

Financials – Non Lending

Result Preview



Company

HDFC AMC
 ABSL AMC
 Nippon AMC
 UTI AMC
 Angel One
 BSE
 MCX
 360 One
 Nuvama Wealth
 Anand Rathi Wealth
 Prudent Corp
 CAMS
 Kfintech
 CDSL
 Star Health
 ICICI Lombard
 HDFC Life
 ICICI Prudential
 SBI Life
 Max Financial

Regulations and weak markets to impact performance

Profitability trend to be muted sequentially

- Across segments, the regulatory environment is likely to influence the performance of non-lending financials in 3QFY25. While F&O regulations are anticipated to have an impact on BSE/ANGELONE, new surrender charges will affect LI players. GI players will be impacted by the changes in the reporting of gross premiums for long-term policies.
- Nifty for the quarter was down 8.4%, which will impact AUM growth for AMCs/CAMS/KFin. However, SIP flows have held up strong in Oct'24/Nov'24 at more than INR250b. Yields are likely to be stable given the limited impact of telescopic structure in 3QFY25. Most notably, other income will see a sharp fall due to market correction.
- BSE's premium turnover has been stable despite a sharp decline in notional turnover due to F&O regulations. Additionally, the decline in notional turnover will aid margin expansion as regulatory fees have a direct linkage. On the other hand, ANGELONE's order flow is expected to be weak during the quarter. Lower cash volumes will have an adverse impact on CDSL's transaction charges.
- Wealth managers will incur an MTM hit from the market corrections, which would be partially offset by the inflows. Transaction revenue would also be down sequentially.
- LI players are seeing through the implementation of surrender charges wherein product IRRs and commissions have been altered. VNB margins will be influenced by: 1) product mix – the share of ULIPs remained strong, 2) some benefits of non-par repricing, and 3) the impact of surrender charges. For our coverage universe, we expect a change of -40bp to +70bp sequentially.
- GI players will face an impact from the implementation of the new practice of reporting GWP on a 1/n basis for the long-term business. This will lead to a higher opex ratio, driving up the combined ratio. The health segment's loss ratios will also remain elevated.
- We maintain our high conviction on the capital market plays as highlighted in our recently released thematic report ([click here](#)). The current weak trends are transitory and will reset the base for longer-term growth. Our top picks in this space are BSE, ANGELONE, HDFCAMC, and Nuvama.
- Insurance stocks have seen a sharp correction due to media articles on the regulator constraining the role of the bancassurance channel (<https://tinyurl.com/4y6zp26k>). In such a scenario, we expect LIC and IPRU to outperform, given their lower dependence on the bancassurance channel.

Demat monthly run-rate declines; volumes dip after the new F&O regulations

- Cash ADTO continued its MoM downward trajectory during the first two months of 3QFY25 with declines of 12%/6% MoM in Oct'24/Nov'24. A slight recovery was witnessed in Dec'24 with a 3% MoM growth in cash ADTO.
- In the F&O segment, options volumes witnessed a significant decline after partial implementation of the new F&O regulations in Nov'24, resulting in F&O ADTO dipping 3.5%/14.8%/33.1% in Oct'24/Nov'24/Dec'24.
- BSE's market share in the options segment continues to scale up in terms of notional/ premium turnover, reaching 29%/15% in Dec'24 vs. 27%/13% in Sep'24.
- Incremental demat account additions declined from 4.4m/month in 2QFY25 to 3.5m in Oct'24 and 3.2m in Nov'24. Similarly, incremental NSE active client count has fallen to 1m/0.7m in Oct/Nov '24 from an average of 1.2m in 2QFY25.
- MCX has maintained its momentum with volumes remaining above INR50t in Nov'24/ Dec'24. Futures ADTO increased to INR280b in 3QFY25 from INR270b in

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2QFY25. On the other hand, Options ADTO rose to INR2.04t in 3QFY25 from INR1.94t in 2QFY25.

- For BSE, despite an 18% drop in notional ADTO, the premium ADTO for 3QFY25 increased to INR88b from INR82b in 2QFY25. This would drive revenue growth while sequential EBITDA margin expansion of 330bp will be fueled by lower regulatory and clearing & settlement costs.
- We expect ANGELONE to report a revenue decline of 19% QoQ due to a 14% QoQ dip in the number of orders and the impact of true-to-label charges. Lower customer acquisitions, and consequently lower opex, will offset the impact partially.

Mutual Funds: SIP inflows remain strong; equity inflows down from the peak

- Mutual fund AUM grew 43%/40% YoY during Oct'24/Nov'24, driven by 57%/50% growth in equity AUM. While Oct'24 witnessed strong equity inflows of INR587b, a slight slowdown was observed in Nov'24 (INR401b). SIP flows scaled new heights and stood at INR253b for both Oct'24 and Nov'24.
- The AUM of HDFC AMC/Nippon AMC/ABSL AMC/UTI AMC grew 44%/51%/24%/31% YoY at the end of Nov'24, reflecting market shares of 11.5%/8.3%/5.6%/5.2%.
- Equity AUM's share dipped ~70bp in Oct'24 and ~60bp in Nov'24, reaching 57.3%.
- We expect AMCs to register strong revenue growth of 25-38% YoY, propelled by healthy AUM growth. However, their profitability is likely to be hurt by a sharp fall in other income owing to MTM hit on equity exposure in the investment book.
- CAMS and KFin are expected to register healthy revenue growth led by AUM growth and continued momentum in non-MF businesses. Profitability should remain healthy given scale benefits.
- For wealth managers, we expect some hit because of MTM that will be offset by inflows. For 360 One, scaling up in the loan book will also provide support to earnings.

Life Insurance: Mixed performance likely; VNB margin to be stable QoQ

- Private life insurance companies experienced 18%/44% growth in APE in Oct'24/Nov'24. For Dec'24, we expect industry growth momentum to remain stable.
- The industry's VNB margin would be influenced by: 1) product mix – share of ULIPs remained strong, 2) some benefits of non-par repricing, and 3) the impact of surrender charges. For our coverage universe, we expect a change of -40bp to +70bp sequentially.

General Insurance: Accounting changes to affect expense ratios

- Excluding crop, the general insurance sector witnessed GWP growth of 20%/3% in Oct'24/Nov'24. The health segment grew 47%/dipped 1% YoY in Oct'24/Nov'24 (+3% in 2QFY25). Retail health growth was impacted by the change in accounting for long-term policies. The motor segment was hit by low automobile sales and grew 13%/4% YoY in Oct'24/Nov'24 (+6% in 2QFY25).
- For ICICI, premium growth in Oct'24/Nov'24 was below the industry average of 3%/-3% YoY. While the retail health segment grew in the high teens, weak motor growth and a decline in the group health segment resulted in a tepid performance.
- For Oct'24/Nov'24, STARHEAL experienced a soft premium growth of 5%/8% YoY, with retail growth of 6%/8% and group health decline of 12%/growth of 2%.

- While there is no change in operational efficiency of insurers, the change in accounting for long-term health policies will result in elevated opex ratios. Loss ratios are anticipated to remain elevated, especially in the health segment.

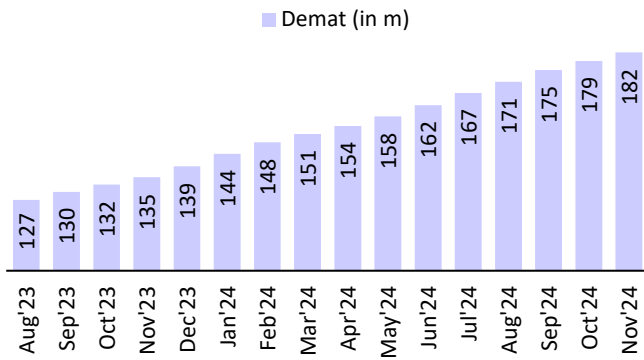
Exhibit 1: Quarterly performance

| Sector | CMP (INR) | Rating | Dec'24 | Variance YoY (%) | Variance QoQ (%) | Dec'24 | Variance YoY (%) | Variance QoQ (%) | Dec'24 | Variance YoY (%) | Variance QoQ (%) |
|------------------------------|-----------|---------|----------------------------------|------------------|------------------|------------------------------------|------------------|------------------|---------------------------|------------------|------------------|
| AMC | | | Operating Revenue (INR m) | | | EBITDA (INR m) | | | Net Profit (INR m) | | |
| HDFC AMC | 4,162 | Buy | 9,113 | 35.7 | 2.7 | 7,217 | 41.1 | 2.6 | 6,067 | 23.9 | 5.2 |
| ABSL AMC | 837 | Buy | 4,255 | 24.6 | 0.3 | 2,487 | 28.0 | -0.7 | 2,155 | 2.9 | -11.1 |
| Nippon AMC | 754 | Buy | 5,855 | 38.3 | 2.5 | 3,860 | 48.9 | 3.1 | 3,255 | 14.6 | -9.6 |
| UTI AMC | 1,366 | Buy | 3,776 | 30.2 | 1.2 | 1,825 | 60.4 | -0.2 | 1,612 | -20.7 | -38.7 |
| Wealth Management | | | Operating Revenue (INR m) | | | PBT (INR m) | | | Net Profit (INR m) | | |
| 360 One | 1,276 | Buy | 5,678 | 29.2 | -3.5 | 2,705 | 30.1 | -6.5 | 2,342 | 20.7 | -5.3 |
| Nuvama | 6,974 | Buy | 7,413 | 32.8 | 0.2 | 3,267 | 41.8 | -6.2 | 2,430 | 37.9 | -5.8 |
| Anand Rathi | 3,935 | Neutral | 2,522 | 38.2 | 4.0 | 1,094 | 37.0 | 5.1 | 797 | 37.3 | 4.5 |
| Prudent | 2,726 | Neutral | 2,922 | 39.2 | 2.2 | 700 | 40.0 | 1.9 | 524 | 46.7 | 1.7 |
| Exchanges and Broking | | | Operating Revenue (INR m) | | | EBITDA (INR m) | | | Net Profit (INR m) | | |
| Angel One | 3,017 | Buy | 8,437 | 22.7 | -13.7 | 4,287 | 22.2 | -25.1 | 3,173 | 21.9 | -25.1 |
| BSE | 5,426 | Buy | 7,589 | 104.2 | 1.7 | 4,204 | 356.5 | 8.1 | 3,690 | 251.8 | 6.7 |
| MCX | 6,285 | Neutral | 3,180 | 66.1 | 11.4 | 2,036 | NA | 13.5 | 1,728 | NA | 12.5 |
| Intermediaries | | | Operating Revenue (INR m) | | | EBITDA (INR m) | | | Net Profit (INR m) | | |
| CAMS | 5,108 | Buy | 3,725 | 28.6 | 2.0 | 1,744 | 34.8 | 2.4 | 1,255 | 41.8 | 3.9 |
| Kfintech | 1,545 | Neutral | 2,945 | 34.7 | 5.0 | 1,352 | 38.1 | 6.8 | 958 | 43.3 | 7.2 |
| CDSL | 1,809 | Neutral | 3,086 | 43.9 | -4.2 | 1,886 | 43.5 | -5.6 | 1,614 | 50.1 | -0.3 |
| Life Insurance | | | APE (INR m) | | | VNB (INR m) | | | Net Profit (INR m) | | |
| HDFC Life | 617 | Buy | 38,685 | 21.2 | 0.3 | 9,671 | 13.0 | 3.1 | 4,336 | 18.8 | 0.2 |
| IPru Life | 661 | Buy | 25,975 | 36.2 | 3.7 | 5,974 | 37.0 | 2.0 | 2,549 | 12.0 | 1.3 |
| SBI Life | 1,401 | Buy | 66,252 | 8.1 | 22.9 | 17,888 | 6.5 | 23.4 | 5,022 | 56.1 | -5.1 |
| Max Financial | 1,101 | Neutral | 20,685 | 15.2 | -4.7 | 4,861 | -0.6 | -5.1 | 1,572 | 4.1 | 12.8 |
| General Insurance | | | Gross Premium (INR m) | | | Underwriting Profit (INR m) | | | Net Profit (INR m) | | |
| Star Health | 482 | Buy | 40,385 | 12.0 | -7.6 | -564 | NA | NA | 2,178 | -24.8 | 95.7 |
| ICICI Lombard | 1,808 | Buy | 66,297 | 3.0 | -4.6 | -1,609 | NA | NA | 6,344 | 47.0 | -8.6 |
| Non-Lending | | | 3,28,777 | 16.8 | 1.7 | 74,886 | 30.9 | 5.6 | 53,599 | 32.0 | -3.0 |

