

PRESS RELEASE

Canara HSBC Oriental Bank of Commerce Life Insurance posts strong results with net profit of INR 168 crore for FY2017-18

- Performance driven by customer centric approach & distribution strength -

Gurugram, 30th May 2018: Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited announced their results for the financial year 2017-18 reporting a net profit of Rs 168 crore, thereby, registering 51% growth in profits over previous year.

Key Highlights of Company performance for the Financial Year 2017-18:

- The Company's individual new business premium (weighted premium income) has grown by 34% from Rs 613 crore in FY16-17 to Rs 818 crore in FY17-18. The overall industry has recorded a growth rate of 19% in the same period
- Over the last three years (2014-15 to 2017-18), the Company's individual new business premium (weighted premium income) has grown at a compounded annual rate of 36% while the overall industry has grown by 16%
- The Company's gross written premium has increased by 21 % from Rs 2295 crores in FY16-17 to Rs 2781 crores in FY17-18
- The Company's 13th month persistency stands at 77.9%
- The Company's overall claim settlement ratio is 97.18%
- Operating expense ratio has decreased to 13% from 14% in previous year
- Assets under management (AUM) is ~Rs 12,690 crore as on March 31, 2018; our funds have generated significantly higher returns vs their benchmarks over long run

The Company's product portfolio provides solutions for meeting diverse customer needs across all customer segments. The Company had launched 5 products during FY 2017-18 to meet upcoming customer requirements, including the first PoS product targeted at the mass-

market segment offering financial security at affordable and competitive premiums. The ‘PoS (Point of Sale) - Easy Bima Plan’, a pure term insurance plan which not only gives life cover but also returns all premiums paid during the payment term on survival till maturity.

During the year, the Company introduced several digitally-enabled services to provide a seamless customer experience and help in increasing operational efficiency at every stage of the policy life cycle. To serve its customers with the highest levels of service, the Company has unveiled a grief support program to provide assistance to the family of the deceased policyholder.

Commenting on the financial results of the Company, **Mr Anuj Mathur, Chief Executive Officer, Canara HSBC Oriental Bank of Commerce Life Insurance** said, *“The financial year 2017-18 has been extremely good for us. The growth this year mainly comes from the non-metros as we penetrated further into the Tier-II and Tier-III markets. This achievement demonstrates the strength of the bancassurance model in efficiently reaching both urban and rural customers. We are steadily moving towards achieving cumulative break-even of our Company and aspire to follow the profitable growth trajectory in FY19.”*

Way forward

- Deliver best in class customer experience through progressive digital technology and service excellence using chatbot and artificial intelligence.
- Use of technology to automate customer prospecting, on-boarding, underwriting, servicing as well as claim settlement.
- The Company is part of the Industry consortium on leveraging block chain technology for Insurance business
- The Company's focus is to deliver wider insurance penetration and is working towards strengthening its digital and physical channel to reach out to customers in Tier-2 and Tier-3 cities.



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sar aankhon par

About Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
(www.canarahsbclife.com)

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited was launched in June 2008 and is jointly owned by two of leading public sector banks – Canara Bank (holding 51%) and Oriental Bank of Commerce (23%) – and HSBC Insurance (Asia Pacific) Holdings Limited (26%), the Asian insurance arm of one of the world's largest banking and financial services groups – HSBC. The Company has a pan-India network of over 10,000 branches of Canara Bank, HSBC and Oriental Bank of Commerce and its other partners. By selling through the banks' branches and through seamlessly integrated systems and processes to reduce costs, Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited aims to pass on the savings to customers through lower charges thus making the Company's products among the most competitive and accessible in the market.