

**BUY**

TP: Rs 850 | ▲ 33%

**HDFC LIFE**

| Insurance

| 12 January 2024

### Muted quarter; clear growth roadmap a positive

- 9MFY24 growth low but management’s clear roadmap for growth raises confidence on medium-term prospects
- ULIP share continues to increase in the APE mix; non-par business remained stable
- TP revised to Rs 850 (vs. Rs 822) as we raise FY24-FY26 EV estimates by ~3% each; maintain BUY

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**APE growth sluggish...:** HDFC Life’s individual and overall APE grew at a muted 6%/5% YoY as at end-9MFY24. Further, individual APE market share slipped from 16% in FY23 to 14% at end-Q3FY24, though the company retained its #2 rank among private peers. On the positive side, management indicated that it has rolled out new products, seen strong growth in tier-2/3 cities (<Rs 0.5mn premium paying customers), and continues to register a higher share of 60%+ in the HDFC Bank distribution channel.

**...but expect pick up from Q4:** We expect higher growth from Q4FY24 onwards due to management’s targeted growth strategy of (i) expanding in tier-2/3 markets, (ii) adding new banking partnerships where APE growth is historically 30-40% in the first 15 months of onboarding, (iii) hiring new agents, (iv) driving growth in sub-Rs 0.5mn policies (+17% YoY in 9M), and (v) maintaining a balanced product mix which should hold the company in good stead when market exuberance subsides.

**ULIP business gains traction; non-par stable:** Owing to the buoyant equity markets, the share of ULIPs in APE has risen from 16% in FY23 to 24% in H1FY24 and 27% in 9MFY24. Non-par APE was stable at 24% in 9MFY24 but showed a decline compared to FY23. The share of protection plans fell from 17% in H1FY24 to 15% in 9M but has increased from 13% in FY23.

**Stable VNB margin:** HDFC Life generated VNB of Rs 22.7bn (+5% YoY) with a stable margin of 26.5% at end-9M and retained guidance of staying margin-neutral by FY24-end. We continue to factor in a VNB margin of 26.5% for FY24 but expect FY25 to have a margin of 27% (vs. 26.5% earlier), with a similar level in FY26. We now pencil in a 12% VNB CAGR over FY23-FY26 to Rs 52bn and a 13% APE CAGR to Rs 188bn.

**Maintain BUY:** HDFC Life is trading at 2.1x FY26E P/EV. We continue to value the stock at 2.8x FY26E P/EV– a 30% discount to the long-term mean – while raising our FY24-FY26 embedded value (EV) estimates by ~3% each to bake in the strong economic variance seen this quarter. This yields a higher TP of Rs 850 (vs. Rs 822). We maintain BUY given robust demand in tier-2/3 markets, rising market share in the HDFC Bank channel and new distribution partnerships.

### Key changes

Target	Rating
▲	◀▶

Ticker/Price	HDFCLIFE IN/Rs 638
Market cap	US\$ 16.6bn
Free float	48%
3M ADV	US\$ 23.9mn
52wk high/low	Rs 711/Rs 458
Promoter/FPI/DII	52%/26%/8%

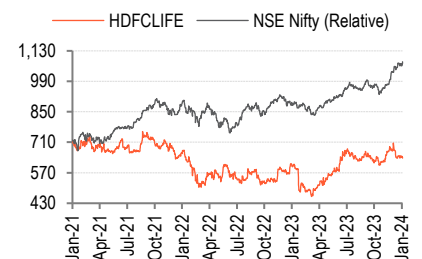
Source: NSE | Price as of 12 Jan 2024

### Key financials

Y/E 31 Mar	FY23A	FY24E	FY25E
NBP (Rs mn)	2,90,851	3,26,323	3,71,049
APE (Rs mn)	1,33,400	1,44,107	1,65,134
VNB (Rs mn)	36,818	38,188	44,586
Embedded Value (Rs mn)	3,94,988	4,75,439	5,54,723
VNB margin (%)	27.6	26.5	27.0
EVPS (Rs)	185.0	222.7	259.8
EPS (Rs)	6.4	7.0	8.6
Consensus EPS (Rs)	8.9	8.9	8.9
P/EV (x)	3.4	2.9	2.5

