

## Base reset: execution key

22 January 2025

Though ICICI Prudential Life Insurance (IPRU IN) continues to report better annualized premium equivalent (APE) growth than the industry and private firms for another quarter, absolute VNB growth was lower than APE growth on account of decline in value of new business (VNB) margin. The margin contraction is attributable to higher share of lumpy and low margin group fund business, which increased 4.5x YoY. Adjusting for this, VNB margin was similar QoQ (Q2 VNB margin 23.4%). Distribution remains well balanced with agency, bancassurance, direct and group channels reporting growth. APE growth was led by ULIP, annuity, group savings and retail protection segments while non-linked savings continues to face growth challenges. Lower disbursements in micro finance institutions (MFI) also led to a decline in the group protection segment.

**ULIP share to remain elevated in Q4 while protection growth with base impact:** Despite an already high ULIP base, customer demand in the segment remains resolute despite recent market volatility. We believe protection segment growth could see base impact with group protection ~INR 2.8bn in Q4 while retail protection could continue to clock in >40% APE growth.

**Product mix calibration could lead to ~12-13% APE growth FY25-26E:** IPRU benefited in FY25 on low APE base, delivering industry-leading growth largely led by ULIP. As base resets, we expect growth to be more calibrated as delivering ULIP growth on an already high base coupled with potentially lower yield curves could drag non-par savings growth. We therefore factor in APE growth of ~12-13% FY25-26E

**VNB margin to be range-bound with management focus on absolute VNB growth:** We expect VNB margin to ~24% during FY25-26E with onus on absolute VNB growth falling on APE growth.

**Recommend Accumulate with a TP of INR 750:** We revise our target P/EV to 1.8x from 2.2x after factoring in a 50bp increase in risk premium to account for potential regulatory scrutiny of the bancassurance channel. Our residual income model based on 12.5% required return, 5% terminal growth and FY27E RoEV of ~14.1% implies 1.8x December 2026E P/EV on embedded value per share of INR 418. This translates into a TP of INR 750 from INR 900. We recommend **Accumulate** from Buy. Key risks are: 1) adverse regulatory changes, and 2) a slowdown in ULIP growth, and inability to offset it with non-par growth.

Rating: **Accumulate**

Target Price: **INR 750**

Upside: **18%**

CMP: **INR 636**

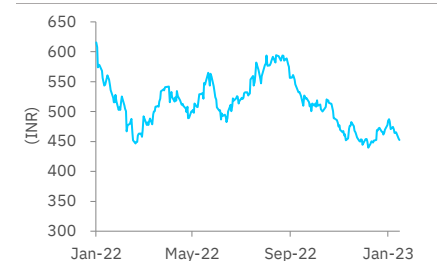
As on 21 January 2025

### Key data

Bloomberg	IPRU IN
Reuters Code	ICIR.NS
Shares outstanding (mn)	1445
Market cap (INR bn/USD mn)	919/10,610
Avg daily volume 3M (INR mn/USD mn)	797/9
52 week high/low	797/475
Free float (%)	-

Note: as on 21 January 2025; Source: Bloomberg

### Price chart



Source: Bloomberg

Shareholding (%)	Q3	Q4	Q1	Q2
	FY24	FY24	FY25	FY25
Promoter	73.3	73.2	73.2	73.1
% Pledged				-
FII	14.7	13.4	13.2	13.0
DII	6.9	8.5	8.8	9.3
Others	5.1	4.9	4.8	4.7

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	(7.1)	(6.1)	6.7
ICICI Prudential Life Insurance	(15.2)	(1.2)	29.4
NSE Mid-cap	(6.7)	(3.7)	12.0
NSE Small-cap	(7.1)	(5.1)	12.5

### Key Financials

YE March	FY23	FY24	FY25E	FY26E	FY27E
APE (INR mn)	86,400	90,470	109,468	123,121	137,996
YoY (%)	11.7	4.7	21.0	12.5	12.1
VNB (INR mn)	27,650	22,270	24,712	29,009	32,738
VNB margin (%)	32.0	24.6	22.6	23.6	23.7
VNB per share (INR)	19.2	15.5	17.1	20.1	22.7
EVOP per share (INR)	38.1	34.8	40.9	47.1	53.4
EV per share (INR)	247.7	293.8	333.0	378.7	431.1
Operating RoEV (%)	17.4	14.1	13.9	14.1	14.1
P/VNB (x)	22.7	39.4	37.3	31.8	28.2
P/EVOP (x)	11.4	17.5	15.6	13.6	12.0
P/EV (x)	1.8	2.1	1.9	1.7	1.5

Note: Pricing as on 21 January 2025; Source: Company, Elara Securities Estimate

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## Financials (YE March)

