

We hosted the management of HDFC Life in Mumbai on 20-Nov-25, to discuss its performance, growth trajectory, and investor concerns. Vibha Padalkar (MD and CEO), Niraj Shah (CFO), and Kunal Jain (from IR) represented the company. Key highlights: 1) The GST ITC loss impact of ~300bps on VNB margin will be completely mitigated by FY26-exit through product-mix optimization, adjustments to distributor payout, product-design alterations, and cost optimization. 2) While increased affordability (led by GST rate exemption) has resulted in strong growth in the term protection segment, the management expects the supernormal growth to taper off, with rates settling at levels higher than the pre-GST 2.0 levels. 3) Productivity gains will drive growth in the agency channel; the management expects the channel to contribute ~25% of the retail business over the medium to long term. 4) With FY27 margin expected to reach FY25 level, the management is confident of returning to its stated objective of doubling APE-VNB-EV in every 4-4.5 years from FY27.

GST impact mitigation already underway

The management mentioned that the ~300bps impact on VNB margin will be mitigated through product-mix optimization, negotiation with distributors, and improvement in cost-efficiencies. While competitors are in discussions with distributors to negotiate on all product lines and across renewal and new businesses, HDFC Life has negotiated with distributors to share (~50%) the impact of GST ITC loss on new business commissions in certain lines of business. Additionally, a shift in the product mix toward Non-Par and Protection products and improved persistency will aid VNB margin.

Non-Par and Protection products' contribution to increase in H2 product mix

Term protection products saw strong growth of over 50% in recent months on account of GST rate cut. Although the mgmt expects exceptional growth to moderate, the segment is likely to surpass pre-GST 2.0 levels. With a shift toward Non-Par products, the management expects Non-Par and Protection products' contribution to remain higher in the H2 product mix vs H1. The mgmt remains focused on growing the protection segment; however, the impact on the overall product mix will be gradual, given the lower ticket size of protection products vs savings products.

Investments in distribution to continue; agency remains the primary focus

With HDFC Bank contributing ~48% of the APE, the mgmt expects to maintain the counter share near current levels of 65%, with focus on measures to improve profitability. With ~200 branches added in the last 3Y, the mgmt expects improved productivity to drive growth in the agency channel. Further, despite the GST ITC loss impact, the management continues to invest in distribution and technology; it expects agency contribution to inch up to ~25% of the retail business over the medium to long term.

Healthy growth and VNB margin outlook

With the regulatory environment easing, the management expects to get back to doubling key metrics (APE, VNB, EV) over the next 4-4.5 years. Given the impact of GST ITC loss, VNB margin in FY26 will be lower than FY25 level. While investments will continue over FY27, the management expects VNB margins to expand from FY28.

Target Price – 12M	Sep-26
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	11.5

Stock Data	HDFCLIFE IN
52-week High (Rs)	821
52-week Low (Rs)	584
Shares outstanding (mn)	2,156.8
Market-cap (Rs bn)	1,644
Market-cap (USD mn)	18,533
Net-debt, FY26E (Rs mn)	NA
ADTV-3M (mn shares)	3
ADTV-3M (Rs mn)	2,134.7
ADTV-3M (USD mn)	24.1
Free float (%)	49.6
Nifty-50	26,192.2
INR/USD	88.7

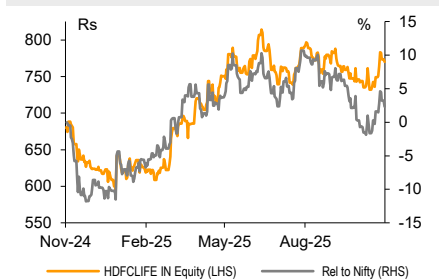
Shareholding, Sep-25

Promoters (%)	50.3
FPIs/MFs (%)	24.8/14.6

Price Performance

(%)	1M	3M	12M
Absolute	2.7	(4.3)	12.0
Rel. to Nifty	1.3	(8.5)	0.6

1-Year share price trend (Rs)



HDFC Life Insurance: Financial Snapshot (Standalone)

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
GWP	630,765	710,449	808,732	936,354	1,086,241
APE	132,910	154,790	174,186	201,513	233,177
VNB	35,010	39,620	43,510	51,750	60,076
VNB margin (%)	26.3	25.6	25.0	25.7	25.8
APE growth (%)	(0.3)	16.5	12.5	15.7	15.7
VNB growth (%)	(4.7)	13.2	9.8	18.9	16.1
Adj. EPS (Rs)	7.4	8.5	9.2	10.5	12.1
EV	474,690	554,310	638,857	737,745	850,276
EVOP	69,210	79,220	86,525	103,014	117,568
Op. RoEV (%)	17.5	16.7	15.6	16.1	15.9
EVPS (INR)	220.7	257.5	296.7	342.7	394.9
P/EV (x)	3.5	3.0	2.6	2.2	1.9
P/EVOP (x)	23.5	20.5	18.8	15.8	13.8

