



**VIVEK JAIN FROM INSURANCE ALERTS  
IN CONVERSATION WITH  
MR V SURYANARAYANAN**

**Mr. V Suryanarayanan** is the Managing Director of Cholamandalam MS General Insurance Company Limited (Chola MS), a joint venture between the Murugappa Group and Mitsui Sumitomo Insurance Group. Mr. Suryanarayanan is a graduate of Commerce, a qualified Chartered Accountant (ACA), Company Secretary (ACS) and Associate Member of Insurance Institute of India (AIIL). In 2006, he joined Chola MS as CFO and later headed the functions of claims, underwriting & reinsurance. He has led several transformation projects within the company focusing on growth, efficiency and productivity. He became President and Chief Operating Officer in 2019 and took over as Managing Director & CEO from July 2020. Mr. Suryanarayanan is an avid reader and an ardent music fan.

**1. Insurance companies are into stress when you think will this end?**

The general insurance industry has fared better as compared to other industries as is obvious from the lower de-growth seen. The new business potential has been impacted adversely as capital investments in both industrial assets as well as earning / personal assets (viz vehicles) has shrunk sharply. But, the industry has a large stock of assets that come up for renewal every year and particularly, the level of uninsured and underinsured assets is fairly high. Besides, the Covid-19 situation has enhanced health awareness in a big way. Working on these can help the sector to continue on its growth path. A double-digit growth for the industry (as seen in FY 19), however, can be expected only when economic activity stabilizes. Industry players are hopeful that FY 2021-22 could well be the year of shift.

**2. What is your projection for the financial year 2020-21 for your company?**

Chola MS is working for a 10% growth over the previous year. In the month of July, our degrowth was 3% and YTD July at about 17% de-growth. This projection considers the growth from health and commercial lines, our tie-ups with state-owned banks and the expected return to normalcy by Oct-Nov.

**3. At what percentage do you think General insurance industry will grow in the financial year 2020-21 and why?**

The general insurance industry (excluding specialized insurers and SAHI players) had a de-growth of about 8% as at end of April-June quarter and had the benefit of the commercial volumes at the beginning of the year. While there will be claw-back in growth in motor from cars /2W, health line of business, the likelihood of a drop in commercial vehicles and in crop insurance is high. The industry growth (excluding specialized insurers and SAHI players) can be expected to have a growth between 5% – 8% for the full year.

**4. Which are the new products you are launching in the next 3 to 6 month?**

Chola MS has been doing well both in the standardized health products and in its specific health products. In the retail space, Chola MS awaits regulatory approval in a couple of products – oriented towards women and the farm community. Other products in the anvil include commercial cyber covers, parametric based covers etc.

**5. Besides health, which product do you think will do well in the next 2 years?**

Even in the current year, amidst a covid-19 environment, the fire line of business has registered good growth in the backdrop of the revised IIB burning cost price adoption. There are talks of Government providing a fillip to the housing sector, amongst others, to kickstart the economy. This will further contribute to the growth of the line. The fire line of business constituted over 23% of the industry in the pre de-tariff regime. We can well see the line growing in size and in strength.