Movement in EV (INR mn)	FY23	FY24	FY25E	FY26E	FY27E
<b>Opening EV</b>	<b>316,250</b>	<b>356,340</b>	<b>423,350</b>	<b>479,861</b>	<b>545,720</b>
Assumption changes	(1,610)	700	-	-	-
Value of New Business	27,650	22,270	24,712	29,009	32,738
Discount unwind	27,080	30,710	33,868	38,389	43,658
Operating Variance	1,760	(3,520)	423	480	546
<b>Operating EV Earnings</b>	<b>54,880</b>	<b>50,160</b>	<b>59,003</b>	<b>67,878</b>	<b>76,941</b>
Economic Variance	(14,490)	16,910	-	-	-
<b>Total EV Earnings</b>	<b>40,390</b>	<b>67,070</b>	<b>59,003</b>	<b>67,878</b>	<b>76,941</b>
<b>EV Before Capital Changes</b>	<b>356,640</b>	<b>423,410</b>	<b>482,353</b>	<b>547,739</b>	<b>622,660</b>
Capital contributions / (dividends paid out)	(300)	(60)	(2,492)	(2,019)	(1,474)
<b>Closing EV</b>	<b>356,340</b>	<b>423,350</b>	<b>479,861</b>	<b>545,720</b>	<b>621,186</b>
<b>RoEV Tree</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
APE / EV (Capital turnover) (x)	0.3	0.3	0.3	0.3	0.3
VNB Margin (%)	32.0	24.6	22.6	23.6	23.7
EVOP / VNB (x)	2.0	2.3	2.4	2.3	2.4
<b>Operating RoEV (%)</b>	<b>17.4</b>	<b>14.1</b>	<b>13.9</b>	<b>14.1</b>	<b>14.1</b>
<b>Product mix and Premiums (INR mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
<b>Savings</b>					
Non-Linked	32,210	23,380	20,574	23,043	25,809
Unit Linked	31,020	39,110	54,754	62,967	70,523
Annuity	5,070	9,530	12,866	14,795	16,571
Group savings	3,060	3,200	4,800	3,600	3,780
<b>Savings APE</b>	<b>71,360</b>	<b>75,220</b>	<b>92,994</b>	<b>104,406</b>	<b>116,682</b>
<b>Protection</b>					
Retail	3,260	4,789	6,225	7,470	8,964
Group	11,780	10,462	10,250	11,246	12,350
<b>Protection APE</b>	<b>15,040</b>	<b>15,250</b>	<b>16,475</b>	<b>18,716</b>	<b>21,314</b>
<b>Total APE</b>	<b>86,400</b>	<b>90,470</b>	<b>109,468</b>	<b>123,121</b>	<b>137,996</b>
YoY %	11.7	4.7	21.0	12.5	12.1
<b>APE by segment - mix (%)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
<b>Savings</b>					
Non-Linked	37.3	25.8	18.8	18.7	18.7
Unit Linked	35.9	43.2	50.0	51.1	51.1
Annuity	5.9	10.5	11.8	12.0	12.0
Group savings	3.5	3.5	4.4	2.9	2.7
<b>Savings APE</b>	<b>82.6</b>	<b>83.1</b>	<b>85.0</b>	<b>84.8</b>	<b>84.6</b>
<b>Protection</b>					
Retail	3.8	5.3	5.7	6.1	6.5
Group	13.6	11.6	9.4	9.1	8.9
<b>Protection APE</b>	<b>17.4</b>	<b>16.9</b>	<b>15.0</b>	<b>15.2</b>	<b>15.4</b>
<b>Margin Profile</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
VNB (INR mn)	27,650	22,270	24,712	29,009	32,738
YoY %	27.8	-19.5	11.0	17.4	12.9
VNB margin (%)	32.0	24.6	22.6	23.6	23.7
<b>Profit &amp; Loss Account (INR mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
<b>Gross Premium Written</b>	<b>399,328</b>	<b>432,356</b>	<b>480,596</b>	<b>539,052</b>	<b>604,090</b>
Premium on reinsurance	13,733	14,760	10,214	11,457	12,839
<b>Net premium earned</b>	<b>385,595</b>	<b>417,597</b>	<b>470,382</b>	<b>527,596</b>	<b>591,250</b>
Investment income	106,860	479,267	327,126	355,981	385,248
Other income	1,529	2,189	2,394	2,619	2,867
<b>Total income</b>	<b>493,984</b>	<b>899,053</b>	<b>799,902</b>	<b>886,195</b>	<b>979,365</b>
Commission paid	18,639	37,220	43,172	48,528	54,390
Expenses	53,463	48,900	54,394	60,887	68,184
Claims/benefits paid	310,042	400,060	358,183	389,469	420,540
Change in actuarial liability	101,029	402,564	331,048	376,321	427,755
<b>Total Outgo</b>	<b>485,015</b>	<b>889,821</b>	<b>788,676</b>	<b>877,099</b>	<b>972,725</b>
<b>Profit before tax</b>	<b>8,969</b>	<b>9,232</b>	<b>11,227</b>	<b>9,097</b>	<b>6,640</b>
Tax charge	862	708	1,259	1,020	745
<b>Profit after tax</b>	<b>8,107</b>	<b>8,524</b>	<b>9,968</b>	<b>8,077</b>	<b>5,895</b>
<b>Balance Sheet (INR mn)</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25E</b>	<b>FY26E</b>	<b>FY27E</b>
<b>Sources of funds</b>					
<b>Shareholder's equity</b>	<b>100,918</b>	<b>110,086</b>	<b>119,003</b>	<b>126,444</b>	-
Fair value change - Policyholders	27,963	49,866	49,866	49,866	49,866
Revaluation Reserves - Policyholders	364	407	407	407	407
Non Linked Liabilities	903,074	1,101,621	1,346,668	1,617,990	1,935,744
Linked Liabilities	1,440,581	1,648,424	1,731,570	1,808,791	1,883,843
Funds for Future Appropriation	16,693	12,866	12,866	12,866	12,866
Current liabilities	68,624	66,403	-	-	-
Provisions	256	325	57,290	63,646	70,810
<b>Total Liabilities &amp; Equity</b>	<b>2,558,472</b>	<b>2,989,998</b>	<b>3,317,670</b>	<b>3,680,010</b>	<b>3,953,536</b>
<b>Application of capital</b>					
Shareholder's investments	98,514	105,755	101,528	103,958	104,018
Policyholder's investments	943,110	1,143,182	1,403,450	1,676,036	1,995,271
Linked investments	1,440,581	1,648,424	1,731,570	1,808,791	1,883,843
Other Assets	76,268	92,637	81,121	91,225	102,686
<b>Total Assets</b>	<b>2,558,472</b>	<b>2,989,998</b>	<b>3,317,670</b>	<b>3,680,010</b>	<b>4,085,818</b>

