

IndusInd General Insurance Company Limited

March 17, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term instruments – subordinate debt*	300.00	CARE A+; Stable	Assigned
Long-term instruments – subordinate debt*	230.00	CARE A+; Stable	Reaffirmed
Long-term instruments – subordinate debt*	24.00	CARE A+; Stable	Reaffirmed
Long-term instruments – subordinate debt*	400.00	CARE A+; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

*CARE Ratings Limited (CareEdge Ratings) has rated subordinate debt considering regulatory conditions and in view of their sensitiveness to the company's solvency ratio and profitability due to regulatory covenants in long tenure of the instrument. Interest payable on subordinate debt will be subject to following:

- Solvency of the issuer remains per regulatory stipulation.
- Where impact of such payment may result in net loss or increase the net loss, prior approval of the authority for such payment will be obtained.

Delay in payment of interest / principal (as the case may be) following invocation of covenants, would constitute an event of default per CareEdge Ratings' definition of default and as such these instruments may exhibit sharper migration of the rating.

Rationale and key rating drivers

The rating reaffirmation to enhanced debt instruments of IndusInd General Insurance Company Limited (IGICL) considers IGICL's experienced management, its diversified product profile, healthy investment portfolio and geographical diversification of its business. Ratings also reflect favourable impact of synergies following the successful acquisition of its parent company Reliance Capital Limited (RCL) by IndusInd International Holdings Limited (IIHL), which would be derived from the IIHL ecosystem such as rebranding, enhanced access to bancassurance distribution, and the resulting influence on IGICL's business profile. The rating is also supported by oversight and governance provided by the parent entity's management.

However, the rating is constrained by IGICL's modest financial performance, exposure to intense competition in the general insurance industry and evolving regulatory landscape.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Significant increase in size of operations and overall market share.
- Improvement in profitability metrics with diversification in the product portfolio on a sustained basis.

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Material changes in shareholding.
- Weakness in capitalisation profile, with solvency falling below 1.6x on a sustained basis.

Analytical approach:

Standalone

Outlook: Stable

The outlook is 'Stable' considering expectation of steady and profitable business growth, while maintaining comfortable solvency margins.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Detailed description of key rating drivers:

Key strengths

Promoter support and synergies

As of March 31, 2024, RCL held 98.67% stake in IGICL. But post successful implementation of resolution as parent RCL is out of corporate insolvency, it holds 73.98% and Aasia Enterprise LLP holds 24.67% of IGICL as on December 31, 2025. Till date the ultimate promoter IIHL infused ~₹300 crore through 100% subsidiary IIHL BFSI Holdings (Mauritius). IGICL's board is chaired by Arun Tiwari with up to four decades of experience. SV Zaregaonkar is present as Independent Director with over four decades of experience in banking and financial sector. The board consists of four independent directors, one executive and one non-executive director.

IGICL's daily operations are led by Rakesh Jain (Executive Director and CEO), who brings over 20 years of experience in corporate finance, risk, underwriting, claims, broking, and reinsurance. He is supported by a seasoned leadership team, including Hemant Jain (CFO), with similar industry tenure. Most key managerial personnel have been with IGICL for over a decade. As on December 31, 2025, IGICL operates 128 branches across India with 7,648 employees. In 9MFY26, 48% of premiums came through brokers (FY25: 41%), 33% through direct channels (FY25: 40%), and the rest from agents and others.

The company has been steadily expanding its health portfolio; however, motor and crop insurance still accounted for the majority share, comprising 67% of the total business underwritten in FY25. In 9MFY26, the company concentrated on segments such as fire (which grew by 15%), health (up 29%), and motor (up 4%) in terms of gross written premium. Meanwhile, the crop segment recorded a 38% decline due to retendering insurance contracts, and increased participation from government-backed insurers, which intensified competition in the bidding process.

CareEdge Ratings notes IGICL's ₹100 crore capital infusion in May 2025 and modest business growth. However, strengthening solvency buffers remains crucial. As on December 31, 2025, solvency margin stood at 1.68x (Mar-25: 1.59x), slightly above the 1.5x regulatory minimum. The company raised ₹400 crore through subordinated debt in September 2025, which helped improve solvency. The company will raise ₹450 crore more in March 2026 (₹300 crore through sub debt and ₹150 crore through capital infusion from parent). Support from its parent, RCL—now out of insolvency and new ultimate promoter IIHL is anticipated to maintain solvency above 1.6x, as stated in the RCL's debenture trustee deed.

CareEdge Ratings expects overall business to increase considering synergies from change in branding and banca tie up.

Diversified business and product profile

Traditionally, motor insurance and crop insurance, have been dominant business segments for the company. In 9MFY26, Motor and crop contributed 36% of gross written premium (GWP; FY25: 37%, FY20: 41%) and 21% (FY25: 30%, FY20: 24%) respectively. Over the years, the company diversified its line of business (LOB) away from crop and motor business to health & personal accident (9MFY26: 24%, FY25: 18%, FY24: 17%) and fire segment (9MFY26: 12%, FY25: 10%, FY24: 11%). Within motor insurance, motor - OD and motor TP consisted of 49% (FY25: 44%, FY24: 41%) and 51% (FY25: 56%, FY24: 59%) respectively in 9MFY26.

In FY25, retail health accounted for 30% of the total health business, up slightly from 29% in the previous year, while group health made up the remaining 70%, down from 71%. In 9MFY26, share of retail health stood to 24%, with group health contributing 76%. Retail health policies have a renewal rate of ~70-77%. CareEdge Ratings anticipates a growing contribution from retail health to the company's overall business mix, driven by stronger strategic alignment with the promoter group. Medium-term benefits are expected from synergies such as enhanced access to bancassurance channels, which could positively influence the company's business profile.

