

Original Article

Stability or Stagnation? A Trend-Based Assessment of Financial Structure in India's Private Non-Life Insurance Sector

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Abstract: This paper explores the financial position and performance of the chosen Indian private non-life insurance firms in terms of whether the industry reflects growth and stability or stagnation. Based on the secondary data (company reports and regulatory sources), the study will be able to consider the key financial elements with the help of Comparative Balance Sheet Analysis (CBSA) and linear trend estimation: shareholders' funds, liabilities, assets, and total funds deployment. This analysis is carried out at the intra and inter-company level for the period of 2012 to 2023, where a distinction is made between the firms that have a duration of operation longer than 12 years and less than 12 years. The findings reveal that while most Indian non-life insurance companies exhibit apparent financial stability with only gradual changes in key variables, such stability is not supported by strong or statistically significant growth trends. The research develops this insight by indicating that older and newer companies are frequently working within a system of structural inertia as opposed to dynamic financial development, with few firms enforcing significant and statistically significant changes in particular regions. In general, the paper can add to the literature by providing a balance sheet-based, trend-oriented viewpoint in which stability transforms into stable stagnation, in which there is consistency alongside minimal structural growth. It also brings out the high inter-firm diversities and the necessity of building bigger capital stocks, allocating assets in a more efficient manner, and more firm-specific financial planning to attain sustainable long-term growth.

Keywords: Comparative Balance Sheet Analysis (CBSA), Financial Structure, Financial Stability, Linear Trend Analysis, Private Non-life insurance, Structural Stagnation.

I. INTRODUCTION

The insurance industry is crucial in promoting financial stability promotion, transfer of risks, and economic growth. The liberalization has resulted in a significant growth in the non-life insurance sector in India (under the private category), which has resulted in greater competition, product development, and even a better penetration of the market. But this growth leads to a point of concern, namely, whether the apparent growth is actually a process of deepening of financial structure or the stagnation phase is occurring under the carpet.

Historical measures of insurance firm performance have mainly had a direct emphasis on profitability and efficiency in the insurance firm's underwriting. These indicators are useful, but they do not always reflect the underlying financial structure of firms, especially in terms of the nature and transformation of capital, liabilities, and assets. In this, the methods might not be sufficient in showing whether the insurers are moving in the right direction concerning financial soundness, or just standing in the same but in one place over time. In this respect, this paper will take the balance sheet approach with the trend analysis to analyze the financial structure of the Indian non-life insurance companies that are privately-owned during the years 2012-2023. Through the evaluation of the main elements like shareholders' funds, liabilities, and the allocation of assets, the research will evaluate whether the industry is showing long-term growth, the structure is stable, or it is showing signs that it is stagnating.

One of the major questions in the analysis relates to the behaviour of capital in the industry. Even as the operation broadens and more business is done, it is not clear that the insurance companies have enhanced their capital base in equal measure. This presents a critical research question, which is to determine whether the capital structure of the Indian non-life insurance companies, which are privately owned, has been growing substantially or has even stagnated over the years. Also taken into consideration in the study is the distinction between old and new entrants to the industry, and it is also known that financial behaviour can be affected by operational maturity. Although stability and more robust capitalization are anticipated of established firms, newer firms can be characterized with some type of fluctuations, insofar as they are growing and facing competition.

It is against this context that the study aims to investigate whether the financial structure of the private non-life insurance firms is experiencing growth, stability, or stagnation over the period of the study, whether the capital base is growing in any significant way, or it is largely stagnant, and whether there are any significant differences in financial progression between established and newer firms. The attention to balance sheet dynamics and trend behaviour provides the study with the structural view of financial performance and adds to the more comprehensive comprehension of the changing financial stance of non-life insurers in India, which are privately owned.

II. LITERATURE REVIEW

The financial performance and stability of insurance companies have been widely examined in both Indian and global contexts. Existing literature primarily focuses on profitability, efficiency, solvency, and the impact of liberalization, while relatively fewer studies emphasize balance sheet-based structural analysis and long-term financial trends. The review is organized into two broad sections: studies in India and international evidence.

The initial research in the Indian insurance industry was mainly based on financial performance analysis through ratio analysis and descriptive statistics. In a thorough examination of the various financial ratios of the financial status of the public sector insurers, like liquidity, profitability, and the relationship of assets and liabilities, Sharma (2005) brought out the management efficiency and financial performance during the pre-liberalization and initial reform era.

The onset of liberalization led to the emergence of studies on the structural and competitive change in the insurance sector. Fredrick (2007) discussed the growth of the general insurance sector in the context of liberalization in terms of growth rates, ratio analysis, and ranking, and pointed out the importance of privatization and regulation policies. Likewise, Ghai (2008) and Bhatia (2008) pointed out the change in the insurance market, in terms of consumer attitudes, rural insurance growth, and the socio-economic place of insurance in general.

Several studies took the comparative methodology of the two insurers (public and private). To assess performance variations in the study by Darzi (2009), CAMEL parameters were applied, and therefore, the effects of reforms on financial growth were identified. Kumar (2010) established that liberalization increased efficiency and competitiveness, especially among the public sector insurers. Similarly, Bhattacharya (2012) and Varma (2012) found the growing market share and better results of the private insurers in different degrees of financial efficiency.

A large amount of literature is devoted to financial performance based on ratio-based and efficient models. Financial ratios were used to assess profitability and operational efficiency (Sivakamy 2009; Baanu 2011). Sinha (2017) used a stochastic frontier to determine efficiency, whereby public sector insurers exhibit a lack of scale economies and efficiency. In the same way, Sharma (2012) and Dar (2014) highlighted the importance of claims ratio, expense ratio, and underwriting performance in deciding the financial health.

There is an interest in recent studies in determinants of profitability and financial performance as applied with econometric models. Among the factors that Sasidharan et al. (2020) and Upadhyay and Sitlani (2022) found to be important determinants of profitability, there are claims ratio, premium growth, expense ratio, and firm age. Kumar and Verma (2021) also highlighted the importance of discipline and cost efficiency in underwriting as the main performance drivers.

Besides policy-related and industry-specific research, including the IRDAI Annual Report (2023-24), note that the growth of the premium, claims management, and underwriting disciplines plays an essential role in maintaining profitability and stability within the industry. Although the literature is abundant, comparative balance sheet analysis and the structural assessment based on long-term trends are underrepresented in the available literature focusing on the comparative evaluation of profitability and efficiency, as well as ratio-based assessment, especially in the case of the private non-life insurers.

The international studies offer more knowledge on the determinants of financial performance and stability with superior econometric and analytic methods. In Kenyan insurers, Murigu (2014) has discovered leverage, capital structure, and quality of management to be important determinants of profitability. In the same vein, Chen and Wong (2020) concluded that insurance performance and business performance have significant impacts on financial performance in the Chinese insurance market.

Lee and Lee (2019) and Smith and Jones (2018) note the significance of operational efficiency and investment income in raising profitability. In the meantime, Camino-Mogro et al. (2019) underline that underwriting indicators like claims and expense ratios are the main sources of profitability in non-life insurance.

Multi-criteria decision-making and panel data methods have also been included in recent research. Oner Kaya (2016) and Sachan (2023) ranked the insurers based on financial performance using the Grey Relational Analysis, and Erdemir (2023) and Opoku (2024) identified the major determinants provided by capital adequacy, cost control, and governance using the panel data models.

Despite extensive literature currently available on the financial performance of insurance companies, the literature has predominantly been preoccupied with profitability, efficiency, and performance in underwriting, based on ratio analysis and econometric models. Although these techniques are useful in achieving operational performance, they do not provide much information about the financial structure and balance sheet dynamics of the insurance companies. As a result, structural aspects of financial power, particularly in terms of capital structure and asset-liability ratio, have not been sufficiently examined.

Most previous studies in the Indian business focus on the difference between the public and the private sector, the factors of profitability, and efficiency measurement through such methods as stochastic frontier analysis and panel regression. Nonetheless, comparative balance sheet analysis is a framework of financial stability and structural soundness of long-term financial stability in the non-life insurance segment, which is comparatively underdeveloped. This leaves a loophole in the appreciation of how financial positions arise from short-term performance indicators.

The other critical shortcoming is that there is no time-series trend analysis on major elements of the balance sheet. Available literature does not reflect directional change and the sustainability of financial variables in the long term. Specifically, the absence of linear trend estimation with respect to the beta does not allow for quantifying growth patterns and evaluating the consistency, stagnation, or volatility of the observed changes. Moreover, literature fails to cover differences in the maturity of firms. The financial conduct of established insurers, in contrast with relatively new market participants, has not been adequately investigated, although it is of importance to explain the fluctuation in capital strength, stability, and growth patterns among members of the industry.

Another crucial fault is the lack of analytical frameworks that are integrated to work together in estimating trends and systematic ranking structures to offer a systematic and comparative evaluation of financial structure among firms. Above all, no research expressly focuses on whether the stability in the financial structure of the private non-life insurance firms was the result of operational efficiency or stagnation. This is an unsolved problem that restrains further analysis of whether this resultant financial stability and sustainability is just the lack of substantial growth.

Against this backdrop, the study seeks to address the following objectives:

- Objective 1 (Intra-Company Analysis): To examine the financial trends and structural changes within individual private non-life insurance companies in India through comparative balance sheet and linear trend analysis.
- Objective 2 (Inter-Company Analysis): To compare the financial performance and balance sheet dynamics among private non-life insurance companies to identify variations in capital structure, asset management, and financial stability.

III. METHODOLOGY

The current research is explanatory in nature, and it aims to observe how the finance of the non-life insurance industry, performance, and stability of the chosen companies that are privately based in India. The explanatory essence of the research makes it possible to comprehend trends and the interrelation of the significant financial variables over time.