Note: Pricing as on 21 January 2025; Source: Company, Elara Securities Estimate

**Quarterly financials**

YE March	Q3FY25	Q3FY24	YoY (%)	Q2FY25	QoQ (%)	9MFY25	9MFY24	YoY (%)
<b>Premium (INR mn)</b>								
Gross written premium (GWP)	126,601	102,850	23.1	111,752	13.3	321,191	280,856	14.4
New business premium (NBP)	65,701	42,054	56.2	50,895	29.1	156,084	119,569	30.5
<b>Annual premium equivalent (APE)</b>	<b>24,380</b>	<b>19,080</b>	<b>27.8</b>	<b>25,040</b>	<b>(2.6)</b>	<b>69,050</b>	<b>54,310</b>	<b>27.1</b>
Savings	20,480	15,500	32.1	20,820	(1.6)	57,380	43,390	32.2
Linked	12,015	8,470	41.9	12,955	(7.2)	35,060	23,400	49.8
Non-Linked	3,967	5,220	(24.0)	4,773	(16.9)	12,050	14,580	(17.4)
Annuity	1,830	1,220	50.0	2,190	(16.4)	6,160	3,390	81.7
Group fund	2,668	600	344.7	902	195.8	4,110	2,030	102.5
Protection	3,910	3,580	9.2	4,210	(7.1)	11,670	10,920	6.9
Retail	1,470	1,050	40.0	1,660	(11.4)	4,260	3,430	24.2
Group	2,440	2,530	(3.6)	2,550	(4.3)	7,410	7,490	(1.1)
<b>Expenses (INR mn)</b>								
Commission	11,037	10,017	10.2	12,349	(10.6)	32,842	21,561	52.3
Operating expenses	9,744	8,786	10.9	10,550	(7.6)	30,691	31,421	(2.3)
Management Expenses	20,781	18,803	10.5	22,899	(9.2)	63,533	52,981	19.9
Cost ratio - Cost/TWRP (%)	25.1	24.2	1.0	27.4	(2.2)	28.0	25.6	2.4
Commission ratio (%)	8.7	9.7	(1.0)	11.1	(2.3)	10.2	7.7	2.5
Operating expense ratio (%)	7.7	8.5	(0.8)	9.4	(1.7)	9.6	11.2	(1.6)
<b>Business mix - APE basis (%)</b>								
Savings	84.0	81.2	2.8	83.1	0.9	83.1	79.9	3.2
Linked	49.3	44.4	4.9	51.7	(2.5)	50.8	43.1	7.7
Non-Linked	16.3	27.4	(11.1)	19.1	(2.8)	17.5	26.8	(9.4)
Annuity	7.5	6.4	1.1	8.7	(1.2)	8.9	6.2	2.7
Others	10.9	3.1	7.8	3.6	7.3	6.0	3.7	2.2
Protection	16.0	18.8	(2.7)	16.8	(0.8)	16.9	20.1	(3.2)
Retail	6.0	5.5	0.5	6.6	(0.6)	6.2	6.3	(0.1)
Group	10.0	13.3	(3.3)	10.2	(0.2)	10.7	13.8	(3.1)
<b>Profitability (INR mn)</b>								
PAT	3,257	2,275	43.2	2,517	29.4	8,028	6,786	18.3
Value of new business (VNB)	5,170	4,360	18.6	5,860	(11.8)	15,750	14,510	8.5
VNB margin (%)	21.2	22.9	(1.6)	23.4	(2.2)	22.8	26.7	(3.9)
<b>Distribution mix - APE basis (%)</b>								
Bancassurance	25.0	26.8	(1.8)	29.4	(4.4)	27.7	27.9	(0.2)
Agency	29.9	30.3	(0.4)	31.2	(1.3)	30.2	27.2	3.0
Direct	14.9	15.4	(0.5)	15.8	(0.9)	15.3	14.8	0.5
Corporate agents	9.2	11.1	(1.8)	9.9	(0.7)	10.1	12.6	(2.5)
Group	21.0	16.4	4.6	13.7	7.3	16.7	17.5	(0.9)
<b>Other paraments (INR mn)</b>								
Assets under management	3,104,140	2,866,760	8.3	3,204,910	(3.1)	3,104,140	2,866,760	8.3
Solvency ratio (%)	211.8	196.5	15.3	188.6	23.2	211.8	196.5	15.3

