The First Monthly Journal on Insurance in India in Service Since 1981

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THE INSURANCE TIMES

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In this issue

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Mr.M.G.Diwan
– A tribute by BIMTECH

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joins as new
Chairman cum Managing Director
of GIC Re

Malay Kumar Poddar
appointed as
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of Agriculture Insurance Company


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Correspondence Address

25/1, Baranashi Ghosh Street, Kolkata - 700 007, India
Phone : 91-33-2218 4184/2269 6035
Website : www.sashipublications.com
Portal : www.bimabazaar.com
E-mail : insurance.kolkata@gmail.com

Registered Office

31/1, Sadananda Road, Kolkata - 700 026, India

Customer Help Line

For non receipts/any other query please contact
E-mail : sashipublications@yahoo.com
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Editor-in-Chief's Desk

Ram Gopal Agarwala
B.Com, LLB, FCA.

The Editorial Team of The Insurance Times wishes a very very Happy New Year, 2020 to all its Subscribers, Advertisers, Authors, and readers. May this new year bring new opportunities and help you to exceed your goals.

The year 2020 is an important milestone for our journal The Insurance Times. This year we are entering into 40th year of regular and successful publication. Yes this journey has not been easy and over the last four decades we saw lot of ups and down but still we never deviated from our goal. During the period of post opening up of the insurance sector lot of new journals came but most of them perished. However we continued our mission of propagating insurance education and awareness among the masses through publishing of journal, new books, training, seminars. Etc.

After being in the sector for so long and with the support of our esteemed readers, it gives us new energy and vision to reach out to the masses not only in India but overseas countries also.

In the year 2020 we shall be launching Online Certificate courses on insurance and start our MDP programmes all over India and SAARC Countries to further strengthen the education system in India. We solicit support of our readers in all our initiatives. IRDAI report released recently shows Life Insurance penetration for 2018 was 2.74% slightly lower than the 2.76% of 2017. The Life Insurance density was $9.1 in 2001 which was $55.70 in 2010 and the same come down to $41 during 2013 and thereafter the same increased gradually.

The Nonlife Insurance Sector has risen from $2.4 in 2001 to $18 in 2017 and to $19 in 2018. The Non life insurance penetration has risen from 0.56% in 2001 to 0.97 in 2018 as per report of IRDAI recently published.

IRDAI has revised the rates of GST while purchasing life insurance policy.

Recently a fake insurance call centre was sealed for selling thousands of crores of fake insurance policies. We need strong regulation and monitoring to curb these malpractices.

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General Insurance News

General Insurance Industry witnesses PAT declines by 90% in FY19

The general insurance industry witnessed its profit after tax (PAT) in FY19 down 90% to Rs 683 crore compared to a PAT of Rs 6,909 in FY18, according to IRDAI report. The public sector general insurance firms registered a loss of Rs 3,228 crore in FY19 as opposed to a PAT of Rs 2,543 crore in FY18.

While the state-owned general insurers suffered huge losses, the private sector insurers reported 5% decline in profits in FY19 at Rs 3,584 crore compared to Rs 3,798 crore in FY18. Also, the underwriting losses of the general insurance industry increased to Rs 22,320 crore in FY19 from Rs 15,341 crore, a jump of 45%.

While the private general insurers reported a 38% jump in their underwriting losses to Rs 2,890 crore, the public sector general insurers underwriting losses increased 47% to Rs 18,533 crore. On the other hand, the life insurance industry reported a PAT of Rs 8,435.81 crore as against Rs 8,511.99 crore in FY18. Of the 24 life insurers in operations, 22 firms reported profits.

National Insurance Academy organizes 40th Foundation Day

A leading institute for education, training and research in the field of insurance and several others, the National Insurance Academy (NIA) has recently organizes its 40th Foundation Day. In order to spread awareness regarding having an insurance coverage as well as aware common people on the social security insurance schemes, a rally was led by NIA director G Srinivasan.

During his speech, G Srinivasan outlined the different ways by which NIA is creating and developing knowledge in insurance, pension and allied areas through various activities. NIA has also dedicated December as the month for creating insurance awareness among students and the common people.

Insurance Cos to pay heavy compensation to farmers

Farmers in Maharashtra are likely to receive heavy compensation as from crops damaged due to dry weather in June and floods in September. The outgo may be over Rs 10,000 crore, agriculture ministry officials said.

Total claims for this year's kharif, season are estimated to be about Rs 18,000 crore, which is close to the previous fiscals' approved claims of a little over Rs 19,000 crore, which included the winter crop also, a government official said. Payment for damaged rice, cotton, oilseeds, pulses, sugarcane and horticulture crops will be paid under the Pradhan Mantri Fasal Bima Yoja (PMFBY) launched in 2016 in which a farmer contributes only 1.5% to 2% of the insurance cost and the balance is shared by the Centre and states.

Beside Maharashtra, officials have estimated payout of Rs 4,000 crore in Madhya Pradesh, and Rs 1,000 crore to Rs 1,200 crore each in Karnataka and Andhra Pradesh. "Surveys for the assessment of losses are on in these states. Preliminary surveys have indicated large scale of damages and huge estimated payouts. The picture will become clearer when claims settle by February-end. Insurance companies will have to take a major hit," said a senior agriculture ministry official

"This year, we have paid a premium of over Rs 20,000 crore for the risk cover of crops worth Rs 1.3 lakh crore. As per the estimations of the quantum of crop losses, we expect a claim payment of over Rs 18,000 crore," the official added.

PSU general insurers lose market share to private insurers

According to the IRDAI data, the state run general insurers lost market share in 2018-19. The trend seems to be continuing this fiscal year as well.

Public sector general insurers' business grew by 1.28% in 2018-19 as against private insurers, who increased 24.25%, states IRDAI Annual Report for 2018-19. "In the case of public sector general insurers, two of the four companies expanded their business with increase in respective premium collections over the previous year," the report noted.

Their combined market share fell to 40.52% in 2018-19 with gross direct premium income of ?68,658.85 crore from 45% in 2017-18. New India Assurance remained the largest insurance company in the country last fiscal with direct premium collections of ?23,910 crore.

Meanwhile, the 28 private sector insurers (excluding standalone health insurers) had a market share of 47.97% in 2018-19 (with gross direct premium income of ?81,287.15 crore) as against 43.42% in the previous fiscal year.

The market share of New India Assurance fell to 14.11% in 2018-19 from 15.08% in the previous year. For National Insurance, the market share fell to 8.93% in 201819 from 10.75% in 2016-17. Similarly, the market share of United India Insurance declined to 9.69% in 2018-19 from 11.57% in the previous fiscal y ear. However, Oriental Insurance Company's market share rose to 7.79% in 2018-19 as against 7.6% in 2016-17.

General Insurance Council recommends fixed Rs 10 lakh motor third-party cover for road accident fund

The General Insurance (GI) Council has proposed a new formula for determining the third-party (TP) motor insurance cover. In meetings with the Ministry of Road Transport and Highways (MoRTH), it suggests that the general insurers' liability be capped at Rs 10 lakh and the balance amount be paid from the Motor Vehicle Accident Fund. At present, there is unlimited liability as far as motor TP insurance is concerned. This means that if there is a death due to road accident, there is no upper limit on the compensation paid out.

The Council has proposed that a fuel cess be imposed on petrol/diesel purchased by customers, which would flow into the accident fund. MoRTH currently has a committee in place, with representatives from the general insurance companies, Department of Financial Services and insurance regulator IRDAI.As per The Motor Vehicles Act, 2019, the Centre was to prescribe a base premium and the liability of an insurer for TP motor claims in consultation with the Insurance Regulatory and Development Authority (IRDAI).

Insurtech startup Toffee Insurance secures $5.5 million series A funding

A digital first insurtech startup, Toffee Insurance, has secured series A funding of $ 5.5 million. This funding round was led by IVM Intersurer with Omidyar Network, Flourish Ventures, Accion Ventures Lab and Kalaari Capital.

This is Toffee Insurance's second consecutive raise from four of the five key investors after their initial funding round of $1.5 million last year. Rohan Kumar, CEO & Co-Founder, Toffee Insurance said, "Our goal is to unbundle products and repackage them in a consumer-friendly way, focussing on the benefits of insurance to make it almost like a commoditised way to sell insurance rather than a financial product."

SBI likely take 3 years to list general insurance arm

SBI chairman Rajnish Kumar has recently said it will take up to three years more to list its general insurance arm. The bank will list its asset management company before SBI General Insurance.

SBI had last year listed its life insurance arm and the proceeds came in handy to fight difficulties in asset quality. It is also planning to part-sell its stake in SBI Cards. SBI General Insurance, which is a joint venture with Insurance Australia Group, has to "mature" and will await the valuation to touch Rs 50,000 crore, Kumar said.

"We are discussing but if you ask me sequentially then it will be AMC first then SBI General because. We believe that still it is about 2-3 years away before SBI General matures," he said. Speaking on the asset quality position, Kumar reiterated that non-performing assets had touched a peak last quarter and there will be an improvement from this quarter onwards.

Bajaj Allianz launches #CareHeroes initiative

Bajaj Allianz General Insurance, has launched one of its kind initiative #CareHeroes – a video series comprising of impactful stories of heroes who put the greater good above their self and work unselfishly towards bettering the world in their own way.

According to the company, the objective behind this initiative is to showcase the company's approach towards its customers – the one that cares for them and believes in going an extra mile to address their worries.

The #CareHero initiative is in line with company's recent change in brand identity to 'Caringly yours' in February 2019. With this initiative, it intends to be identified as a brand that is always there for its customers, understanding their requirements and working tirelessly to fulfil their needs by delivering to the best of its abilities, it added.

Chandramohan Mehra, chief marketing officer, Bajaj Allianz General Insurance, said, "Aligned to our core brand ethos, the #CareHeroes initiative is our way of saluting several unsung heroes, who are making a positive difference to several lives, through acts of selfless care. The value of care remains deeply embedded in our products and services. Several unique claim innovations like Motor On the Spot and auto reimbursement in case of flight delay have emanated by keeping care at the centre of our business practices."

Bharti AXA records 46% growth in GWP in first half

Bharti AXA General Insurance has recently said the company has registered a 46 per cent rise in its gross written premium at Rs 1,586 crore in the first half of 2019-20. The insurer had collected Rs 1,087 crore in the corresponding period of the previous financial year, Bharti AXA General Insurance said in a statement. All product segments saw growth, led by commercial lines, motor, crop and health insurance, it said.

Motor, health and travel led the growth for retail channel which registered a 38 per cent increase in revenue in April-September 2019 over the same period a year ago, Bharti AXA General Insurance Managing Director Sanjeev Srinivasan. The company expects to grow faster than industry in the second half of 2019-20 as well, he said adding that increasing distribution network, new partnerships along with prudent product pricing have been key drivers for the company's growth in both retail and corporate businesses.

In the first half of 2019-20, the country witnessed multiple catastrophic events. Cyclones, such as Fani, Maha, and Bulbul, and extensive floods in Maharashtra, Gujarat, Bihar and several other states put customers through distress, he said. While these calamities increased the number of claims, Bharti AXA General Insurance was in the forefront to manage each calamity and ensure that the customers received speedy and fair claim settlement, with more than 70 per cent claims being settled within the first 10 days of claim intimation, he added.

General insurers favour to increase FDI limit to 74%

General insurers are in complete support of raising foreign direct investment (FDI) limit in the sector to 74%. Recently, the General Insurance Council (GIC), the representative body of general insurance, health insurance and reinsurance companies in India, met to discuss the view of insurance companies in raising the FDI. All the companies agreed on raising FDI limit to at least 74 per cent.

"Prima facie no company had reservations in increasing the FDI limit to 74 per cent," said sources. Also several companies are in favour of 100 per cent FDI in the sector. "The government is also considering the option of 100 per cent FDI in insurance. Insurance companies had several meetings on the matter with the government," according to a source.

However, a few insurance firms, especially private ones who have foreign partners, raised concerns over issues such as valuations, although in-principal they agreed on raising FDI limit. "Some joint venture partners may see change in positions in case FDI limit is raised to 74 per cent. That is why some companies had some concerns about safeguards, although no company opposed FDI," said the source.

Notably, the Insurance Regulatory Development Authority of India (IRDAI) recently sought suggestions from various stakeholders on raising FDI to 74 per cent. At present, FDI up to 49 per cent is allowed in the insurance sector through the automatic rout. Earlier, the approval for investment up to 49 per cent required approval by the Foreign Investment Promotion Board (FIPB), which was disbanded two years ago.

IRDAI News

IRDAI to announce list of approved proposals under 'regulatory sandbox'

The IRDAI has recently stated that it will soon give its customers the access to innovative and tech-driven insurance products. "We will announce the list of approved proposals received in response to our 'regulatory sandbox' model in about a month,'' Subhash Chandra Khuntia, Chairman, IRDAI.

The main purpose behind this approach of IRDAI is to figure out innovative ideas to foster growth in the insurance sector.

The IRDAI had set up a panel in order to review the applications by general and life insurers, which received in the month of October.

"We have received a fabulous response. As of now, 125 proposals based on digital and tech-driven innovations are being scrutinised,'' Khuntia said.

The regulator further said, "They cover a wide range of aspects from change in the process of underwriting, policy wording, riders and interaction with policyholders, among others.''

IRDAI approves debt ETFS

The IRDAI has recently given nod to the investment in debt exchange traded funds (ETFs). "The IRDAI permits debt ETFs with underlying debt securities of Central Public Sector Enterprises, proposed to be launched in India, as an eligible class of investment as part of Mutual Fund exposure," said SN Jayasimhan, General Manager, Investments, IRDAI.

In accordance with the guidelines brought in by the regulator, MFs registered with SEBI and governed by the market regulator should issue the debt ETFs. The debt ETF should invest in a basket of securities issued by CPSEs.

"The minimum investment by the insurer should not be less than creation unit size, and shall not be reduced to below creation unit size," it said.

The general rating criteria will be in line with the extant investment norms of the insurance regulators.

IRDAI to launch catastrophe insurance schemes as pilot project in some states

Keeping the rapid growth of natural disasters in the country, the IRDAI is working on launching the government-funded catastrophe (cat) cover for the poor sections of the society.

After receiving the government approval, the IRDAI will launch the cat cover in select states as a pilot project, he said.

Though the severe flash floods in Chennai in 2015 were the largest disaster, causing estimated economic losses of $2.2 billion, insured losses were estimated at around $755 million, which makes up these floods the second costliest insurance event in India.

Due to these events, the vulnerability of rapidly growing urban areas to flash floods caused by heavy rain came in the light. The government has launched the crop insurance scheme that has aided the farmers to a great extent in the past two years.

IRDAI to bring standardise insurance guidelines for houses and shops

The IRDAI will soon bring standard guidelines for products exclusively targeting at units like 'dwelling houses' and small commercial establishments. Presently, small shops and houses do not get standardised insurance cover. These units, however, can be covered under fire and allied perils insurance, which are mostly aimed at bigger units.

Within the next couple of months, The IRDAI is expected to come out with norms, as informed by a source. In order to cope with and recover from common risks while adhering to certain levels of cover, premium and benefit standards, the standardisation would entail affordable insurance products.

IRDAI likely to allow banks to hold over 10% in many insurance firms

The IRDAI may give allowance to public sector banks in holding more than 10% stake in multiple insurance companies, provided that they limit their promoter control to one entity and remain just an investor in others without intruding in management decisions.

The rules underscore that a bank is unable to promote more than one insurance company in the same segment. However, the merger of 10 public sector banks has created an issue since some of the banks are promoters of insurance firms.

“It is not prohibited by regulation but it is prohibited because there will be conflict of interest. We can take care of this by allowing them not to participate in decision-making,” IRDAI Chief Subhash Chandra Khuntia said.

IRDAI seeks data from insurers on exposure to IL&FS, DHFL, Indiabulls

The IRDAI has sought information from insurers on their exposure to Infrastructure Leasing & Financial Services (IL&FS), Dewan Housing Finance Corporation (DHFL), Indiabulls, and Anil Dhirbubhai Ambani group companies, informed sources.

“The regulator perhaps wants to see the strength of the insurance companies," according to a chief executive officer of a life insurance company. The insurance companies whose information was sought by IRDAI, have been downgraded by credit rating agencies recently.

“Usually, it is left to the insurers on how they deal with downgraded entities. But this may have been done to find if there is any over exposure the insurers have against their asset base," said a former member of IRDAI.

The IRDAI had earlier also asked the insurers with exposure to IL&FS to provide for their exposure. A lot of insurers including the state-owned behemoth Life Insurance Corporation have exposure to IL&FS.

IRDAI sets up working group to improve loss prevention

The IRDAI has set up a working group comprising 10 members to suggest segment-wise ways and means to improve loss prevention and loss minimisation in the industry of general insurance.

With the aim of bringing all stakeholders working together towards a common end on a common platform, the regulator has formed the working group.

However, loss prevention and loss minimisation measures have remained very company-specific, according to the sources.

There may be considerable overlap in the way companies approach the issue, yet there is little in terms of knowledge-sharing, something that the working group sought to formalise.

Council’s views to be sought on life insurers’ appeal to offer indemnity cover

The IRDAI will seek viewpoint of the life and general insurance councils before making decision on the appeal of life insurers in order to offer indemnity-based health plans, according to the information of an official.

In an aim of launching indemnity or reimbursement based health insurance, the life insurers have sought permission from the regulator. The official also informed that the regulator will take a call soon on the matter.

"We will be writing to Life Insurance Council and General Insurance Council in a week or so to seek their views on the matter. We will examine their recommendations and take a call soon,” said IRDAI Member (Life) K Ganesh.

Non-life companies feel that allowing life insurers to offer indemnity-based plans will increase competition further in the market, he said adding that this issue will be kept in mind while making a decision.

LIC of India News

LIC to bring policy premium payment through credit card

Before the financial year ends in

March, 2020, a lot of people will be in a rush to make those tax-saving investments. One way to save tax is by claiming deduction for life insurance premiums paid under section 80C of the Income- tax Act, 1961.

One can claim a deduction of up to Rs 1.5 lakh a financial year for the premium paid for yourself, your spouse, and your children. However, LIC is bringing the opportunity of paying the policy premium through credit card, for those who are short of cash.

This is especially useful for those last-minute tax-savers who do not have enough money in their bank accounts. In order to promote the usage of credit cards, LIC also announced that it has waived off charges on credit card payments.

In a statement the LIC said, "From December 1, 2019, any credit-card originated payments towards renewal premium, new premium, or repayment of loan and interest on loans against the policies will not attract any additional charges or convenience fee its parlance."

LIC HFL initiates Vidyadhan Scholarship for underprivileged students

LIC Housing Finance Limited in association of LIC India has taken the initiative

for launching LIC HFL Vidyadhan Scholarship for underprivileged students to contribute to their education from class 8 to postgraduation level. The selected students under this scholarship will receive variable financial assistance ranging from INR 10,000 to INR 30,000 based on their current educational level.

The scholarship is given under four different categories, namely: scholarship for Class 8 to 10 students; scholarship for Class 10 passed students; scholarship for students pursuing graduation; scholarship for students pursuing post-graduation.

To be eligible for LIC HFL Vidyadhan Scholarship, the students need to fulfil the following eligibility conditions: the students enrolled in class 8 to 12, ITI, Diploma, Polytechnic, UG or PG programme at a recognised institution/college/university in India can apply; they must have secured at least 65% marks in their previous class; the annual income of the family should be less than INR 3 lakhs; the students coming from low-income groups or students in crisis (orphans, critically ill, differently-abled children, etc.) will be given preference; students, who are in the final year of graduation/postgraduation programme are not eligible to apply.

The students selected for this scholarship under different categories will receive benefits as follows: scholarship for class 8 to 10 students – INR 10,000; scholarship for class 10 pass students – INR 15,000; scholarship for graduation – INR 20,000; scholarship for postgraduation – INR 30,000

The selections will be based on academic merit, financial need and crisis situation of the applicant. The process to be followed for selection involves: initial screening of scholarship applications on the basis of academic merit and financial need; telephonic interview of shortlisted candidates; face-to-face interview (if required) for final selection.

LIC improves customer service, online portal to attract millenials

With the aim of harnessing more millenials, LIC has improved its customer service experience and upgraded its online services.

As a result of that, as of October 31, of about 10 million policies sold by LIC in 2019-20 (FY20), 2.2 million were to people aged between 18 years and 25 years, 2 million to people aged between 25 years and 30 years, and 1.7 million to people aged between 30 years and 35 years.

LIC has increased its market share in new business premiums and number of policies sold. In March this year, LIC had a market share of 66.24% in first-year premium income (FYPI) and a little over 74% in the number of life insurance policies sold.

