

New cheer

The New Year has brought a welcome cheer to IndiaFirst Life Insurance, as it continued its run as the fastest growing company in the sector. Data for December 2016, released by IRDA, shows that IndiaFirst's individual new business grew by an annual premium equivalent (APE) of 89 per cent year on year (y-o-y) at ₹207 crore y-t-d, making it the fastest growing insurance player in



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the domestic industry. But, how much is this compared to the bigger players, in rupee terms?

In fact, IndiaFirst had crossed the assets under management (AUM) mark of ₹10,000 crore in October 2016. "It reflects the faith entrusted by the policy holders in the company," says R.M. Vishakha, MD & CEO, IndiaFirst. "We

Vishakha: on the right track of growth

believe in our investment strategy, which is focussed on building a high quality portfolio by investing in companies that have strong management, good financial performance and high growth visibility," adds A.K. Sridhar, CIO, IndiaFirst. "Investment performance data is important to determine not only a company's performance but, also the value we deliver to our policyholders. We have several funds that have outperformed the benchmark indices over medium/long term, leading us to maintain the top quartile position for the highest time period".

Vishakha goes further. "We are happy that my team is on the right track of growth. As we move into the New Year, we see tremendous opportunities." She is quite thrilled over the execution of the Pradhan Mantri Jeevan Jyoti Yojana (PMJJY), which has single-handedly created tremendous awareness about insurance among the masses. "We strongly feel that this will lead to a new phase of growth for the industry."

IndiaFirst is among those who fronted the PMJJY, which promised life cover of ₹2 lakh on a nominal premium of ₹330 a year. The industry was generally worried over the rapid claims made within 45 days of buying the policy. This led to a big dent in the premiums collected by insurance companies. In fact, IndiaFirst paid out claims of ₹104 crore,

on premium of ₹68 crore collected under the scheme. But now, Vishakha and the rest of the industry feel that this could be a thing of the past, as the government has capped the claims to 45 days, allowing the companies to reject claims made within one-and-a-half months.

With emphasis on retail, IndiaFirst has targeted a 30 per cent growth in premium collection this fiscal. It does not see any need for fresh capital, as it has been sitting on ₹625 crore paid up capital. Among the series of initiatives taken by IndiaFirst are: a tie-up with Nainital Bank for enhancing distribution of its products in the North; and a partnership with IMFR Rural Channels & Services, for reaching out to rural areas in Tamil Nadu, Orissa and Uttarakhand. It has also launched an HNI-focussed, unit-linked plan – IndiaFirst Wealth Maximiser.

"Insurance touches lives," says Rushabh Gandhi, director, sales & marketing, IndiaFirst Life Insurance. "It is imperative that we assist our customers to enhance wealth. While we offer insurance benefits, we should also help the customers to be flexible, to enable them to stay committed to their long-term goals." To which adds Vishakha: "Customer First has always been our motto and we shall continue to be guided by this".

Meanwhile, according to the data provided by IRDA in December 2016, the insurance industry has grown at 36 per cent y-o-y in total premiums received. LIC led the segment (40 per cent), with private players (27 per cent) tagging along. The individual new business premium segment grew by 47 per cent y-o-y, again led by LIC (66 per cent) and followed by private players (23 per cent). Group business showed a significant y-o-y growth of 28 per cent, supported by LIC (27 per cent) and private players (33 per cent).

Among the companies which have grown in the individual segment are: Exide (27 per cent y-o-y), Tata AIA (85 per cent), SBI Life (38 per cent), Future Generali (26 per cent), Kotak Old Mutual (15 per cent), IDBI Federal (17 per cent), Star Union Dai-ichi (43 per cent), ICICI Prudential (28 per cent) and IndiaFirst (89 per cent). Those who have de-grown in the individual segment are HDFC Life (-1 per cent y-o-y), Reliance Life (-27 per cent), Aviva Life (-29 per cent) and Aegon Life (-47 per cent).

IndiaFirst has something to celebrate in the group business segment too – it is ranked five in the industry line-up, clocking an 18 per cent growth in gross written premium y-t-d, at ₹979 crore.

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In April 2016, Business India reported that IndiaFirst Life Insurance was poised for a new growth phase. Now, the company has emerged as the fastest growing insurance company in the country