

# Non-Life Insurance Maintains Double-Digit Growth in Nov with Group Health and Motor as Key Drivers

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## Overview

The non-life insurance industry continued to report double-digit growth in November 2022 after reporting near-flat growth in September 2022. The industry reached Rs. 19,209.2 crore in November 2022, a 22.1% growth y-o-y. In YTD FY23, the industry has grown 16.5%, compared to 11.6% in the same period last year. This growth was driven by health (especially the group segment), and motor insurance.

**Figure 1: Movement in Monthly Premium (Rs crore)**

| Month     | Premium in FY21 | Premium in FY22 | Premium in FY23 | FY21 vs. FY20 (%) | FY22 vs FY21 (%) | FY23 vs FY22 (%) |
|-----------|-----------------|-----------------|-----------------|-------------------|------------------|------------------|
| April     | 14,134.8        | 17,251.2        | 21,276.3        | -11.1             | 22.0             | 23.3             |
| May       | 10,891.5        | 12,294.9        | 15,404.5        | -11.0             | 12.9             | 25.3             |
| June      | 13,842.2        | 14,761.0        | 17,810.6        | 6.9               | 6.6              | 20.7             |
| July      | 16,884.8        | 20,157.3        | 23,392.4        | 17.5              | 19.4             | 16.0             |
| August    | 17,580.6        | 21,867.9        | 24,471.9        | 10.1              | 24.4             | 11.9             |
| September | 22,870.8        | 22,246.3        | 22,838.6        | -5.2              | -2.7             | 2.7              |
| October   | 15,906.7        | 17,681.4        | 20,423.4        | -0.1              | 11.2             | 15.5             |
| November  | 14,919.5        | 15,735.3        | 19,209.2        | 2.3               | 5.5              | 22.1             |
| December  | 17,662.3        | 18,952.6        |                 | 10.1              | 7.3              |                  |
| January   | 18,457.6        | 21,401.0        |                 | 6.5               | 15.9             |                  |
| February  | 15,747.0        | 16,561.0        |                 | 14.1              | 5.2              |                  |
| March     | 19,478.0        | 21,591.5        |                 | 24.6              | 10.9             |                  |

Source: General Insurance Council, IRDAI

**Figure 2: Movement in Gross Direct Premium Underwritten (Rs crore)**

| Insurers                 | Nov-20   | Nov -21  | Nov -22  | Nov -21 Growth | Nov -22 Growth | YTD FY21   | YTD FY22   | YTD FY23   | YTD FY22 Growth | YTD FY23 Growth |
|--------------------------|----------|----------|----------|----------------|----------------|------------|------------|------------|-----------------|-----------------|
| General Insurers         | 13,018.7 | 13,566.0 | 17,047.0 | 4.2            | 25.7           | 1,09,316.6 | 1,20,168.9 | 1,40,060.3 | 9.9             | 16.6            |
| SAHI                     | 1,168.4  | 1,509.2  | 2,026.3  | 29.2           | 34.3           | 9,096.2    | 12,321.8   | 15,626.3   | 35.5            | 26.8            |
| Specialized PSU Insurers | 732.3    | 660.1    | 135.9    | -9.9           | -79.4          | 8,804.3    | 9,501.4    | 9,675.2    | 7.9             | 1.8             |
| Total                    | 14,919.4 | 15,735.3 | 19,209.2 | 5.5            | 22.1           | 1,27,217.2 | 1,41,992.1 | 1,65,361.8 | 11.6            | 16.5            |

Source: General Insurance Council, IRDAI

- General Insurers' November 2022 numbers were up by 25.7%, a rise of 6x, compared to an increase of 4.2% in November 2021, while for YTD FY23, the growth which has been driven by the group health and motor segments, has been nearly 1.7x that was witnessed last year.
- Standalone Private Health Insurers (SAHI) continued their growth path as November 2022 numbers reached Rs 2,026.3 crores, up sequentially from Rs 1,938.0 crores in October 2022, and up from Rs 1,509.2 crore in November 2021. This monthly growth of 34.3% was faster than the 29.2% reported in November 2021. On the other hand, the YTD FY23 growth rate was slower in the current year vs. last year. The slowing was on account of the normalised growth in the government and retail health schemes in the current year, while last year, the same had posted significant growth.
- Specialised insurers posted a significant drop of 79.4% in November 2022 compared to a decrease of 9.9% in November 2021, meanwhile the year-to-date numbers have remained mostly flat as the fall in the participation by a few private sector general insurance companies offset the increase of other companies.

