

Ref. No.: GIC-HO/BOARD/Q2-IMP/213/2024-25

November 13, 2024

To  
The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Tower  
Dalal Street  
Mumbai – 400001

The Manager  
Listing Department  
The National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor, Plot C/1,  
G Block, Bandra Kurla Complex  
Mumbai - 400051

**Scrip Code: (BSE – 540755/ NSE – GICRE)**

**Sub: Investor Presentation – Q2 FY 2025 Financial Results Presentation**

Dear Sir/Madam,

With reference to the above captioned subject, please find attached herewith Investor Presentation – Q2 FY 2025 Financial Results Presentation.

The same is also available on the website of the Corporation at [www.gicre.in](http://www.gicre.in)

This is pursuant to and in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable laws.

Kindly take the above information on record.

Thanking You

Yours sincerely,  
For General Insurance Corporation of India

**Suresh Savaliya**  
**(Company Secretary &**  
**Compliance Officer)**

Encl.: As above

## भारतीय साधारण बीमा निगम

(भारत सरकार की कंपनी)

**General Insurance Corporation of India**  
**(Government of India Company)**

**CIN: L67200MH1972GOI016133 IRDA REG NO.: 112**

[www.gicofindia.com](http://www.gicofindia.com)

'सुरक्षा', १७०, जे. टाटारोड, चर्चगेट, मुंबई ४०००२०

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# Q2 FY 2025 Financial Results Presentation

Mumbai, November 2024



भारतीय साधारण बीमा निगम  
General Insurance Corporation of India



आपत्काले रक्षिष्यामि  
GIC Re

*Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. GIC Re will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