Exhibit 2: Changes to our EPS estimates (*For life insurance companies – absolute VNB in INR b)

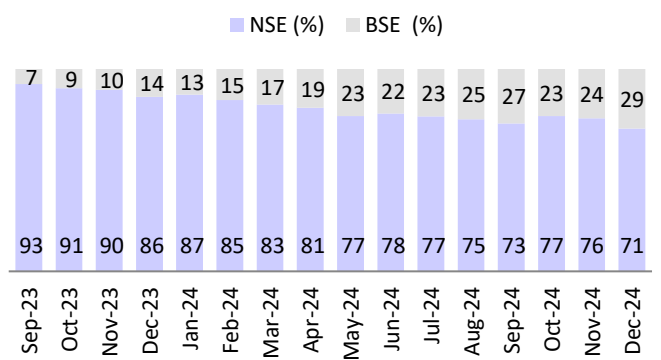
| Company | New Estimates (INR) | | | Old Estimates (INR) | | | Change (%) | | |
|---------------|---------------------|-------|-------|---------------------|-------|-------|------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| HDFC AMC | 114.1 | 136.0 | 154.7 | 118.9 | 136.4 | 155.2 | -4.0 | -0.3 | -0.3 |
| ABSL AMC | 32.0 | 37.3 | 42.8 | 34.5 | 38.2 | 44.1 | -7.0 | -2.2 | -2.8 |
| Nippon AMC | 21.6 | 26.6 | 31.2 | 22.7 | 26.6 | 31.2 | -4.8 | 0.0 | 0.0 |
| UTI AMC | 69.1 | 76.8 | 87.2 | 79.8 | 77.6 | 88.1 | -13.4 | -1.0 | -1.1 |
| 360 One | 25.3 | 34.1 | 40.3 | 25.2 | 33.3 | 38.4 | 0.2 | 2.4 | 5.0 |
| Nuvama | 272.7 | 314.9 | 363.2 | 272.3 | 314.9 | 363.2 | 0.2 | 0.0 | 0.0 |
| Anand Rathi | 75.3 | 102.1 | 122.5 | 75.3 | 102.1 | 122.5 | 0.0 | 0.0 | 0.0 |
| Prudent Corp | 49.4 | 67.1 | 87.5 | 49.4 | 67.1 | 87.5 | 0.0 | 0.0 | 0.0 |
| Angel One | 159.3 | 169.7 | 246.8 | 169.0 | 189.7 | 264.1 | -5.7 | -10.6 | -6.5 |
| BSE | 98.9 | 129.0 | 158.2 | 99.2 | 129.0 | 158.1 | -0.3 | 0.0 | 0.1 |
| MCX | 119.0 | 166.6 | 198.8 | 123.5 | 166.6 | 198.8 | -3.7 | 0.0 | 0.0 |
| CAMS | 99.2 | 119.5 | 144.0 | 99.2 | 119.5 | 144.0 | 0.0 | 0.0 | 0.0 |
| Kfintech | 20.9 | 26.8 | 33.8 | 20.9 | 26.8 | 33.8 | 0.0 | 0.0 | 0.0 |
| CDSL | 30.1 | 37.2 | 46.3 | 30.7 | 37.9 | 47.1 | -1.8 | -1.8 | -1.7 |
| HDFC Life* | 40.3 | 48.5 | 58.1 | 39.9 | 48.0 | 57.5 | 0.9 | 1.0 | 1.0 |
| ICICI Pru* | 25.3 | 33.9 | 40.2 | 26.4 | 32.1 | 38.3 | -4.0 | 5.5 | 4.9 |
| SBI Life* | 58.5 | 71.1 | 83.3 | 59.8 | 72.7 | 85.2 | -2.1 | -2.1 | -2.1 |
| Max Fin* | 20.7 | 25.7 | 30.5 | 21.0 | 25.7 | 30.0 | -1.5 | 0.1 | 1.5 |
| Star Health | 13.9 | 18.4 | 25.0 | 17.0 | 21.3 | 27.4 | -18.0 | -13.6 | -9.0 |
| ICICI Lombard | 50.0 | 56.6 | 74.5 | 50.8 | 60.6 | 77.6 | -1.6 | -6.7 | -4.0 |