Source: Company, Bloomberg, BOBCAPS Research

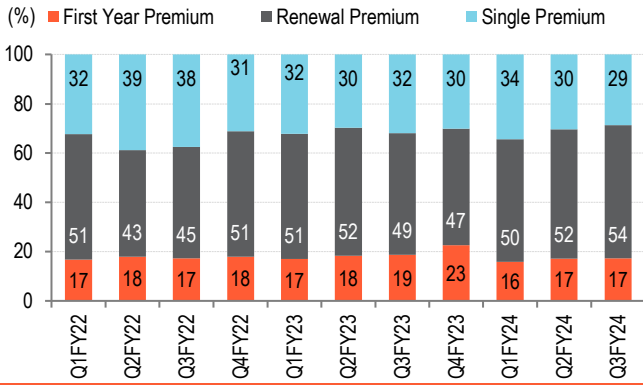
### Stock performance



Source: NSE

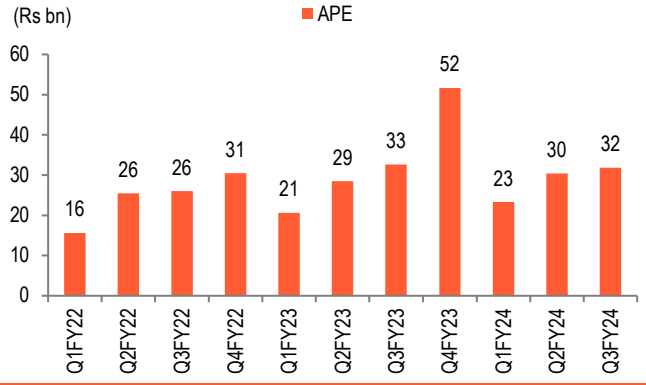


**Fig 1 – Renewal premium grew 17% YoY in Q3**



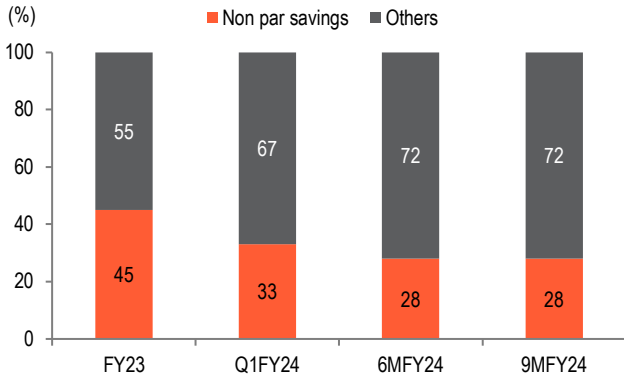
Source: Company, BOBCAPS Research

**Fig 2 – APE declined 2% YoY**



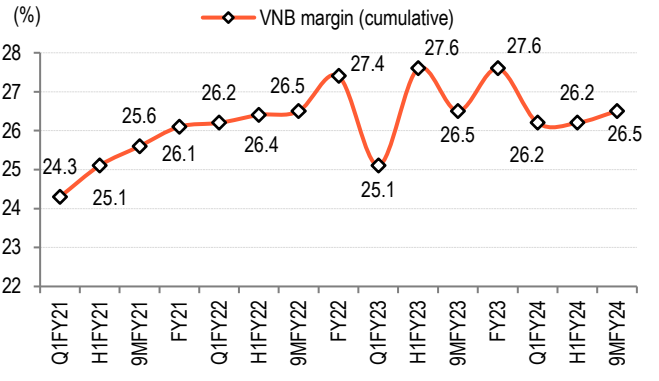
Source: Company, BOBCAPS Research

**Fig 3 – Product mix (individual APE-based) shows non-par savings at a relatively low 28% in 9MFY24**



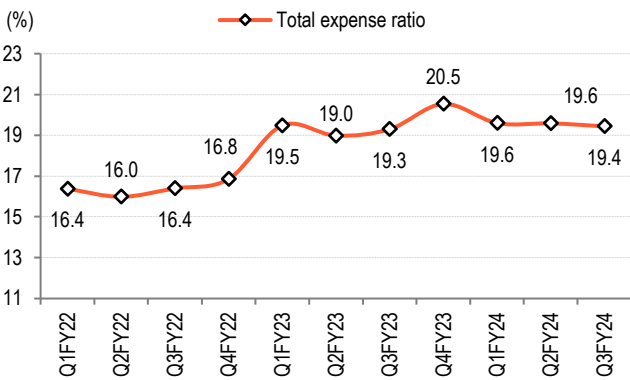
Source: Company, BOBCAPS Research

**Fig 4 – VNB margin stood at 26.5% at end-9MFY24**



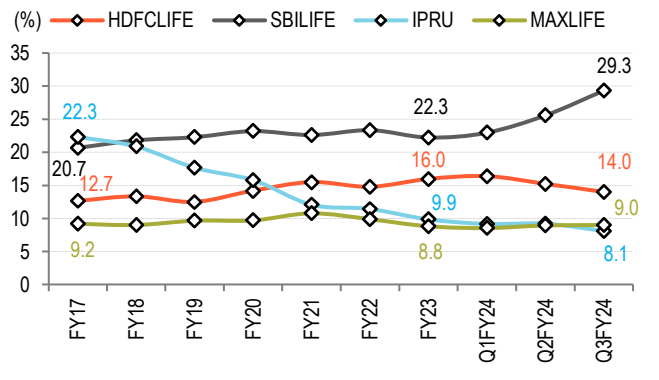
Source: Company, BOBCAPS Research

**Fig 5 – Overall expense ratio stable**



Source: Company, BOBCAPS Research

