



## PRESS RELEASE

### **Canara HSBC Oriental Bank of Commerce Life Insurance closes FY 19-20 with Individual Claims settlement ratio at 98.12% and IEV of 2,907 Crs**

*Performance driven by*

- *Customer centric approach*
- *Digital selling amplification*
- *Well versed distribution strength / Leveraging Banca-insurance model*
- *Balanced product mix*
- *Sustainable business driven approach*

**New Delhi/Gurugram, 17<sup>th</sup> June 2020:** Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited announces annual performance for the financial year 2019-20 reporting Indian Embedded Value of Rs. 2,907 Crs.

#### ***Key Highlights of Company performance for FY2019-20:***

- Individual New business premium income on weighted premium income (WPI) grew by 7% at `975 crores in FY 2019-20 vs `915 crores in previous year
- Over the last five years, the Company's individual new business premium (weighted premium income) has grown at a compounded annual rate of 24% while the overall industry has grown by 12%
- The Company's gross written premium has increased by 13% to `3,943 Crs in FY 19-20 from `3,491 crores in FY18-19
- Indian Embedded Value of `2,907 crores as the March 31, 2020. Growth of 13% over previous year (`2,575 Crs as of 31<sup>st</sup> March 2019)
- Company's Individual claims settlement ratio is 98.1% for FY 19-20 and at overall level (Individual plus group) claim settlement ratio is at 99.1%
- Company's 13<sup>th</sup> month persistency stands at 81%, and 61<sup>st</sup> month stood at 50%
- Operating expense ratio stood at 13% for FY 19-20
- Company recorded profit for 8<sup>th</sup> year in a row. For the year FY 19-20, PBT stood at `105 Crs
- Assets under management (AUM) is `15,374 crs as on March 31, 2020
- Company's solvency margin is 365% as on March 31, 2020
- Over 33 lakh lives covered under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)
- Digitally enabled Insurance Self Network platform (ISNP) for one stop solution of customer's Insurance requirements

Over the last 2 years, the Company has also enhanced its focus on growing its digital business and direct sales channel over and above the bancassurance channel. The Company has deployed various analytical and propensity models for collections leading to significant increase in the persistency rates across various buckets.

In FY19-20 Company had launched several new products such as Guaranteed Income Advantage plan, Health first plan (online), Pension4life, iSelect+, Titanium plus; Group – Group term edge plan, group traditional plan to suit the diversified needs of consumers.

Company saw good success of its health product "Health First Plan" which sold more than 16,000 policies by 31<sup>st</sup> March 2020. Apart from this, Guaranteed Income Plan and Guaranteed Savings Plan were introduced to offer long term benefits with regular guaranteed income which has seen a sharp uptake across various customer segments. Further, the Company had aligned its distribution strategy to focus on the higher penetration through mass market products like POS Easy Bima and POS Easy Bachat (Point of Sale product).

The Company continues to embrace newer technologies to drive efficiency & productivity in its processes, enabling process simplification and continued enhancement to customer experience and delight. While the Company was one of the early adopters of tab based sales process, the Company has also focused on servicing through enhanced IVR servicing solutions, dedicated mobile servicing portal with Whatsapp Bot and Video Tele-calling.



**Commenting on the financial results of the Company, Mr. Anuj Mathur, Managing Director & Chief Executive Officer, Canara HSBC Oriental Bank of Commerce Life Insurance** said, *"FY 19-20 has been good for us in terms of growth of overall business until COVID19 hit the entire country. The Company was quick to react and was able to leverage on the digital assets, platforms that it has created with bank partners, which helped curtail the impact. The focus of the Company remains customer centricity. We have launched many initiatives in the previous financial year in customer servicing area, including servicing through whatsapp and various other digital avenues. Our claims settlement ratio is at 98.1% for individual business and 99.1% on overall basis, including group business. The Indian Embedded Value of the Company as of 31<sup>st</sup> March 2020 is Rs. 2,907 Crs. The Company has been generating profits for 8<sup>th</sup> year in the row and the PBT for the year stood at 105 Crs.*

*In the current year, we shall continue to focus on transformation & simplicity in our business processes. We are exploring various avenues wherein we can further digitally integrate with our partner banks to make insuring lives a very simple and seamless process with product offerings meeting all customer needs.*

*We have completed 12 years of operations on 16<sup>th</sup> June and I would like to thank all our shareholders, distribution partners, customers and employees for their trust and continued support and wishing everyone good health."*

\*\*\*\*

### **About Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited**

Established in 2008, Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited is a joint venture between Canara Bank (51%), HSBC Insurance (Asia Pacific) Holdings Limited (26%) and Punjab National Bank (23%). The Company brings together the trust and market knowledge of two big Public Sector Banks in India i.e Canara Bank and Punjab National Bank combined with the global insurance expertise of HSBC.

Headquartered in Gurugram, the Company has branch offices pan India. The Company sells and services its customers through more than 20,000+ bank branches of its partners. With well established distribution network in Tier 1, 2 and 3 markets as well as rural belt, along with new age tech servicing avenues, the company is committed to serve its customer as per their preference and needs.

The Company has a well-diversified portfolio of insurance products and solutions, tailored to the specific needs of the customers. The Company offers various products across Individual and Group space, comprising of Life, Health, Online term plans, Retirement solutions, Credit life and Employee benefits segment. Company's primary focus while offering products is to ensure that customer needs are met through their life cycle - Child Education, Family Protection, Long Term Savings and Retirement and while ensuring value for money.

#### ***For media enquiries, please contact:***

Mr. Ishan Uppal, Canara HSBC Oriental Bank of Commerce Life Insurance  
09899759975  
Ishan.uppal@canarahsbclife.in