

SBI Card taps parent

A STAFF REPORTER

Calcutta, Sept. 15: SBI Card, the credit card arm of the State Bank of India, has worked out a strategy to leverage the customer base of the parent in a structured way and ride the current growth in credit offtake.

The move will help the firm to bridge the gap with HDFC Bank, which is the largest issuer of credit cards, according to the Reserve Bank of India data.

SBI Card has a base of close to 50 lakh cards at the end of July, while HDFC Bank has an outstanding card base of 92 lakh.

SBI Card chief executive officer Vijay Jasuja said the firm has entered into an un-



Vijay Jasuja: Growth plan

derstanding a month back with the SBI whereby it would be able to pull data from the bank on a customer's deposits, loans and investments and accordingly issue pre-approved credit cards.

"There is a definite untapped growth potential for

SBI Card. We will have all the requisite data that will make the issue of credit cards much faster should account holders give their approval. Given the SBI's customer base, even a small success rate would translate to a large addition to our existing base," Jasuja said.

RBI data on deployment of gross bank credit shows credit card outstanding on July 21, 2017 has recorded a 32.5 per cent growth from a year ago.

Jasuja said that even as the debt outstanding is growing, the NPA level is in the range of around 1.7-2.45 per cent. He said that the underwriting capability of the industry is strong and a growth in credit card spend is an indication of the higher consumption level of consumers.