The study is founded solely on literature research, which has been conducted on published annual reports and regulations. It has used a comparative and analytical approach, which involves the combination of comparative balance sheet analysis, trend estimation, reconciliation, and ranking techniques to assess both intra-company and inter-company financial performance. The given research encompasses up to twelve years (2012-2023) and has a sample of 24 privately-owned non-life insurance firms of India, so that the research provides a full representation of the sector.

In order to ensure consistency, reliability, and comparability of the dataset, the following selection criteria have been used: (i) Only financial years with full, consistent, and comparable data have been analyzed; (ii) First or introductory years of firms with missing, inconsistent, or non-uniform data were not included in the analysis. This filtering mechanism offers strength and reduces any possible biases that may be caused by missing data.

The paper is based on a blend of descriptive and inferential statistics to examine the financial frame of the private non-life insurance companies. An analysis of changes in the financial standing of companies on a year-by-year basis is conducted with the help of the Comparative Balance Sheet Analysis (CBSA), which also helps to identify the structural differences between companies. This is supplemented by the linear trend analysis, which measures the direction and trend of important financial variables within the period of study. Regression methods are used to estimate the trend, with the direction and magnitude of change with time being determined by the coefficient of change (b), and the degree to which the fluctuations of financial variables are attributed to time being determined by the coefficient of determination (R^2).

Moreover, graphical representation of trends is used to give an interpretive representation of the financial trends, which is less complicated to determine the trends of growth, stability, or stagnation. Lastly, a ranking method is used to evaluate the

relative financial performance of companies, which is based on the findings obtained by trend indicators and comparative balance sheets. These approaches are combined to provide a holistic mechanism for analyzing the sector's structural processes.

A) Analytical Framework

Comparative Balance Sheet Trend Analysis: The first one is based on the assessment of financial trends through comparing balance sheets. It was conducted in a systematic overview of steps in order to analyze the financial framework of the private non-life insurance companies. To do this, both companies have been prepared in comparative balance sheets, given in Annexure I, including significant financial variables which include Shareholders Fund (SF), Non-Current Liabilities (NCL), Current Liabilities and Provisions (CLP), Non-Current Assets (NCA), Current Assets (CA), and Total Sources and Application of Funds (TS & TA). These statements enabled a systematic analysis of changes in the year-to-year changes in financial position.

Graphical trend lines of every variable were thereafter plotted in order to evaluate visually the trend and the uniformity of the financial movement along the time visually. This graphical illustration was used in determining growth, stability, or stagnation trends during the period of study. In addition, linear regression models have been used to approximate trend equations, and the beta coefficients have been used to reflect the quantity and the direction of the change in the individual financial variables. The latter allowed a more accurate assessment of whether the changes that have been observed have been a result of positive growth, fall, or stagnation. To give more insightful results, the company that had more than 12 years of operation and those that had less than 12 years of operation were analyzed separately. This grouping made it possible to have a comparative interpretation of the effects of firm maturity on financial behaviour and structural development in the industry.

Trend-Based Performance Evaluation and Ranking: The second study purpose is to evaluate the financial performance of the private non-life insurance companies in terms of the trend analysis of the important balance sheet parameters. To this end, the variables of Shareholders Fund (SF), Non-Current Liabilities (NCL), Current Liabilities and Provisions (CLP), Non-Current Assets (NCA), Current Assets (CA), and Total Sources and Applications of Funds (TS & TA) are said to reflect the structural aspects of the financial behaviour.

A ranking structure is also formed based on the findings of the trend analysis and general financial behaviour of companies to classify them into three performance categories, which are Good, Moderate, and Weak. Firms that are in the Good performance category depict good positive trends, which depict financial strength, balanced growth, and effective management of assets and liabilities. Moderate performers are characterized by mixed or fluctuating patterns, which means that their performance is stable but requires certain areas to be improved. Conversely, Weak performers are associated with decreasing or no trends, which is an indicator of possible financial constraints and the necessity of reorganization and capital reinforcement.

The implementation of this ranking structure is explained as a continuation of the trend-based and comparative balance sheet analysis models, which provide a structure of comparability of firms in a structured and interpretable way. Although these two indicators, individual ones like beta coefficients and graphical trends, are interesting since they give an idea of the direction and the uniformity of the financial variables, when taken separately, they are limited. The ranking system incorporates such dimensions into a single evaluation system, which increases the clarity of analysis.

The Good, Moderate, and Weak classification is derived from the direction, the magnitude, and the uniformity of trends of major financial variables. i) Good: firms such as Good are ones that show long-term growth of the capital base as well as an equal growth in both assets and liabilities, such that financial structure becomes more and more robust. ii) Firms of the Moderate category: partially stable, yet heterogeneous in terms of financial variables, indicating that the companies require improvement in the particular facets. iii) Strong Weak firms: Stagnant or collapsing trends which are usually characterized by poor capital development and structural imbalances in their assets and liabilities.

Notably, this methodology is in line with the main objective of the research: to differentiate growth, stability, and stagnation. The framework fills one of the main gaps in the literature by offering a logical approach to trend performance, which is to translate the trend results into performance categories and define whether the found stability is representative of true financial strength or stagnation. Lastly, the ranking and performance appraisal are done between established companies, older than 12 years old, and emerging companies, younger than 12 years old, and therefore allow performing a more delicate and substantial comparative analysis of the financial behaviour at various levels of firm maturity.

IV. RESULTS

The analysis is divided into two big sections. A within-company analysis is done first through Comparative Balance Sheet Analysis (CBSA) and linear trend estimation to observe how key financial variables behave at individual firms, and the classification is according to the age of the firm (more than 12 years and less than 12 years). It is then preceded by an across-company analysis, comparing financial trends across firms to detect sector patterns, structural differences, and relative firm

performance. The statistical measures of trend coefficients, level of significance, and the value of R-SQ can be used to estimate the directionality, consistency, and reliability of financial trends. Also, ranking methods are used to determine the relative positioning of companies using key performance indicators. Such a systematic orientation will help gain a holistic picture of the firm-level dynamics and the larger industry trends.

A) Comparative Balance Sheet Analysis (CBSA) within the Companies:

The research compares the financial performance between the private sector non-life insurance firms in India by categorizing them as firms with a period of existence of over 12 years of operation and those with a period of existence of less than 12 years of operation. It also compares the balance sheets using time series data of 2012-2023 and estimates the linear trends to test major financial indicators such as the funds of shareholders, liabilities, asset structure, and total funds deployment. The direction, degree, and reliability of financial trends are measured using such statistical values as beta coefficients, significance level, and R-squared value. This classification allows evaluating the possibility of a firm's maturity impact on financial stability, growth trends, and structural efficiency, and reflects inter-company differences and wider sectoral variations.

a. CBSA for More than 12 Years. Older Companies

Comparative Balance Sheet Analysis (CBSA) is conducted for 15 companies that are more than 12 years old. To begin with, Bajaj Allianz General Insurance Company is considered. First, we conducted a Comparative Balance Sheet Analysis on five financial parameters. Table 1 represents the comparative balance sheet of Bajaj Allianz General Insurance Companies for the period of 2012 to 2023. Percentage changes of the comparative balance sheet parameters, namely, Shareholders Fund, Non-Current Liability, Current liabilities & Provisions, Non-Current Assets, Current Assets, and Total Application of Funds.

Table 1: Comparative Balance Sheet of Bajaj Allianz Showing Percentage Change (2012 – 2023)

Particulars	Year										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Share Holders Fund	30.93%	32.58%	33.72%	25.35%	26.70%	26.36%	15.62%	9.26%	33.37%	17.24%	11.16%
Non-Current Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Current liab. & Provsn.	19.49%	16.14%	8.83%	15.62%	19.11%	35.64%	16.75%	11.42%	13.70%	1.15%	15.38%
Total Sources of Funds	21.53%	19.30%	14.14%	18.05%	21.13%	33.06%	16.46%	10.85%	18.78%	5.81%	14.03%
Non-Current Assets	22.54%	25.81%	15.72%	26.40%	14.70%	35.01%	20.40%	8.75%	22.52%	7.12%	11.41%
Current Assets	18.28%	-2.59%	7.31%	21.02%	69.28%	23.21%	-5.50%	25.75%	-4.13%	-4.38%	37.02%
Total Appln. Of Funds	21.53%	19.30%	14.14%	18.05%	21.13%	33.06%	16.46%	10.85%	18.78%	5.81%	14.03%

Source: Compiled and Computed from the Data Collected from Various Sources as Mentioned in the Methodology

This table also highlights the year-to-year percentage changes of the company in the key financial parameters, such as Shareholders Fund, Non-Current Liability, Current liabilities & Provisions, Non-Current Assets, Current Assets, and Total Application of Funds. We draw the trend lines for five financial parameters in Figure 1.

