

Non-Life Premium Growth Slows to 6.1% in September 2026

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Synopsis

- Non-life insurance premiums grew 6.1% y-o-y in September 2026, against 10.0% in August. Growth for H1 FY27 was 8.9%. Private insurers and standalone health insurers wrote 65.8% of the month's premium.
- The slowdown came from crop insurance. Crop premium fell sharply, partly against a high base in September 2025 and partly because premium rates fell. Coverage under the crop scheme is wider than last year, so this is a pricing change rather than a loss of business.
- Excluding fire and crop, industry growth rose to 17.7% from 14.3% in August. This is the widest gap between the two measures in FY27.
- Health grew 20.2% y-o-y and motor 12.9%, both faster than in August, though September 2025 was a soft base for each. Retail health grew 32.8% and has stayed above 30% in every month of FY27.
- Fire premium fell 13.6% y-o-y, a smaller fall than in July and August, which suggests discounting in the segment is easing.

Key Highlights

6.1% PREMIUM GROWTH from 10.0% in Aug-26	17.7% GROWTH EX-FIRE & CROP from 14.3% in Aug-26	32.8% RETAIL HEALTH GROWTH from 32.5% in Aug-26	12.9% MOTOR GROWTH from 10.4% in Aug-26	-27.7% CROP PREMIUM from +1.1% in Aug-26
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Premium and Growth by Segment: September 2026 (Rs crore, %)

Premium	Sep-25	Sep-26	Sept-26 y-o-y	Aug-26 y-o-y	Comment
Industry	31,052.1	32,951.2	6.1%	10.0%	High crop base
Health	10,684.2	12,847.3	20.2%	18.0%	Absorbed the crop and fire drag
Retail health	4,318.9	5,736.8	32.8%	32.5%	Above 30% in every month of FY27
Group health	5,615.6	6,553.1	16.7%	15.6%	Steady corporate demand
Motor	8,195.6	9,256.3	12.9%	10.4%	Own damage lifts as price base normalises
Crop	6,751.3	4,884.4	-27.7%	1.1%	High base in September 2025
Fire	1,730.3	1,494.6	-13.6%	-24.8%	Second month of a smaller decline

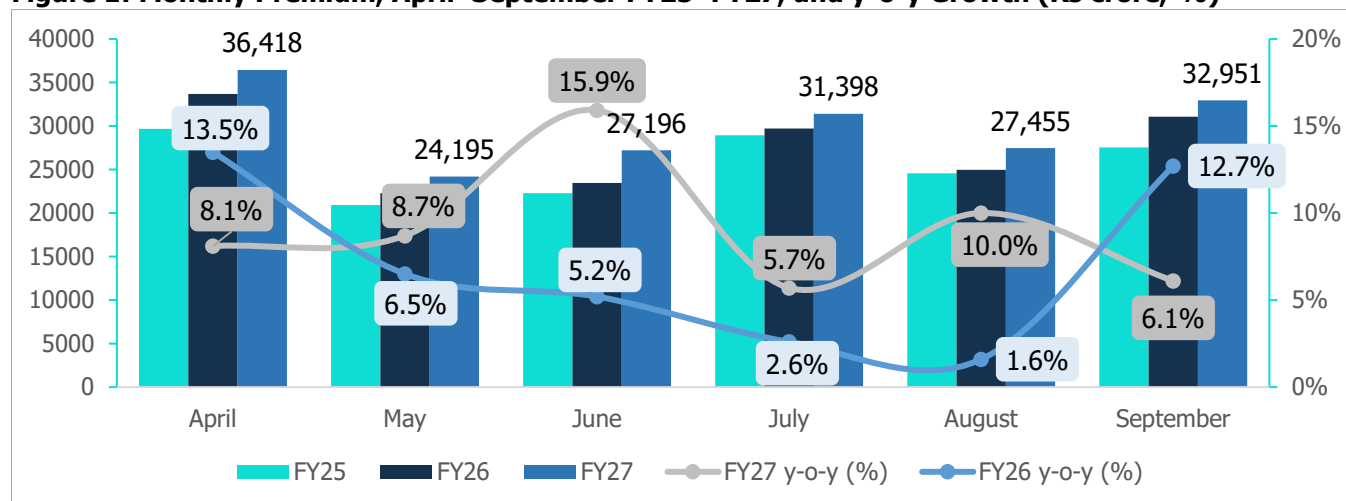
Source: General Insurance Council, IRDAI, CareEdge Calculations. Note: y-o-y compares September 2026 with September 2025; Aug-26 y-o-y compares August 2026 with August 2025.

