

General insurance sector to grow in a big way: NK Kedia, IFFCO-Tokio



NK Kedia, Director Marketing, IFFCO-Tokio General Insurance, is a mechanical engineer by education. He has over three decades of experience in the fertilizer industry. He was closely involved in planning and implementing seven mega fertilizer projects for IFFCO, the co-operative fertilizer giant.

He has been associated with ITGI since inception, contributing significantly to its successful business growth. Kedia is also chief executive officer of IFFCO-Tokio Insurance Services (ITIS), a wholly-owned ITGI subsidiary set up to distribute insurance products.

In an exclusive interview with Myiris.com, he shared his views on the outlook of the general insurance industry.

What is your outlook on the general insurance sector in India?

General insurance is Rs 308 billion industry and grew at about 9% in 2008-09. The sector is likely to grow in a big way in the long run.

How do you see the impact of global economic slowdown on the Indian general insurance market?

There has been a slowdown in the sector since October 2008; the global meltdown is one of the contributory factors. The industry may continue to grow in single digit in 2009-10.

Could you throw light on the products of your company? What benefits they offer?

We have the entire range of products that is available in the market. In addition we have come out with some innovative products like Errors & Omission policy for the IT sector, MTO, Credit Insurance, Art Insurance etc. We have also focused on new areas like Micro Insurance. We are the first to come out with a new product in Motor insurance by the name of On-Road Protector coverage. It would be pertinent to note that our Product Development Team is one of the best in the industry.

What differentiates IFFCO Tokio General Insurance from competitors?

Our servicing standards and the ability to build long term relationship with our customers have enabled us to be different from our competitors.

What are IFFCO Tokio General Insurance's plans over the next year or so?

- >> "Retail-Retail-Retail" is our mantra
- >> Second, we would like to fan out to a number of Tier II & III towns
- >> Finally, our focus would be on agency development and micro insurance

General insurance companies recently got regulatory clearance to offer add-on insurance policies. What kind of benefits do you see from the same?

The customer would have a wider choice and a number of policies which were hitherto available only in the developed markets. For example, we have recently introduced an emergency road assistance service including medical assistance under the name of On-Road Protector Coverage

IFFCO Tokio General Insurance registered a 22.63% growth in premium in 2008-09 against a growth of 7.43% in 2007-08. What kind of growth do you expect in next year?

We expect the growth rate of about 15% in 2009-10.

Is your marketing strategy based on sectors or demographics?

Our marketing strategy is based on both of these factors. We have focused on sectors such as art, IT and there is a conscious effort to reach out to the Tier II & III towns and rural areas to carry forward the IRDA message of spreading insurance awareness.