**Fig 6 – Individual APE market share has contracted**



Source: IRDA, BOBCAPS Research

**Fig 7 – Distribution mix based on individual APE shows bancassurance gaining traction**

(%)	Q1FY22	H1FY22	9MFY22	FY22	Q1FY23	H1FY23	9MFY23	FY23	Q1FY24	H1FY24	9MFY24
Bancassurance	56.0	60.0	61.0	60.0	56.0	61.0	59.0	56.0	61.0	65.0	64.0
Brokers and Others	6.0	6.0	6.0	6.0	7.0	7.0	9.0	11.0	8.0	7.0	6.0
Agency	15.0	13.0	14.0	14.0	16.0	15.0	18.0	20.0	20.0	18.0	18.0
Direct	23.0	21.0	19.0	19.0	22.0	17.0	15.0	13.0	12.0	11.0	11.0

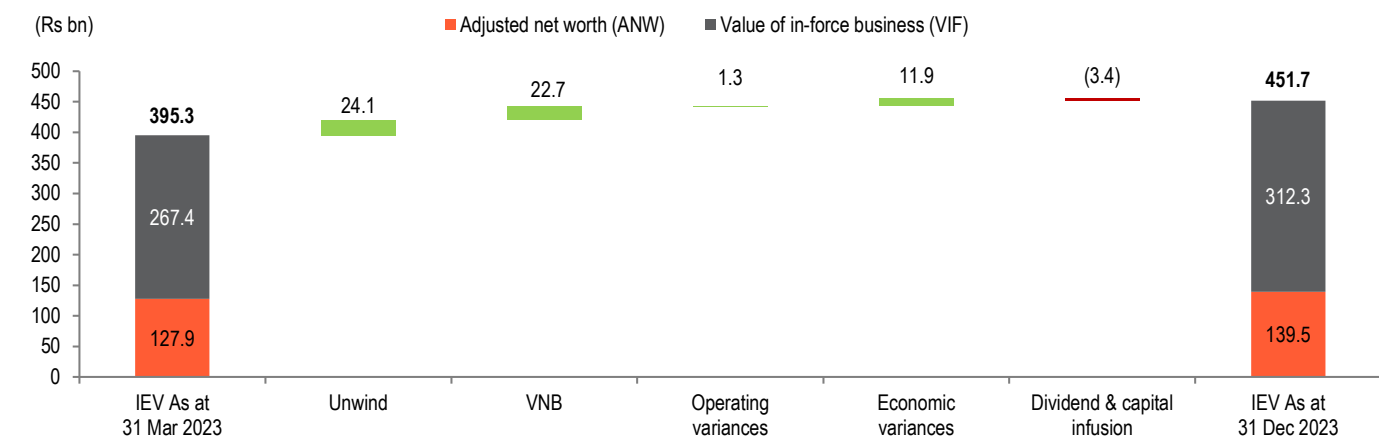
Source: Company, BOBCAPS Research

**Fig 8 – VNB grew ~5% YoY though margins stayed flat in 9MFY24**



Source: Company, BOBCAPS Research | \*Reflects the impact of difference in mix of segment/distribution channel/tenure/age/sum assured multiple, etc. | Note: VNB – Value of New Business; NBM – New Business Margin

