



PRESS RELEASE

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PERFORMANCE UPDATE for Half Year Ended September 30th 2023 (H1- FY 2024)

- **Highest ever Half Yearly Profit After Tax at Rs. 17,469 crore**
- **Non - Par APE increased by 19.77% to Rs.1,575 crore**
- **Indian Embedded Value increased by 21.74% to Rs. 6.62 lakh crore**
- **VNB Margin (Net) stands at 14.6%**
- **AUM increased by 10.47% to Rs. 47.43 lakh crore**
- **Improvement in 13th month persistency both on premium and policy basis**
- **Solvency Ratio increased to 1.90 from 1.88**

Mumbai, November 10th, 2023: The Board of Directors of Life Insurance Corporation of India (“LIC”) approved and adopted the standalone and consolidated financial results for the six months ending September 30th, 2023. Below are key highlights of our standalone results.

The Profit after Tax (PAT) for the half year ended September 30th, 2023 was Rs.17,469 crore. The current period profit includes an amount of Rs.13,768 crore (Net of Tax), pertaining to the accretions on the available solvency margin, transferred from Non - Par fund to shareholders account. The PAT for similar six month period ended September 30th,2022 was Rs.16,635 crore is not comparable since it included an amount of Rs.4,542 crore (Net of Tax) pertaining to the accretions on the Available Solvency Margin for the last quarter of FY 2021-22 which was transferred from Non-par fund to shareholders account on September 30th 2022.

In terms of market share measured by First Year Premium Income (FYPI) (as per IRDAI), LIC continues to be the market leader by market share in Indian life insurance business with overall market share of 58.50%. For six months ended September 30th, 2023, LIC had a market share of 40.35% in Individual business and 70.26% in the group business.

The Total Premium Income for six month period ended September 30th, 2023 was Rs.

2,05,760 crore as compared to Rs. 2,30,456 crore for the six month period ended September 30th 2022 during the previous year. The Total Individual Business Premium for the six month period ended September 30th, 2023 increased to Rs.1,34,783 crore from Rs.1,27,738 crore for the comparable period of previous year. The Group Business total premium income for six months ended September 30th, 2023 was Rs. 70,977 crore as compared to Rs 1,02,718 crore for six months ended September 30th, 2022.

A total of 80,60,725 policies were sold in the individual segment during the half year ended September 30th, 2023 as compared to 83,59,029 policies sold during the six months ended September 30th, 2022.

On an Annualised Premium Equivalent (APE) basis the total premium was Rs.22,627 crore for the six month period ended September 30th 2023. Of this 64.69 % (Rs. 14,638 crore) was accounted for by the Individual Business and 35.31% (Rs.7,989 crore) by the Group Business. Within the Individual Business the share of Par products on APE basis was 89.24% (Rs.13,063 crore) and balance 10.76% (Rs. 1,575 crore) was due to Non - Par products. The Non-Par APE has increased from Rs.1,315 crore for the six month period ended September 30th, 2022 to Rs.1,575 crore for the six month period ended September 30th 2023 registering growth of 19.77%. Therefore, our Non - Par share of Individual APE which was 8.98% for the six month period ended September 30th 2022 has grown to 10.76% for the six month period ended September 30th 2023.

The Value of New Business (VNB) for the six month period ended September 30th, 2023 was Rs. 3,304 crore as compared to Rs. 3,677 crore for the six month ended September 30th,2022. The net VNB margin for the six month period ended September 30th,2023 was 14.6 % as compared to 14.6% for the six months ended September 30th,2022.

The Indian Embedded Value (IEV) as on September 30th,2023 has been determined as Rs. 6,62,605 crore as compared to Rs.5,44,291 crore as on September 30th, 2022 registering an increase of 21.74% over the previous year.

The Solvency Ratio as on September 30th,2023 improved to 1.90 as against 1.88 on September 30th,2022

For the half year ended September 30th, 2023, the persistency ratio on premium basis for the 13th month and 61st month were 78.49% and 62.53%, respectively. The comparable persistency ratios for the corresponding half year ending September 30th, 2022 were 77.62% and 62.77% respectively.