Exhibit 3: Total demat accounts surpassed 180m



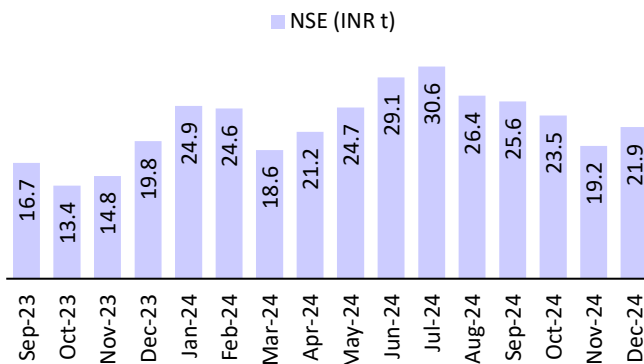
Source: NSDL, CDSL MOFSL

Exhibit 4: BSE's market share in notional turnover improved



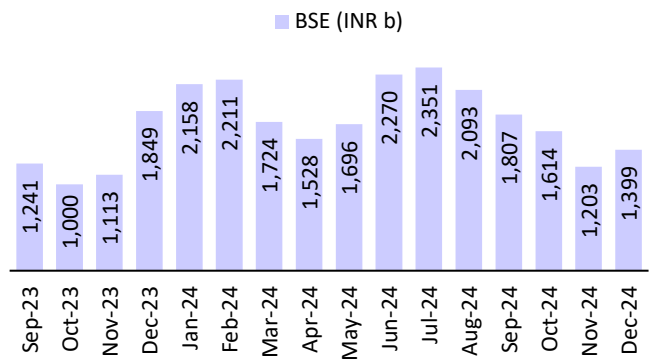
Source: NSE, BSE, MOFSL

Exhibit 5: NSE's cash volumes declining since Jul'24



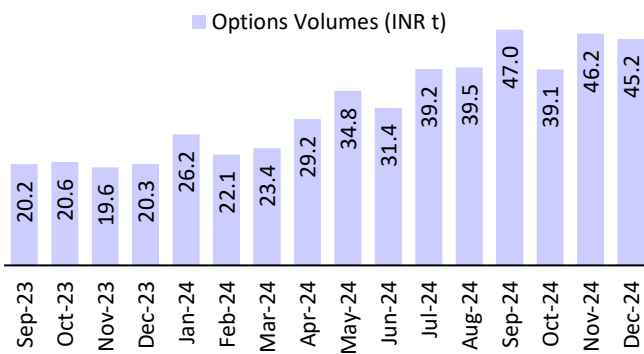
Source: NSE, MOFSL

Exhibit 6: BSE's cash volumes down from the peak



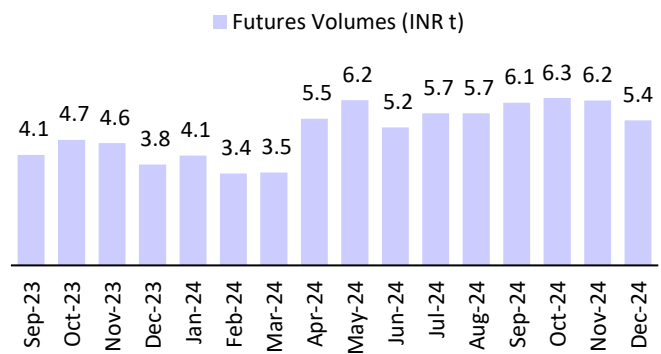
Source: BSE, MOFSL

Exhibit 7: MCX option volumes maintaining momentum



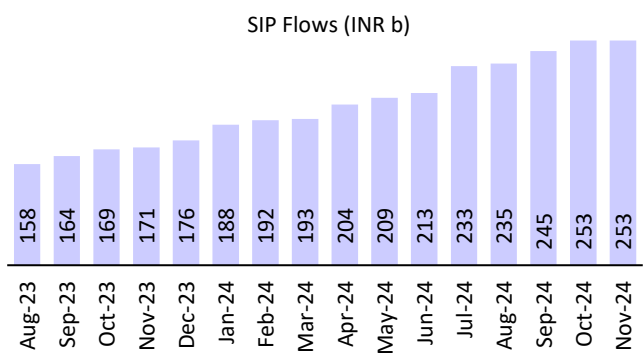
Source: MCX, MOFSL

Exhibit 8: Decline in volumes of MCX futures in Dec'24



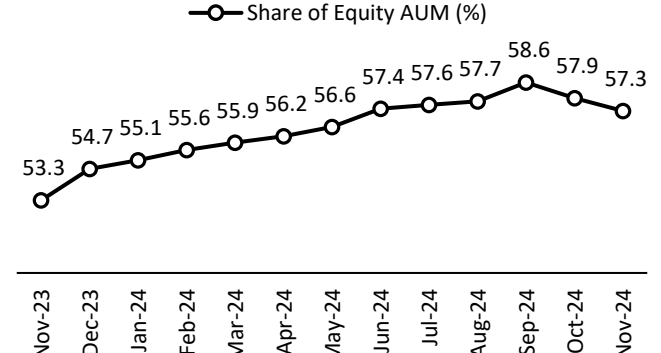
Source: MCX, MOFSL

Exhibit 9: SIP flows continue to achieve new peaks



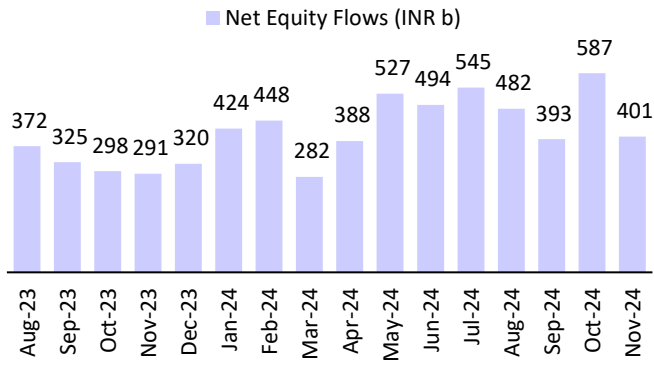
Source: AMFI, MOFSL

Exhibit 10: Share of equity AUM down from the peak



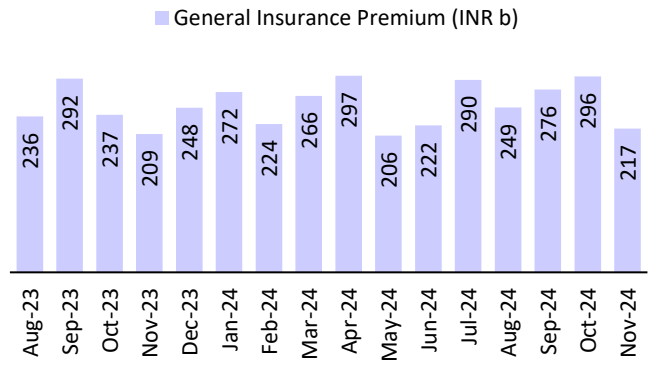
Source: AMFI, MOFSL

Exhibit 11: Net equity flows declined in Nov'24



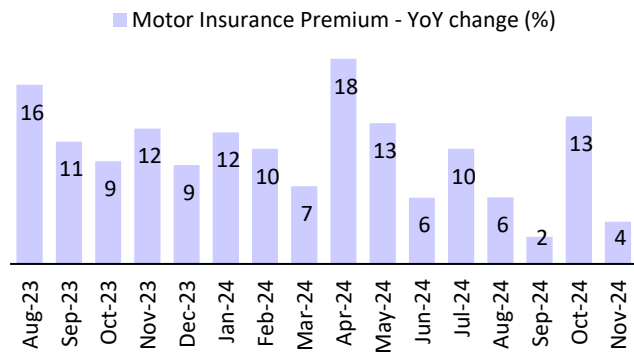
Source: AMFI, MOFSL

Exhibit 12: GI premium impacted by accounting change



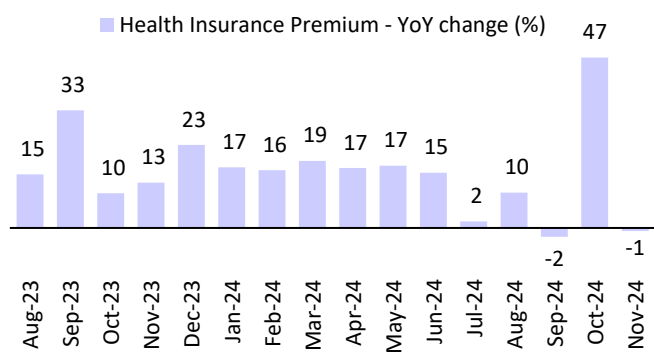
Source: GIC, MOFSL

Exhibit 13: Motor premium growth trend



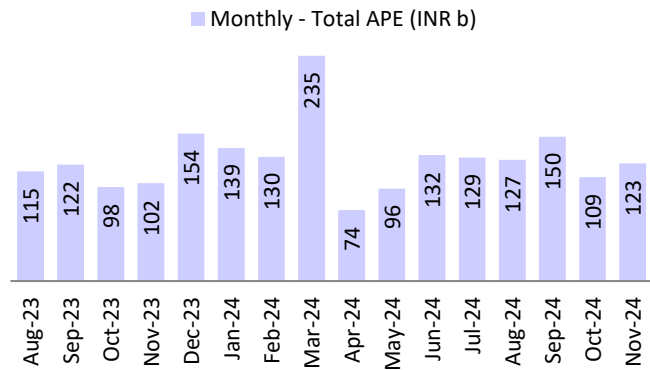
Source: GIC, MOFSL

Exhibit 14: Health segment growth trend



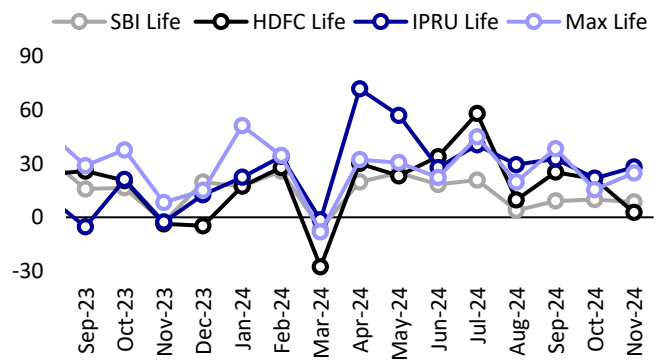
Source: GIC, MOFSL

Exhibit 15: Monthly APE for the life insurance industry



Source: Life Insurance Council, MOFSL

Exhibit 16: Individual APE growth YoY for pvt. listed players



Source: Life Insurance Council, MOFSL

The tables below provide a snapshot of the actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ABSL AMC**Buy****CMP INR837 | TP: INR1,100 (+31%)****EPS CHANGE (%): FY25 | 26: -7.0|-2.2**

- Weak market sentiments likely to impact flows into equity schemes; flattish growth in QAAUM expected.
- Expecting yields to remain stable due to flat AUM growth.
- Cost-to-income ratio likely to remain elevated YoY, largely driven by growth in employee expenses.
- Weak market performance during the quarter to hit other income; expected to decline sequentially.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 3,112 | 3,350 | 3,415 | 3,656 | 3,866 | 4,242 | 4,255 | 4,345 | 13,532 | 16,708 |
| Change YoY (%) | 2.2 | 7.7 | 8.7 | 23.1 | 24.3 | 26.6 | 24.6 | 18.9 | 10.3 | 23.5 |
| Employee Expenses | 774 | 798 | 794 | 842 | 892 | 894 | 913 | 926 | 3,208 | 3,625 |
| Total Operating Expenses | 1,412 | 1,431 | 1,472 | 1,607 | 1,664 | 1,738 | 1,768 | 1,789 | 5,922 | 6,958 |
| Change YoY (%) | 15 | 11 | 12 | 16 | 18 | 21 | 20 | 11 | 13.5 | 17.5 |
| EBITDA | 1,700 | 1,919 | 1,943 | 2,049 | 2,203 | 2,504 | 2,487 | 2,556 | 7,610 | 9,750 |
| EBITDA margin (%) | 54.6 | 57.3 | 56.9 | 56.0 | 57.0 | 59.0 | 58.5 | 58.8 | 56.2 | 58.4 |
| Other Income | 778 | 557 | 795 | 745 | 948 | 958 | 479 | 614 | 2,874 | 2,999 |
| PBT | 2,403 | 2,368 | 2,635 | 2,676 | 3,045 | 3,351 | 2,854 | 3,055 | 10,082 | 12,306 |
| Tax Provisions | 557 | 587 | 542 | 592 | 688 | 928 | 699 | 762 | 2,278 | 3,076 |
| Net Profit | 1,846 | 1,781 | 2,093 | 2,084 | 2,357 | 2,423 | 2,155 | 2,294 | 7,804 | 9,229 |
| Change YoY (%) | 79.4 | -7.1 | 25.9 | 53.7 | 27.7 | 36.1 | 2.9 | 10.1 | 30.8 | 18.3 |

HDFC AMC**Buy****CMP INR4,162 | TP: INR5,200 (+25%)****EPS CHANGE (%): FY25 | 26: -4.0|-0.3**

- Equity AUM to maintain growth momentum backed by improving fund performance.
- Yields likely to decline sequentially but scaling up of AUM to drive revenue growth.
- Consistent cost-to-income ratio with stable growth in operational expenses.
- Weak market performance during the quarter to hurt other income; likely to decline sequentially.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 5,745 | 6,431 | 6,713 | 6,954 | 7,752 | 8,872 | 9,113 | 9,316 | 25,843 | 35,053 |
| Change YoY (%) | 10.1 | 18.1 | 20.0 | 28.6 | 34.9 | 38.0 | 35.7 | 34.0 | 19.3 | 35.6 |
| Employee Expenses | 838 | 929 | 903 | 864 | 1,011 | 959 | 974 | 1,003 | 3,535 | 3,948 |
| Total Operating Expenses | 1,460 | 1,608 | 1,599 | 1,562 | 1,809 | 1,838 | 1,896 | 1,957 | 6,229 | 7,499 |
| Change YoY (%) | 10.6 | 14.7 | 9.2 | 19.8 | 23.9 | 14.3 | 18.5 | 25.3 | 13.5 | 20.4 |
| EBIDTA | 4,285 | 4,822 | 5,114 | 5,393 | 5,944 | 7,034 | 7,217 | 7,359 | 19,615 | 27,554 |
| EBIDTA Margin (%) | 74.6 | 75.0 | 76.2 | 77.5 | 76.7 | 79.3 | 79.2 | 79.0 | 75.9 | 78.6 |
| Other Income | 1,580 | 1,221 | 1,424 | 1,555 | 1,735 | 1,710 | 855 | 1,255 | 5,781 | 5,555 |
| PBT | 5,713 | 5,891 | 6,386 | 6,791 | 7,523 | 8,584 | 7,910 | 8,449 | 24,782 | 32,466 |
| Tax Provisions | 939 | 1,516 | 1,489 | 1,380 | 1,485 | 2,818 | 1,843 | 1,971 | 5,323 | 8,116 |
| Net Profit | 4,775 | 4,376 | 4,897 | 5,411 | 6,038 | 5,766 | 6,067 | 6,479 | 19,459 | 24,349 |
| Change YoY (%) | 52.0 | 20.2 | 32.6 | 43.8 | 26.4 | 31.8 | 23.9 | 19.7 | 36.7 | 25.1 |