**Fig 9 – Higher economic variance boosts embedded value**



Source: Company, BOBCAPS Research

**Fig 10 – Policyholders’ account**

(Rs mn)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)	9MFY24	9MFY23	YoY (%)
<b>Gross premium income</b>	<b>1,55,259</b>	<b>1,45,750</b>	<b>6.5</b>	<b>1,49,403</b>	<b>3.9</b>	<b>4,21,389</b>	<b>3,79,073</b>	<b>11.2</b>
First Year Premium	26,792	27,249	(1.7)	25,656	4.4	70,962	68,567	3.5
Renewal Premium	83,962	71,870	16.8	78,389	7.1	2,20,392	1,91,941	14.8
Single Premium	44,505	46,632	(4.6)	45,358	(1.9)	1,30,036	1,18,565	9.7
Reinsurance	2,905	1,957	48.5	1,843	57.6	6,678	5,698	17.2
<b>Net premium income</b>	<b>1,52,353</b>	<b>1,43,794</b>	<b>6.0</b>	<b>1,47,560</b>	<b>3.2</b>	<b>4,14,711</b>	<b>3,73,374</b>	<b>11.1</b>
Income from investments (Net)	1,13,698	49,280	130.7	81,044	40.3	3,11,029	1,14,080	172.6
Other income	704	722	(2.5)	1,007	(30.1)	2,573	1,967	30.8
Contribution of funds from Shareholders’ A/c	193	3,137	(93.9)	132	45.7	504	3,369	(85.0)
<b>Total</b>	<b>2,66,948</b>	<b>1,96,933</b>	<b>35.6</b>	<b>2,29,743</b>	<b>16.2</b>	<b>7,28,817</b>	<b>4,92,791</b>	<b>47.9</b>
<b>Commission on</b>								
First Year Premium	6,684	4,887	36.8	7,032	(5.0)	17,804	11,609	53.4
Renewal Premium	1,275	1,177	8.3	1,217	4.8	3,322	3,862	(14.0)
Single Premium	4,435	699	534.6	3,566	24.4	9,594	1,917	400.5
Rewards	63	165	(61.9)	54	17.4	222	367	(39.4)
<b>Net Commission</b>	<b>12,457</b>	<b>6,928</b>	<b>79.8</b>	<b>11,869</b>	<b>5.0</b>	<b>30,943</b>	<b>17,754</b>	<b>74.3</b>
Expenses of Management	30,197	28,132	7.3	29,270	3.2	82,348	72,929	12.9
Provision for taxes	1,015	(315)	(422.5)	(5,120)	(119.8)	(2,981)	1,871	(259.3)
Benefits Paid (Net)	98,661	86,623	13.9	93,371	5.7	2,72,760	2,76,672	(1.4)
Change in actuarial liability	1,36,837	79,201	72.8	1,10,161	24.2	3,72,634	1,33,153	179.9
<b>Surplus/Deficit</b>	<b>613</b>	<b>3,300</b>	<b>(81.4)</b>	<b>2,293</b>	<b>(73.3)</b>	<b>5,023</b>	<b>7,871</b>	<b>(36.2)</b>

Source: Company, BOBCAPS Research

**Fig 11 – Shareholders’ account**

(Rs mn)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)	9MFY24	9MFY23	YoY (%)
Transfer from Policyholders’ Account	1,293	4,161	(68.9)	1,354	(4.5)	4,964	8,851	(43.9)
Investment Income	2,811	2,437	15.3	2,368	18.7	7,496	5,237	43.1
Expenses other than those related to insurance business	273	318	(14.1)	247	10.5	875	932	(6.1)
Transfer of funds to Policyholders’ Account	193	3,137	(93.9)	132	45.7	504	3,369	(85.0)
Provisions for diminution in value of investments <sup>6</sup>	(31)	0	NA	135	(122.8)	39	(239)	(116.4)
Profit before tax	3,668	3,142	16.7	3,307	10.9	11,141	10,026	11.1
Provisions for tax	18	(10)	(280.6)	(461)	(103.8)	(431)	12	(3,781.2)
<b>Profit after tax and before extraordinary items</b>	<b>3,651</b>	<b>3,152</b>	<b>15.8</b>	<b>3,768</b>	<b>(3.1)</b>	<b>11,572</b>	<b>10,015</b>	<b>15.5</b>

Source: Company, BOBCAPS Research

**Fig 12 – Key ratios and growth metrics**

(Rs mn)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)	9MFY24	9MFY23	YoY (%)
NBP	71,297	73,880	(3.5)	71,013	0.4	2,00,998	1,87,132	7.4
APE	31,870	32,600	(2.2)	30,430	4.7	85,600	81,700	4.8
Opex ratio (%)	11.4	14.5	(312bps)	11.6	(22bps)	12.2	14.6	(236bps)
Commission ratio (%)	8.0	4.8	327bps	7.9	8bps	7.3	4.7	266bps
Expense ratio (%)	19.4	19.3	15bps	19.6	(14bps)	19.5	19.2	30bps
VNB margin (%) - Cumulative	26.5	26.5	0bps	26.2	30bps	26.5	26.5	0bps
Solvency ratio (%)	190.0	209	(1900bps)	194.0	(400bps)	190.0	209.0	(1,900bps)

