Insurer already sourced 97% of FY22 new business premium till September

SUBRATA PANDA Mumbai, 2 January

nitial public offering (IPO)-bound Life Insurance Corporation (LIC) is showcasing financial investors its dominant position in India's life

insurance market. As of November 2021, state-owned LIC has over 1.3 million individual agents, or over 55 per cent of the 2.39 million individual agents in India's life insurance market, data from Life Insurance Council

LIC's individual agents have sourced almost 97 per cent of its new business premium (NBP) in the first six months of FY22 from its products on a standalone

Further, in FY21, these individual agents of LIC had sourced 94 per cent of its NBP from individual products. In FY20, this number stood at 95 per

cent, and in FY19, it was 96 per cent.

Private life insurers cumulatively have 1.07 million individual agents as of November 2021, with ICICI Prudential having the most number of individual agents (197,949). It is followed by Kotak Mahindra Life with 122,274 agents, and HDFC Life with 111,819 agents.

The life insurance business in India has traditionally been an agency-driven business and almost all insurers heavily invest in their agency distribution network to drive sales. Lately,

sales channels have start- distribution network, the ed contributing signifi- state-owned insurance cantly in sourcing busi- company also has 72 ness for life insurers. bancassurance partners, However, agency still comprising eight public remains the key driver of sector banks, 42 cooperative banks, six

Apart from a robust private banks, 13 regional agency distribution net- rural banks, and one work, the state-owned foreign bank insurance company also has 72 bancassurance

partners, comprising eight public sector (SDLs) account for 26.2 per cent and banks, 42 co-operative banks, six private banks, 13 regional rural banks, and one foreign bank. It also has 175 alternative channel partners, of which there are 44 insurance marketing firms, 59 brokers, and 72 corporate agents.



IN A NUTSHELL

LIC has over 1.3 million individual agents as of Nov. 2021

■ It has bancassurance partnership with 8 public sector banks, 6 private sector banks, 13 regional rural banks, 42 cooperative banks, 1 foreign bank as of Sep, 2021

It has 175 alternative channel partners and **3,463** micro insurance agents

■ LIC has approximately ₹36.7 trillion in assets under management as on March 2021

Its investment in equities constitutes **7.62%** of the outstanding non-promoter market cap in India as of September 30, 2021

■ Its market share in new business premium terms was **56.2%** as of FY21

Further, the insurance giant also boasts of 3,463 micro insurance agents.

Meanwhile, the fact that LIC is the largest asset manager in the country with ₹36.7 trillion in assets under management

(AUM) as of March 2021, bancassurance and direct Apart from a robust agency is also being impressed upon the financial investors. This makes it one of the 10th largest insurers globally in terms of total

Also, LIC is, perhaps, the largest institutional investor in the country, with government securities accounting for 37.8 per cent of its portfolio. State development loans

equity securities 21.7 per cent as of September 30, 2021.

Further, the insurer's investment in equities is approximately over 7.6 per cent of the outstanding non-promoter market cap in India as of September 30, 2021.

2020. The company took pole cessful new launches by

In FY21, LIC booked a profit of around ₹37,000 crore from its equity investments. In FY20, it had earned over ₹25,500 crore. According to sources, LIC's return on equity, on a standalone basis, stood at 81.7 per cent in FY21.

LIC has managed to bring down its net non-performing assets (NPAs), as well as gross NPAs, in 2020-21 (FY21) in its debt portfolio. LIC's net NPAs stood 0.05 per cent in FY21, compared with 0.79 per cent in FY20. Gross NPAs were 7.78 per cent in FY21 compared with 8.17 per cent in FY20. As of March 31, NPAs stood at ₹35,129.89 crore, of a total portfolio of ₹4.51 trillion, according to LIC's annual report.

LIC's profit after tax (PAT) went up 6.9 per cent to ₹2,906.77 crore in FY21, its annual report showed. In FY20, LIC had reported a PAT of ₹2,712.7 crore. LIC's premium income grew to ₹4.03 trillion in FY21 from ₹3.79 trillion a year ago. Income from investments went up to around ₹2.79 trillion in the last financial year (FY21) from ₹2.35 trillion in FY20.

100X.VC set to invest in 100 early-stage start-ups this year

Combined valuation of first 5 batches of portfolio companies at \$211 million

DEEPSEKHAR CHOUDHURY

Bengaluru, 2 January

Start-up accelerator 100X.VC aims to invest in 100 start-ups in 2022 — more than double of the 41 it funded last year.