As of November, LIC expanded its market share in FYPI to 71% and in the number of policies sold to 76.28%. For the number of policies sold in November, LIC had a market share of 84 per cent and in FYPI its share was 72%.

“From June, we started working on the number of policies. We believe that once the number goes up, the volume will also pick up. And, the volume will drive us towards better premium,” said T C Suseel Kumar, managing director, LIC.

As per LIC, “The synergic effect of customer centricity, diversified product portfolio, and a committed field force is the reason for such a robust performance.”

LIC offloads 2% stake in GSK Pharmaceuticals

LIC has sold nearly 2 per cent stake in Glaxosmithkline (GSK) Pharmaceuticals, which saw stocks falling nearly 1% on the bourses. Following the stake sale, LIC holding in GSK Pharmaceuticals reduced to 5.99% from 8% earlier.

As per data available on the exchange, LIC offloaded 34.02 lakh shares in GSK Pharma through open market transaction. The disclosure was made after market hours on 20 December 2019. The filing, however, did not disclose the sale value.

LIC records 137.8% policy growth in November

LIC has registered an increase of 137.87% in policies in November, with record sales of 34.08 lakh polices. By outperforming the industry growth rate in number of policies as well as new business premium income, LIC has registered a significant increase in market share in the current fiscal, it said.

As of November 2019, the life insurance industry recorded a new business premium income of Rs 1.69 lakh crore, out of which LIC garnered around Rs 1.20 lakh crore. LIC has registered a growth of 44.53% in new business premium income while the private sector life insurers have posted a growth of 22.09% during the same period.

LIC Managing Director T C Suseel Kumar said, “We see it as our responsibility to spread the cover of life insurance and take it to every citizen who needs it. The growth opportunity is vast for every player in the life insurance industry.”

Aadhaar becomes mandatory for LIC PMVVY Scheme

The government has made Aadhaar mandatory for subscribers of the Pradhan Mantri Vaya Vandana Yojana (PMVVY), a pension scheme for senior citizens. The scheme, which envisages an assured rate of return of 8 per cent annually, is being implemented through Life Insurance Corporation of India (LIC). The scheme was announced in Union Budgets of 2017-18 and 2018-19.

“An individual eligible for receiving the benefit under the scheme shall hereby be required to furnish proof of possession of Aadhaar number (the unique 12-digit biometric identity number) or undergo Aadhaar authentication,” according to a finance ministry notification.

The notification has been issued under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016. It further said any individual desirous of availing benefit under the scheme who does not possess the Aadhaar number or has not yet been enrolled for Aadhaar, “shall be required to apply for Aadhaar enrolment before registering for the scheme”.

Health Insurance News

Max India to sell stake in Max Bupa health Insurance

Max India Limited has recently informed stock exchanges that the IRDAI has given green signal to the company to sell its entire stake in Max Bupa Health Insurance Company Ltd.

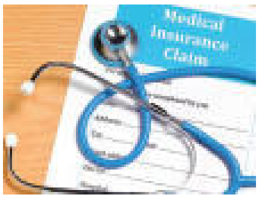
Max India Limited and the UK-based healthcare services expert, Bupa, jointly hold the ownership Max Bupa Health Insurance. The entire stake of Max India in the joint venture is bought by Fettle Tone LLP (an affiliate of True North Fund VI LLP).

The Max Bupa policyholders need not be worried as the IRDAI protects the customers' interests whenever ownership of a company changes hands. The IRDAI gives no allowance to any arbitrary changes in the product. The IRDAI approval is mandatory before any product change is sought and the regulator asks for justification. After receiving the regulator's approval, the insurer has to inform all its customers regarding the changes 120 days before the implementation.

Similarly, if a company decides to discontinue a product, the regulation states that the insurer needs to offer the customer another product that has the similar or better features compared to the plan that it wants to terminate.

Future Generali India likely to increase health insurance biz

Non-life insurer Future Generali India Insurance Company Ltd. is planning to expand its retail health insurance business with new product, according to a senior official. "Out of the total premium, around 14% is from health insurance that includes personal accident and travel insurance. And retail business accounts for 22% of that. We expect our retail business to grow by 50% with the launch of new health policy," said Jamuna Bhaskar, zonal manager Tamil Nadu.



She further added that the company is targeting a premium income of around Rs.2,000 crore this year. Bhaskar said last year, the company had earned a premium of Rs.1,485 crore. While speaking about the health insurance policy called Health Total, she said it comes with multiple benefits.

The policy offers hospitalisation cover, restoration benefit, 50% cumulative bonus for every claim free year and others. The cover is available for a minimum of one year to a maximum of three years. The policyholders can pay the premium up-front for long-term policy for which a discounted rate will be charged. Alternatively, the premium can also be paid in instalments.

Max Bupa launches 'Health Premia'

Max Bupa has recently announced the launch of new health insurance plan, 'Health Premia', which includes features like health checkup for adults as well as children from Day 1 based on their preference, worldwide maternity cover and newborn cover without any additional premium from the day baby is born till policy yearend.

Health Premia is such a product wherein the total sum insured is up to Rs 3 crores and provides coverage for up to 19 relationships with an individual sum insured for everyone and a floater cover which is common to all. It addresses the daily health needs of people including inpatient hospitalization, OPD, diagnostics, personalized health coaching, 2nd medical opinion, pharmacy & diagnostic services and many more.

The plan offers international coverage for specified illnesses and medical emergencies, along with in-built travel insurance coverage. Health Premia has a one-year waiting period for specified diseases which is one of the lowest in the industry. It also covers advanced treatment methods such as Cyberknife and Robotic surgeries, Laser treatment and Bariatric surgery.

Ayushman CEO pitches for universal health cover

While strongly pitching for Universal Health Coverage (UHC), the chief executive of Ayushman Bharat National Health Protection Mission, Indu Bhushan, stressed that only 10 per cent of India's population outside the central scheme and state schemes has comprehensive health insurance and that a large section of the middle class does not have any health cover.

In a long note, Bhushan said the "political will to support UHC has never been greater in India" and that the initial momentum of the scheme provides a "strong proof" of concept and a viable framework for achieving UHC.

"The country has irreversibly set itself on course to achieve UHC," he said. He pointed out that many states had used their own resources to expand coverage of Ayushman Bharat, which now hence covers 130 million families against the originally planned 100 million families. "The states have shown strong leadership and willingness to adopt UHC as their primary health goal. Some states like Uttarakhand and Karnataka have expanded the scheme to almost their entire population. Many other states and UTs have similar plans," he wrote.

Bhushan added further, "UHC is feasible and Ayushman Bharat can be expanded to the middle class but it is also a question of resources."

"A consolidated government scheme can plausibly extend benefits to the 'missing middle', perhaps on a payment basis, graded on the ability to pay," he wrote.

Govt to begin "collective bargaining" for medical devices under AB-PMJAY

The government is likely to begin "collective bargaining" for medical devices that hospitals use for procedures under the cover of Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY). The main purpose behind the idea is to procure essential medical devices make available in the Government e-Marketplace (GeM). Accordingly, the empanelled hospitals will buy those medical devices from the GeM.

Presently, PMJAY does not have any system of centralised procurement of medicines or devices. The scheme has a defined annual benefit cover of Rs 5 lakh per family for hospitalisation. It follows an insurance model and aims to cover 10 million families, or roughly 40% of the country's population based on the socio-economic and caste census database.

As per a senior government official, "The plan is to do "collective bargaining" for certain medical devices and implants by assuring a bulk requirement to the manufacturers. The requirement for these devices runs into millions. We assure them that the requirement is going to be in bulk. In return, they should offer us better rates."

The government also plans to procure cancer medicines at prices lower than those capped by the National Pharmaceutical Pricing Authority (NPPA). "PMJAY rates could be lower than the prevalent rates by the NPPA. We can provide these medicines to our hospitals at lower rates," said the official source.

Aditya Birla Health Insurance joins hands with Mobikwik to offer affordable 'sachet' insurance

Aditya Birla Health Insurance Co Ltd (ABHICL) has joined hands with Mobikwik in order to offer simple sachet health insurance products. As part of this partnership, an innovative Cancer Protect Cover has been launched. With the aim of market expansion, both the partners are focused to create affordable insurance solutions for middle-class Indian consumers who are unable to access to insurance.

The policy covers across all major stages of cancer with a 100 per cent payout and includes a wider age group of 18 to 60 years. With a one-year tenure, this can be bought for as little as Rs. 125, for a sum insured of Rs. 1.5 lakh. Users have other options for increased sum insured to choose from: Rs. 4.5 lakh and Rs. 7.5 lakh with annual premiums of Rs. 375 and Rs. 625, respectively.

Via Mobikwik platform, ABHICL will also offer unique covers such as heart secure, and accident hospitalisation. Mayank Bathwal, CEO, ABHICL. said, "At Aditya Birla Health Insurance, our endeavour is to provide need-based health insurance solutions to our trusting customers. Through this partnership with MobiKwik, we intend to make health insurance affordable for millions of Indian families".

Upasana Taku, Co-founder, MobiKwik, said, "Against the backdrop of the rising number of cancer cases, we have introduced affordable insurance plans for users. The Cancer Protect plan bolsters MobiKwik's commitment to support India's healthcare needs, and enables financial inclusion for millions of Indian families, threatened by any kind of cancer."

Private Life Insurance News

Number of women buyer steadily rising for life insurance: IRDAI report

In a bid to accelerate the life insurance sector in the country, the number of women buyers, constituting 48% of the total population, is steadily rising, the IRDAI report states. As per the report, the share of women has increased to 36% in the number of policies and 37% in the first-year premium (FYP) in FY2018-19 as compared to 32% on both the counts in FY2017-18.

The total number of life insurance policies sold in 2018-19 stood at 2.86 crore with an FYP of Rs 97,690 crore. Among the total number of policies sold, women accounted for 1.03 crore policies in FY2018-19 (90 lakh in previous fiscal) with an FYP of Rs 36,525 crore in FY2018-19 (Rs 29,801 crore).

Anil Kumar Singh, Chief Actuarial Officer, Aditya Birla Sun Life Insurance, said, "This is a true reflection of the increasing financial awareness and independence of women in India. We, like many other life insurance companies, are also witnessing more women purchasing life insurance. Interestingly, the participation of women from tier-3 and -2 towns is higher than women from tier1."

HDFC Life Insurance launches HDFC Life Sanchay Par Advantage

HDFC Life Insurance has recently made an announcement of launching HDFC Life Sanchay Par Advantage, a non-linked participating life insurance plan. The scheme offers life cover and provides periodical income. The income offer comes with two options — immediate income option and deferred income option. Both the options provide a lump-sum at maturity. Customers can choose their premium amount, payment term and income option.

Edelweiss Tokio Life focuses on 15-20% growth in NBP, ETLI chief

With the aim of having a more 'wholesome' product portfolio and offer the right kind of products to customers, Edelweiss Tokio Life Insurance Company Ltd (ETLI) has embarked on a product rebalancing journey, as informed by sources.

Edelweiss Tokio life
zindagi unlimited

The insurer is presently eyeing 15% to 20% annual growth in new business premium (NBP) for the next few years, said Sumit Rai, Managing Director and CEO, ETLI.

During the first half of this financial year, the insurer clocked an NBP of Rs.133 crore, a 13% year-on-year growth, which reveals better performance than the overall industry growth of 9% and private life insurance industry growth of 11% as well. The NBP marked Rs.344 crore for the whole of 2018-19.

"We are looking to have a wholesome and balanced product portfolio. We want to be a balanced player. The share of ULIPs could be 30 per cent, participating products 30 per cent, non-participating products 30 per cent and protection of about 10 per cent," he said.

"We are keen to improve the protection quotient in our product portfolio. Our protection share has gone up in the last one year. Consumers are significantly more aware of the need to have protection. What was a hard push five years ago is not like that anymore," he added.

Bajaj Allianz experiencing no adverse impact for economic slowdown: Tarun Chugh

Tarun Chugh, Managing Director & CEO, Bajaj Allianz Life Insurance, has recently

stated that the company is not experiencing any adverse impact due to the economic slowdown. Tarun Chugh said, “We are seeing no impact and the growth of individual weighted premium during April-November 2019 was 30 per cent, much higher than the private industry’s growth. The life insurance industry is seeing good growth this fiscal.”

Tarun Chugh said the company expects its newly-launched ‘Bajaj Allianz Smart Protect Goal’, a pure term plan, to emerge as a “blockbuster” product in its product portfolio. “We do expect this comprehensive ‘Smart Protect Goal’ term plan — the most value-for-money product in the life insurance industry — to emerge as a blockbuster product for us in the coming days. I don’t think we are late in bringing this term plan which is packed with benefits and true value-for-money,” He added.

SBI Life provides support to differently-abled children

As part of its CSR activities, the SBI Life Insurance has collaborated with two NGOs with the aim of extending its support towards holistic development of the specially-abled children. The ‘Open Learning Systems (OLS)’ has the ‘Solar Power Systems’ installed in it, with which the differently-abled children will be beneficial in experiencing uninterrupted educational activities without depending on the availability of stable electricity connection. The insurer will also provide aid for classroom learning and hostel stay to the visually impaired children of the Pingalakhi Public Welfare Organisation (PPWO).

SBI Life Insurance MD and CEO Sanjeev Nautiyal said, “We believe that differently-abled children can learn to lead a normal life if they have essential access to education, vocational training and employment opportunities.”

Max Life Insurance introduces ‘Protect a Smile’

Max Life Insurance Company Ltd. has introduced an initiative, ‘Protect a Smile’, through which the insurer will fund one year’s education of an underprivileged child for every death claim it settles for its ‘Term Insurance Plans’ during the rest of the current financial year. In association with AICAPD, a national level NGO, Max Life’s initiative will enable a life insurance policy to not only financially protect the family of the policyholder but also empower society by making a difference to the lives of underprivileged children who have little to no access to basic education.

Aalok Bhan, Director and Chief Marketing Officer, Max Life said, “Life insurance is all about supporting families in the most important and critical moments of their lives that arise in the absence of their loved ones. While nothing can replace the loss of a loved one, the memory of that loved one can be honored by being a difference to another life. Under our new initiative ‘Protect a Smile’, Max Life will partner with AICAPD to go the extra mile in memory of the family’s loved one by protecting the future of society’s underprivileged kids on their behalf, thereby contributing to the creation of a better tomorrow.”

Kotak Life partners with Instantpay to reach out to Uninsured Indians

Kotak Mahindra Life Insurance Company has entered into a partnership with InstantPay, one of India's largest inclusive and neo banking platform with the aim of reaching out to the billion uninsured and underbanked population of India. This alliance will not only make insurance products to first-time consumers but will also digitally empower the semi-urban sections of the society.

Piyush Trivedi, Senior EVP, Sales, Alternate Channel at Kotak Mahindra Life Insurance Co. Ltd. said, "The next billion uninsured Indians remain a frontier waiting to be tapped by life insurers in India. It will require the right mix of products, processes and distribution to make a dent in this virtually unpenetrated segment. We believe that Kotak Life insurance has the right set of products that will work very well in the fin-tech segment. Pay-techs like Instantpay will help us distribute over-the-counter life covers to the mass market in byte size digital sachets."

Shailendra Agarwal, CEO, InstantPay said, "We believe that there is a huge opportunity to sell insurance to the underbanked if only the products are made simpler and more affordable. With the objective of securing the lives of millions, InstantPay decided to launch life insurance products on its platform, in partnership with Kotak Life Insurance. Kotak Life is one of the most credible names in the insurance industry and we are excited to launch our insurance vertical with products relevant to the mass market."

International News

Lloyd's to extend Family Care Policies globally from Jan 1, 2020

Lloyd's has recently announced that its market-leading Family Care Policies are going to be extended to cover all itscolleagues, globally.

The policies are designed to provide employees with the support they need to enjoy happy and healthy working and home lives, whatever that looks like for them. The insurer provides significantly more enhanced benefits than statutory entitlements, and in some cases provide new rights to which employees are not currently entitled to under statute. This is part of our genuine commitment to making Lloyd's an employer of choice.

In a further development of these policies, Lloyd's informed that from January 1, 2020 it is extending UK family care provisions to all global employees. This family care provision provides 26 weeks paid leave for primary or secondary care givers when you start a family, with an additional four weeks full pay to support a phased return to work. It is not gender-specific and applies regardless of how our people want to start a family, and regardless of length of service.

The Hartford recruits Sean Genden international insurance head

The Hartford, a leader in property and casualty insurance, group benefits and mutual fund, has appointed Sean Genden as head of international insurance. Genden is based in London and report to the Head of Global Specialty Vince Tizzio.

"His experience driving profitable business growth while balancing appropriate risk-taking will be key as we fully integrate this business, which is part of the recent acquisition of Navigators, with The Hartford and build our long-term international strategy. Sean is a proven international insurance leader who has built a strong reputation in the industry and with our partner, Lloyd's of London. His experience driving profitable business growth while balancing appropriate risk-taking will be key as we fully integrate this business, which is part of the recent acquisition of Navigators, with The Hartford and build our long-term international strategy," said Tizzio.

Munich Re partners with FMO to support private insurers' growth in poorest countries

Munich Re has signed a pact with Netherlands Development Finance Company (FMO) for an Unfunded Risk Participation Program. With the aim of supporting private sector insurance growth in the poorest countries across the globe, the Re/insurance major has taken the move.

As part of the agreement, Munich Re will participate in FMO transactions up to a total amount of $500m over the next three years. On the other hand, FMO intends to scale up private sector mobilisation and increase funding towards financial Institutions, the energy and agribusiness sector in developing markets.

Munich Re board of management member Doris Höpke said, "The risk participation programme with FMO creates a win-win situation for both our enterprises: FMO benefits from the strong insurance capacity of Munich Re to mobilise more capital for their mission, Munich Re profits from FMO's excellence in loan origination and credit risk management in emerging markets. The partnership allows us to open up new markets for our business, while supporting FMO in their mission to foster private sector growth in developing countries."

BLOCK CHAIN - MAKING INROADS IN MICRO INSURANCE

Today there is a greater need for personalized insurance covers that can meet the unique needs of customers. Traditional insurance industry faces the threat from emerging start-ups that are offering flexible covers through the use of automation and smart contracts.

Micro insurance is that insurance vertical that offers protection to low-income people against specific perils. The covers are offered at nominal premiums that are proportionate to the likelihood and cost of the risks involved.

Like other branches of insurance, micro insurance is sold and never bought. Western experts are scoffing at the narrow definition of micro insurance rather preferring a more inclusive definition of Micro insurance - products that are sold in the new sharing economy and those that offer solutions for challenges encountered in the sale and distribution of insurance. But the problem is that once these products are offered to all the strata of population, the distinction enjoyed by micro insurance ceases to exist. For developing economies, it is better to have micro insurance as a vertical dedicated exclusively for the marginalized sections of society.

In India, micro insurance is plagued with challenges like poor distribution ecosystem, lack of trust by insured and inordinate delays in processing claims. The trust deficit is the main reason why block chain technologies are making inroads in micro insurance - though these are early days in India. Micro insurance is a low premium - high volume sales business - so a conventional mindset of making profits through premiums may not be possible. Rather the need is to cross subsidize micro insurance through revenues generated from other insurance business models. Despite the fact that India has a huge marginalized population, volumes of micro insurance policies sold are meagre - as said earlier, trust deficit is the main reason. Either people

About the author

Venkatesh Ganapathy
Presidency Business School
Bangalore

have no faith that they will be paid the claims or claims are delayed much beyond the period of loss.

Micro insurance has to be event driven and simple. It has to be viewed with a different kind of lens. In fact, it should be viewed more as a social responsibility.

Insurance contracts are complex and the poorest of the poor have no recourse or inclination to read through such documentation. The process of selling and distributing micro insurance needs to be simplified. Traditional insurance processes will need circumvention to cut short the cycle time so that the process of collecting premium and disbursing claims is as smooth and seamless as possible.

Penetration of mobile phones in the Indian market is wide and immense. Using technology to improve the customer journey is what is needed. This is how smart contracts, artificial intelligence, and block chain technologies can demonstrate their disruptive power and reduce the complexities associated with traditional insurance buying and selling.

Thanks to the very nature of the insurance business where the value chain is splintered among different stakeholders - insurers, brokers, agents, third party administrators - no one seems to have a clear picture of the pain points of customers. As the focus keeps shifting to financial performance, reduction of overheads, product-based metrics and keeping the claims low - the insurance sector's focus towards customers ends up being a mere rhetoric. Service marketing is now skewed towards "customer experience management" and insurance services must come to terms with this reality.