Source: Company, BOBCAPS Research

## Earnings call highlights

### Business highlights

- HDFC Life's NBP stood at Rs 71bn and renewal premium at Rs 84bn as at end-Q3FY24 vs. Rs 74bn and Rs 72bn respectively in Q3FY23. At end-9MFY24, NBP grew 7% YoY to Rs 201bn whereas renewals grew 15% to Rs 220bn.
- Annuity and protection business put together contributed to >50% of NBP in 9MFY24.
- APE was at Rs 32bn at end-Q3FY24, of which 88% or Rs 28bn comprised individual APE. At end-9MFY24, APE grew 5% YoY to Rs 86bn and individual APE grew 6% to Rs 73bn. The lower growth was on account of moderation in high-ticket policies (premium above Rs 500,000) and efforts by the company to maintain a balanced product mix.
- HDFC Life recorded an uptick of 9% YoY in the number of individual policies sold during 9MFY24.
- The trend of high traction in tier-2 and tier-3 cities continues, with APE rising at twice the company's growth rate. Management expects double-digit growth in Q4FY24. The company is focused on working with its bancassurance partners, especially parent HDFC Bank, to grow faster.
- The solvency ratio stood at 190% as on Dec'23 while 13<sup>th</sup> and 61<sup>st</sup> month persistency ratios were healthy at 86% and 54% respectively in 9MFY24 vs. 87% and 52% in 9MFY23.
- During Q3, the company introduced 'Click 2 Achieve', an innovative non-par savings product that has been received well across channels and garnered Rs 1bn within four weeks of launch. This product helps buyers garner flexible income and derive higher survival benefits than savings bank deposits.

### Product mix

- HDFC Life maintains a balanced product mix with non-par savings at 28% of individual APE, participating products at 28%, ULIPs at 32%, and annuity and protection plans at 7% and 6% respectively.

### VNB margin

- VNB margin was flat at 26.5% in 9MFY24, with VNB up 5% YoY to Rs 22.7bn.
- Management maintained its guidance of margin neutrality by the end of FY24.
- The VNB margin of 26.5% includes a positive impact of 0.7% from new business profile and a negative impact of 0.8% from fixed cost absorption.

### Protection business

- Protection plans constituted 6% of the individual APE mix at end-9MFY24 vs. 4% in 9MFY23. Retail protection grew 36% YoY based on individual APE.
- The company's 'Credit Protect' product clocked 21% YoY growth in 9MFY24. Management stated that growth would have been higher but for lower bank loan disbursements.

### Embedded value (EV)

- EV stood at Rs 452bn (+20% YoY) as on Dec'23, with an operating return on EV of 16.5%.
- EV had a positive economic variance of Rs 11.9bn at end-9MFY24 owing to an increase in persistency across channels and an increase in the amount of protection attached to linked products.

### Distribution channel

- The bancassurance channel share in individual APE improved from 56% in FY23 to 64% at end-9MFY24.
- HDFC Life had ~60% market share in the HDFC Bank channel at end-9MFY24 and 70% share excluding ULIPs.
- Brokers' share in individual APE fell from 11% in FY23 to 6% in 9MFY24 and agency share fell from 20% to 18% as agents typically sell high-ticket par and non-par products where demand has slowed.
- HDFC Life announced partnership with three banks, i.e. Karnataka Bank, Karur Vysya Bank and NKGSB Co-operative Bank.
- The company added more than 50,000 agents in 9MFY24 and is focused on strengthening its distribution network by expanding branches (75 additions in tier-2 and tier-3 cities), attracting relevant distributor profiles and making consistent investments in technology and capability building.

### Regulatory changes

- HDFC Life believes the draft regulation by IRDAI on surrender charges is unlikely to be executed in its current form. The company, along with other players, has made a presentation to the regulator and is hopeful of a more moderate version.
- Management did not indicate any potential timeline for the regulation to become a reality as all industry players intend to have meaningful dialogue with the regulator over the next few months.