# Agenda

① Market Review

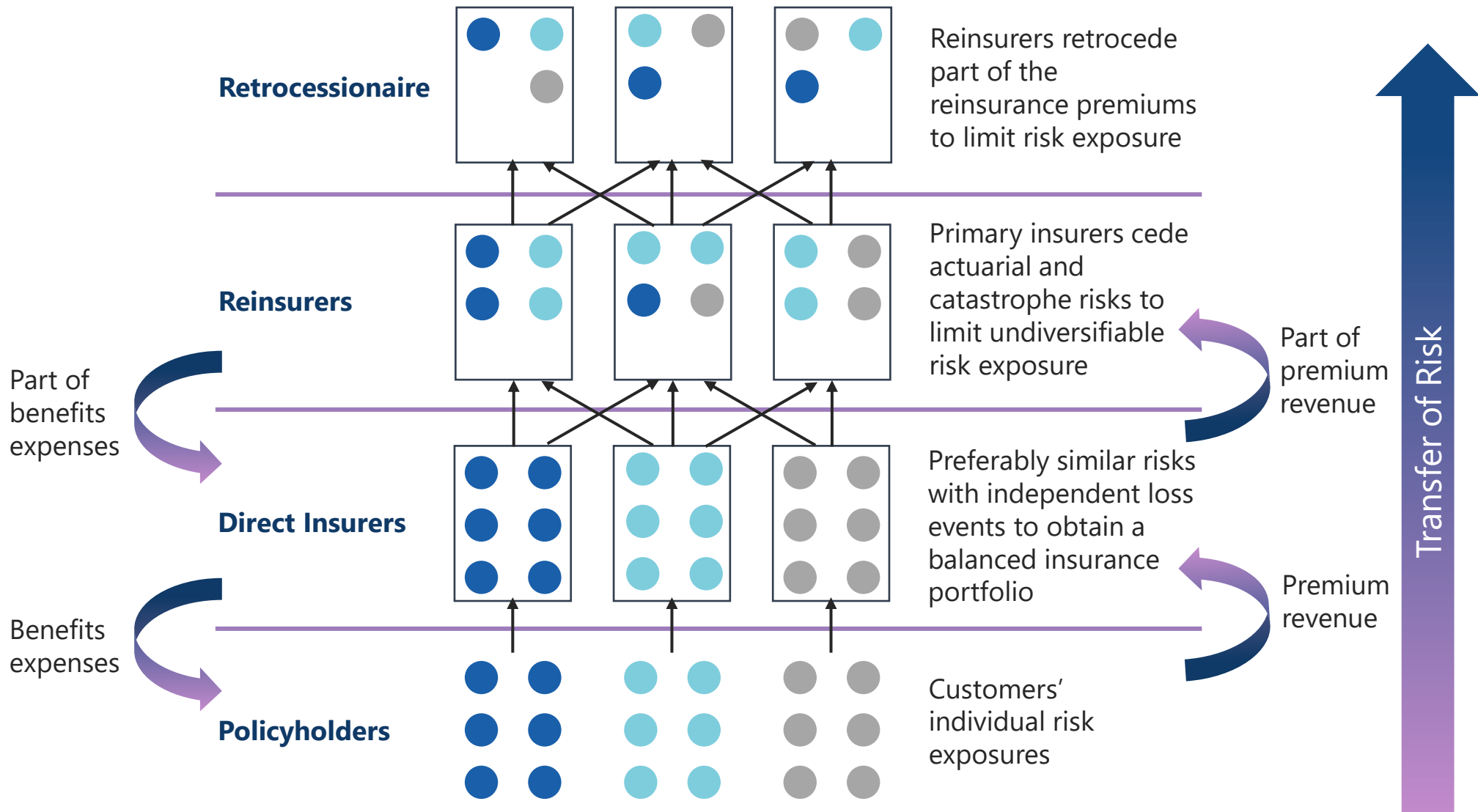
② Strategic Overview

③ Financial Performance

# Market Review

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General Insurance Corporation of India

# How Reinsurance Works?



# Reinsurance Industry - Role

**GIC Re has been playing a key role in the Indian reinsurance market and able to maintain about 60% share in the Indian reinsurance market.**