Source: Company, Emkay Research

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Additional Takeaways

- With the GST rate exemption, ULIP returns are expected to improve by ~20-25bps, enhancing overall customer value.
- The management highlighted intensifying competitive dynamics within the Other Banks channel with respect to negotiations with distributors to share the GST ITC loss impact; however, its contribution to overall business remains modest at around 12–13%. Additionally, ULIPs—where the company has already negotiated sharing of the GST ITC loss impact—represent a limited proportion of this channel.
- In the protection segment, higher mortality has been observed in tier-3 markets versus metro regions; however, appropriate pricing has restricted the impact on profitability.
- Persistency levels remain stable overall, though relatively lower in tier 2/3 regions. The company has factored this into pricing models. ULIP's persistency has witnessed improvement over the last 2 years.
- Under IFRS and IndAS frameworks, reported profitability will exceed the level seen under GAAP currently, offering a more accurate reflection of business economics. Based on regulatory discussions, the top 10–15 life insurers are expected to adopt IndAS reporting by FY28.
- In Agency channel, the company has added over 200 branches in the past 3Y, now contributing 8–10% of the business. The management anticipates further share gains as agent productivity strengthens.
- The Insurance Amendment Bill, including the Composite License provision, is expected to be tabled during the Winter Session of the Parliament. If Composite License is approved, the management will evaluate opportunities where it can leverage its existing brand and distribution strength to offer its customers a better value proposition while enhancing its own profitable growth pool.
- The regulator is also exploring 100% FDI in insurance, which would enhance transparency and operational flexibility. The management expects the regulator to nudge unlisted players to adopt disclosure standards aligned with listed peers, promoting a greater market focus on profitability and balanced pricing.
- The management stated that the implementation of the Risk-Based Capital framework is expected to release solvency capital, reducing the likelihood of capital-raising requirements.

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions)

