

Life insurers' new premium income grows 5.8% in H1: Care Ratings

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LED BY THE private sector, life insurers posted a 5.8% growth in first year premium income in the first half of the current fiscal at ₹1,31,982 crore, as per a report.

First year premium income had slipped 0.8 percentage points in the year-ago period when it stood at ₹1,24,727.7 crore, Care Ratings said in its report.

While market leader LIC logged a drop of 3.3% over the previous year in new premium collection, the private sector players clipped at a healthy 27.7%.

The overall growth was led by a spike in individual non-single premia and group single premia, it added.

September saw the best monthly show so far in the fiscal, with the industry posting 22.2% growth at ₹31,001.2 crore, from ₹25,366 crore in September 2020.

Had it not been for the poor show by LIC, whose first year premium collection rose only 11.5% in September 2021 compared to 30.1% in the year-ago month, the overall growth would have been much higher.

LIC's new premium collection in H1 FY22 slipped 3.3% to ₹85,112.6 crore, from ₹88,018 crore in the corresponding period of FY21.

Private sector players collected 27.7% more at ₹46,869.3 crore, against a tepid 2.6% growth in the same period of the previous year when it had stood at ₹36,709.6 crore.

Individual single premium grew 33.7% to ₹7,280.3 crore, while individual non-single premium clipped at 31.7% to ₹20,404.1 crore and group single premium rose 18.7% to ₹15,824.9 crore. Group non-single premium more than doubled to ₹127.9 crore and group yearly renewable premium rose 35.8% to 3,232.1 crore. LIC continued to maintain its dominant share in first year premium in H1 at 64.5%, as against 35.5% for the private sector.



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