

Anil firm to focus on east

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Mumbai, Dec. 25: Reliance Life Insurance Company is planning to expand its footprint in the east by localising the distribution models of Japan's Nippon Life, which has a 26 per cent stake in the company.

These models are Life Plaza, Face-to-Face and Career Agency. The Anil Ambani company has hired about 700 people in the past one year in the eastern region in Bengal, Bihar, Jharkhand, Odisha and Assam to work through the new models.

The company is now planning to increase this headcount by 20 per cent in the next fiscal, Anup Rau, chief executive officer of Reliance Life Insurance, said. It will also strengthen its focus on small towns and non-urban centres in the five states. "We are confident these channels will enable us to increase the insurance penetration in this region," Rau said.

Of the 700 employees, close to half work under the career agency model.



Rau: Growth move

This distribution channel offers a fixed stipend during the training period to prospective advisers, who look at insurance as a long-term professional career. Career agency focuses on smaller towns to recruit career agents.

Reliance Life has recruited 100 women as life planning officers under its service-based sales platform — Face-to-Face. This

model aims to provide services to customers whose agents have become inactive.

The company has over 2,200 people in these distribution formats across India. This is in addition to the existing 80,000 advisers and over 8,000 outlets across the country.

"We are optimistic that these distribution channels will help us expand and strengthen the existing system and also increase our reach. We hope to replicate the success of these models in Japan here in India," Rau said.

The distribution formats have already started contributing to the business and is expected to account for 10 per cent of the business beginning next year. The company hopes to collect over Rs 4,000 crore as premium income in the next fiscal.

During the first half of the current year, new business premium income of the company grew to Rs 1,022 crore from Rs 571 crore in the same period of the previous year.