Exhibit 1: Life Insurance Peer Valuation

Company	Unit	HDFC Life				ICICI Prudential Life				Max Financial Services				SBI Life				LIC			
Bloomberg ticker		HDFCLIFE IN				IPRU IN				MAXF IN				SBILIFE IN				LIC IN			
Rating		BUY				ADD				ADD				BUY				ADD			
Current market price	Rs	762				618				1695				2027				908			
Market Capitalisation	Rs bn	1641				894				585				2031				5745			
Market Capitalisation	USD mn	18,923				10,307				6,748				23,426				66,253			
Target price	Rs	850				675				1900				2100				1100			
Upside/Downside	%	11.5				9.2				12.1				3.6				21.1			
Profitability		FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
VNB Margin	%	25.6	25.0	25.7	25.8	22.8	23.4	23.8	24.1	24.0	24.6	24.9	25.2	27.8	27.6	27.9	27.9	17.6	18.6	19.2	19.7
Operating RoEV	%	16.7	15.6	16.1	15.9	13.1	12.4	13.3	13.3	19.1	17.4	17.8	17.5	20.2	17.7	17.4	16.8	11.4	10.8	11.2	11.0
Valuation at CMP		FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
P/EV	x	3.0	2.6	2.2	1.9	1.9	1.7	1.5	1.3	2.9	2.5	2.1	1.8	2.9	2.5	2.1	1.8	0.74	0.67	0.60	0.54
P/EVOP	x	20.5	18.8	15.8	13.8	16.2	15.1	12.5	11.2	19.4	16.5	13.7	11.9	17.2	16.3	14.2	12.6	7.0	6.9	6.0	5.4
Implied P/VNB	x	29.4	25.0	19.4	15.0	19.7	16.2	12.1	8.4	25.1	18.9	14.7	11.1	24.3	19.9	15.9	12.4	-15.3	-17.4	-21.7	-26.0
Implied P/VIF	x	3.8	3.2	2.7	2.2	1.9	1.7	1.5	1.3	3.5	2.9	2.4	2.0	3.5	3.0	2.5	2.1				
P/B	x	10.2	9.3	8.5	7.7	7.5	6.8	6.1	5.5	11.1	10.6	9.9	9.2	12.0	10.5	9.2	8.0	4.6	3.4	2.7	2.2
P/E	x	90.3	81.7	72.3	62.2	75.3	65.7	58.1	50.8	178.8	223.9	159.8	132.1	84.1	74.3	65.5	57.7	11.9	10.9	10.1	9.2
P/AUM	x	0.49	0.43	0.38	0.33	0.29	0.28	0.26	0.25	0.41	0.37	0.32	0.28	0.45	0.40	0.35	0.31	0.10	0.10	0.09	0.08
Per-share data		FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
EV	Rs	257.5	296.7	342.7	394.9	331.8	372.1	420.7	475.2	584.0	685.6	807.7	946.3	701.2	821.5	962.1	1121.4	1228.3	1358.3	1510.8	1675.3
EVOP	Rs	37.1	40.5	48.2	55.1	38.1	41.1	49.4	55.5	87.6	102.9	123.7	143.1	117.6	124.2	142.7	161.2	130.6	132.2	151.6	166.7
VNB	Rs	18.4	20.2	24.0	27.9	16.4	17.7	20.4	23.5	49.5	58.9	68.6	79.8	59.4	66.6	76.0	85.8	15.8	18.3	20.7	23.2
VIF	Rs	181.8	214.2	252.3	295.4	331.8	372.1	420.7	475.2	449.2	543.8	656.1	785.4	523.4	614.7	727.1	853.9	1038.1	1102.9	1180.5	1264.8
Book Value	Rs	74.9	81.8	89.7	98.8	82.6	91.0	100.6	111.6	152.8	160.4	171.0	183.9	169.5	192.5	220.7	253.1	199.5	264.7	339.6	419.9
Earnings	Rs	8.4	9.3	10.5	12.2	8.2	9.4	10.6	12.2	9.5	7.6	10.6	12.8	24.1	27.3	30.9	35.2	76.1	83.3	89.9	98.3
AUM	Rs	1,562	1,776	2,026	2,320	2,133	2,232	2,357	2,512	4,109	4,626	5,257	5,985	4,489	5,082	5,777	6,558	8,661	9,362	10,014	10,731
Key parameters		FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
APE	Rs bn	154.8	174.2	201.5	233.2	104.1	109.2	124.2	140.5	87.8	102.0	117.3	134.9	214.2	242.1	273.0	307.9	568.3	623.8	682.1	744.0
VNB	Rs bn	39.6	43.5	51.7	60.1	23.7	25.5	29.5	33.9	21.1	25.1	29.2	34.0	59.5	66.8	76.1	86.0	100.1	116.0	131.1	146.8
EVOP	Rs bn	79.2	86.5	103.0	117.6	55.3	59.7	71.7	80.6	37.3	43.8	52.7	60.9	117.8	124.5	142.9	161.5	826.2	836.4	959.0	1,054.6
EV	Rs bn	554.3	638.9	737.7	850.3	479.5	538	608	687	251.9	296	348	408	702.5	823	964	1,123	7,769	8,591	9,556	10,596
Net Worth	Rs bn	161.3	176.2	193.1	212.7	119.3	131.6	145.4	161.2	52.7	55.4	59.0	63.5	169.9	192.9	221.2	253.7	1,262	1,674.4	2,148.1	2,655.9
Net Profit	Rs bn	18.0	19.9	22.5	26.1	11.9	13.6	15.4	17.6	4.0	3.3	4.6	5.6	24.1	27.3	31.0	35.2	481.5	526.6	568.6	621.5
AUM	Rs bn	3,363	3,824	4,362	4,994	3,083	3,226	3,407	3,630	1,751	1,971	2,240	2,550	4,499	5,093	5,790	6,572	54,784	59,213	63,340	67,871
Growth YoY		FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
APE	%	16.5	12.5	15.7	15.7	15.0	4.9	13.7	13.2	18.1	16.2	15.0	15.0	8.6	13.0	12.8	12.8	-0.2	9.8	9.4	9.1
VNB	%	13.2	9.8	18.9	16.1	6.4	7.8	15.6	14.9	6.8	19.1	16.4	16.4	7.2	12.2	14.0	13.0	4.5	15.9	13.0	11.9
EVOP	%	14.5	9.2	19.1	14.1	10.3	7.8	20.2	12.3	13.6	17.5	20.2	15.7	17.1	5.6	14.9	13.0	23.4	1.2	14.7	10.0
EV	%	16.8	15.3	15.5	15.3	13.3	12.2	13.1	13.0	29.2	17.4	17.8	17.2	20.6	17.1	17.1	16.6	6.8	10.6	11.2	10.9
Net Worth	%	10.1	9.3	9.6	10.2	8.4	10.3	10.5	10.9	36.4	5.0	6.6	7.5	13.9	13.6	14.7	14.7	54.0	32.7	28.3	23.6
Net Profit	%	14.9	10.5	13.0	16.2	39.4	14.6	13.1	14.4	2.8	-17.8	39.6	20.7	27.4	13.3	13.4	13.6	18.4	9.4	8.0	9.3
AUM	%	15.1	13.7	14.1	14.5	5.2	4.7	5.6	6.6	16.1	12.6	13.6	13.9	14.8	13.2	13.7	13.5	6.8	8.1	7.0	7.2