Industry Growth Falls to 6.1% on Lower Crop and Fire Premium

Non-life insurance premiums stood at Rs 32,951 crore in September 2026, up 6.1% y-o-y. Growth was 12.7% in September 2025 and 10.0% in August 2026. Health and motor continued to drive growth. Health premium grew 20.2% y-o-y and motor 12.9%, against 18.0% and 10.4% in August 2026. September 2025 was a weak month for both, which supported this September's growth rates. Crop insurance was the reason growth slowed, with premium falling Rs 1,867 crore y-o-y; together with a drop in fire premium of Rs 236 crore, this created a drag of Rs 2,103 crore. Nevertheless, health and motor added Rs 3,224 crore between them, covered the drag, and left industry premium Rs 1,899 crore higher than a year earlier. The crop decline has two parts. About three-fifths of it is the

high base, as September 2025 was unusually large at Rs 6,751 crore against Rs 5,619 crore in September 2024. The rest takes crop premium below the September 2024 level, and that is because premium rates have fallen, not because less area is covered.

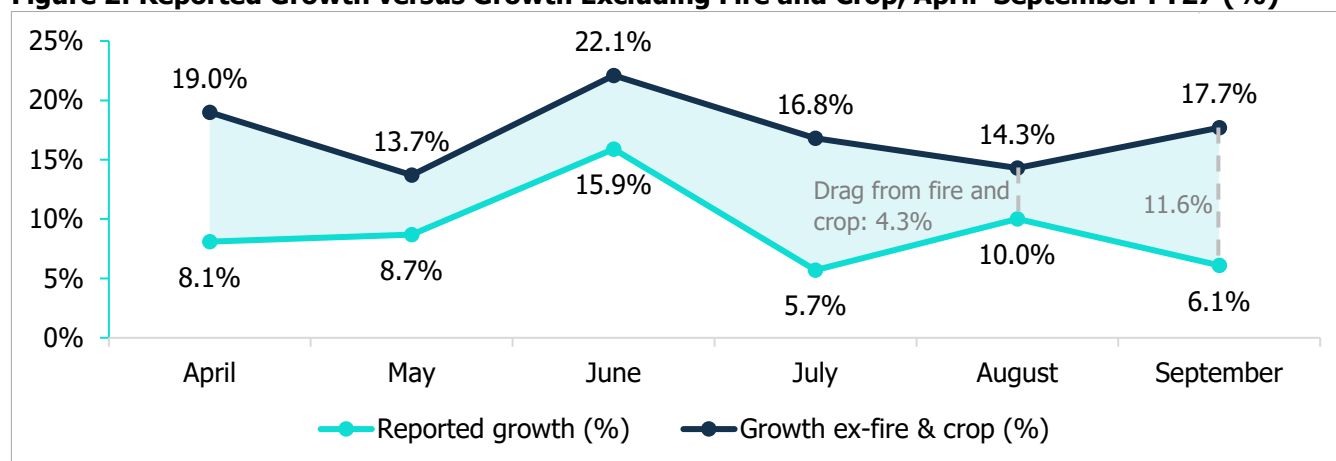
Figure 1: Monthly Premium, April–September FY25–FY27, and y-o-y Growth (Rs crore, %)



Source: General Insurance Council, IRDAI.