Better data management, customer engagement and innovative pricing - all these can be achieved through automation.

Pay-as-you-go insurance is becoming popular in the West. Artificial intelligence can help in simulating real time weather data to make accurate predictions. Claims can be paid out when there is a triggering event even without claim intimation from the insured. Block chain technologies have the potential to revolutionize the insurance sector in the medium to long term provided insurers invest efforts in sufficient due diligence to understand the intricacies involved in such technologies.

Even in motor insurance, questions are being raised about the premium charged on a flat basis without considering the usage of the vehicle. Similarly, we need to understand that micro insurance needs to become more transactional to achieve a modicum of success. Provide cover when it is needed and ensure that claims are paid on time. The more transparent the claims process, greater is the propensity for reducing the intensity of trust deficit that the poor have about insurance claims. There is an urgent need to introduce parametric covers for micro insurance.

Insurance companies have to eschew their fragmented legacy systems to stay relevant to the marginalized sections of the society. Block chain can engender greater trust among the insured. Considering the fact that experimentation has been an anathema for the insurance sector so far, the implementation of a disruptive technology like block chain has to be carried out in an incremental fashion.

Besides micro insurance, pilot testing/ field trial of block chain can be done in health insurance and life insurance. When it comes to implementation of technology, it has to be emphasized that the implementation has to be in a consistent and compatible manner. Scaling up can be done gradually.

As of now, insurance companies lack the wherewithal to derive greater value from block chain. This necessitates a greater need for collaboration of insurers with other stakeholders - startups, insurtech firms, technology solution providers. India also needs a regulatory check on the long term impact of such technologies on the industry.

The insurance industry in West has been experimenting with strategic alliances. Aon, Etherisc and Oxfam in Sri Lanka have collaborated to provide block chain enabled micro insurance to small holder farmers in Sri Lanka. The premiums are affordable for the paddy field rice farmers. The alliance has believed in empowering farmers.

The success of block chain technologies will eventually pave the path for innovative covers in micro insurance and other branches of insurance. A block chain start up calledÅrstaumn has entered into a strategic alliance with Deloitte. They have used block chain to allow users to submit insurance claims through Facebook messenger.

As block chain technology keeps evolving, the insurance sector's learning curve will pay rich dividends in the long run. Strategy is going to be the buzzword for the insurance sector in the near future. Let us wait and watch! ❑

THERE IS NO FAIR PLAY WITHOUT AN INDEPENDENT REFEREE

The Union Cabinet has approved a unified regulating authority for international financial services centres (IFSCs) such as Gujarat International Finance Tec-City (GIFT City). The authority will be established through the International Financial Services Centres Authority Bill, 2019. The draft Bill was approved by the Cabinet and will now go to Parliament. Currently, banking and capital markets and the insurance sectors in IFSCs are regulated by multiple regulators such as the Reserve Bank of India, the Securities and Exchange Board of India, and the Insurance Regulatory and Development Authority of India.

The dynamic nature of business in the IFSCs necessitates a high degree of inter-regulatory coordination. It also requires regular clarifications and frequent amendments in the existing regulations. According to the draft Bill, prepared by the finance ministry, the proposed authority will be headed by a chairperson and will have one member each nominated by the RBI, SEBI, IRDAI and the Pension Fund Regulatory and Development Authority (PFRDA). Two members will be nominated by the central government. There will be two other full-time or part-time members. An IFSC like GIFT City tries to provide a business and regulatory environment comparable to any leading international financial centre in the world.

This is aimed at providing Indian corporate entities with easier access to financial markets and also attracting services and transactions that are now carried out in offshore locations. The need for a separate unified regulator arose after the existing regulators expressed concerns that transactions in GIFT City can have an impact on the domestic markets.

The establishment of a unified financial regulator for IFSCs will result in providing a world-class regulatory environment to market participants from an ease of doing business perspective. This will provide stimulus for further development of IFSCs in India and enable bringing back

About the author

Jagendra Kumar

Ex. CEO,
Pearl Insurance Brokers
JAIPUR

financial services and transactions that are currently carried out in offshore financial centres.

IFSCs require focussed and dedicated regulatory environment:

The development of financial services and products in IFSCs would require focussed and dedicated regulatory interventions. Hence, a need was felt for a unified financial regulator for IFSCs in India to provide a world class regulatory environment for financial market participants. In view of the regulatory requirements of IFSCs and the provisions of existing laws of the financial sector, the Ministry of Finance has piloted the draft Bill to set up a separate unified regulator for IFSCs.

Management of the IFSC Authority:

The Authority shall consist of a chairperson. One member each will be nominated by the RBI, SEBI and IRDAI and the Pension Fund Regulatory and Development Authority (PFRDA). In addition, two members will be nominated by the central government. Two other whole-time or part-time members will also be appointed.

Functions of the Authority:

The Authority shall regulate all such financial services, financial products and financial institutions (FIs) in an IFSC which have already been permitted by the financial sector regulators for IFSCs. The Authority shall also regulate such other financial products, financial services or FIs as may be notified by the central government from time to time. It may also recommend to the central government such other financial products, financial services and financial institutions which may be permitted in the IFSCs.

Powers of the Authority:

All powers exercisable by the respective financial sector regulators (RBI, SEBI, IRDAI, and PFRDA) under the respective Acts shall be solely exercised by the Authority in the IFSCs in so far as the regulation of financial products, financial services and FIs that are permitted in the IFSC are concerned.

Processes and procedures of the Authority:

The processes and procedures to be followed by the Authority shall be governed in accordance with the provisions of the respective Acts of Parliament of India applicable to such financial products, services or institutions, as the case may be.

Grants by the central government:

The central government may, after due appropriation made by parliament by law in this behalf, make to the Authority grants of such sums of money as the central government may think fit for being utilised for the purposes of the Authority.

Transactions in foreign currency:

The transactions of financial services in the IFSCs shall be done in the foreign currency as specified by the Authority in consultation with the central government. GIFT City has been ranked as third most promising financial services centre globally, in a half-yearly report in 2018 by The China Development Institute (CDI) in Shenzhen and Z/Yen Partners in London. The ranking takes into consideration five major factors namely business environment, human capital, reputation, infrastructure and financial sector development. This ranking should build further confidence in investors to set up operations in GIFT IFSC.

While at this stage, the Gujarat International Finance Tec-City (GIFT City) is the lone and exclusive IFSC which is operational in the country, but due to these collective efforts of the government, regulators and operators, the IFSC juggernaut has started rolling and is starting to show some early signs of success. The significant growth in the total assets of banks based out of GIFT City, or the noticeable increase in the trading turnover on the stock exchanges organised in GIFT City, or the growth in the number and value of international insurance policies written by insurers with presence in GIFT City are all clear indicators of this success, despite the early stage.

With the objective of making India a one-stop destination for financial services and transactions that are typically effectuated offshore, Gujarat International Finance Tec-City (GIFT City) has certainly made significant strides towards facilitating lucrative access to the global financial services milieu for corporate entities, financial service providers, investment funds, etc. that are set up in India. However, the Bill seems to address preliminary concerns that arise in terms of regulation of the wide-ranging financial services, products and institutions housed in IFSCs.

While such proposals in the Bill are largely modelled on global international financial services centres, this is undeniably a very prominent and positive leap towards a more dynamic IFSC regime in India, facilitating streamlined regulation for all financial participants in IFSC by obviating the pre-existing confusion as overlapping regulatory supervision by different regulators. Such a unified regulator will provide impetus to IFSCs to retain foreign capital that was originally routed through other offshore financial services centres and catalyse the strengthening of India's global position as a more mature, eminent, and business-friendly jurisdiction for financial services.

A more comprehensive view of the regime by a regulator could further facilitate and expedite the growth of the IFSC to make them globally competitive. The Department of Economic Affairs (DEA) and Ministry of Finance (MoF) have drafted the Bill with the aim to set up a separate unified regulator (Authority) for IFSCs.

Health Insurance Industry needs a Separate Regulator:

The existing laws have failed to regulate India's healthcare sector. India needs a medical regulator that is more like a tribunal and not the consumer court. Regulations are only confined to asking hospitals to earmark and admit patients from the weaker sections as per the undertaking given while availing of the concessions, generally providing 10% of in-patient department and 25% outpatient department care free of cost. Even this was completely unsuccessful.

The health ministry had no power or political will to enforce it. Two recent events have put the private health sector in India under intense scrutiny in recent weeks. One is the death of seven-year-old Adya Singh at Fortis Memorial Research Institute in Gurugram. The child had been admitted in the hospital with dengue and died there after 15 days. Her family said that they had been billed Rs 15 lakh, an amount that most believed was grossly inflated.

A government investigation into the case found irregularities, unethical practices and violation of the protocol for diagnosis and medical duties. A doctor at the hospital has been charged with culpable homicide and local authorities are considering action against the hospital management.

The second case is that of Max Super Speciality Hospital, where a premature infant, declared dead and handed over to the parents, was later found to be alive. Although the child was taken back to hospital for treatment, he did not survive.

These two cases are only the latest in a long list of reported malpractices, negligence, and ethical violations at private hospitals across India. The main reason that these violations are all too common is the lack of strict and uniform regulation of healthcare in the country. The private medical healthcare system of India is set up in such a way that there is little accountability, there are numerous gaps between old laws that are irrelevant to new healthcare systems and new laws that are robust but not being implemented, and there should be a body to oversee healthcare just like there are for telecom and aviation.

The Clinical Establishments Act:

The Clinical Establishments Act has drawn up standards that hospitals must meet and needs healthcare providers to declare the services provided. If there are transgressions of these standards, the authorities can cancel registration. This should be implemented without further delay across the country. If the states do not listen the subject of medical standards and quality of care should be brought on the concurrent list of the Constitution. You cannot shut a hospital overnight, because there are a lot of critical and serious cases for which treatment cannot just be stopped.

These are not just consultations but operations, dialysis, haemophilia cases where treatment is going on all the time and over a period of time. You cannot leave those patients in the lurch. Patients have to find another doctor, get an appointment and in doing this can lose precious time and may lose a life. The Medical Council of India is supposed to set standards but it only registers doctors on the medical register of India. State medical councils enrol doctors on state medical registers.

Now, medical councils are elected bodies and members have to fight elections. Their purpose is to look after the interests of doctors and not to annoy them with enquiries and punishments - very rarely does the council resort to suspending a licence of a doctor, leave alone cancelling it. There is virtually no oversight of doctors or deficient or unethical treatment by the national or state medical councils. Once admitted into a high-end private hospital, patient has no estimate of what the ultimate bill might be as the hospital charges whatever it wishes to.

Private hospitals are in it for profits and do not operate based on charitable or altruistic motivation. Therefore, these horror stories of people being overbilled are often correct. If you look at private hospitals, there will be anything from a 100 to 500 cases against each in consumer courts, most often about billing. The Clinical Establishments Act covers public and private establishments. All state regulations should cover public and private medical establishments. Public hospitals have enormous problems. For instance, government doctors siphon off patients telling them to come to their private practices where they charge them five times the cost. They also need to be put under check. There are many ways whereby the medical sector can be regulated and, indeed, that is a crying need today

Lack of Regulation:

Super-speciality corporate hospitals hire highly qualified people, have state of the art equipment and are highly organised. So a man, who has money but no insurance, has at least this outlet where he might be paying four times what he should but he gets the service. Regulation was only confined to asking hospitals to earmark and admit patients from the weaker sections as per the undertaking given while availing of the concessions, generally providing 10% of in-patient department and 25% outpatient department care free of cost. Even this was completely unsuccessful.

The health ministry had no power or political will to enforce it. India needs medical tribunals starting with an ombudsman at the sub-district level, a district forum, a state forum and a national forum. Each of these should have a judge, a doctor and a medical administrator who knows about hospital administration. Country needs such medical tribunals that can look into these specific cases of malpractice, negligence, apathy and overbilling.

The private health sector is the outcome of a policy climate that encouraged the establishment of specialty hospitals. During the 1980s up to the time of liberalisation, there was nothing like a private healthcare sector other than small nursing homes, which took care of maternity cases and so on. For complicated cases patients were taken to public sector hospitals like Safdarjung or Lok Nayak Jayaprakash Narayan or Ram Manohar Lohia or the All India Institute of Medical Sciences. There was nothing like corporate hospitals.

Then, between 1992 to about 1998, a slew of concessions were given and Foreign Direct Investment was permitted for the health sector. With that, foreign money and Indian money could come into the health sector, treating is as an industry. Land was given at concessional rates to hospitals as well as income tax exemptions and huge customs duty exemptions. This ensured that it was worthwhile and profitable for investors to invest in the health sector. Meanwhile, the health sector in small towns offering medical or surgical services is dominated by single practitioners only. Of the 10.4 lakh healthcare enterprises, which include hospitals, nursing homes, diagnostic centres and laboratories about 8% are hospitals, while 50% are single practitioners.

Of the 50%, unqualified practitioners account for more than the qualified doctors. This creates a bottleneck where only people with resources can go to specialty private hospitals while the rest have to go to small nursing homes or depend on overcrowded government hospitals.

Apart from implementing the Clinical Establishments Act which is a must, Industry needs a regulator that is more like a tribunal and not the consumer court. The consumer court only looks at faulty service and award of compensation and has no medical advice available to it while deciding case of medical negligence or malpractice.

A particular administrative member may or may not have a health background. Even among lawyers, there are only those who add on to their areas expertise and do a little of medical negligence and malpractice cases but there are no specialists in these areas. Medical negligence and malpractice cases need lawyers that can interpret medical findings and are conversant with best practices and treatment regimen.

So, you can't sue a doctor for anything and you are only stuck with the consumer court. The consumer court has a long pendency and might be looking at a case of the operation of a toaster or lift and case of a hospital on the same day. That is not the ideal forum.

Hospitalisation insurance cover found lacking

A three-state study has found that India's government-funded or private health insurance schemes that pay for hospitalisation have not adequately protected households from catastrophic health expenditures. This has rekindled the debate on how to achieve universal health care. The study that examined sample households in Gujarat, Haryana and Uttar Pradesh found 28% of insured households and 26% of uninsured households faced catastrophic health expenditure that significantly altered their expenses on essential services.

Health insurance in its present form does not seem to provide requisite improvement in access to (health) care or financial risk protection, health economists who analysed health-care spending by 12,134 households in the three states said in their report. Their findings, published this week in the journal PLOS One, echo long-standing concerns among sections of health experts that insurance schemes that only cover hospitalisation costs continue to expose households to significant financial risk.

The government last year launched the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PM-JAY) for 100,000 poor households - or 40% of the population - that pays up to INR500,000 ($7,030) per year per household for hospitalisation. The central government and the states pay the scheme's premium on a 60:40 ratio. The three-state study probed health-care spending by households covered by earlier government-funded schemes - such as the Centre's Rashtriya Swasthya Bima Yojana (RSBY) that paid up to INR30,000 per year - and private health insurance.

The households covered by the Centre's Rashtriya Swasthya Bima Yojana had the highest proportional prevalence (39%) of catastrophic health expenditure followed by households with private insurance (23%) and state insurance schemes (21%). The study found that average out-of-pocket or personal expenditure for in-patient care among the insured was about INR32,000 and about INR24,000 for the uninsured. The average out-of-pocket expenditure was highest (INR73,000) for people enrolled under private health insurance schemes and lowest (INR15,000) for people under the RSBY.

There are valid reasons for such poor quality of insurance products, regulatory failure. The failures can be traced to gaps in regulation drafted by the regulator, poor enforcement of regulations and failures in the design of the redress mechanism. This creates incentives for insurers to reject valid claims. The proposed changes may reduce such behaviour of insurance companies. This includes a feedback loop system between the regulator and grievance redress agencies to continually improve existing regulations and identify areas which require new regulations.

In recent years there has been an increased role for health insurance in Indian health care, through government funded health insurance programs and privately purchased health insurance. An analysis of the claims ratio and the complaints rate in the health insurance industry, suggests that there are important difficulties with the working of health insurance. The lack of fair play in this industry is derived from deficiencies in regulations, weak enforcement of regulations and faulty institutional design of consumer redress. The solutions lie in laws and regulatory processes for consumer protection. Examination of health policy and financial policy, together would formulate a strategy for change.

This high rate of complaints is still an understatement of the problems with the health insurance industry in India. Health insurance in India covers only hospitalisation costs. In contrast, insurance in all the other jurisdictions covers hospitalisation, clinical visits, medication and some wellness care. Therefore, Indian consumers invoke health insurance only a fraction of the number of times health insurance is used in the other jurisdictions.

There is no method for adjusting for this lesser use of health insurance. However, it is reasonable to imagine that increased contact between the insured and the insurer in other jurisdictions creates more chances of complaints. Consequently, if such comprehensive health insurance is available in India, the Indian health insurance complaints rate would be even higher. The insurance ombudsman has repeatedly stated that insurance companies often reject claims without any reasoning and do not re-examine complaints against such rejection.

This behaviour flows from the text of existing regulations which do not lay down the procedure for settlement of claims or the redress of consumer grievances against rejection of claims. Consequently, health insurance disputes are not settled in accordance with the law but in an ad-hoc manner. Even the legislature has given separate recognition to health insurance as a business. Consequently, the regulatory framework for health insurance was overhauled in 2016.

The Financial Sector Legislative Reforms Commission has substantial insights into these problems. There is a need of an independent Regulator for collaborative work between health policy thinkers and financial sector policy thinkers in addressing these problems, as the concerns of health policy and the concerns of financial sector policy point in the same direction.

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LEARNING FROM HISTORY-A RISK MANAGEMENT PERSPECTIVE

Introduction

Though risk management and its application in the corporate world are new, its essence is very old. One must remember that risk is always about the future and future is always unknown. There is a no idea what will unfold in future, however, some idea about the future can be assessed based on past data, present information and judicious judgment about the future. In the life insurance business which is about long term assessment of risk is based on similar methodologies. The life insurance businesses have been successful throughout the world based on actuarial principles.

To address any risk, it is very important to first identify the risk, assess its likely impact and plan for preventative action now, to minimize the impact of the risk, should risk materializes. Risk assessment requires a mindset with vision to anticipate future based on certain key risk indicators of present which always emanate important information about the expected future.

In the very recent past we witnessed economic slowdown resulting from reduced economic activities, the key question that is addressed in this article is, could this have been anticipated to address the economic risks to take mitigating actions earlier than later.

About the author

Sonjai Kumar
Certified Risk Management Professional from IRM London

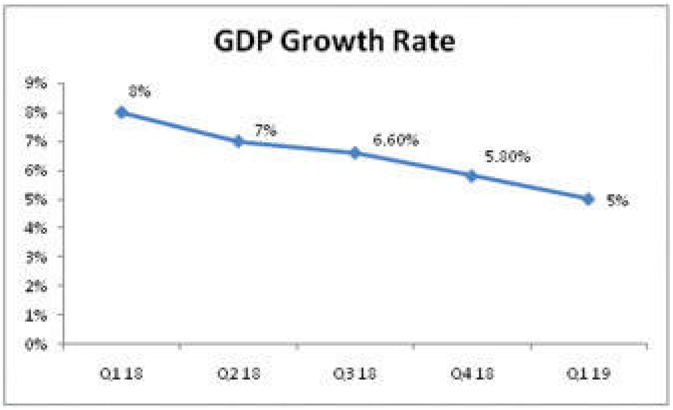
Glimpse to Recent Past

The Gross Domestic Product fell to 5% in the Q1 FY 2019-20 corresponding to the same period of previous year; obviously its parameters such as private consumption, investment, government expenditure and net exports performed adversely. The consequence of the slowdown was seen by job losses in different sectors of the economy, reduced earning impacting business adversely etc.

The key question is, does this happened all of sudden or certain trends were available which was overlooked? Let's see some trends in the key economic indicators in the next section.