Source: Company, Emkay Research

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions)

Exhibit 2: HDFC Life – H1/Q2FY26 Financial Performance

(Rs bn)	H1FY26	H1FY25	YoY %	H1FY26E	Var %	Consensus	Var %	Q2FY26	Q2FY25	YoY %	Q2FY26E
APE	74.1	67.2	10.2	74.3	-0.3	74.8	-0.9	41.9	38.6	8.6	41.9
--o/w Savings	63.8	58.5	9.0					36.2	33.9	6.8	
--o/w Protection	10.4	8.7	18.7					5.7	4.7	21.3	
Protection APE (% of total APE)	14.0	13.0	1.0ppts					13.6	12.2	1.4ppts	
Value of New Business	18.2	16.6	9.8	18.1	0.2	18.3	-0.7	10.1	9.4	7.6	10.1
New Business Margin (%)	24.5	24.6	-0.1ppts	24.4	0.1ppts	24.5	0.0ppts	24.1	24.3	-0.2ppts	24.1
Embedded Value	595.4	521.1	14.2	594.2	0.2						
EV Operating Profit	39.8	36.5	9.0								
Operating RoEV (%)	15.8	17.4	-1.6ppts								
New Business Premium (NBP)	162.2	145.0	1.9					89.5	81.0	10.5	
Renewal premium	179.4	152.4	17.6					103.4	88.3	17.1	
Gross written premium	341.6	297.4	9.6					192.9	169.3	13.9	
PAT	9.9	9.1	9.1	10.3	-3.4			4.5	4.3	3.3	
AUM	3,600	3,249	10.8	3,708	-2.9						
Solvency ratio (%)	175	181	-6.0ppts								

Source: Company, Emkay Research

Exhibit 3: Appraisal methodology-based valuation for HDFC Life

Parameter (Rs bn)	Value
FY25-40E APE CAGR	11.7%
FY25-40E VNB CAGR	11.6%
Terminal growth rate	5.0%
Cost of Equity	13.0%
FY26E EV	639
Present value of future VNB	1,103
Appraisal Value - Mar-26E	1,734
Share count (mn)	2,153
Appraisal value per share - Mar-26E (Rs)	805
Price target Sep-26E (Rs)	850

Source: Company, Emkay Research

Exhibit 4: Implied valuation multiple for HDFC Life

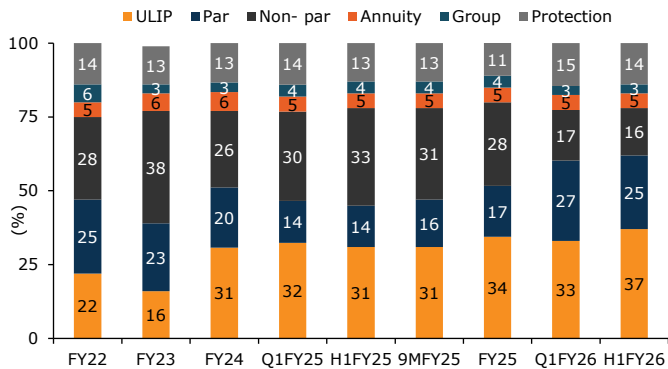
Target price multiple on FY27 estimates	Rs850
P/EV	2.5x
RoEV (%)	16.1
P/EVOP	17.5x
Implied FY27E VNB multiple	23.0x
Current price multiple on FY27 estimates	Rs762
P/EV	2.2x
RoEV (%)	16.1
P/EVOP	15.7x
Implied FY27E VNB multiple	19.4x

Source: Company, Emkay Research

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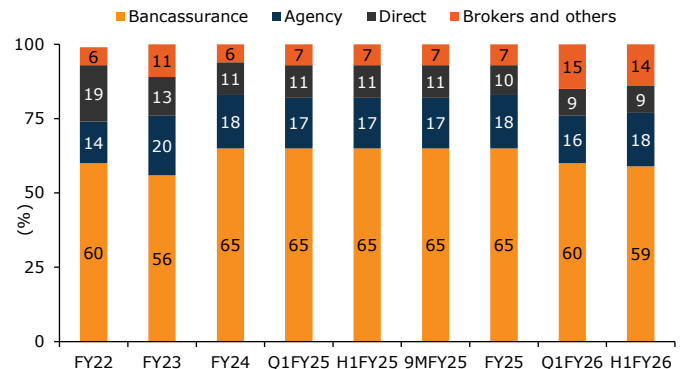
Story In Charts

Exhibit 5: Share of ULIP increased to 37%, while contribution of the Protection segment inched up by 1%