**Figure 3: Movement in Premium Type (Rs crore) of Non-Life Insurance Companies**

| Insurers       | Nov -20 | Nov -21 | Nov -22  | Nov -21 Growth | Nov -22 Growth | YTD FY21 | YTD FY22 | YTD FY23   | YTD FY22 Growth | YTD FY23 Growth |
|----------------|---------|---------|----------|----------------|----------------|----------|----------|------------|-----------------|-----------------|
| Public Sector  | 5,898.5 | 6,083.2 | 6,630.1  | 3.1            | 9.0            | 54,994.5 | 59,357.1 | 64,416.4   | 7.9             | 8.5             |
| Private Sector | 9,020.9 | 9,652.1 | 12,579.1 | 7.0            | 30.3           | 72,222.7 | 82,635.0 | 1,00,945.4 | 14.4            | 22.2            |

Source: General Insurance Council, IRDAI

- In November 2022, the long-term trend of private players growing faster than their public peers has continued given the market presence and relative solvency levels. The market share of private non-life insurance companies has witnessed a sustained increase to 61% in YTD FY23 from 58% in YTD FY22 and 57% in YTD FY21.

**Figure 4: Movement in Segment Premiums (Rs crore)**

| Segment             | Total Premium Rs crore |                   |                   | % Share      |              |              | YoY Growth  |             |
|---------------------|------------------------|-------------------|-------------------|--------------|--------------|--------------|-------------|-------------|
|                     | YTD FY21               | YTD FY22          | YTD FY23          | YTD FY21     | YTD FY22     | YTD FY23     | YTD FY22    | YTD FY23    |
| Health              | 36,836.4               | 47,477.2          | 58,176.3          | 29.0         | 33.4         | 35.2         | 28.9        | 22.5        |
| Group               | 18,926.8               | 24,314.5          | 31,012.3          | 14.9         | 17.1         | 18.8         | 28.5        | 27.5        |
| Others incl. Retail | 17,909.6               | 23,162.7          | 27,164.0          | 14.1         | 16.3         | 16.4         | 29.3        | 17.3        |
| Motor               | 41,412.8               | 43,008.7          | 50,337.0          | 32.6         | 30.3         | 30.4         | 3.9         | 17.0        |
| Fire                | 14,114.2               | 15,237.6          | 16,942.0          | 11.1         | 10.7         | 10.2         | 8.0         | 11.2        |
| Crop Insurance      | 21,506.0               | 19,670.3          | 20,455.8          | 16.9         | 13.9         | 12.4         | -8.5        | 4.0         |
| Other Segments      | 13,347.8               | 16,598.4          | 19,450.7          | 10.5         | 11.7         | 11.8         | 24.4        | 17.2        |
| <b>Grand Total</b>  | <b>1,27,217.2</b>      | <b>1,41,992.1</b> | <b>1,65,361.8</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>11.6</b> | <b>16.5</b> |

Source: General Insurance Council, IRDAI

For YTD FY23, all segments excluding aviation have shown y-o-y growth.