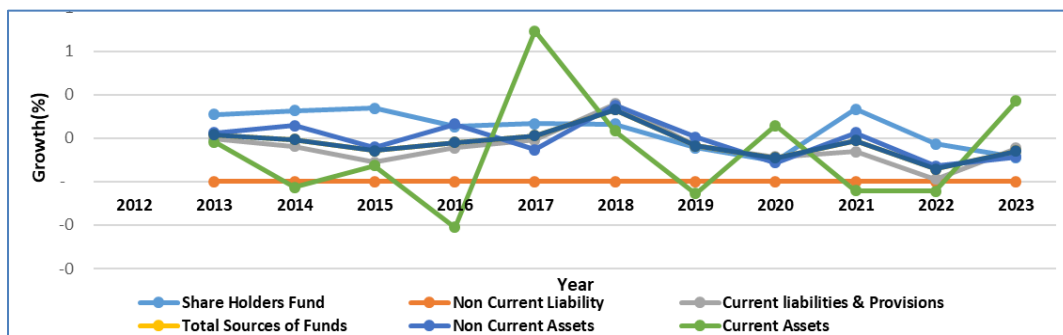


Figure 1. Trend lines for Comparative Balance Sheet Parameters for Bajaj Allianz General Insurance

Shareholders' funds show a fluctuating trend, while non-current liabilities remain zero, indicating an equity-based financing structure with no external borrowings. Current assets and current liabilities, and provisions exhibit significant

variability, particularly during 2016–2023, reflecting active short-term financial management. Non-current assets display volatility with a mild negative trend. Overall, the company maintains a relatively balanced and stable financial structure, with total sources and applications of funds moving consistently over the period. Table 2 presents the estimated alpha (a), beta (b), and R-square values of these trend lines.

Table 2: Bajaj Allianz General Insurance - Linear Trend Analysis for Time-Series Comparative Balance Sheet

	a	b	Sig.	R-square	Remark
Share Holders Fund	0.3686	-0.0186	0.018	0.4659	Low negative Trend (-)
Current liabilities & Provisions	0.2063	-0.007	0.416	0.0756	Low negative Trend (-)
Non-Current Assets	0.2801	-0.0127	0.108	0.2471	Low negative Trend (-)
Current Assets	0.085	0.0065	0.785	0.0071	Positive Trend(+)
Total Sources of Funds & Total Application of Funds	0.2371	-0.0088	0.200	0.1761	Low negative Trend (-)

The linear trend analysis (Table 2) of Bajaj Allianz indicates that most financial parameters exhibit a low negative trend over the study period. The Shareholders’ Fund shows a statistically significant decline ($p < 0.05$), suggesting a meaningful reduction in capital strength that warrants attention. In contrast, current liabilities and provisions, non-current assets, and total funds display slight negative trends, but their higher p-values indicate that these changes are not statistically significant and may reflect normal fluctuations. Current assets show a weak positive trend, which is also not statistically significant. Overall, although several variables indicate a downward tendency, only the decline in Shareholders’ Fund is statistically meaningful, raising concerns regarding long-term financial stability.

Table 3 extends the analysis to private non-life insurance companies operating for more than 12 years by applying linear trend analysis to comparative balance sheet components. The objective is to evaluate long-term financial stability, structural changes, and consistency in key financial indicators among established insurers over the study period.

Table 3: Linear Trend Analysis for CBSA (More than 12 Years Older Companies)

Sl.No	Company		SF	NCL	CLP	NCA	CA	TS & TA
1	Bajaj Allianz General Insurance	a	0.3686	00	0.2063	0.2801	0.085	0.2371
		b	-0.0186	00	-0.007	-0.0127	0.0065	-0.0088
		Sig.	0.018	00	0.416	0.108	0.785	0.2000
		R ²	0.4659	00	0.0756	0.2471	0.0071	0.1761
2	Care Health Insurance Limited	a	0.1233	00	0.4096	0.3254	0.0593	0.2345
		b	0.034	00	0.0025	0.0102	0.0223	0.0177
		Sig.	0.631	00	0.4470	0.2060	0.6160	0.9250
		R ²	0.061	00	0.001	0.0697	0.0558	0.1778
3	Cholamandalam Insurance	a	0.373	00	0.471	0.404	1.035	0.449
		b	-0.0256	00	-0.0304	-0.0218	-0.1062	-0.0289
		Sig.	0.001	00	0.044	0.00	0.134	0.031
		R ²	0.6974	00	0.3657	0.8006	0.2322	0.4278
4	Future Generali India Insurance	a	0.117	0.027	0.2166	0.1298	0.1647	0.1243
		b	0.0083	0.0062	-0.0214	0.0067	-0.0105	0.005
		Sig.	0.986	0.117	0.359	0.922	0.59	0.707
		R ²	0.0032	0.2308	0.0549	0.0642	0.0129	0.0475
5	ICICI LOMBARD General	a	0.2777	0.2737	0.1337	0.2737	0.121	0.2092
		b	-0.0112	-0.0565	0.0046	-0.0565	0.0041	-0.0025
		Sig.	0.363	0.027	0.781	0.746	0.927	0.974
		R ²	0.0945	0.4347	0.0088	0.4347	0.0011	0.0185
6	IFFCO Tokio General Insurance	a	0.2934	00	0.2036	0.3446	0.0923	0.2212
		b	-0.0134	00	-0.0022	-0.0134	0.0146	-0.0044
		Sig.	0.098	00	0.776	0.408	0.829	0.51
		R ²	0.2974	00	0.0116	0.0768	0.0054	0.066
7	MAGMA HDI General Insurance	a	-0.1061	-21.693	0.7833	0.3329	0.0619	0.3046
		b	0.0441	5.7133	-0.045	-3E-04	0.0541	0.0028
		Sig.	0.155	0.223	0.197	0.469	0.504	0.531
		R ²	0.2288	0.1549	0.0604	1.78E-05	0.0828	0.002
8	NIVA BUPA Health Insurance	a	0.37163	00	0.2807	0.1132	0.2928	0.1266
		b	-5.88E-05	00	0.007	0.0242	0.01	0.0228
		Sig.	0.836	00	0.763	0.195	0.856	0.276
		R ²	6E-08	00	0.763	0.3201	0.0095	0.285

9	Raheja QBE General Insurance	a	0.02	00	0.515	0.034	0.531	0.048
		b	0.000	00	-0.0127	0.0162	-0.0265	0.0151
		Sig.	0.999	00	0.662	0.195	0.659	0.181
		R ²	0.0000	00	0.022	0.178	0.023	0.19
10	Reliance General Insurance	a	0.1148	00	0.2863	0.2176	0.9712	0.2517
		b	0.0011	00	-0.0117	-0.0053	-0.0838	-0.0088
		Sig.	0.774	00	0.292	0.411	0.28	0.294
		R ²	0.009	00	0.1233	0.0766	0.1281	0.1212
11	Royal Sundaram General Insurance	a	0.2098	0.1535	0.1333	0.1535	0.1222	0.1495
		b	-0.008	-0.002	0.001	-0.002	0.008	-0.001
		Sig.	0.647	0.238	0.909	0.762	0.727	0.91
		R ²	0.0229	0.0089	0.0019	0.0089	0.0133	0.0023
12	SBI General Insurance	a	0.4988	00	1.3664	1.0617	0.6134	0.4099
		b	-0.0582	00	-0.1442	-0.1051	-0.0424	-0.0491
		Sig.	0.22	00	0.10	0.046	0.486	0.197
		R ²	0.1615	00	0.5375	0.3726	0.0554	0.1777
13	Shriram General Insurance	a	0.6677	0.1676	0.6659	0.7319	0.0328	0.3875
		b	-0.0588	-0.0374	-0.0219	-0.0682	0.0075	-0.033
		Sig.	0.008	0.206	0.892	0.002	0.832	0.764
		R ²	0.5663	0.1706	0.0022	0.6861	0.0051	0.6504
14	Star Health and Allied Insurance	a	0.165	0.2287	0.3484	0.3862	0.2079	0.2247
		b	0.0348	0.0526	0.0003	0.0097	-0.0048	0.0168
		Sig.	0.556	0.376	0.978	0.608	0.914	0.417
		R ²	0.0395	0.0884	0.000026	0.029	0.0015	0.0723
15	Universal Sampo General Insurance	a	0.1442	00	0.3771	0.4748	0.2487	0.3071
		b	0.0068	00	-0.022	-0.0313	-0.0058	-0.0145
		Sig.	0.835	00	0.142	0.199	0.888	0.208
		R ²	0.0051	00	0.2231	0.176	0.0023	0.1707

The linear trend analysis of comparative balance sheets of 2012-23 shows that the majority of the private non-life insurance companies show low or not statistically significant changes in the key financial variables. Most of the firms, including Bajaj Allianz, Care Health, Future Generali, IFFCO Tokio, Niva Bupa, Raheja QBE, Royal Sundaram, and Universal Sampo, show no significant change ($p > 0.05$) in their financial structure over the years, showing no significant improvement or decline in the structure. Even though this pattern is a sign of obvious stability, the fact that there are no strong and statistically significant positive trends points to it not being caused by the dynamic growth of the patterns but by the lack of structural movement, meaning underlying stagnation. However, some companies show statistically significant trends, which are an indication that they do not follow this large direction. The trend of the key variables, i.e., shareholders' funds and asset base in Cholamandalam General Insurance and Shriram General Insurance, shows significant negative trends, which is a clear structural deterioration. Equally, the decreasing number of non-current assets indicates a deterioration in the strength of long-term assets as exhibited by SBI General Insurance.

Conversely, ICICI Lombard shows a notable decrease in the non-current liabilities, and this can be viewed as the better management of the liabilities as opposed to the general financial growth. Collectively, these results can be said to indicate that the industry can be described as one that is in the state of stable stagnation, in which there is consistency in financial structure alongside a low level of capital growth, and a small level of structural transformation. The overwhelmingly high percentage of trivial trends suggests that the majority of the firms stand in their financial positions without any significant changes, whereas the skeleton of negative trends demonstrates the existence of the strongest areas of decline in this stasis. There are a few cases of growth that seem to be motivated by efficiency realignment as opposed to overall growth. Therefore, the stability witnessed within the sector is not generally an indicator of financial prowess, but it might be a lack of growth momentum, which is therefore important to differentiate between real stability and stagnation in the structure.

b. CBSA for Less than 12 Yrs. Older Companies

This section examines the financial performance of private non-life insurance companies operating for less than 12 years using linear trend analysis of comparative balance sheet components. The analysis focuses on identifying the direction and significance of changes in key financial indicators to understand the growth patterns and financial stability of emerging firms in the industry.