Nippon Life India AMC**Buy****CMP INR754 | TP: INR900 (+19%)****EPS CHANGE (%): FY25|26: -4.8|0.0**

- Market share in other schemes (ETFs) has been above 17% for the last seven months.
- AUM growth and stable yields to drive revenue growth for the quarter.
- Scale benefits expected to improve cost-to-income ratio YoY for 3QFY25.
- Significant decline in other income likely due to weak market performance during the quarter.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 3,542 | 3,975 | 4,233 | 4,683 | 5,050 | 5,713 | 5,855 | 6,013 | 16,432 | 22,631 |
| Change YoY (%) | 12.0 | 19.9 | 19.6 | 34.4 | 42.6 | 43.7 | 38.3 | 28.4 | 21.7 | 37.7 |
| Employee Expenses | 780 | 799 | 881 | 886 | 1,051 | 1,069 | 1,075 | 1,088 | 3,346 | 4,284 |
| Total Operating Expenses | 1,517 | 1,561 | 1,642 | 1,775 | 1,886 | 1,969 | 1,995 | 2,034 | 6,495 | 7,884 |
| Change YoY (%) | 11 | 13 | 17 | 27 | 24 | 26 | 22 | 15 | 17.0 | 21.4 |
| EBITDA | 2,024 | 2,414 | 2,592 | 2,908 | 3,164 | 3,744 | 3,860 | 3,979 | 9,937 | 14,746 |
| EBITDA Margin | 57.2 | 60.7 | 61.2 | 62.1 | 62.7 | 65.5 | 65.9 | 66.2 | 60.5 | 65.2 |
| Other Income | 1,169 | 779 | 1,071 | 923 | 1,308 | 1,208 | 604 | 723 | 3,941 | 3,843 |
| PBT | 3,099 | 3,104 | 3,581 | 3,741 | 4,388 | 4,861 | 4,369 | 4,601 | 13,525 | 18,217 |
| Tax Provisions | 746 | 661 | 741 | 315 | 1,066 | 1,261 | 1,114 | 1,168 | 2,462 | 4,609 |
| Net Profit | 2,354 | 2,443 | 2,840 | 3,426 | 3,322 | 3,600 | 3,255 | 3,432 | 11,063 | 13,608 |
| Change YoY (%) | 105.9 | 18.6 | 38.7 | 73.3 | 41.1 | 47.4 | 14.6 | 0.2 | 53.0 | 23.0 |

UTI AMC**Buy****CMP INR1,366 | TP: INR1,600 (+17%)****EPS CHANGE (%): FY25|26: -13.4|-1.0**

- Market share declined across schemes, resulting in marginal AUM growth expectation for 3QFY25.
- Yields anticipated to remain broadly stable sequentially, keeping revenue growth flattish QoQ.
- Scale benefits to improve operational efficiency, resulting in YoY improvement in the cost-to-income ratio.
- Significant decline in other income expected due to weak market performance in 3QFY25.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 2,828 | 2,916 | 2,900 | 3,177 | 3,368 | 3,730 | 3,776 | 3,852 | 11,821 | 14,725 |
| Change YoY (%) | -1.6 | 0.3 | 2.2 | 17.9 | 19.1 | 27.9 | 30.2 | 21.3 | 4.5 | 24.6 |
| Employee Expenses | 1,063 | 1,112 | 1,053 | 1,165 | 1,137 | 1,153 | 1,170 | 1,197 | 4,393 | 4,657 |
| Total Operating Expenses | 1,680 | 1,725 | 1,762 | 1,876 | 1,781 | 1,901 | 1,951 | 2,007 | 7,043 | 7,640 |
| Change YoY (%) | 11.9 | 4.6 | -0.9 | 5.0 | 6.0 | 10.2 | 10.7 | 7.0 | 4.9 | 8.5 |
| EBITDA | 1,148 | 1,191 | 1,138 | 1,301 | 1,587 | 1,829 | 1,825 | 1,844 | 4,778 | 7,085 |
| EBITDA margin (%) | 40.6 | 40.8 | 39.2 | 41.0 | 47.1 | 49.0 | 48.3 | 47.9 | 40.4 | 48.1 |
| Other Income | 1,858 | 1,140 | 1,602 | 1,026 | 1,970 | 1,671 | 418 | 627 | 5,626 | 4,685 |
| PBT | 2,884 | 2,198 | 2,607 | 2,180 | 3,413 | 3,357 | 2,094 | 2,318 | 9,869 | 11,182 |
| Tax Provisions | 540 | 370 | 573 | 365 | 670 | 726 | 482 | 532 | 1,848 | 2,409 |
| Net Profit | 2,344 | 1,828 | 2,034 | 1,815 | 2,743 | 2,631 | 1,612 | 1,787 | 8,020 | 8,773 |
| Change YoY (%) | 148.3 | -9.9 | 236.5 | 111.7 | 17.0 | 43.9 | -20.7 | -1.5 | 80.9 | 9.4 |

360ONE WAM**Buy****CMP INR1,276 | | TP: INR1,450 (+14%)****EPS CHANGE (%): FY25|26: +0.2|+2.4**

- ARR to contribute to overall revenue growth; TBR decline likely to result in sequential dip in revenue.
- Decline in ARR as well as TBR yields to impact overall yields in 3QFY25.
- Cost-to-income ratio is likely to improve YoY due to economies of scale.
- Performance and costs of new business ventures and entry into new geographies will be closely monitored.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Net Revenues | 4,055 | 4,275 | 4,395 | 5,731 | 6,002 | 5,886 | 5,678 | 5,989 | 18,456 | 23,555 |
| Change (%) | 8.2 | 11.8 | 5.9 | 45.8 | 48.0 | 37.7 | 29.2 | 4.5 | 17.9 | 27.6 |
| ARR Assets Income | 3,217 | 3,108 | 3,377 | 3,568 | 3,756 | 3,973 | 4,109 | 4,458 | 13,270 | 16,295 |
| TBR Assets Income | 839 | 1,166 | 1,018 | 2,163 | 2,247 | 1,913 | 1,569 | 1,531 | 5,185 | 7,260 |
| Operating Expenses | 2,103 | 2,144 | 2,315 | 3,002 | 2,649 | 2,992 | 2,973 | 3,111 | 9,565 | 11,725 |
| Change (%) | 25.9 | 19.5 | 24.3 | 62.3 | 25.9 | 39.5 | 28.4 | 3.6 | 33.3 | 22.6 |
| Cost to Income Ratio (%) | 51.9 | 50.2 | 52.7 | 52.4 | 44.1 | 50.8 | 52.4 | 51.9 | 51.8 | 49.8 |
| Operating Profits | 1,952 | 2,130 | 2,080 | 2,729 | 3,354 | 2,893 | 2,705 | 2,878 | 8,891 | 11,830 |
| Change (%) | -6.0 | 4.9 | -9.0 | 31.3 | 71.8 | 35.8 | 30.1 | 5.5 | 4.9 | 33.1 |
| Other Income | 287 | 137 | 271 | 500 | 969 | 298 | 298 | 288 | 1,195 | 1,852 |
| Profit Before Tax | 2,239 | 2,268 | 2,350 | 3,229 | 4,323 | 3,191 | 3,003 | 3,166 | 10,085 | 13,682 |
| Change (%) | 11.0 | 0.5 | 5.3 | 61.4 | 93.1 | 40.7 | 27.8 | -2.0 | 18.6 | 35.7 |
| Tax | 2,239 | 2,268 | 2,350 | 3,229 | 3,447 | 3,191 | 3,003 | 3,166 | 10,085 | 12,806 |
| Tax Rate (%) | 426 | 415 | 410 | 817 | 1,011 | 719 | 661 | 621 | 2,068 | 3,012 |
| PAT | 19.0 | 18.3 | 17.4 | 25.3 | 23.4 | 22.5 | 22.0 | 19.6 | 20.5 | 22.0 |
| Change (%) | 1,813 | 1,853 | 1,940 | 2,412 | 2,435 | 2,472 | 2,342 | 2,544 | 8,018 | 9,794 |
| PAT Margins (%) | 15.6 | 6.3 | 13.1 | 55.2 | 34.3 | 33.4 | 20.7 | 5.5 | 21.8 | 22.2 |

Anand Rathi Wealth**Neutral****CMP INR3,935 | | TP: INR4,500 (+14%)****EPS CHANGE (%): FY25|26: +0.0|+0.0**

- Consistent AUM growth to be driven by equity and non-PP/SP products.
- Yields to maintain the YoY improvement trajectory and to remain stable sequentially.
- Cost-to-income ratio is likely to improve due to economies of scale and operational efficiency.
- RM addition and productivity improvement will be the key growth drivers.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| MF – Equity & Debt | 522 | 625 | 715 | 804 | 890 | 1,057 | 1,099 | 1,151 | 2,666 | 4,197 |
| Distribution of Financial Products | 1,215 | 1,187 | 1,095 | 1,024 | 1,471 | 1,352 | 1,406 | 1,469 | 4,521 | 5,698 |
| Other Operating revenue | 13 | 14 | 14 | 15 | 15 | 15 | 16 | 18 | 56 | 64 |
| Revenue from Operations | 1,750 | 1,826 | 1,824 | 1,843 | 2,376 | 2,424 | 2,522 | 2,637 | 7,243 | 9,959 |
| Change QoQ (%) | 22.4 | 4.3 | -0.1 | 1.0 | 28.9 | 2.0 | 4.0 | 4.6 | 32.0 | 37.5 |
| Operating Expenses | 1,016 | 1,051 | 1,026 | 1,111 | 1,394 | 1,384 | 1,428 | 1,483 | 4,204 | 5,688 |
| Change QoQ (%) | 24 | 3 | -2 | 8 | 25 | -1 | 3 | 4 | 36 | 35 |
| EBIDTA | 734 | 775 | 798 | 732 | 982 | 1,040 | 1,094 | 1,155 | 3,039 | 4,271 |
| Depreciation | 45 | 46 | 50 | 52 | 57 | 61 | 63 | 63 | 194 | 243 |
| Finance Cost | 14 | 16 | 16 | 18 | 14 | 30 | 32 | 35 | 65 | 110 |
| Other Income | 34 | 65 | 48 | 129 | 78 | 72 | 77 | 83 | 276 | 310 |
| PBT | 709 | 778 | 780 | 790 | 990 | 1,021 | 1,076 | 1,140 | 3,057 | 4,227 |
| Change QoQ (%) | 19 | 10 | 0 | 1 | 25 | 3 | 5 | 6 | 34 | 38 |
| Tax Provisions | 177 | 200 | 200 | 221 | 256 | 259 | 280 | 310 | 798 | 1,104 |
| Net Profit | 533 | 577 | 580 | 569 | 734 | 762 | 797 | 831 | 2,259 | 3,124 |
| Change QoQ (%) | 25 | 8 | 0 | -2 | 29 | 4 | 4 | 4 | 34 | 38 |