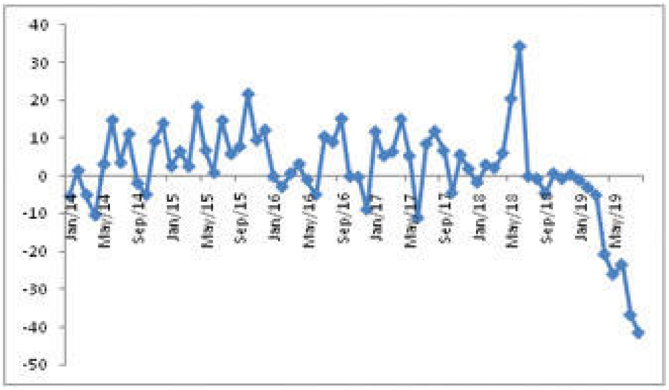
Historic Data Indicators

Let's look at first at a high level, how does the GDP was performing over last one year in the below graph



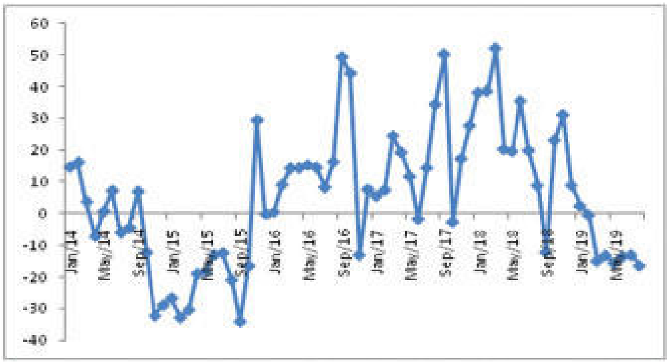
It is evident that the GDP declined over the last four quarters and the performance in Q1 FY 2019-20 is not all of sudden, some initial indications were available in the second quarter of FY 2018-19.

Let's now analyze some components of GDP over last couple of year to look at the underlying factors. Under the consumer economy, look at the year on year growth on sales in passenger vehicle from January 2014 to August 2019:



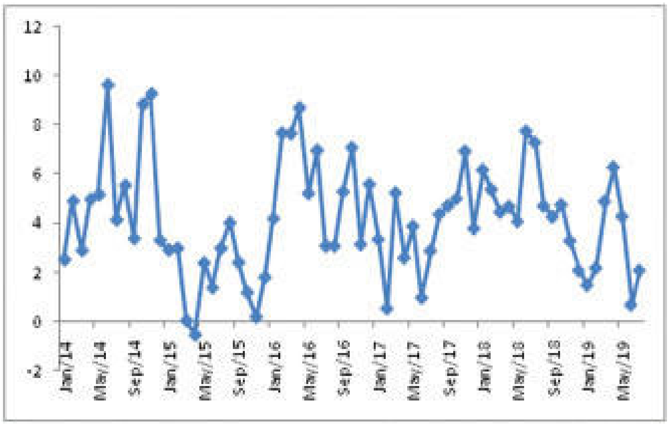
The early sign of volatile sales were visible way back in mid of 2017 ending with sustained negative growth from July 2018.

In the same category of consumer economy, the year on year growth in tractor sales is shown in the graph below:



In this category as well, early signs of volatility was recognized in 2017 followed by sustained negative growth from January 2019.

Under the industrial sector, let us look at the core infrastructure sector comprising electricity, steel, refinery products, steel, crude oil, coal, cement, natural gas and fertilizers. The graph below shows the year on year growth in the index of these eight core sectors



There are two downward sloping trends here, one is from May'16 to March'17 and second is from May'18 to September'18 till August'19.

The above indicators indicate that some early symptoms of economic downturn were visible in the economy much before Q1 FY'20. Any such sustained downturn is a risk to the economic growth. Early signs of adverse symptoms are like an indication of early poor health requiring immediate action; the delay in taking remedial action is like allowing the disease to settle down in the body.

If we use the concepts of risk management, then keeping an eye on the future is very important. As an example, in many of the core economic sectors there were early signs of volatility were present way back in 2017. Now assuming we are in 2017 and there are volatile monthly annual growths in key sectors, then the risk mitigation plan should be prepared in 2017 and use the time between 2017 to 2019 in the implementation of those prepared action plan.

The observations of key economic indicators are very important for the corporate as they are the key sources of risks which adversely harm the business output. It is just not enough to monitor the internal Company specific risks as economic risks can give bigger and longer shocks.

Apart from the economic indicators, the new emerging risk is change in the climate showing its impact through excessive rain in different parts of the country. It may be noted that the excessive rain trend started few years back and its frequency and spread in different part of the Country is increasing ever since. This is not a good sign for both country and business together as we may get caught in a deep trouble in next couple of years when the impact of climate change is more sever.

Recently, we saw spike in crude oil following drone attack in Saudi Arabia's oil well shooting the oil prices in India; it was a good indicator of likely rise in the inflation and subsequent ability of Central Bank to further reduce the policy rate further. Any sustained oil crises could have adverse impact on economy and business model. The good sign is the oil crisis is over; however, this parameter may be tracked for future reference.

Recently International Monetary Fund has warned about the global economic slowdown, this parameter should be tracked as our economy is no more insulated to the external world. Any international slowdown will impact the export, flow of foreign fund to India for investment, fall in the stock market etc. This may in turn further slowdown Indian business impacting both top and bottom line.

The time is now ripe to monitor this global indicator to take remedial action on business now. This remedial action could be change in the product design, change in the target market, cost rationalization and change in the business model to cater the emerging need if global slowdown impact Indian market.

Tracking the Indicators

Continue tracking of risk indicators be it economic or Company specific is very important for the success of the Company. This helps in nipping the risk at its bud; there is a no point in waiting for the indicators to get red. There is also a need to add more indicators such as risks emanating from demographic factors, environmental factors, factors that have never been tracked but may cause entire disruption of the business such as failure of internet. If internet fails, many businesses depending on online will collapse.

Environmental risk is the most dangerous risks that may wipe out entire economic progress if remedial actions are not taken now. The time has come to track the environmental risk in businesses. Excessive rain during 2019 in different parts of the country breaking records of 100s of years is a warning signal. This warning signal is akin to or more severe than economic indicators that were missed in the distant past.

It is important to identify the right indicators representing the risks, sometimes some decisions lead to impact which come out in a form of indicator much later on the time scale. For example, no one anticipated the impact on the economy of the demonetization decision taken way back in 2016. It took around three and a half years to begin its impact visible. This is where a judicious judgment is important using information available 'at present" along with the historic data. If there were proper mechanism of risk management in business houses were there along with tracking of economic indicators, these three and a half years would have used in taking mitigating action.

There are economic generator models are available that can be used for the purpose of anticipating the future along with judgment. Along with the economic generator models, predictive models can also be used for projecting the future. The need is to develop futuristic thinking and "what if" mindset. The developed economy has instituted corporate governance guidelines based on their adverse experiences in the past. The key question is can we avoid something like 2008 crisis in India?

Someone may argue that it is easy to comment in the hindsight on the risks that materialized. That is the message to learn from the history and prepare for the future and start taking the mitigating action now from emerging risks indicators. No event in the world happen all of sudden and some information is always available giving hint about the future. If we wish to minimize the adverse impact of the risks, the time is now.

Quantification of Risks

It is very important to quantify the risk on the scale of likelihood and impact as this helps in identifying the top risk requiring more urgent attention. If sales of passenger car are showing more negative growth compared to two wheeler sales, then immediate action is required to boost passenger vehicle.

There are at times some risks are low in likelihood and very high in impact; for example failure of internet has low likelihood but its impact could be devastating. The treatment of this risk will be different compared to risk of falling sales in passenger vehicle.

Conclusion

Risks does not occur in isolation and suddenly, it always give early warning signals; it could be a different matter that we have not developed and implemented robust risk management framework for its mitigation. The key to future risk mitigation is to keep all eyes and ears open and act early, time may be short in future to address risks. ❑

CHILD INSURANCE: A LEGACY TO LEAVE BEHIND

Children are always a bundle of joy. Right from the time they enteryour life, all grown up and independent your children are your pride and bliss. Every responsible parent looks for the best of everything for the upliftment of their children. They can go that extra mile to see to it their wards become a Success.

Why should you save for your children?

If you want to nurture your infant, pay for his /her school, college fees you need to spend money. If you want your child to have better and brighter future and career, you need to devise a financial plan for your child's future. Life Insurance stands out to be a better alternative.

The biggestfinancialworry most Indian parents face about mitigating the overwhelming and ever-increasing cost of education. According to a survey conducted by national sample survey office, the cost of general education has shot up by staggering 175% between 2008and 2014.At the same time, the cost of professional and technical education has risen by 96% taking this account, it has become critical for parents to plan for their children education.

Question is that how do you plan? for your child's future. There are many options to fulfill the child's need for example investment in equity, bank fixed deposit, mutual funds, but all of them have their own pros and cons. While your investment might yield you a considerable corpus to provide for your child's future expenses. What would happen if you face pre-mature death. How would you secure your child's future then?

A child insurance plan comes into play in these situations. The plan provides an avenue of investment for child's future and guarantees the promised corpus even if parents dies. Child insurance plans come with the dual benefit of insurance and investment. Buying a child plan with interim

About the author

Vijay H Kakhandki

Faculty with Life Insurance vertical, MABFSI

or terminal bonus, as per the need, can help you plan your child's future with security. Some of the plans offer reversionary bonus that is compounded every year, which can help in getting a bigger corpus. On the other hand, a child insurance plan offers a lump-sum payment on the death of the policyholder, but the policy does not end.

All future premiums are waived off and the insurance company continues investing this money on behalf of the policyholder. The child gets the money at specified intervals as planned under the policy. In this way, the parent ensures that his child's needs are taken care of even if he is not around. Investing in a child insurance plan will entitle you to tax deductions for the premiums paid as per Sec 80C of the Income Tax Act, 1961.

As far as the right time to buy a child plan comes into mindtime is when you buy child plan is an important factor for the policy to be effective in terms of premium paid and the returns. Just like any investment to grow substantially, child plans taken for a longer duration pay better whether traditional or ULIP. Since the maturity date of these plans is fixed, it is better to buy these when the child is still young. This gives ample time for the funds to grow.

Buying a plan early in the child's s life also makes premiums for the plan manageable and affordable for a decided upon corpus. Premiums for generating the same return rise with every year delayed. With that in mind, if the child is already in teens, child plans may not be very effective means. It is better to go in for other investment options along with a pure protection plan.

According to the survey done on parents who have purchased insurance for their children, it has been found that these parents become relieved as their burden on education and marriage cost minimizes. And when the maturity period ends, their child can use this money wisely. So, it's your turn now to give your best just like your parents had done for you to your child'sdreams of an ideal career, dream wedding, capital for business and so many other specialized needs that children have from time to time.

Dear parents,

Its time to remember, one thing about time, that is time runs very very fast. We will not even know, when our children grew up, and in dire need of money for marriage, business, education etc. etc.

I remember a statement from SBI chairman," Best time to plant a tree was 20 years before, the next best time is now.".So i am reminding parents specially here that, time to buy a child policy or policies right now and now only.

"You don't buy life insurance because you are going to die but because those you love are going to live"

I thank Professor Paramesh for valuable inputs. ❑

Insurance Quiz

1. **Which institute has recently organized 40th Foundation Day?**
2. **How many years may be taken by SBI to list its general insurance arm?**
3. **Which insuretech stratup has secured $5.5 million series A funding?**
4. **Which general insurer has launched #CareHeroes initiative?**
5. **IRDAI will launch which scheme as pilot project in some states?**
6. **Which life insurance company will bring policy premium payment through credit card?**
7. **Which insurer has launched 'Health Premia'?**

The answers of the quiz are from this issue itself. Just go through our journal and you will find the answers. Send your answers by Email to insurance.kolkata@gmail.com and you can get a chance to win an attractive gift. The gift will be offered to the person giving all the correct answers. If we receive more than one entry with all correct answers the name of winner will be drawn from lottery. The last date of receipt of entry is 25th January, 2020.

So Hurry and Submit your entry at the earliest !!!!

Mr. Devesh Srivastava joins as new Chairman cum Managing Director of GIC Re

Mr. Devesh Srivastava has recently joined as new Chairman cum Managing Director of GIC Re. A direct recruit officer of the 1987 batch, Devesh went through places in his entire career. He started his career with Oriental Insurance Company Limited at Delhi. It was in 1999, his services were transferred to General Insurance Corporation of India and from there he never looked back.

Devesh has a very distinguished academic career also. He graduated in Physics (Hons.) from St Stephen's College Delhi and also post graduated in Physics from the same college. He received his post graduate degree in Management, majoring in Marketing with a Gold Medal from the prestigious Management Development Institute (MDI) Gurgaon in 2008.

His friends from MDI, Gurgaon remembers him very fondly. "He is a very cheerful and lively character but at the same time very focussed. No wonder he was the topper of our batch" confided a batchmate of his, from MDI Gurgaon. "He has an uncanny quality of mimicking, making people burst forth into peals of laughter. There is imprint of geniuses whatever he does"quipped another batchmate.

Devesh has wide array of experience in Reinsurance as he was posted in the Reinsurance Department and handled all speciality lines of Aviation, Marine Hull and Cargo, Oil & Energy, Miscellaneous and Liability. Devesh headed the UK branch of the Corporation between 2013 and 2018. He became General Manager of GIC Re in 2017 and handled the departments of Human Resource & Training, Re-Insurance Worldwide (RIWW), Health, Corporate Communications, CMDs Secretariat, Innovation Centre, Ministry & IRDAI matters (coordination) with great distinction.

Devesh is a voracious reader and loves reading non-fictions. His favourite is PG Woodhouse. He also loves both Indian and western classical music. He is extremely fond of Pandit Bhimsen Joshi. He is also fond of many exquisite renditions of Mozart. A human being par excellence and humility personified, Devesh also enjoys the gift of the gab. True to his charismatic personality, Devesh would like his epitaph to read "Uberrimae fidei" – 'Utmost Good faith for all and malice towards none'.

Malay Kumar Poddar appointed as Chairman-cum-Managing Director of Agriculture Insurance Company

Malay Kumar Poddar joined as Chairman-cum-Managing Director of Agriculture Insurance Company of India Limited on 18th December 2019. He started with General Insurance Corporation of India (GIC), Mumbai, as a generalist officer in 1986. After initial training in all trades of General Insurance, he was inducted into Crop Insurance Department of GIC. He worked in GIC Crop Insurance Department for almost 18 years and served in six different states of India as State In-charge. After formation of Agriculture Insurance Company of India (AICI) in 2002-03, he joined the newly formed Company in 2003-04.

Initially he was not very keen to join AICI, as he was not very sure like many of his colleagues in those days, as to how AICI would take shape in days to come. Call it good providence, he chose to stay with AICI and that was the defining moment of his life. He served there for almost 15 years and became General Manager in 2014. In 2018, he moved on to National Insurance Company Limited at Kolkata as General Manager. At NIC, he oversaw Agriculture, Aviation, Liability and Miscellaneous lines of business and led the digital marketing initiative of the Company. He fondly remembers his early days with GIC and his association with Mr. D. K. Pant, who was GM HR in those days at GIC. "He goaded me to stick with Crop Cell given my background in Agriculture", recalls Malay Poddar with a glint in his eyes.

"He was there in the crop cell. He applied himself to the job sincerely and absorbed the intricacies and ramifications of crop insurance as critical insurance scheme to protect and promote nation's economy. He did well to be identified as a key person, so much so, that when most of these cells were dismantled, he along with a few competent persons continued working. He was very sharp and quick on uptakes to make a mark to get charted on the graph. He knew his task well and implemented some crucial schemes successfully to stamp his authority. I remember, asa part of these issues were handled by me as MD, GIC in 1998-99" reminisced fondly, Mr. B. D. Banerjee, the former CMD of The Oriental Insurance Co. Ltd.

Continued in page 37

The Insurance Times Journey of 40 Years

The Insurance Times journal has stepped into 40th year of its publication. It has indeed been a very eventful journey of long 40 years. This is a moment to cherish for any organisation to have served the industry for so long and still growing strong.

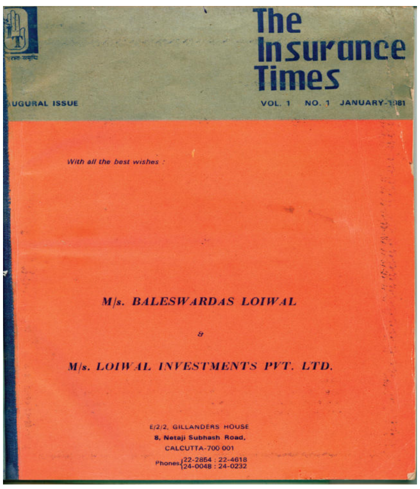
It was in the year 1981 that a baby step was taken to establish this journal. Mr. Ram Gopal Agarwala the Editor in Chief was the first Chartered Accountant cum Surveyor of the eastern region in Kolkata. While doing the survey jobs he came across several intriguing cases where there was no clarity on the principles of insurance, underwriting and settlement of insurance claims. In the era of 80's the general insurance was governed by Tariff and very less information was available in public domain. The insurance officials were reluctant to share the tariff as it was confidential.

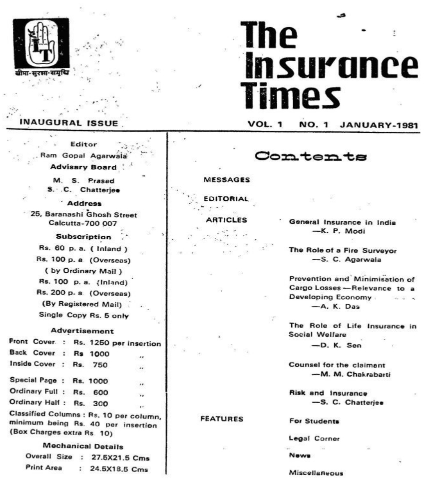
So, Mr. Agarwala came up with the idea of launching a journal on insurance and discussed the idea with insurance company officials. Though everyone applauded the idea but also cautioned against venturing in unchartered territory and there were practically no academic authors or ready market for such type of academic venture. Also the communication was not so well developed and it was going to be a herculean task ahead. The concept for the journal was taken around the year 1978 and it took 3 years to give shape to the idea. Finally Mr. Agarwala took up the challenge and decided to venture into the publication of first issue in January 1981.

Kolkata occupies a historical place in the history of insurance as the Insurance in current form has its history dating back to 1818 when Oriental Life Insurance Company was started by Anita Bhavsar in Kolkata to cater to the needs of European community. In case of journal also Kolkata took the lead for publication of first monthly journal on Insurance in India which is still going strong after 40 years.

It would be important to mention contribution of few people who helped immensely to nurture this idea and helped in the launch of the journal. They are the ones, without whom the journal would not have seen the light of the day. Though the number of people supporting were huge still we are listing name of few people who were the founding pillars of our journal.

1. Mr. K N Srinivasan, AGM,National Insurance Company limited
2. Ms. Kusumlata Mittal, Deputy Secretary, Insurance Department, Ministry of Finance, Govt of India
3. Mr. D Subramanian, Principal, College of Insurance
4. Mr. K P Modi, CMD, Ruby General Insurance
5. Mr. A C Mukherjee, CMD, The New India Assurance Company Ltd
6. Mr. S K Seth, CMD, National Insurance Company
7. Mr. Y D Patil, CMD, National Insurance Company
8. Mr. G N Bajpai, Chairman, LIC
9. Mr. G C Pandey, Governor West Bengal, Ex Chairman LIC





बीमा-सुरक्षा-समृद्धि

The Insurance Times

INAUGURAL ISSUE — VOL. 1 NO. 1 JANUARY-1981

Editor
Ram Gopal Agarwala

Advisary Board
M. S. Prasad
S. C. Chatterjee

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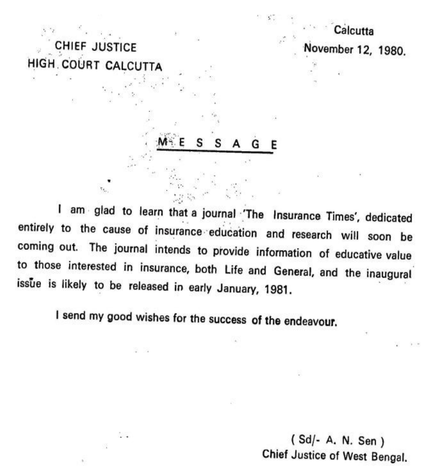


CHIEF JUSTICE
HIGH COURT CALCUTTA

Calcutta
November 12, 1980.

MESSAGE

I am glad to learn that a journal 'The Insurance Times', dedicated entirely to the cause of insurance education and research will soon be coming out. The journal intends to provide information of educative value to those interested in insurance, both Life and General, and the inaugural issue is likely to be released in early January, 1981.

I send my good wishes for the success of the endeavour.

(Sd/- A. N. Sen)
Chief Justice of West Bengal.

Dr. K. Bhattacharya, M. Sc., D. Phil.
MINISTER-IN-CHARGE
DEPARTMENTS OF
COMMERCE AND INDUSTRIES
PUBLIC UNDERTAKINGS AND
CLOSED AND SICK INDUSTRIES
WEST BENGAL

MESSAGE

I am much delighted to know that a monthly journal on insurance education and research is being published by the Insurance Times, 25, Baranashi Ghosh Street, Calcutta-700 007 and its inaugural issue is being released in January, 1981.

