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Non-life insurers' FY24 premium grew 13%

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AATHIRA VARIER
Mumbai, 8 April

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The premium fell short of touching the ₹3 trillion mark amid a slowdown in the growth rate of health and motor insurance, along with weak growth in the crop insurance segment.

According to data released by the General Insurance Council, premiums of general insurers grew by 14.24 per cent Y-o-Y to ₹2.45 trillion in FY24.

Public sector general insurers clocked an 8.99 per cent growth in premium to ₹90,344.49 crore, whereas their private sector counterparts witnessed a 17.53 per cent increase to ₹1.55 trillion.

"It's been an interesting year, and the industry has largely done very well in terms of covering more citizens," said Tapan Singhel, chairman of GIC and managing director and chief executive officer of Bajaj Allianz General Insurance.

"The regulator has been proactive in ensuring the right growth trajectory for the industry while being customer-focused. The industry has responded well and embarked on the journey



GROWTH PATH

Gross direct premium income (GDPI) of general insurance companies (in ₹ cr) (Apr-Mar 2024)

		Growth (% Y-o-Y)
Total direct underwriting premium	289,730.55	12.78
General insurers	245,424.18	14.24
Public sector general insurers	90,344.49	8.99
Private sector general insurers	155,075.36	17.53

Source: General Insurance Council

towards greater collaboration to increase customer convenience and trust," Singhel added.

Among companies, the industry leader, The New India Assurance Company, saw a 7.4 per cent Y-o-Y growth in premium to ₹37,035.19 crore.

The premium of leading private sector players like ICICI Lombard General Insurance grew by 17.84 per cent Y-o-Y to ₹24,776.11 crore, while Bajaj Allianz General

Insurance's premium increased by 33.49 per cent to ₹20,472.68 crore in February.

Among other major insurers, HDFC Ergo General Insurance's premium increased by 11.61 per cent to ₹18,567.56 crore, whereas United India Insurance Company's premium surged 12.51 per cent to ₹19,851.71 crore and The Oriental Insurance's premium rose 17.1 per cent Y-o-Y to ₹18,285.82 crore in FY24.

In March 2024, general insurance companies' gross direct premium grew by 9.64 per cent Y-o-Y to ₹21,422.06 crore.

In terms of market share, public sector general insurers held 31.18 per cent of the overall general insurance industry in FY24, down from 32.27 per cent in FY23.

Private insurers, on the other hand, witnessed an increase in market share to 53.52 per cent in the reported financial year compared to 51.36 per cent in the year-ago period.

In a recent report, CareEdge Ratings noted that overall business growth in the industry is being aided by a favourable regulatory environment, stabilisation of loss ratios, and a focus on containing expenses. Strengthening distribution networks and higher investment will also contribute to the sector's growth.

The report further added that competition is likely to increase as new companies have commenced operations while others continue to be in line to enter the segment.

So far in 2024, the insurance regulator has approved two new standalone health insurers or SAHIs — Narayana Health Insurance and Galaxy Health & Allied Insurance. In FY24, the gross direct premium of the five SAHIs increased 26.19 per cent to ₹33,115.95 crore from ₹26,243.85 crore in the year-ago period.