Nuvama Wealth**Buy****CMP INR6,974 | | TP: INR8,800 (+26%)****EPS CHANGE (%): FY25|26: +0.2|+0.0**

- Wealth and asset management growth expected to remain consistent, offset by decline in capital market income.
- Yields to remain broadly stable sequentially across all business segments.
- Cost-to-income ratio is likely to improve YoY due to economies of scale.
- Expansion strategy and further investment areas to be the key monitorables for future growth.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 4,166 | 4,924 | 5,581 | 5,956 | 6,675 | 7,402 | 7,413 | 7,759 | 20,627 | 29,249 |
| Change YoY (%) | 19.2 | 28.8 | 38.2 | 35.5 | 60.2 | 50.3 | 32.8 | 30.3 | 30.9 | 41.8 |
| Employee expenses | 2,087 | 2,119 | 2,342 | 2,517 | 2,793 | 2,983 | 3,132 | 3,259 | 9,065 | 12,166 |
| Total Operating Expenses | 2,924 | 3,015 | 3,277 | 3,575 | 3,741 | 3,920 | 4,146 | 4,415 | 12,791 | 16,221 |
| Change YoY (%) | 8.3 | 16.1 | 21.1 | 25.0 | 27.9 | 30.0 | 26.5 | 23.5 | 17.7 | 26.8 |
| PBT before associate profit share | 1,242 | 1,909 | 2,304 | 2,381 | 2,934 | 3,482 | 3,267 | 3,345 | 7,836 | 13,027 |
| Change YoY (%) | 56.6 | 55.7 | 72.7 | 55.0 | 136.2 | 82.4 | 41.8 | 40.5 | 60.3 | 66.3 |
| Tax Provisions | 317 | 465 | 545 | 564 | 760 | 902 | 849 | 871 | 1,891 | 3,383 |
| PAT before associate profit share | 925 | 1,444 | 1,759 | 1,817 | 2,174 | 2,580 | 2,418 | 2,473 | 5,945 | 9,644 |
| Change YoY (%) | 70.2 | 56.8 | 68.9 | 55.7 | 135.0 | 78.6 | 37.5 | 36.1 | 61.9 | 62.2 |
| Share of profit of associates | 22 | 5 | 3 | -10 | 37 | 0 | 12 | 27 | 20 | 75 |
| Net Profit | 947 | 1,450 | 1,762 | 1,807 | 2,210 | 2,580 | 2,430 | 2,500 | 5,964 | 9,719 |
| Change YoY (%) | 73.7 | 56.5 | 65.9 | 57.2 | 133.5 | 78.0 | 37.9 | 38.4 | 62.8 | 63.0 |
| Key Operating Parameters (%) | | | | | | | | | | |
| Cost to Income Ratio | 70.2 | 61.2 | 58.7 | 60.0 | 56.0 | 53.0 | 55.9 | 56.9 | 62.0 | 55.5 |
| PBT Margin | 29.8 | 38.8 | 41.3 | 40.0 | 44.0 | 47.0 | 44.1 | 43.1 | 38.0 | 44.5 |
| PAT Margin | 22.7 | 29.4 | 31.6 | 30.3 | 33.1 | 34.9 | 32.8 | 32.2 | 28.9 | 33.2 |

Prudent Corporate Advisory**Neutral****CMP INR2,726 | | TP: INR3,200 (+17%)****EPS CHANGE (%): FY25|26: +0.0|+0.0**

- Revenue growth to be driven by the sustained growth momentum in AUM, offset by sequential decline in yields.
- Mix of insurance product distribution likely to improve sequentially.
- Cost-to-income ratio is likely to improve YoY due to economies of scale and remain stable sequentially.
- Growth in SIP and market share accretion will be the key growth drivers.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Commission and Fees Income | 1,644 | 1,886 | 2,084 | 2,376 | 2,477 | 2,845 | 2,907 | 3,102 | 7,990 | 11,331 |
| Other Operating revenue | 10 | 14 | 15 | 21 | 17 | 15 | 15 | 14 | 61 | 62 |
| Revenue from Operations | 1,654 | 1,900 | 2,099 | 2,397 | 2,494 | 2,861 | 2,922 | 3,116 | 8,051 | 11,393 |
| Change YoY (%) | 28.7 | 28.7 | 32.5 | 35.5 | 50.8 | 50.5 | 39.2 | 30.0 | 31.7 | 41.5 |
| Operating Expenses | 1,262 | 1,469 | 1,599 | 1,789 | 1,904 | 2,174 | 2,222 | 2,362 | 6,120 | 8,663 |
| Change YoY (%) | 31.1 | 39.4 | 38.1 | 51.0 | 50.8 | 48.0 | 39.0 | 32.0 | 40.4 | 41.6 |
| EBIDTA | 392 | 432 | 500 | 608 | 590 | 687 | 700 | 753 | 1,932 | 2,730 |
| Depreciation | 59.6 | 61.3 | 63.0 | 64.3 | 62.9 | 67.2 | 67.2 | 67.7 | 248 | 265 |
| Finance Cost | 6.0 | 5.0 | 3.6 | 7.8 | 4.9 | 5.7 | 5.7 | 7.7 | 21 | 24 |
| Other Income | 49 | 41 | 45 | 62 | 70 | 78 | 70 | 70 | 196 | 288 |
| PBT | 375 | 406 | 479 | 598 | 592 | 693 | 697 | 747 | 1,858 | 2,729 |
| Change YoY (%) | 34.1 | 9.6 | 24.4 | 5.6 | 57.9 | 70.6 | 45.7 | 25.1 | 18.5 | 46.9 |
| Tax Provisions | 95.5 | 101.7 | 121.6 | 152.1 | 149.9 | 177.9 | 173.6 | 180.8 | 471 | 682 |
| Net Profit | 279 | 304 | 357 | 446 | 442 | 515 | 524 | 567 | 1,387 | 2,047 |
| Change YoY (%) | 31.4 | 10.0 | 25.1 | 4.6 | 58.3 | 69.2 | 46.7 | 27.2 | 18.9 | 47.5 |

Angel One**Buy****CMP INR3,017 | TP: INR3,800 (+26%)****EPS CHANGE (%): FY25|26: -5.7|-10.6**

- Pace of client addition has moderated in Nov'24 and was the lowest since Jul'23.
- Slowdown in daily order run-rate and F&O/cash volumes; commodity volumes remain strong.
- MTF book expanded at a strong pace and has been stable over the last three months.
- Weak client acquisitions, offset by increased hiring costs, to improve the cost-to-income ratio YoY.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E |
|-------------------------|--------------|--------------|--------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 5,198 | 6,747 | 6,874 | 8,742 | 9,150 | 9,774 | 8,437 | 8,942 | 27,562 | 36,304 |
| Other Income | 1,088 | 1,411 | 1,401 | 1,869 | 1,983 | 2,210 | 1,216 | 1,292 | 5,769 | 6,700 |
| Total Income | 6,286 | 8,158 | 8,275 | 10,611 | 11,133 | 11,984 | 9,653 | 10,234 | 33,331 | 43,004 |
| Change YoY (%) | 22.0 | 46.0 | 43.9 | 64.7 | 77.1 | 46.9 | 16.6 | -3.6 | 45.3 | 29.0 |
| Operating Expenses | 3,230 | 3,974 | 4,635 | 5,856 | 6,940 | 6,007 | 5,080 | 6,043 | 17,695 | 24,069 |
| Change YoY (%) | 21.4 | 49.3 | 75.1 | 114.0 | 114.8 | 51.2 | 9.6 | 3.2 | 65.3 | 36.0 |
| Depreciation | 89 | 112 | 131 | 167 | 226 | 256 | 286 | 316 | 498 | 1,084 |
| PBT | 2,967 | 4,072 | 3,509 | 4,588 | 3,968 | 5,721 | 4,287 | 3,875 | 15,137 | 17,851 |
| Change YoY (%) | 22.3 | 42.5 | 16.1 | 26.9 | 33.7 | 40.5 | 22.2 | -15.5 | 26.9 | 17.9 |
| Tax Provisions | 759 | 1,027 | 907 | 1,188 | 1,041 | 1,487 | 1,114 | 1,007 | 3,881 | 4,650 |
| Net Profit | 2,208 | 3,045 | 2,602 | 3,400 | 2,927 | 4,234 | 3,173 | 2,868 | 11,255 | 13,202 |
| Change YoY (%) | 21.6 | 42.5 | 13.9 | 27.3 | 32.5 | 39.1 | 21.9 | -15.6 | 26.4 | 17.3 |

