

Life insurer Canara HSBC posts 51% rise in net profit

To focus on Tier 2, 3 cities and digital services, says CEO

SURABHI

Mumbai, May 30

Private sector insurer Canara HSBC Oriental Bank of Commerce Life Insurance on Wednesday posted a 51 per cent increase in net profit at ₹168 crore in 2017-18.

Its individual new business premium rose 34 per cent at ₹818 crore in 2017-18 from ₹613 crore in the previous fiscal.

Its gross written premium also increased 21 per cent at ₹2,781 crore in 2017-18, against ₹2,295 crore in 2016-17.

“Assets under management stands at nearly ₹12,690 crore as on March 31, 2018,” it said in a release.

It further said that its 13th month persistency stands at 77.9 per cent, and the overall claim settlement ratio at 97.18 per cent. “We have been

ahead of the industry, which has been growing at about 20 per cent and we plan to maintain it in 2018-19,” said Anuj Mathur, Chief Executive Officer, Canara HSBC Oriental Bank of Commerce Life Insurance.

The insurer has about seven lakh customers at present. Mathur said the focus will be to increase penetration to about 3 per cent over the next two years from 1 per cent now.

Outlining plans for 2018-19, Mathur told *BusinessLine* that the insurer will continue to focus on Tier 2 and 3 cities as well as digitally-enabled services.

It also plans to explore more tie-ups with banks, NBFCs and brokers to deepen its presence. “We will not go to the agency model but will continue on bancassurance,” said Mathur, adding that the insurer will launch four new products in the next three to four months after getting the clearance from IRDA.