

Press Release

IndiaFirst Life goes rural, ties up with Chaitanya Godavari Grameena Bank in Guntur, Andhra Pradesh

- Aims to reach out to its rural customers and take the benefit of insurance to masses
- Expects to cover about 3 lakh accounts in 3 years
- Expects to cover approximately 3 lakh accounts from the new tie-up in the next 3 years
- Has already achieved over 14% of its business from the rural sector for FY 2009-10

Guntur, 29th September, 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 tied up with Chaitanya Godavari Grameena Bank (CGGB) in Guntur to reach out to its customers in the hinterland of Andhra Pradesh.

The announcement was made by Mr. Kamalakar Sai, Chief Distribution Officer, IndiaFirst Life Insurance. Mr. Gopalakrishna, Chairman, CGGB and Mr. Sambhi Reddy, General Manager, CGGB were also present at the occasion.

The insurable population of the functional area is about 30 lakh from which the company expects to cover nearly 3 lakh accounts in a time line of three years. The nature of the tie-up will be through corporate agencies. Through this tie-up with CGGB, IndiaFirst will reach over 106 branches across three districts.

Commenting on the occasion, Mr. Kamalakar Sai said, "It gives me great pleasure to announce our tie-up with Chaitanya Godavari Grameena Bank. We believe that the rural market plays a very instrumental role in the Indian insurance sector and more particularly in our business. Thus insuring the wider populace that lives in the rural sector of the country in a long term business like ours will be a game changer in an emerging economy."

"We are keen on spreading protection to the three districts of Guntur, East Godavari and West Godavari through the 2,50,000 accounts of Chaitanya Godavari Gramin Bank. We want to ensure that all the account holders in the next three years, which will amount to over 3 lakh by then, have insurance cover and are protected by us" said Mr. Gopalakrishna.



Mr. Sai further added, “This new tie-up will help us serve our customers in rural areas in a better and effective way. While there is a mad rush by all to serve the urban populace, people in the rural areas are still a neglected lot. There is an urgent need in the country to not only taking financial services to the rural populace but also to make them financially literate for true development to take place.”

IndiaFirst has also tied up with five RRB’s sponsored by Bank of Baroda.

It is accredited with surpassing its rural and social obligations laid down by the insurance regulators - Insurance Regulatory and Development Authority (IRDA). The company met rural obligation at 14% vis-a-vis obligation of 7% and in social obligation, they had covered 5,27,589 lives against 5,000 lives – truly taking the benefits of life insurance to the door steps of customers across the country, irrespective of their location.

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.

About IndiaFirst Life Insurance

Headquartered in Mumbai, IndiaFirst, which is capitalized at Rs. 605 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.

About Chaitanya Godavari Grameena Bank

The Chaitanya Godavari Grameena Bank is sponsored by Andhra Bank. The Andhra Pradesh State Government and the Government of India hold a stake in the bank. The bank is very well known in the three important districts of Guntur, East Godavari and West Godavari; and services the agricultural community in these districts through its 106 branches.



For further details contact –

Ms. Tamanna Khanna
IndiaFirst Life Insurance

+ 91 98206 02369

tamanna.khanna@indiafirstlife.com

Mr. T. Anand Mahesh
Mavcomm Consulting

+ 91 98707 16285

anand@mavcommgroup.com

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