## Valuation methodology

Following the Q3FY24 results, we continue to factor in a VNB margin of 26.5% for FY24 but bake in a slightly higher 27% margin for FY25 (vs. 26.5% earlier), with a similar level in FY26. Although APE growth of 5% at end-9MFY24 remains weak, management expects to deliver a solid performance going into FY25 based on a clear roadmap comprising expansion into fast-growing tier-2/3 markets, new banking and agency partnerships, and ensuring a balanced product mix. We pencil in a 12% VNB CAGR over FY23-FY26 to Rs 52bn and a 13% APE CAGR to Rs 188bn.

HDFC Life is trading at 2.1x FY26E P/EV. We continue to value the stock at 2.8x FY26E P/EV – a 30% discount to the long-term mean – while raising our FY24-FY26 embedded value (EV) estimates by ~3% each to bake in the strong economic variance seen this quarter. This yields a higher TP of Rs 850 (vs. Rs 822) – maintain BUY for 33% upside potential.

Our multiple is at a premium to private listed peers under coverage as we factor in the positives from higher market share in the HDFC Bank channel, innovative launches, stable ticket size, a balanced product mix and pickup in demand from tier-2/3 markets. We also factor in the negatives of a slight contraction in market share and high expense ratios, which explains our discount to the mean multiple.

**Fig 13 – Revised estimates**

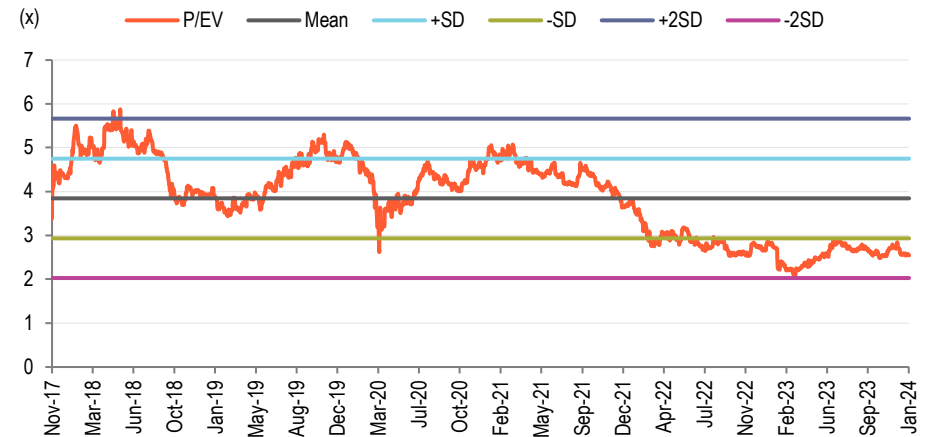
(Rs bn)	New			Old			Change (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Gross Premium	664	761	880	676	758	870	(1.7)	0.4	1.2
Net Premium	656	751	869	667	748	858	(1.7)	0.4	1.2
VNB	38	45	52	37	42	52	4.3	5.0	(0.0)
APE	144	165	192	138	160	192	4.3	3.1	(0.0)
Embedded Value (EV)	475	555	647	460	536	627	3.4	3.5	3.3
VNB Margin (%)	26.5	27.0	27.0	26.5	26.5	27.0	0bps	50bps	0bps

Source: BOBCAPS Research

**Fig 14 – Valuation summary**

Particulars	
Embedded Value (FY26E) (Rs bn)	647
PV of Future business (Rs bn)	1,175
<b>Total value (Rs bn)</b>	<b>1,822</b>
Current P/EV (FY26E) (x)	2.2
Implied P/EV (FY26E) (x)	2.8
<b>Implied Target Price (Rs)</b>	<b>850</b>
Current Price (Rs)	638
Upside (%)	33.2

Source: BOBCAPS Research

**Fig 15 – 1Y fwd P/EV – Trading around -1SD**

Source: Company, BOBCAPS Research

## Key risks

Key downside risks to our estimates are:

- **Change in regulatory framework:** Any unfavourable change in regulations can affect business growth. For example, ULIP proceeds are currently taxed to the extent the yearly premium exceeds Rs 0.25mn. Similarly, any change in income tax rate for insurance companies can adversely impact profitability.
- **Losses from capital and bond markets:** Prolonged weakness in capital markets could hamper the growth of ULIPs. Although insurance companies are opting for a balanced product mix, many of them have sizeable business coming from ULIPs.
- **Increasing interest rates:** The guaranteed return businesses can be affected by an increase in interest rates as other financial instruments (e.g. deposits) become more attractive.
- **Adverse economic events:** A significant economic decline may result in financial difficulties or defaults by issuers of bonds in the company's investment portfolios. The shareholders' equity and earnings and policyholders' funds may also be affected by fair value revaluation of bonds held in investment portfolios.
- **High surrender of policies:** Life insurance companies face the risk of surrendered policies. In ULIPs, customers can withdraw policies after five years even if they have been taken for longer durations. Policies can also be surrendered in case of job loss and monetary requirements, among other factors, which lowers the persistency ratios.



