

News Date	30-11-2017
Publication	The Hindu Business Line
Media Type	Newspapers
Publication Type	English Business Newspaper
Page No.	10
Language	English
Edition	All

PNB MetLife Insurance may go for an IPO

Aim is to grow faster than the industry, says new MD and CEO Ashish Srivastava

KR SRIVATS

New Delhi, November 29

The board of PNB MetLife India Insurance has agreed to explore an initial public offering (IPO) shortly, according to the company's MD and CEO Ashish Srivastava. In an e-mailed interview, Srivastava, who assumed charge of his new role in October, shared some of the strategic priorities for the company in the short-to-medium term. Excerpts:

Is PNB MetLife going in for a listing next year?

The board looks at all opportunities to add value to the business and an IPO is one option. The board has agreed to explore an IPO but it is too early to make any further statements at this time.

You recently took over as MD and CEO of the company. Will there be any strategic shift for the company now? I am pleased to be back with PNB MetLife at a time when we are growing from strength to strength. Having a back-ground in joining and building businesses up through their growth phase, I look forward to leading PNB MetLife through its next stage of growth.

We are well capitalised and believe there is significant potential to continue to deliver sustainable, value-accretive growth.

What are going to be the medium-term priorities for the company?

We have been executing well on our strategic priorities, leveraging our multi-channel distribution platform to drive growth. We are actively working with our bancassurance partners to enhance scale and deepen integration to leverage untapped potential. We

continue to operate productive agency and direct channels.

In the medium term, we will focus on our product portfolio, which is aligned to our pan-India distribution network that caters to our target customer segments.

We have a diverse product mix with a high proportion of protection products, accounting for more than 16 per cent of new business premiums in fiscal 2017. We will continue build on this success by providing the right solutions to our customers.

We will also continue to provide an enriched digital experience to our customers through innovations like ConVRse, our virtual reality service platform.

We will continue to build on the significant improvements in operational efficiency made during financial years 2015-17 by realising economies of scale. We remain committed to delivering a strong performance.

How much of a role will technology play in PNB MetLife's endeavour to increase its market share?

At PNB MetLife, we are innovating continuously to provide a superior customer experience and to differentiate our brand. We had launched a virtual reality platform called conVRse. It offers an immersive and personalised experience, where customers can

get instant access to expert views and policy details. As much as 98 per cent of our customers who have used conVRse have highly rated their experience.

We also implemented a digital sales support tool, called e-branch, which highlights requisite customer demographic and individual customer information to our frontline staff.

As of September 2017, we generated 55 per cent of our business through our e-branch platform. We see technology as a key differentiator for our business and will continue to invest in and focus on innovations that drive a superior customer experience.

Are there any plans for MetLife to take its stake in the company to 49 per cent?

I will not speculate on the intentions of our shareholders. I can say that MetLife as a partner has always remained fully committed to growing the Indian life insurance business.

Will there be any capital raising to fund business growth? Have you tried to compute the embedded value of the business?

Our business has been self-sufficient with no capital infusion since 2011. We remain well capitalised and our solvency ratio is 2.09 as of September 2017, which is higher than the regulatory require-

ment of 1.5. Embedded value remains a key metric for our life insurance business and we will continue to focus on value-creating business.

What is the aspiration on individual new business premium growth this fiscal? Would it be higher than the previous fiscal?

We aim to grow faster than the industry. Our retail weighted received premium (RWRP) has grown by 22 per cent in the first half of FY18 as compared to the same period in FY17. We have been profitable since 2011 and aim to continue on this sustainable value accretive growth trajectory.

Are there any MetLife products that you plan to bring to India?

Currently, we have a product portfolio with a high mix of protection products, accounting for over 16 per cent of our new business premium in fiscal 2017. In 2017, we have launched two innovative protection plans, PNB MetLife Mera Heart and Cancer Care, and PNB MetLife Mera Jeevan Suraksha Plan.

THE
BL
INTERVIEW



"We see technology as a key differentiator for our business and will continue to invest in and focus on innovations that drive a superior customer experience."

ASHISH SRIVASTAVA
MD & CEO, PNB MetLife India Insurance