Source: Company, Elara Securities Estimate

**Exhibit 1: Quarterly summary**

YE March	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	YoY (%)	QoQ (%)
<b>Premium (INR mn)</b>											
Gross written premium (GWP)	97,805	129,920	73,748	104,259	102,850	151,500	82,837	111,752	126,601	23.1	13.3
New business premium (NBP)	40,272	57,618	32,173	45,342	42,054	67,220	39,488	50,895	65,701	56.2	29.1
<b>Annual premium equivalent (APE)</b>	<b>18,220</b>	<b>32,990</b>	<b>14,610</b>	<b>20,620</b>	<b>19,080</b>	<b>36,150</b>	<b>19,630</b>	<b>25,040</b>	<b>24,380</b>	27.8	(2.6)
Savings	14,810	28,450	11,160	16,730	15,500	31,820	16,080	20,820	20,480	32.1	(1.6)
Linked	7,810	8,880	5,660	9,270	8,470	15,710	10,090	12,955	12,015	41.9	(7.2)
Non-Linked	5,290	16,950	4,040	5,320	5,220	8,800	3,310	4,773	3,967	(24.0)	(16.9)
Annuity	1,040	1,700	910	1,260	1,220	6,140	2,140	2,190	1,830	50.0	(16.4)
Others	680	920	550	880	600	1,170	540	902	2,668	344.7	195.8
Protection	3,400	4,540	3,450	3,890	3,580	4,330	3,550	4,210	3,910	9.2	(7.1)
Retail	850	1,060	1,110	1,270	1,050	1,350	1,120	1,660	1,470	40.0	(11.4)
Group	2,550	3,480	2,330	2,630	2,530	2,980	2,430	2,550	2,440	(3.6)	(4.3)
<b>Expenses (INR mn)</b>											
Commission	3,914	7,535	3,835	7,709	10,017	15,659	9,456	12,349	11,037	10.2	(10.6)
Operating expenses	10,445	15,668	11,112	11,522	8,786	9,839	10,397	10,550	9,744	10.9	(7.6)
Management Expenses	14,359	23,204	14,947	19,231	18,803	25,498	19,853	22,899	20,781	10.5	(9.2)
Cost ratio - Cost/TWRP (%)	19.8	23.1	28.1	25.3	24.2	21.9	32.9	27.4	25.1	1.0	(2.2)
Commission ratio (%)	4.0	5.8	5.2	7.4	9.7	10.3	11.4	11.1	8.7	(1.0)	(2.3)
Operating expense ratio (%)	10.7	12.1	15.1	11.1	8.5	6.5	12.6	9.4	7.7	(0.8)	(1.7)
<b>Business mix - APE basis (%)</b>											
Savings	81.3	86.2	76.4	81.1	81.2	88.0	81.9	83.1	84.0	2.8	0.9
Linked	42.9	26.9	38.7	45.0	44.4	43.5	51.4	51.7	49.3	4.9	(2.5)
Non-Linked	29.0	51.4	27.7	25.8	27.4	24.3	16.9	19.1	16.3	(11.1)	(2.8)
Annuity	5.7	5.2	6.2	6.1	6.4	17.0	10.9	8.7	7.5	1.1	(1.2)
Others	3.7	2.8	3.8	4.3	3.1	3.2	2.8	3.6	10.9	7.8	7.3
Protection	18.7	13.8	23.6	18.9	18.8	12.0	18.1	16.8	16.0	(2.7)	(0.8)
Retail	4.7	3.2	7.6	6.2	5.5	3.7	5.7	6.6	6.0	0.5	(0.6)
Group	14.0	10.5	15.9	12.8	13.3	8.2	12.4	10.2	10.0	(3.3)	(0.2)
<b>Profitability (INR mn)</b>											
PAT	2,206	2,349	2,069	2,442	2,275	1,738	2,254	2,517	3,257	43.2	29.4
Value of new business (VNB)	6,180	10,550	4,380	5,770	4,360	7,760	4,720	5,860	5,170	18.6	(11.8)
<b>VNB margin (%)</b>	<b>33.9</b>	<b>32.0</b>	<b>30.0</b>	<b>28.0</b>	<b>22.9</b>	<b>21.5</b>	<b>24.0</b>	<b>23.4</b>	<b>21.2</b>	<b>(1.6)</b>	<b>(2.2)</b>
<b>Distribution mix - APE basis (%)</b>											
Bancassurance	27.5	27.6	29.0	28.0	26.8	29.9	28.8	29.4	25.0	(1.8)	(4.4)
Agency	28.4	27.4	24.4	26.2	30.3	32.1	29.4	31.2	29.9	(0.4)	(1.3)
Direct	14.4	11.8	14.5	14.4	15.4	13.1	15.2	15.8	14.9	(0.5)	(0.9)
Corporate agents	11.7	19.9	12.4	14.3	11.1	13.5	11.5	9.9	9.2	(1.8)	(0.7)
Group	18.1	13.3	19.8	17.0	16.4	11.5	15.1	13.7	21.0	4.6	7.3
<b>Other paraments (INR mn)</b>											
Assets under management	2,518,840	2,511,910	2,664,200	2,719,030	2,866,760	2,941,400	3,088,750	3,204,910	3,104,140	8.3	(3.1)
Solvency ratio (%)	212.2		203.4	199.4	196.5	191.8	187.9	188.6	211.8	15.3	(176.5)

