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A Study on The Growth of Indian Insurance Sector

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Peer Review Information	Abstract
<p><i>Submission: 13 March 2026</i> <i>Revision: 0.2 April 2026</i> <i>Acceptance: 16 April 2026</i></p> <p>Keywords</p> <p><i>Insurance Sector, Internet, Marketing, Economic Development, Financial Inclusion.</i></p>	<p>The Insurance region in India governed through Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and General Insurance Business (Nationalisation) Act, 1972, Insurance Regulatory and Development Authority (IRDA) Act, 1999 and different associated Acts Life Insurance was the first to be nationalized in 1956. Life Insurance Corporation of India was formed by consolidating the operations of various insurance companies. The study is based on secondary data related to growth of insurance sector over a period of time, Major developments and Government Initiatives of Insurance Industry and to analyse the present scenario of Insurance industry</p> <p>The insurance industry of India has 57 insurance companies 24 are in the existence insurance business, while 34 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the only public zone organisation. There are six public quarter insurers in the non-lifestyle's insurance section. In addition to those, there may be a sole countrywide re-insurer, specifically General Insurance Corporation of India (GIC Re).</p>

Introduction

Insurance is a contract, represented by means of a policy, in which an individual or entity receives economic safety or compensation against losses from an insurance enterprise. The Insurance region in India governed through Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and General Insurance Business (Nationalisation) Act, 1972, Insurance Regulatory and Development Authority (IRDA) Act, 1999 and different associated Acts.

The insurance industry of India has 57 insurance companies 24 are in the existence insurance business, while 34 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the only public zone organisation. There are six public quarter insurers in the non-lifestyle's insurance section. In addition to those, there may be a sole countrywide re-insurer, specifically General Insurance Corporation of India (GIC Re). Other stakeholders inside the Indian Insurance marketplace include agents (person and

company), agents, surveyors and 0.33-party administrators servicing medical health insurance claims.

Since then, the insurance industry has long gone via many sea changes. The competition that LIC commenced dealing with from those groups were threatening to the lifestyles of LIC. Since the liberalization of the industry, the coverage industry has in no way regarded returned and these days stand because the one of the most aggressive and exploring industry in India. The entry of the personal players and the improved use of the brand-new distribution are in the limelight these days. The use of new distribution strategies and the IT tools has elevated the scope of the industry within the longer run.

IRDAI

Insurance Regulatory and Development Authority (IRDAI)

- Established in 1999 under the IRDAI Act

- Responsible for regulating, promoting and ensuring orderly growth of the Insurance and re-insurance business In India

History Of Insurance Sector

The Life Insurance business in India started in the year 1818 with the establishment of the Oriental Life Insurance Company in Calcutta. Some of the important milestones in the life insurance business in India are given in Table 1.

Table1: Milestones in the Life Insurance Business in India.

Year	Milestones in the Life Insurance Business in India
1818	Oriental Life Insurance Company, the first life insurance company on Indian soil started functioning.
1870	Bombay Mutual Life Assurance Society, the first Indian life insurance company started its business.
1912	The Indian Life Assurance Companies Act enacted as the first statute to regulate the life insurance business
1928	The Indian Insurance Companies Act enacted to enable the government to collect statistical information about both life and non-life insurance businesses.
1938	Earlier legislation consolidated and amended to by the Insurance Act with the objective of protecting the interests of the insuring public.
1956	245 Indian and foreign insurers and provident societies are taken over by the central government and nationalised. LIC formed by an Act of Parliament, viz.

The General insurance business in India, on the other hand, can trace its roots to the Triton Insurance Company Ltd., the first general

insurance company established in the year 1850 in Calcutta by the British.

Table 2:

Year	Milestones in the General Insurance Business in India
1907	The Indian Mercantile Insurance Ltd. set up, the first company to transact all classes of general insurance business.
1957	General Insurance Council, a wing of the Insurance Association of India, frames a code of conduct for ensuring fair conduct and sound business practices.
1968	The Insurance Act amended to regulate investments and set minimum solvency margins and the Tariff Advisory Committee set up.
1972	The General Insurance Business (Nationalisation) Act, 1972 nationalised the general insurance business in India with effect from 1st January 1973.

