

**IMIA Country Analysis 2014**

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
<p><b>India</b></p> <p><b>2014</b></p>	<p>The Engineering Line of Business has de-grown by - 5.7% and contributes 2.8% of the total premium concentration whereas in the FY 2013-14 it contributed to 3.2% of the total premium concentration and a growth of 1.41%.</p> <p>The Major portion of Premium in the Engineering Line of Business comes from the Erection All Risk. The percentage of the EAR Composition varies from 50% to 56% year to year.</p>	<p>The loss ratio for the total Engineering line is 24.10% which was 31.28% in the previous year.</p> <p>The major portion of claim is seen in the Machinery Breakdown policies.</p> <p>The claim amount has decreased by 27.51% as compared to the previous year where it increased by 4.58% only.</p>	<p>The Indian Insurance market is using constant upgraded modern methods in combination with growing professional expertise and underwriting philosophy for avoiding and reducing losses.</p> <p>Loss Ratios for past 3 years for engineering business:</p> <p>FY 2012-13: 30.34%  FY 2013-14: 31.28%  FY 2014-15: 24.10%</p>	<p>The Indian Insurance Industry has shown a positive growth of 9.4% in GDPI. The economic outlook for the forthcoming financial year looks upbeat with the GDP forecasted to grow from current levels of 5-5.5% to 6.5%. Key growth driver expected to be pick up in infrastructure spending, investment growth and focus on manufacturing sector</p> <p>Infrastructure : –</p> <ul style="list-style-type: none"> <li>○ In coming period infrastructure &amp; manufacturing sector is expected to pick up and hence expect growth in number of new engineering projects.</li> <li>○ Increased focus on the manufacturing sector through the 'Make In India' campaign. Attention to setting up manufacturing hubs to facilitate growth.</li> <li>○ In the short to medium term focus expected on the Dedicated Freight Corridor, investments in Metro Rail and couple of Ultra Mega Power Projects.</li> </ul> <p>Falling crude prices will in general aid growth.</p>