The venture capital (VC) firm came out with its sixth cohort of 10 early-stage startup investments in December.

It estimated that in December 2021, the combined valuation of all its 60 portfolio convertible instrument companies from the first five cohorts was \$211 million (₹1,583 crore).

The start-up incubator invested in two batches of 20 and nine young companies each in 2019 and 2020.

But the speed of investments rose in 2021 when it incubator invests in small invested in four batches even as the number of start-up funding deals skyrocketed in the wider start-up ecosystem.

According to data from Preqin, 2021 saw a total of 396

BETTING EARLY

For the sixth cohort of start-ups in December, 100X.VC had received 2,285 pitches. It shortlisted 356, of which 10 received

■ Indian start-up incubator invests in small cheque sizes of ₹25 lakh through a called iSAFF note

seed investment deals worth

The Indian start-up cheque sizes of₹25 lakh via a convertible instrument called India Simple Agreement for

crypto exchange CoinDCX, blockchain company Block.One and US space infra

■The early stage fund had

announced its first batch in

December 2019 with 20

■100X.VC founder Sanjay

early-stage start-ups

Mehta has four unicorns as an angel investor - 0yo, developer AXIOM

return for a convertible instru-\$706 million being made in the country.

Future Equity (iSAFE) note.

iSAFE allows investors to make a cash investment in ment. These compulsorily convertible preference shares (CCPS) can be translated into equity when the start-up goes on to raise capital in subsequent rounds. This helps both the investor and the company avoid long-drawn negotiations on valuation at the

the pre or post-money valuation games, and also prevent large equity dilutions that are typically associated with traditional venture capital rounds," said Sanjay Mehta, founder and partner of 100X.VC. Apart from 100X.VC, Mehta invests in start-ups through his

"The six-page document is

open source and can be downloaded by anyone, Essentially,

iSAFE notes allow early-stage

start-ups to skip the tedious

paperwork. They help avoid

family office Mehta Ventures and US-domiciled venture fund 2am VC. As an angel investor, he bet on four startups very early that later turned into unicorns.

"The most important objective is to find good companies early and give other investors a chance to partner with us in the investments. That's why we invite other angels and VCs to our pitch days that are free of cost," said Mehta.

India's cement sector poised for demand recovery in near term

Mumbai, 2 January

With the onset of a busy construction season, brokerage firms are optimistic of recovery in demand and price in the domestic cement sector in the coming months.

"Though input prices have some moderation sustainable recently, a

improvement demand/price is critical for umes are likely to have the industry's profitability going ahead. We remain hopeful of demand/price recovery in the coming months with the onset of a busy construction season," Emkay Research a sharp decline in volumes (on

said in its report.

In the September quarter of 2021-22 (O2FY22), higher variable costs affected profitability of the domestic cement players, leading to an 11 per cent year-on-year (YoY) drop and a 17 per cent sequential (QoQ) fall in earnings before interest, taxes, depreciation and ammortisation (EBITDA)

In the Q3FY22, cement voldeclined to mid-single digits on a year-on-year basis during October-November of 2021 due to extended monsoon in many parts of the country and

an elevated base and sand cement capacities are planned mining issues) in east India.

Amid a strong demand outlook, brokerage firms see the industry's capacities and the existing utilisation levels rising in the coming Given a strong demand

outlook of 9 per cent compounded annual growth rate (CAGR) over FY22-24 and limited supply growth of about 13 per cent over the same period, JM Financial believes that utilisations will continue to rise going ahead.

Nearly 60 per cent of new 42 million tonne clinker and more than 80 million tonne

to be added in the highgrowth markets of east and central regions of the country over FY22-24, ICICI Securities

Around 30 per cent of these capacities are expected to get commissioned by the end of FY23, resulting in a ramp-up from FY24, and another 30 per cent of capacities are expected to get commissioned in FY24, it said.

