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Reliance Nippon Life outlines key focus areas

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Reliance Nippon Life Insurance is targeting a double-digit growth in new premium income while Rs 3,000 crore is expected to come from renewal of policies during the current financial year.

The company's new premium income declined to Rs 894 crore in financial year 2015-16 from Rs 1,064 crore in fiscal 2014-15.

Its renewal income, however, rose to Rs 2,840 crore in FY'16 from Rs 2,550 crore in FY'15.

To realise the target for this financial year, the company has outlined some focus areas ~ increasing number of agents, increasing traditional product portfolio, specially guaranteed return money back poli-

cies, and increasing policy sales, apart from focussing more on regional markets, said Mr Manoranjan Sahoo, chief agency officer of the insurance firm.

Mr Sahoo was speaking on the occasion of launch of a new product ~ Increasing Money Back Plan ~ in Kolkata today.

Key features of the plan include guaranteed money back benefits every three years starting from the end of the third policy year and flexibility to pay premium for a term of seven years or throughout the policy term of 15 years.

Elaborating on the hiring plan, Mr Sahoo said: "We will be adding 30,000 agents this fiscal to our total sales force of 1,30,000 currently."

In West Bengal, the company will recruit 4,000 advisers to take the total to 9,000

by the end of this fiscal, he said.

The active sales force, however, is nearly 50 per cent of the total, said Mr Sharad Goel, chief communications officer of Reliance Capital Limited.

The company is also targeting to enhance its renewal ratio to 70 per cent from 60 per cent at present, Mr Sahoo said. West Bengal, however, has a lower renewal ratio of 58 per cent.

"West Bengal has a lower 13-month persistency. However, it is showing huge improvement and endorsing the huge confidence we have enjoyed with our customers here. We plan to improve this to over 70 per cent during this fiscal," he said.

Money back plans account for 40 per cent of the company's sales, Mr Sahoo added.