Reported growth and growth excluding fire and crop have moved in opposite directions for a second month running. Growth excluding fire and crop rose to 17.7% y-o-y in September, from 14.3% in August. September is the biggest month of the year for crop premium, at 14.8% of the month's premium against 5.2% for H1 FY27. The crop drag is therefore heaviest in September, which is why the gap is widest here.

Figure 2: Reported Growth versus Growth Excluding Fire and Crop, April–September FY27 (%)



Source: General Insurance Council, IRDAI

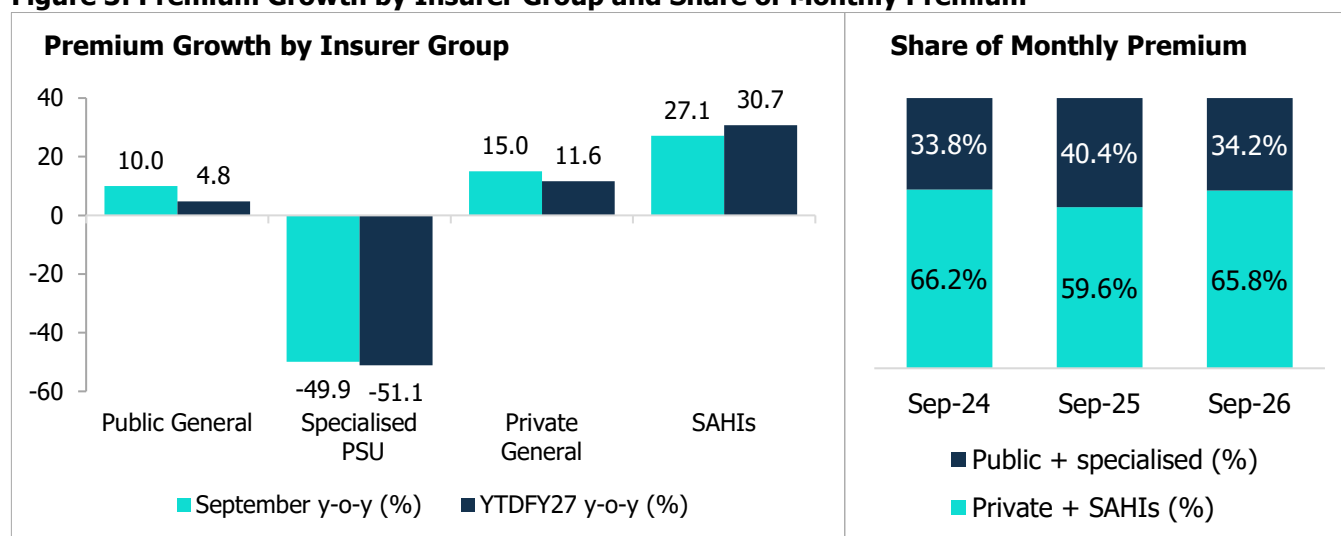
Private Insurers and SAHIs Take Nearly 66% of September Premium

Private insurers and standalone health insurers (SAHIs) together wrote 65.8% of September premium, up from 59.6% in September 2025. In H1 FY27, their combined share was 67.5%, up from 63.8% in H1 FY26. Their September share is lower than the 73.3% they wrote in August. September is the largest crop month of FY27 so far, and crop is written mainly by the specialised public sector insurer and a few general insurers. The share of private insurers and SAHIs therefore falls in months when crop premium is high. Excluding crop, their H1 FY27 share was 67.5%, up from 65.0% in H1 FY26. The share gain is therefore about 250 bps rather than the 370 bps

the headline numbers show. The difference comes from a decline in crop premium, a segment the specialised public sector insurer used to dominate.

Public sector general insurers grew 10.0% y-o-y in September, after 0.6% in August. This is their best month of FY27 so far, but their September 2025 premium had grown only 2.1%, so the base was low. In H1 FY27, their premium grew 4.8%, against 8.9% for the industry. Two segments explain the gap. Their fire premium fell 26.8%, close to the industry fall; excluding fire, they grew 9.1% versus 13.1% for the industry. Health is the bigger reason: their health premium grew 5.0% in H1 FY27, against 20.8% for the industry.