BSE**BUY****CMP INR5,426 | TP: INR6,500 (20%)****EPS CHANGE (%) FY25|26: -0.3|0.0**

- The best ever premium to notional turnover ratio witnessed in Dec'24, offsetting the adverse impact of volume decline.
- Transaction revenue to witness growth across cash, derivatives, and MF segments.
- Continued momentum with respect to new listings to boost revenue from service to corporates.
- Decline in regulatory and clearing costs, due to a fall in notional turnover, to improve profitability.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 2,156 | 3,145 | 3,717 | 4,885 | 6,077 | 7,463 | 7,589 | 7,635 | 13,903 | 28,765 |
| YoY Change (%) | 15.4 | 59.1 | 82.2 | 115.2 | 181.9 | 137.3 | 104.2 | 56.3 | 70.5 | 106.9 |
| Total Expenditure | 1,455 | 1,814 | 2,796 | 3,923 | 3,239 | 3,573 | 3,385 | 3,179 | 9,988 | 13,376 |
| EBITDA | 701 | 1,331 | 921 | 962 | 2,838 | 3,890 | 4,204 | 4,456 | 3,915 | 15,388 |
| Margins (%) | 32.5 | 42.3 | 24.8 | 19.7 | 46.7 | 52.1 | 55.4 | 58.4 | 28.2 | 53.5 |
| Depreciation | 214 | 227 | 249 | 265 | 240 | 291 | 285 | 306 | 954 | 1,122 |
| Interest | 65 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 65 | 0 |
| Investment Income | 556 | 525 | 598 | 600 | 666 | 727 | 675 | 600 | 2,279 | 2,668 |
| PBT before EO Expense | 977 | 1,629 | 1,271 | 1,297 | 3,265 | 4,325 | 4,594 | 4,750 | 5,174 | 16,934 |
| Exceptional items | 3,657 | 0 | -16 | -17 | 0 | -2 | 0 | 0 | 3,624 | -2 |
| PBT | 4,634 | 1,629 | 1,255 | 1,280 | 3,265 | 4,323 | 4,594 | 4,750 | 8,798 | 16,932 |
| Tax | 371 | 636 | 371 | 470 | 851 | 1,109 | 1,148 | 1,188 | 1,848 | 4,296 |
| Rate (%) | 8 | 39 | 30 | 37 | 26 | 26 | 25 | 25 | 21 | 25 |
| P/L of Asso. Cos. | 119 | 190 | 165 | 244 | 227 | 244 | 245 | 254 | 719 | 970 |
| Reported PAT | 4,382 | 1,184 | 1,049 | 1,054 | 2,642 | 3,458 | 3,690 | 3,816 | 7,668 | 13,606 |
| Adj PAT | 1,018 | 1,184 | 1,060 | 1,064 | 2,642 | 3,459 | 3,690 | 3,816 | 4,326 | 13,607 |
| YoY Change (%) | 995 | 303 | 379 | 19 | -40 | 192 | 252 | 262 | 273 | 77 |
| Margins (%) | 47.2 | 37.6 | 28.5 | 21.8 | 43.5 | 46.3 | 48.6 | 50.0 | 55.2 | 47.3 |

MCX**Neutral****CMP INR6,285 | TP: INR 7,200(+15%)****EPS CHANGE (%): FY25 | 26: -3.7 | 0.0**

- Growth momentum maintained for volumes driven by high volatility in commodity prices.
- Options ADTO increased sequentially to INR2.04t from INR1.94t in 1QFY25.
- Futures ADTO rose sequentially to INR280b from INR270b in 1QFY25.
- Costs are expected to remain stable, while revenue growth will drive margin improvement and profitability.

Quarterly Performance**(INR m)**

| | FY24 | | | | FY25E | | | | FY24 | FY25E |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Sales | 1,458 | 1,651 | 1,915 | 1,811 | 2,344 | 2,856 | 3,180 | 3,337 | 6,835 | 11,717 |
| Y-o-Y Gr. (%) | 34.0 | 29.6 | 33.4 | 35.4 | 60.8 | 73.0 | 66.1 | 84.3 | 33.1 | 71.4 |
| EBITDA | 107 | -287 | -197 | 1,020 | 1,326 | 1,794 | 2,036 | 2,129 | 643 | 7,284 |
| Tax | 58 | 16 | -91 | 205 | 273 | 374 | 432 | 627 | 189 | 1,706 |
| Rate (%) | 21.6 | -9.9 | 68.3 | 19.3 | 19.8 | 19.6 | 20.0 | 27.1 | 18.2 | 22.0 |
| Profit from Associate | -13 | -10 | -11 | 19 | 4 | 4 | 0 | 11 | -15 | 19 |
| PAT | 197 | -191 | -54 | 878 | 1,109 | 1,536 | 1,728 | 1,694 | 831 | 6,068 |
| Y-o-Y Gr. (%) | -53 | -130 | -114 | 1,512 | 464 | -906 | -3,330 | 93 | -44 | 630 |
| EPS (INR) | 3.9 | -3.7 | -1.1 | 17.3 | 21.8 | 30.2 | 34.0 | 33.3 | 16.3 | 119.0 |
| Total Volumes (INR t) | 51.8 | 67.0 | 73.6 | 82.7 | 112.3 | 143.2 | 148.4 | 159.9 | 275.0 | 563.7 |
| Y-o-Y Gr. (%) | 80.7 | 86.3 | 80.6 | 97.1 | 116.8 | 113.8 | 101.6 | 93.4 | 86.7 | 105.0 |

CDSL**Neutral****CMP INR1,809 | TP: INR1,900 (+5%)****EPS CHANGE (%): FY25 | 26: -1.8 | -1.8**

- Weak cash delivery volumes and demat addition to hit revenue. This will be offset by recurring annual issuer charges and sustained IPO momentum.
- Cost structure expected to remain largely stable.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 1,497 | 2,073 | 2,145 | 2,408 | 2,574 | 3,223 | 3,086 | 3,369 | 8,122 | 12,252 |
| Change YoY (%) | 6.8 | 39.2 | 51.9 | 93.0 | 72.0 | 55.4 | 43.9 | 39.9 | 46.3 | 50.8 |
| Employee expenses | 226 | 224 | 237 | 276 | 267 | 314 | 314 | 319 | 963 | 1,215 |
| Other Expenses | 464 | 555 | 593 | 653 | 762 | 910 | 886 | 984 | 2,265 | 3,541 |
| Total Operating Expenses | 690 | 779 | 830 | 929 | 1,029 | 1,225 | 1,200 | 1,302 | 3,229 | 4,756 |
| Change YoY (%) | 7 | 39 | 48 | 68 | 49 | 57 | 45 | 40 | 39.3 | 47 |
| EBITDA | 807 | 1,294 | 1,314 | 1,479 | 1,544 | 1,998 | 1,886 | 2,067 | 4,894 | 7,495 |
| Other Income | 242 | 228 | 215 | 266 | 295 | 362 | 380 | 314 | 950 | 1,352 |
| Depreciation | 58 | 65 | 69 | 80 | 98 | 119 | 122 | 123 | 272 | 462 |
| PBT | 990 | 1,457 | 1,460 | 1,665 | 1,741 | 2,241 | 2,144 | 2,258 | 5,572 | 8,385 |
| Change YoY (%) | 28 | 33 | 46 | 100 | 76 | 54 | 47 | 36 | 50.7 | 50 |
| Tax Provisions | 242 | 358 | 375 | 390 | 405 | 627 | 536 | 587 | 1,365 | 2,155 |
| P&L from associate | -11 | -9 | -10 | 20 | 5 | 6 | 6 | 6 | -11 | 23 |
| Net Profit | 737 | 1,090 | 1,075 | 1,294 | 1,342 | 1,620 | 1,614 | 1,677 | 4,197 | 6,253 |
| Change YoY (%) | 28 | 35 | 44 | 105 | 82 | 49 | 50 | 30 | 52.0 | 49 |

CAMS**Buy****CMP INR5,108 | TP: INR6,000 (+17%)****EPS CHANGE (%): FY25|26: +0.0|+0.0**

- Stable momentum with respect to equity flows during the quarter will drive revenue growth.
- Operational efficiency is likely to improve profitability.
- Yields are expected to remain stable sequentially as share of equity AUM is maintained.
- The contribution from non-MF businesses will be closely tracked, especially AIF/PMS RTA and Insurance Repository.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 2,613 | 2,751 | 2,897 | 3,105 | 3,314 | 3,652 | 3,725 | 3,848 | 11,365 | 14,538 |
| Change YoY (%) | 10.4 | 13.5 | 18.9 | 24.6 | 26.8 | 32.7 | 28.6 | 23.9 | 16.9 | 27.9 |
| Employee Expenses | 950 | 977 | 997 | 1,048 | 1,130 | 1,186 | 1,209 | 1,241 | 3,972 | 4,766 |
| Total Operating Expenses | 1,512 | 1,530 | 1,603 | 1,671 | 1,816 | 1,950 | 1,981 | 2,021 | 6,316 | 7,767 |
| Change YoY (%) | 9.0 | 12.2 | 18.4 | 19.2 | 20.1 | 27.5 | 23.6 | 20.9 | 14.7 | 23.0 |
| EBITDA | 1,101 | 1,221 | 1,294 | 1,433 | 1,498 | 1,702 | 1,744 | 1,827 | 5,049 | 6,771 |
| Other Income | 97 | 96 | 99 | 114 | 117 | 126 | 135 | 144 | 406 | 522 |
| Depreciation | 165 | 174 | 185 | 181 | 170 | 184 | 184 | 185 | 705 | 722 |
| Finance Cost | 20 | 20 | 21 | 21 | 21 | 22 | 22 | 23 | 82 | 88 |
| PBT | 1,012 | 1,124 | 1,187 | 1,346 | 1,424 | 1,622 | 1,673 | 1,763 | 4,668 | 6,483 |
| Change YoY (%) | 16.4 | 15.9 | 21.4 | 36.6 | 40.7 | 44.4 | 41.0 | 31.0 | 22.8 | 38.9 |
| Tax Provisions | 255 | 286 | 302 | 316 | 354 | 414 | 418 | 434 | 1,159 | 1,621 |
| Net Profit | 757 | 838 | 885 | 1,030 | 1,070 | 1,208 | 1,255 | 1,329 | 3,510 | 4,862 |
| Change YoY (%) | 17.1 | 16.2 | 20.3 | 38.5 | 41.3 | 44.2 | 41.8 | 29.1 | 23.3 | 38.5 |

Kfintech**Neutral****CMP INR1,545 | TP: INR1,400 (-9%)****EPS CHANGE (%): FY25|26: +0.0|+0.0**

- Strong equity flows during the quarter will drive AUM and revenue growth.
- Operational efficiency is expected to improve profitability.
- Contribution from non-MF businesses, especially issuer solutions, to further boost revenue growth.