**1** Reinsurance is the foundation for economic growth through risk transfer mechanism

**2** The risks flow through insurers to reinsurers

**3** Insurance is written on the strength of reinsurance support

**4** Reinsurer insulates himself from the insurer's adverse financial performance

**5** Reinsurers have devices to guard against anti-selection

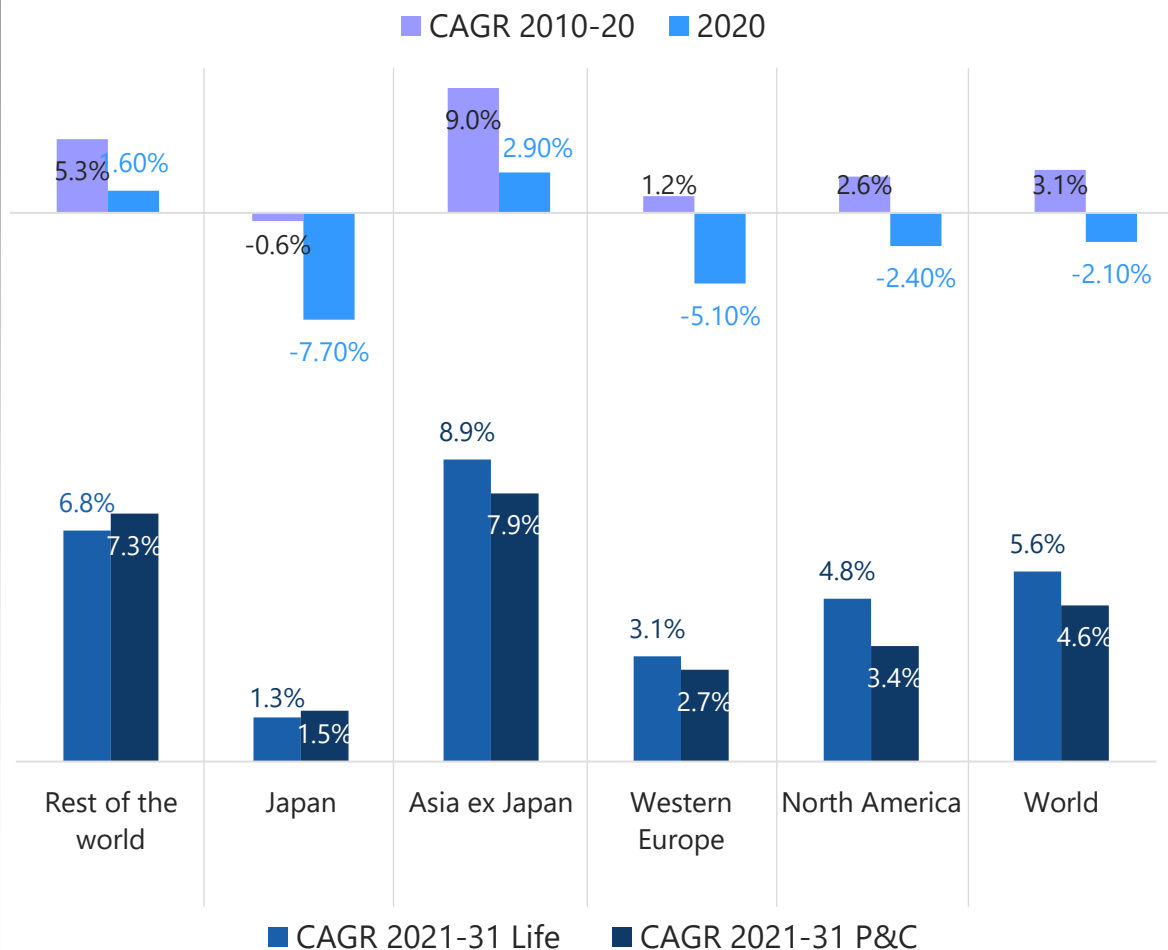
## Reinsurance support aims at

- 1** Providing insurers capacity to write more: **proportional**
- 2** Providing insurers protection against bottom line volatility: **non-proportional – major risks**
- 3** Providing insurers protection against balance sheet protection: **non-proportional - catastrophe**

# Global Scenario

- The global reinsurance market size is expected to grow from \$574.27 billion in 2022 to \$895.40 billion in 2027 at a CAGR of 9.1%.
- Reinsurance rates rose sharply in the January 2023 renewals in response to losses due to the war, high inflation and increasing natural catastrophe claims.
- A.M. Best has maintained its stable outlook for the global reinsurance sector on the back of positive rate momentum across a broad range of non-life classes of business
- In the current environment, marked by years of accumulating catastrophic losses, investment market losses, and significant losses expected as a result of the pandemic, there is potential for further price increases

### Gross Written Premium\* growth, by region



\* The conversion into EUR is based on 2020 exchange rates.

Source: A.M. Best; National financial supervisory authorities, insurance associations and statistical offices, Thomson Reuters, Allianz Research; Valuates Report; The Business Research Company ;Precision reports



# Reinsurance industry in India



GIC Re is the largest player in India and leads most of the domestic companies' treaty programmes and facultative placements



Gross written premiums of general insurance industry in 2023-24: ₹2,89,737.87 crore



Net retention of general insurers decreased marginally from 71.9% in 2021-22 to 71.7% in 2022-23



Insurance penetration declined marginally to 4.0% in 2022-23 compared to 4.2% in 2021-22



Crop insurance has become the third largest line of non-life business, after health and motor insurance

# Domestic Operating Environment

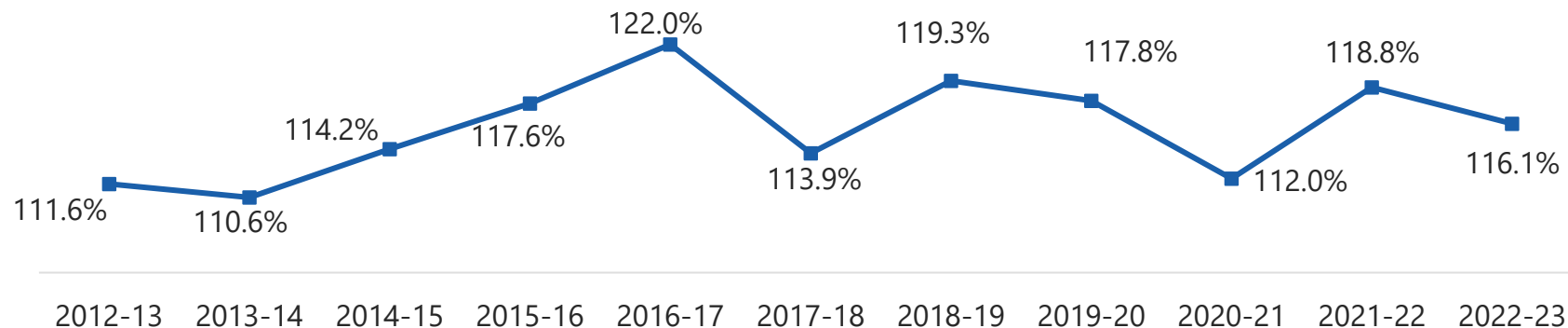
India's general insurance market is estimated to grow at a compound annual growth rate (CAGR) of 9.9% during 2021-2026.

