

In the News

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Reliance Nippon LI new business premium rises 13% to Rs 1,135 cr in FY21

Synopsis

The insurer clocked the new business premium at Rs 1,135 crore for FY21 while its total premium rose 7% at Rs 4,736 crore.

Agencies

Kolkata: Reliance **Nippon Life Insurance** Company on Friday reported a 13% rise in its **new business premium**, a key metric for insurance companies, amid higher demand for risk cover amid the pandemic.

The insurer clocked the new business premium at Rs 1,135 crore for FY21 while its total premium rose 7% at Rs 4,736 crore. The company's net profit rose 43% at Rs. 50.28 crore for the full year. Its embedded value rose 16% to Rs 5,013 crore.

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"A reasonably higher acceptance for life insurance products was seen last year," said chief executive **Ashish Vohra**. He expects this trend to continue with the rising number of Covid-19 cases.

The insurer, a 49:51 joint venture between a JV between Reliance Capital and Japan's Nippon Life Insurance, settled 953 Covid-19 related death **claims** worth Rs 34 crore in FY21 while it had received 955 claims. It has added Rs 66 crore in its contingency reserves anticipating higher claims amid the raging second wave of pandemic.

"**FY22** presents new challenges and we are ready to face and tap every opportunity to overcome the pandemic and its socio-economic aftereffects. There are talks of even a third wave," Vohra said.

The company said the total **claims settlement ratio** improved to 98.48% from 98.12% earlier.