

Research Report

ICICI Lombard General Insurance Company Limited

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About

ICICI Lombard General Insurance Co. Ltd is one of the leading and established private sector general insurance companies in India. It offers a well-diversified range of products and risk management solutions through multiple distribution channels.

It was established in 2001 as a JV between ICICI Bank and Fairfax Financial Holdings Ltd. ICICI held 64% stake and the rest was held by JV partner.

Business segments

In FY 2024, ICICI Lombard General Insurance reported total revenue of approximately ₹19,800 crore and a gross direct premium income of ₹24,776 crore, reflecting strong growth across its business lines. Profit after tax rose to ₹1,920 crore, marking an 11% year-on-year increase, while the company improved its combined ratio to 103.3% from 104.5% in the previous year.

Investment Portfolio Mix as of H1 FY25:

Corporate Bonds: 43%

G-Sec: 40%

Equity: 12%

Other: 5%

Synopsis of Financials

- As of H1 FY25, the company's total investments have increased to Rs. 51,557 Cr, up from Rs. 48,900 Cr in FY24 and Rs. 38,786 Cr in FY22. The realized return rates were 4.45% in H1 FY25, 7.98% in FY24, and 8.45% in FY22.
- Combined Ratio:** 103.2% in H1 FY25 vs 108.8% in FY22
- Solvency Ratio:** 265% in H1 FY25 vs 246% in FY22.

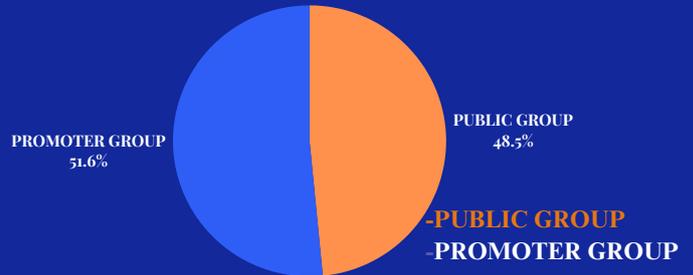
Stock Data (as 24th Jun 2025)

Nifty Price	: 24,972.00
52 week High (in Rs.)	: 2,285.85
52 week Low (in Rs.)	: 1,612.65
Market Cap. (in Crore)	: 98,319.62
NSE Code	: INE765G01017

Stock data



Shareholding Pattern (March 2025)



Financial Summary

Particulars	Mar-23	Mar-24	Mar-25
Sales	17,876	20,487	23,961
Sales Growth %	11.54%	14.61%	16.95%
Expenses	16,612	17,910	20,680
Operating Profit	1,264	2,577	3,281
OPM %	7%	13%	14%
Net Profit	1,729	1,919	2,508
EPS in Rs	35.21	38.94	50.6

Quarterly Results



Particular	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Sales	5,271	5,194	5,391	5,601	6,147	6,161	6,051
Expenses	4,509	4,639	4,701	4,831	5,207	5,199	5,443
Operating Profit	762	555	690	770	940	962	609
OPM %	14%	11%	13%	14%	15%	16%	10%
Other Income	2	19	8	4	-21	-2	60
Interest	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0	0
Profit before tax	764	574	698	774	919	960	668
Tax %	24%	25%	26%	25%	24%	25%	24%
Net Profit	577	431	520	580	694	724	510
EPS in Rs	11.75	8.76	10.54	11.77	14.03	14.63	10.28

Source: Screener

Key Ratios

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor OD	Motor TP	Motor Total	Workmen compensation
1	Gross Direct Premium Growth Rate	18%	10%	4%	-12%	3%	14%	10%	12%	23%
2	Gross Direct Premium to Net Worth Ratio	2.07								
3	Growth rate of Net Worth	15%								
4	Net Retention Ratio	71%	18%	73%	7%	68%	95%	96%	95%	76%
5	Net Commission Ratio	17%	-34%	16%	-32%	16%	41%	14%	28%	15%

Source: Annual Report

Yearly Results

Particulars	Mar-23	Mar-24	Mar-25
Equity Capital	491	493	496
Reserves	9,953	11,712	13,989
Borrowings	35	35	0
Other Liabilities	44,607	51,068	54,535
Total Liabilities	55,086	63,308	69,020
Fixed Assets	883	930	802
CWIP	25	94	74
Investments	42,836	48,584	53,508
Other Assets	11,342	13,700	14,710
Total Assets	55,086	63,308	69,020

Synopsis Quarter Results

Concall Notes - Feb-2025: Key Highlights

Financial Performance:

- **Overall GDPI Growth:** 1.7% (Q4), 6.2% (FY2025). Ex-1/n norm, FY2025 GDPI up 8.6%.
- **Segmental:**
 - **Commercial:** -1.2% (Q4), +1.5% (FY2025), dragged by Fire (-1.8% Q4, -5.3% FY25). Ex-Fire, Commercial up 8.5% FY2025.
 - **Motor:** +6.9% (Q4), +8.0% (FY2025). Growth muted due to weak vehicle sales and pricing pressure; industry Combined ratio for Motor worsened to 123.8% (9M FY25).
 - **Health:** +3.7% (Q4), +9.0% (FY2025); Group Health +4.5% (Q4), +10.6% (FY2025); Retail Health +7.6% (Q4), +12.1% (FY2025).
- **Industry Combined Ratio:** Worsened to 113.2% (9M FY25) vs 112.2% (9M FY24). Private sector at 111.2% (9M FY25) vs 108.3% (9M FY24).
- **Combined Ratio:**
 - FY25: 102.8% (vs 103.3% FY24), 102.6% on 'n' basis.
 - Ex-CAT: 102.4% (FY25), 102.5% (FY24).
 - Q4: 102.5% (vs 102.3% Q4 FY24).
- **PAT:**
 - FY25: ₹25.08bn (+30.7% YoY)
 - Q4: ₹5.10bn (-1.9% YoY)
- **ROAE:**
 - FY25: 19.1% (vs 17.2% FY24)
 - Q4: 14.5% (vs 17.8% Q4 FY24)
- **Dividend:**
 - Final dividend proposed ₹7.00/share; total for FY25 ₹12.50/share (vs ₹11.00/share in FY24)
- **Investment Book:**
 - Assets: ₹535.08bn (Mar 2025) vs ₹515.97bn (Dec 2024)
 - Investment income: ₹42.50bn (FY25) vs ₹36.10bn (FY24)
 - Capital gains (FY25): ₹8.02bn vs ₹5.51bn (FY24)
 - Q4 capital gains muted at ₹0.06bn (vs ₹1.56bn Q4 FY24), impacting quarterly investment income.

Highlights



Combined ratio (CoR) (%)



Return on average Equity (ROAE) (%)

₹ billion



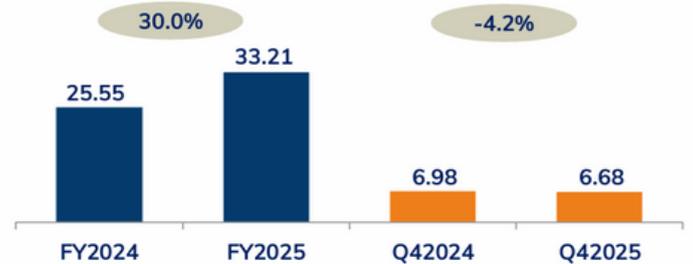
Profit after Tax (PAT)

Growth



Profit before Tax (PBT)

Growth



Peer Comparison

Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
ICICI Lombard	1930.00	38.20	95822.29	0.64	509.59	-1.91	6051.16	12.24	24.86
General Insuranc	375.00	8.86	65790.00	2.67	2498.86	-3.16	13208.55	28.81	15.60
Go Digit General	340.00	73.86	31386.67	0.00	115.61	119.54	2594.55	15.00	10.65
New India Assura	185.92	29.56	30639.62	1.11	356.16	14.57	11664.22	-0.19	3.56
Star Health Insu	434.00	39.49	25510.80	0.00	0.51	-99.64	4081.25	10.65	11.93

Source: Screener

Final Outlook

LTM: HOLD | LTP: 1,930.00

- ICICI Lombard delivered a resilient performance in FY2025, reflecting its strong fundamentals and disciplined underwriting approach. Despite some quarterly softness, the company posted a healthy 8.3% growth in Gross Direct Premium Income (GDPI), outpacing the industry growth of 6.2%. When adjusted for the 1/n accounting norm, GDPI rose by 11.0%, showcasing solid momentum across key insurance segments. Health insurance remained a bright spot with robust growth in both retail and group portfolios, while the commercial lines segment was weighed down by weakness in fire insurance. Motor insurance growth was moderate, impacted by sluggish vehicle sales and pricing pressures across the sector.
- Profitability remained strong, with PAT rising 30.7% year-on-year to ₹25.08 billion for FY2025. Return on average equity (ROAE) improved to 19.1%, signaling enhanced capital efficiency. While Q4 witnessed a modest 1.9% decline in PAT due to muted capital gains and slightly higher claims, the overall annual trajectory remains positive. Investment income surged to ₹42.50 billion, supported by higher capital gains and an expanded investment base. However, the sharp drop in Q4 capital gains affected the quarterly investment income.
- The combined ratio for FY2025 improved marginally to 102.8% from 103.3% in FY2024, highlighting better underwriting performance. Excluding catastrophic losses, the combined ratio was 102.4%, reflecting consistent risk management. The company also proposed a final dividend of ₹7.00 per share, bringing the total dividend payout for the year to ₹12.50, higher than the ₹11.00 declared in FY2024.
- In summary, ICICI Lombard remains fundamentally strong, delivering growth ahead of the industry, maintaining underwriting discipline, and enhancing shareholder value through robust earnings and dividends. While quarterly volatility may persist, especially due to capital market-linked investment income, the long-term outlook remains positive. Existing investors can remain confident in the company's trajectory, while new investors may consider entering on market corrections to benefit from its sustained growth and leadership in the general insurance space.

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