Indian Insurance Market – History

Insurance has a long history in India. Life Insurance in its current form was introduced in 1818 when Oriental Life Insurance Company began its operations in India. General Insurance was however a comparatively late entrant in 1850 when Triton Insurance company set up its base in Kolkata.

Life Insurance was the first to be nationalized in 1956. Life Insurance Corporation of India was formed by consolidating the operations of various insurance companies. General Insurance followed suit and was nationalized in 1973. General Insurance Corporation of India was set up as the controlling body with New India, United India, National and Oriental as its subsidiaries. The process of opening up the insurance sector was initiated against the background of Economic Reform process which commenced from 1991. For this purpose, Malhotra

Committee was formed during this year who submitted their report in 1994 and Insurance Regulatory Development Act (IRDA) was passed in 1999. Resultantly Indian Insurance was opened for private companies and Private Insurance Company effectively started operations from 2001.

Role Of Insurance Sector In Economic Growth

1. **Insurance Services:** Provides Financial protection to individuals and businesses.
2. **Risk Mitigation:** Reduces uncertainties protects against financial shocks.
3. **Capital Formation:** Policyholder premiums are invested in infrastructure and other assets.
4. **Employment Generation:** Generates direct and indirect jobs in the sector and allied industries.

5. **Economic Stability:** Provides financial safety nets, boosting confidence and growth.
6. **Economic Growth:** Contributes to GDP, sustains development and strengthens resilience.

In FY24, insurance premium penetration was 3.7% of GDP, with life insurance at 2.8% and non-life at 0.9%. Per capita premium rose to Rs. 8,297 (US\$ 95) in FY23. General insurance is expected to grow 8.7% in FY26, while life insurance is projected to grow 10.5% annually between 2025-2035, positioning India as the second-largest life insurance market in the region.

Robust Demand

- India's insurance sector has witnessed significant growth, with the domestic market expanding at CAGR of 17% over the past two decades. It is projected to reach Rs. 19,30,290 crore (US\$ 222.0 billion) by FY26. This growth has been driven by increased awareness, favorable regulatory changes, and greater participation from the private sector.
- India's life insurance sector saw growth, with new business premiums rising to Rs. 40,206 crore (US\$ 4.59 billion) in September 2025 and YTD collections growing even more from Rs. 1,89,214 crore (US\$ 21.62 billion) to Rs. 2,03,668 crore (US\$ 23.28 billion) this month

Attractive Opportunities

- Robotic Process Automation (RPA) and AI will occupy center stage in insurance, driven by newer data channels, better data processing capabilities and advancements in AI algorithms.
- Bots will become mainstream in both the front and back-office to automate policy servicing and claims management for faster and more personalized customer service.
- The rise of digital-only insurers and aggregator platforms is opening new avenues for reaching untapped customer segments, particularly millennials and rural populations. Platforms like IRDAI's "Bima Sugam" are simplifying policy purchase and comparison
- India's IoT insurance market is projected to reach Rs.1,83,120 crore (US\$ 21.4 billion) by 2033, growing at nearly 55% annually

Policy Support

- The Indian government has increased the Foreign Direct Investment (FDI) limit in insurance companies from 74% to 100%, enabling complete foreign ownership. This strategic decision is intended to attract additional capital into the long-term, capital-intensive insurance sector, ensuring that insurers invest all collected premiums within the country.
- Insurance cover for 74.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana was provided till April 2025.

Increasing Investments

- The IPO of LIC of India was the largest IPO ever in India and the sixth biggest IPO globally in FY22
- In February 2025, nine insurers, including HDFC Ergo and SBI General, have submitted IPO plans to IRDAI as part of a push to raise capital and strengthen governance in India's insurance sector.
- At least six Indian reinsurance companies, plan to launch IPOs over this year and next, selling 10–15% stakes to raise capital and expand market presence.