Brokerage firms are also of the view that smaller cement companies will also play a strong role in raising volumes for the industry in the coming

▶ FROM PAGE 1

Carmakers at starting line in race to corner **SUV** market

In a segment where there has Hyundai stable has been a bestseller, with sales of 125,437

"So many SUVs have been



while driving, higher ground clearance, and aggressive design, they are definitely more appealing. Korean carbeen more than 50 new makers have done well in this



lesser than the coveted 50 per

cent. Moreover, the com-

pany's weak product mix in

the profitable SUV segment

has lagged behind rivals with

lesser volumes as profitability

ior executive director of sales

at MSIL, is not fighting shy of

this challenge and says MSIL's

weakness has been pro-

nounced in the mid-SUV

level, where it is entirely

MSIL has a very thin SUV

oortfolio. It only has the Vitara

Brezza in the sub-4 metre seg-

ment and the S-Cross, which

is perceived as a crossover by

which has consistently been

the top entry-level SUV

model, we are concerned

about the mid-SUV level seg-

many new models by compe-

tition. To increase market share, we need to do well in all

segments," says Srivastava.

"The company has lost

"While we have the Brezza,

most buvers.

Shashank Srivastava, sen-

in SUVs is higher.



and 4-metre-plus segments. Yet, the Creta has retained leadership position. We have also continuously padded up our portfolio by adding the Alcazar," says Garg, indicating that customers now clearly consider Hvundai as the first option in the SUV space.

Hyundai's sister unit Kia, which has broken into India's top five automaker club, relying on the popularity of the Seltos and the Sonet, said it would exclusively focus on the SUV segment and not look at absent. entering the sedan and hatch-

back space. "We have no plans for a hatchback or a sedan right now. "We want to stick to the recreational category, where SUVs and multi-purpose vehicles are present. Customers identify Kia as an SUV maker. We want to make ourselves stronger in that segment, rather than spreading ourselves too thin," says Hardeep Singh Brar, the company's head of sales and mar-

keting in India. Tata Motors has raised the bar in this space, with a mix 540-basis point market share of SUVs in its portfolio in the PV segment due to increasing to 52 per cent in strong consumer preference 2021, against 37 per cent in for compact SUVs and suc-

"The SUV space will see an epic fight. Because of the higher driving position, which gives a sense of more safety

launched in India in 2022, followed by at least three other products, one of which will be a second compact SUV - a more premium alternative to the Brezza," says a source.

Srivastava refused to talk product future launches, but confirmed that the SUV would be the company's focus segment in 2022.

expect it to regain its market

share through aggressively

launching products from the

next quarter onwards," said

brokerage firm Sharekhan in

a recent report, while retain-

ing a 'Buv' rating on the stock.

has prepared an aggressive

bring back market share in the

first SUV from MSIL's new

an with the launch of a

"Maruti will start its SUV

Industry sources say MSIL

Bhatia of JATO says MSIL, with its wide understanding of the Indian market and a joint venture with Toyota, has the moat to fight this SUV battle.

"Maruti now clearly knows that it needs more offerings in this segment. It has a large volume capability, which gives it the cost advantage with suppliers. The company has a war chest and the wherewithal to develop products, including the Toyota memorandum of understanding. which gives it the capability and access to new technologies," he adds.

Tata cos now more valuable than listed **CPSUs**

The Tata group companies were among the top performers on the bourses in General Insurance Corp, and CY21, thanks to a sharp rise in

major group firms, such as Tata Motors (up 203 per cent), Tata Power (up 192 per cent), Tata Steel (up 83.3 per cent), Titan Company (up 61 per cent), and TCS (up 28.3 per

But the biggest winners were the smaller members — Teleservices

(Maharashtra) (up 2,500 per pipeline of SUV launches to cent), NELCO (up 270 per cent), Tata Elxsi (up 220 per

Public sector firms also had lifted Brezza. This will be the bourses in 2021 but that was not enough to compensate for model offensive to be CPSUs poor financial performance in the previous 6-7 years. A poor financial performance by CPSUs has made them one of the biggest laggards on the bourses on a long-term basis.

The combined m-cap of CPSUs at the end of December 2021 is still lower than their alltime high m-cap of ₹23.26 trillion at the end of December 2017, despite the listing of nine new CPSUs over the past four vears. Excluding the market capitalisation of these newly listed CPSUs, the m-cap CPSUs has declined by ₹1.46 trillion or 6.3 per cent in the past four

Public sector companies' share in total market capitalisation declined to 9.3 per cent at the end of 2021, less than a third of their share in a decade ago. Central PSUs accounted for nearly 28 per cent of the combined market capitalisation of all the listed companies in the BS sample at the end of December 2011 and 34.6 per cent at their peak in December

This is a sharp decline for the public sector that includes some of the country's biggest companies in terms of revenues and assets, such as Oil & Natural Gas Corp, Indian Oil, Bharat Petroleum, Coal India, State Bank of India, NTPC, Power Grid, Gail (India), Hindustan Aeronautics. National Mineral the market capitalisation of Development



