


**STOCK UPDATE**

Result Update - Q3FY2026

**SECTOR**

Insurance

**COMPANY DETAILS**

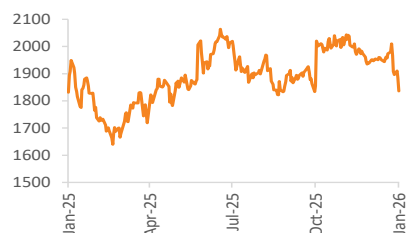
Market cap:	Rs. 93,521 cr
52-week high/low:	Rs. 2076 / 1613
NSE volume: (No of shares)	5.9 lakh
BSE code:	540716
NSE code:	ICICIGI
Free float: (No of shares)	24.1 cr

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

 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**

	Rs cr				
Valuation	FY24	FY25	FY26E	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

	Rs cr				
Particulars	Q3FY26	Q3FY25	YoY	Q2FY26	QoQ
<b>Gross Written Premium</b>	<b>7,433</b>	<b>6,474</b>	<b>15%</b>	<b>7,059</b>	<b>5%</b>
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%
<b>PBT</b>	<b>870</b>	<b>960</b>	<b>-9%</b>	<b>1,077</b>	<b>-19%</b>
Tax	211	236	-10%	258	-18%
<b>PAT</b>	<b>659</b>	<b>724</b>	<b>-9%</b>	<b>820</b>	<b>-20%</b>
<b>Key ratios</b>					
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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