Research Methodology

This research utilizes secondary data analysis to examine the evolution, contributions, and growth potential of India's insurance sector. Data from sources like IRDAI, RBI, industry publications, and government surveys were analyzed using statistical methods to assess trends in penetration, density, and premiums. Challenges, opportunities, and historical milestones were evaluated, with data visualization tools highlighting key patterns and offering policy recommendations for enhanced financial inclusion and growth.

Research Gap

The above studies points to the fact that the earlier works mainly related to the performance of public sector and private sector insurance companies in India, review of Indian insurance market. Hence, the study is undertaken to fill the gap by analysing the growth of Insurance sector and its growth and to know the present performance of insurance industry.

Objectives Of the Study

1. To present the trends and progress of Insurance sector in India

2. To know the Major developments of Insurance Industry
3. To know the Government Initiatives of Insurance Industry
4. To analyse the present scenario of Insurance industry

Sources Of Data

The study is based on secondary data. The Secondary data sources include Articles, Newspapers, LIC Reports and Websites.

Evolution Of The Sector

The evolution of the Indian insurance sector spans three key phases. The Pre-Independence Era (1818–1947) saw the establishment of early

companies like the Oriental Life Insurance Company and the Bombay Mutual Life Assurance Society, with the Indian Life Assurance Companies Act of 1912 laying the foundation for regulation. The Post-Independence Period (1947–1991) witnessed nationalization, leading to the creation of LIC in 1956 and GIC in 1972, focusing on policyholder protection and channeling funds to social sectors. The Liberalization Phase (1991–Present) opened the market to private players, with reforms and the formation of IRDAI in 1999, stimulating growth and competition. In recent years, AI has revolutionized the sector by enhancing claims processing, risk assessment, and customer service.

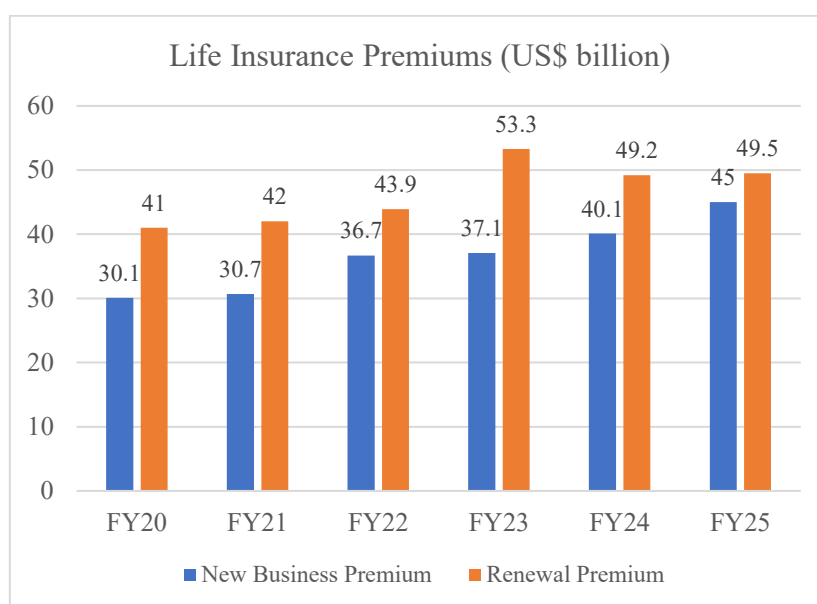


Figure 1: Life Insurance Premiums

The life insurance sector in India dominates the overall insurance market with a 70% market share, showcasing significant growth since its liberalization in 2000. The entry of private players like ICICI Prudential, HDFC Life, and SBI Life has fostered competition, driving innovation and improved customer satisfaction. India ranks as the fifth-largest life insurance market globally, with a growth rate of 32-34% annually. Among the 24 companies, LIC remains the sole public sector player, holding 60% of the market share in premiums. Life insurance penetration has increased from 2.7% of GDP in FY18 to 3.0% in FY25.

Market Size

The Indian insurance market is one of the fastest-growing in the world, currently ranking as the 10th largest globally by nominal premium volumes. As of the 2024-25 fiscal year, the sector

has demonstrated significant scale across premiums, assets, and infrastructure.