Figure 3: Premium Growth by Insurer Group and Share of Monthly Premium



Source: General Insurance Council, IRDAI

Gross Direct Premium by Insurer Group (Rs crore)

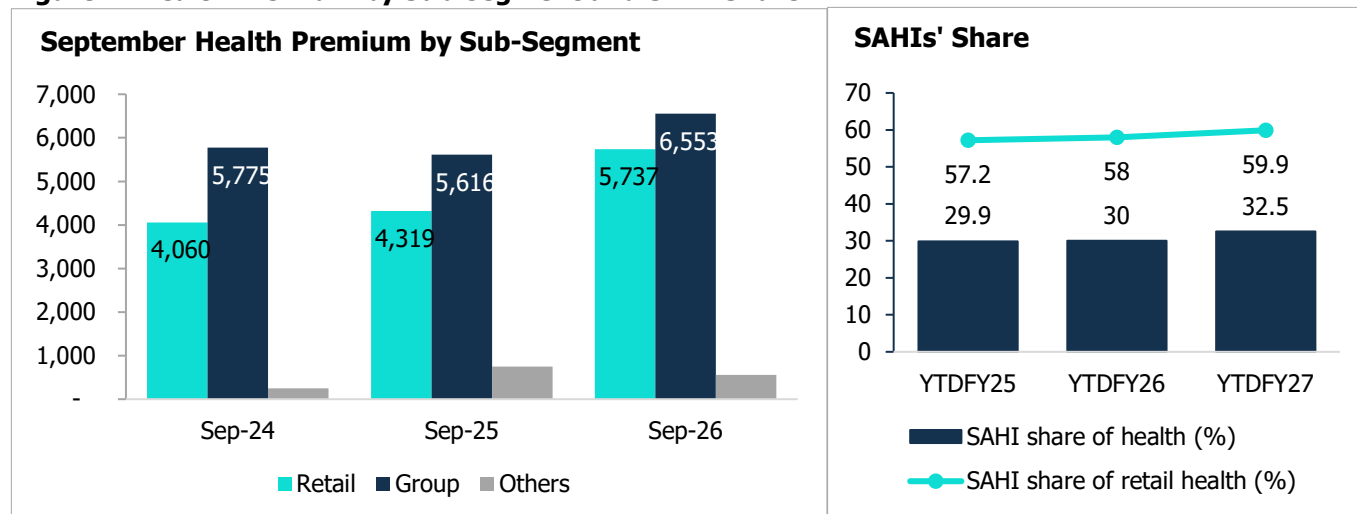
Insurer group	Sep-25	Sep-26	y-o-y	YTD FY26	YTD FY27	YTD y-o-y
Public General Insurers	8,292.6	9,124.3	10.0%	52,316.6	54,821.0	4.8%
Specialised PSU Insurers	4,253.9	2,131.1	-49.9%	7,378.2	3,607.5	-51.1%
Private General Insurers	15,058.0	17,313.9	15.0%	85,715.1	95,697.9	11.6%
SAHIs	3,447.6	4,382.0	27.1%	19,578.0	25,586.3	30.7%
Total	31,052.1	32,951.2	6.1%	1,64,987.8	1,79,712.7	8.9%

Source: General Insurance Council, IRDAI

Premiums of specialised PSU insurers fell 49.9% y-o-y in September and 51.1% in H1 FY27. Crop insurance is the larger of the two businesses in this group, at about 78% of its H1 FY27 premium, and accounts for the entire decline. The group's credit guarantee premium grew 9.9% over the same period. Across the industry, portfolio mix rather than ownership continues to explain performance. Insurers skewed towards retail health and motor are growing at double digits, while those with large fire and crop books are not.