- Health insurance premiums has been the primary growth lever of the non-life insurance industry since the commencement of the Covid-19 pandemic. This has resulted in the segment increasing its market share from 29% for YTD FY21 to 35.2% for YTD FY23. The health segment has grown by 22.5% for YTD FY23, which is lower than the growth of 28.9% witnessed for YTD FY22.
  - Group Health segment has been witnessing growth due to rationalization of discounts in premiums, adverse claims ratio in prior periods, medical inflation, and enhanced coverage, meanwhile, Retail Health segment growth looks to be normalising post the pandemic. The government schemes have increased their share in YTD FY22 and YTD FY23 due to the Ayushman Bharat scheme, and medical options being made available primarily due to pandemic-induced awareness. Overseas medical looks to be returning to pre-pandemic levels as international air travel has increased in India.
  - SAHIs focus on Retail, while Group accounts for a dominant share of the general insurers. The YTD FY23 premium growth of the SAHI continues to be higher than the industry average. This has led to SAHI holding 26.9% of the health insurance market (increasing their share from 24.7% in YTD FY21). Within general insurance companies, private players have broadly kept pace with SAHI, and public peers have grown at a slower pace.
- In YTD FY23, Motor insurance reached Rs. 50,337 crore and has continued to grow at over than 4 times the rate reported for the similar period in FY22. In YTD FY23, Motor OD grew by 18.1% (vs. 4.9% for YTD FY22) and Motor TP rose by 16.3% (vs. 3.2% for YTD FY22). For November 2022, Motor OD and Motor TP premiums grew by 12.8% and 14.3%, respectively. The growth can be attributed to last year's low base, the repricing of Motor TP rates and higher vehicle sales.

### **CareEdge View**

The non-life insurance industry has maintained its strong FY23 journey driven by the health and motor segments supported by enabling regulations. Despite a higher base and lower growth rates compared to FY22, the health segment is anticipated to witness continued demand amid increased awareness post-Covid and rationalisation of discounts. The long-term growth of motor insurance would be driven by growth in the automotive industry, which would boost the motor insurance market and increase penetration amongst the uninsured vehicles on road. Further, with the easing out of the pandemic's impact and higher investment yields, sector profitability is anticipated to improve as the loss ratio of health sector moderates. However, inflation and slowdown in the economy continue as risks to the growth in the sector.

**Annexure**

**Figure A1: Movement in Health Segment Premiums (Rs crore)**

| Segment             | Total Premium Rs crore |                 |                 | % Share      |              |              | YoY Growth  |             |
|---------------------|------------------------|-----------------|-----------------|--------------|--------------|--------------|-------------|-------------|
|                     | YTD FY21               | YTD FY22        | YTD FY23        | YTD FY21     | YTD FY22     | YTD FY23     | YTD FY22    | YTD FY23    |
| Health-Retail       | 15,718.5               | 18,308.9        | 21,012.2        | 42.7         | 38.6         | 36.1         | 16.5        | 14.8        |
| Health-Group        | 18,926.8               | 24,314.5        | 31,012.3        | 51.4         | 51.2         | 53.3         | 28.5        | 27.5        |
| Health-Government   | 2,041.4                | 4,602.9         | 5,447.0         | 5.5          | 9.7          | 9.4          | 125.5       | 18.3        |
| Overseas Medical    | 149.7                  | 250.9           | 704.9           | 0.4          | 0.5          | 1.2          | 67.6        | 180.9       |
| <b>Health Total</b> | <b>36,836.4</b>        | <b>47,477.2</b> | <b>58,176.3</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>28.9</b> | <b>22.5</b> |