Source: Company, Elara Securities Research

**Conference call highlights**

**Margins**

- ▶ Margin declined QoQ on as product mix continue to shift toward ULIP coupled with higher share of the lumpy group savings business
- ▶ Product-level margin was similar sequentially
- ▶ Management is trying to attach higher riders to products to improve product-level margin
- ▶ Focus remains on absolute VNB growth

**Surrender value impact**

- ▶ No adverse impact from surrenders in annuity product as customer proposition is robust

**Cost**

- ▶ Focus is on cost optimisation. Cost increase was lower than premium growth for the quarter
- ▶ The company intends to balance cost with nature of product
- ▶ Scope for operating leverage to play out

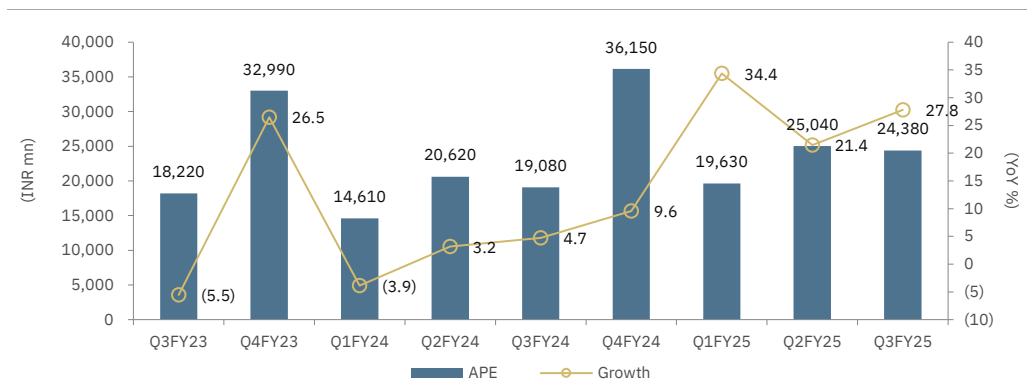
**Products**

- ▶ Group savings product has no protection cover and is sourced from institutional clients. It is lumpy in nature. It is profitable to the company, as with the same cost structure it can cater to group protection clients
- ▶ New par product launched offers liquidity to customers and has seen good traction
- ▶ Non-par faces challenges given interest rate curve