Health Premium Growth Rises to 20.2% as Retail Health Grows 32.8%

Health premium grew 20.2% y-o-y in September to Rs 12,847 crore, faster than the 18.0% recorded in August. Health accounted for 39.0% of premium in September and 43.1% in H1 FY27, up from 38.9% in H1 FY26. Retail health grew 32.8% y-o-y and group health 16.7%, both faster than in August.

Figure 4: Health Premium by Sub-segment and SAHI Share

Source: General Insurance Council, IRDAI. Note: "Others" comprises government scheme health premium and overseas medical cover.

Retail health growth is being driven by two factors: more policies sold, and higher cover taken on each policy. The volume effect shows up in the shift toward standalone health insurers, whose books are almost entirely retail and whose retail premium is growing faster than that of general insurers.

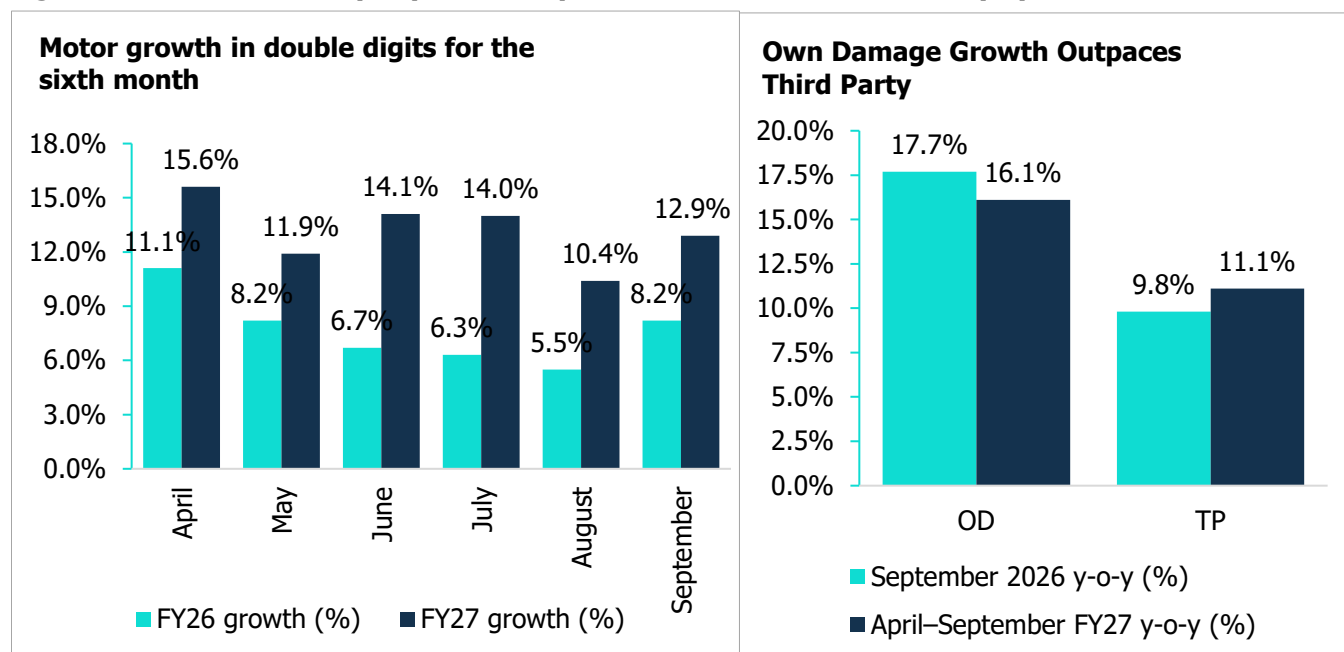
SAHIs wrote 32.5% of health premium in H1 FY27, up from 30.0% in H1 FY26, and 59.9% of retail health premium, up from 58.0%. Retail health premium grew 36.3% in H1 FY27, versus 26.0% for general insurers. Within general insurers, this growth is driven by a few large private companies. Group health is still written mainly by general insurers, who have the corporate relationships. It is still the largest part of health in H1 FY27, but its share is falling as retail health grows faster.