Insurance is one of the effective means of bringing about social security in a country like ours which is specially poverty-ridden and where majority of the people is under the spectre of insecurity. Such a journal for educating the public on insurance matters is a need of the hour.

I have my good wishes for successful inauguration of the Insurance Journal.

(Sd/- K. Bhattacharya)
21.11.80.

गवर्नर
GOVERNOR

RESERVE BANK OF INDIA

भारतीय रिज़र्व बैंक
केन्द्रिय कार्यालय,
बंबई
RESERVE BANK OF INDIA
CENTRAL OFFICE
BOMBAY

November 12, 1980

Message

Life insurance touches the lives of millions of people, while general insurance plays an important part in the industrial and commercial activities. Developments in these fields are naturally of public importance.

I am, therefore, glad to know that a monthly journal "The Insurance Times" is being launched dedicated to the cause of insurance education and research. My best wishes for its success.

(Sd/- I. G. Patel)
Governor.

K. S. SHENOY
Managing Director

General Insurance Corporation of India
REGISTERED OFFICE:
INDUSTRIAL ASSURANCE BUILDING,
CHURCHGATE, BOMBAY 400 020.

MESSAGE

I am very glad to know that a monthly Journal by name "The Insurance Times" is being brought out and that the inaugural issue of it is expected to be out in early 1981. I also note that the Journal will be dedicated entirely to the cause of insurance education and research.

Insurance business in India is growing at a fast pace. However, there is a dearth of publications dealing with matters related to insurance business in India. There is, therefore, considerable scope for collection, analysis and critical appraisal of relevant data and discussion of problems pertaining to insurance industry. There is also scope for basic as well as applied research in this area.

I hope "The Insurance Times" will fulfil this real need and also strive to maintain a very high standard.

I wish the publication all success.

(K. S. SHENOY)

10. Mr. Ashok Goenka, CMD, General Insurance Corporation
11. Mr. A K Bose, AGM, National Insurance Company
12. Mr. M S Prasad, EX LIC

An in-house printing press was established and thousands of letters were sent (typed in manual typewriters individually) across India to various offices of insurance companies and related bodies. The response started trickling in at very slow pace. Mr. Agarwala and his small team started visiting all over India to reach out the people in insurance industry. He conducted seminars in major metro cities with the help of Associated Institutes of Insurance Institute of India. A special mention must be made for **Mr. Shankar Singhania, Chief Marketing Officer** who travelled extensively to promote Insurance Times among all four PSU's, GIC and government bodies all over India. Credit also goes to **Mr. Rajesh Agarwal** for working tirelessly in initial stages in editorial, marketing and establishment of the journal.

The cost involved in research and development, travelling, publishing was huge compared to the income generated from sale of journals. It was almost negligible in comparison to the time and efforts involved. Slowly insurance companies started advertising in the journal but as the number of stakeholders were limited it was not very easy to cover the cost from the advertisement revenue.

At times it was felt that it would be difficult to continue the publication with the mounting losses and efforts involved in reaching out to people across India with the help of snail mail and high cost of telephone charges. **But it was sheer passion and dedication which helped to keep the journey stay afloat inspite of teething troubles.**

Slowly the journal started gaining credibility in insurance industry and the journal helped to develop the writing habit in insurance sector. Many stalwarts of the insurance industry got associated with the journal and rest is history.

Some Major Milestones -

In the year **1987 Mr. R G Agarwala** thought of expanding in the banking sector as similar to insurance industry very few material was available in banking sector. In 1988 **Banking Finance** an exclusive journal covering the Banking and Finance sector was launched. This journal is also going to enter 33^{rd} year of regular and uninterrupted publication in the year 2020.

In **1992** a major initiative was taken for promoting awareness in the upcoming area of Risk Management and increasing awareness among insurance consumers. Two NGO's were established **Risk Management Association of India and Insurance Consumer Forum of India** under the West Bengal Society Registration Act. Both the association are continuing their work in the respective areas.

Over the years the need was felt for a training institution on insurance which can impart tailormade training courses for insurance professionals and specific areas on insurance. In the year **1993 Insurance Training Centre**, a training institute was established. It offered correspondence course on Insurance and related areas. The course was very well accepted by the insurance managers in Corporate Bodies as well as the Insurance aspirants and professionals.

In the year **1993** the group launched **General Insurance Reference Diary** covering the latest information about the insurance industry in a concise format along with the usual diary. The diary was an instant hit with more than 10,000 copies sold pan India.

In the year **1994** The Insurance Times group published two **books General Insurance and Risk Management Terminology and General Insurance Guide.** This marked the beginning of The Insurance Times venturing into publications of books.

In the year **1998** a new journal was launched on a very important subject Public Relations and Communication. Again there was no monthly magazine on this important area without which no entity can exist. The establishment of this journal had its share of challenges as it is never easy to inculcate reading habit and to reach out to people in new industry. **Mr. Vineet Agarwal** made a significant contribution in launching of **PR Communication Age** as well as propagating the journal The Insurance Times all over India.

In the year **1999 Malhotra Committee** was established for restructuring of Insurance sector in India and allowing of private sector in Insurance Industry. Our journal The Insurance Times was invited to share our suggestions before the committee in Kolkata. Mr. R G Agarwala, Editor in Chief appeared before the committee and made representation on behalf of The Insurance Times based on feedback of readers. The Malhotra Committee accepted many recommendations made by us for reforming of the insurance sector.

Later on we also made representation to Parliamentary Committee of the Government of India where most of our suggestions were accepted.

In the year **1999** we published two books **General Insurance Compendium 1999-2000** in two volumes and **Life Insurance Compendium**. The books were inaugurated by Mr. N Rangachari, first Chairman of IRDA at a gala **semina**r in Hotel Taj Bengal, Kolkata. The General Insurance Compendium covered extensive details about the insurance industry in India with interviews of Chiefs of four PSU companies, statistics of companies, details of product, contact details and lot of other useful information's. It was like an encyclopaedia on general insurance industry. The book received very good response from the industry and again thousands of copies were sold. People still remember the book for its exclusive quality.

The Life Insurance Compendium was also unique in nature as it covered all policies of life Insurance corporation of India in a pictorial form along with statistics of the industry. This book also sold like a hotcake in life insurance industry.

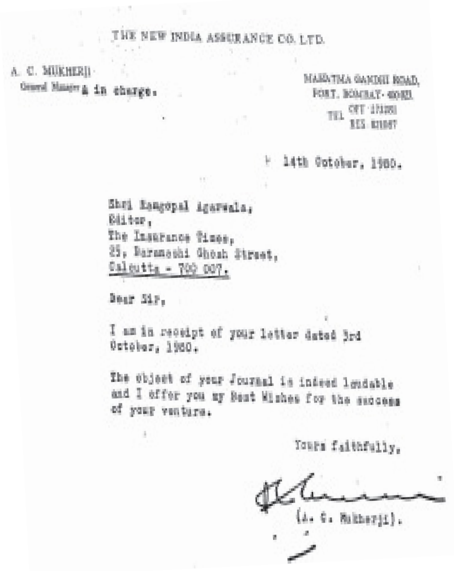
In the year **2000** an Insurance Knowledge portal **www.bimabazaar.com** was launched. The objective of the portal was to reach out to various stakeholders of the insurance industry with update news, article on daily basis. The portal is quite popular among the insurance industry not only in India but overseas also.

In the year **2002** after establishment of IRDA the group setup first IRDA accredited insurance **training centre for Insurance Agents** in Kolkata. We trained people for upcoming private insurance companies. The centre set up high standards of training and over the years trained more than 40,000 insurance agents from various Insurance companies.

In **2007** need was felt was launching of an exclusive journal on Life Insurance to cater to insurance agents and intermediaries and focus on insurance selling. Accordingly **Life Insurance Today** an exclusive monthly journal was launched and has entered into 14th year of its publication.

In **2007** a book was launched covering Health sector in India titled **Health Insurance in India** a review. This book was the most comprehensive material on health insurance in India and received wide appreciation from many countries around the world.

Year **2007-08** marked a new beginning of publication of exam guides and books for various examinations of Insurance Institute of India



THE NEW INDIA ASSURANCE CO. LTD.

A. C. MUKHERJI
General Manager & in charge.

MAHATMA GANDHI ROAD,
FORT, BOMBAY-400023
TEL OFF 171281
RES 811867

14th October, 1980.

Shri Ramgopal Agarwala,
Editor,
The Insurance Times,
25, Baranashi Ghosh Street,
Calcutta - 700 007.

Dear Sir,

I am in receipt of your letter dated 3rd October, 1980.

The object of your Journal is indeed laudable and I offer you my Best Wishes for the success of your venture.

Yours faithfully,

(A. C. Mukherji).

The Chartered Insurance Institute

Mr. Ram Gopal Agarwala
Editor
The Insurance Times
25 Baranashi Ghosh Street
CALCUTTA India

7 January 1981

Message of Goodwill

I was delighted to learn that a new journal, to be known as The Insurance Times, is to be launched in Calcutta.

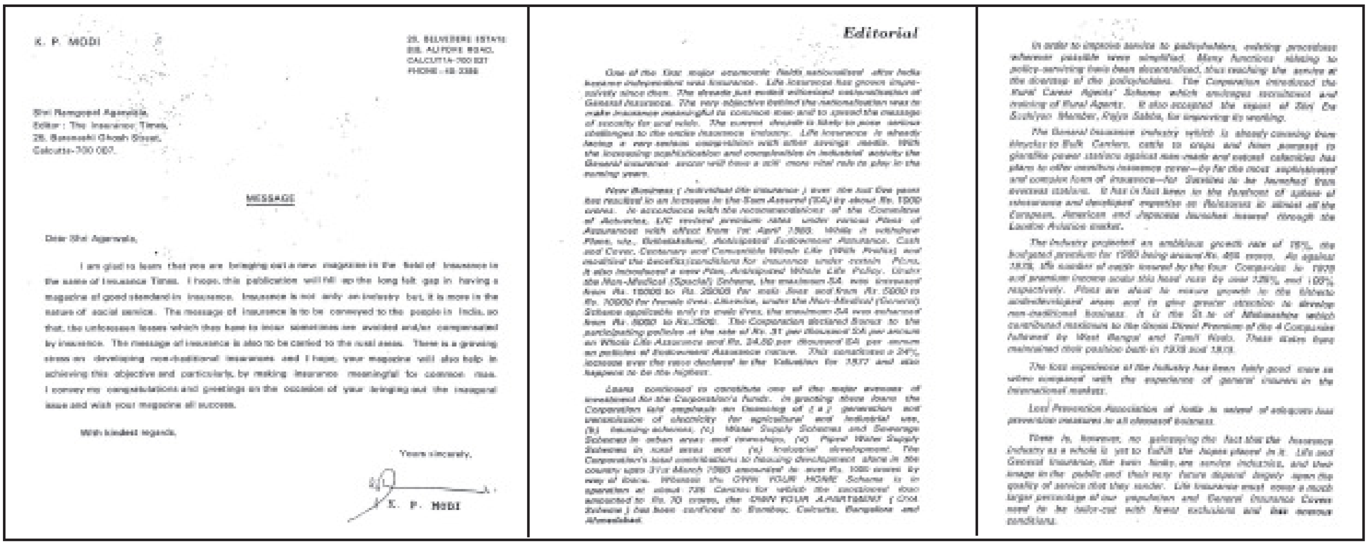
Our business is one which has to keep pace with changes in the economic, legal and social climate in which it operates. Similarly, those who work in insurance need reputable and informative journals which will keep them apprised of these changes as well as of changes in the business itself.

The insuring public also need to be properly informed about the protection which insurance can provide.

I am sure that your new journal, The Insurance Times, will make a valuable contribution to the understanding of insurance and I wish it every success.

D. C. McMurdie
Secretary-General
Chartered Insurance Institute

General Insurance in India



K. P. MODI

MESSAGE

Dear Shri Agarwala,

With kindest regards,

Yours sincerely,

K. P. MODI

Editorial

and other promotional exams. We published guide for various exams of insurance Institute of India for **Licentiate, Associate and Fellowship** where more than 50000 candidates have passed the exam successfully by reading our guides and appearing in Online Mock Tests.

We published for the first time Objective type guides and theoretical text books for promotional exams of 4 **Public Sector General Insurance Companies for Scale 1-5 and Para 13.2** exams under the aegis of brand Sashi Publications. This is the most popular book for promotional exams and more than 40000 officers have benefitted from the study materials.

In the year **2010** we published **General Insurance Yearbook** an encyclopaedia on General Insurance Industry in India. This book was too very much appreciated for its quality and content.

Over the years we have kept on adding new books on various subjects like Reinsurance, Risk Management, Health Insurance, and General topics.

In January **2019** we organised a **National Seminar on Risk Management Landscape in Changing Scenario in Mumbai** under the aegis of Risk Management Association of India. The seminar was attended by more than 200 people from insurance and banking industry and had lot of eminent speakers from the industry.

In the year 2020 we are going to launch an online platform for online training and certification on various subjects. This would cater to requirements of people who want to get knowledge about various areas of Insurance and banking. The course curriculum would be global in nature and we aim to launch it in various international markets as there is a void in insurance certification programmes.

This year we plan to organise series of Insurance Webinars on various topics. We shall also arrange a series of events to celebrate our four decades in publication.

We have lot of plans in the coming years to expand the activities in the field of insurance education and awareness. But these plans will not be successful without active support of our readers who are the pillars of our strength and have supported us all these years in our ventures.

A big **THANK YOU** to all our well wishers, Advisory Board Members, Resident Editors, readers, authors, advertisers, Insurance Regulators, Professional bodies, all educational institutes, subscribers and the insurance industry as a whole for always supporting and encouraging us in all our ventures and enabling us to reach the milestone of four decades in successful publication of journal and books.

The list of people whom we would like to thank is unending; still I would like to make a special mention of **Prof Dr Abhijit Kumar Chattoraj** who has always supported and advised in all our initiatives.

But this is not the end. Many more mile stones are yet to come and we shall always seek your support, help guidance to improve our services and introduce innovative concepts in insurance education and awareness.

Dr Rakesh Agarwal
Editor
The Insurance Times

Guard yourself from accidents with the best accident cover

1. Apollo Munich Personal Accident Plan

Apollo Munich provides a minimum of Rs.1 lakh and a maximum of 50 lakh sum assured. The plan covers accidental death, partial and total disability, medical expenses and also provides a 5% cumulative bonus for claim free years.

Features:

Plan Basis: Individual and Family

Entry Ages: Minimum - 91 days; Maximum – 69 years

Sum Assured Amounts (INR):

Standard: Minimum – 1 lakh, Maximum – 50 lakhs;

Premium: Minimum – 5 lakhs, Maximum – 5 crores

Accidental Death Benefit: Yes, equal to Sum Assured + bonus (if any)

Permanent Total Disability: Yes, equal to Accidental Death Benefit

Permanent Partial Disability: Yes, equal to Accidental Death Benefit

Temporary Partial/Total Disability: Temporary total disability – 10% of ADB

Medical Expenses Reimbursement: Standard - Yes – 5% of ADB; Premium - Yes, subject to INR 100000

Ambulance Charges Cover: Yes, subject to INR 2000

Bonuses: Education fund – 10% of ADB

2. Bajaj Allianz Personal Guard Plan

Features:

Bajaj Allianz covers death, disability, educational bonus, medical and hospitalization expenses. Bajaj has a 72% incurred claim ratio. Incurred Claims Ratio indicates the company's ability to pay the claims. The minimum sum assured is 10 lakh whereas the maximum is Rs.25 lakh. Bajaj provides a cumulative bonus of 10% per claim free year.

Plan Basis: Individual and Family

Entry Ages: Minimum – 5 years; Maximum – 65 years

Sum Assured Amounts (INR): Minimum – 10 lakhs; Maximum – 25 lakhs

Accidental Death Benefit: Yes, equal to Sum Assured

Permanent Total Disability: Yes (under variants), subject to Sum Assured

Permanent Partial Disability: Yes (under variants), subject to 75% of Sum Assured

Temporary Partial/Total Disability: Yes (under variants), subject to 75% of Sum Assured

Medical Expenses Reimbursement: Yes, lesser of 40% of medical bills or actual bills

Ambulance Charges Cover: No

Bonuses: Yes, INR 5000 for one child or INR 10000 for 2, subject to 10% of SA

3. HDFC Ergo Personal Accident Insurance Plan

HDFC Ergo plan covers expenses arising from accidental death, permanent disability, broken bones, burns and related ambulance cost and hospital expenses. The policy is open to individuals within 18-65 years of age.

Feature:

Plan Basis: Individual and Family

Entry Ages: Minimum – NA; Maximum – 65 years

Sum Assured Amounts (INR): Minimum – 2.5 lakhs; Maximum – 15 lakhs

Accidental Death Benefit: Yes, equal to Sum Assured

Permanent Total Disability: Yes, equal to Accidental Death Benefit

Permanent Partial Disability: No

Temporary Partial/Total Disability: No

Medical Expenses Reimbursement: Yes, INR 250 to INR 500 per day

Ambulance Charges Cover: Yes, INR 1500 to INR 2000

Bonuses: No

4. ICICI Lombard Personal Protect Policy

This ICICI Lombard product provides cover against death, total disability, hospitalization expenses. They also provide an addition daily hospital expenses cover. The available sum insured ranges from Rs.3 lakh to Rs.25 lakh. Anyone within the age group of 18-80 years age group can avail this policy.

Features:

Plan Basis: Individual

Entry Ages: Minimum – 18 years; Maximum – 80 years

Sum Assured Amounts (INR): Minimum – 3 lakhs; Maximum – 25 lakhs

Accidental Death Benefit: Yes, equal to Sum Assured

Permanent Total Disability: Yes, equal to Accidental Death Benefit

Permanent Partial Disability: No

Temporary Partial/Total Disability: No

Medical Expenses Reimbursement: Yes (under allowance and reimbursement)

Ambulance Charges Cover: No

Bonuses: No

5. Bharti AXA Smart Individual Personal Accident

Features:

Plan Basis: Individual only

Entry Ages: Minimum – 18 years; Maximum – 70 years

Sum Assured Amounts (INR): Minimum – 10 lakhs; Maximum – 30 lakhs

Accidental Death Benefit: Yes, equal to Sum Assured

Permanent Total Disability: Yes, subject to 150% of Accidental Death Benefit

Permanent Partial Disability: Yes, equal to 2-75% of Sum Assured

Temporary Partial/Total Disability: No

Medical Expenses Reimbursement: Yes. Daily Hospitalisation Cash of INR 1000 till a period of 50 days

Ambulance Charges Cover: No

Bonuses: No

6. Religare Secure Personal Accident Insurance

Features:

Plan Basis: Individual

Entry Ages: Minimum - 91 days, Maximum – 70 years

Sum Assured Amounts (INR): Minimum – 15 lakhs; Maximum – 25 crores

Accidental Death Benefit: Yes, equal to Sum Assured

Permanent Total Disability: Yes, equal to Accidental Death Benefit

Permanent Partial Disability: Yes

Temporary Partial/Total Disability: Yes, under Mobility Cover

Medical Expenses Reimbursement: Yes, subject to INR 100000

Ambulance Charges Cover: Yes (under variants)

Bonuses: Yes (under variants) subject to 10% of Sum Assured.

!! Hearty Congratulations !!

Thanks readers for excellent response for our Insurance Quiz published in our December 2019 issue. This month the lucky winners of the Quiz is Nilratan Haldar.

Who will be the next?????

Wish all our readers, authors, subscribers a very Happy New Year 2020

Letter to the Editor

Respected Shri Ram Gopal Agarwal Ji,
Editor in Chief's Desk
The Insurance Times,

Sir, I am in receipt the first monthly journal on insurance in India in service since 1981, vol. XXXIX - No. 12 - December 2019 - ISSN-0971-4480. No sooner i receive the publication, i go through the entire publication and specially read the editorial, written by you. Almost all the editorials, you are mentioning and touching all the points. In the present editorial, you have mentioned about the draft 2019 & it is rightly pointed out that the entire community of the surveyor is not happy with this draft & we have send many representation to the Chairman IRDA. The draft is totally against the surveyor community, therefore the leaders of the surveyor have meet with the finance minister and Lok Sabha speaker and many member of Parliament and handed over the draft of dissatisfaction with a request that IRDA must roll back in the present draft.

Right from the day one of establishment of IRDA, almost the IRDA has started adopting the act and means and procedures by which the community of the surveyor can get vanished from the insurance industries. The IRDA has no respect and regards for IISLA and is not at all acting on the advises given by the team IISLA, it is no more an independent body in the eyes of IRDA.