Overall Market Scale (2024-25)

- **Total Insurance Premium:** The industry collected a total premium of ₹11,93,444 crore.
- **Total Assets Under Management (AUM):** As of March 31, 2025, the total AUM held by the industry stood at ₹74,43,516 crore.
- **Policy Issuance:** A total of 41.84 crore policies were issued during the year.
- **Claims Paid:** The industry settled claims totaling ₹8,35,980 crore.
- **Registered Entities:** There are 74 registered insurers and reinsurers in India, including 26 life insurers, 25 general insurers, 8 standalone health insurers (SAHI), 2 specialized insurers,

and 13 reinsurers (including foreign reinsurance branches).

Segment-Wise Market Size

Life Insurance Sector

- **Premium Income:** Life insurers recorded a total premium of ₹8,85,772 crore in 2024-25, showing a growth of 6.73%.
- **Breakdown:** This total consists of ₹3,97,764 crore in new business premiums and ₹4,88,008 crore in renewal premiums.
- **Market Concentration:** The public sector insurer (LIC) issued 65.81% of new individual policies, while private sector insurers accounted for 34.19%.

Non-Life Insurance Sector (General And Health)

- **General Insurance Premium:** Collected ₹1,80,218 crore.
- **Health Insurance Premium:** The health segment (including personal accident and travel) recorded ₹1,27,454 crore.

Key Sub-segments (within India):

- **Health:** The largest segment, contributing ₹1,17,505 crore (excluding PA and Travel).

- **Motor:** The second-largest segment at ₹99,093 crore.
- **Fire:** Accounted for ₹24,242 crore.
- **Marine:** Accounted for ₹5,504 crore.

Market Penetration and Density (2024-25)

These metrics assess the level of development in the insurance sector:

Insurance Penetration (Premium as % of GDP): Remained stable at 3.7%.

- Life Insurance: 2.7%.
- Non-Life Insurance: 1.0%.

Insurance Density (Per Capita Premium): Increased to USD 97.

- Life Insurance: USD 72.
- Non-Life Insurance: USD 25.

Future Projections and Growth Potential

The Indian insurance sector is poised for substantial expansion:

- **Short-term Forecast:** The market is expected to reach a value of US\$ 222 billion by 2026.
- **Mid-term Growth:** Annual premium growth is forecast at 6.9% between 2026 and 2030, which is expected to outpace the US, China, and Western European markets.
- **Long-term Vision:** In line with the "Insurance for All by 2047" goal, life insurance premiums alone are estimated to reach ₹24 lakh crore (US\$ 317.98 billion) by FY31.

Insurance Density (Premiums)