## Sector recommendation snapshot

Company	Ticker	Market Cap (US\$ bn)	Price (Rs)	Target (Rs)	Rating
HDFC Life	HDFCLIFE IN	16.6	638	850	BUY
ICICI Prudential Life	IPRU IN	9.3	530	604	HOLD
LIC	LICI IN	63.8	829	965	BUY
SBI Life	SBILIFE IN	17.5	1,435	1,970	BUY

Source: BOBCAPS Research, NSE | Price as of 12 Jan 2024

## Glossary

Glossary of Abbreviations			
<b>APE</b>	Annual Premium Equivalent	<b>NBP</b>	New Business Premium
<b>EOM</b>	Expenses of Management	<b>ROEV</b>	Return on Embedded Value
<b>EV</b>	Embedded Value	<b>ROP</b>	Return of Premium
<b>EVOP</b>	Embedded Value Operating Profit	<b>RWRP</b>	Retail Weighted Received Premium
<b>HNI</b>	High Net Worth Individuals	<b>ULIP</b>	Unit Linked Insurance Plan
<b>IRDAI</b>	Insurance Regulatory and Development Authority	<b>VNB</b>	Value of New Business

Source: BOBCAPS Research

## Financials

### Revenue Account (Technical)

Y/E 31 Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Gross premium income</b>	<b>4,59,628</b>	<b>5,75,334</b>	<b>6,64,387</b>	<b>7,61,237</b>	<b>8,80,188</b>
First year premium	80,544	1,13,239	1,20,981	1,38,954	1,61,187
Renewal premium	2,18,080	2,84,483	3,38,064	3,90,188	4,49,771
Single premium	1,61,005	1,77,612	2,05,342	2,32,095	2,69,230
<b>Net written premium</b>	<b>4,53,965</b>	<b>5,67,640</b>	<b>6,55,669</b>	<b>7,51,210</b>	<b>8,68,581</b>
Income from investments	1,92,159	1,25,975	3,68,557	3,95,228	4,47,460
Other Income	7,460	13,439	14,343	15,316	16,311
<b>Total income</b>	<b>6,53,584</b>	<b>7,07,054</b>	<b>10,38,569</b>	<b>11,61,753</b>	<b>13,32,351</b>
Commissions	19,403	28,868	42,259	43,598	50,404
Operating expenses	53,591	84,693	94,605	1,06,586	1,23,250
Benefits and bonuses paid	3,18,637	3,88,723	3,63,313	4,71,474	5,47,378
Change in liabilities (net)	2,46,815	1,85,862	5,13,293	5,09,041	5,77,406
Others	0	0	0	0	0
<b>Total expenses</b>	<b>6,38,446</b>	<b>6,88,146</b>	<b>10,13,470</b>	<b>11,30,699</b>	<b>12,98,438</b>
<b>Surplus before tax</b>	<b>15,137</b>	<b>18,908</b>	<b>25,100</b>	<b>31,054</b>	<b>33,913</b>
Provision for tax	5,541	5,319	10,456	11,631	13,231
<b>Surplus after tax</b>	<b>9,597</b>	<b>13,589</b>	<b>14,643</b>	<b>19,423</b>	<b>20,682</b>
Trf to shareholders' a/c	10,093	14,689	13,542	17,301	18,122
Balance being FFA	(497)	(1,101)	1,101	2,123	2,560

### Income Statement (Non-technical)

Y/E 31 Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Trf from policyholders' a/c	10,093	14,689	13,542	17,301	18,122
Income from investments	7,894	7,197	11,556	11,858	13,637
Contr. to policyholders' fund	5,694	8,797	9,237	9,699	10,184
Others	(492)	(368)	(492)	(629)	(780)
<b>PBT</b>	<b>11,801</b>	<b>12,722</b>	<b>15,369</b>	<b>18,830</b>	<b>20,794</b>
Provision for taxation	(276)	(877)	384	471	520
<b>PAT</b>	<b>12,077</b>	<b>13,599</b>	<b>14,985</b>	<b>18,360</b>	<b>20,274</b>
Dividend+Interim div.+DDT	4,135	4,056	5,337	5,337	5,337

