

The Hindu Business Line
SBI to raise stake in SBI Card to 74% by June-end: Arundhati Bhattacharya

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Will complete stake hike in SBI Card to 74% by June-end: Arundhati Bhattacharya

Rolls out new credit card 'SBI Unnati' that targets Jan Dhan account-holders as well

KR SRIVATS

New Delhi, March 28

State Bank of India (SBI) hopes to complete its proposed stake hike in its credit card venture, SBI Card, to 74 per cent by end-June, its Chairman Arundhati Bhattacharya said.

The country's largest commercial bank proposes to invest about ₹1,160 crore to raise its holding to 74 per cent each in SBI Cards and Payment Services and GE Capital Business Process Management Services, the two joint venture companies that form the SBI Card business in India.

To reach 74 per cent holding in these two companies, SBI will part-buy US-based General Electric's financial services arm GE Capital's holding in these joint ventures. Replying

Tailored for new users of credit cards, 'Unnati' would have no annual fees for the initial four years and will be offered through the 20,000-plus SBI branches



Union Minister for Power Piyush Goyal and SBI Chairman Arundhati Bhattacharya at the launch of SBI Card 'Unnati' in New Delhi on Tuesday PTI

to a query on whether any investor has been identified to buy the remaining 26 per cent holding of GE Caps in these two companies, Arundhati said that GE is expected to zero in on the winning bidder in the next one month.

SBI Card Unnati

Meanwhile, SBI Card on Tuesday launched a unique credit card 'SBI Card Unnati' targeted at all SBI customers, including Jan Dhan account-holders across the country.

Tailored for new users of credit cards – those who do not have a credit history – 'Unnati' would have no annual fees for the initial four years and will be offered through

the 20,000-plus SBI branches. The card was launched by Piyush Goyal, Minister of State (Independent Charge) for Power, Coal, New and Renewable Energy and Mines.

Any SBI customer with a balance of at least ₹25,000 in his/her savings account with the bank would be eligible for the Unnati credit card without the need for any credit score or credit history, SBI Card CEO Vijay Jasuja said.

"The idea is to spread credit inclusion among the masses. This would enable those who do not have a credit history to build one so that they could avail themselves of other loan products in the future," he added