In this case i am personally of the opinion that the IRDA is supported by the govt. of India, today they are behaving with the surveyor community, tomorrow the govt. may come up that no qualification is required for Doctors, CA, Advocates, CS and other professionals. A time may come, when there may not be any qualification for IAS, IPS, RPS, RAS etc etc. as they want to bring each and every Indians at par with the politicians as no qualification is required for Gram Pradhan, Sarpanch, MLA, MP, Parshad etc, etc. I think that day will be more dangerous for the people of India.

Thank you very much for conveying your message to the IRDA and other insurance officials, through your editorial remarks, mentioned in the prestigious, The Insurance Times

Thanks and regards
R. K. Sharma
Surveyor

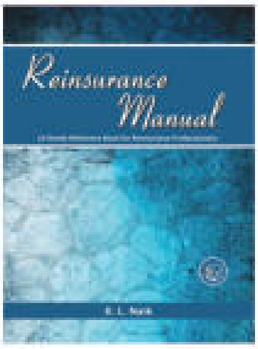
Continued from Page 30

During his career in Agriculture Insurance, he was deeply involved in development and implementation of various Crop Insurance Schemes and products introduced by Government of India, GIC and AICI. He has been closely associated with International Research Organizations, World Bank Group and Global Reinsurers working in the field of climate change and risk management in agriculture. He has served as a Member of Task Force on NITI Aayog's (National Institute for Transforming India) Crop Insurance Committee.

Malay graduated from Bidhan Chandra Krishi Viswavidyalaya or Bidhan Chandra Agricultural University in 1985. His academic background as an Agricultural Economics stood him in good stead in his career ascendancy. He is also a Fellow of Insurance Institute of India. His pursuit of post-graduation degree was cut short when he landed up the job of GIC. Infact, he got the Junior Fellowship of Indian Council of Agriculture Research (ICAR) in 1985 for the same. A quintessentially Bengali Bhadrolok (gentleman), Malay loves music. He is an ardent admirer of Pandit Bhimsen Joshi. Among the new singers, he likes the renditions of Kaushiki Chakraborty, the well-known Indian classical vocalist. He is also a keen devotee of Ramakrishna Mission.

The Insurance Times Education Series

Books on Insurance



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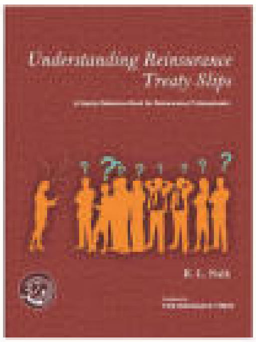

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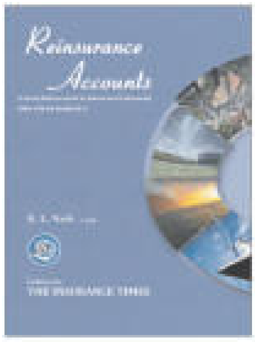

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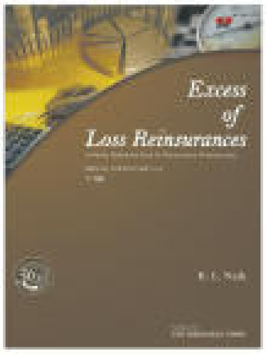

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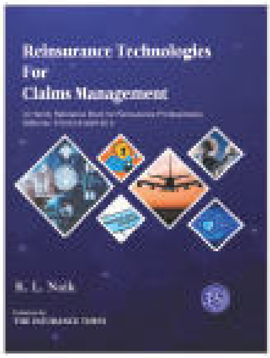

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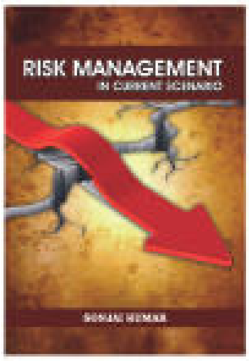

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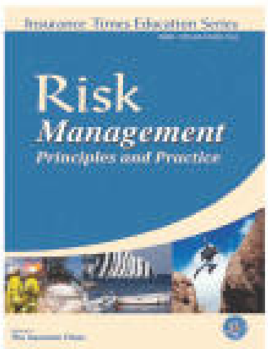

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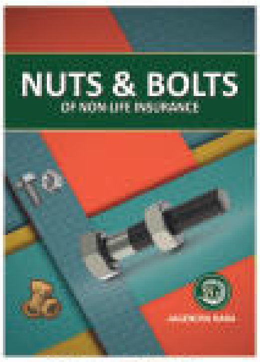

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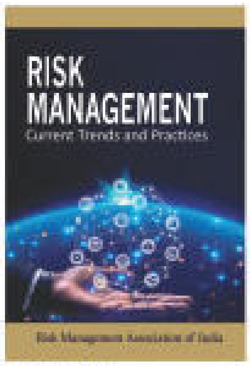

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Mr. M. G. Diwan - A tribute by BIMTECH

An eventful era of accomplishments came to an end with the death of Mr. Mukund G. Diwan - the doyen of Indian insurance industry.

As an institution builder par excellence and ace administrator, Mr. Mukund G. Diwan would forever be remembered for playing crucial role in setting up of two institutes of eminence - The Insurance Institute of India, Mumbai, and The National Insurance Academy, Pune. He was witness to all changes amidst vicissitudes of time - the pre-nationalization period, the nationalization period, the liberalization and the globalization period of the Indian insurance industry.

Born on 14th November 1931, at Kolhapur Mr. Mukund G. Diwan received his formal education in Mumbai. He obtained a Bachelor's degree in Mathematics and Master's degree in Statistics from the University of Mumbai. He became a fellow of Institute of Actuaries in 1958. He was also Fellow of Insurance institute of India. Shri Mukund G. Diwan was the son of legendary actuary Professor Late G. S. Diwan who taught Mathematics and Actuarial Science in Elphinstone College and Sydenham College. It was his father, who fired his ambition to pursue a course in Actuarial Science.

Joined life insurance industry in 1954 in erstwhile oriental life insurance co ltd, Mr. M. G. Diwan served the life insurance industry till the time, he retired as Chairman of LIC in 1991. Since then, he was involved in actuarial consultancy. All along his career, Mr. Diwan pursued his passion in academic work and contributed significantly to training activities of Actuarial Society of India, Insurance Institute of India and the National Insurance Academy. Shri Diwan also headed each of these institutions at some points of time. He along with Prof. Rajendra Shah established the DS Actuarial Education Service-an institute for teaching Actuarial Science in India- thus fulfilling his cherished dream to spearhead actuarial and insurance education in India. He was also a former President of the Insurance Institute of India, Actuarial Society of India (now Institute of Actuaries of India) He was also associated with M/s. K. A. Pandit, actuaries and consultants as a partner.

He was extremely satisfied with the performance of LIC even in the face of stiff competition. Infact at the time of opening up of the industry, he made a statement that new life insurance companies should think of collaborating with LIC rather than any foreign company.

He lost his mother very early, in fact when he was just one year old and was groomed by his grandmother. "My childhood memory was very bad and not many relatives of mine thought that I would live long. I remembered her just with a photograph" he reminisced his childhood days with a tinge of sadness.

Simple, suave and modest to the fault, he was a living legend and visionary who led a very spartan life till his last days. He was extremely popular with students and participants of MDP programmes.

A great aficionado of sports, he loved watching cricket matches with great glee and use to fondly remember his association with players of yesteryears like late Ajit Wadekar and late Naren Tamhane with a hint of nostalgia.

I had the good fortune of meeting Mr. Dewan for the first time in 2008 at NIA, Pune where he had come to take some sessions on Actuary. I was introduced with him by a colleague of mine. He was held in very high esteem for his academic brilliance. On 4th October, 2018, I went to meet him in his house at Mumbai on the eve BIMTECH colloquium, 2018. I was taken aback by his simple life style. I interacted with him for almost an hour. I was pleasantly surprised by his remarkable memory as he was recounting one anecdote after another of his life.

It is very difficult to live up to the legacy and fill the void that he has left behind.

BIMTECH family recognized his immense contribution to the growth and development of insurance industry and bestowed the Life Time Achievement Award on him on the eve of colloquium 2018 at Mumbai.

By Abhijit K Chattoraj
PhD ; Chartered Insurer,
Professor & Chairperson-PGDM-
(Insurance Business Management)-IBM,

PSU PROMOTIONAL EXAM SAMPLE QUESTIONS - SERIES 2 - MOTOR INSURANCE

1. Motor Vehicle in Insurance is governed by India Motor Tariffs effective from 1-08-1989 till ______.

a. Dec 2005 b. Dec 2008
c. Dec 2007 d. Dec 2006
e. Dec 2004

2. No claim bonus is earned only on the Own damage section of the Package policy covering all classes of vehicle except Motor Trade policies, _______.

a. Road Transit Risks b. Road Risks
c. Internal Risks d. All the above
e. None of the above

3. All proposal forms elicit full particulars of settled and outstanding claims in connection with any motor vehicle owned or driven by the proposer during the last proceedings______.

a. 4 to 6 yrs b. 2 to 4 yrs
c. 3 to 5 yrs d. 1 to 3 yrs
e. 1 to 2 yrs

4. Differential rating is the rating based on scientific method of pricing the product on ______.

a. Incremental Basis b. Make and Model Basis
c. Piece Meal Basis d. Claim Formula
e. Both a and b

5. Which of the following best describes the purpose of a Claim Search System?

a. Used by insurers in deciding whether to sell a policy.
b. Used by insurer in setting rates.
c. Used to detect fraud and to help insurers identify policyholder claims histories.
d. All the above
e. Both b and c.

6. Under the OD Section of the policy, the sum insured for loss of personal belongings cannot exceed______.

a. Rs 12500 b. Rs 25000
c. Rs 50000 d. Rs 100000
e. Rs 120000

7. Which of the following proposal form is required to be submitted by the insured before the commencement of the cover and at renewal in case material alteration and in case of change of insurer?

a. GR 2 b. GR 3
c. GR 22 d. GR 23
e. GR 24

8. According to GT 40, the compulsory deductible for Motorised two wheelers is:

a. Rs 200 b. Rs 150
c. Rs 100 d. Rs 50
e. Rs 120

9. The GR 45 B cover is normally offered by insurers for vehicles over ___ yrs.

a. 2 yrs b. 3 yrs
c. 5 yrs d. 6 yrs
e. 7 yrs

10. Which of the statement is not valid for GR 45 A.

a. This cover is valid only if the vehicle to be covered is laid up.
b. A "not in use" endorsement from the RTA is required to be collected by the customers.
c. The restricted peril cover is prohibited for all vehicles under Class D .
d. All the above
e. None of the above

11. A cover note is required to be issued only in Form ___ of the Rule 142.

a. 54 b. 52
c. 53 d. 51
e. 48

12. Under which circumstances is the original premium retained on short period scale?

a. When no claim has been taken.
b. Minimum premium as per tariff.
c. Maximum premium as per tariff
d. Only a and b
e. Only a and c

13. A vehicle is considered to be CTL where the aggregate cost of retrieval and or repair exceeds _____ of IDV.

a. 25% b. 30%
c. 50% d. 75%
e. 95%

14. The period of insurance for a policy to arrive at a particular renewal date is fixed for ____.

a. 24 months b. 12 months
c. 9 months d. 6 months
e. 3 months

15. Whilst underwriting of the policies of handicapped persons the minimum premium applicable for vehicles should be ____?

a. Rs 100 b. Rs 150
c. Rs 50 d. Rs 25
e. Rs 15

16. Vintage cars are those cars which are manufactured prior to ____?

a. 31-12-1970 b. 31-12-1940
c. 31-12-1950 d. 31-11-1970
e. 31-12-1971

17. A discount of ___ is usually allowed for vehicles designed for the physically challenged.

a. 25% b. 35%
c. 33% d. 44%
e. 50%

18. Which of the following does not comes under the Extra benefits (add ons)?

a. Use of CNG
b. Electronic Fittings
c. Fiberglass fuel tanks
d. Use of Internet
e. Use of non conventional source of power.

19. For the vehicles loaded without custom duty the premium is loaded by ____ as per the Indian Motor Tariff.

a. 15% b. 20%
c. 25% d. 30%
e. 45%

20. What is the additional premium chargeable for accident of non fare paying passengers including the non workmen employees.

a. Rs 30 b. Rs 40
c. Rs 50 d. Rs 80
e. Rs 100

21. Which of the following does not comes under the purview of Commercial vehicles?

a. Taxis
b. Passenger carrying vehicle
c. Miscellaneous types of vehicles.
d. Goods carrying vehicle.
e. Motor Bikes

22. What is the amount of deductible applied in case of the loss of personal belongings?

a. Rs 450 b. Rs 250
c. Rs 500 d. Rs 350
e. Rs 150

23. Which statement is not true with regard to the Daily allowance?

a. Daily allowance is not entitled to cover damage to windscreen or glass.
b. Repairs is to be done only through authorized repairers.
c. DA is payable when the time taken to repair the damaged vehicle exceeds 10 days.
d. DA is payable when the time taken to repair the damaged vehicle exceeds 3 days.
e. All are true.

24. Which of the following does not comes under the definition of riders:

a. Ambulance charges cover
b. Daily Allowance cover
c. Personal belongings cover
d. Nil depreciation
e. Depreciation reimbursement

25. Which of the following statement is not true with regard to the rating pattern of private cars as per the US market?

a. Married driver attracts higher rates than unmarried drivers.
b. The female drivers are entitled to discounts and are considered to be safer drivers.
c. The nature of the vehicle is an important criterion to understand the exposure to accidents

Ans. on page 50

Should you buy life insurance or open a PPF in your child's name?

Children's higher education and marriage are typically the primary financial goals for most people. There are various products you can consider to invest for the two long-term goals. But when doing so, does it make more sense to invest in the name of the child, rather than in your own name?

Most experts are of the view that, except in a few cases, investing in the name of child does not provide any significant advantage to the parents. What you can do is earmark a certain portion of your saving for goals related to children and ensure you do not use the corpus for any other purpose. "We ask our clients about their goals and ask them to set priorities. Investing in a child's name is not a factor when investing," said Manoj Pandey, director, Mainstream Investments Advisors Pvt. Ltd, a Delhi-based financial planning and wealth management firm.

We tell you about children-specific products available in the market and whether they offer any additional advantages.

Kid-specific products

Many instruments allow investments in the name of a child such as mutual fund schemes, insurance policies, Public Provident Fund (PPF) and so on.

Typically, insurance agents pitch schemes and plans which are labelled or marketed as child-specific plans. Though the names of some of these schemes, especially insurance plans, indicate they are customized for children, they provide no additional benefits such as additional return, tax deduction or exemptions, factors that are important to consider when investing.

"Insurance in the name of the child as the policyholder is an absolute no-no. Conceptually, term insurance is taken to protect the economic value of one's life and it does not make sense when the child is not earning," said Lovaii Navlakhi, managing director and chief executive officer, International Money Matters Pvt. Ltd, a financial planning firm.

At the same time, if you have a PPF in your name as well as in the name of your child, remember that your overall investing limit for all your PPF accounts, including your children's, will remain Rs. 1.5 lakh. Also, deduction will be available only up to Rs. 1.5 lakh. Returns from PPF are tax-free.

The only scheme that lets you invest in your child's name is Sukanya Samriddhi Account (SSA), but only if you have a girl child. SSA is government's social welfare scheme meant to promote the interests of girl children. Under this scheme, parents or legal guardians can open one account in the name of one girl child and maximum two accounts in the name of two different girl children. SSA offers a tax-free annual interest of 8.1% compounded annually, and contribution qualifies for tax deduction under Section 80C of the Income-tax Act, 1961. Returns from SSA are more than what other similar avenues such as PPF and National Savings Certificate provide.

Clubbing of income

Remember that even if you invest in your minor child's name, the income or returns will get clubbed with the income of the parent (the one who earns more that the spouse) for taxation under Section 64. It will be considered income in the child's hands only if he or she is above 18 years of age.

However, there is a small deduction available in case you invest the money in the name of your minor child. You can claim an exemption up to ?1,500 per child every year, for a maximum of two children, under Section 10(32). For example, if you choose to invest in a fixed deposit, interest earned up to Rs. 1,500 in case of one child or Rs. 3,000 in case of two child can be claimed as exemption.

Planning right

For some of you, buying products in the name of a child may help with goal-based investing and ensuring that you stay the course and don't touch this money.

Some experts belive that investing in name of child make parents more disciplined. "It adds a natural purpose to the investment and substantial longevity to the investment as parents' expectations of the holding period is naturally set in their mind," said Rohit Shah, founder and chief executive officer, Getting You Rich, a financial planning firm.

Navlakhi agreed. "There is a magical force that prevents dipping into these investments and, hence, you are more likely to achieve the goal as a result of this discipline," he said.

Also, it can help you consolidate the small amounts of money that children receive from friends and family on special occasions. "The parents tend to end up investing a higher amount, with the cause of investing for children," added Shah.

But investing in a child's name may involve additional paperwork both at the time of investing as well as exiting. You may also require to open a separate bank account in the name of the child for certain investments. Apart from that, keep in mind that once your child turns 18, he or she will get access and rights over the investments.

What can also work is creating an additional savings bucket for your children and reminding yourself why you have created the bucket.

Whether you invest in your child's name or create a separate bucket, make sure the instrument you choose fits into your portfolio and does not hamper your asset allocation. Also, ensure that the maturity period or lock-in that the investments may have are in line with the child's needs. *(Source : Mint)*

D. P. Songara appointed as Chairman, IIISLA, Hyderabad for Rajasthan Chapter

D. P. Songara has been appointed as Chairman, Rajasthan Chapter, IIISLA. He has vast experience as Valuer and Surveyor & Loss Assessor. After working for EIL & ABAN for more than 3 years he shifted to Jodhpur and started working as Valuer, Surveyor & Loss Assessor for all the major companies. He worked as Engineer (Planning & Co-Ordination), EIL and Project Coordinator, ABAN at Construction Site of NRMT & LCHJ Projects. He conducted more than 6500+ surveys & assessed the loss independently in Motor, Marine and Engineering Department for different general insurance companies.

He has also conducted more than 5000+ automobile, plant & machinery and other properties valuation for different financial institutes. He worked as Dy. Coordinator, Institute of Insurance Surveyors & Adjustors (IISA), Mumbai for Jodhpur Unit and Dy. Coordinator, IIISLA, Jodhpur Unit. He is the fellow Member of Indian Institute of Insurance Surveyor & Loss Assessors, Hyderabad.

Trov launches digital renters insurance application

A global leader in insurance technology, Trov has announced the launch of its end-to-end digital renters insurance application, brought to market by Halifax Home Insurance, part of Lloyds Banking Group. Trov's technology enables renters to activate the base home coverage as a monthly subscription and easily turn protection on or off for individual items, entirely from a connected device, and without any agent involvement. Furthermore, Trov is powering an all-digital claims experience that puts the user at the center, enabling them to easily submit, track, communicate and settle a claim.

"By combining an affordable monthly subscription policy with on-demand coverage for personal items, Halifax Renters powered by Trov delivers a modern all-digital experience with unsurpassed flexibility, speed, and convenience," commented Scott Walchek, Trov CEO/Founder. "Our white-label applications are purpose-built to empower incumbents around the globe to rapidly introduce all-digital insurance products designed to meet the expectations of today's consumer." Jeremy Ward, Head of Home Insurance at Lloyds Banking Group, adds, "Working with Trov, we're taking the hassle out of home insurance for renters, giving them peace of mind that their belongings are covered should the worst happen."

A health cover women should go for

The woman of today is hard pressed for time. With household chores at one end and professional duties on the other, her health often takes a back seat. There are increasing instances of health disorders, including hypertension and cardiac ailments, affecting young women, because of stress and lifestyle changes.

What is also worrying is that women are often not prepared to meet the medical expenses. In a survey done by the Ministry of Health & Family Welfare in 2016, it was found that only one in five women in the age group of 25-49 in India was covered by any form of health insurance. Remember, without sufficient insurance, you may have to use the savings that have been set aside for your retirement or child's future.

Here, we review my:health Women Suraksha, a specialised critical illness (CI) health plan for women.

CI insurance basics

A CI policy is also a form of health insurance. How it's different from regular health insurance covers, called medi-claim plans, is that in CI plans, the benefit is fixed and defined.

At the first instance of the insured acquiring any of the listed illnesses under the policy, the entire sum insured (SI) is paid as a lump-sum irrespective of the cost of the treatment. Mediclaim policies, on the other hand, reimburse only to the extent of the hospital bill.