**Distribution**

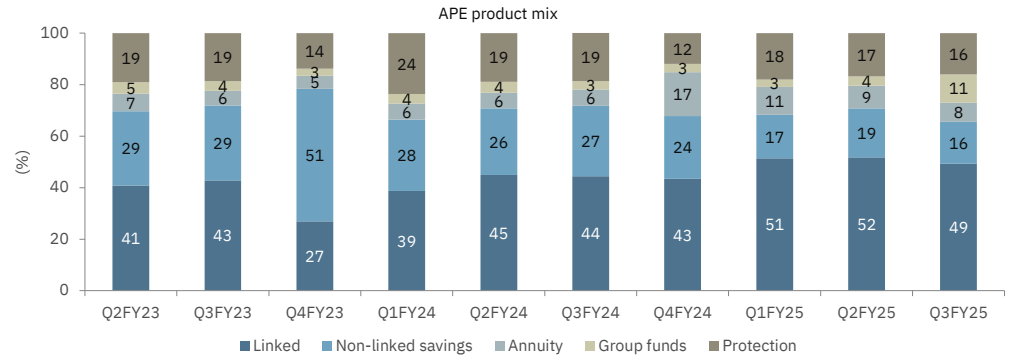
- ▶ Agency channel has seen good growth on account of building processes, skills building and investment in talent
- ▶ Management has launched a digital stack called *IPRU Edge* for advisors
- ▶ Agency channel is set to do well

**Exhibit 2: Overall APE growth at 28% YoY in Q3FY25...**



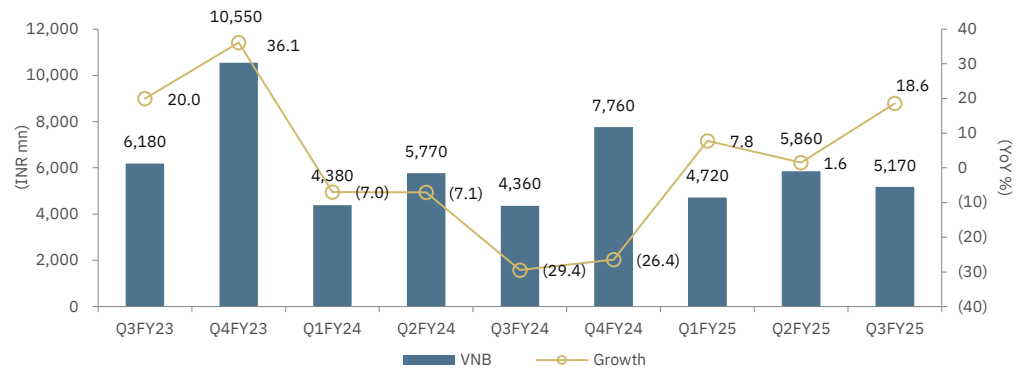
Source: Company, Elara Securities Research

**Exhibit 3: ...as the mix of ULIP, annuity and group funds increases at the cost of non-linked savings and group protection**



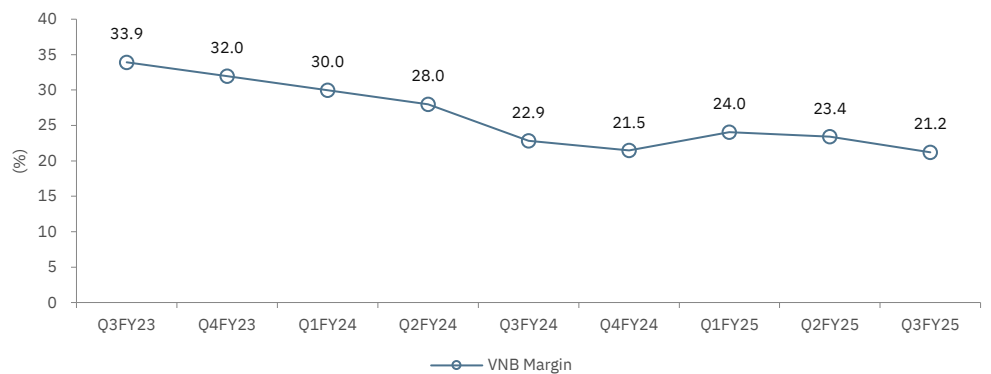
Source: Company, Elara Securities Research

