Pick of the Week

BUY – HDFC Life (HDFCLIFE)

CMP: ₹**763** as on 21 November 2025

Fair Value (FV): ₹**900** | Time Period: **12 months**

Why Invest?

- Co. called out the impact of ITC losses, which it will try to minimize through negotiations with stakeholders and optimizing the product mix.
- It's ability to sail through testing times with more stable and predictable matrices than peers drives our positive stance.
- ULIP, par and protection were up 41-104%, driving overall Annualized Premium Equivalent (APE) growth.
- Retail protection growth picked up to 41% yoy in Q2FY26 from 31% in Q1FY26 and 18% in FY25.
- Agency APE was up 25% yoy, driven by a pick-up in agency productivity.
- We model 16% operating Return on Embedded Value over the medium term.

Maintain BUY with FV Rs-900

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY	–	We expect the stock to deliver more than 15% returns over the next 12 months
ADD	–	We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	–	We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	–	We expect the stock to deliver < -5% returns over the next 12 months
NR	–	**Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
SUBSCRIBE	–	We advise investor to subscribe to the IPO.
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NA	–	**Not Available or Not Applicable.** The information is not available for display or is not applicable
NM	–	**Not Meaningful.** The information is not meaningful and is therefore excluded.
NOTE	–	Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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