Table 4: Linear Trend Analysis for CBSA (Less than 12 Years Older Companies)

Sl.No	Company		SF	NCL	CLP	NCA	CA	TS & TA
1	Acko General Insurance	a	10.048	00	57.936	10.595	14.464	10.854
		b	-1.5023	00	-9.1135	-1.6159	-2.2688	-1.6624
		Sig.	0.197	00	0.063	0.165	0.123	0.159
		R ²	0.1263	00	0.2194	0.1444	0.1737	0.1481
2	Aditya Birla Health Insurance	a	-0.0978	00	0.5132	0.3035	0.2427	0.2734
		b	0.0951	00	-0.0535	0.0007	-0.031	-0.0002
		Sig.	0.695	00	0.431	0.779	0.649	0.785
		R ²	0.0656	00	0.0332	0.0000	0.0161	0.0000
3	Go Digit insurance	a	78.562	00	55.417	96.693	27.565	68.281
		b	-13.778	00	-9.5693	-16.918	-4.7626	-11.911
		Sig.	0.154	00	0.104	0.146	0.122	0.141
		R ²	0.4348	00	0.5236	0.4485	0.4882	0.4563
4	HDFC ERGO General Insurance	a	3.7418	-0.2636	4.3924	4.3022	5.3366	4.4245
		b	-0.3152	0.0476	-0.3724	-0.3628	-0.4662	-0.3749
		Sig.	0.486	0.095	0.453	0.453	0.476	0.463
		R ²	0.072	0.3457	0.0823	0.0825	0.0748	0.0791
5	Kotak Mahindra General Insurance	a	92.328	00	30.311	0.2395	5.5485	75.694
		b	-13.151	00	-4.2286	0.00297	-0.7229	-10.75
		Sig.	0.037	00	0.057	0.68	0.697	0.649
		R ²	0.3303	00	0.4018	0.1114	0.3523	0.334
6	Liberty General Insurance	a	0.1042	00	4.1808	0.378	0.1139	0.3234
		b	0.0065	00	-0.4519	-0.0107	0.0081	-0.0058
		Sig.	0.979	00	0.08	0.351	0.998	0.459
		R ²	0.0035	00	0.1816	0.0119	0.0127	0.0041
7	Manipal CIGNA Health Insurance	a	-0.0675	-0.2588	1333.7	0.1845	704.81	0.2795
		b	0.0337	0.0575	-140.35	0.0182	-74.166	0.0034
		Sig.	0.517	0.272	0.798	0.187	0.543	0.468
		R ²	0.1263	0.16	0.16	0.0354	0.1599	0.0025
8	Tata AIG General Insurance	a	0.2484	0.2536	0.5437	0.4555	0.672	0.4806
		b	0.0015	-0.035	-0.0458	-0.03	-0.0868	-0.0369
		Sig.	0.968	0.726	0.207	0.204	0.257	0.183
		R ²	0.0004	0.0269	0.3039	0.2893	0.2495	0.2855
9	Zuno General Insurance	a	40.369	00	79.158	1763.8	3.9292	43.205
		b	-7.1018	00	-13.806	-311.2	-0.5487	-7.5479
		Sig.	0.163	00	0.133	0.158	0.142	0.158
		R ²	0.4211	00	0.4701	0.4286	0.4557	0.4293

The linear trend analysis of the private non-life insurance firms with durations of operation of less than 12 years of operation depicts poor and highly insignificant financial trends, signifying the lack of directional growth. The majority of the companies, such as Acko General, Go Digit, HDFC ERGO, Tata AIG, and Zuno General Insurance, show weak negative dynamics in such key variables as shareholders' funds, liabilities, and assets. The statistical insignificance, however, indicates that these declines are not sudden and violently maintained, but are rather unstable without determined degradation. The few cases of prominence, like in Acko and Kotak Mahindra General Insurance, indicate some selective areas of focus as opposed to fabricated structural vulnerability. Some of the insurers, including Aditya Birla Health Insurance and Manipal Cigna Health Insurance, record small positive developments, though not statistically significant, and hence, the developments are still tentative and not transformative. These low explanatory powers of time also suggest that the changes in financials are not predetermined by patterns of steady growth, but due to the individual and market-based factors.

Comparing it to the existing companies, a more evident tendency is observed. The older firms have a steady yet stagnant financial model, which implies they are more likely to stagnate than younger firms, which have a higher degree of variability without growth, suggesting they are at a transitional stage of instability. In general, the industry is associated with the stability of no rapid development in established companies and the volatility of no evident advancement of new companies, which underlines the existence of stasis and uneven development of finances.

B) Comparative Balance Sheet Analysis (CBSA) across the Companies

a. CBSA across Companies, More than 12 Yrs Older

This section analyses the changes in key balance sheet indicators of selected general insurance companies over time, with a focus on the long-term movement of trend coefficients for major financial parameters. The analysis is divided into two parts: the first examines the direction of growth and decline among companies operating for more than 12 years, while the second assesses the financial movements of companies operating for less than 12 years. Six key components are considered, including shareholders’ fund (reflecting capital strength), non-current liabilities (long-term borrowings), current liabilities and provisions (short-term obligations), non-current assets (long-term investments), current assets (liquidity position), and total sources and application of funds (overall resource utilisation). The trend coefficient analysis, illustrated through Figures 2 to 7, provides insights into financial stability, structural changes, long-term movements, and short-term liquidity positions across the selected companies.

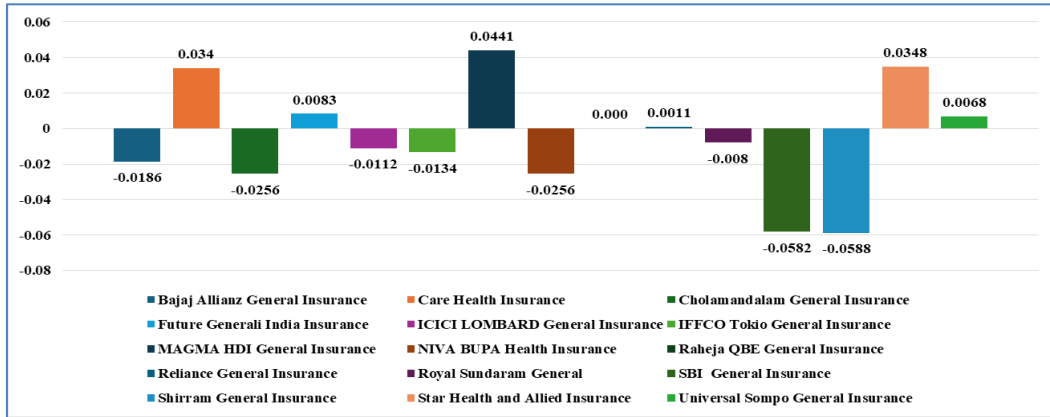


Figure 2. Trend Coefficient Analysis for Shareholders’ Fund (More than 12 Yrs.)

Figure 2 shows the trend coefficients of shareholders' funds and indicates the tendency of the capital basis movement within the scope of the chosen general insurance companies. Although some of the companies, like Care Health Insurance, Royal Sundaram General Insurance, and Niva Bupa Health Insurance, show good trends, the general trend in the industry is poor and irregular. The trends of some of the companies, such as Bajaj Allianz, Magma HDI, Reliance General, Cholamandalam General, and SBI General Insurance, are negative, signifying a slight erosion of capital, even though the trend is not very strongly maintained.

Notably, the majority of these tendencies are not statistically significant, which implies that the alterations of the funds of shareholders were not robust and directional. This is a fragile and disjointed movement, which suggests that capital growth is not systematic among firms. Even the positive trends noted in companies such as Future Generali and IFFCO Tokio are limited and only reflect the marginal improvement that is fluctuating. Thus, the prevalence of statistically insignificant trends implies structural inertia, and not actual stability, and the shareholders' funds are not developing in a unique or predictable direction. The consequence of this is that the sector is characterized by non-vigorous financial fortification but capital stagnation, as firms are operating in such a way that they have failed to materialize any significant increase in the capital base of the firm.

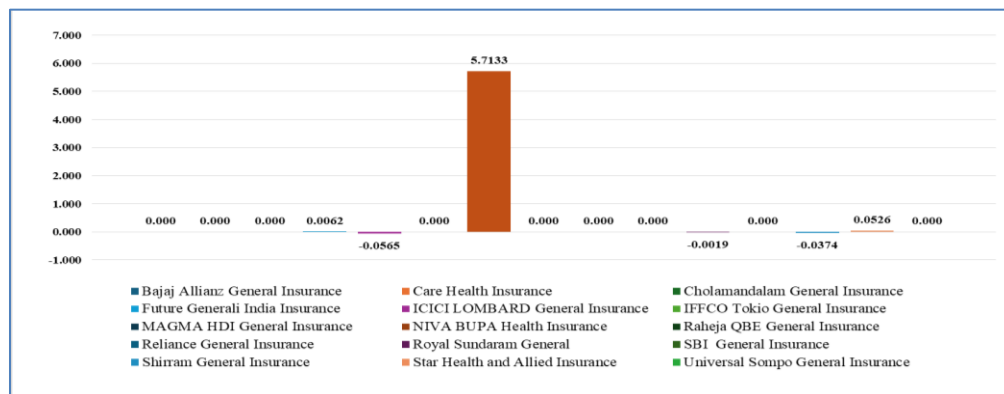


Figure 3. Trend Coefficient Analysis for Non-Current Liabilities (More than 12 Yrs.)

