**HDFC ERGO General Insurance Company Limited**
**Registration No. 125**
**Date of Registration with the IRDA September 27,2002**

**NON-LIFE ANALYTICAL RATIOS** **Annexure-III**
**FOR THE YEAR ENDED JUNE 30, 2017**

| | Ratio | Calculation | Fire | Marine Cargo | Marine Hull | Motor Total | Motor OD | Motor TP | Motor Pool | Workmen compensation | Public Liability | Product Liability | Other Liability | Engineering | Aviation | Personal Accident | Health | Home | Speciality | Weather | Others | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Gross Direct Premium Growth Rate (segment wise)<br>Gross direct premium for the current year divided by the gross direct premium for the previous year | (GDPI (CY)- GDPI(PY))/ GDPI (PY) | 17.0% | 12.7% | 11.7% | 57.1% | 60.2% | 52.7% | 0.0% | 27.7% | 18.6% | -79.7% | 27.3% | 3.1% | 3.3% | 29.0% | 9.4% | -16.7% | 28.9% | 22182.2% | 65.6% | 92.24% |
| 2 | Gross Premium to Networth ratio<br>(Gross direct premium for the current year divided by paid up capital and free reserves) | GDPI/ Net worth | | | | | | | | | | | | | | | | | | | | 0.90 |
| 3 | Growth rate of Networth fund<br>(Net worth as at the current balance sheet date divided by Net worth as at the previous balance sheet date) | [(Net worth of CY- Net worth of PY)]/ Net worth of PY | | | | | | | | | | | | | | | | | | | | 70.47% |
| 4 | Net Retention Ratio (segment wise)<br>(Net premium divided by gross direct premium) | Net Premium/ Gross Direct Premium Income + Reinsurance Accepted | 17.3% | 39.5% | -0.4% | 74.6% | 74.6% | 74.6% | 0.0% | 94.6% | 62.9% | 75.0% | 38.0% | 30.9% | 46.0% | 71.6% | 57.7% | 68.3% | 33.8% | 16.4% | 34.8% | 43.50% |
| 5 | Net Commission Ratio (segment wise)<br>(Gross Commission Paid net of reinsurance commission divided by net premium for that segment) | Net Commission / Net Written premium | -31.0% | 5.4% | 763.6% | 1.5% | 7.1% | -6.9% | 0.0% | 9.6% | 8.0% | 14.5% | 12.8% | -22.5% | 13.7% | -4.4% | -23.7% | 12.7% | 14.5% | -62.6% | 15.5% | -12.14% |
| 6 | Expense of Management to Gross Direct Premium Ratio:<br>(Expenses of Management (operating expenses related to insurance business plus direct commissions paid) divided by gross direct premium) | Expenses of Management/ GDPI | 17.8% | 17.0% | 14.2% | 15.6% | 16.5% | 14.2% | 0.0% | 15.1% | 15.8% | 17.6% | 16.3% | 16.2% | 23.5% | 14.4% | 14.6% | 14.6% | 17.7% | 14.9% | 14.3% | 21.64% |
| 7 | Expenses of Management to Net Written Premium Ratio<br>[Expenses of Management (operating expenses related to insurance business plus direct commissions paid) divided by Net written premium] | Expenses of Management/NWPI | 133.6% | 53.5% | -4421.3% | 29.7% | 36.8% | 19.1% | 0.0% | 26.3% | 35.8% | 39.0% | 64.9% | 76.8% | 43.5% | 38.7% | 46.3% | 36.4% | 76.5% | 91.3% | 77.9% | 48.56% |
| 8 | Net Incurred Claims to Net Earned Premium | Net Incurred Claims/Net Earned Premium | 51.5% | 107.3% | -81.4% | 84.6% | 77.6% | 94.6% | 0.0% | 55.3% | 23.9% | 35.7% | 22.4% | 93.4% | 152.7% | 34.0% | 63.6% | 99.1% | 77.5% | 95.4% | 97.3% | 76.36% |
| 9 | Combined Ratio:<br>(Net Incurred Claims divided by Net Earned Premium plus expenses of management (including net commission) divided by Net written premium | (Claims plus expenses of management)/ NWPI | 111.4% | 149.1% | -3094.8% | 106.9% | 106.8% | 106.8% | 0.0% | 80.9% | 57.1% | 73.8% | 77.4% | 119.7% | 197.4% | 49.7% | 65.1% | 133.2% | 140.7% | 124.0% | 153.8% | 98.96% |
| 10 | Techncial Reserves to net premium ratio:<br>(Reseve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER divided by net premium) | (URR + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ Net Premium | 6.73 | 4.24 | (15.98) | 6.46 | 2.47 | 12.40 | - | 4.59 | 3.85 | 6.40 | 2.48 | 3.21 | 4.67 | 5.18 | 3.65 | 7.59 | 2.62 | 3.84 | 6.40 | 5.33 |
| 11 | Underwriting balance ratio:<br>(underwriting profit divided by net premium for the respective class of business) | (Underwriting profit/ loss)/ net premium | -0.71 | -0.77 | 45.21 | -0.09 | -0.10 | -0.08 | 0.00 | 0.10 | 0.34 | -0.15 | -0.02 | -0.41 | -0.97 | 0.45 | 0.35 | -0.43 | -0.98 | -0.24 | -0.28 | -0.03 |
| 12 | Operating profit ratio:<br>(Underwriting profit/ loss plus investment income divided by net premium) | (Underwriting profit/ loss plus investment income)/ Net Premium | | | | | | | | | | | | | | | | | | | | 13.79% |
| 13 | Liquid Assets to liabilities ratio:<br>(Liquid assets (Short Term Investments (Schedule 8) plus Short Term Loans (Schedule 9) plus Cash & Bank Balances (Schedule 11)) of the insurer divided by policyholders liabilities (claims outstanding (Schedule 13) plus reserve for unexpired risk and Premium Deficiency (Schedule 14)) | Liquid Assets/ Policyholders liabilities | | | | | | | | | | | | | | | | | | | | 0.42 |
| 14 | Net earning ratio<br>(Profit after tax divided by net premium) | Profit after tax/ net premium | | | | | | | | | | | | | | | | | | | | 10.09% |
| 15 | Return on net worth ratio<br>(Profit after tax divided by net worth) | Profit after tax/ Net Worth | | | | | | | | | | | | | | | | | | | | 4.04% |
| 16 | Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio<br>(Ratio of Available Solvency Margin (ASM) at the end of the Quarter to the Required Solvency Margin (RSM) required to be maintained as per regulations | | | | | | | | | | | | | | | | | | | | | 1.65 |
| 17 | NPA ratio | | | | | | | | | | | | | | | | | | | | | NA |
| | Description of ratio:<br>Data taken from Section 11 table 11.5 which provides the NPA ratio separately for policyholders' funds and shareholders' funds | | | | | | | | | | | | | | | | | | | | | |