

Bajaj Allianz General Insurance net profit up 27%

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Bajaj Allianz General Insurance Company's (BAGIC) net profit grew 6 per cent at the end of the fourth quarter of FY18, to ₹1.75 billion from ₹1.65 billion during the same quarter of the previous year.

BAGIC's net profit surged 27 per cent to ₹9.21 billion from ₹7.28 billion in the previous fiscal year. While the company's revenue for FY18 grew by 23.4 per cent to ₹94.87 billion at the end of FY18.

"Digitisation of processes for an enhanced customer experience, risk based pricing of products and better expense management over the years have been instrumental in maintaining our consistent growth in profitability over the year, said Tapan Singhel, managing director and chief executive officer at BAGIC."

Gross written premium grew to ₹27.6 billion from ₹22.6 billion in Q4 of FY17, 22.1 per cent up year-on-year. On annual basis, the company's premium revenue grew by 23.4 per cent

from ₹76.87 billion in FY17 to ₹94.87 billion in FY18. BAGIC has ₹148.23 billion in Assets Under Management (AUM) at the end of FY18, up from ₹108.3 billion at the end of FY17.

Claims ratio improved from 70.4 per cent in the previous fiscal year to 66.7 per cent in FY18, and the combined ratio (measuring the profitability of an insurer) improved from 96.8 per cent to 92.3 per cent.

Incurred loss ratio reduced from 66.7 per cent in FY18 from 70.4 per cent in FY17.

BAGIC settled around a million claims and serviced about 13 million policies during the previous year.

"The continued focus on our retail business lines such as motor, health and property insurance, along with increasing footprint in newer geographies through all our distribution channels and tie-ups have been key drivers for the overall growth," said Singhel.

Underwriting profit of for BAGIC soared 359 per cent to ₹2.93 billion in FY18 from ₹640 million in FY17.