Figure 3 shows the trend coefficients of the non-current liabilities and indicates the development of the long-term borrowing in the chosen insurance companies. With the exception of Care Health Insurance, which portrays a relatively good positive trend indicating a rise in the reliance on long-term funding, most companies display coefficients that are close to zero. Companies like Bajaj Allianz, ICICI Lombard, Future Generali, and Royal Sundaram tend to show little fluctuation, implying that they change the long-term liability status of the companies. Some companies have negative trends, such as Magma HDI and SBI General, which suggests that there is a slight decrement in the long-term borrowings.

The trends of close to zero and statistically insignificant prevalence of the trends, however, indicate that these movements are not strong and are not consistent among firms. Instead of suggesting that the financial structure is being actively restructured, this trend is a manifestation of structural inertia in long-term financing decisions. Therefore, the visible stability of non-current liabilities is not a clear sign of efficiency and strategic balance, but rather, it points toward stagnation in long-term capital structuring, where companies exhibit slight change in their borrowing behaviour over the years.

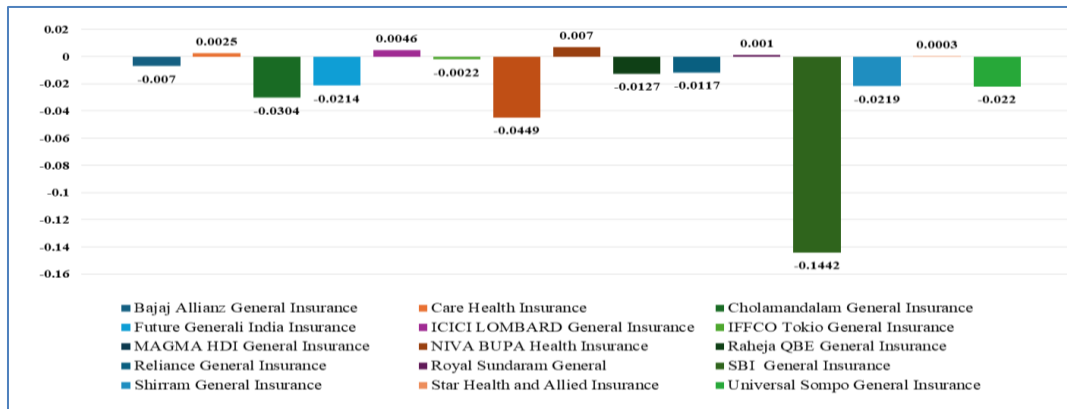


Figure 4. Trend Coefficient Analysis for Current Liabilities and Provisions (More than 12 Yrs.)

Figure 4 illustrates the trend coefficients for current liabilities and provisions, which show shifts in short-term financial obligations across firms. And though some companies, which include Niva Bupa Health Insurance, Cholamandalam General Insurance, SBI General Insurance, and Magma HDI, have negative trends which imply that they have a decrease in the short-term liabilities, there are those with slight positive trends, such as Care Health Insurance, Royal Sundaram, and IFFCO Tokio, indicating a growing trend in the short-term commitments. Nevertheless, these movements tend to be small and not statistically significant, indicating that short-term liability shifts are neither strong nor directional. The simultaneous presence of low increases and decreases within the firms is not indicative of an evident strategic change in the management of liquidity.

The fact that statistically significant trends are found to be overridden has the implication that there is structural inertia instead of actual stability, and that current liabilities and provisions are not developing in a steady or foreseeable way. As a result, the trend that is observed leads to stagnation in the short-term financial management, where the firms do not improve or decline significantly over time.

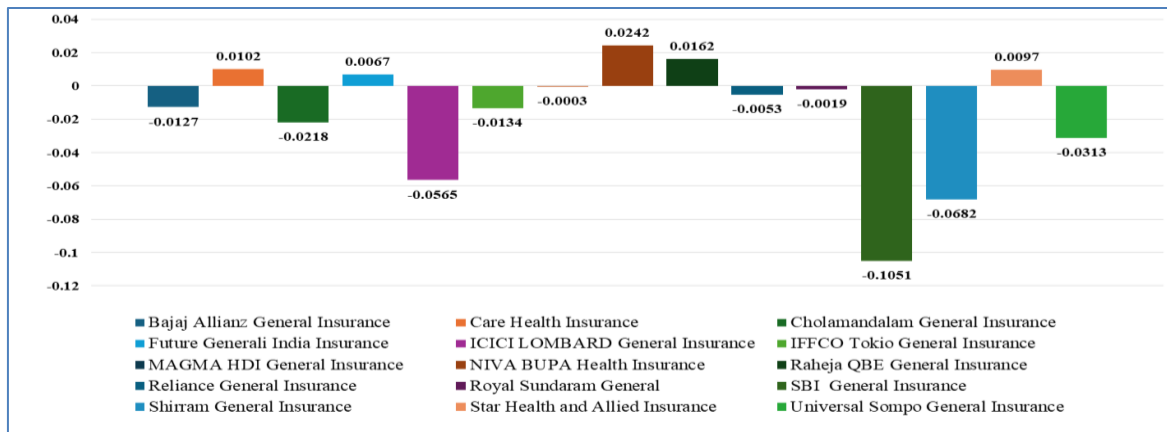


Figure 5. Trend Coefficient Analysis for Non-Current Assets (More than 12 Yrs.)

Figure 5 shows the trend coefficients of non-current assets whose movement of long-term investments across the chosen insurers was observed. In the same way, a few companies, such as Care Health Insurance, Niva Bupa Health Insurance, IFFCO Tokio, and Cholamandalam General Insurance, show positive trends, whereas others, such as Reliance General Insurance, SBI General Insurance, Universal Sompo, and ICICI Lombard, show negative trends, indicating both expansion and contraction in long-term assets. Nevertheless, such movements tend to be weak and not statistically significant, indicating that the shift in the long-term asset allocation is not powerful and is not directional on a consistent basis. The presence of both marginal increments and reductions among firms does not show an apparent investment policy at the sector level.

Therefore, the preponderance of trends that are not statistically important suggests that structural inertia and not genuine stability of the non-current assets, and thus, they are not changing in a consistent and predictable way. On the whole, this indicates a lack of long-term business investment behaviour, which equates to companies making minimal progress in alteration and re-adjustment of asset base without much strategic growth.

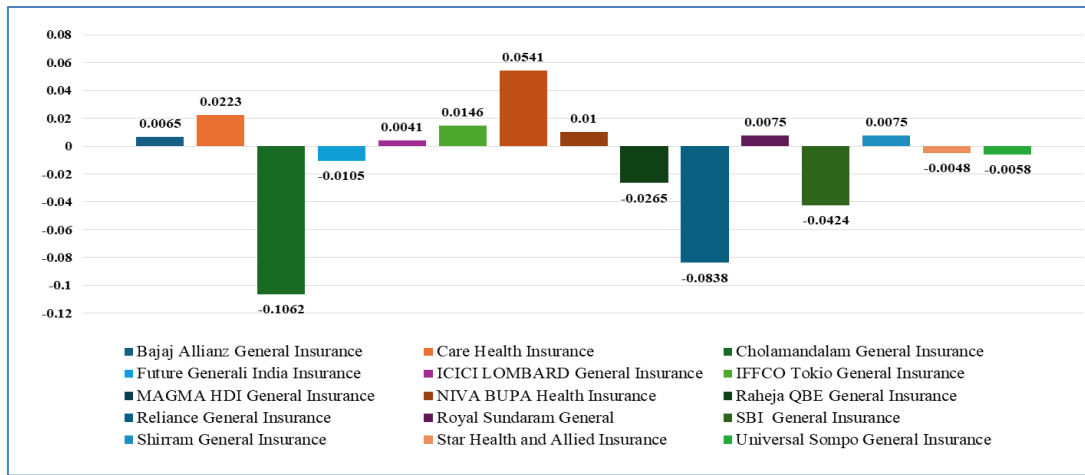


Figure 6. Trend Coefficient Analysis for Current Assets (More than 12 Yrs.)

Figure 6 shows the trend coefficients of the current assets, which show the liquidity status of the targeted insurers. Although some companies like Niva Bupa Health Insurance, Care Health Insurance, IFFCO Tokio, and Cholamandalam General Insurance have a positive trend, others like ICICI Lombard, Raheja QBE, SBI General, and Future Generali are displaying negative trends, which signify a mixed trend in terms of short-term assets management. These trends, however, are usually weak and statistically non-significant, suggesting that changes in current assets are neither strong nor directional across all firms. The fact that there were both increasing and decreasing marginal increases and decreases does not show a definite and consistent liquidity strategy in the industry. Thus, statistically non-significant trends are dominant, which is an indicator of structural inertia as opposed to actual stability, which suggests that the liquidity positions are not changing consistently or predictably. In general, this is an indicator of stagnation in short-run asset management, where companies keep their liquidity levels constant, only with small and non-systematic changes over time.

