

# Digital-savvy Canara HSBC OBC Life sees 30% growth

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CANARA HSBC Oriental Bank of Commerce Life Insurance expects to grow at 30 per cent this fiscal on the back of increased usage of the digital channel and addition of customers from tier II and III cities.

"In 2015-16, we grew by 35 per cent, while the industry grew by about 15 per cent. As our model is bancassurance, we are favourably placed and this is what is leading to this kind of growth," Anuj Mathur, CEO, Canara HSBC OBC Life In-

surance, told PTI.

"We are focusing on getting into tier 2 and 3 cities. We are focusing big time on digital, that is where the next phase of growth is going to come from. In April-June (2016-17) lean period, we grew by 25 per cent. So, we are actually on track and are now moving to the high season," Mathur said.

Going forward, insurers will come up with more digital products and also online segment is growing very fast.

"Currently, there are 220 million smartphone users. It is to go up to 770 million by 2020. This increase is hap-

pening in tier III & IV centres. Technology is going to play a very important role as people will be able to buy products easily and insurers could serve customers better," Mathur said.

There is now increased awareness towards insurance and people want to have a protection cover, he said.

"The government has played a very important and positive role in creating awareness through pradhan mantri bima yojana. Insurance awareness has gone up, need for protection is now being felt and that is

where growth is coming from," he added. On a conservative approach, the company has, however, trimmed medium term growth target to 15-20 per cent in 2-3 years. "We don't want to take targets which are too aggressive. It is always better to be conservative. This year's 25-30 per cent...But thereafter it has to be lowered as base is going to be higher," he said.

Welcoming regulator Irdai's guidelines on e-insurance, Mathur said it will bring down operations cost significantly and remove paper work, but issues will

be to create a central data depository. "It will take some time for people to be part of that kind of depository. But once it is there then it will be very convenient," he said.

Issuing policies through e-commerce will help in cutting down the turnaround time, policies could be issued overnight and data will be quick to access.

He hoped e-insurance could be in place by December. So far this year, the company has launched four products and has lined up four more by the end of this financial year. Early next month, it will launch a chil-

dren's policy.

The company will also add another 400 people to its workforce by December, taking the total head-count to 1,800 from 1,400.

Promoted by Canara Bank (51 per cent), OBC (23 per cent) and HSBC Insurance (Asia Pacific) Holdings (26 per cent), the private sector insurer has been registering a consistent growth from last four years.

It registered a net profit of Rs 126 crore in 2015-16. In the quarter ended June, net profit grew to Rs 43 crore against Rs 35 crore a year ago.