Quarterly Performance**(INR m)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|--------------------------|------------|------------|------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Revenue from Operations | 1,815 | 2,090 | 2,187 | 2,283 | 2,376 | 2,805 | 2,945 | 3,088 | 8,375 | 11,214 |
| Change YoY (%) | 7.6 | 16.0 | 16.3 | 24.7 | 30.9 | 34.2 | 34.7 | 35.2 | 16.3 | 33.9 |
| Employee expenses | 756 | 760 | 831 | 850 | 958 | 1,018 | 1,060 | 1,088 | 3,197 | 4,124 |
| Other Expenses | 355 | 393 | 377 | 387 | 421 | 522 | 533 | 552 | 1,513 | 2,027 |
| Total Operating Expenses | 1,111 | 1,153 | 1,208 | 1,237 | 1,379 | 1,539 | 1,593 | 1,639 | 4,709 | 6,151 |
| Change YoY (%) | 4.6 | 5.7 | 4.8 | 2.4 | 11.4 | 11.6 | 3.5 | 2.9 | | |
| EBITDA | 704 | 937 | 979 | 1,046 | 997 | 1,265 | 1,352 | 1,449 | 3,666 | 5,063 |
| Other Income | 53 | 63 | 64 | 66 | 81 | 105 | 105 | 115 | 247 | 407 |
| Depreciation | 124 | 126 | 134 | 146 | 148 | 165 | 169 | 175 | 530 | 657 |
| Finance Cost | 29 | 32 | 12 | 11 | 12 | 11 | 11 | 13 | 84 | 46 |
| PBT | 604 | 842 | 898 | 955 | 918 | 1,195 | 1,277 | 1,376 | 3,298 | 4,766 |
| Change YoY (%) | 18.0 | 41.5 | 6.6 | 6.4 | -3.8 | 30.1 | 6.9 | 7.8 | 27.7 | 44.5 |
| Tax Provisions | 165 | 223 | 226 | 199 | 237 | 301 | 319 | 343 | 813 | 1,201 |
| Net Profit | 434 | 614 | 668 | 745 | 681 | 893 | 958 | 1,033 | 2,461 | 3,565 |
| Change YoY (%) | 15.9 | 28.1 | 25.2 | 30.6 | 56.9 | 45.5 | 43.3 | 38.7 | 25.7 | 44.9 |

HDFC Life**Buy****CMP: INR617 | TP: INR800(30%)****VNB CHANGE (%): FY25|26: +0.9|+1.0**

- New business premium to maintain growth momentum, driven by the Annuity and Par segments.
- VNB margins are likely to expand QoQ with robust VNB growth.
- Improvement in persistency ratio and commentary on growth outlook are the key monitorables.
- The share of HDFC Bank in the distribution mix and the outlook ahead will be critical monitorables.

Quarterly Performance**(INR b)**

| Policy Holder's A/c | FY24 | | | | FY25 | | | | FY24 | FY25E |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| First Year Premium | 18.5 | 25.7 | 26.8 | 40.1 | 23.6 | 32.5 | 34.5 | 46.8 | 111.1 | 138.0 |
| Growth (%) | 8.4% | 5.9% | -1.7% | -10.1% | 27.4% | 26.8% | 28.7% | 16.5% | -1.9% | 24.2% |
| Renewal Premium | 58.0 | 78.4 | 84.0 | 114.1 | 64.1 | 88.3 | 99.6 | 135.0 | 334.5 | 398.3 |
| Growth (%) | 13.8% | 13.5% | 16.8% | 23.3% | 10.5% | 12.7% | 18.6% | 18.4% | 17.6% | 19.1% |
| Single Premium | 40.2 | 45.4 | 44.5 | 55.2 | 40.4 | 48.4 | 48.1 | 57.7 | 185.2 | 192.3 |
| Growth (%) | 24.0% | 14.7% | -4.6% | -6.6% | 0.6% | 6.8% | 8.0% | 4.5% | 4.3% | 3.8% |
| Gross Premium Inc. | 116.7 | 149.4 | 155.3 | 209.4 | 128.1 | 169.3 | 182.1 | 239.5 | 630.8 | 728.6 |
| Growth (%) | 16.2% | 12.5% | 6.5% | 6.7% | 9.7% | 13.3% | 17.3% | 14.4% | 9.6% | 15.5% |
| Surplus/(Deficit) | 2.1 | 2.3 | 0.6 | 2.7 | 5.6 | 5.1 | 2.3 | 2.5 | 7.8 | 15.6 |
| Growth (%) | 0.9% | -7.2% | -81.4% | -52.3% | 165.7% | 122.6% | 282.1% | -6.9% | -43% | 101.4% |
| PAT | 4.2 | 3.8 | 3.7 | 4.1 | 4.8 | 4.3 | 4.3 | 4.8 | 15.7 | 18.1 |
| Growth (%) | 15.4% | 15.5% | 15.8% | 14.6% | 15.0% | 14.9% | 18.8% | 16.8% | 15.3% | 15.2% |
| Key Metrics (INRb) | | | | | | | | | | |
| New Business APE | 23.3 | 30.5 | 31.9 | 47.3 | 28.7 | 38.6 | 38.7 | 55.2 | 129.6 | 161.2 |
| Growth (%) | 12.8 | 6.8 | -2.1 | -8.4 | 23.1 | 26.7 | 21.2 | 16.7 | -1.0% | 24.3% |
| VNB | 6.1 | 8.0 | 8.6 | 12.3 | 7.2 | 9.4 | 9.7 | 14.1 | 35.0 | 40.3 |
| Growth (%) | 17.8 | 4.0 | -2.2 | -18.3 | 17.7 | 17.1 | 13.0 | 14.0 | -4.7% | 15.1% |
| AUM (INR b) | 2,533 | 2,649 | 2,797 | 2,922 | 3,102 | 3,249 | 3,396 | 3,631 | 2,922 | 3,631 |
| Growth (%) | 18.7 | 17.8 | 19.6 | 22.4 | 22.5 | 22.7 | 21.4 | 24.2 | 22.4% | 24.2% |
| Key Ratios (%) | | | | | | | | | | |
| VNB Margins (%) | 26.2 | 26.2 | 26.8 | 26.1 | 25.0 | 24.3 | 25.0 | 25.5 | 26.3 | 25.0 |

ICICI Prudential Life**Buy****CMP: INR661 | TP: INR840 (27%)****VNB CHANGE (%): FY25|26: -4.0|+5.5**

- New business premium is likely to experience strong YoY growth driven by the group business.
- VNB growth is likely to remain healthy, but margin to dip QoQ owing to the higher share of ULIPs.
- Expense ratio outlook will be the key monitorable.
- Growth in the Non-Linked business is expected to remain healthy and recovery is projected in the Protection business.

Quarterly Performance**(INR b)**

| Policy Holder's A/c | FY24 | | | | FY25E | | | | FY24 | FY25E |
|-----------------------------|-------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| First Year Premium | 10.2 | 15.3 | 15.3 | 29.5 | 15.2 | 20.6 | 32.9 | 31.0 | 70.3 | 99.8 |
| Growth (%) | -1.5% | 5.9% | 11.3% | 11.9% | 48.8% | 34.6% | 114.7% | 5.4% | 8.3% | 41.9% |
| Renewal Premium | 41.6 | 58.9 | 60.8 | 84.3 | 43.3 | 69.9 | 68.2 | 91.5 | 245.6 | 273.0 |
| Growth (%) | 6.8% | 4.4% | 5.7% | 16.6% | 4.3% | 18.6% | 12.3% | 8.6% | 9.0% | 11.2% |
| Single Premium | 21.9 | 30.1 | 26.7 | 37.8 | 24.3 | 30.3 | 32.4 | 42.6 | 116.5 | 129.6 |
| Growth (%) | -5.9% | 7.0% | 0.9% | 20.7% | 10.6% | 0.9% | 21.2% | 12.9% | 6.7% | 11.3% |
| Gross Premium Income | 73.7 | 104.3 | 102.8 | 151.5 | 82.8 | 120.8 | 133.6 | 165.2 | 432.4 | 502.3 |
| Growth (%) | 1.5% | 5.4% | 5.2% | 16.6% | 12.3% | 15.8% | 29.9% | 9.0% | 8.3% | 16.2% |
| PAT | 2.1 | 2.4 | 2.3 | 1.7 | 2.3 | 2.5 | 2.5 | 2.9 | 8.5 | 10.2 |
| Growth (%) | 32.9% | 22.4% | 3.1% | -26.0% | 8.9% | 3.1% | 12.0% | 65.4% | 5.1% | 19.6% |
| Key Metrics (INRb) | | | | | | | | | | |
| New Business APE | 14.6 | 20.6 | 19.1 | 36.2 | 19.6 | 25.0 | 26.0 | 37.6 | 90.5 | 108.2 |
| Growth (%) | -3.9% | 3.2% | 4.7% | 9.6% | 34.4% | 21.4% | 36.2% | 3.9% | 4.7% | 19.6% |
| VNB | 4.4 | 5.8 | 4.4 | 7.8 | 4.7 | 5.9 | 6.0 | 8.8 | 22.3 | 25.3 |
| Growth (%) | -7.0% | -7.1% | -29.4% | -26.4% | 7.8% | 1.6% | 37.0% | 13.0% | -19.5% | 13.7% |
| AUM | 2,664 | 2,719 | 2,867 | 2,942 | 3,089 | 3,205 | 3,349 | 3,512 | 2,942 | 3,512 |
| Growth (%) | 15.8% | 11.3% | 13.8% | 17.1% | 15.9% | 17.9% | 16.8% | 19.4% | 17.1% | 19.4% |
| Key Ratios (%) | | | | | | | | | | |
| VNB Margins (%) | 30.0 | 28.0 | 22.9 | 21.5 | 24.0 | 23.4 | 23.0 | 23.3 | 24.6 | 23.4 |

Max Financial**Neutral****CMP: INR1101 | TP: INR1200 (+7%)****VNB CHANGE (%): FY25|26: -1.5|+0.1**

- New business premium growth sustained in double digits.
- VNB and VNB margin are projected to decline slightly on a sequential basis.
- The proprietary channel is likely to exhibit healthy trends.
- Wallet share with Axis Bank and other bank partners is a key monitorable.