Key weaknesses

Moderate financial performance

The company's GWP declined by 4% year-on-year to ₹9,938.78 crore in 9MFY26, compared to ₹10,350.83 crore in 9MFY25. This decrease was primarily driven by a 38% drop in crop insurance underwriting, resulting from retendering crop insurance contracts. The process also saw increased participation from government-backed insurers, which intensified competition and made it more challenging for private players in the bidding phase.

On the other hand, the company focused on other business segments for GWP such as fire (grew by 15%), health (grew by 29%), and motor (grew by 4%), this led to increase in the expense ratio² to 22.19% (FY25: 19.32%, FY24: 21.56%) and commission ratio³ to 19.54% (FY25: 14.68%, FY24: 12.76%) in 9MFY26. Despite capital raising constraints for the last few years, the company was able to grow largely at par with industry growth rate due to focus on reinsurance. The company continues to have moderate financial performance with combined ratio of 122% in 9MFY26 (FY25: 117%, FY24: 115%).

Changing regulatory dynamics and competitive industry landscape

TLlong-term growth outlook for the Indian general insurance sector, particularly health insurance remains strong, supported by low insurance penetration and robust socio-economic growth drivers. As the Indian insurance landscape continues to evolve, the sector experienced a series of regulatory reforms. Key changes include shift to 1/n recognition of long-term premiums effective October 01, 2024, anticipated introduction of composite licences, and transition toward a risk-based capital framework in the medium term.

Competition within India's general insurance sector is becoming increasingly intense, fueled by expanding role of private insurers, who are challenging long-standing public sector players through rapid digitisation, stronger operational efficiency, and more customer-focused product innovation. These private companies are reshaping the market by compelling incumbents to modernize, adopt digital capabilities, and rethink their traditional approaches. At the same time, rivalry continues to escalate as domestic and international insurers leverage technology, data-driven insights, and diversified distribution channels to stand out, resulting in a more dynamic and competitive industry landscape.

Liquidity: Adequate

IGICL has an adequate liquidity profile where the company's liquidity coverage ratio⁴ stood at 91.26% as on December 31, 2025 (March 2025: 93.88%), with liquid investment (G-secs and AAA rated bonds) as on December 31, 2025, at ₹14,676 crore (March 2025: ₹15,070 crore). In 9MFY26, cash inflows (net premiums written + net investment income) stood at ₹6,328 crore against claims payouts of ₹4,124 crore and total expense (opex + net commission) of ₹2,156 crore.

Assumptions/Covenants

Not applicable

Environment, social, and governance (ESG) risks

Not applicable

Applicable criteria

[Policy on Default Recognition](#)

[Non – Life Insurance Sector](#)

[Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Insurance	General insurance

IGICL was established on August 17, 2000, and operates as a wholly owned subsidiary of RCL (rated CARE BBB-; Stable). Following successful resolution of RCL's corporate insolvency process, it now holds a 73.98% stake in IGICL, while Aasia Enterprise LLP owns 24.67%, as on December 31, 2025. IGICL offers a diverse range of insurance products including fire, marine, health, personal accident, liability, and motor insurance. As on December 31, 2025, the company had a network of 128 branches and employed 7,648 individuals. The company primarily sources its business through broker channels including OEM partnerships which contribute ~48% to its total business followed by the direct channel, accounting for ~33% as on December 31, 2025.

² Expense Ratio = (Operating Expense/Net Premium Written)

³ Commission ratio = (Net commission/Net premium written)

⁴ Liquidity coverage ratio = (liquid investment + cash and cash equivalent) / (technical reserves including sub debt repayment)

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Gross written premium	11,829.68	12,666.80	9,938.78
Net earned premium	6,687.24	7,124.68	5,114.43
PAT	280.28	315.44	141.70
Claims outstanding	11,860.00	13,322.26	13,906.53
Tangible net worth*	3,064.07	3,194.85	3,509.08
Total investments	20,513.67	21,357.61	22,491.13
Combined ratio (%)	115.38	116.63	122.36
Solvency (x)	1.62	1.59	1.68
RONW (%)	10.21	10.08	6.07#

A: Audited UA: Unaudited; Note: these are latest available financial results

*Net of deferred tax assets and intangibles

#Annualised

Status of non-cooperation with previous CRA:

Not applicable

Any other information:

Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debt-Subordinate Debt - Proposed	NA	-	-	-	24.00	CARE A+; Stable
Debt-Subordinate Debt	INE124D08019	16-Aug-2016	9.10%	17-Aug-2026	230.00	CARE A+; Stable
Debt-Subordinate Debt	INE124D08027	26-Sept-2025	10.99%	26-Sept-2035	400.00	CARE A+; Stable
Debt-Subordinate Debt – Proposed	--	--	--	--	300.00	CARE A+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Debt-Subordinate Debt	LT	230.00	CARE A+; Stable	1)CARE A+; Stable (11-Sep-25)	1)CARE A (RWD) (07-Jan-25)	1)CARE A; Negative (28-Feb-24)	1)CARE A; Negative (01-Mar-23)
2	Debt-Subordinate Debt	LT	24.00	CARE A+; Stable	1)CARE A+; Stable (11-Sep-25)	1)CARE A (RWD) (07-Jan-25)	1)CARE A; Negative (28-Feb-24)	1)CARE A; Negative (01-Mar-23)
3	Debt-Subordinate Debt	LT	400.00	CARE A+; Stable	1)CARE A+; Stable (11-Sep-25)	-	-	-
4	Debt-Subordinate Debt	LT	300.00	CARE A+; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Debt-Subordinate Debt	Complex

Annexure-5: Lender detailsTo view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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