

LIC Reports Strong 5% Profit Growth to ₹10,987 Crore



Life Insurance Corporation of India (LIC) has announced a solid financial performance for the first quarter of fiscal year 2026, reporting a 5% year-on-year growth in its standalone net profit to ₹10,987 crore. The state-owned insurance giant's results, released on August 7, 2025, were driven by robust growth in both its net premium income and the value of new business, reinforcing its dominant position in the Indian life insurance market.

The company's net premium income saw a corresponding 5% increase to ₹1.19 lakh crore, with contributions from both individual and group business segments. The individual premium income grew by 6% year-on-year to ₹71,474 crore, while group premium income rose by 2.46% to ₹47,726 crore. These figures reflect a healthy growth trajectory and strong policy renewals.

Despite a 14.75% decline in the number of individual policies sold, LIC's focus on more profitable products appears to be paying off. The Value of New Business (VNB), a key metric for future profitability, surged by 21% year-on-year to ₹1,944 crore. This improvement was accompanied by an expansion of the VNB margin by 150 basis points to 15.4%, a result of a strategic shift in the company's product mix toward higher-margin non-participating (Non-Par) products. The share of these Non-Par products within the individual segment on an Annualized Premium Equivalent (APE) basis increased significantly to 30.34% from 23.94% in the same quarter last year.

LIC's commitment to strategic initiatives was highlighted by its Managing Director and CEO, R. Doraiswamy, who noted that "the growth in non-par products, VNB margins, and bancassurance

share reflects strong execution of the company's strategic priorities." The company also maintained its market leadership with a formidable 63.51% share in first-year premium income, according to data from the IRDAI. As of the end of the quarter, LIC's assets under management (AUM) grew by 6% to ₹57.05 lakh crore, underscoring its financial strength and scale. This quarter's results showcase LIC's ability to navigate market challenges and focus on long-term value creation.