**Exhibit 4: VNB growth at 19% YoY on low base, driven largely by APE growth**



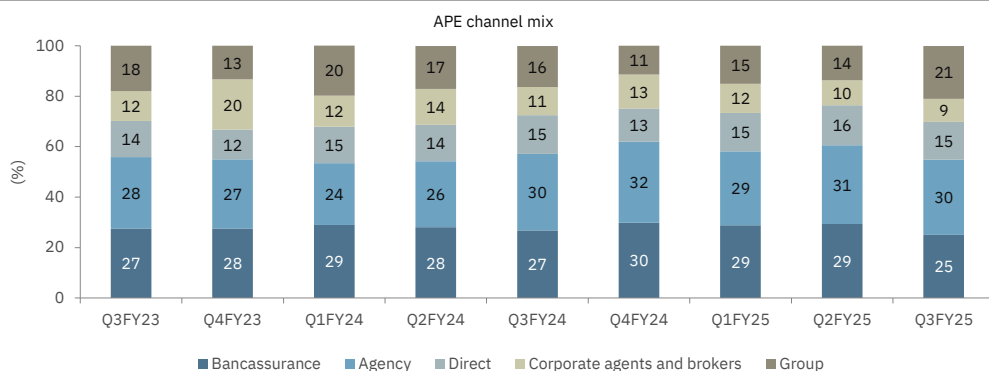
Source: Company, Elara Securities Research

**Exhibit 5: VNB margin declines on account of higher share of the group funds segment (adjusted for this, VNB margin similar QoQ)**



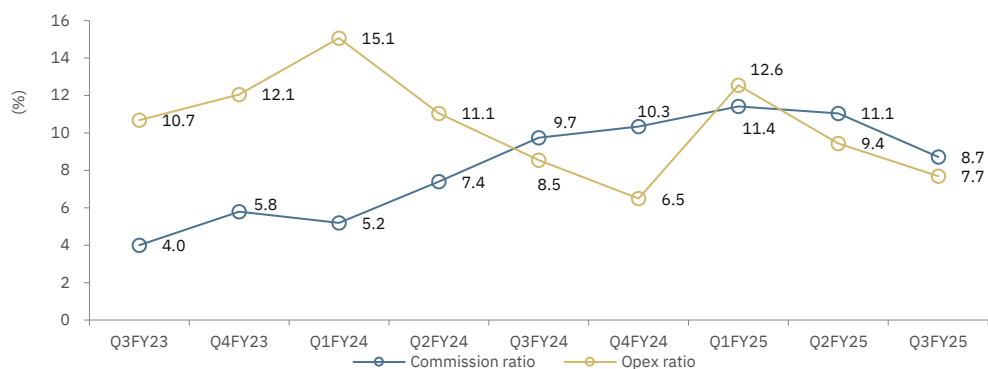
Source: Company, Elara Securities Research

**Exhibit 6: Balanced distribution mix with good traction in agency, bancassurance, direct and group channels**



Source: Company, Elara Securities Research

**Exhibit 7: Commission ratio and opex ratio decline QoQ**



Source: Company, Elara Securities Estimate/Research

**Key risks**

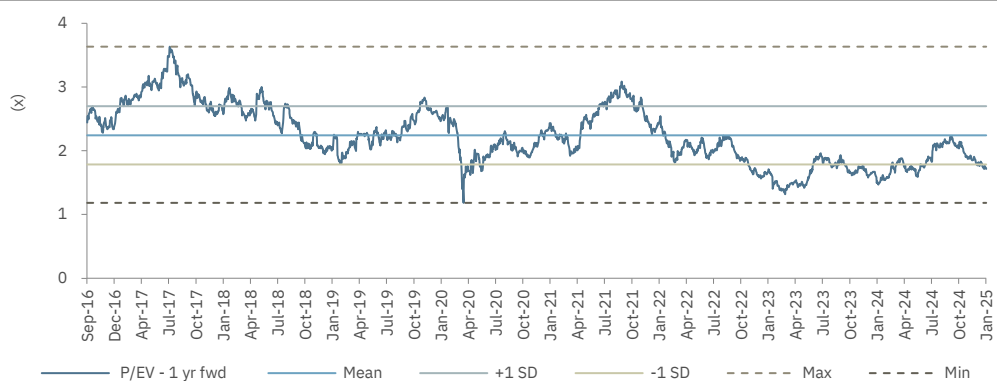
- ▶ Adverse regulatory changes relating to the bancassurance channel
- ▶ Elevated cost structure
- ▶ Slowdown in ULIP growth and an inability to offset it with non-par growth

**Exhibit 8: Valuation summary**

<b>(INR)</b>	
Required return (%)	12.5
Terminal growth	5.0
Target EVPS	418
Target multiple (x)	1.8
TP	750
Upside (%)	18