Reinsurance premiums in India is expected to touch Rs 989.75 billion by 2025

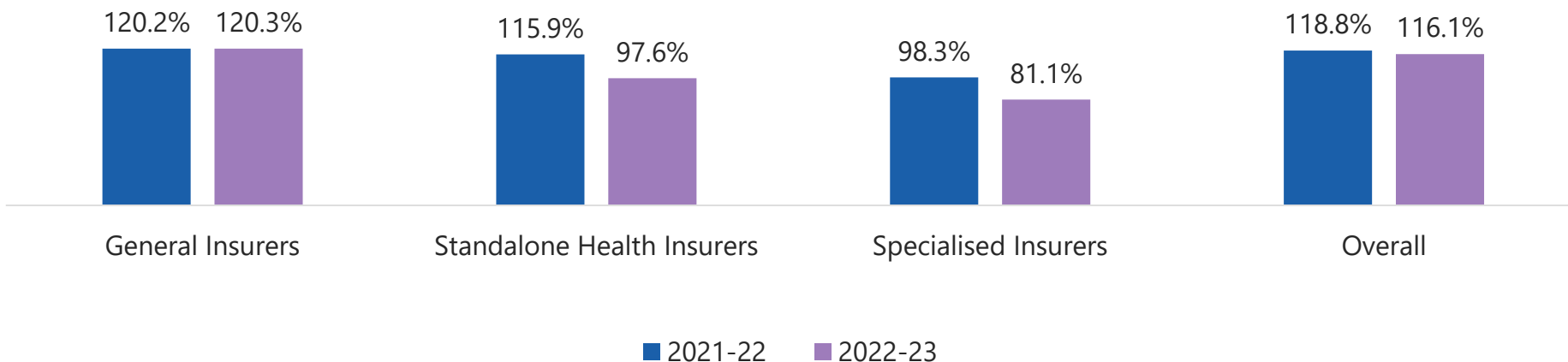
GIC Re expected to maintain market leadership going forward on strong financials, adequate capacity and expertise

# Combined Ratio – Indian non-life insurance

### Combined Ratio - Overall



### Combined Ratio (Split by Type of Insurer)



# Strategic Overview

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General Insurance Corporation of India

# Competitive Strategy Pillars

## Prudent Underwriting

- Geographical Diversification
- Lines of Business Diversification
- Continued focus on Risk Selection
- Deployment of Modelling and Pricing Techniques and Tools

## Efficient Asset Management

- Healthy Investment Income
- Diversified Investment Portfolio
- Effective Asset Liability Management

## Exposure Management

- Modelling accumulation of exposures
- Rebalancing the risk portfolio
- Well-rated retrocession counterparties

## Effective Risk Management

- Conservative Claim Reserving
- Following best practices such as conducting stress test to assess resilience

## Talent Management

- Recruitment of Experts
- Low attrition rate

## Dominant Indian market position

- Continued Obligatory cessions & Order of Preference
- Long term relationship with the market
- Well-positioned to exploit all opportunities

# Strategic Approach

- Ranked 10th Largest Global Reinsurer Group (Non-IFRS 17 Reporting Reinsurer- compiled by AM Best).
- A-(Excellent) with Stable Outlook Financial Strength Rating by AM Best.
- The Company stands to benefit from price hardening in select segments / geographies.
- Indian market with its unprecedented growth, particularly in agriculture and health affords an opportunity to leverage GIC Re balance sheet.
- Solvency pressures on Indian insurance market players could lead to higher reinsurance cessions, growing the reinsurance market size which would provide GIC Re an opportunity to sustain its market share.
- Phased adoption of modelling capabilities to ensure better exposure management and deriving value extraction from it.
- Greater volatility countered through conservative reserving.
- Continued focus on underwriting profitability through
  - Class-specific evaluation
  - Weeding out the contracts with inadequate pricing
  - Incentivisation based on individual company / contract performance
- Industry Performance
  - Adoption of IIB rates and resultant increase in price as a factor.
  - Listing of insurers will lead to greater bottom-line focus.
  - Leverage Lloyd's platform to expand GIC Re presence in international markets.

# Financial Performance

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General Insurance Corporation of India

# Financials at a Glance

₹ crore

Particulars	Q2 FY25	Q2 FY24	H1 FY25	H1 FY24	FY24
<b>Gross Premium</b>	8,413.49	10,762.14	20,819.16	19,679.85	37,181.76
<b>Profit After Tax</b>	1,860.76	1,605.09	2,897.12	2,336.87	6,497.30
<b>Incurred Claims Ratio</b>	93.60%	98.40%	91.60%	96.80%	92.30%
<b>Combined ratio</b>	114.05%	115.83%	111.64%	116.98%	111.82%
<b>Solvency Ratio (times)</b>	3.42	2.82	3.42	2.82	3.25