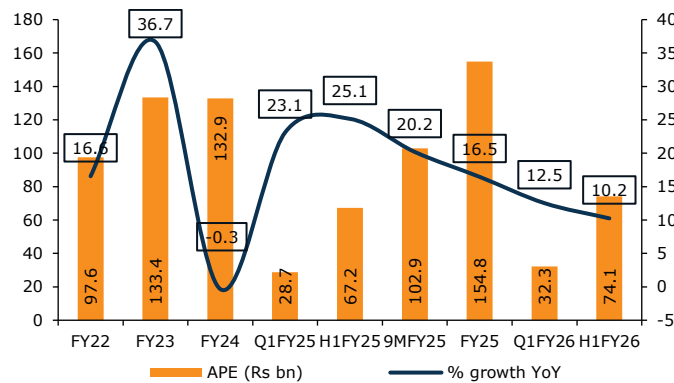
Source: Company, Emkay Research

Exhibit 6: Banca remains the top contributor to the channel mix



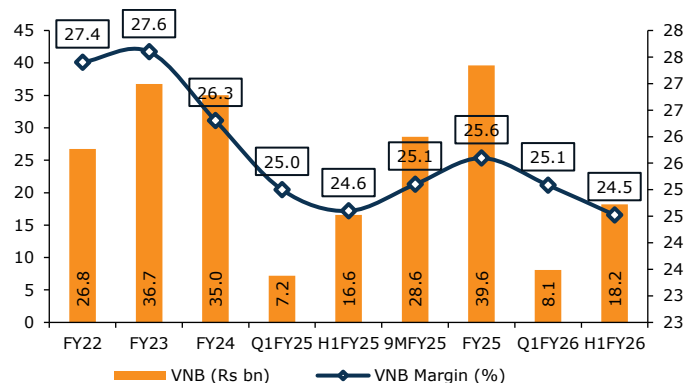
Source: Company, Emkay Research; Note: During Q1FY26, the company merged Brokers and Non-Bank Corporate Agents - now called Non-Bank Alliances

Exhibit 7: HDFC Life reported 10.2% growth in APE during H1FY26



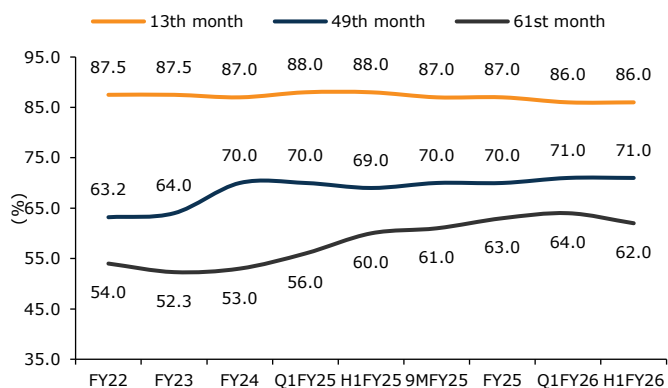
Source: Company, Emkay Research

Exhibit 8: HDFC Life has seen largely stable VNB margins on a YoY basis



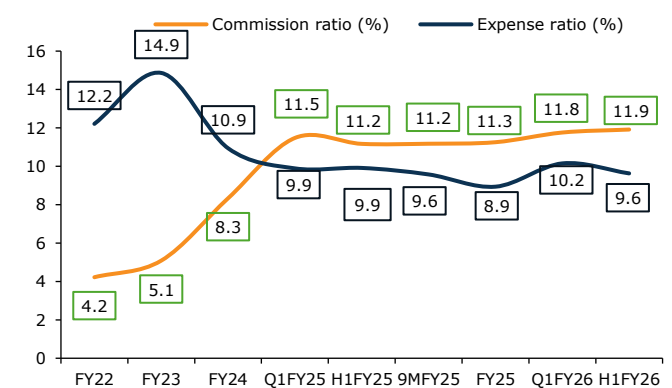
Source: Company, Emkay Research

Exhibit 9: The 13M persistency fell YoY, while the 61M persistency saw YoY improvement



Source: Company, Emkay Research

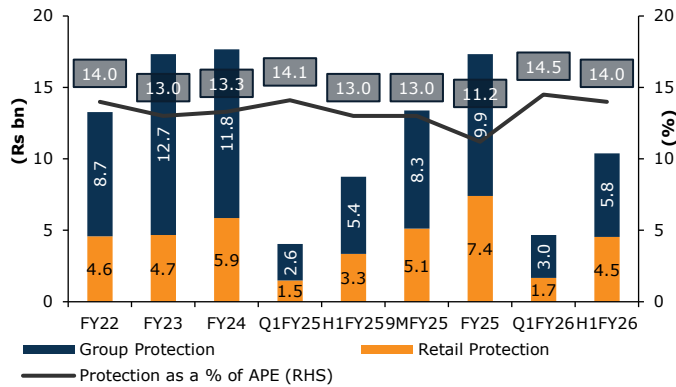
Exhibit 10: Expense ratios have been broadly stable YoY