Government scheme and overseas medical premium, grouped as "others", fell 26% y-o-y in September. This premium is booked in large instalments rather than evenly through the year, so monthly growth is not a reliable guide. H1 FY27 growth of 5.4% is the better measure.

The GST exemption on individual health policies took effect on 22 September 2025, so only the last nine days of September 2026 are compared with a period that already had the exemption. October 2026 is the first month compared entirely against an exempt base, and reported retail health growth should ease from that point on the base effect alone. The extent of that slowdown will indicate how much of this year's growth reflects a lasting increase in demand.

Motor Growth Rises to 12.9%, Led by Own Damage

Motor premium grew 12.9% y-o-y in September, faster than the 10.4% recorded in August, and the sixth consecutive month of double-digit y-o-y growth. Own damage (OD) premium grew 17.7% y-o-y, and third-party (TP) premium grew 9.8%. As a result, OD rose to 41.3% of total motor premium in September, from 39.6% in September 2025.

Figure 5: Motor Premium y-o-y Growth by Month, and OD vs TP Growth (%)

Source: General Insurance Council, IRDAI

The pick-up is concentrated in OD, where growth was about 460 bps higher than in August. Higher vehicle volumes are the main reason. A second factor is beginning to help. GST on small cars and smaller two-wheelers was reduced on 22 September 2025, which lowered vehicle prices and, with them, the insured declared values on which OD premium is calculated. Only the last nine days of September 2026 are compared against that lower price base, so its effect on the month is limited. From October, it applies to the full month and should support reported OD growth through the third quarter of FY27 even without any change in pricing. TP rates have not been revised for FY27, so TP premium grows only with the number of vehicles insured, both new and renewing, and has no pricing contribution.

Retail registrations rose 31.8% y-o-y in September. However, many buyers postponed purchases in September 2025 while awaiting the GST reduction, leaving an unusually low base. Growth of about 17% over April–August FY27 is a more representative measure of demand. Electric vehicles reached a record monthly volume and about 13% of registrations, which supports OD premium because they carry higher insured values, though the effect on total motor premium builds gradually.

Crop Premium fell 27.7% in September and 31.0% in H1 FY27

Crop premium fell by 27.7% y-o-y in September to Rs 4,884 crore, and by 31.0% in H1 FY27. September 2025 was the largest month for crop premium in recent years, and the specialised public sector insurer accounted for about 61% of it.

The fall is in premium rates, not in coverage. Under PMFBY, 241 lakh farmers were insured across 278 lakh hectares in Kharif 2026 as on 27 August 2026, above the Kharif 2025 level. Twenty-five states and union territories are taking part, with one state rejoining this season and another returning from Rabi 2026-27. So more area is covered than last year while premium is a third lower. The fall is also uneven. General insurers' crop premium fell by 3.9% in H1 FY27, while the specialised public sector insurers' fell by 59.0%. General insurers now write 70.9% of crop premium, up from 50.9% in H1 FY26. Within general insurers, some are growing their crop books, and others are

pulling back. For those pulling back, headline premium growth looks weaker than the growth in the rest of their business.

