

# 'For us, bancassurance is a biz model'

Private life insurer Canara HSBC OBC Life Insurance, which has one of the strongest bancassurance partners in the industry, is looking at leveraging this channel as its main growth driver. **JOHN HOLDEN**, chief executive of the company, in an interview with **M Saraswathy**, talks about this strategy and expansion plan for the current financial year. Edited excerpts:

**The company has three bank partners (Canara Bank, HSBC and Oriental Bank of Commerce). At this juncture, do you see any need to have an agency channel?**

When the company was formed five years ago, there were a lot of things we got right. We have no agents. Our banks have 50 million customers, and we have about 300,000 policies. So, I do not need to rethink our strategy of bancassurance at this point. We are a bancassurer. From a bank's point of view, all customers have insurance needs. In that sense, the vision is that bank customers should buy their insurance from their bank. We

are adding and continuing to license bank staff to deal with customers' insurance needs. Last December, we had 1,800 licensed bank staff. At the end of June, it stood at 3,200, and there are 1,000 more in the pipeline.

For us, bancassurance is not a channel, it's a business model. We have always been a proud 100 per cent bancassurer. That strategy and business model are working. If you had an agency model, you are head-to-head toe-to toe with others. What is your differentiator or competitive advantage? Agents come and go, but bank branch is always there. When you look at our structure, all our

partners have a reason to stay together.

**How has the company progressed in terms of meeting the product refiling deadline?**

The group product refiling has been satisfactory. Over the last three months, our social sector and first single premium product have been approved. Now that we have clarity on product regulations, things are beginning to move. But we don't believe in having a lot of products. Our 12 products are just about the right number. Further, we have also filed our first participatory product. Since the new regulations do not permit products linked to government securities, our assessment is that a par product would be a good substitute to it.

For full interview, visit [www.business-standard.com](http://www.business-standard.com)



**JOHN HOLDEN**  
CEO, Canara HSBC OBC  
Life Insurance