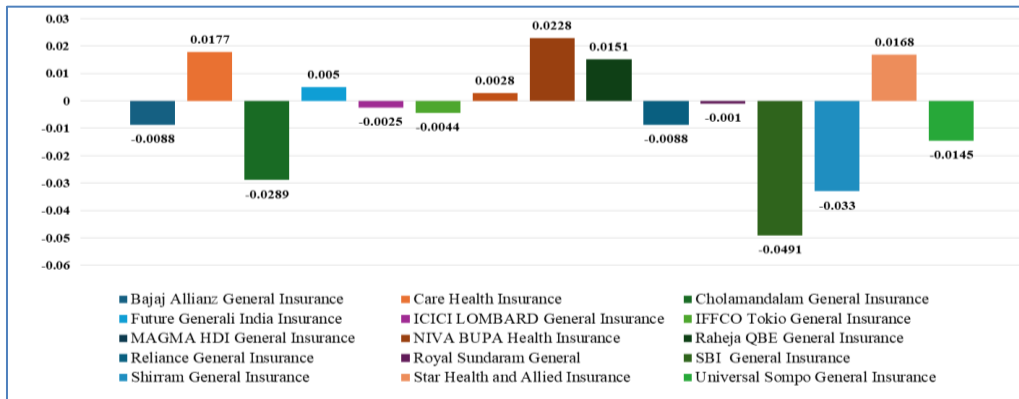


Figure 7. Trend Coefficient Analysis for Total Sources and Applications of the Fund (More than 12 Yrs.)

Figure 7 shows the trend coefficients of total sources and application of funds, which depicts the overall trend of the flow of financial resources of the chosen insurers. Although some companies are on a positive trend, such as Care Health Insurance, Niva Bupa Health Insurance, and Star Health Insurance, others like Cholamandalam General Insurance, SBI General Insurance, and Reliance General Insurance are on a negative trend, meaning that they have experienced a mixed trend of both expansion and contraction. Nonetheless, these movements are, in a majority of cases, weak and statistically insignificant, implying that the fluctuations in total funds are not strong and not always directional. The existence of marginal positive and negative tendencies among firms does not suggest the long-term financial growth or decline of the industry level.

Therefore, the prevalence of statistically insignificant trends is an indication of structural inertia over genuine stability, meaning that the amount of total sources and use of funds is not changing in a consistent and predictable way. In general, this is a sign of stagnation in total financial growth in which companies keep their size of operation with only small and non-systematic changes over the years.

Table 5: Ranking of Companies (> 12 Yrs) on Key Performance Indicators

Rank	Company	Key Performance Notes
1	Care Health Insurance	Strong asset growth, positive liability management, and a healthy shareholders' fund trend
2	NIVA BUPA Health Insurance	Consistent asset growth, stable capital structure
3	Star Health & Allied Insurance	Strong shareholder growth, stable liabilities, steady expansion
4	Magma HDI General Insurance	High trend in non-current liabilities, strong shareholder growth
5	Raheja QBE General Insurance	Positive asset growth, low liabilities
6	Future Generali India Insurance	Moderate improvement in liabilities & non-current assets
7	ICICI Lombard General Insurance	Mixed results; asset growth offset by liability decline
8	Royal Sundaram General Insurance	Slight asset growth, limited capital growth
9	Universal Sompo General Insurance	Shareholder and asset improvement, stagnant liabilities
10	IFFCO Tokio General Insurance	Stable capital, low liabilities, modest asset growth
11	Bajaj Allianz General Insurance	Declining capital, stagnant liabilities, and limited asset growth
12	Reliance General Insurance	Weak asset trends, low capital growth
13	Cholamandalam General Insurance	Decline in current assets & liabilities, poor fund application
14	Shriram General Insurance	Declines in all major parameters
15	SBI General Insurance	Sharp decline in liabilities, assets, and Capital

Source: Compiled and Computed from the Data Collected from Various Sources as Mentioned in the Methodology

A differentiated pattern of financial behaviour can be observed in ranking companies working over the period of 12 years, which shows different levels of stability and stagnation in the field. The trends of capital, assets, and liabilities in the firms ranked in the highest positions, which are Care Health Insurance, Niva Bupa Health Insurance, and Star Health and Allied Insurance, show rather stable elements of functional stability and gradual growth. Nevertheless, the fact that even among these major companies, there is no trend that is as strong and statistically significant may indicate that growth is moderate, but not dynamic.

The mid ranks of companies such as ICICI Lombard, Royal Sundaram, Universal Sompo, and IFFCO Tokio indicate some stability as the company structures are inconsistent with some aspects improving and others remaining stagnant or even weak. This means that they have a substantial, stable financial organization but not a strong impetus for extensive growth. Conversely, at the bottom of the rankings are the firms of Bajaj Allianz, Reliance General, Cholamandalam General, Shriram General, and SBI General, which show stagnant or even negative trends, especially in capital and asset elements. These trends indicate the stagnation in the structure with the components of decay when financial positions are not being improved but, instead, are weakening gradually.

Comprehensively, the ranking indicates that although established insurers have a certain level of financial stability, it is not equally linked to high growth. However, rather than that, a lot of the industry is symptomatic of stable stagnation, where companies have not evolved much in terms of financial structure, and only a small number of them show some slight improvement.

b. CBSA across Companies Less than 12 Yrs Older

Figure 8 presents the trend coefficients of shareholders' funds for companies operating for less than 12 years. Most firms, including Go Digit, TATA AIG, and Liberty General Insurance, exhibit negative trends, indicating mild erosion of capital, while a few, such as Aditya Birla Health Insurance, Manipal Cigna Health Insurance, and Zuno General Insurance, show marginal positive movement. However, these trends are largely weak and statistically insignificant, suggesting that changes in shareholders' funds are neither strong nor consistently directional. The coexistence of slight increases and

declines does not reflect a clear pattern of capital expansion or deterioration across younger insurers.

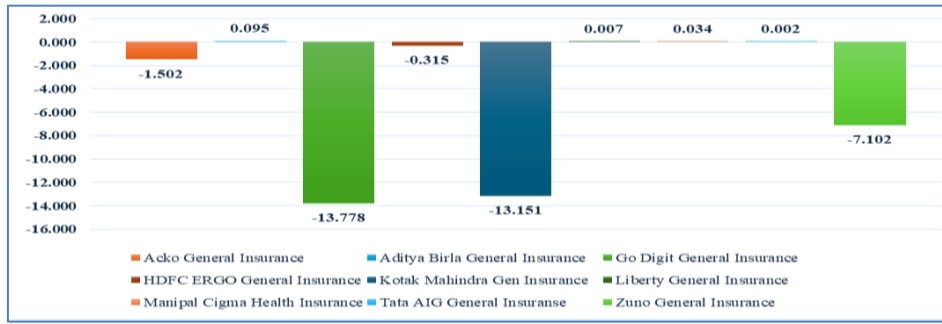


Figure 8. Trend Coefficient Analysis for Share Holder's Fund (Less than 12 Yrs.)

Thus, the dominance of statistically insignificant trends points to structural inertia rather than true stability, indicating that capital positions are not evolving in a consistent or predictable manner. Overall, this reflects early-stage stagnation under financial pressure, where younger firms struggle to achieve sustained capital growth despite ongoing operational expansion.

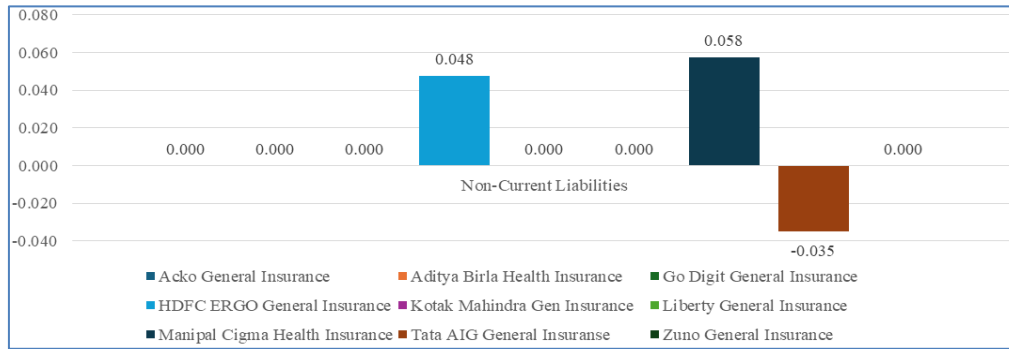


Figure 9. Trend Coefficient Analysis for Non-Current Liabilities (Less than 12 Yrs.)

Figure 9 presents the trend coefficients of non-current liabilities for companies operating for less than 12 years. Most firms exhibit near-zero coefficients, indicating minimal reliance on long-term borrowings, while a few, such as HDFC ERGO and Manipal Cigna, show slight positive trends, and TATA AIG reflects a mild decline. However, these movements are largely weak and statistically insignificant, suggesting that changes in long-term liabilities are neither strong nor consistently directional. The predominance of near-zero trends does not necessarily indicate strategic financial stability, but rather limited evolution in financing patterns.

Thus, the dominance of statistically insignificant trends points to structural inertia rather than true stability, implying that younger insurers are not actively adjusting their long-term capital structure. Overall, this reflects stagnation in long-term financing behaviour, where firms rely on existing capital structures without significant leverage expansion or restructuring.

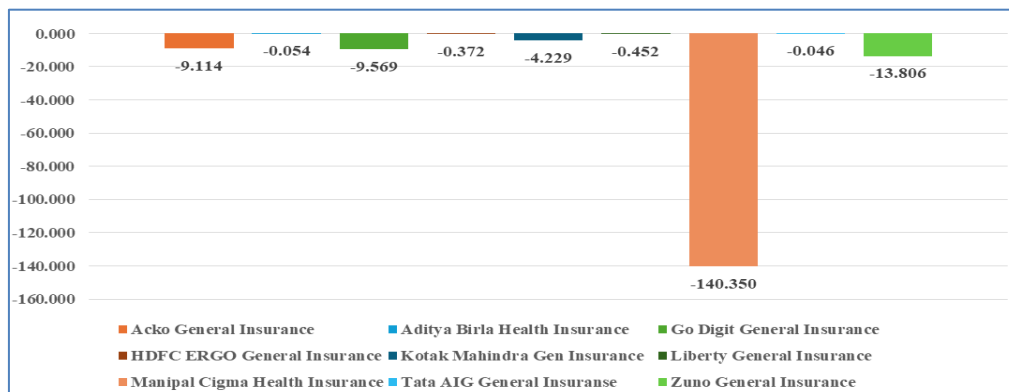


Figure 10. Trend Coefficient Analysis for Current Liabilities and Provisions (Less than 12 Yrs.)

