



STOCK UPDATE

Result Update - Q3FY2026

SECTOR

Insurance

COMPANY DETAILS

Market cap:	Rs. 93,521 cr
52-week high/low:	Rs. 2076 / 1613
NSE volume: (No of shares)	5.9 lakh
BSE code:	540716
NSE code:	ICICIGI
Free float: (No of shares)	24.1 cr

Source: NSE, BSE, Mirae Asset Sharekhan Research

SHAREHOLDING (%)

Promoters	51.4
FII	24.0
DII	17.5
Others	9.8

Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE CHART



Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE PERFORMANCE

(%)	1m	3m	6m	12m
Absolute	-2.7	2.8	-6.3	2.9
Relative to Sensex	-0.8	1.3	-7.7	-6.6

Source: Mirae Asset Sharekhan Research, Bloomberg

ICICI Lombard General Insurance Company Ltd

Growth on track despite blips

Reco/View: **BUY**

CMP: Rs. 1,885

Price Target: Rs. 2,300

Quick Snapshot

- GDPI rose 13.3% y-o-y, outpacing industry, leading to market share gains.
- Retail health and commercial lines saw strong traction, while motor segment also saw better momentum due to buoyancy in new vehicle sales.
- PAT lagged estimates on higher costs amid a new labor code, loss of input tax credit and a higher claims ratio y-o-y.
- Growth and profitability outlook stay strong; we maintain Buy rating with PT of Rs2300.

Result overview

- ICICI-Lombard posted a GDPI growth of 13.3% y-o-y vs industry growth of 11.5% y-o-y in Q3, that drove up market share from 8.1% to 8.3% y-o-y. Growth for 9MFY26 lagged industry levels due to strategic portfolio rationalisation in H1FY26.
- Health business growth at 42% y-o-y in Q3FY26 outperforming industry growth of 27.6%, retail health segment showed robust growth of 85.8% y-o-y fueled by 1.7x jump in new-to-industry customers, market share was up ~130 bps to 4.5%.
- Fire and engineering segments were up 18.8% and 15.2% y-o-y respectively, growth in fire was driven by infra capex in roads and renewables. Marine and liability growth lagged industry levels due to rebalancing and exits in loss making portfolios.
- New labour code implementation led to one-time cost of Rs. 55 crore while loss of input tax credit warranted cost realignment. Claims ratio increased on y-o-y basis from 65.8% to 68.7% in Q3FY26 while for 9MFY26 it stood at 71.2% versus 70.3% y-o-y. As a result, combined ratio (1/n) increased 180 bps y-o-y to 104.5% in Q3FY26. Excluding impact of CAT losses combined ratio would be lower by ~20 bps.
- Investment income rose by 9% y-o-y to Rs. 1219 crore, capital gains were up 14.8% YoY at Rs317 crore in Q3, despite this PAT declined by 9% y-o-y to Rs. 659 crore due to higher costs.

Our Call

ICICI Lombard is eyeing a premium growth of 100-200 bps above industry levels, while maintaining healthy ROE of 18-20%. Sustained momentum in retail health and a rebound in motor insurance is expected. Leveraging disciplined underwriting, the company is strategically positioned to deliver consistent, high-quality growth. We maintain BUY rating on the stock with unchanged PT of Rs. 2300.

Key Risks

Growth slowdown or higher claims could impact financial performance.

Valuation

Valuation	FY24	FY25	FY26	FY27E	FY28E
Gross Direct Premium Income	24,776	26,833	30,094	34,364	39,607
Net Earned Premium	16,866	19,800	22,720	26,146	30,290
Operating Profit/Loss	1,906	2,267	2,825	3,361	3,878
PAT	1,919	2,508	3,021	3,502	4,073
EPS	38.9	50.6	60.7	70.3	81.8
ROE %	16.3	18.0	18.7	18.7	18.8
P/E	48.4	37.3	31.1	26.8	23.0
P/BV	7.8	6.5	5.6	4.8	4.2

Source: Company; Mirae Asset Sharekhan estimates

Note: CMP as on Jan 13, 2026

Concall highlights

Growth parameters

- Buoyant vehicle sales drove the motor business, particularly in December 2025 that saw a 16.1% growth. Company maintains a market leadership position with a 10.7% market share.
- Retail health segment outpaced industry, fuelled by first-time buyers and the success of the "Elevate" product.
- In the Commercial Lines, the company took the top spot in the Engineering segment for 9MFY2026.

Costs and Loss ratios

- CAT losses impacted 9M combined ratio by Rs. 84 crore, adding approximately 0.5% to the ratio.
- The overall motor loss ratio was 66.3% for 9MFY26 while the retail indemnity health loss ratio improved to 63.1% in Q3 from 65.0% y-o-y.
- The industry's motor combined ratio worsened to 128.5%, while ICICI Lombard's successfully improved its motor combined ratio to 106.9% through superior risk selection.

Strategic initiatives

- The "IL Take Care" app reached 1.97 crore downloads, contributing Rs. 354 crore in GWP for 9MFY2026.
- Through the "One Call Center" initiative and AI bots, 60% of service engagements are now digital/DIY, up from 38% in April 2025.
- Cashless garage network expanded to over 15,000 and now 96.8% of motor own-damage claims are settled within 30 days.

On Future outlook

- Management aims to grow 100-200 bps ahead of the industry at a company level across all lines.
- Guidance range for the motor loss ratio is between 65% and 67%.
- Management expects the current momentum in Retail Health to continue into Q4 FY2026, supported by higher awareness and demand in Tier 2 and Tier 3 cities.

Results					
Particulars	Q3FY26	Q3FY25	YoY	Q2FY26	QoQ
Gross Written Premium	7,433	6,474	15%	7,059	5%
Net written premium	5,963	5,084	17%	5,313	12%
Net earned premium	5,685	5,045	13%	5,652	1%
Commission	1,343	1,162	16%	1,013	33%
Other Opex	4,696	4,035	16%	4,817	-3%
Underwriting PL/Loss	-354	-152	-	-178	-
Total Investment income	1,219	1,116	9%	1,218	0%
Operating profit	571	685	-17%	753	-24%
PBT	870	960	-9%	1,077	-19%
Tax	211	236	-10%	258	-18%
PAT	659	724	-9%	820	-20%
Key ratios					
Solvency ratio %	269	236	3300 bps	273	-400 bps
Expense management ratio %	35.40	34.70	70 bps	31.90	350 bps
Incurred claim ratio/ Loss ratio %	68.70	65.80	290 bps	72.10	-340 bps
Net retention ratio %	80.20	78.50	170 bps	75.30	490 bps
Combined ratio %	104.50	102.70	180 bps	105.10	-60 bps

Source: Company; Mirae Asset Sharekhan Research

Additional Data

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	ICICI Bank	51.31
2	Norges Bank	2.66
3	ICICI Pru AMC	2.42
4	Vanguard Group	2.08
5	Blackrock Inc	2.07
6	First Sentier Investors ICVC	1.9
7	Kotak Mahindra AMC	1.54
8	Nippon Life AMC	1.47
9	SBI Funds Management	1.41
10	Mitsubishi UFJ Financial	1.14

Source: Bloomberg

Key management personnel

Name	Designation
MD & CEO	Mr Sanjeev Mantri
CFO	Mr Gopal Balachandran
Chairman	Mr Rakesh Jha

Source: Company Website

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