Source: Company, Emkay Research

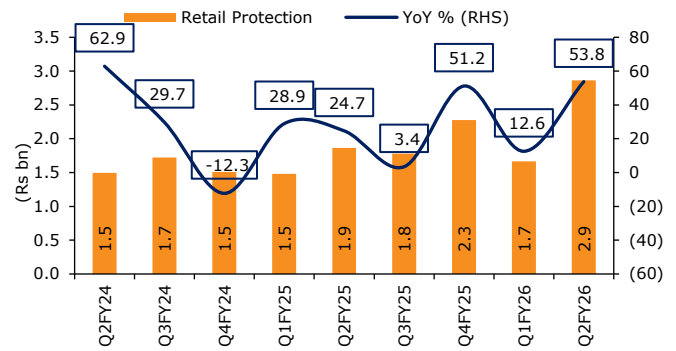
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Exhibit 11: Contribution of Protection in the product mix increased marginally on a YoY basis



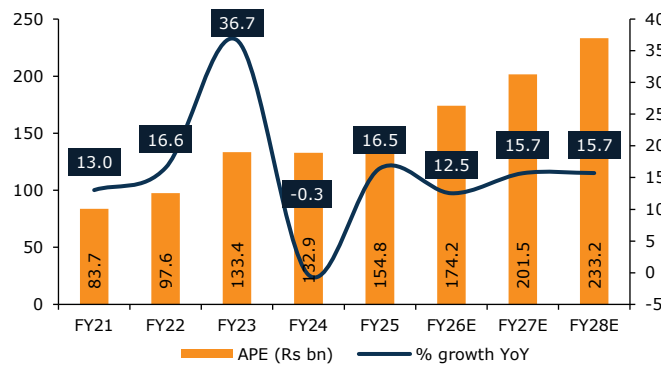
Source: Company, Emkay Research

Exhibit 12: Retail Protection saw strong, 54% YoY, growth during Q2FY26



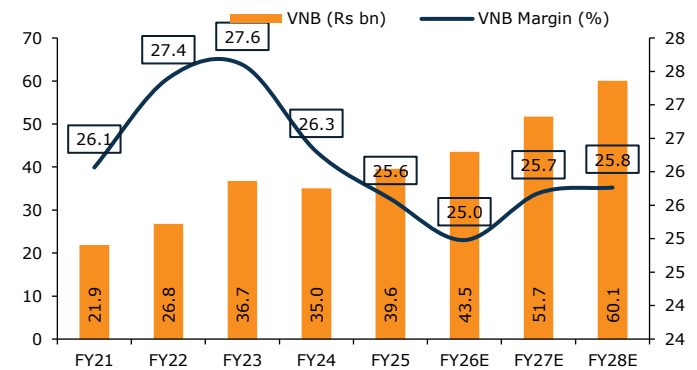
Source: Company, Emkay Research

Exhibit 13: We expect HDFC Life to deliver ~13% APE growth in FY26E



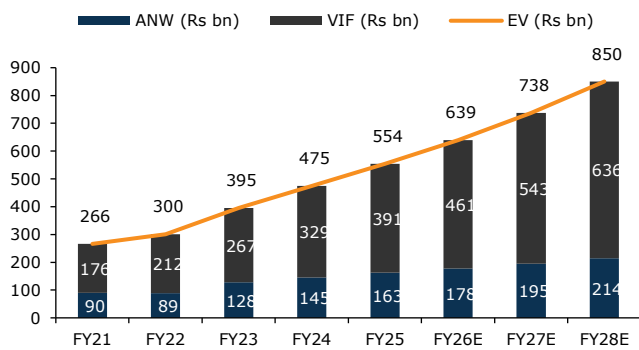
Source: Company, Emkay Research

Exhibit 14: We expect VNB margin to remain in the 25-26% range over FY26-28E



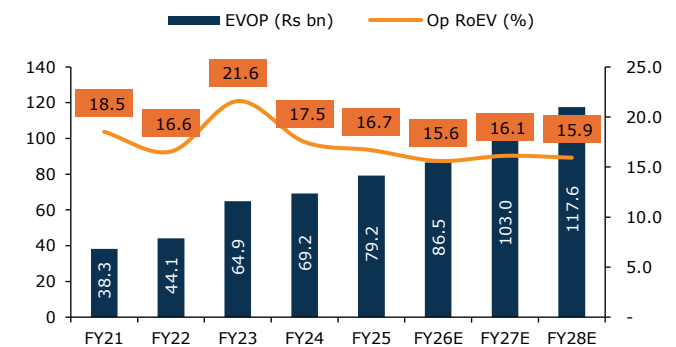
Source: Company, Emkay Research

Exhibit 15: HDFC Life is expected to deliver EV of Rs850bn by FY28E



Source: Company, Emkay Research

Exhibit 16: HDFC Life's RoEV is expected to remain at ~16%



Source: Company, Emkay Research

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HDFC Life Insurance: Standalone Financials and Valuations

