In the News

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"WE ARE ON TRACK TO BREAK EVEN THIS FISCAL"

The life insurance industry has reasons to rejoice. While the country's burgeoning equity markets have fuelled the sales of unit-linked insurance plans (ULIPs), falling term deposit rates also indicate strong future growth. Traditional products also continue to be popular among the masses on account of guarantees offered under the falling interest rate regime. Ashish Vohra, Executive Director and CEO at Reliance Nippon Life Insurance Company (RNLIC), tells Teena Jain Kaushal how the industry and the company grew in the year gone by and what to expect in 2018. Edited excerpts:

Q: How was the last calendar year for the industry and the company?

A: In the first half of FY2017/18 (April-September, 2017), the life insurance industry witnessed 25 per cent growth in individual business, fuelled by the increase in ULIP sales on account of stock market buoyancy. We also worked on customer stickiness and driving up persistency, reflected in the positive movement in the 13th-month persistency ratio. In fact, several players saw an average increase of 3-4 per cent in the first half of the current fiscal. Another significant trend was two more insurers got listed.

At RNLIC, we pursued a multipronged agenda to make it a sustainable, profitable business and reported 12 per cent growth in our individual weighted received premium during the first half. Our 13th-month persistency saw a significant jump of 7 per cent in absolute terms – from 61 per cent in H1