For the half year ended September 30th, 2023, the persistency ratio on number of policies basis for the 13th month and 61st month were 66.80 % and 50.35%, respectively. The comparable persistency ratios for the corresponding half year ended September 30th,2022 were 65.21% and 51.61%, respectively. Therefore, the persistency has improved both on premium and number of policies basis for 13th month.

The Assets Under Management (AUM) increased to Rs. 47,43,389 crore as on September 30th, 2023 as compared to Rs. 42,93,778 crore on September 30th, 2022 registering an increase of 10.47 % year on year.

The Overall Expense Ratio for the half year ended September 30th, 2023 was 15.14% as compared to 16.69% for the half year ended September 30th, 2022.

The Yield on Investments on policyholders funds excluding unrealized gains was 9.06% for half year ended September 30th, 2023 as against 8.32% for half year ended September 30th, 2022.

The Net NPA in the policyholders fund was Rs. 8.77 crore as on September 30th,2023 as compared to Rs. 12.72 crore as on September 30th, 2022.

Shri Siddhartha Mohanty, Chairperson, LIC said - “ During the first six months of this financial year, we have been able to implement strategies successfully to enhance the share of Non-Par products in our overall individual business. The current VNB margins are an indicator of our initiatives delivering the objective of maintaining profitability as we change direction. We are conscious of the market dynamics in certain parts of our business and are working towards profit-oriented consolidation. The distribution mix is also more diversified with increase in share of Bancassurance and Alternate Channels. We continue to remain focused on creating higher Customer Value through Digital Innovations. We are thankful to all our stakeholders for their continued support.”

Key operational and Financial metrics:

Sr. No.	Particulars	Six Months Ended Sept 30 th 2022 (Rs crore)	Six Months ended Sept 30 th 2023 (Rs crore)	YoY Growth %age
1.	Profit after Tax (PAT)*	16,635	17,469	
2.	New Business Premium Income (Individual)	24,535	25,184	2.65%
3.	Renewal Premium (Individual)	1,03,203	1,09,599	6.20%
4.	Total Premium (Individual)	1,27,738	1,34,783	5.52%
5.	Total Group Business Premium	1,02,718	70,977	(30.90)%
6.	Total Premium Income	2,30,456	2,05,760	(10.72)%
7.	Number of Policies sold	83,59,029	80,60,725	(3.57)%
8.	Value of New Business (Net)	3,677	3,304	(10.14)%
9.	Assets Under Management	42,93,778	47,43,389	10.47%
10.	VNB Margin (Net)	14.6	14.6	
11.	Overall Expense Ratio	16.69%	15.14%	
12.	Solvency Ratio	1.88	1.90	
13.	13 M/ 61 M Persistency (Premium Basis)	77.62% / 62.77%	78.49% / 62.53%	
14.	13 M/ 61 M Persistency (Number of Policies Basis)	65.21% / 51.61%	66.80% / 50.35%	
15.	Individual APE	14,643	14,638	(0.04)%
16.	Ind APE Product Mix (%) (Par/ Non Par incl Linked)	91.01% / 8.99%	89.24% / 10.76%	
17.	APE Group Business	10,585	7,989	(24.52)%
18.	Total APE (Ind + Group)	25,228	22,627	(10.31)%

* The Corporation had changed its accounting policy in September 2022 regarding transfer of amount (Net of Tax) pertaining to the accretion on the Available Solvency Margin from Non-Participating Policyholder's Account to Shareholder's Account and accordingly transferred total amount of Rs. 27,241 crore (Net of Tax) during Financial Year 2022-23, which included transfer to Shareholder's Account amounting Rs.14,272 crore (Net of Tax) in the quarter ended 30.09.2022. An amount of Rs.14,272 crore was pertaining to quarter ended 31.03.2022,