### Balance Sheet

Y/E 31 Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Equity	1,54,859	1,29,868	1,39,287	1,52,310	1,67,247
Policyholders' funds	18,30,312	22,06,290	28,60,781	33,69,822	39,47,228
FFA	9,409	12,354	14,207	15,912	17,822
Others	1,09,313	1,28,737	1,38,757	1,42,134	1,58,178
<b>Total liabilities</b>	<b>21,03,892</b>	<b>24,77,249</b>	<b>31,53,033</b>	<b>36,80,178</b>	<b>42,90,475</b>
Shareholders' funds	1,52,379	1,31,319	1,57,583	1,81,220	2,08,403
Policyholders' funds	10,83,110	14,64,485	19,91,597	23,99,839	28,91,281
Assets to cover linked liab.	8,06,215	7,92,015	9,10,817	9,83,682	10,62,377
Others	62,188	89,430	93,036	1,15,437	1,28,415
<b>Total assets</b>	<b>21,03,892</b>	<b>24,77,249</b>	<b>31,53,033</b>	<b>36,80,178</b>	<b>42,90,475</b>

### Key Metrics

Y/E 31 Mar	FY22A	FY23A	FY24E	FY25E	FY26E
AUM (Rs mn)	20,41,704	24,00,000	30,86,990	35,98,693	42,05,087
NBP (Rs mn)	2,41,548	2,90,851	3,26,323	3,71,049	4,30,417
APE (Rs mn)	97,580	1,33,400	1,44,107	1,65,134	1,91,555
VNB (Rs mn)	26,737	36,818	38,188	44,586	51,720
VNB margin (%)	27.4	27.6	26.5	27.0	27.0
Embedded value (Rs mn)	3,00,470	3,94,988	4,75,439	5,54,723	6,47,484
ROEV (%)	16.6	19.6	18.2	17.8	17.7
ROE (%)	10.0	9.6	11.1	12.6	12.7
Opex ratio (%)	12.2	14.7	14.2	13.9	13.9
Cost ratio (%)	16.4	19.7	20.5	19.7	19.7
Solvency ratio (%)	175.7	203.2	183.2	180.4	180.0
EPS (Rs)	5.9	6.4	7.0	8.6	9.5
BVPS (Rs)	75.7	60.8	65.2	71.3	78.3
EVPS (Rs)	146.8	185.0	222.7	259.8	303.3

Source: Company, BOBCAPS Research

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**BUY** – Expected return >+15%

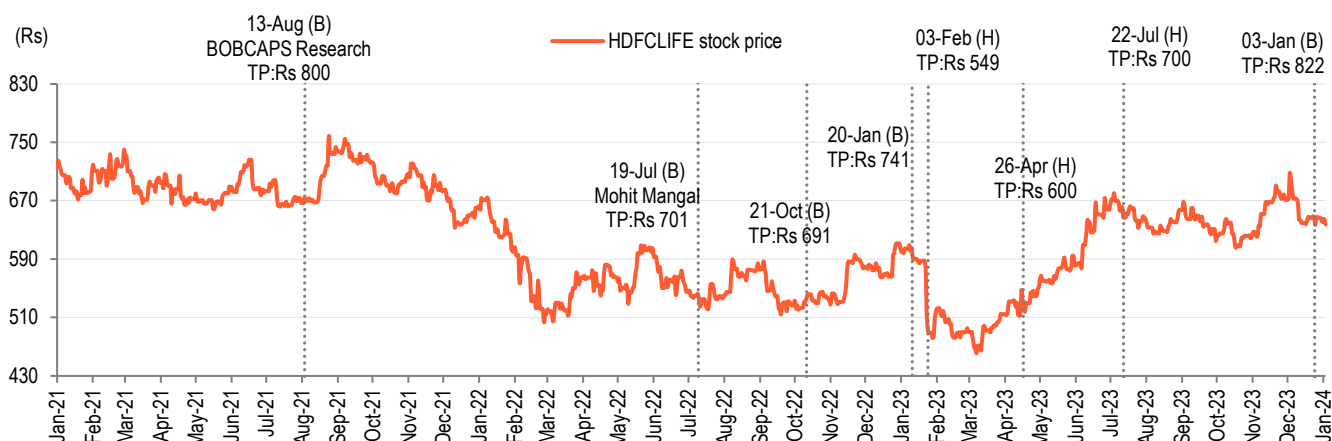
**HOLD** – Expected return from -6% to +15%

**SELL** – Expected return <-6%

**Note:** Recommendation structure changed with effect from 21 June 2021

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