# Key Financials

₹ crore

Particulars	Q2 FY25	Q2 FY24	H1 FY25	H1 FY24	FY24
<b>Gross Premium</b>	8,413.49	10,762.14	20,819.16	19,679.85	37,181.76
<b>Net Premium</b>	7,603.76	9,966.81	19,142.27	18,197.98	33,955.79
<b>Earned Premium</b>	8,847.04	9,958.11	18,910.60	18,590.67	33,576.07
<b>Incurred Claims</b>	8,284.87	9,795.04	17,319.15	18,000.43	30,980.41
<b>% of Earned Premium</b>	93.6%	98.4%	91.6%	96.8%	92.30%
<b>Net Commission</b>	1,493.68	1,653.69	3,690.50	3,494.63	6,246.75
<b>% of Net Premium</b>	19.6%	16.6%	19.3%	19.2%	18.40%
<b>Expenses of Management</b>	58.00	87.33	149.37	173.61	392.97
<b>% of Net Premium</b>	0.8%	0.9%	0.8%	1.0%	1.20%
<b>Profit/(Loss) on Exchange</b>	-108.76	115.81	-127.16	56.68	96.77
<b>Underwriting Profit/(Loss)</b>	-1,088.43	-1,471.61	-2,376.95	-3,029.04	-4,006.56
<b>Investment Income</b>	3,483.34	3,266.07	6,242.32	5,825.38	11,620.40
<b>Other Income less Outgo</b>	-113.78	53.13	-191.08	-13.56	851.58
<b>Profit Before Tax</b>	2,281.13	1,847.60	3,674.29	2,782.78	7,877.93
<b>Provision for Taxation</b>	420.38	242.51	777.17	445.91	1,380.62
<b>Profit After Tax</b>	1,860.76	1,605.09	2,897.12	2,336.87	6,497.30
<b>Combined Ratio %</b>	<b>114.05%</b>	<b>115.83%</b>	<b>111.64%</b>	<b>116.98%</b>	<b>111.82%</b>

# Break-up of Gross Premium

₹ crore

Gross Premium	H1 FY25	H1 FY24	Growth %
<b>A) Fire</b>	<b>6,383.59</b>	<b>6,505.75</b>	<b>-1.9%</b>
<b>B) Miscellaneous - Total</b>	<b>12,929.77</b>	<b>11,424.83</b>	<b>13.2%</b>
Misc - Motor	2,965.76	4,426.08	-33.0%
Misc - Health	4,840.45	2,164.31	123.6%
Misc - Agriculture	2,458.84	2,543.51	-3.3%
Misc - Other LOBs	2,664.72	2,290.93	16.3%
<b>C) Marine</b>	<b>630.59</b>	<b>1,035.63</b>	<b>-39.1%</b>
Marine - Cargo	251.20	773.76	-67.5%
Marine - Hull	379.39	261.87	44.9%
<b>D) Life</b>	<b>875.22</b>	<b>713.63</b>	<b>22.6%</b>
<b>Total – A+B+C+D</b>	<b>20,819.16</b>	<b>19,679.85</b>	<b>5.8%</b>

₹ crore

	Gross Premium Breakup				
	H1 FY25	Share (%)	H1 FY24	Share (%)	Growth (%)
<b>Domestic</b>	16,330.80	78%	13,087.98	67%	24.8%
<b>International</b>	4,488.36	22%	6,591.86	33%	-31.9%
<b>Total</b>	<b>20,819.16</b>	<b>100%</b>	<b>19,679.85</b>	<b>100%</b>	<b>5.8%</b>

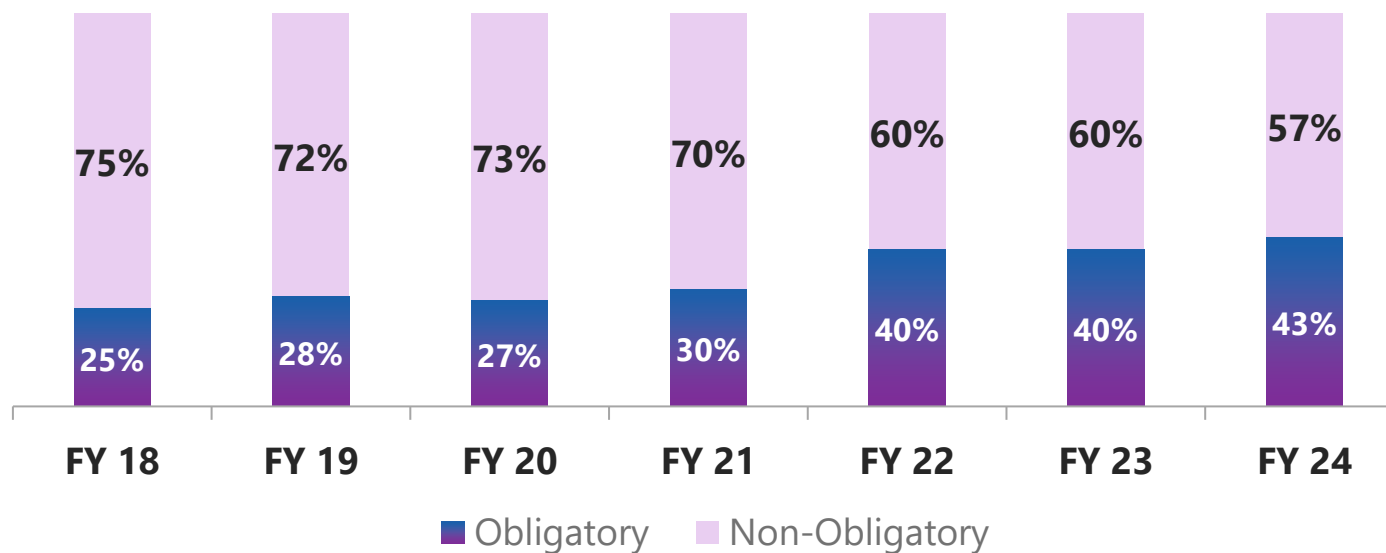
# Segment Wise Combined & Loss Ratio – H1 FY25



