

# Canara HSBC OBC Life Insurance Expects 30% Growth In FY16

By Dominic Rebello

Private life insurance company Canara HSBC Oriental Bank of Commerce Life Insurance, which sells its products exclusively through banks expects to grow at an annualized rate of 20-30% in 2016-17 to Rs 650 crore. This will be driven through increase in sales capacity and launch of new set of products which will have a sharper proposition to address customer needs like retirement planning, protection, planning for child's education and guaranteed savings for lump-sum needs. The company will penetrate the various markets in India through its vast distribution network of the three banks i.e. Canara, HSBC & OBC.

"We are expecting new business premium NBP to be at Rs 500 crore during this financial year (2015-16). In the next fiscal, we are expecting a 30% rise in NBP at about Rs 650 crore. As our partner



banks are in an expansion mode, it will help our distribution channel in increasing penetration of the company," said Anuj Mathur, CEO, Canara

HSBC Oriental Bank of Commerce Life Insurance.

"Insurance plans can be used as long term saving instruments. Children higher education, marriage etc. can be planned with the help of various insurance plans," he added.

"During last financial year, we achieved a profit of Rs 110 crore. This fiscal, we are aiming a 5-10% increase in net profit, that does not include the lapses as we are more focused on renewals," said Mathur.

Going forward, he said, with launch of new products and increasing distribution network, the private insurer is aiming for growth of up to 20% net profit in FY17.

"The economic environment in the country today is positive and the Industry is experiencing green shoots of growth. This is likely to last for the next few years thus resulting in a positive business outlook. We will reach out to our potential customers across the 8000 branches thus offering them our customized products which have been developed keeping their need in mind," said Mathur.

This year, the company will continue to expand and grow bancassurance channel as we believe it has a lot of potential still waiting to be tapped. The company's 3 banks have a branch network of over 8000 branches and a cumulative customer base of 60 million. The company has aggressive plans to reach out to these customers so that the company could offer them products which cater to their needs.