

Star Union Dai-ichi Life achieves breakeven in sixth year

Insurer's maiden profit in FY15 stands at Rs 13 cr; new premium business up 12% at Rs 630 cr

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Star Union Dai-ichi Life Insurance Company Limited reported its maiden profit of Rs 12.87 crore, in FY15, in its sixth full year of operations.

During the fiscal, the company registered 12 per cent positive growth in new business premium, at Rs 630 crore. Individual new business effective premium income (EPI) registered a growth of 19 per cent, at Rs 402 crore as compared to Rs 339 crore in the previous fiscal year as compared to Industry de-growth of 11 per cent.

Girish Kulkarni, Managing Director and CEO, Star Union Dai-ichi Life said, "While we continued our robust 20 per cent growth trajectory in retail business third year in a row amidst challenging market conditions, premium book has started generating profits on sixth full year of operations."

Renewal premiums registered growth of 31 per cent at Rs 505 crore resulting in the improvement in the conservation ratio to 70 per cent as compared to 67 per cent in the previous fiscal year. The Company closed the financial year with a total premium income of Rs 1,135 crore as compared to Rs 949 crore in the previous fiscal year.

The operating expense ratio to total premium stands at 20 per cent as compared to 23 per cent in previous year. Continuous monitoring and focus through cost management initiatives have helped to achieve the reduction. The company also exceeded the obligations to rural and social sector in 2014-15, as it has done in the previous year.