

ICICI Prudential Life Insurance increases capital by Rs. 245 crore

ICICI Prudential Life Insurance Company, India's No. 1 private life insurer, has increased its capital by Rs. 245 crore, taking the total capital investment to Rs. 2060 crore. This is the fourth equity hike during the financial year 2006-07, taking the capital infusion during the year to Rs 875 crore. The two promoters, ICICI Bank and Prudential plc, contributed to the capital in their existing proportions of 74:26 respectively.

With Rs 2060 crore of capital, ICICI Prudential continues to have the largest capital base amongst all life insurers in the country. For consumers, this large capital base is one of the most important indicators of the solvency of the company and its ability to meet all its policyholder commitments.

"Both ICICI Bank and Prudential plc have recognized the promise of the life insurance industry in India, and have regularly committed the resources required for ICICI Prudential to grow and maintain its clear leadership in the category", said Ms Shikha Sharma, Managing Director and CEO, ICICI Prudential Life Insurance Company. "We believe our success stems from our strategy that keeps customers' evolving needs at its centre and also encourages employees to pursue new opportunities and in the process, learn and grow. It is this philosophy that has driven the company to constantly innovate over the past several months, making it a year of unprecedented breakthroughs in not only India, but the world", she added.

The additional capital will be used to fund the high up-front expenses required by a life insurance business and meet the solvency norms as stipulated by the regulator. It will also enable ICICI Prudential to continue driving its expansion strategy over the next year, which includes opening new branches and offices across the country as well as scaling up operations to meet the expansion.

Last month, the company also crossed the 4 million policies mark, within just five months after crossing the 3 million policy milestone. In the period April 2006-February 2007, the company grew 100% over the same period in the previous year, to notch up retail weighted + group new business premium of Rs 3,745 crore. Its weighted premium market share amongst private life insurers stood at 30.3% for the period, thus retaining its No. 1 position amongst private life insurers in the country.

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