

Press Release

IndiaFirst Life Insurance surpasses IRDA's rural and social targets

- Rural sector accounting for 14 percent of overall business against 7 percent mandated by the IRDA
- Covers over 5 lakh lives in social sector in 2010-11 - against 5000 as directed by the IRDA
- Ties up with Society for Elimination of Rural Poverty (SERP) to cover rural poor households in Andhra Pradesh with special focus on the poorest of the poor households

Mumbai, __ May, 2011: IndiaFirst Life Insurance, a joint venture between two of India's largest public sector banks - Bank of Baroda and Andhra Bank along with UK's leading risk, wealth and investment company Legal & General, today announced that it has achieved nearly 14 percent of its overall business for the year 2010-11 from the rural sector.

The announcement was made by Dr. P. Nandagopal, Managing Director & CEO, IndiaFirst Life Insurance.

IndiaFirst has surpassed its rural and social obligations laid down by the insurance regulators - Insurance Regulatory and Development Authority (IRDA).

IndiaFirst has not only acquired 14 percent of its business from the rural areas but has also covered over 5 lakh lives in the social sector in the first year of its operations – truly taking the benefits of life insurance to the door steps of customers across the country, irrespective of their location.

“At IndiaFirst, we are committed to taking the benefits of life insurance to the masses, especially in the rural and semi-urban areas. We aim to provide superior customer experience by always placing our customers ‘First’ in everything we do. Our focus will continue be on educating the customer about sound financial planning, developing cost effective distribution and providing the right products,” said Dr. P. Nandagopal.

IndiaFirst initially focused on the bancassurance model, leveraging the existing customer base of its promoter banks - Bank of Baroda and Andhra Bank. Both the banks put together provide IndiaFirst access to over 50 million customers and an enviable distribution network of over 4500 branches across the country. Both banks also have a huge semi urban and rural network. The challenge for IndiaFirst will be to optimally exploit the entire potential provided by them.

“The insurance sector in India is at the cusp of transformation with huge untapped potential. The urban areas already have been penetrated to a large extent. However, it’s the middle class common man and the semi urban and rural populace that provide the true potential,” further added Dr. Nandagopal.

IndiaFirst has also tied up with SERP (Society for elimination of Rural poverty), an autonomous society of the Department of Rural Development, Government of Andhra Pradesh to provide cover to all members of Self Help Groups in the state of Andhra Pradesh. The project will cover 1.5 -1.75 crore women who take small loans from the banks. This tie up is a part of its social sector obligation.

IndiaFirst has successfully run this project in three districts of Andhra Pradesh - Chittoor, Medak and East and has been successful in meeting targets on policy registration and premium collection.

Talking about the tie-up with SERP, Dr Nandagopal, says, “We are expanding our rural and social obligations. For us, it is a way of expanding our business while helping community and contributing to national development. We strongly believe that innovation in product design, unique customer service experience, effective and cost efficient distribution will be our key differentiators in this sector.”

About IndiaFirst Life Insurance

Headquartered in Mumbai, IndiaFirst, which is capitalized at Rs. 455 crore, is the country's youngest life insurance company promoted by two of India's largest public sector banks - Bank of Baroda and Andhra Bank along with UK's leading risk, wealth and investment company Legal & General. Bank of Baroda holds a 44 per cent stake in IndiaFirst, while Andhra Bank and Legal & General hold a 30 per cent and 26 per cent stake respectively.

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