Serious aliments such as cancer, diabetes and heart conditions are covered under CI plans, which offer an SI that's far higher than regular medi-claim plans. The former are also more expensive, but offer a broader comprehensive cover for serious ailments. The other advantage is that you can use the money from the CI plans to pay your nonmedical expenses or expenses that are not covered by mediclaim plans, such as cost of diagnostic tests and OPD treatment expenses.

What's on offer

my:health Women Suraksha is a defined benefit CI plan from HDFC Ergo that is specially designed for women. But before we dissect this product, you need to understand the necessity for a women-specific plan.

The regular CI plans in the market today cover only 10-20 critical illnesses and these mostly don't include those that are common in women, such as osteoporosis.

Also, many of the regular CI plans don't pay for expenses in the pre-cancerous stage (carcinoma in situ). There is an option to go for cancer/heart-specific conditions which may offer a more comprehensive coverage, including cover for beginningstage cancer, and for heart conditions including angioplasty, but there is no policy which offers a combination of the heart and cancer cover and pays for other critical illnesses, too, such as end-stage liver failure and kidney failure requiring regular dialysis.

In HDFC Ergo's my:health Women Suraksha, there is an option to get a comprehensive cover for all these illnesses.

It offers six different plans. You can opt for cover for cardiac ailments alone, or only for cancer or both, or a comprehensive critical illness cover that will pay for 41 chronic illnesses, including kidney failure requiring regular dialysis, end-stage liver failure, Parkinson's and Alzheimer's along with the cancer and/heart plan. There is also a plan that covers expenses on treatment for bodily injury arising from assault and burns.

Under the Cancer plan, expenses on treatment of cancer in the breast, cervix, uterus, fallopian tube, ovary, and vagina, among others, are covered. Under the Cardiac Plan, open chest CABG, heart valve repair, first heart attack of specified severity, and coma of specified severity are among a long list of health conditions that are covered. In the critical illness plan, there are two options — the 'essential' plan and the 'comprehensive' plan. It is in the latter that you get cover for 41 illnesses. The policy also offers add-on covers that include protection for pregnancy complications, complication in newborn baby (that includes Down's syndrome and surgical separation of conjoined twins), and loss of job due to voluntary resignation or termination from employment due to the diagnosis of any of the major illnesses or procedures.

Women aged 18-65 years are eligible for this policy. You can include your mother/mother-inlaw, daughter/daughter-in-law and sister/sister-in-law in the policy if they are dependent on you.

Scan & Share

Our take

All along, a woman who wanted a comprehensive health cover didn't have many options. It was the regular cancer/heart/CI plan that she had to buy. But HDFC ERGO's my:health Women Suraksha now offers a broader solution. It provides a very comprehensive cover under its cancer and cardiac plan. Its critical illness plan also covers 41 illnesses, including many chronic conditions where the treatment is expensive. Further, the Assault & Burn Injury cover is also essential, given the increasing risks women face in our society today.

We also like that the policy can include all women in the family under one cover. A woman in her 40s may have a teenaged daughter or sister/sister-in-law and mother-in-law, whom she can add to the policy by paying a single premium. Also, unlike most CI plans that have a 30-day survival clause for CI claims to be settled, in this plan, the survival period is seven days. Also, if a claim is made for any minor ailment, a 50 per cent discount in the premium is given for the next five years.

In the market today, the two insurers who offer specialised policies for women are Tata AIG and Bajaj Allianz. But Tata AIG's Wellsurance Woman and Bajaj Allianz's Women-Specific Critical Illness do not cover as many illnesses/conditions as HDFC ERGO's product does. While Bajaj Allianz's Women-Specific Critical Illness covers women-specific cancers, it has a long list of exclusions, too. Also, the maximum cover is Rs. 2 lakh. The insured has to survive 30 days after diagnosis of the disease for benefits to be payable. In Tata AIA's policy, cancer of specific severity is only covered; early-stage cancers are not covered. It excludes angioplasty, key-hole/laser surgery and pregnancy-related complications. It also has a 30-day survival clause. *(Source : Business Line)*

PSU Promotional Exam Sample Questions
Series 2 - Motor Insurance

1. d. Dec 2006
2. d. All the above
3. c. 3 to 5 yrs
4. b. Make and Model Basis
5. c. Used to detect fraud and to help insurers identify policyholder claims histories.
6. c. Rs 50000
7. a. GR 2
8. c. Rs 100
9. e. 7 yrs
10. e. None of the above
11. b. 52
12. d. Only a and b
13. d. 75%
14. b. 12 months
15. d. Rs 25
16. b. 31-12-1940
17. c. 33%
18. d. Use of Internet
19. d. 30%
20. c. Rs 50
21. e. Motor Bikes
22. b. Rs 250
23 c. DA is payable when the time taken to repair the damaged vehicle exceeds 10 days.
24. e. Depreciation reimbursement
25. a. Married driver attracts higher rates than unmarried drivers.

LEGAL

Insurance company cannot raise delay as ground for repudiation for the first time before Consumer Forum: SC

The Supreme Court has observed that an insurance company cannot raise delay as a ground for repudiation for the rst time before the consumer forum, if it has not taken delay in intimation as a specic ground in letter of repudiation. Two issues were considered by the Apex Court in this case [Saurashtra Chemicals Ltd. vs. National Insurance Co. Ltd]. One, whether the respondent-insurer had waived the condition relating to delay in intimation and lodging of the claim, by appointing a surveyor. Two Whether in the absence of any mention, of aspect of delay in intimation and violation of conditions of Clause 6(i) of General Conditions of Policy, in the repudiation letter, the same could be taken as defence before the NCDRC.

Relying on Galada Power and Telecommunication Ltd. vs. United India Insurance Company Ltd , it was contended that since the letter of repudiation does not even remotely refer to delayed intimation or delayed claim, as postulated in Clause 6(i), the said ground cannot be taken as a defence to the claim. The bench of noted that the three judge bench in Sonell Clocks and Gifts Ltd. v/s New India Assurance Company Ltd. has distinguished Galada Power on facts and held that the appointment of a surveyor cannot, as a matter of law, be construed as a waiver of the terms and conditions of the insurance policy. Therefore, on the 2nd issue, the bench observed:

"This Court in Sonnel Clocks did not have the occasion to consider whether the insurance company could have raised delay as a ground for repudiation for the rst time before the consumer forum. . Hence we are of the considered opinion that the law as laid down in 'Galada' on issue (2) still holds the eld. It is a settled position that an insurance company cannot travel beyond the grounds mentioned in the letter of repudiation. If the insurer has not taken delay in intimation as a specic ground in letter of repudiation, they cannot do so at the stage of hearing of the consumer complaint before NCDRC"

How IRDAI protects policyholders from crises at insurance companies

Recently, the Insurance Regulatory and Development Authority of India (Irdai) suspended operations of Reliance Health, a standalone insurer that set up shop only last year. Another insurer, Aviva Life, was dragged to National Companies Law Tribunal (NCLT) by its landlord, Apeejay Group, over payment obligations. Aviva has said the dispute will have no impact on policyholders. Given the impact of crises at banks and non-banking financial companies (NBFCs) on individual depositors, any adverse news is bound to make policyholders anxious. “These segments require a long-term commitment. Policyholders are bound to be jittery when something happens to the company they have invested in for years. Non-life insurance is mostly an annual affair and thus exposure is limited,” says Jayesh Gadekar, Head, Health and Benefits, Global Insurance Brokers.

However, the insurance regulator has adequate powers—and the system requisite checks and balances— to safeguard policyholders’ interests in case insurers run into trouble. Solvency margin The Reliance Health Insurance case is a pointer to powers that Irdai is endowed with to protect policyholders’ interests. It initiated action after the year-old company’s failed to maintain the required solvency margin after June 2019. Irdai stipulates that all insurers—life, health and general—maintain a minimum solvency ratio of 150%. Solvency margin, captured in this ratio, is the excess of assets over liabilities. “A number higher than the mandatory requirement bodes well for the financial strength of the insurer,” says Mahavir Chopra, Director, Health, Life and Strategic Initiatives, Coverfox.com. It leaves no room for concerns about the insurer going through a financial crisis. "Most Indian insurers today maintain this ratio at much higher levels of 180-220%," says Ashwin B, COO, Exide Life Insurance.

In case of Reliance Health, the insurance regulator issued directions in August asking the company to rectify the deficiency in a month, but the insurer failed to comply. "Thereafter, the insurer was issued a show cause notice and given another opportunity to present its case. However, there has been no improvement but further deterioration in the financial position of RHICL," the Irdai stated, explaining the rationale behind its action. In such cases, the regulator asks the insurer to propose a financial plan to dust off the crisis. More stringent action is considered only if the insurer fails to comply. Rules of investment Besides problems related to financials and governance issues, wrong investment decisions, too, could precipitate a crisis.

To prevent such crises, insurers are required to follow certain investment norms. "For example, insurers cannot invest in debt securities with a rating below AAA. If any asset is impaired and the rating falls below AAA, it has to be marked to market. The insurer cannot hide the fact. Any MoM loss has to be borne by shareholders – the policyholders remain protected," says Ashwin B. Irdai to the rescue One of the key objectives of setting up a regulatory authority was to ensure policyholder protection. "The regulator has wide ranging powers to take action if insurers fail to meet their solvency criteria. It keeps close tabs on the solvency levels as they determine the company's ability to pay claims," explains Satyendra Srivastava, Partner, Khaitan Legal Associates. For instance, Section 52A of the Insurance Act, 1938 empowers the regulator to appoint an administrator for a life insurer if it feels that it is acting in a manner that is prejudicial to the interests of policyholders.

"Under Section 52B, this administrator can transfer the business to another insurer or reccommend winding up of the business," says an insurance lawyer who did not wish to be named. In 2017, Irdai followed this path and was instrumental in facilitating the acquisition of the troubled Sahara Life Insurance by ICICI Prudential Life Insurance. Governancerelated issues were at the heart of this decision by the regulator-appointed administrator. "On the filing of the report with the Irdai, the authority may take such action as he thinks fit for promoting the interests of the holders of life insurance policies in general," the amended Insurance Act says. ❑

6% rise in number of complaints reported against life insurers in FY19

There has been a 6% rise in number of complaints reported against life insurers in FY19. The finding was part of an annual report released by IRDAI. As many as 102,127 complaints were filed against the public insurer (LIC) and private insurers attracted 61,137 complaints.

"I think the premium growth in the life insurance space in the past year has been over 6% which in a way shows that the number of policies has gone up. So it's likely that the number of complaints will go up too," said Abhishek Bondia, principal officer and managing director, SecureNow.in.

The first year premium for life insurers registered 11.39% growth in FY19 as compared to 10.75% in FY18. Private life insurers, specifically, reported a growth of 11.46%.

"In life insurance the complaints are primarily about people not knowing the kind of returns that a plan will give. They buy insurance assuming that they will not have to pay multi-year premiums, then there are, of course, many instances of mis-selling," said Bondia.

General insurers on the other hand witnessed a drop of 3% in the number of complaints. Bondia said, on the general insurance side, companies are moving towards a more digital infrastructure. "Insurers are allowing policyholders to conduct a self-survey through the e-claims facility. This is true even on the health side. This has a substantial impact on customer experience and hence, reduces complaints," Bondia added.

General insurers registered a growth of 12.47% in FY19 as against 17.59% in the previous year. The industry underwrote total direct premium worth Rs. 1,96,448 crore as against Rs. 1,50,662 crore in FY18.

Ans. of December '19 Insurance Quiz contest

1. Mukesh Kumar Gupta, Raj Kumar
2. 15000
3. Aviva Life Insurance
4. Reliance Health Insurance
5. NITI Ayog
6. Swiss Re
7. ISRO

IRDAI Circular

Guidelines on Regulatory Framework for appointment of postmen and grameen dak sevaks of Department of Posts as Point of Sales Person by India Post Payment Bank (IPPB)

Ref: IRDAI/INT/GDL/INDP/219/12/2019

4th December, 2019

I. Introduction

The Authority issued Guidelines on Point of Salesperson-General and Health vide circular no. IRDA/ lnU GDL/ ORD/ 183/10/2015 dated 26/10/2015 and Guidelines on Point of Salesperson-Life vide circular no. IRDA/ LIFE/ ORD/ GLD/ 223/11/2016 dated 9.11.2016. While issuing these guidelines the Authority had observed that there are number of persons who are involved in undertaking simple and routine activities pertaining to solicitation and marketing of insurance policies. For e.g. bulk of products in motor insurance, travel insurance, personal accident insurance, term insurance, etc. require very little underwriting. These happen to be largely pre-underwritten products wherein based on the information provided by the prospect, the insurance policy is automatically generated by the system. The intervention required for such a product is minimal and the training and examination for such persons could be of a lesser degree.

Therefore, in order to facilitate the growth of insurance business in the country and to enhance insurance penetration and insurance density, the Authority as part of its developmental agenda issued the guidelines on "Point of Sales Persons".

II. India Post Payment Bank (IPPB)

IPPB is set up under the Department of Post, Ministry of Communication, with 100% equity owned by the Government of India. IPPB intends to leverage Department of Post reach and visibility across India through its physical network of 1,55,000 post offices and last mile doorstep banking services enabled through its workforce of over 3 lakhs grameen dak sevaks and postmen. IPPB intends to distribute third party products including insurance. IPPB has been set-up with a lean structure to focus on product strategy, technology excellence, customer and user experience and regulatory compliance. All customer facing services will be provided at the last mile by leveraging the Dept of Posts infrastructure/ post offices and postal employees in line with RBI Business Correspondent guidelines.

III. Role of postmen and grameen dak sevaks

These postmen and grameen dak sevaks will be operating largely in un-banked and under-banked geographical areas and can provide the last mile reach to sell insurance products in remote and rural areas. This would provide financial inclusion and increase insurance density and penetration in the country which is in line with the objective of the Authority.

IV. Regulatory Framework for supervision of postmen and grameen dak sevaks of Department of Posts by IPPB

1. The IPPB, which is a corporate agent, may apply to the Authority seeking permission to sponsor postmen and grameen dak sevaks of Department of Posts to act as Point of Salesperson (POS).
2. The Authority under Section 14(2) of the IRDA Act, 1999 may consider IPPB's request to sponsor postmen and grameen dak sevaks of Department of Posts to act as POS.
3. In case the Authority grants permission, IPPB shall be responsible for all acts of omission and commission of

the postmen and grameen dak sevaks appointed as Point of Salesperson.

4. The Department of Posts will identify the postmen and grameen dak sevaks and furnish the list to the Authority through IPPB from time to time
5. The details of arrangements between IPPB and Department of Posts on behalf of postmen and grameen dak sevaks shall be filed with the Authority.
6. The IPPB may have tie-ups with as many number of insurers as allowed under the IRDAI (Registration of Corporate Agents) Regulations, 2015 for distributing insurance products through the postmen and grameen dak sevaks of Department of Posts.
7. For further safeguards, IPPB shall be responsible for the following:
   i) training and certification of postmen and grameen dak sevaks of the Department of Posts on the lines of Point of Sales Person
   ii) daily reconciliation and reporting of all transactions
   iii) compliance to code of conduct
   iv) compliance with KYC norms
   v) setting up of a robust grievance redressal mechanism to address grievances raised by customers
   vi) put in place a system to identify the postman and grameen dak sevak who has sold an insurance policy to the prospect
8. All other conditions contained in Guidelines on Point of Salesperson-General and Health vide circular no. IRDA/ Int/ GDL/ ORD/ 1831 101 2015 dated 26/10/2015 and Guidelines on Point of Salesperson-Life vide circular no. IRDA/ LIFE/ CIR/ MISC/215/12/2019 dated 2.12.2019 will continue to apply to postmen and grameen dak sevaks of the Department of Posts.
9. The Authority withdraws circular Ref. No: IRDA/ CAGTS/ CIR/ LCE/ 165/10/2010 dated 14.10.2010 dealing with framework to sanction corporate agency license to Department of Posts (India Post).

Sujay Banarji
Member (Distn)

IRCTC offers free travel insurance worth up to Rs. 50 lakh

Indian Railway Catering and Tourism Corporation (IRCTC) is offering free travel insurance worth up to Rs. 50 lakh if you book flight tickets from IRCTC official website or mobile application. The e-ticketing and catering arm of Indian Railways has joined hands with Bharti AXA General insurance company to provide this first-of-its kind travel insurance option.

Every passenger who books tickets through IRCTC Air website or app will be eligible for the travel insurance. The insurance will be available for both the domestic and international travellers.

The insurance will provide them financial protection against accidental death and total or permanent disability, the IRCTC statement said. The insurance cover will be for both one-way and round trip.

The maximum coverage is Rs. 50,00,000 which is provided in case of accidental death, permanent total disablement or permanent partial disablement.

Apart from the accidental death coverage, IRCTC will also provide a coverage up to Rs. 3,000 for the loss of checked in baggage in domestic flights. For international flights, an insurance of up to $250 will be provided in case of loss of checked-in baggage.

Moreover, the premium for insurance will be borne by the IRCTC to secure its passengers from any untoward incident during the journey.

Other travel portals like MakeMyTrip, Yatra, ClearTrip usually charge Rs. 200-250 for air travel insurance. The aim is to provide hassle-free travel experience to customers, said IRCTC.

IRCTC also offers an insurance cover of up to Rs. 10 lakh at a near-zero premium of 49 paise if you book train tickets from IRCTC website. The policy covers death, permanent total disability, permanent partial disability and hospitalization expenses for injury and transportation of mortal remains following rail accident or untoward incident, according to the IRCTC website.

Performance Statistics - Non-Life Insurance

GROSS DIRECT PREMIUM UNDERWRITTEN FOR AND UPTO THE MONTH OF NOVEMBER 2019

(Rs. in crores)

INSURER	For the month of November		Upto November 2019		Market Share upto the Month of Nov 2019 (%)	Growth over the corresponding period of previous year (%)
	2018-19	2017-18	2018-19	2017-18		
Acko General Insurance Limited	31.95	17.72	248.13	74.76	0.20	231.90
Bajaj Allianz General Ins. Co. Ltd.	789.78	742.71	8,878.24	6,666.50	7.04	33.18
Bharti AXA General Ins. Co. Ltd.	222.81	145.91	2,158.52	1,479.47	1.71	45.90
Cholamandalam MS General Ins.	356.00	368.65	2,936.00	2,799.66	2.33	4.87
DHFL General Insurance Limited	8.23	1.74	122.90	204.46	0.10	(39.89)
Edelweiss General Ins. Co. Ltd.	11.25	5.08	77.22	42.51	0.06	81.65
Future Generali India Ins. Co. Ltd.	343.23	158.44	2,133.42	1,542.46	1.69	38.31
Go Digit General Ins. Ltd.	197.75	79.71	1,413.82	436.01	1.12	224.26
HDFC Ergo General Ins. Co. Ltd.	552.85	802.48	6,270.54	5,805.80	4.97	8.00
ICICI Lombard General Ins. Co. Ltd.	1,224.42	1,306.79	9,028.11	9,865.93	7.16	(8.49)
IFFCO Tokio General Ins. Co. Ltd.	682.54	629.73	5,580.28	4,538.89	4.43	22.94
Kotak Mahindra General Ins. Co.	39.50	26.97	265.02	176.94	0.21	49.78
Liberty General Ins. Ltd.	132.06	97.21	1,010.85	727.44	0.80	38.96
Magma HDI General Ins. Co. Ltd.	109.06	76.90	788.35	535.51	0.63	47.21
National Ins. Co. Ltd.	1,227.21	1,192.10	10,103.30	9,676.31	8.02	4.41
Raheja QBE General Ins. Co. Ltd.	10.93	8.26	82.62	65.95	0.07	25.27
Reliance General Ins. Co. Ltd.	512.92	414.71	5,510.02	4,451.97	4.37	23.77
Royal Sundaram General Ins. Co.	239.83	203.05	2,418.76	2,176.10	1.92	11.15
SBI General Ins. Co. Ltd.	685.27	241.83	4,449.40	2,826.90	3.53	57.40
Shriram General Ins. Co. Ltd.	197.45	187.33	1,598.96	1,473.79	1.27	8.49
Tata AIG General Ins. Co. Ltd.	569.14	578.42	5,136.86	4,593.01	4.08	11.84
The New India Assurance Co. Ltd.	1,910.20	1,667.18	17,964.54	15,684.95	14.25	14.53
The Oriental Ins. Co. Ltd.	1,016.02	922.59	9,016.12	8,520.78	7.15	5.81
United India Ins. Co. Ltd.	1,402.99	1,402.61	10,957.23	10,112.25	8.69	8.36
Universal Sompo General Ins. Co.	250.23	230.54	1,680.56	1,230.93	1.33	36.53
General Insurers Total	12,723.61	11,508.67	1,09,829.78	95,709.28	87.13	14.75
Aditya Birla Health Ins. Co. Ltd.	73.70	36.66	456.17	255.12	0.36	78.80
Apollo Munich Health Ins. Co. Ltd.	167.47	143.57	1,397.35	1,095.19	1.11	27.59
ManipalCigna Health Ins. Co. Ltd.	50.60	31.06	368.03	320.91	0.29	14.68
Max Bupa Health Ins. Co. Ltd.	96.56	67.61	719.78	540.67	0.57	33.13
Religare Health Ins. Co. Ltd.	232.42	203.75	1,547.83	1,145.97	1.23	35.07
Star Health & Allied Ins. Co. Ltd.	547.00	421.00	3,832.00	2,875.00	3.04	33.29
Reliance Health Ins. Ltd.	(0.09)	---	6.12	---	0.00	NA
Stand-alone Pvt Health Insurers	1,167.66	903.65	8,327.28	6,232.86	6.61	33.60
Agricultural Ins. Co. of India Ltd.	592.28	373.51	7,179.24	6,348.82	5.70	13.08
ECGC Limited	106.94	117.74	712.16	777.16	0.56	(8.36)
Specialized PSU Insurers	699.22	491.25	7,891.40	7,125.98	6.26	10.74
GRAND TOTAL	14,590.50	12,903.57	1,26,048.45	1,09,068.12	100.00	15.57

