.8
Operating expenses	24.1	24.1	29.7	34.6	40.3	48.1	62.3	71.6	82.3
Total commission and opex	**40.3**	**41.9**	**51.3**	**64.7**	**72.4**	**82.3**	**107.2**	**124.1**	**142.2**
Benefits Paid (Net)	162.5	215.8	313.4	302.9	431.1	489.0	543.2	632.7	722.7
Chg in reserves	206.0	539.3	437.6	410.0	784.3	557.0	439.4	757.3	867.2
Prov for doubtful debts	-	-	-	-	-	-	-	-	-
Total expenses (B)	**415.7**	**801.8**	**810.2**	**785.9**	**1,297.0**	**1,139.3**	**1,095.2**	**1,520.5**	**1,739.7**
(A) - (B)	**22.8**	**19.1**	**20.1**	**30.0**	**29.3**	**31.9**	**34.5**	**40.6**	**46.0**
Prov for Tax	3.8	1.0	1.3	1.5	1.4	2.0	1.6	1.9	2.1
Surplus / Deficit (calculated)	**19.0**	**18.1**	**18.8**	**28.6**	**27.9**	**29.9**	**32.9**	**38.7**	**43.9**

Shareholder's a/c (INR b)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Transfer from technical a/c	14.6	16.8	17.3	27.1	26.0	27.4	31.6	37.2	42.1
Income From Investments	4.8	6.9	9.8	7.9	10.3	11.1	13.0	14.6	17.2
Total Income	19.5	23.7	27.2	35.0	36.3	38.6	**44.6**	**51.8**	**59.3**
Other expenses	0.6	0.1	1.8	0.4	0.6	0.1	0.5	0.6	0.8
Contribution to technical a/c	4.8	8.2	9.8	17.1	16.3	13.5	18.7	19.7	20.7
Total Expenses	5.3	8.3	11.6	17.4	16.9	13.6	19.2	20.3	21.4
PBT	14.1	15.4	15.6	17.6	19.4	24.9	**25.4**	**31.5**	**37.9**
Prov for Tax	-0.1	0.9	0.5	0.4	0.5	0.8	0.7	0.8	1.0
PAT	14.2	14.6	15.1	17.2	18.9	24.1	**24.7**	**30.7**	**36.9**
Growth	7.2%	2.4%	3.4%	14.4%	9.9%	27.4%	2.4%	24.1%	20.3%

Balance sheet (INR b)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Sources of Fund									
Share Capital	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Reserves And Surplus	78.8	90.9	104.2	119.2	135.9	157.9	180.8	208.8	243.0
Shareholders' Fund	87.4	104.0	116.2	130.2	149.1	169.9	190.9	218.8	253.0
Policy Liabilities	761.2	924.1	1,097.6	1,301.3	1,558.1	1,798.8	2,125.1	2,530.7	3,013.6
Prov. for Linked Liab.	763.0	965.5	1,174.9	1,407.2	1,667.4	1,938.1	2,227.7	2,623.5	3,077.1
Funds For Future App.	7.1	8.4	9.9	11.4	13.4	14.5	15.7	18.6	21.9
Current liabilities & prov.	30.2	42.4	51.3	51.0	44.9	61.7	79.9	82.8	85.8
Total	**1,655.8**	**2,268.3**	**2,733.4**	**3,146.9**	**3,972.7**	**4,571.0**	**5,000.5**	**5,919.5**	**7,007.9**
Application of Funds									
Shareholders' inv	68.3	86.0	100.8	112.1	130.4	146.0	167.1	197.2	232.7
Policyholders' inv	734.2	939.4	1,121.3	1,298.7	1,565.4	1,852.3	2,107.1	2,503.6	2,974.6
Assets to cover linked liab.	785.7	1,162.2	1,426.3	1,632.6	2,160.1	2,476.4	2,589.4	3,055.5	3,605.5
Loans	3.6	3.6	3.6	3.9	3.9	4.8	6.1	7.0	8.0
Fixed Assets	5.8	5.7	5.3	5.2	5.6	5.9	6.9	7.4	8.0
Current assets	58.2	71.5	76.2	94.4	107.3	85.6	123.9	148.9	179.0
Total	**1,655.8**	**2,268.3**	**2,733.4**	**3,146.9**	**3,972.7**	**4,571.0**	**5,000.5**	**5,919.5**	**7,007.9**