| Policy Holder's A/c (INR b) | FY24 | | | | FY25 | | | | FY24 | FY25E |
|-----------------------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|---------|---------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| First Year Premium | 9.9 | 15.3 | 17.6 | 25.4 | 12.6 | 20.5 | 21.3 | 30.9 | 68.9 | 85.3 |
| Growth (%) | 8.0% | 37.7% | 20.7% | 5.3% | 27.1% | 33.6% | 21.2% | 21.9% | 16.8% | 23.9% |
| Renewal Premium | 30.1 | 42.0 | 46.1 | 66.8 | 33.2 | 47.2 | 53.2 | 75.4 | 185.1 | 212.9 |
| Growth (%) | 15.1% | 7.5% | 14.6% | 14.6% | 10.3% | 12.4% | 15.5% | 12.8% | 13.0% | 15.0% |
| Single Premium | 8.7 | 8.9 | 9.3 | 15.2 | 8.2 | 9.7 | 10.1 | 16.6 | 41.3 | 45.9 |
| Growth (%) | 52.8% | 14.2% | 15.5% | 66.5% | -5.7% | 8.4% | 8.7% | 9.8% | 35.1% | 11.0% |
| Gross Premium Income | 48.7 | 66.3 | 73.0 | 107.4 | 54.0 | 77.4 | 84.7 | 122.9 | 295.3 | 344.2 |
| Growth (%) | 18.7% | 14.2% | 16.1% | 17.3% | 10.8% | 16.8% | 16.0% | 14.5% | 16.5% | 16.5% |
| PAT | 1.0 | 1.6 | 1.5 | -0.5 | 1.6 | 1.4 | 1.6 | 1.8 | 3.6 | 6.3 |
| Growth (%) | 13.2% | 196.2% | -34.9% | -186.4% | 51.4% | -11.2% | 4.1% | -445.5% | -17.8% | 74.8% |
| Key Metrics (INRb) | | | | | | | | | | |
| New Business APE | 11.1 | 16.5 | 18.0 | 28.7 | 14.5 | 21.7 | 20.7 | 33.1 | 73.0 | 89.9 |
| Growth (%) | 10.3% | 38.8% | 18.9% | 13.2% | 30.5% | 31.3% | 15.2% | 15.4% | 17.7% | 23.2% |
| VNB | 2.5 | 4.2 | 4.9 | 8.2 | 2.5 | 5.1 | 4.9 | 8.2 | 19.7 | 20.7 |
| Growth (%) | 16.0% | 11.5% | -17.5% | 6.6% | 2.8% | 23.1% | -0.6% | -0.6% | 1.2% | 4.8% |
| AUM | 1,291.3 | 1,341.6 | 1,426.2 | 1,508.4 | 1,611.5 | 1,701.4 | 1,769.5 | 1,692.7 | 1,508.4 | 1,692.7 |
| Growth (%) | 20.5% | 18.4% | 20.5% | 22.8% | 24.8% | 26.8% | 24.1% | 12.2% | 22.8% | 12.2% |
| Key Ratios (%) | | | | | | | | | | |
| VNB Margins (%) | 22.2 | 25.2 | 27.2 | 28.6 | 17.5 | 23.6 | 23.5 | 24.6 | 31.2 | 23.0 |

SBI Life**Buy****CMP: INR1,401 | TP: INR1,850 (+32%)****VNB CHANGE (%): FY25|26: -2.1|-2.1**

- Growth in the new business premium is expected to remain stable.
- Single-digit VNB growth is anticipated, while margin is likely to remain flattish QoQ.
- Cost leadership is projected to continue.
- Sluggish growth in the SBI channel has been an area of concern, making the outlook in this area crucial.

Quarterly Performance**(INR b)**

| Policy Holder's A/c | FY24 | | | | FY25 | | | | FY24 | FY25E |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| First Year Premium | 26.4 | 46.3 | 56.8 | 45.3 | 31.5 | 49.2 | 64.6 | 52.7 | 174.8 | 195.8 |
| Growth (%) | 3% | 33% | 12% | 11% | 19% | 6% | 14% | 16% | 15% | 12% |
| Renewal Premium | 73.5 | 101.2 | 127.2 | 130.0 | 85.4 | 117.2 | 143.4 | 151.9 | 431.9 | 494.4 |
| Growth (%) | 28% | 11% | 17% | 9% | 16% | 16% | 13% | 17% | 14% | 14% |
| Single Premium | 35.7 | 54.2 | 40.6 | 77.1 | 38.9 | 37.8 | 51.0 | 81.7 | 207.6 | 231.8 |
| Growth (%) | 18% | 35% | 21% | 93% | 9% | -30% | 26% | 6% | 44% | 12% |
| Gross Premium Income | 135.6 | 201.8 | 224.6 | 252.4 | 155.7 | 204.1 | 259.0 | 286.3 | 814.3 | 922.0 |
| Growth (%) | 19% | 21% | 16% | 26% | 15% | 1% | 15% | 13% | 21% | 13% |
| PAT | 3.8 | 3.8 | 3.2 | 8.1 | 5.2 | 5.3 | 5.0 | 9.6 | 18.9 | 25.1 |
| Growth (%) | 45% | 1% | 6% | 4% | 36% | 39% | 56% | 19% | 10% | 33% |
| Key Metrics (INRb) | | | | | | | | | | |
| New Business APE | 30.3 | 52.3 | 61.3 | 53.3 | 36.4 | 53.9 | 66.3 | 60.8 | 197.5 | 220.8 |
| Growth (%) | 4% | 33% | 13% | 17% | 20% | 3% | 8% | 14% | 17% | 12% |
| VNB | 8.7 | 14.9 | 16.8 | 15.1 | 9.7 | 14.5 | 17.9 | 16.4 | 55.5 | 58.5 |
| Growth (%) | -1% | 20% | 11% | 5% | 11% | -3% | 6% | 9% | 9% | 5% |
| AUM | 3,283 | 3,452 | 3,714 | 3,889 | 4,148 | 4,390 | 4,565 | 4,603 | 3,889 | 4,603 |
| Growth (%) | 25% | 22% | 24% | 27% | 26% | 27% | 23% | 18% | 27% | 18% |
| Key Ratios (%) | | | | | | | | | | |
| VNB Margins (%) | 28.8 | 28.5 | 27.4 | 28.3 | 26.8 | 26.9 | 27.0 | 27.0 | 28.1 | 26.5 |

ICICI Lombard**Buy****CMP INR1,808 | TP: INR2,200 (+22%)****EPS CHANGE (%) FY25 | 26: -1.6 | -6.7**

- Slowdown in motor segment and change in accounting for long-term health policies hurt premium growth.
- Change in accounting in the health segment (for long-term policies) will result in elevated expense ratios.
- Claims environment to remain stable YoY and loss ratio improvement expected on a QoQ basis.

Quarterly Performance**(INRb)**

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Net Earned Premium | 38.9 | 43.1 | 43.0 | 43.7 | 45.0 | 50.3 | 48.7 | 49.4 | 168.7 | 193.4 |
| Total Income | 45.4 | 50.5 | 50.0 | 51.6 | 53.5 | 58.5 | 57.6 | 58.5 | 197.5 | 228.2 |
| Change YoY (%) | 14.1 | 12.2 | 14.7 | -1.8 | 17.9 | 15.9 | 15.1 | 13.4 | 9.2 | 15.5 |
| Incurred Claims | 28.8 | 30.5 | 30.1 | 30.0 | 33.3 | 35.9 | 34.1 | 34.3 | 119.4 | 137.6 |
| Total Operating Expenses | 42.1 | 44.5 | 45.9 | 46.0 | 48.5 | 51.9 | 51.4 | 52.3 | 178.5 | 204.1 |
| Change YoY (%) | 14.9 | 11.6 | 12.3 | 15.7 | 15.3 | 16.5 | 12.0 | 13.8 | 13.6 | 14.3 |
| Underwriting Profit | -3.2 | -1.5 | -2.8 | -2.3 | -3.5 | -1.6 | -2.6 | -3.0 | -9.8 | -10.7 |
| Rep Net Profit | 3.9 | 5.8 | 4.3 | 5.2 | 5.8 | 6.9 | 6.3 | 5.6 | 19.2 | 24.6 |
| Claims Ratio | 74.1 | 70.7 | 70.0 | 68.6 | 74.0 | 71.4 | 70.0 | 69.4 | 70.8 | 71.1 |
| Commission Ratio | 12.5 | 17.4 | 18.0 | 19.9 | 15.0 | 17.5 | 18.7 | 19.0 | 17.0 | 17.5 |
| Expense Ratio | 17.2 | 15.8 | 15.5 | 13.7 | 13.3 | 15.6 | 16.0 | 16.5 | 15.5 | 15.3 |
| Combined Ratio | 103.8 | 103.9 | 103.6 | 102.2 | 102.3 | 104.5 | 104.7 | 104.9 | 103.3 | 104.0 |

Star Health**Buy****CMP INR482 | TP: INR560 (+16%)****EPS CHANGE (%) FY25 | 26: -18.0 | -13.6**

- Premium expected to grow in double digits, but to be impacted by change in accounting for long-term policies
- Change in accounting in the health segment (for long-term policies) will result in elevated expense ratios.
- Claims ratio anticipated to improve sequentially.

Quarterly Performance**(INRm)**

| Y/E March | FY24 | | | | FY25 | | | | FY24 | FY25E |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3QE | 4QE | | |
| Net Earned Premium | 30,438 | 32,056 | 32,936 | 33,953 | 35,203 | 37,039 | 37,936 | 39,517 | 1,29,383 | 1,49,695 |
| Total Income | 31,898 | 33,566 | 34,563 | 35,764 | 36,916 | 39,142 | 40,036 | 41,989 | 1,35,790 | 1,58,083 |
| Change YoY (%) | 13.6 | 15.0 | 15.9 | 17.1 | 15.7 | 16.6 | 15.8 | 17.4 | 15.4 | 16.4 |
| Incurred Claims | 19,909 | 22,022 | 22,295 | 21,774 | 23,789 | 26,959 | 26,935 | 26,356 | 85,999 | 1,04,038 |
| Total Operating Expenses | 28,983 | 32,839 | 31,794 | 34,864 | 33,800 | 38,986 | 38,500 | 41,387 | 1,28,480 | 1,52,672 |
| Change YoY (%) | 14.5 | 17.0 | 16.0 | 17.1 | 16.6 | 18.7 | 21.1 | 18.7 | 16.2 | 18.8 |
| Underwriting Profit | 1,454 | -784 | 1,142 | -911 | 1,404 | -1,947 | -564 | -1,870 | 903 | -2,977 |
| Net Profit | 2,879 | 1,253 | 2,896 | 1,423 | 3,189 | 1,113 | 2,178 | 1,697 | 8,450 | 8,178 |
| Claims Ratio | 65.4 | 68.7 | 67.7 | 64.1 | 67.6 | 72.8 | 71.0 | 66.7 | 66.5 | 69.5 |
| Commission Ratio | 13.1 | 13.7 | 11.1 | 14.3 | 13.5 | 13.8 | 13.8 | 14.0 | 13.2 | 13.8 |
| Expense Ratio | 19.3 | 16.8 | 19.0 | 14.4 | 18.1 | 16.4 | 17.6 | 15.0 | 17.0 | 16.6 |
| Combined Ratio | 97.8 | 99.2 | 97.8 | 92.8 | 99.2 | 103.0 | 102.4 | 95.7 | 96.7 | 99.9 |

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

NOTES

| 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 within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:

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