'Plan is to avoid being dependent on a particular line of business'

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SBI Life Insurance will be looking at better contributions from the traditional product segment going forward as the private sector insurer wants to bring the share of the ULIPs segment down, says its MD & CEO Amit Jhingran. Jhingran says the life insurer would continue to maintain its margin growth guidance of 27-28 per cent for this fiscal. *Excerpts:*

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> AMIT JHINGRAN
> MD & CEO, SBI Life Insurance

How did group insurance business perform compared to individual insurance business?

Individual annualised premium equivalent grew by around 13 per cent y-o-y, group protection grew by 5 per cent while in the group fund segment there was a de-growth.

The group fund management is sensitive to interest rate and we observed increased competitiveness in this segment. Therefore, we focused on those segments which are margin-accretive and beneficial to all the stakeholders. Going forward also, we will continue to evaluate all the opportunities and see how interest rates movement pans out to decide our strategy on the group fund business.

On the individual APE side, we are looking at around 14 per cent growth, but overall APE basis growth will be somewhere around 12 per cent.

We will continue to focus on better than industry growth.

The company's market share in the private space stood at 20.8 per cent, while for the overall sector it was around 9 per cent in FY25 on total new business premium basis. How would you explain it?

Our total NBP was slightly impacted this year due to lower contributions from the group business, as mentioned earlier.

However, when looking specifically at individual NBP, we experienced a minor dip in our market share within the private life insurance sector which was down by 53 basis points y-o-y. This was primarily because our growth in individual rated premium stood at 12 per cent, slightly below the private sector growth of 15 per cent. However, we could deliver on product mix shift. On individual rated premium (IRP) basis, the overall industry, including LIC, the growth was 10 per cent. We gained 26 bps market share y-o-y in overall industry space to 16 per cent for the last financial year.

How much did ULIPs contribute to the company's APE? Would you like to change it?

ULIP has been one of the product lines where the company has been faring strongly with the contribution to APE at over 60 per cent. But during FY25, we were following a conscious strategy not to be too dependent on any particular line of business. We launched four products in participating and non-participating segments, specifically focussing on the child segment. This happened during the last quarter (Q4FY25). And that resulted in favourable product mix in the fourth quarter, particularly where the ULIP share was around 55 per cent in APE.

We will be looking at much better contributions from the traditional segment as we want to bring the share of the ULIPs segment down. But having said so, we are not doing anything to demotivate the sales of ULIPs.

Did market volatility that we saw in Q4FY25 impact the ULIP segment?

I will say that this was a combination of both the factors somewhat being affected by the market volatility as well as the conscious strategy to launch a bunch of new traditional products, making our distributors active on these new products, which resulted in higher sales of our traditional products.