Profit & Loss					
Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Gross premium	630,765	710,449	808,732	936,354	1,086,241
Net premium	619,592	696,161	792,468	917,524	1,064,396
Investment income	383,543	259,453	276,073	315,174	360,989
Other income	4,608	3,834	1,505	1,405	1,305
Total revenue	1,007,743	959,448	1,070,046	1,234,103	1,426,691
Commission expense	52,563	78,353	89,192	102,285	117,520
Operating expense	69,011	62,218	69,819	79,992	91,818
Benefits paid (net)	396,965	393,459	453,540	516,866	590,982
Change in reserves	484,194	415,156	445,684	521,632	611,777
Total expenses	999,991	949,019	1,057,108	1,219,470	1,410,583
Surplus/Deficit	7,751	10,430	12,938	14,633	16,107
Trf from policyholders acct	7,991	9,968	12,365	13,985	15,394
Shareholders' results	7,647	8,693	8,379	9,457	11,844
PBT	15,638	18,661	20,744	23,442	27,238
Extraordinary items	-	-	-	-	-
Tax expense	(50)	640	830	938	1,090
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
Reported PAT	15,689	18,021	19,914	22,505	26,149
PAT growth (%)	15.3	14.9	10.5	13.0	16.2
Adjusted PAT	15,689	18,021	19,914	22,505	26,149
Diluted EPS (Rs)	7.3	8.4	9.3	10.5	12.2
Diluted EPS growth (%)	15.3	14.9	10.5	13.0	16.2
DPS (Rs)	1.9	2.0	2.3	2.6	3.1
Dividend payout (%)	26.0	23.9	25.0	25.0	25.0
Effective tax rate (%)	(0.3)	3.4	4.0	4.0	4.0
Shares outstanding (mn)	2,151	2,153	2,153	2,153	2,153

Source: Company, Emkay Research

Miscellaneous Metrics

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
APE	132,910	154,790	174,186	201,513	233,177
VNB	35,010	39,620	43,510	51,750	60,076
VNB margin (%)	26.3	25.6	25.0	25.7	25.8
APE growth (%)	(0.3)	16.5	12.5	15.7	15.7
VNB growth (%)	(4.7)	13.2	9.8	18.9	16.1
Operating ratios (%)					
NB commission/APE	35.6	41.7	41.3	41.0	40.8
Commissions/TWRP	11.3	14.9	14.9	14.9	15.0
Total exp ratio/TWRP	26.2	26.7	26.5	26.6	26.7
Conservation ratio	84.1	84.6	85.0	85.0	85.0
Solvency ratio	187.0	194.0	192.0	190.0	190.0
ROE	11.4	11.7	11.8	12.2	12.9

Historical metrics

APE mix (%)	FY24	FY25	FY26E	FY27E	FY28E
A. Retail protection	4.4	4.8	0	0	0
B. Group protection	8.9	6.4	0	0	0
C. Savings - individual	0	0	0	0	0
Par	20.3	17.3	0	0	0
Non-Par	32.4	33.3	0	0	0
ULIP	30.8	34.4	0	0	0
D. Group Savings	3.2	4.0	0	0	0
Persistency ratios (%)	-	-	-	-	-
13th Month	87.0	87.0	0	0	0
49th Month	70.0	70.0	0	0	0

