

Life insurance companies record Rs 84,725.75 crore , up 22.4 % in new premiums during Apr-Dec

It seems the premium deceleration in the Indian life insurance industry has bottomed out in the Indian life insurance industry.

After having reported slower growth for last three years life insurance companies saw a 22.4 per cent growth in new premiums for the nine-month period ended December 31,2013, collecting new premiums of Rs 84,725.75 crore in the period. The figure was Rs 69,184.48 crore in the corresponding period of last financial year.

Insurance sector experts said growth was achieved by aggressive selling by LIC of India and a last-minute rush among customers to buy policies before the industry moved into a new regulatory product regime from January 1, 2014, onwards.

LIC posted a 31% increase in premium income at.65,774 crore during the first nine months of the fiscal year, while the private sector posted a flat growth.Large private sector companies such as ICICI Prudential Life Insurance,HDFC Life,SBI Life

Insurance and Birla Sun Life reported a fall in new premium income during the period.

One of the selling points of LIC agents was that customers would have to bear the service tax on new products.LIC sells policies through more than 11 lakh agents.The number of policies sold during the period rose 27%. Much of the growth has come from group single premium income policies which rose 43%.

Since January 1,the guidelines for traditional insurance products have been changed to offer policyholders guaranteed surrender value and lower commission charges.

Traditional policies are debt-oriented products,in which the bulk of underlying investment is in government and corporate bonds,with a 15% cap on equity exposure.

The new rules,approved in February 2013,were originally scheduled to become effective from October 1.But the launch date for new products was pushed back to January 1 on demands from life insurers.Taking advantage of the threemonth window,all life insurers pushed their agents to maximise sales in the third quarter.

*First Year Premium of Life Insurers for the Period ended December, 2013							Rs in Crores	
Sl No.	Insurer	Premium			No. of Policies / Schemes			
		For December, 2013	Upto 30th December, 2013	Upto 30th December, 2012	For December, 2013	Upto 30th December, 2013	Upto 30th December, 2012	
1	Bajaj Allianz	238.28	1775.98	1808.10	40697	331134	478218	
2	ING Vysya	69.89	344.73	433.90	18041	131326	128300	
3	Reliance Life	158.41	1424.13	911.76	68009	456695	544120	
4	SBI Life	589.78	3033.87	3375.94	136078	682330	574026	
5	Tata AIA	53.66	351.37	398.85	16318	84408	98473	
6	HDFC Life	300.68	2525.03	2567.57	83599	600868	599610	
7	ICICI Prudential	424.59	2559.73	3135.94	70963	573482	649584	
8	Birla Sunlife	99.38	971.09	1141.63	39352	256140	362317	
9	Aviva	34.22	295.05	385.82	8009	70475	91864	
10	Kotak Mahindra Old Mutual	114.00	792.67	598.98	16271	91814	96861	
11	Max LIFE	259.75	1479.24	1283.96	64815	360263	350050	
12	Met Life	58.99	446.47	551.58	16354	135361	145667	
13	Sahara Life	6.05	25.93	34.49	4352	25399	43795	
14	Shriram Life	34.94	271.95	299.61	17026	98112	93558	
15	Bharti Axa Life	43.19	242.96	149.84	10299	70317	65782	
16	Future Generali Life	19.82	141.86	126.74	8282	54565	58674	
17	IDBI Federal	37.60	212.28	200.00	14203	79294	73935	
18	Canara HSBC OBC Life	36.31	426.52	391.57	4186	33787	49365	
19	Aegon Religare	12.13	83.21	89.67	5034	33741	40528	
20	DLF Pramerica	11.31	75.15	96.84	6478	46297	69458	
21	Star Union Dai-ichi	66.30	388.72	380.49	18211	98006	107187	
22	IndiaFirst	59.53	1036.66	524.08	6461	43851	72179	
23	Edelweiss Tokio	7.81	46.67	19.72	3033	20324	9781	
	Private Total	2736.63	18951.27	18907.07	676071	4377989	4803332	
24	LIC	17458.88	65774.47	50277.42	8545891	29910348	22170897	
	Grand Total	20195.51	84725.74	69184.48	9221962	34288337	26974229	

Note: 1. Cumulative premium / No. of policies upto the month is net of cancellations which may occur during the free look period.
2. Compiled on the basis of data submitted by the Insurance companies

Source : IRDA

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