

# Simple Insurance

*Having spent seven years with Liberty Mutual as its founder member in India, Pankaj Arora joined Raheja QBE General Insurance as its MD and CEO. Rahej QBE, a specialised insurance company that is now entering into personal space with the same expertise and customer orientation. Speaking exclusively to Yagnesh Kansara, Arora says he is trying to make insurance as easy as "One, Two, Three..." Edited excerpts.*



## ➔ How has been your journey so far?

We have been a general insurance company for the last 10 years. Beginning our business in 2008-09, we have always focussed on one line of business, which is liability insurance. Hence, we have been a niche player. Now, we are expanding our horizons, moving to auto, health and other branches.

## ➔ Based on your performance over a decade, where do you see yourself among top five players?

Last 10 years have been extremely good from the point of view of whether it is D&O or cyber or media insurance from the liability side. We have been consistent play and amongst the top players. Any business from liability side, floated by a corporate comes to Raheja QBE for a quote. We are often asked for underwriting a business. This is our speciality.

## ➔ Can you tell us about your JV with QBE?

It is 51:49 as approved by the regulator, where 51 per cent is held by Prism Johnson, a Rajan Raheja Group company and 49 per cent by QBE of Australia.

## ➔ Coming back to balance sheet size, what is your top and bottom line?

We did a premium of ₹130 crore last year and we are expecting a growth of 10x in next four to five years across the insurance business. We have been quite prudent in our business of underwriting but now with the expansion of business, expenses rising, as we invest in people, technology, locations, we see us reaching a break-even in the next four to five years.

## ➔ How has GI industry grown in India?

GI in India has been growing at a CAGR of 17 per cent. The industry is doubling at every five years. Our growth is faster as our base and penetration are low. The size of India's GI industry is ₹1.40 lakh crore, we should be ₹2.80 lakh crore in the next five years. We are growing fast as there is not only a push from the private sector but from government as well in the form of health, crop and other forms of insurance.

## ➔ What are your expectations from the budget?

India is grossly under-insured. In terms of health insurance, the budget can increase the tax incentives for this segment. Increasing Foreign Direct Investment (FDI) limit from the current 49 per cent to 74 per cent would help bring in more investment to India and go a long way in increasing the insurance penetration. ■