

Life Insurance sector sees 14.8% YoY growth in June and 22.91% surge in Q1 FY25

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The data for June 2024 and Q1 FY25 reflects a thriving and dynamic life insurance sector in India, characterized by significant growth in premiums, policy issuances, and a positive market outlook.

In June 2024, India's life insurance sector experienced a notable 14.8% year-on-year (YoY) increase in premiums, reaching ₹42,434 crore. This growth reflects a robust demand for insurance protection from both individual and corporate consumers, underscoring the sector's resilience and expanding reach. With significant improvements in both premium collections and policy issuances, June 2024's performance highlights a strong and growing demand for life insurance in India. The sector's ability to attract new policies and maintain growth across various segments suggests a continued upward trajectory.

According to the data collated by the Life Insurance Council, premium collections surged from ₹36,961 crore in June 2023 to ₹42,433 crore in June 2024. New policy issuances also grew by 12.13% YoY, with 21,79,282 policies issued compared to 19,43,529 in June 2023.

Individual single premiums grew by 5.94% YoY to ₹3,823 crore, while individual non-single premiums increased by 19.61% YoY to ₹8,310 crore.

Group single premiums rose by 13.49%, with collections at ₹28,711 crore. Overall, the Group policy category saw a 14.75% YoY growth in premiums and a 6.73% increase in new policy issuances.

Strong Q1 FY25 for Life Insurers

The first quarter of FY25 has been highly successful for India's life insurance sector, with new business premiums (NBP) growing by 22.91% year-on-year. This period witnessed a surge in both premium collections and policy issuances, reflecting a strong market performance and increased consumer confidence in life insurance product.

Quarterly Performance Highlights:

Premium Growth: NBP for Q1 FY25 reached ₹89,726 crore, up from ₹73,004 crore in Q1 FY24, reflecting a 22.91% YoY increase. The June 2024 premium figure alone represents a 14.80% YoY rise.

LIC's Performance: LIC reported a remarkable 28.11% growth in Q1 premiums, totalling ₹57,440.9 crore. Notably, Group Single premiums saw a significant 33.49% increase.

Private Insurers: Private insurers collectively experienced a 14.62% YoY increase in premiums, reaching ₹32,285.8 crore, driven by strong individual segment growth.