Source: Elara Securities Estimate

**Exhibit 9: IPRU valuation multiple corrects on account of risk from regulatory action**



Source: NSE, Company, Elara Securities Research

**Exhibit 10: Change in estimates**

(INR mn)	Earlier			Revised			% Change		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
APE	108,725	125,193	142,688	109,468	123,121	137,996	0.7	(1.7)	(3.3)
VNB	24,987	30,844	35,470	24,712	29,009	32,738	(1.1)	(5.9)	(7.7)
VNB Margin (%)	23.0	24.6	24.9	22.6	23.6	23.7	(0.4)	(1.1)	(1.1)
EV per share (INR)	334	381	435	333	380	433	(0.2)	(0.4)	(0.7)
RoEV (%)	14.2	14.7	14.8	13.9	14.1	14.1	(0.3)	(0.6)	(0.7)
<b>TP (INR)</b>			<b>900</b>			<b>750</b>			<b>(16)</b>
<b>Rating</b>			<b>Buy</b>			<b>Accumulate</b>			

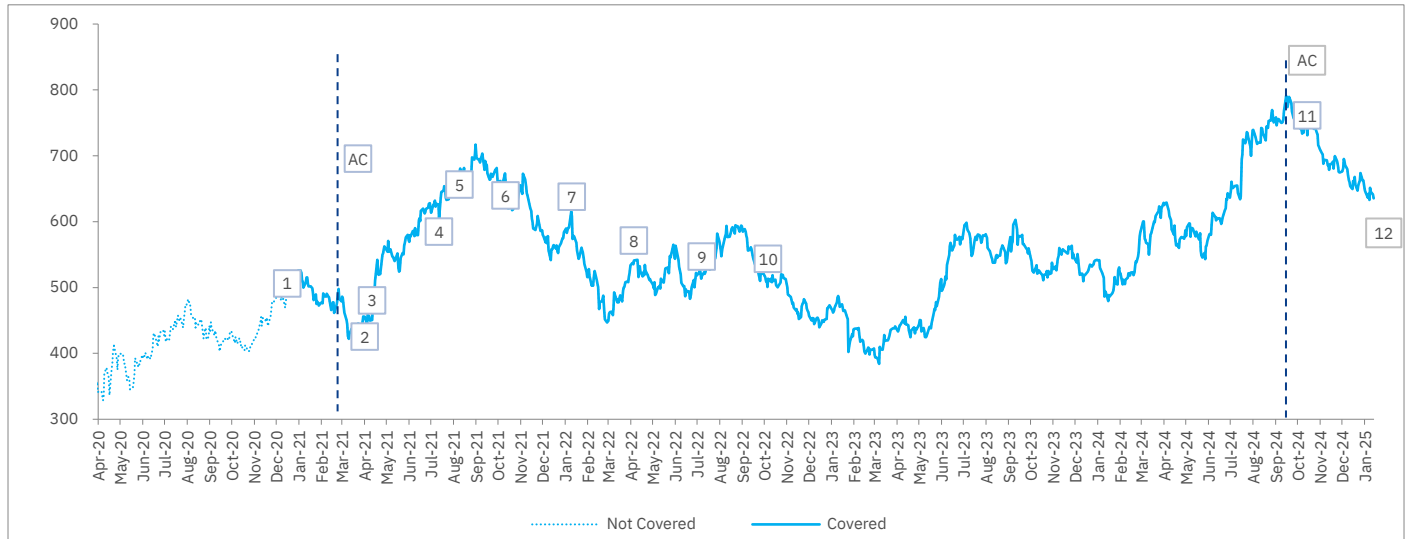
Source: Elara Securities Estimate



## Abbreviations

APE	<b>Annual premium equivalent</b>
EV	Embedded value
EVOP	Embedded value operating profit
FS	Free surplus
FYP	First year premium
NBP	New business premium
Non-par	Non-participating product
Opex	Operating expenses
Par	Participating product
PPT	Premium paying term
RC	Required capital
RoEV	Return on embedded value
RP	Renewal premium
RSM	Required solvency margin
SP	Single premium
TWRP	Total weighted received premium
ULIP	Unit linked product
VIF	Value in force
VNB	Value of new business
VNB margin	Value of new business margin

## Coverage History



Date	Rating	Target Price	Closing Price	
7	18-Jan-2022	Buy	INR 775	INR 608
8	13-Apr-2022	Buy	INR 670	INR 541
9	15-Jul-2022	Buy	INR 710	INR 517
10	14-Oct-2022	Buy	INR 650	INR 513
11	22-Oct-2024	Buy	INR 900	INR 731
12	21-Jan-2025	Accumulate	INR 750	INR 636

AC=Analyst change

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<b>BUY</b>	Absolute Return >+20%
<b>ACCUMULATE</b>	Absolute Return +5% to +20%
<b>REDUCE</b>	Absolute Return -5% to +5%
<b>SELL</b>	Absolute Return < -5%

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