



PRESS RELEASE

11/11/2022 PANINDIA

PRESS RELEASE

NOVEMBER 11th, 2022

NSE Code:- LIC1

BSE Code:- 543526

PERFORMANCE UPDATE for Half Year ended September 30th 2022 (H1- FY 2023)

Mumbai, November 11th, 2022: The Board of Directors of Life Insurance Corporation of India (“LIC”) approved and adopted the standalone and reviewed consolidated financial results for the half year ending September 30th, 2022. Below are the key highlights of our standalone results

For the half year ended September 30th, 2022, LIC registered an increase of 23.87% in the Total Premium Income at Rs 2,30,456 crore as compared to Rs. 1,86,053 crore for the half year ended September 30th 2021 during the previous year. The Profit after Tax (PAT) for the half year ended September 30th, 2022 was Rs 16,635 crore as compared to Rs. 1,437 crore for the half year period ended September 30th, 2021. The current period profit has increased due to transfer of an amount of Rs. 14,271.80 crore (net of tax), pertaining to the accretions on the available solvency margin, from non par to shareholders account. The amount of Rs. 14,271.80 crore comprises of Rs 5,580.72 crore for the quarter ended September 30th, 2022 besides Rs. 4,148.78 crore and Rs. 4,542.31 crore for the preceding two quarters respectively.

The business momentum continues to be strong for LIC and as a result the overall market share by First Year Premium Income (as per IRDAI) increased to 68.25% for the half year ended September 30th 2022 as compared to full year market share of 63.25% for FY 2021-22.

On an Annualised Premium Equivalent (APE) basis the total premium was Rs 25,228 crore for the six month period ended September 30th, 2022. Of this Rs 14,643 crore (58.04%) was accounted for by the Individual Business and Rs 10,585 crore (41.96%) by the Group Business. Within the Individual Business, the share of Par products on APE basis was 91.01% percent and balance 8.99% percent was due to Non Par products.

A total of 83,59,029 policies were sold in the individual segment during the half year ended September 30th, 2022 thereby registering an increase of 13.55% over the similar six month period last year when 73,61,410 policies were sold.

For the half year ended September 30th, 2022, the persistency ratio on premium basis for the 13th month and 61st month were 77.62% and 62.77% respectively. The

comparable persistency ratios for the corresponding half year ending September 30th 2021 were 78.77% and 60.57% respectively.

For the half year ended September 30th, 2022, the persistency ratio on number of policies basis for the 13th month and 61st month were 65.21% and 51.61% respectively. The comparable persistency ratios for the corresponding half year ended September 30th, 2021 were 67.69% and 49.38% respectively. Therefore the persistency has improved both on premium and number of policies basis for the 61st month.

The Assets Under Management (AUM) increased to Rs 42,93,778 crore as on September 30th, 2022 as compared to Rs 39,50,633 crore on September 30th, 2021 registering an increase of 8.69% year on year.

The operating expense ratio for the half year ended September 30th, 2022 was 16.69% as compared to 15.33% for the half year ended September 30th, 2021.

The Yield on Investments on policyholders funds excluding unrealized gains was 8.32% for half year ended September 30th, 2022 as against 8.62% for half year ended September 30th, 2021.

The Net NPA in the policyholders fund was Rs 12.72 crore as on September 30th, 2022 as compared to Rs 191.56 crore as on September 30th, 2021.

The Value of New Business (VNB) (Gross) for the six month period ended September 30th, 2022 was 4,836 Crore. The Gross VNB margins for the Individual and Group Business were 20.3% and 17.6% respectively. The Gross VNB of the Individual Business was Rs 2,974 crore and for Group business was Rs 1,862 crore for half year ended September 30th, 2022. Within the Individual Business, the Par Business, Non Par Business (including Linked Business) had Gross VNB margins of 14.5% and 79.5% respectively.

The VNB margins for the half year ended September 30th, 2022 are 14.6% (Net) as compared to 9.3 % (Net) for half year ended September 30th, 2021.

The Indian Embedded Value (IEV) as on September 30th, 2022 has been determined as Rs 5,44,291 crore as compared to Rs 5,39,686 crore as on September 30th, 2021.

Shri M.R. Kumar, Chairperson, LIC said :- "The results signify our gradual and consistent move towards diversifying our product mix aimed at increasing the Non Par Business share. In the Individual business, on an APE basis, the share of Non Par Business has increased to 8.99% for the half year ended September 30th, 2022, as against 7.12% for full year ended March 31st, 2022. The same philosophy of diversification is visible in our distribution channel mix where the share of New Business Premium being sourced from banca and alternate channels has also increased. We are committed to doing our best for all stakeholders going forward."

Key operational and financial metrics:

Sr No.	Particulars	H1 FY 2023 (Rs in Crs)	H1 FY 2022 (Rs in Crs)	YoY Growth %age
1	Total New Business Premium Income (Individual)	24,535	21,964	11.71%
2	Renewal Premium (Individual)	1,03,203	97,793	5.53%
3	Total Premium (Individual)	1,27,738	1,19,757	6.66%
4	Total Group Business Premium	1,02,718	66,296	54.94%
5	Total Premium Income	2,30,456	1,86,053	23.87%
6	Number of Policies sold (Individual)	83,59,029	73,61,410	13.55%
7	Indian Embedded Value (IEV)	5,44,291	5,39,686	0.85%
8.	Value of New Business (Net)	3677	1583	132.28%
9.	Assets Under Management	42,93,778	39,50,633	8.69%
10.	VNB Margin (Net) %	14.60%	9.30%	
11	Operating expense ratio (%)	16.69%	15.33%	
12	13 M/ 61 M Persistency(Premium basis (%))	77.62/62.77	78.77/60.57	
13	13 M/ 61 M Persistency (Number of Policy (%))	65.21 / 51.61	67.69 / 49.38	

Dated at Mumbai on November 11th, 2022.

For Further Information please contact: Executive Director (CC)

LIC of India, Central Office, Mumbai. Email id: ed_cc@licindia.com

Visit us at www.licindia.in

We believe that the news contained in this release is of value to your readers. While we would thank you to publish it as soon as possible, we also readily recognize that the decision to do so rests entirely with you.