Figure 10 presents the trend coefficients of current liabilities and provisions for companies operating for less than 12 years. Most firms, including Acko General, Go Digit, Liberty General, and Zuno General Insurance, show negative trends, indicating a reduction in short-term obligations, with Manipal Cigna reflecting a relatively sharper decline.

However, these trends are generally weak and statistically insignificant, suggesting that the observed reductions are neither strong nor consistently sustained. Rather than indicating a clear improvement in liquidity management, the mixed and modest nature of these movements reflects limited structural change in short-term financial behaviour. Thus, the dominance of statistically insignificant trends points to structural inertia rather than true stability, implying that current liabilities are not evolving in a consistent or predictable manner. Overall, this reflects stagnation in short-term financial adjustment, where reductions in liabilities are gradual and not indicative of a strong or strategic shift in liquidity management.

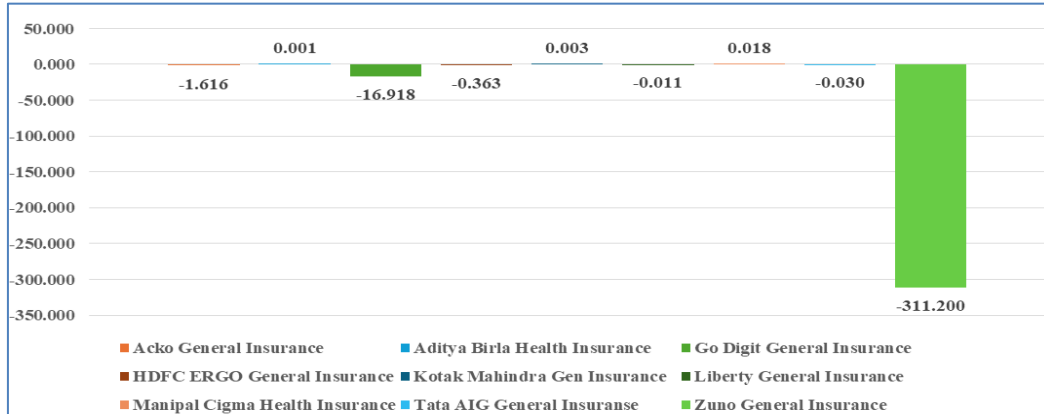


Figure 11. Trend Coefficient Analysis for Non-Current Assets (Less than 12 Yrs.)

Figure 11 presents the trend coefficients of non-current assets for companies operating for less than 12 years. Most firms, including Acko General, HDFC ERGO, Kotak Mahindra, Liberty General, and Go Digit, exhibit negative trends, indicating a reduction in long-term asset holdings, while a few, such as Aditya Birla Health Insurance, TATA AIG, and Manipal Cigna, show marginal positive movement. However, these trends are largely weak and statistically insignificant, suggesting that changes in long-term asset allocation are neither strong nor consistently directional. The observed decline does not necessarily reflect a strategic shift, but rather limited and uneven adjustments in investment behaviour. Thus, the dominance of statistically insignificant trends points to structural inertia rather than true stability, indicating that non-current assets are not evolving in a consistent or predictable manner. Overall, this reflects stagnation in long-term asset formation, with younger insurers showing constrained expansion and cautious investment, lacking clear growth momentum.

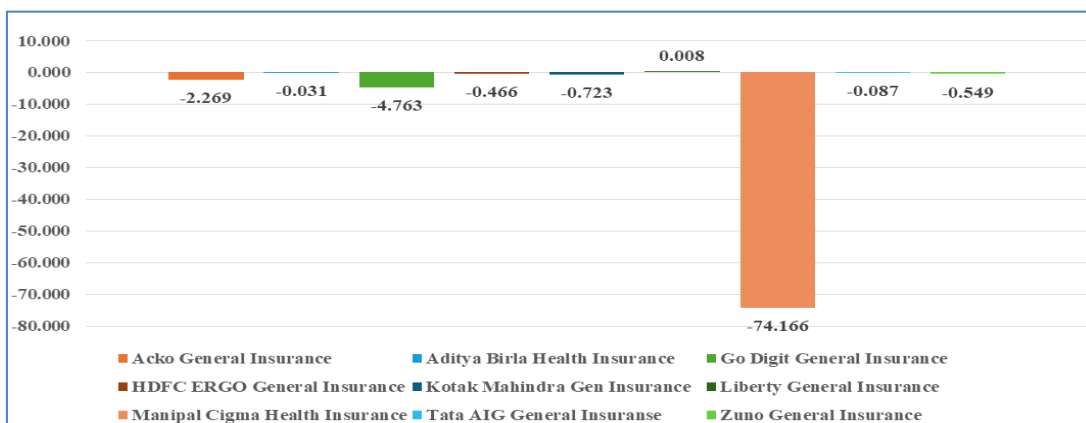


Figure 12. Trend Coefficient Analysis for Current Assets (Less than 12 Yrs.)

Figure 12 presents the trend coefficients of current assets for companies operating for less than 12 years. Most firms, including Acko General, Go Digit, HDFC ERGO, Kotak Mahindra, Liberty General, and Zuno General Insurance, exhibit negative trends, indicating a decline in short-term asset holdings, while only a few, such as Manipal Cigna, show marginal positive movement.

However, these trends are largely weak and statistically insignificant, suggesting that changes in current assets are neither strong nor consistently directional. The observed declines do not necessarily indicate a clear strategic shift in liquidity management but rather reflect uneven and limited adjustments across firms.

Thus, the dominance of statistically insignificant trends points to structural inertia rather than true stability, implying that short-term asset positions are not evolving in a consistent or predictable manner. Overall, this reflects stagnation under liquidity pressure, with younger insurers experiencing constrained short-term asset growth and no clear signs of financial strengthening.

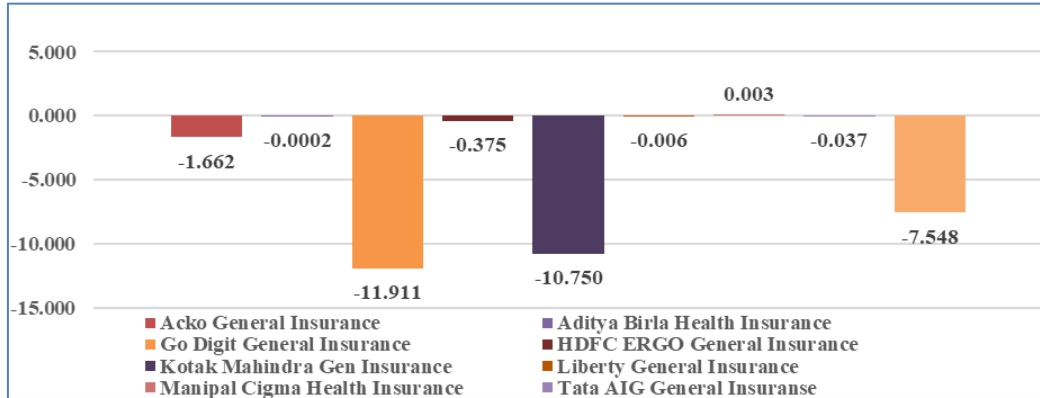


Figure 13. Trend Coefficient Analysis for Total Sources and Applications of the Fund (Less than 12 Yrs.)

Figure 13 presents the trend coefficients of total sources and application of funds for companies operating for less than 12 years. Most firms, including Acko General, Go Digit, HDFC ERGO, and Zuno General Insurance, exhibit negative trends, indicating a contraction in overall financial resources, while a few, such as Manipal Cigna, show marginal positive movement, and Aditya Birla Health Insurance remains relatively stable. However, these trends are largely weak and statistically insignificant, suggesting that changes in total funds are neither strong nor consistently directional. The observed declines do not reflect a sustained structural shift but rather limited and uneven financial adjustments across firms.

Thus, the dominance of statistically insignificant trends points to structural inertia rather than true stability, indicating that total financial resources are not evolving in a consistent or predictable manner. Overall, this reflects stagnation under financial pressure, where younger insurers experience constrained expansion in funds without clear signs of sustained growth.

Table 6: Ranking of Companies (<12 Yrs) on Key Performance Indicators

Rank	Company Name	Explanation
1	Liberty General Insurance	Positive/stable trends in Shareholders' Fund and Current Assets, minimal negatives elsewhere. Most consistent and balanced.
2	Tata AIG General Insurance	Very low negative trends in most parameters with slightly positive Shareholders' Fund, indicating overall financial stability.
3	HDFC ERGO General Insurance	Positive trend in Non-Current Liabilities and small/moderate negatives in other areas; showing steady performance.
4	Aditya Birla Health Insurance	Low positive trends in Shareholders' Fund and Non-Current Assets with slight negatives in Current Liabilities and Current Assets, indicating balanced but modest financial growth.
6	Manipal Cigna Health Insurance	Strong positives in equity and non-current assets, but extremely negative trends in current liabilities and assets show an imbalance.
7	Acko General Insurance	Negative trends in all key parameters, especially current liabilities and assets, show a weakening financial condition.
8	Kotak Mahindra General Insurance	Major decline in Shareholders' Fund and Current Liabilities. Only one parameter is flat: overall signs of deterioration.
9	Go Digit General Insurance	Widespread negative trends, including sharp drops in equity, non-current assets, and liabilities; financial performance weakening.
10	Zuno General Insurance	Severely negative trend in Non-Current Assets (-311.2) and other weak parameters make it the poorest performer in this group.

