



Interview Feature- Anuj Mathur is the Managing Director and Chief Executive Officer (MD & CEO) of Canara HSBC Life Insurance

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● ANUJ MATHUR, MD & CEO, CANARA HSBC LIFE INSURANCE

'Open architecture not a solution to boost insurance penetration'

Canara HSBC Life Insurance crossed the ₹10,000 crore gross premium milestone in FY26, posting a 43% year-on-year (YoY) growth. MD & CEO Anuj Mathur speaks to Narayanan V about how the bancassurance-led life insurer is diversifying its distribution mix, open architecture on insurance distribution and growth plans for FY27. Excerpts:

What were the key highlights of FY26?

Our first annual results since listing reflect a business that has delivered growth with discipline and balance. On the topline, our Annualised Premium Equivalent grew 20% to ₹2,799 crore, compared with industry growth of 13%, almost double the industry pace. In the last quarter, demand for traditional

products picked up and we shifted gears, with about 81% of our business coming from traditional products.

Within that, the share of protection increased to 7% from 4% a year earlier. In the

Credit Life segment, we saw growth of over 40%. We have

improved activation at Canara Bank (parent), which has more than 10,000 branches, alongside better productivity and sharper customer segmentation.

These initiatives are paying off well. Canara Bank delivered strong APE growth along with our team. HSBC (another parent) also grew by about 29%, with a greater focus on its India business, whether in terms of new branches, customer acquisition, or opening new streams, which is helping us optimise our business through HSBC.

Canara Bank and HSBC contributes about 90% of your business. How do you plan to diversify distribution?

We have been a bancassurance-led insurance company. At the same time, we understand the importance of diversification. We started our agency business in October 2025, which was a step in that direction, and we will scale this channel in a phased manner over time.

The good part is we already have about 1.05 branches and the infrastructure to support our banca and other businesses. We are starting with these branches and, in the coming year, plan to add more agents and expand into more locations.

In addition to the agency channel, we are also focusing on digital, defence and direct channels, along with strategic alliances such as tie-ups with

banks and NBFCs.

Currently, about 72% of our business comes from Canara Bank and around 14% from HSBC. Both these channels will continue to grow at a healthy pace. We expect our alternate channel share to increase to around 15% in next 2-3 years from 9% currently. That's how we are approaching diversification, while also exploring every opportunity in the market. Having said that, we still

BANCASSURANCE'S EXCLUSIVITY HELPS KEEP COMMISSION RATES LOWER AND ALLOWS US TO OFFER A BETTER PROPOSITION TO CUSTOMERS



have a large runway within Canara Bank itself. With nearly 12 crore customers, our current penetration is less than 2%.

The regulators are not very keen on exclusive bancassurance tie-ups.

In case of Canara Bank, while we are there, they also have a tie-up with LIC. But yes, diversification of channels is important and we are focusing on that. I don't see any significant challenge there. In fact, it could also open up some opportunities for us. That's how we view it, and we are happy to follow whatever regulatory directives come over time.

At the same time, there is a lot of speculation right now, and to some extent it is better to wait for the final guidelines from the government side.

How will open architecture distribution impact your business?

I don't think open architecture is a solution for increasing insurance penetration. It has its own complications. In fact, one of the concerns the government has is around distribution costs, which typically go up in an open architecture model. Insurance products are complex, and it becomes difficult for a distributor to keep many products on the table as it can confuse customers. Bancassurance has its own advantages. Its exclusivity helps keep commission rates lower and allows us to offer a better proposition to customers.

So, whether it is open architecture or exclusive models, there are ample opportunities. I feel the current arrangement is largely

fine, and I am not a very strong proponent of open architecture.

What is your FY27 growth target?

The total premium (₹10,046 crore) is an outcome of our new business and renewals. We are not giving any specific guidance on topline growth. We have consistently delivered growth higher than the industry. Last year, we delivered 20% versus industry growth of 10%.

Given the current geopolitical uncertainties, it is difficult to put a number to it. So, I would say we will do better than the industry. We delivered a value of new business (VNB) margin of 22.4% last year, and we expect to continue operating in the range of 22% to 23% at least for this year.