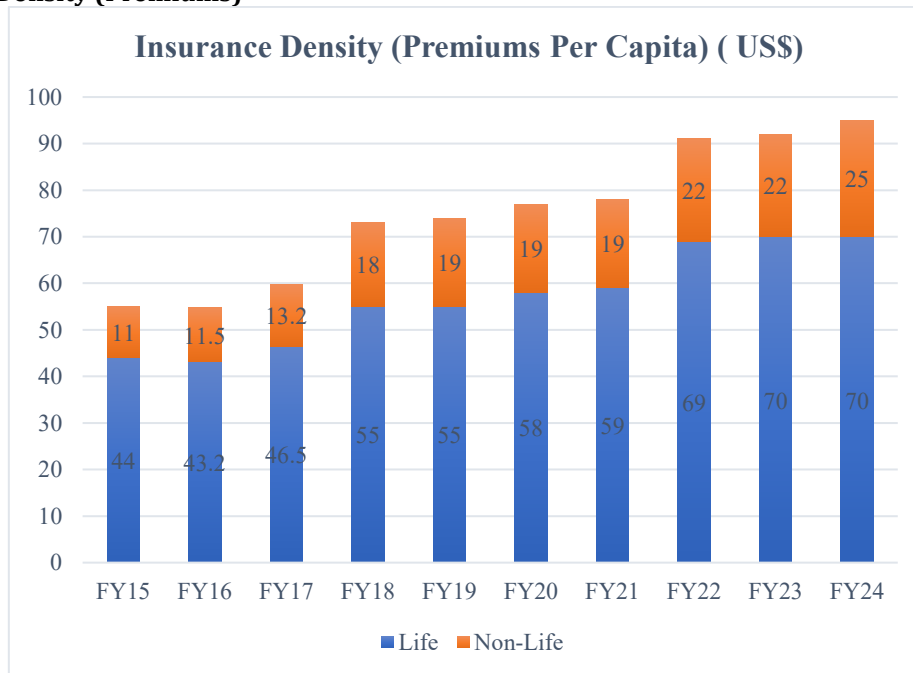


Figure 2: Insurance Density

- The non-life insurance industry achieved a 6.2% in FY25 YoY growth, with total gross direct

premiums underwritten amounting to Rs. 3.08 lakh crore (US\$ 36.04 billion).

- Non-life insurers are projecting double-digit growth in CY25. This optimistic outlook is attributed to a supportive regulatory environment and the introduction of innovative product offerings designed to meet customer needs.
- Health Insurance gross direct premium income rose to Rs. 37,528.92 crore (US\$ 4.39 billion) in March 2025 from Rs. 32,354.28 crore (US\$ 3.79 billion) in the previous year, reflecting strong year-on-year growth.
- India crop insurance market is projected to witness a CAGR of 7.62% during the forecast period FY2025-FY2032, growing from Rs. 39,020 crore (US\$ 4.57 billion) in FY2024 to Rs. 70,253 crore (US\$ 8.22 billion) in FY2032.
- The India Motor Insurance Market size in terms of gross written premiums value is expected to grow from Rs. 1,12,867 crore (US\$ 13.21 billion) in 2025 to Rs. 1,83,204 crore (US\$ 21.44 billion) by 2030, at a CAGR of 10.25% during the forecast period (2025-2030)
- India's insurance sector has witnessed significant growth, with the domestic market expanding at CAGR of 17% over the past two decades. It is projected to reach Rs. 19,30,290 crore (US\$ 222.0 billion) by FY26. This growth has been driven by increased awareness, favorable regulatory changes, and greater participation from the private sector.
- The total premium income for the Indian insurance industry in FY25 was approximately Rs. 7.05 lakh crore (US\$ 82.49 billion). This represents a 5.6% year-on-year increase from FY24, reflecting the sector's resilience and strong growth trajectory.
- India's life insurance sector saw growth, with new business premiums rising to Rs. 40,206 crore (US\$ 4.59 billion) in September 2025 and YTD collections grew even more from Rs. 1,89,214 crore (US\$ 21.62 billion) to Rs. 2,03,668 crore (US\$ 23.28 billion) this month.
- India's Banking, Financial Services, and Insurance (BFSI) sector is projected to see 8.7% hiring growth in FY26, adding 2,50,000 jobs by 2030, driven by tier-II and tier-III cities and rising demand in insurance, mutual funds, and digital finance roles.
- Tier-III cities and smaller towns now contribute 62% of India's new insurance premiums in FY25, with strong growth in motor (25.6%), life (60%+), and SME insurance (112%) driven by digital adoption and local distribution.
- In Q1 FY26, non-life insurers' premiums rose 7.11% YoY to Rs. 1,09,000 crore (US\$ 12.72 billion), driven by growth in general and standalone health insurance
- In FY25, motor insurance grew 25.6%, fresh life policies rose over 60%, and SME insurance led with 112% growth, supported by digital access, Point-of-Sale Person (PoSP) networks, and regional outreach.
- In September 2025, standalone health insurers' premiums grew 3.09% YoY to Rs. 3,492 crore (US\$ 399.2 million), reflecting rising demand and wider health coverage adoption.
- In the first-year premium share of life insurance in India, LIC dominates with 57.05%, while the private sector holds 42.95%.
- In FY25, among the private players, SBI Life, HDFC Life and ICICI Prudential Life led the industry in premium collection. SBI Life collected Rs. Rs 35,577 crore (US\$ 4.16 billion) premium, while HDFC Life and ICICI Prudential Life received Rs. 33,365 crore (US\$ 3.90 billion) and Rs. 22,583 crore (US\$ 2.64 billion), respectively.
- Among the private players, SBI Life, HDFC Life and ICICI Prudential Life led the industry in premium collection. SBI Life collected Rs. 29,530 crore (US\$ 3.42 billion) premium, while HDFC Life and ICICI Prudential Life received Rs. 25,672 crore (US\$ 2.98 billion) and Rs. 16,916 crore (US\$ 1.96 billion), respectively.
- Life Insurance Corporation of India (LIC) posted a net premium income of Rs. 1,20,000 crore (US\$ 14 billion) in Q1 FY26, up 5% YoY, driven by 6% growth in renewal premium and steady gains in first year and single premium segments.
- From total insurance new business premium collection, LIC alone contributed over 57.05% to the total new business premium collection. The insurer received close to Rs. 2.24 lakh crore (US\$ 26.21 billion) as premium in FY25 compared to Rs. 1.74 lakh crore (US\$ 20.36 billion) for the same period.
- From total insurance new business premium collection, LIC alone contributed over 56.96% to the total new business premium collection.
- No of non-life insurance policies witnessed a decline from 301.8 million in FY23 to 205.1 million in FY24.
- In April-July FY26, non-life insurers' premiums rose 7.11% year-on-year to Rs. 1,09,000 crore (US\$ 12.72 billion), driven by growth in general and standalone health insurance.
- India's mobile phone insurance market, valued at Rs. 17,743 crore (US\$ 2.1 billion) in 2024, is projected to grow at 12.1% CAGR to Rs. 57,680 crore (US\$ 6.7 billion) by 2033, driven by rising premium smartphone adoption, bundled insurance offerings, and demand for comprehensive coverage despite low awareness in semi-urban and rural regions.
- From January 2021 to September 19, 2025, a total of 394.10 million applications were received