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Trust Regn. No.: A-0001341 (B) of B.P.T. Act 1950

Trust Regn. No.: A-0001341 (B) of B.P.T. Act 1950

Members of the Mahajan are hereby informed that as decided in the A. G. M. of the Mahajan held on Sunday, 05-09-2021 the Election of President, Vice- President and Group wise Trustees according to Clause 11 of the Constitution for the period 01-04-2022 to 31-03-2025 will be held on Saturday, 26-02-2022 in evening between 4.00 p.m. to 7.00 p.m. and on Sunday, 27-02-2022 in morning from 9.00 a.m. to 12.00 noon and in afternoon from 4.00 p.m. to 7.00 p.m. at Old Halai Bhatia Mahajan Wadi situated at Kalbadevi Road, Mumbai- 400 002 by Ballot System

Nomination Forms for the above stated Election will be available in Mahajan office from today which should be completed and returned latest on Monday, 17-01-2022 during office hours which is the last day to issue and receive the Nomination Forms. ation Forms can be withdrawn up to Wednesday

19-01-2022 during office hours. Office hours are from 11.00 a.m. to 7.00 p.m.

Date:- 03-01-2022

Sd/-Mulraj Maganlal Nanavati President: Shri Bombay Halai Bhatia Mahajan

OSBI

STATE BANK OF INDIA CORPORATE CENTRE, STATE BANK BHAWAN, MADAME CAMA ROAD, MUMBAI - 400021

It is brought to Notice of shareholders that pursuant to split of face value of SBI share from Rs. 10 into Re.1, share certificate(s) issued by the Bank, bearing face value of Rs.10, have ceased to be valid with effect from 22nd November 2014. A notification was published in the Gazette of India on 05.11.2014, in this regard. Accordingly for all purposes, shares details give in this notice are of Re.1 face value share certificate(s). Notice is hereby given that the share/bond certificate(s) for the undermentioned securities of the bank has/have been lost, mislaid with/without duly completed transfer deed (s) by the registered holder (s)/holder(s) in due course of the said share/bond and they have applied to the bank to issue duplicate share/bond certificate(s) in their name. Any person who has claim in respect of the said share/bond should lodge such a claim with the Bank's Transfer Agent M/S Alankit Assignments Limited, 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi 110055 (email id: sbi.igr@alankit.com) within 7 days from this date, else the bank will proceed $to issue \, duplicate \, share/bond \, certificate (s) \, without \, further \, information.$

STATE BANK OF INDIA

SR.	FOLIO	NAME OF THE HOLDER	NO.	CERITIFICATE NO.		DISTINCTIVE NOS	
No.			SHARES	FROM	то	FROM	то
1	00763685	THAN SINGH BHASKAR	30	48827	48827	7385080181	7385080210
2	07127477	VIDYAVATI GURU	100	238853	238853	7464756211	7464756310
3	02239664	SURESH KUMAR SHRIVASTAVA	500	184193	184193	7439228231	7439228730
4	07127437	PANCHAMLAL BUDEK GEETANJALI BUDEK	400	238837	238837	7464749031	7464749430
5	00704925	SUSHIL KUMAR DINDA KALYANI DINDA	600	27420	27420	7379460571	7379461170
6	07511462	SATYA PAL	140	6311514	6311514	8060332544	8060332683
7	07509704	SUNDER LAL SARAN	140	9046854	9046854	8059960077	8059960216
8	00831480	RATNAKAR PANDURANG KARPE SHARDA RATNAKAR KARPE	640	75521	75522	7391714781	7391715420
9	01122073	SITARAM AGRAWAL DEVESH KUMAR AGRAWA KAMLA DEVI	500	117295	117295	7404931631	7404932130
10	01601472	JOHNSON GEORGE	500	143478	143478	7418349771	7418350270
11	07518443	DIMPLE AGGARWAL	140	6318477	6318477	8062036040	8062036179
12	07514963	JAGDISH CHANDRA GUPTA	140	6315007	6315007	8061115580	8061115719

The above figures represent details of current shares of Face Value of Re. 1/- consequent

upon stock split (record date 21.11.2014). Place: Mumbai NO. OF SHARES: 3830 General Manager Date: 03.01.2022 NO. OF S/CERTS: 13 (Shares & Bonds)