₹ crore

	Fire	Motor	Health	Agri	Cargo	Hull	Life
<b>Gross Premium</b>							
Domestic	3,661.51	2,319.07	4,835.97	2,423.85	205.78	162.20	791.97
International	2,722.08	646.69	4.48	34.99	45.41	217.19	83.25
<b>Total</b>	<b>6,383.59</b>	<b>2,965.76</b>	<b>4,840.45</b>	<b>2,458.84</b>	<b>251.20</b>	<b>379.39</b>	<b>875.22</b>
<b>Incurred Claims</b>							
Domestic	2,637.68	1,828.88	2,607.04	2,502.22	154.86	174.31	850.10
International	2,594.97	1,522.96	2.17	6.90	679.13	340.10	100.55
<b>Total</b>	<b>5,232.65</b>	<b>3,351.84</b>	<b>2,609.22</b>	<b>2,509.11</b>	<b>833.99</b>	<b>514.41</b>	<b>950.65</b>
<b>Combined Ratio (%)</b>							
Domestic	116.28	100.31	104.03	103.15	86.19	180.78	104.34
International	121.13	127.58	56.35	39.29	426.30	267.79	176.38
<b>Total</b>	<b>118.58</b>	<b>109.77</b>	<b>103.98</b>	<b>102.44</b>	<b>214.72</b>	<b>230.21</b>	<b>109.38</b>

# Domestic Business Mix

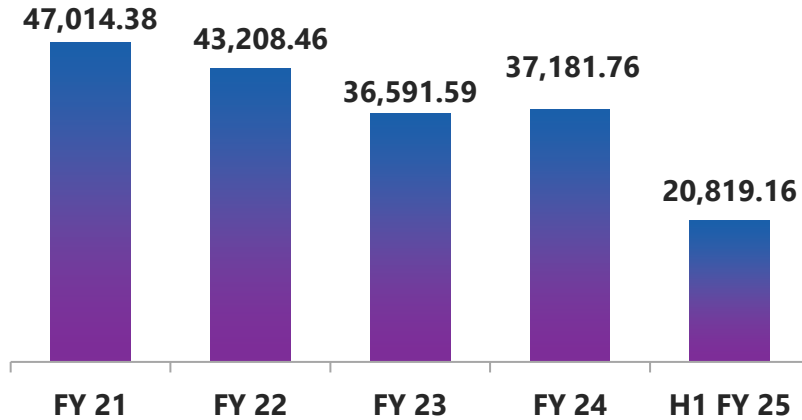


- Obligatory cessions maintained at 4% with no monetary limits on cessions
- GIC Re Health portfolio comprises mostly of Obligatory cessions, some selective domestic treaties and selective Pradhan Mantri Jan Arogya Yojana Abhiyan Schemes besides business written by the Foreign branches.