from loanee farmers, and 179.10 million from non-loanee farmers under the scheme.

- According to S&P Global Market Intelligence data, India is the second-largest insurance technology market in Asia-Pacific, accounting for 35% of the US\$ 3.66 billion Insurtech-focused venture investments made in the country.

Insurance Market- Future

The future looks promising for the life insurance industry with several changes in the regulatory framework which will lead to further changes in the way the industry conducts its business and engages with its customers. Life insurance industry in the country is expected to increase by 14-15% annually for the next three to five years. The scope of IoT(Internet of Things) in Indian insurance market continues to go beyond telematics and customer risk assessment. Currently, there are 110+ Insurtech start-ups operating in India. These startups are expected to provide a major boost to the industry and help increase India's insurance penetration which plays a crucial role in the overall development of the country. In the past, the Indian government has played a crucial role in increasing the scope of the insurance sector through various policies and schemes. This trend will continue in the further through schemes like the Pradhan Mantri Fasal Bima Yojana (PMFBY) providing crop insurance and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) providing life insurance coverage to the youth at an affordable price.

Investments And Recent Developments

The following are some of the major investments and developments in the Indian insurance sector.

- In September 2025, Jio Financial Services Limited and Allianz of Germany have launched a 50:50 joint venture, Allianz Jio Reinsurance Limited, to enter India's reinsurance market, combining local market knowledge and digital reach with global reinsurance expertise.
- In February 2025, nine insurers, including HDFC Ergo and SBI General, have submitted IPO plans to IRDAI as part of a push to raise capital and strengthen governance in India's insurance sector.
- As announced in November 2023, Zurich Insurance Group is set to acquire a majority stake in Kotak General Insurance, marking the first major foreign investment in India's insurance sector in eight years. CCI has approved acquisition of 70% stake by Zurich in Kotak Mahindra Company.
- In March 2025, Bajaj Group secured approval from the Competition Commission of India to acquire Allianz SE's 26% stake in their joint life

and general insurance ventures for Rs. 24,180 crore (US\$ 2.83 billion).