Source: Company, Emkay Research

Balance Sheet					
Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	21,509	21,530	21,530	21,530	21,530
Reserves & Surplus	125,008	139,720	154,655	171,534	191,145
Net worth	146,517	161,256	176,185	193,064	212,675
Borrowings	9,500	29,500	31,000	31,000	31,000
Policy liabilities	1,753,488	2,107,778	2,533,243	3,039,109	3,640,046
Provision for linked liab	921,145	977,434	1,106,861	1,256,460	1,429,626
FFA	12,115	12,576	13,149	13,797	14,510
Current liab and provision	86,665	94,842	110,396	130,206	153,452
Total liabilities & Equity	2,937,293	3,395,342	3,858,027	4,397,185	5,029,287
Shareholders' Investment	148,819	183,863	200,885	220,130	242,491
Policyholder Investment	1,817,966	2,162,671	2,464,633	2,818,052	3,232,547
Assets to cover linked liab.	955,416	1,016,282	1,158,180	1,324,258	1,519,038
Current assets	79,739	98,724	112,178	127,854	146,234
Total Assets	2,937,293	3,395,342	3,858,027	4,397,185	5,029,287
BV/Share (INR)	68.1	74.9	81.8	89.7	98.8
EV/share (INR)	220.7	257.5	296.7	342.7	394.9
EVOP/share (INR)	32.4	37.1	40.5	48.2	55.1
Embedded value	474,690	554,310	638,857	737,745	850,276
ANW	145,300	162,830	177,759	194,638	214,249
VIF	329,390	391,480	461,098	543,107	636,027
VIF share in EV (%)	69.4	70.6	72.2	73.6	74.8
Total AUM	2,922,201	3,362,815	3,823,698	4,362,441	4,994,076
Investment yield (%)	14.8	8.6	8.0	8.0	8.1
Yield on PH funds (%)	15.3	8.7	8.1	8.1	8.1
Yield on SH funds (%)	7.2	6.8	6.3	6.3	6.8

Source: Company, Emkay Research

Valuation & key ratios

Y/E March (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	103.7	90.3	81.7	72.3	62.2
P/B (x)	11.2	10.2	9.3	8.5	7.7
P/EV (x)	3.5	3.0	2.6	2.2	1.9
P/EVOP (x)	23.5	20.5	18.8	15.8	13.8
Implied P/VNB (x)	33.3	27.4	23.0	17.5	13.2
Dividend yield (%)	0.3	0.3	0.3	0.3	0.4
EV accounting and RoEV					
Opening EV	395,280	474,690	554,310	638,857	737,745
Premium unwind	32,400	38,400	44,287	49,764	55,991
VNB	35,010	39,620	43,510	51,750	60,076
Operating variance	1,800	1,200	(1,272)	1,501	1,501
EVOP	69,210	79,220	86,525	103,014	117,568
Investment variance	13,500	3,600	3,000	1,500	1,500
Capital movement	(3,300)	(3,200)	(4,979)	(5,626)	(6,537)
Other changes	0	0	0	0	0
Closing EV	474,690	554,310	638,857	737,745	850,276
Change in EV	79,410	79,620	84,547	98,888	112,531
RoEV (%)	17.5	16.7	15.6	16.1	15.9
Operating RoEV (%)	17.5	16.7	15.6	16.1	15.9
EVOP growth (%)	6.6	14.5	9.2	19.1	14.1
EV growth (%)	20.1	16.8	15.3	15.5	15.3
Core operating RoEV (%)	17.5	16.7	15.6	16.1	15.9
Unwind rate (%)	8.2	8.1	8.0	7.8	7.6
VNB-to-opening EV (%)	8.9	8.3	7.8	8.1	8.1

Source: Company, Emkay Research

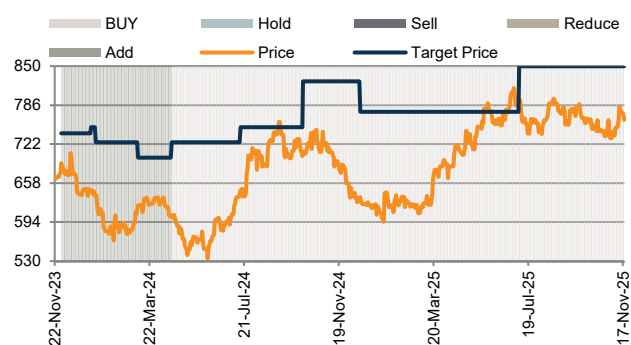
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RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
10-Nov-25	751	850	Buy	Avinash Singh
16-Oct-25	743	850	Buy	Avinash Singh
09-Oct-25	754	850	Buy	Avinash Singh
06-Oct-25	763	850	Buy	Avinash Singh
23-Sep-25	775	850	Buy	Avinash Singh
09-Sep-25	761	850	Buy	Avinash Singh
08-Sep-25	754	850	Buy	Avinash Singh
21-Aug-25	795	850	Buy	Avinash Singh
19-Aug-25	794	850	Buy	Avinash Singh
08-Aug-25	762	850	Buy	Avinash Singh
16-Jul-25	756	850	Buy	Avinash Singh
11-Jul-25	759	850	Buy	Avinash Singh
07-Jul-25	789	850	Buy	Avinash Singh
09-Jun-25	760	775	Buy	Avinash Singh
14-May-25	742	775	Buy	Avinash Singh
09-May-25	714	775	Buy	Avinash Singh
24-Apr-25	708	775	Buy	Avinash Singh
18-Apr-25	720	775	Buy	Avinash Singh
03-Apr-25	693	775	Buy	Avinash Singh
12-Feb-25	629	775	Buy	Avinash Singh

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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