# Key Financials (1/2)

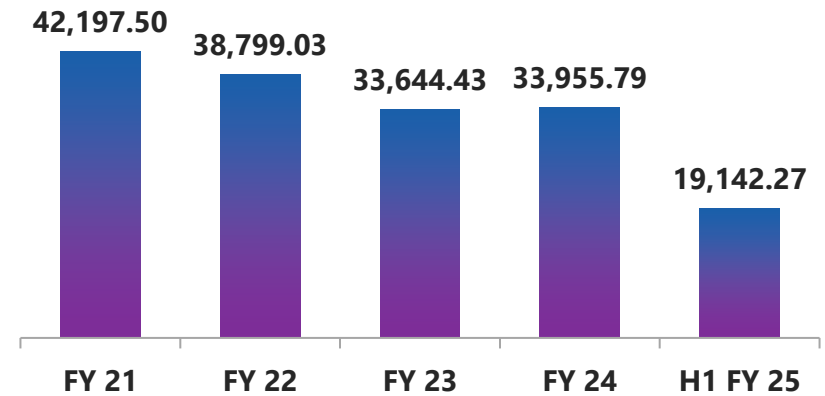
## Gross Premium

₹ crore

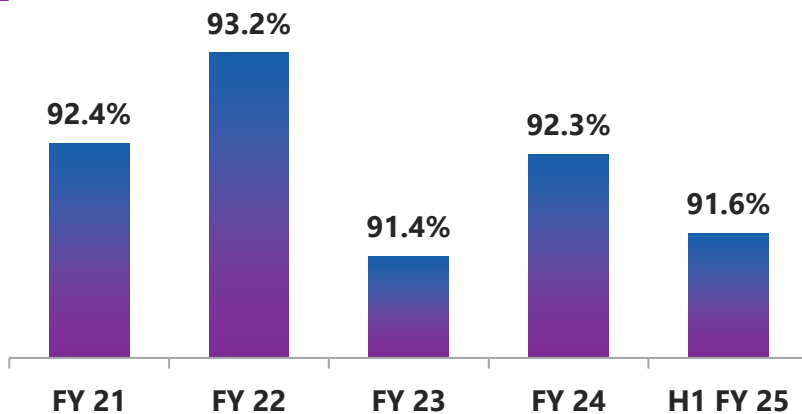


## Net Premium

₹ crore

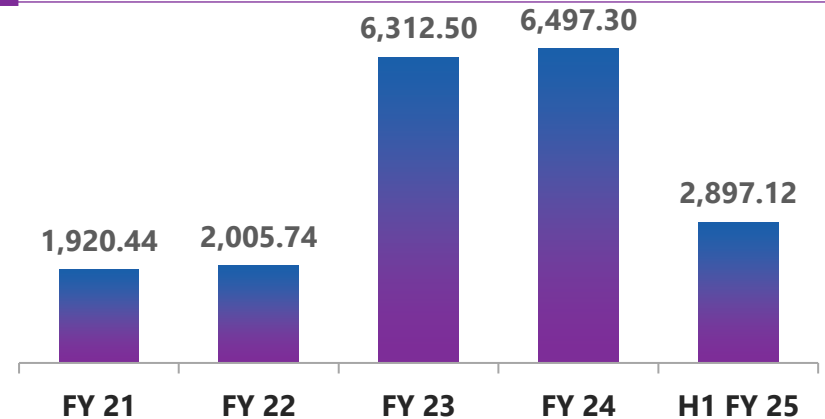


## Incurred Claims Ratio



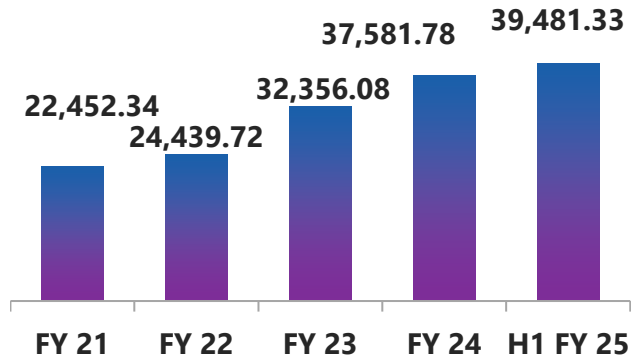
## Profit After Tax

₹ crore

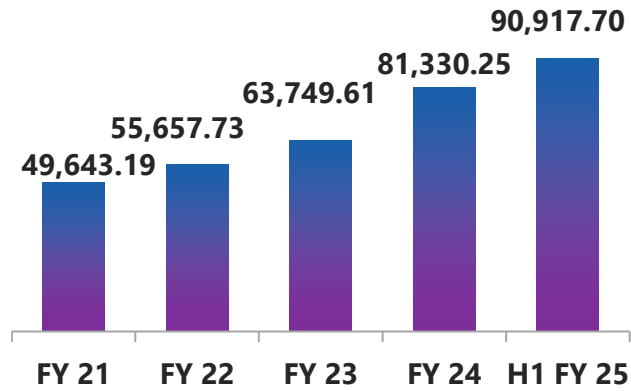


# Key Financials (2/2)

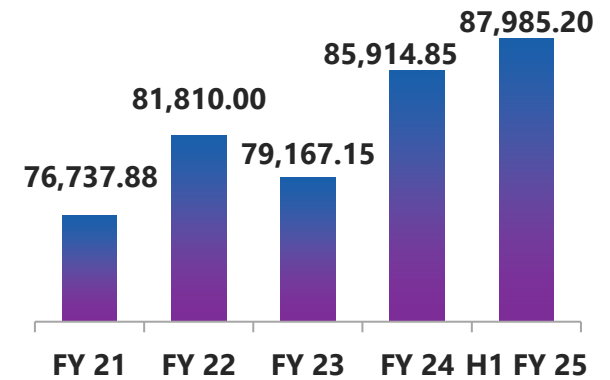
**Net Worth Excl. FVC** ₹ crore



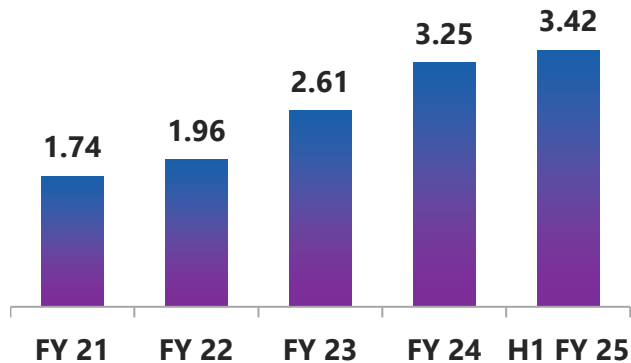
**Net Worth Incl. FVC** ₹ crore



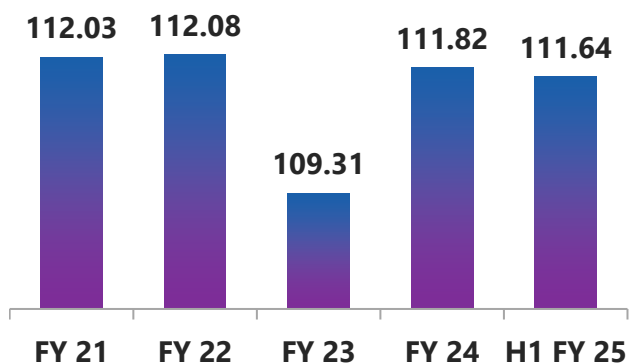
**Policyholders' Funds** ₹ crore



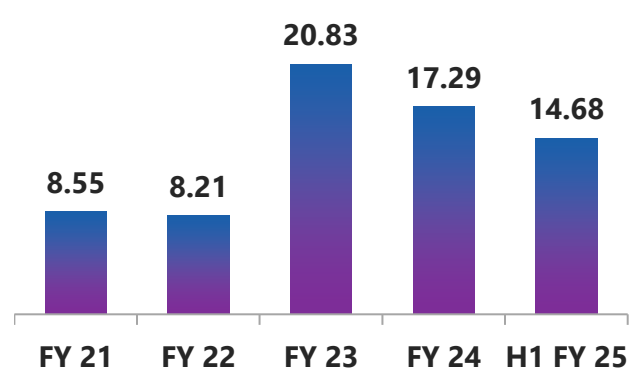
**Solvency Ratio**



**Combined Ratio %**



**Return on Equity %**



# Appendix

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General Insurance Corporation of India

# Glossary

<b>Ceding Company (Cedant)</b>	The company that transfers its risk to a reinsurer
<b>Combined Ratio</b>	The sum of the loss ratio and the expense ratio
<b>Earned Premiums</b>	The portion of the premium for which protection has been provided
<b>Excess of Loss Reinsurance</b>	A form of reinsurance, which, subject to a specified limit, indemnifies the ceding company for the amount of loss in excess of a specified retention
<b>Expense Ratio</b>	Sum of acquisition costs and other operating expenses, in relation to premiums earned
<b>Facultative Reinsurance</b>	Reinsurance of individual risks by offer and acceptance wherein the reinsurer retains the ability to accept or reject and individually price each risk offered by the ceding company
<b>Incurred but not reported losses (IBNR)</b>	An actuarial estimate of amounts required to pay ultimate net losses that refers to losses that have occurred but have not yet been fully and finally settled/paid
<b>Loss Ratio</b>	Ratio of total losses incurred (paid and reserved) in claims plus adjustment expenses divided by the total premiums earned
<b>Obligatory Treaty</b>	A reinsurance contract under which the subject business must be ceded by the insurer in accordance with contract terms and must be accepted by the reinsurer
<b>Retrocession</b>	A transaction in which a reinsurer transfers risks it has reinsured to another reinsurer
<b>Treaty Reinsurance</b>	The ceding company transfers all risks within a book of business to the reinsurer





आपत्काले रक्षिष्यामि

GIC Re

भारतीय साधारण बीमा निगम  
General Insurance Corporation of India

# Thank You

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