- In March 2025, after being acquired by IndusInd International Holdings Ltd (IIHL), Reliance General Insurance received a Rs. 100 crore (US\$ 11.7 million) capital boost to support its growth and strengthen finances.
- As announced in June 2023, Go Digit Life Insurance, in which both HDFC Bank and Axis Bank have bought stakes, plans to invest Rs. 500-600 crore (US\$ 60.3-72.4 million) in the initial 18 months to start out as the country's 26th life insurer.
- In July 2025, Axis Max Life Insurance launched a new mobile app integrating life insurance management with wellness benefits and AI-powered support, offering enhanced policy services, health tracking, and personalized customer engagement.
- In March 2025, PhonePe launched a vehicle insurance platform enabling users to compare and buy two- and four-wheeler policies directly via its app.
- Future Generali India introduced an AI-powered tool to help customers assess the right health insurance coverage.
- Private insurers like HDFC, ICICI and SBI have been some tough competitors for providing life as well as non-life products to the insurance sector in India.
- The IPO of Life Insurance Corporation (LIC) of India was the largest IPO ever in India and the sixth biggest IPO globally of 2022. As of November 2022, listing of LIC accounted for more than a third of resources mobilized in the primary equity market until November 2022.
- Insurance market in India is expected reach US\$ 222 billion by 2026.
- Robotic Process Automation (RPA) and AI will occupy center stage in insurance, driven by newer data channels, better data processing capabilities and advancements in AI algorithms.
- Bots will become mainstream in both the front and back-office to automate policy servicing and claims management for faster and more personalized customer service.
- Insurers can now launch new health insurance products without IRDAI's nod. Earlier the flexibility was given for group insurance products but now retail products have also come under the new norms.
- The insurance industry is expected to use this opportunity for introduction of customized and innovative products, expansion of the choices available to the policyholders in order to address the dynamic needs of the market, which will further help in enhancing the insurance penetration in India.

- Bajaj Allianz Life Insurance, a private life insurer, has entered into a strategic partnership with City Union Bank, one of the oldest private sector banks in India. This partnership will help the private life insurer offer a wide array of life insurance.

Government Initiatives

The Government of India has taken number of initiatives to boost the insurance industry. Some of them are as follows:

- On September 17, 2025, IRDAI launched the Bima Sugam one-stop digital insurance marketplace portal to allow policyholders, insurers, intermediaries and agents to compare, buy, manage and potentially renew and settle claims for life, health, motor and other insurance products on a single platform, with phased rollout of full transaction capabilities planned by December 2025.
- The Indian government has increased the Foreign Direct Investment (FDI) limit in insurance companies from 74% to 100%, enabling complete foreign ownership. This strategic decision is intended to attract additional capital into the long-term, capital-intensive insurance sector, ensuring that insurers invest all collected premiums within the country.
- The Union Cabinet has sanctioned the extension of the Pradhan Mantri Fasal

Bima Yojana and the Restructured Weather-Based Crop Insurance Scheme until FY26, with a total budget allocation of Rs. 69,515 crore (US\$ 8.06 billion).

- The Interim Budget for 2024-25 aims to enhance value addition in agriculture and boost farmers' income. It plans to increase investment in post-harvest activities, provide financial aid to 11.8 crore farmers also offered crop insurance to 4 crore farmers, and promote self-reliance in oilseeds.
- The Union Budget 2023-24 has proposed to limit the income tax exemption on the proceeds of high value life insurance policies. Mooted as part of an emphasis on better targeting of tax concessions and exemptions, the proposal means that income from life insurance policies with an aggregate premium up to Rs. 5 lakh (US\$ 6,075) will be exempt from taxation.
- The government's flagship initiative for crop insurance, Pradhan Mantri Fasal Bima Yojana (PMFBY), has led to significant growth in the premium income for crop insurance.
- Ayushman Bharat (Pradhan Mantri Jan Arogya Yojana) (AB PMJAY) aims at providing a health cover of Rs. 5 lakh (US\$ 6,075) per family per year for secondary and tertiary care