Financials and valuations

Operating ratios (%)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Investment yield	2.1	17.3	10.2	4.8	15.1	7.9	2.5	7.6	7.6
Commissions / GWP	**-4.0**	**-3.5**	**-3.7**	**-4.5**	**-3.9**	**-4.0**	**-4.4**	**-4.5**	**-4.5**
- first year premiums	-8.4	-8.4	-8.3	-11.9	-10.6	-10.3	-12.8	-12.8	-12.8
- renewal premiums	-2.7	-2.6	-2.6	-2.5	-2.4	-2.4	-2.5	-2.5	-2.5
- single premiums	-1.4	-1.1	-1.2	-1.4	-1.0	-1.4	-1.2	-1.2	-1.2
Operating expenses / GWP	7.3%	5.9%	5.9%	5.9%	6.0%	5.9%	7.3%	7.1%	7.1%
Total expense ratio	**9.9%**	**8.3%**	**8.7%**	**9.6%**	**8.9%**	**9.7%**	**10.6%**	**10.6%**	**10.7%**
Claims / NWP	40.3%	43.4%	53.6%	45.5%	53.5%	58.2%	54.3%	55.0%	55.0%
Solvency ratio	195%	215%	205%	215%	196%	196%	190%	185%	180%

Persistency ratios (%)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
13th Month	86.1%	85.4%	85.2%	85.5%	86.8%	87.4%	87.9%	88.3%	88.6%
25th Month	78.5%	75.8%	78.1%	75.6%	77.4%	77.3%	77.9%	78.0%	78.0%
37th Month	71.6%	72.1%	72.2%	74.5%	71.3%	71.0%	72.5%	72.7%	72.8%
49th Month	67.3%	65.6%	69.9%	70.3%	72.7%	72.4%	65.7%	64.5%	63.9%
61st Month	59.9%	50.9%	49.5%	55.6%	58.6%	57.4%	65.2%	66.7%	67.6%

Profitability ratios (%)	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
VNB margin (%)	20.7%	23.2%	25.9%	30.1%	28.1%	27.8%	27.5%	27.5%	28.5%
RoE (%)	17.4%	15.2%	13.7%	14.0%	13.6%	15.1%	13.7%	15.0%	15.6%
RoIC (%)	17.4%	15.3%	14.0%	14.2%	13.8%	15.4%	13.8%	15.0%	15.6%
Operating ROEV (%)	20.5%	19.1%	20.6%	22.9%	21.8%	20.2%	19.7%	18.1%	18.2%
RoEV (%)	17.4%	27.0%	18.7%	16.2%	26.5%	20.6%	15.0%	17.8%	17.9%

Valuation ratios	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total AUMs	1,603.6	2,208.7	2,674.1	3,073.4	3,889.2	4,480.4	4,871.6	5,855.5	6,930.2
- of which equity AUMs (%)	21%	27%	29%	29%	34%	39%	38%	31%	31%
Dividend %	0%	25%	20%	25%	27%	33%	33%	33%	33%
Dividend payout ratio (%)	0%	17%	13%	15%	14%	11%	11%	9%	7%
EPS, Rs	14.2	14.6	15.1	17.2	18.9	24.1	24.7	30.7	36.9
VNB	22.2	26.6	37.0	50.7	55.5	59.5	66.7	78.6	92.9
- VNB growth (%)	15.6%	19.8%	39.1%	37.0%	9.5%	7.2%	12%	18%	18%
EV per share	276.4	364.0	396.3	460.4	582.6	701.0	805.4	951.7	1,121.8
VIF as % of EV	63%	63%	68%	70%	73%	75%	75%	76%	77%
P/VIF	11.3	8.9	6.9	5.8	4.4	3.6	3.1	2.6	2.2
P/AUM (%)	116%	84%	70%	61%	48%	42%	38%	32%	27%
P/EV (x)	7.1	5.6	4.7	4.0	3.2	2.6	2.3	2.0	1.7
P/EPS (x)	130.7	127.7	123.4	107.9	98.2	77.0	75.3	60.6	50.4
P/EVOP (x)	40.6	37.2	27.1	20.6	18.6	15.8	13.4	12.7	10.8
P/VNB (x)	84.0	70.1	50.4	36.8	33.6	31.3	28.0	23.7	20.1

NOTES

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