Source: Compiled and Computed from the Data Collected from Various Sources as Mentioned in the Methodology

The list of companies with less than 12 years of operating experience indicates that the current trend is one marked by a poor growth cycle and developing structural stagnation. The leading performing firms, including Liberty General

Insurance, TATA AIG, and HDFC ERGO, show a fairly balanced performance with slight positive or neutral tendencies on important variables. Nevertheless, positive movements are not significant or strong, and without significant positive values, it can be argued that their performance is a result of relative stability as opposed to strong growth in their finances. The companies at the middle level, such as Aditya Birla Health Insurance and Manipal Cigna Health Insurance, are partially stable but structurally imbalanced, with positive trends in some parameters offset by other weaknesses. This means that the financial structures are on the move, yet without attaining steady, sustainable progress.

Conversely, the trend of lower-ranked firms like Acko General, Kotak Mahindra General, Go Digit, and Zuno General Insurance shows a major negative and stagnant trend, which reflects the loss of capital, assets, and their financial position. These trends indicate stagnation with financial pressure as companies find it difficult to develop a stable and increasing financial base.

In general, the ranking indicates that young insurers are not in the stable growth stage but rather that they are experiencing instability, which is shifting towards stagnation. The prevalence of feeble and unimportant trends suggests that financial variables are not developing in a smooth and predictable sense, bolstering the existence of structural inertia as opposed to the factual steadiness in the given portion of the industry.

V. DISCUSSION

The trend coefficient analysis gives a broad picture of how the changes in core balance sheet items change in a direction, consistency, and reliability among the private non-life insurers. Although it provides information about financial stability and growth patterns, the results of this research always stated that the movements that are observed are mostly weak and statistically insignificant. This shows one of the most important differences that the paper is all about: the sector is not becoming stable, but is an indication of structural inertia, as financial variables are not even developing in any consistent or predictable way.

The trends in capital, assets, and total funds among the older firms (>12 years), like Care Health Insurance, Niva Bupa Health Insurance, and Star Health and Allied Insurance, are relatively positive, which means that the company functions are stable and there is a component of functional expansion. Yet, the statistical significance of such positive movements is not very high, suggesting that the growth is not very strong and not structurally sound. Conversely, other firms such as Bajaj Allianz General Insurance, Reliance General Insurance, Cholamandalam General Insurance, and SBI General Insurance indicate waning tendencies in important parameters such as funds and assets of shareholders and show areas of weakness in the industry. Other companies, such as Future Generali India Insurance and IFFCO Tokio General Insurance, show some slight and irregular improvement, which once again supports the lack of solid growth momentum.

It is also interpreted based on the analysis of liabilities and assets of older firms. Though Care Health Insurance indicates a slight increase in long-term liabilities and a slight modification of short-term obligations in a number of firms, the majority of companies portray almost zero or statistically irrelevant patterns. Likewise, asset and liquidity positions have an uneven trend of marginal increases and decreases with no apparent strategic direction. Even when total funds appear to increase or decrease, the statistical insignificance indicates that these changes are not systematic. The general trend of established insurers is therefore characterized by the fact that many companies simply stand where they are with minimal change and do not show active growth.

The trend in the case of younger companies (<12 years) is even more suggestive of the structural weakness and instability. Though there are some positive changes in capital and assets in a few companies, such as Aditya Birla Health Insurance and Manipal Cigna Health Insurance, they are weak and not statistically significant, showing growth on the tentative side rather than on a sustained basis. The negative trends in most of the younger insurers, such as Acko General Insurance, Go Digit General Insurance, Kotak Mahindra General Insurance, and Zuno General Insurance, in terms of shareholders' funds, assets, and total financial resources, have shown signs of financial strain and limited growth.

This is further evident in the liability structure of younger firms. The overall percentage of near-zero non-current liabilities indicates that the company did not rely on long-term borrowing, but this does not mean it is financially strong; it is simply a sign that the company did not structure its capital and did not go deeper into the water. Equally, pervasive reductions in current liabilities, current assets, and total funds, although they exist, are mostly statistically non-significant, meaning that such variations are not rapidly effected and thus not triggered by powerful strategy changes. In general, the transitional instability of younger firms is that there are changes, but these changes are neither explicit nor consistent with a clear growth path.

These findings are supported by the ranking results. Top companies like Care Health Insurance, Niva Bupa Health Insurance, and Star Health and Allied Insurance have a comparatively better balance of structure among older firms, but their performance is still channeled toward moderate growth rather than high growth in terms of financial performance. The less

advanced companies, such as SBI General Insurance, Shriram General Insurance, and Cholamandalam General Insurance, are showing evident symptoms of stagnation and decline. Even the best in the younger generation, like Liberty General Insurance, TATA AIG General Insurance, and HDFC ERGO General Insurance, exhibit only relative stability with no significant growth, while less competitive firms like Zuno General Insurance, Go Digit General Insurance, and Kotak Mahindra General Insurance show pronounced financial weakness.

Generally, the trend coefficient analysis shows distinct differences in financial performance by companies, but the tendency of most mature and new insurers is dominated by poor and non-significant trends. This is a sign that the industry is not enjoying robust, steady growth but rather experiencing structural inertia. Established businesses are stable, but not progressing with significant growth, and the younger firms are unstable without a definite growth path. Therefore, the results indicate that the seemingly stable situation with the financial base of the privately-based non-life insurers in India is rather stagnant, instead of financial reinforcement.

VI. CONCLUSION

The paper comes to the conclusion that the financial framework of the Indian non-life insurance companies from 2012 to 2023 is an indication of a complicated game of facade and stagnation. Although this comparative balance sheet and trend-based analysis reveals the existence of a steady financial position of most insurers, this has not been accompanied by vigorous or statistically significant growth in vital financial variables. The stability that can be observed, therefore, should be regarded with some hesitation, as it can usually be explained as a symptom of structural inertia, and not active financial empowerment.

On the one hand, some characteristics of stability can be observed in the sector. The existing insurers that enjoy the advantage of operational maturity demonstrate comparatively stable capital, liabilities, and asset distribution patterns. Naturally, the lack of severe volatility, the equal flow of sources and use of money, and regulated financial changes indicate that companies can provide a balance in the financial system. The performance of major firms like Care Health Insurance, Niva Bupa Health Insurance, and Star Health and Allied Insurance also shows a rather improved balance between capital development and expansion of assets, signifying functional stability with moderate advancement.

Nevertheless, the stability arguments are also very strong. The statistical significance of most trend coefficients indicates that the variation in capital, assets, and liabilities is not strong and directional. This is not a significant movement, implying that the variables of finance are not changing in a predictable and long-term fashion. In numerous instances, companies have only slight expansions or contractions as they are characterized by low structural change with time. These trends are indicative of stagnation in which companies remain in their financial status without significant growth or advancement. In addition, some of the existing companies, like SBI General Insurance and Shriram General Insurance, exhibit divergent tendencies towards some key areas of the company, such as the funds of shareholders and asset base, and appear to exhibit some structural cracks in the overall stability.

This is more imminent with newer entrants. Firms that have less than 12 years of operation have a greater degree of variation in their performance, poorer asset bases, and constrained liquidity. Even though there are certain companies that exhibit some positive growth, these are at a very minimal level and do not convince of any long-term growth. The negative or up and down patterns prevalent in the capital, assets, and total funds are indicative of a period of transitional uncertainty of the younger insurers in which growth is limited and financial structure remains recent. The underutilization of the long-term liabilities also indicates restrained or constrained capital structuring instead of strategic financial growth.

The findings indicate a stable stagnation in the sector. Although companies seem not to be experiencing any financial trouble regarding standing within the balance sheet, this is not matched by strong growth or structural development. Rather, the fact that weak and insignificant trends dominate the market is a sign that there is no momentum in financial development. In this context, stability does not mean strength, but it can be cautious behaviour, regulatory discipline, or lack of expansive opportunities.

Simultaneously, the research identifies a high level of inter-firm differences. The financial behaviour of a small group of insurers is more robust in comparison with that of others, and is pointing to stagnation or even gradual decline, meaning that financial sustainability is not even and is firm-specific. This highlights the importance of differentiation of strategies among firms as opposed to a sectoral approach.

In summary, the Indian non-life insurance industry in the range of the research cannot be defined as either stable or unstable; it represents a rather complicated state of both stability and the lack of growth. The results note that it is necessary to enhance the capital bases, enhance the efficiency of asset allocation, and create more dynamic financial strategies to achieve sustainable growth. To policy-makers and regulators, the findings would mean that preserving stability is not enough; more focus should be made on facilitating structural development and long-term financial deepening in the sector.

The study is restricted to trend-based comparative balance sheet analysis, and future research could further elaborate on this framework by adding indicators of profitability, solvency, and efficiency to have a blanket analysis. The effectiveness of findings can be even improved with the use of more sophisticated econometric methods, including panel data models or Data Envelopment Analysis. Also, by incorporating macroeconomic variables, regulatory trends, and industry-specific strategic elements, further information about the determinants of financial behaviour can be acquired. Comparative studies among the public and the private insurance companies and cross-country studies as well can lead to the widening of the scope of the knowledge on the dynamics of financial stability and growth in the insurance industry.

VII. REFERENCES

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