

SBI Life's assets under mgmt cross ₹1 lakh crore

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Mumbai: A record bancassurance sales figure has helped SBI Life Insurance's assets under management (AUM) cross the Rs 1-lakh-crore milestone.

The big push into bank distribution comes as the company prepares for the first IPO in the State Bank of India group in 23 years.

SBI Life Insurance's bancassurance sales grew at a compounded annual growth rate (CAGR) of 46.7% from Rs 1,944 crore in FY2015 to Rs 4,185 crore in FY2017, compared with a CAGR of 27.2% for private life insurers in India during the same period. This has helped the company become the second-largest private insurer in new business premium with a market share of 20.6%.

Speaking to TOI, SBI Life MD & CEO Arijit Basu said that premium from bancassurance is set to increase on two fronts. The bank has signed on two new partners — Punjab and Sind Bank with 1,500 branches, prima-

partnership, we are also providing cover to customers of other banks by selling them group insurance policies. These are largely in the form of protection for home loan customers," said Basu. Despite the large branch network of its parent, SBI Life sold policies predominantly through agents until a few years back. The contribution of bancassurance has been steadily rising from 47.8% in FY15 to 53% in FY17.

Basu said that SBI Life had received an in-principle nod for its IPO with the insurance regulator and filed a draft prospectus with Sebi. The IPO is an offer for sale of shares by SBI and its joint venture partner Cardiff. While SBI will offer 8% of its stake, Cardiff, which currently holds 26%, will sell another 4%.

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rily in north India, and South Indian Bank with 850 branches, primarily in south India.

SBI Life also expects better engagement with the branches of the erstwhile SBI associate banks, which are now SBI branches.

"Besides bancassurance