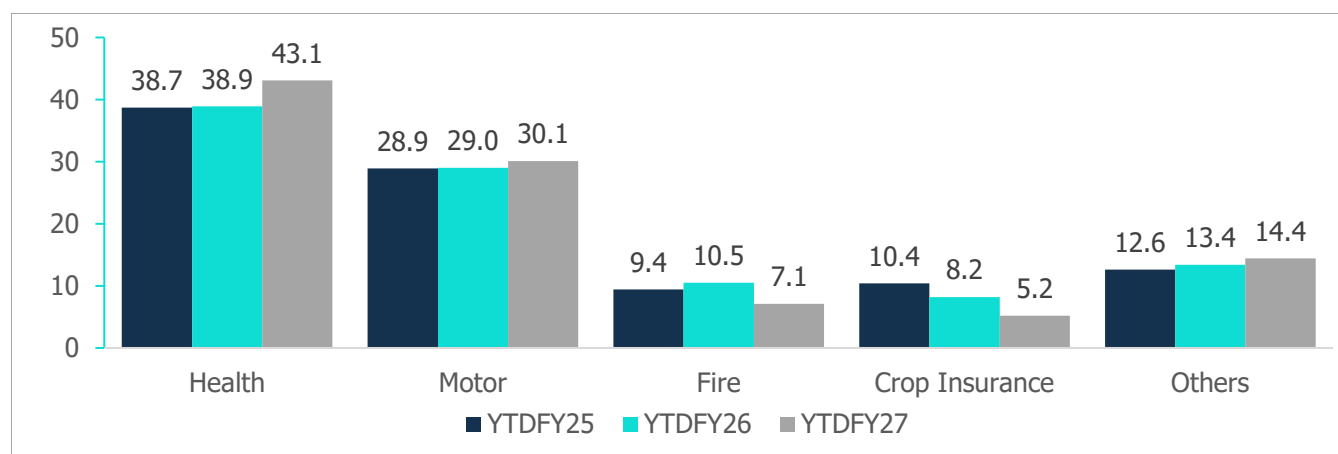
Fire Premium Falls at a Slower Pace for a Second Month

Fire premium fell 13.6% y-o-y in September, a smaller fall than the 24.8% in August and 30.9% in July. Fire premium had grown 31.7% y-o-y in September 2025, so this September's fall came against a high base. The segment is down 26.6% in H1 FY27, and its share of industry premium has fallen to 7.1% from 10.5% in H1 FY26. The fall has now narrowed for two months running, and it has done so against a rising base. This suggests the heavy discounting of the past year is starting to ease. The monsoon brought large catastrophe losses across several states, and claims of that kind usually feed into renewal pricing. The fall is broad-based: public sector insurers' fire premium is down 26.8% in H1 FY27, against a 26.5% drop for the rest of the industry. So this is a market-wide pricing cycle, not business moving from one insurer to another. Whether firmer pricing holds through the January renewals remains a key monitorable.

Other Segments

Marine and aviation were the fastest-growing segments in H1 FY27, at 33.0% and 32.8% respectively, though both are small, at Rs 4,116 crore and Rs 680 crore respectively. Marine grew 27.6% y-o-y and aviation 45.0% y-o-y in September. The domestic maritime insurance pool launched in May 2026 has brought war-risk cover onshore, so premium previously placed outside India now appears in domestic figures. War-risk rates on affected routes remain elevated. In September, personal accident grew 17.2% y-o-y, engineering 2.7% and liability 14.4%. For H1 FY27, the three grew 19.1%, 9.4% and 11.0% respectively.

Figure 6: Segment Share of Premium, April–September FY25–FY27 (%)



Source: General Insurance Council, IRDAI

CareEdge Ratings' View

As per Priyesh Ruparelia, Director, CareEdge Ratings, "Reported industry growth of 6.1% in September understates the overall sector performance. Crop premium fell from a high base and at lower rates, and remained a key drag on industry growth. Excluding fire and crop, industry growth in September 2026 stood at 17.7%, the highest since June, with both health and motor growing faster than in August. Health growth is also higher quality, as the segment is adding policyholders and selling higher cover rather than relying only on price increases. However, with the GST base changing from October 2026, reported retail health growth is likely to slow in the third quarter."

Saurabh Bhalerao, Director, CareEdge Ratings, adds, " Two things stand out on underwriting. Fire pricing looks to be turning after a year of decline, with discounts narrowing in response to claims rather than to any change in demand, and the January 2027 renewals will show whether that holds. In motor, own-damage growth is being helped by higher vehicle volumes, with last year's lower vehicle prices starting to drop out of the comparison. Third-party rates have been unchanged for several years while claims costs have risen, and a tariff revision remains the key factor that will drive motor profitability. Insurers with strong retail businesses, disciplined pricing and spread across segments remain best placed."

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