Source: General Insurance Council

**Figure A2: Movement in Segment Premiums (Rs crore)**

| Segment            | Total Premium     |                   |                   | % Share      |              |              | YoY Growth (%) |             |
|--------------------|-------------------|-------------------|-------------------|--------------|--------------|--------------|----------------|-------------|
|                    | YTD FY21          | YTD FY22          | YTD FY23          | YTD FY21     | YTD FY22     | YTD FY23     | YTD FY22       | YTD FY23    |
| Health             | 36,836.4          | 47,477.2          | 8,176.3           | 29.0         | 33.4         | 35.2         | 28.9           | 22.5        |
| Motor              | 41,412.8          | 43,008.7          | 50,337.0          | 32.6         | 30.3         | 30.4         | 3.9            | 17.0        |
| Fire               | 14,114.2          | 15,237.6          | 16,942.0          | 11.1         | 10.7         | 10.2         | 8.0            | 11.2        |
| Crop Insurance     | 21,506.0          | 19,670.3          | 20,455.8          | 16.9         | 13.9         | 12.4         | -8.5           | 4.0         |
| P.A.               | 3,157.6           | 4,391.6           | 4,748.6           | 2.5          | 3.1          | 2.9          | 39.1           | 8.1         |
| Marine             | 2,201.2           | 2,798.0           | 3,380.0           | 1.7          | 2.0          | 2.0          | 27.1           | 20.8        |
| Liability          | 2,179.1           | 2,777.7           | 3,538.0           | 1.7          | 2.0          | 2.1          | 27.5           | 27.4        |
| Engineering        | 1,844.1           | 2,282.5           | 2,710.6           | 1.4          | 1.6          | 1.6          | 23.8           | 18.8        |
| Credit Guarantee   | 829.3             | 872.5             | 1,040.5           | 0.7          | 0.6          | 0.6          | 5.2            | 19.2        |
| Aviation           | 452.0             | 596.0             | 578.4             | 0.4          | 0.4          | 0.3          | 31.9           | -3.0        |
| All Other Misc.    | 2,684.5           | 2,880.1           | 3,454.7           | 2.1          | 2.0          | 2.1          | 7.3            | 20.0        |
| <b>Grand Total</b> | <b>1,27,217.2</b> | <b>1,41,992.1</b> | <b>1,65,361.8</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>11.6</b>    | <b>16.5</b> |

