

In the News

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Reliance Nippon Life posts 40% rise in PAT to Rs 35 crore for 2019-20

Synopsis

The private life insurer had posted a PAT of Rs 25 crore in the previous financial year.



The company's individual first-year income grew marginally by 2 per cent to Rs 893 crore in 2019-20 from Rs 876 crore in 2018-19.

Mumbai: **Reliance Nippon Life** on Thursday reported a 40 per cent rise in its profit after tax (**PAT**) to Rs 35 crore in the year ended March 31.

The **private life insurer** had posted a PAT of Rs 25 crore in the previous financial year.

The company's individual first-year income grew marginally by 2 per cent to Rs 893 crore in 2019-20 from Rs 876 crore in 2018-19.

"We had a steady performance during the year. The situation due to COVID-19 affected us and also the industry during March, which is a very productive month for the insurers," the company's Executive Director and CEO Ashish Vohra said.

Total renewal premium rose 4.4 per cent to Rs 3,435 crore from Rs 3,291 crore in 2018-19.

Total individual premium collection grew by 4 per cent to Rs 4,375 crore in 2019-20.

Assets under management stood at Rs 19,837 crore as against Rs 20,281 crore in 2018-19.

The company has set up COVID-19 reserves of Rs 33 crore to deal with any funding need arising out of the pandemic.

During the year, the company had made a provision of Rs 300 crore on account of downgrade of debt instruments issued by two companies, Vohra said.

Its claims settlement ratio was at 98.1 per cent, up from 97.7 per cent in 2018-19.

Solvency ratio stood at 186 per cent against a regulatory requirement of 150 per cent.