Gaurav Seth, CFO, Canara HSBC OBC Life Insurance

'Ensuring Efficient Growth'

Gaurav Seth is a qualified Chartered Accountant with over 17 years of experience across sales and finance domains. He has over 14 years of experience in finance including 10 years in the insurance sector which includes managing controllers shop, financial planning. In his previous roles, he handled the responsibility of sales leadership role driving the employee benefits, mortgage life insurance and micro insurance initiatives. During his latest stint at HSBC Insurance Hong Kong, he was responsible for supporting the management of the 4 Joint-Ventures for HSBC Insurance. Prior to that he worked at Canara, HSBC, Oriental Bank of Commerce, Life Insurance Co. Ltd for over 7 years and handled senior level roles in finance and sales. In conversation with Dominic Rebello, Gaurav Seth says, "Customer" is at the centre of all our initiatives and we believe in the fundamental tenet of "Treating customers fairly".

Tell us a few words about Canara HSBC Oriental Bank of Commerce Life Insurance?

Canara HSBC Oriental Bank of Commerce Life Insurance is owned by two of the India's largest public sector banks – Canara Bank & Oriental Bank of Commerce and HSBC Insurance (Asia Pacific) Holdings Ltd, the Asian insurance arm of one of the world's largest banking and financial services groups – HSBC. We started business in 2008 and for the past nine years, we have been operating a pure bancassurance model. Today, the Company is amongst the top 10 Life Insurance Company's in the country. Our retail premiums have grown by over 36% CAGR in the last 5 years and our profits continue to grow on a year on year basis. We continue to offer our customer centric solutions to the vast majority of populace and are spreading.

How are you different from other insurance companies?

We are the only pure bancassurer in the country with over 99% of our business coming in through our partner bank channels. The 3 partner banks Canara Bank, HSBC & Oriental Bank of Commerce enjoy significant trust amongst their customers and this helps us while offering our solutions. While we have witnessed a steady growth, we have controlled our expenses while still focusing on increasing productivity and bringing operational efficiencies. This has given us a unique advantage of offering best quality products at the most cost efficient levels. Our online term insurance product is the best prized product in the marketplace. "Customer" is at the centre of all our initiatives and we believe in the fundamental tenet of "Treating customers fairly" which has resulted in an overwhelming support of our customers over the years. Hence while an insurance company normally takes 8-9 years to achieve break-even; we achieved statutory break-even in the 5th year of operations.

Please share some light on latest trends in the insurance industry and what all can be expected in coming years?

The last 12 months (post demonetization) have been good for the financial sector. The customers walked into the banks thus giving an opportunity to the Insurers to offer their solutions to them which resulted in the overall growth of 25% for the industry. The Aadhaar-Insurance linkage is a good move and will benefit the customer journey of insurance & technology will drive the next wave of growth for the Industry.

How do you plan to increase your market share?

Products play a key role in addressing the needs of the customers. Our aim is that our proposition to the customer must be market competitive, and provide a fair value exchange. We will continue to expand and grow this channel as we believe it has a lot of potential still to be tapped. The Company has access to around 115 mn customers and a pan-India network of over 9500+ branches of Canara Bank, HSBC and OBC. We have a very strong presence in the Tier - 2 /Tier 3 markets and have a fair understanding of the customer needs. We will hence continue to focus on increasing the penetration of insurance in these markets thus offering our customer centric solutions across markets.

Where do you see the company five years down the road?

Ever since we launched the Company our vision has been to ensure efficient growth. We have been focused on our costs while still balancing the need for top line growth. This position has been beneficial not just for the shareholders but also for our customers. Over the next 5 years, we intend to increase our penetration covering at least 1% of our bank customer base, launch best-in-class customer centric products and continue to provide best in class services to our customers. The next wave of our growth will also ride on the Digital platform and we have initiated measures to tap this market aggressively.