



PRESS RELEASE

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Mumbai, July 14, 2022: The Board of Directors of Life Insurance Corporation of India (“LIC”) approved the Report on Indian Embedded Value (IEV) as on March 31, 2022. Below are key highlights of IEV Report results.

LIC has engaged M/s Milliman Advisors LLP for determining the IEV of the LIC of India as on March 31, 2022. Today, the Board of LIC, in its meeting, adopted the IEV Report of Milliman Advisors LLP pertaining to the IEV of LIC of India as on March 31, 2022.

As mandated under the amended section 24 of LIC Act, 1956, Board of LIC in its meeting held on 8th January, 2022 had approved bifurcation of the single fund into separate Par and Non-Par funds and the effect of such bifurcation has been reflected in the Financials as at 31st March, 2022.

As on March 31, 2022, the IEV of LIC of India has been determined to be Rs.5,41,492 Crore (Rs.5,414.9 Bn) as compared to Rs.95,605 Crore (Rs.956 Bn) as on March 31, 2021 and Rs.5,39,686 Crore (Rs.5,397 Bn) on September 30, 2021. The IEV as of September 30, 2021 was significantly higher than the IEV of March 2021 due to the bifurcation of fund that was carried out by LIC pursuant to changes in the LIC Act during the FY 2021-22.

The Value of New Business (VNB) for year ended March 31, 2022 has been determined to be Rs 7,619 Crore (Rs.76.19 Bn) as compared to Rs.4,167 Crore (Rs.41.67 Bn) for the year ended March 31, 2021. Also, the VNB for the six-month period ended September 30, 2021 was Rs.1,583 Crore (Rs.15.83 Bn).

The VNB margin, for the year ended March 31, 2022 is 15.1% as compared to VNB margin of 9.9% for the year ended March 31, 2021.

The Annualised Premium Equivalent (APE) for year ended March 31, 2022 is Rs. 50,390 Crore (Rs.503.90 Bn). The APE for year ended March 31, 2021 was Rs.45,588 Crore (Rs.455.88 Bn) and the APE considered for arriving at VNB for period ended March 31, 2021 was Rs. 42,170 Crore (Rs. 421.70 Bn). Further for the period ended March 31, 2022, the APE of Individual business and Group business was Rs.35,572 Crore (Rs.3,55.72 Bn) and Rs.14,818 Crore (Rs.148.18 Bn) respectively. Therefore, the Individual Business accounted for 70.59% of APE and Group business accounted for 29.41% of APE. Also, within the individual business, the par business share on APE basis was 92.88%, while the remaining 7.12 % was from the non-par business.

The ROEV (Return on embedded value) for March 21, 2022 is 11.9% as compared to 36.9% for March 2021. It is clarified that these calculations take into account the bifurcation impact of the split of single life fund into par and non-par fund during the FY 2021-22

Dated at Mumbai on July 14, 2022.

For Further Information please contact: Executive Director (CC)
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