Note: Compiled on the basis of data submitted by the Insurance companies *NA: Not Applicable*

Performance STATISTICS - LIFE INSURANCE

SUMMARY OF NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR THE PERIOD ENDED NOVEMBER - 2019 (PROVISIONAL)

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crore					No. of Policies / Schemes				
		Month of Nov-2019	Upto Nov-2019	Month of Nov-2018	Upto Nov-2018	YTD Variation in %	Month of Nov-2019	Upto Oct-2019	Month of Nov-2018	Upto Nov-2018	YTD Variation in %
1	**Aditya Birla Sun Life Insurance Co. Ltd.**										
	Individual Single Premium	7.24	71.02	6.05	66.58	6.66%	221	2076	216	2087	-0.53%
	Individual Non Single Premium	178.94	978.08	109.77	797.80	22.60%	24550	160578	20006	153156	4.85%
	Group Single Premium	232.45	1100.28	138.25	1316.34	-16.41%	14	51	13	61	-16.39%
	Group Non Single Premium	0.40	3.42	1.09	27.03	-87.36%	1	2	0	3	-33.33%
	Total	**424.77**	**2200.81**	**261.43**	**2268.02**	**-2.96%**	**24830**	**163088**	**20289**	**155903**	**4.61%**
2	**Aegon Life Insurance Co. Ltd.**										
	Individual Single Premium	0.48	2.05	0.11	1.11	83.93%	13997	15030	2662	3164	375.03%
	Individual Non Single Premium	5.62	46.46	6.45	56.82	-18.23%	1517	15555	2441	26928	-42.23%
	Group Single Premium	0.00	1.08	0.00	3.05	-64.49%	0	0	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**7.25**	**59.36**	**6.95**	**68.52**	**-13.36%**	**15526**	**30657**	**5105**	**30129**	**1.75%**
3	**Aviva Life Insurance Co. Ltd.**										
	Individual Single Premium	0.69	5.67	0.39	3.56	59.10%	20	126	314	5340	-97.64%
	Individual Non Single Premium	9.35	65.98	9.67	81.09	-18.63%	1659	11656	1643	15458	-24.60%
	Group Single Premium	0.19	1.46	0.39	2.70	-46.05%	0	0	0	2	-100.00%
	Group Non Single Premium	0.11	0.88	0.19	1.81	-51.30%	0	0	0	0	---
	Total	**44.15**	**152.30**	**13.97**	**126.45**	**20.44%**	**1684**	**11808**	**1958**	**20850**	**-43.37%**
4	**Bajaj Allianz Life Insurance Co. Ltd.**										
	Individual Single Premium	7.26	45.10	3.60	39.92	12.98%	34	351	52	1287	-72.73%
	Individual Non Single Premium	182.56	1126.01	118.94	865.78	30.06%	28838	182133	21894	165181	10.26%
	Group Single Premium	390.81	1962.22	148.57	1655.01	18.56%	2	39	1	27	44.44%
	Group Non Single Premium	0.00	0.00	0.00	1.01	-100.03%	0	0	0	0	---
	Total	**592.59**	**3241.42**	**290.54**	**2719.12**	**19.21%**	**28877**	**182553**	**21947**	**166512**	**9.63%**
5	**Bharti AXA Life Insurance Co. Ltd.**										
	Individual Single Premium	3.15	28.86	3.66	32.47	-11.13%	26	5204	39	304	1611.84%
	Individual Non Single Premium	50.12	367.39	42.04	326.53	12.51%	18248	145143	10845	86005	68.76%
	Group Single Premium	10.81	143.99	20.35	175.03	-17.73%	0	3	1	5	-40.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**64.08**	**540.24**	**66.04**	**534.03**	**1.16%**	**18274**	**150350**	**10885**	**86314**	**74.19%**
6	**Canara HSBC OBC Life Insurance Co. Ltd.**										
	Individual Single Premium	3.54	48.12	4.25	38.96	23.52%	45	337	22	219	53.88%
	Individual Non Single Premium	77.05	556.92	55.46	471.18	18.20%	13904	89389	9512	67182	33.05%
	Group Single Premium	54.72	312.40	46.15	266.46	17.24%	8	10	0	4	150.00%
	Group Non Single Premium	0.55	4.60	0.53	3.50	31.24%	3	3	0	0	---
	Total	**137.71**	**1001.07**	**108.23**	**836.60**	**19.66%**	**13960**	**89743**	**9534**	**67409**	**33.13%**
7	**Edelweiss Tokio Life Insurance Co. Ltd.**										
	Individual Single Premium	0.41	4.39	1.63	9.35	-53.05%	15	1032	37	2317	-55.46%
	Individual Non Single Premium	26.09	180.45	26.98	168.13	7.33%	5911	44794	6031	38735	15.64%
	Group Single Premium	0.98	12.76	1.12	28.80	-55.71%	0	3	0	0	---
	Group Non Single Premium	0.70	3.38	4.75	9.04	-62.58%	0	1	2	6	-83.33%
	Total	**28.66**	**206.09**	**34.78**	**226.58**	**-9.04%**	**5928**	**45861**	**6072**	**41084**	**11.63%**
8	**Exide Life Insurance Co. Ltd.**										
	Individual Single Premium	8.33	78.87	1.07	22.54	249.85%	238	1751	21	325	438.77%
	Individual Non Single Premium	58.11	382.26	43.48	358.96	6.49%	17152	118921	14306	110691	7.44%
	Group Single Premium	0.05	0.26	0.03	0.38	-31.76%	0	0	0	1	-100.00%
	Group Non Single Premium	0.33	6.38	1.59	31.51	-79.75%	7	28	6	94	-70.21%
	Total	**73.45**	**515.02**	**47.95**	**432.63**	**19.04%**	**17397**	**120700**	**14333**	**111111**	**8.63%**
9	**Future General India Life Insurance Co. Ltd.**										
	Individual Single Premium	0.38	3.51	0.30	3.17	10.85%	26	213	24	194	9.79%
	Individual Non Single Premium	31.11	202.09	22.44	151.36	33.51%	5790	39981	5245	36932	8.26%
	Group Single Premium	6.12	46.81	4.70	40.71	14.97%	0	3	3	14	-78.57%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**80.35**	**483.02**	**47.42**	**341.95**	**41.25%**	**5824**	**40228**	**5279**	**37176**	**8.21%**
10	**HDFC Life Insurance Co. Ltd.**										
	Individual Single Premium	227.45	1732.45	206.38	1618.18	7.06%	3186	25291	3250	27422	-7.77%
	Individual Non Single Premium	432.44	3403.94	297.21	2623.86	29.73%	69556	529592	63012	549201	-3.57%
	Group Single Premium	992.40	5348.46	528.89	4102.54	30.37%	31	121	16	168	-27.98%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**1681.93**	**10772.88**	**1067.86**	**8518.69**	**26.46%**	**72797**	**555177**	**66312**	**577003**	**-3.78%**
11	**ICICI Prudential Life Insurance Co. Ltd.**										
	Individual Single Premium	97.95	809.21	60.05	646.20	25.23%	1421	10912	1230	33953	-67.86%
	Individual Non Single Premium	601.14	4131.52	504.65	4062.86	1.69%	63260	464201	89682	505551	-8.18%
	Group Single Premium	192.16	1284.16	120.20	627.17	104.75%	18	91	8	84	8.33%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**973.67**	**7060.21**	**917.52**	**5870.03**	**20.28%**	**64852**	**476256**	**91091**	**540343**	**-11.86%**
12	**IDBI Federal Life Insurance Co. Ltd.**										
	Individual Single Premium	10.31	83.20	15.79	105.25	-20.95%	336	2985	602	4688	-36.33%
	Individual Non Single Premium	23.19	176.02	31.73	243.40	-27.68%	3499	30239	7371	57252	-47.18%
	Group Single Premium	12.44	84.68	10.09	63.58	33.17%	0	2	1	2	0.00%
	Group Non Single Premium	0.00	0.33	0.13	0.97	-66.14%	0	0	0	0	---
	Total	**45.94**	**344.22**	**57.73**	**413.20**	**-16.69%**	**3835**	**33226**	**7974**	**61942**	**-46.36%**

Performance STATISTICS - LIFE INSURANCE

SUMMARY OF NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR THE PERIOD ENDED NOVEMBER - 2019 (PROVISIONAL)

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crore					No. of Policies / Schemes				
		Month of Nov-2019	Upto Nov-2019	Month of Nov-2018	Upto Nov-2018	YTD Varia-tion in %	Month of Nov-2019	Upto Oct-2019	Month of Nov-2018	Upto Nov-2018	YTD Varia-tion in %
13	**IndiaFirst Life Insurance Co. Ltd.**										
	Individual Single Premium	1.86	13.83	1.23	14.32	-3.42%	299	15319	1316	16672	-8.12%
	Individual Non Single Premium	72.41	453.96	44.12	347.95	30.47%	14769	101767	10162	88207	15.37%
	Group Single Premium	66.62	658.02	34.03	791.03	-16.81%	12	101	7	68	48.53%
	Group Non Single Premium	0.06	0.27	0.03	0.18	52.99%	0	1	0	3	-66.67%
	Total	**140.94**	**1126.09**	**79.41**	**1153.47**	**-2.37%**	**15080**	**117188**	**11485**	**104950**	**11.66%**
14	**Kotak Mahindra Old Mutual Life Ins. Co. Ltd.**										
	Individual Single Premium	64.37	377.14	33.83	206.62	82.53%	2835	28428	6346	29520	-3.70%
	Individual Non Single Premium	130.74	787.93	110.00	719.96	9.44%	23171	149338	20664	138808	7.59%
	Group Single Premium	93.26	735.86	76.31	589.80	24.76%	17	138	9	78	76.92%
	Group Non Single Premium	0.08	3.58	1.93	14.89	-75.94%	4	21	2	36	-41.67%
	Total	**541.62**	**2917.44**	**302.50**	**2029.42**	**43.76%**	**26056**	**178283**	**27055**	**168821**	**5.60%**
15	**Max Life Insurance Co. Ltd.**										
	Individual Single Premium	100.14	636.54	73.73	516.70	23.19%	198	1140	81	622	83.28%
	Individual Non Single Premium	299.07	2165.57	257.37	1814.47	19.35%	47598	347799	44118	344110	1.07%
	Group Single Premium	26.85	184.15	25.48	193.58	-4.87%	0	93	5	76	22.37%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**435.57**	**3056.38**	**362.25**	**2576.36**	**18.63%**	**47856**	**349613**	**44230**	**345261**	**1.26%**
16	**PNB Metlife Life Insurance Co. Ltd.**										
	Individual Single Premium	1.65	11.21	1.53	15.69	-28.54%	52	352	64	616	-42.86%
	Individual Non Single Premium	110.48	756.45	98.87	729.91	3.63%	16278	118610	16168	120341	-1.44%
	Group Single Premium	43.78	238.15	17.77	98.01	142.99%	0	4	0	0	---
	Group Non Single Premium	0.04	0.39	0.31	1.54	-74.40%	16	125	21	132	-5.30%
	Total	**159.83**	**1045.48**	**120.16**	**871.39**	**19.98%**	**16346**	**119091**	**16253**	**121089**	**-1.65%**
17	**PRAMERICA Life Insurance Limited**										
	Individual Single Premium	0.46	7.06	1.09	14.30	-50.60%	21	292	93	1752	-83.33%
	Individual Non Single Premium	12.68	106.15	18.73	210.19	-49.50%	2967	25557	4126	49563	-48.44%
	Group Single Premium	25.45	211.18	24.27	418.42	-49.53%	5	43	1	4	975.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**44.38**	**390.31**	**73.83**	**922.35**	**-57.68%**	**3023**	**26287**	**4320**	**51993**	**-49.44%**
18	**Reliance Nippon Life Insurance Co. Ltd.**										
	Individual Single Premium	4.91	31.49	1.63	18.06	74.35%	110	926	90	785	17.96%
	Individual Non Single Premium	62.36	533.96	63.19	516.03	3.47%	14553	130790	16902	135096	-3.19%
	Group Single Premium	0.00	0.71	0.12	7.16	-90.02%	0	0	0	1	-100.00%
	Group Non Single Premium	5.40	31.17	0.66	36.64	-14.92%	1	13	1	12	8.33%
	Total	**74.07**	**610.18**	**70.36**	**607.15**	**0.50%**	**14667**	**131755**	**17000**	**135935**	**-3.07%**
19	**Sahara India Life Insurance Co. Ltd.**										
	Individual Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Individual Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Group Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**0.00**	**0.00**	**0.00**	**0.00**	**---**	**0**	**0**	**0**	**0**	**---**
20	**SBI Life Insurance Co. Ltd.**										
	Individual Single Premium	160.78	1028.31	58.66	462.07	122.55%	2946	20531	1411	11817	73.74%
	Individual Non Single Premium	886.91	5667.08	733.50	4771.17	18.78%	138907	933356	123282	847532	10.13%
	Group Single Premium	411.81	3905.67	299.22	2392.26	63.26%	9	56	10	69	-18.84%
	Group Non Single Premium	2.07	5.96	0.06	6.03	-1.16%	0	0	0	2	-100.00%
	Total	**1478.50**	**10715.72**	**1119.73**	**7728.44**	**38.65%**	**141892**	**954407**	**124754**	**859780**	**11.01%**
21	**Shriram Life Insurance Co. Ltd.**										
	Individual Single Premium	2.88	24.20	3.63	33.74	-28.28%	142	1369	190	1787	-23.39%
	Individual Non Single Premium	37.57	262.92	29.32	252.82	3.99%	22790	159207	15289	166108	-4.15%
	Group Single Premium	17.20	128.39	41.60	180.35	-28.81%	0	5	2	5	0.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**58.59**	**425.30**	**77.53**	**497.17**	**-14.46%**	**22932**	**160591**	**15482**	**167917**	**-4.36%**
22	**Star Union Dai-Ichi Life Insurance Co. Ltd.**										
	Individual Single Premium	10.50	48.57	3.52	30.07	61.52%	227	1111	131	833	33.37%
	Individual Non Single Premium	61.72	320.38	50.98	273.67	17.07%	8210	46860	8715	54189	-13.52%
	Group Single Premium	9.63	44.37	3.64	31.57	40.54%	0	0	0	0	---
	Group Non Single Premium	0.22	1.07	0.20	1.63	-34.18%	0	0	0	0	---
	Total	**85.11**	**440.98**	**59.13**	**344.03**	**28.18%**	**8439**	**47984**	**8847**	**55026**	**-12.80%**
23	**Tata AIA Life Insurance Co. Ltd.**										
	Individual Single Premium	44.84	266.04	0.45	3.88	6763.39%	244	1699	18	135	1158.52%
	Individual Non Single Premium	224.79	1423.92	152.53	1026.56	38.71%	39473	265827	26070	167702	58.51%
	Group Single Premium	2.93	28.48	2.79	12.68	124.50%	0	0	0	7	-100.00%
	Group Non Single Premium	3.22	37.64	5.64	66.63	-43.51%	5	54	2	61	-11.48%
	Total	**277.50**	**1773.74**	**161.44**	**1112.20**	**59.48%**	**39741**	**267684**	**26090**	**167921**	**59.41%**
	PRIVATE										
	Individual Single Premium	759.59	5356.83	482.58	3902.73	37.26%	26639	136475	18209	145839	-6.42%
	Individual Non Single Premium	3574.42	24095.45	2827.42	20870.51	15.45%	582600	4111293	537484	3923928	4.77%
	Group Single Premium	2590.67	16433.55	1543.98	12996.66	26.44%	116	763	77	676	12.87%
	Group Non Single Premium	13.18	99.08	17.11	202.40	-51.05%	37	248	34	349	-28.94%
	PRIVATE TOTAL	**7450.68**	**49078.27**	**5346.76**	**40197.81**	**22.09%**	**609816**	**4252530**	**556295**	**4074469**	**4.37%**
24	**Life Insurance Corporation of India**										
	Individual Single Premium	1917.32	16653.03	2187.29	13655.97	21.95%	90657	606971	81247	642319	-5.50%
	Individual Non Single Premium	4230.39	17646.16	1950.23	15010.53	17.56%	3314556	13048732	1349616	10765661	21.21%
	Group Single Premium	9092.22	61620.77	5257.66	53069.84	16.11%	70	780	45	329	137.08%
	Group Non Single Premium	3516.44	23751.07	66.19	532.31	4361.86%	334	1706	190	1717	-0.64%
	Total	**18770.56**	**120172.93**	**9511.00**	**83148.64**	**44.53%**	**3408595**	**13675210**	**1432976**	**11424920**	**19.70%**
	GRAND TOTAL	**26221.24**	**169251.20**	**14857.76**	**123346.45**	**37.22%**	**4018411**	**17927740**	**1989271**	**15499389**	**15.67%**

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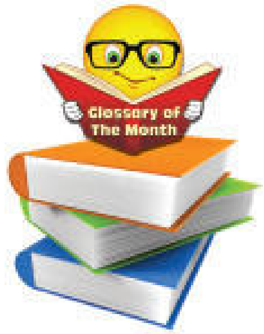
Glossary



FAIR Plan - Fair Access to Insurance Requirements

State pools designed to provide insurance to property owners who are unable to obtain property insurance through conventional means.

Fair Value

The amount at which an asset (or liability) could be bought (or incurred) or sold (or settled) in a current transaction between willing parties, that is, other than in a forced or liquidation sale. Quoted market prices in active markets are the best evidence of fair value and shall be used as the basis for the measurement, if available. If a quoted market price is available, the fair value is the product of the number of trading units times market price.

Poll

Do you think Insurance Ombudsman office should be opened in more cities

Yes

No

Can't say

Results of Poll in our December 2019 Issue

Do you think Motor Insurance Portfolio is taking a severe hit due to fall in car sales

Yes	70
No	20
Can't say	10

You may send your views to :

Poll Contest, **The Insurance Times**
25/1, Baranashi Ghosh Street, Kolkata - 700 007
Phone : 2269 6035, 2218 4184, 4007 8428
Email: insurance.kolkata@gmail.com

Regulator nudges insurance companies to list on bourses

The IRDAI has recently requested more insurance companies to list on the bourses so that they can become more efficient in operations and transparent in disclosures.

"Listed insurance companies are doing quite well in terms of good valuation. I urge other insurance companies to start listing as they cross a critical mass," said Subhash Chandra Khuntia, Chairman, IRDAI.

Khuntia stated that listing will make the companies able to provide more disclosures and abide by market discipline, making their conduct more efficient. The IRDAI in a draft had notified all insurance companies that have completed 10 years of operations, should list on the stock exchanges.

According to Khuntia, some of the insurers found it difficult since they have not crossed the critical size. "We are not forcing them, but I am nudging them," he said, adding that Reliance General Insurance had taken permission but it may not go through with it due to group-level problems.


आपत्काले रक्षिष्यामि
GIC Re
FINANCIAL STRENGTH THAT EMPOWERS GROWTH
Gross Premium
₹ 44,238 Crore
Net Worth (with Fair Value Change Account)
₹ 52,765 Crore
Total Assets
₹ 118,884 Crore as on 31.03.2019
Ratings
• Financial Strength: A-(Excellent) by A.M. Best Company
• Claims Paying Ability: "AAA (In)" by CARE
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