LIC Continues to Dominate Life Insurance Segment

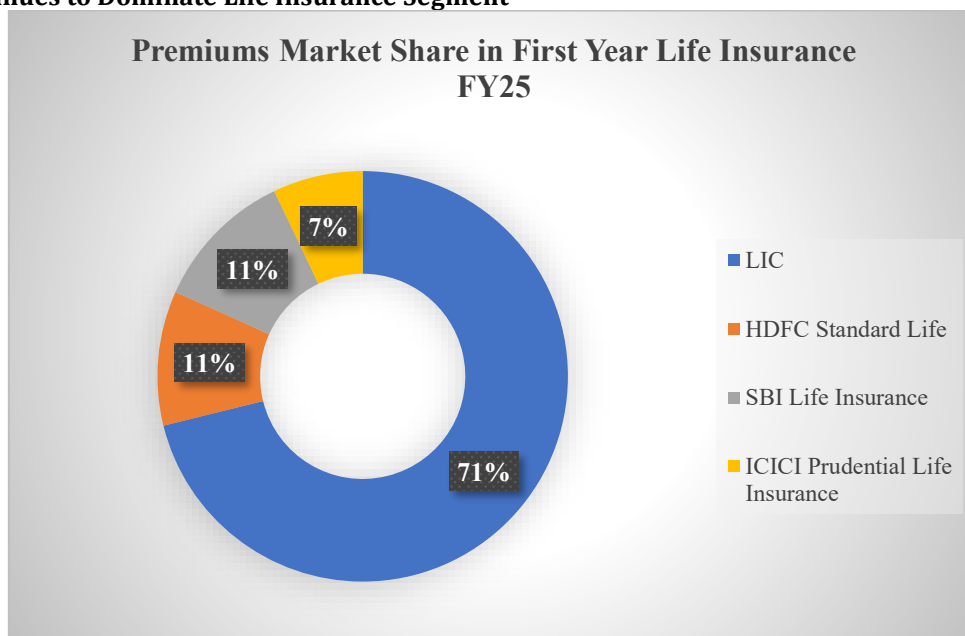


Figure 3: LIC Continues to Dominate Life Insurance Segment

- Life Insurance Corporation of India (LIC) posted a net premium income of Rs. 1,20,000 crore (US\$ 14 billion) in Q1 FY26, up 5% YoY, driven by 6% growth in renewal premium and steady gains in first-year and single premium segments.
- Life Insurance Corporation of India (LIC) has been recognized as the leading insurance brand, boasting a consistent brand value of US\$ 9.8 billion, a brand strength index score of 88.3.
- From total insurance new business premium collection, LIC alone contributed over 57.05% to the total new business premium collection. The insurer received close to Rs. 2.24 lakh crore (US\$ 26.21 billion) as premium in FY25 compared to Rs. 1.74 lakh crore (US\$ 20.36 billion) for the same period.
- In June 2025, the Life Insurance Corporation of India (LIC) held a 63.5% market share, collecting Rs. 27,395 crore (US\$ 3.2 billion) in premiums, up 3.43% YoY.

Findings Of the Study

1. Premiums from India's life insurance industry is expected to reach Rs. 24 lakh crore (US\$ 317.98 billion) by FY31.
2. In May 2022, the total premium earned by the non-life insurance segment stood at Rs. 36,680.73 crore (US\$ 4.61 billion), a 24.15% increase as compared to the same period in the previous year.
3. In Feb,2022, The Indian government plans to sell a 7% stake in LIC for Rs. 50,000 crore (US\$ 6.62 billion). This is the largest initial public offering (IPO) in India.
4. In Feb,2022, ICICI Lombard and Airtel Payments bank have entered into a partnership for providing cyber insurance.
5. Life insurance industry in the country is expected to increase by 14-15% annually for the next three to five years.

Conclusion

The future looks promising for the life insurance industry with several changes in the regulatory framework which will lead to further changes in

the way the industry conducts its business and engages with its customers.

Currently, there are 110+ Insurtech start-ups operating in India. These startups are expected to provide a major boost to the industry and help increase India's insurance penetration which plays a crucial role in the overall development of the country.

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