Source: General Insurance Council

**Figure A3: Company-wise Premiums**

| Insurer                                   | Premium (Rs crore) |                   |                   | Market Share (%) |              |              |
|---|--------------------|-------------------|-------------------|------------------|--------------|--------------|
|   | YTD FY21           | YTD FY22          | YTD FY23          | YTD FY21         | YTD FY22     | YTD FY23     |
| Acko General Insurance Ltd                | 235.1              | 597.2             | 953.1             | 0.2              | 0.4          | 0.6          |
| Bajaj Allianz General Insurance Co Ltd    | 8,252.9            | 9,296.1           | 10,399.3          | 6.5              | 6.5          | 6.3          |
| Cholamandalam MS General Insurance Co Ltd | 2,740.2            | 3,023.8           | 3,841.6           | 2.2              | 2.1          | 2.3          |
| Edelweiss General Insurance Co Ltd        | 133.6              | 228.9             | 364.4             | 0.1              | 0.2          | 0.2          |
| Future Generali India Insurance Co Ltd    | 2,317.3            | 2,660.1           | 2,757.1           | 1.8              | 1.9          | 1.7          |
| Go Digit General Insurance Ltd            | 1,422.3            | 2,728.1           | 4,051.0           | 1.1              | 1.9          | 2.4          |
| HDFC Ergo General Insurance Co Ltd        | 7,801.6            | 8,547.9           | 10,456.7          | 6.1              | 6.0          | 6.3          |
| ICICI Lombard General Insurance Co Ltd    | 11,521.0           | 11,798.1          | 14,397.1          | 9.1              | 8.3          | 8.7          |
| IFFCO-Tokio General Insurance Co Ltd      | 5,730.8            | 5,672.8           | 6,162.5           | 4.5              | 4.0          | 3.7          |
| Kotak Mahindra General Insurance Co Ltd   | 328.9              | 416.8             | 686.8             | 0.3              | 0.3          | 0.4          |
| Liberty General Insurance Co. Ltd         | 931.8              | 955.5             | 1,276.8           | 0.7              | 0.7          | 0.8          |
| Magma HDI General Insurance Co Ltd        | 750.9              | 1,012.0           | 1,614.4           | 0.6              | 0.7          | 1.0          |
| National Insurance Co Ltd                 | 9,135.3            | 8,950.7           | 10,425.2          | 7.2              | 6.3          | 6.3          |
| Navi General Insurance Co. Ltd            | 62.1               | 53.7              | 49.0              | 0.05             | 0.04         | 0.03         |
| Raheja QBE General Insurance Co Ltd       | 129.8              | 237.2             | 320.2             | 0.1              | 0.2          | 0.2          |
| Reliance General Insurance Co Ltd         | 5,718.3            | 6,488.4           | 7,222.0           | 4.5              | 4.6          | 4.4          |
| Royal Sundaram General Insurance Co Ltd   | 1,727.9            | 1,823.5           | 2,154.3           | 1.4              | 1.3          | 1.3          |
| SBI General Insurance Co Ltd              | 4,749.9            | 5,359.0           | 6,233.3           | 3.7              | 3.8          | 3.8          |
| Shriram General Insurance Co Ltd          | 1,381.7            | 1,119.2           | 1,397.2           | 1.1              | 0.8          | 0.8          |
| Tata AIG General Insurance Co Ltd         | 5,293.4            | 6,101.2           | 8,209.1           | 4.2              | 4.3          | 5.0          |
| The New India Assurance Co Ltd            | 18,150.0           | 21,846.5          | 22,536.7          | 14.3             | 15.4         | 13.6         |
| The Oriental Insurance Co Ltd             | 8,235.3            | 9,076.8           | 10,259.2          | 6.5              | 6.4          | 6.2          |
| United India Insurance Co Ltd             | 10,669.7           | 9,981.7           | 11,520.1          | 8.4              | 7.0          | 7.0          |
| Universal Sompo General Insurance Co Ltd  | 1,897.2            | 2,193.8           | 2,773.3           | 1.5              | 1.5          | 1.7          |
| <b>General Insurers sub-Total</b>         | <b>1,09,316.6</b>  | <b>1,20,168.9</b> | <b>1,40,060.3</b> | <b>85.9</b>      | <b>84.6</b>  | <b>84.7</b>  |
| Niva bupa health insurance Co Ltd         | 977.21             | 1,649.8           | 2,336.2           | 0.8              | 1.2          | 1.4          |
| Aditya Birla Health Insurance Co Ltd      | 749.14             | 1,015.8           | 1,671.9           | 0.6              | 0.7          | 1.0          |
| Care Health Insurance Ltd                 | 1,532.57           | 2,280.2           | 3,195.6           | 1.2              | 1.6          | 1.9          |
| ManipalCigna Health Insurance Co Ltd      | 458.19             | 605.7             | 833.1             | 0.4              | 0.4          | 0.5          |
| Star Health & Allied Insurance Co Ltd     | 5,379.13           | 6,770.3           | 7,589.5           | 4.2              | 4.8          | 4.6          |
| <b>Health Insurers sub-Total</b>          | <b>9,096.2</b>     | <b>12,321.8</b>   | <b>15,626.3</b>   | <b>7.2</b>       | <b>8.7</b>   | <b>9.4</b>   |
| Agriculture Insurance Co of India Ltd     | 8,188.19           | 8,864.8           | 8,950.3           | 6.4              | 6.2          | 5.4          |
| ECCG Ltd                                  | 616.12             | 636.6             | 724.9             | 0.5              | 0.4          | 0.4          |
| <b>Specialised Insurers sub-Total</b>     | <b>8,804.3</b>     | <b>9,501.4</b>    | <b>9,675.2</b>    | <b>6.9</b>       | <b>6.7</b>   | <b>5.9</b>   |
| <b>Grand Total</b>                        | <b>1,27,217.2</b>  | <b>1,41,992.1</b> | <b>1,65,361.8</b> | <b>100.0</b>     | <b>100.0</b> | <b>100.0</b> |

Note: Bharti AXA General Insurance Co. Ltd has been merged with ICICI Lombard General Insurance Co. Ltd, Source: General Insurance Council, IRDAI

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