The First Monthly Journal on Insurance in India in service since 1981

₹85/-

THE INSURANCE TIMES

VOL.XXXXI - NO.05- May 2021 - ISSN-0971-4480

In this issue

FOUR DECADE IN PUBLICATION
41 YEARS SINCE 1981
DEDICATED SERVICE TO THE NATION

"The concept of '#ABHIKaro' was derived from the sense of urgency to convince people to stop procrastinating and buy health insurance right now."

Mayank Bathwal
CEO
Aditya Birla Health Insurance

"The MRP of important COVID drugs like Remdesivir is quoted differently by different hospitals, resulting in retail prices that are five-six times higher."

Dr. S. Prakash
Managing Director
Star Health & Allied Insurance

"Our team is focused on ensuring that timely help is extended on claim intimation and wherever possible, the claims are settled within a time period of 12 hours."

Casparus Kromhout
MD & CEO
Shriram Life Insurance

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

The Insurance Times

Vol. XXXXI, No. 05, May 2021 ISSN - 0971 - 4480

Correspondence Address

25/1, Baranashi Ghosh Street, Kolkata - 700 007, India
Phone : 91-33-4007 8378/3553 4434
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
Phone : 033-40078428, 40078429

Single Copy ₹ 85/-
Annual Subscription : ₹ **990/-** (Ordinary Mail)
₹ **1340/-** (Regd.) Foreign air mail US$ 125

Payment may be made online by NEFT/ Credit card online or by cheque / DD favouring Sashi Publications Pvt. Ltd.

Publisher Sushil Kumar Agarwala, 31/1, Sadananda Road, P.S. Kalighat, Kolkata - 700 026, India.
Printed by Satyajug Employee Co Operative Industrial Ltd, 13, Prafulla Sarkar Street, Kolkata - 700 072.

Editor-in-Chief's Desk

Ram Gopal Agarwala
B.Com, LLB, FCA.

The Second wave of Covid 19 has hit India hard. After the first wave subsided, the government and people started taking easy and all necessary protocols went haywire. There was serious laxity by the government who could not anticipate the possible impact. The Covid 19 management in the first wave was done pretty nicely and things were under control.

Currently the daily infection rate has breached the 3.5 lakh mark. In May 2021 it is expected that the figure may touch 5 lakhs cases per day. In the second wave young generations are getting more affected. This a really a cause of concern for 130 crore populated country like India. If proper action is not taken god knows where the number will stand.

There has been a severe Risk Management failure too. The experts should have sounded an alarm about the possibilities of second wave and the possible measures to tackle the pandemic. Consequently the business cycle will again get disrupted and overall economy will suffer.

All these events has a direct impact on the Insurance Industry. The rising number of cases will result in huge claims in health insurance. Already the hospitals have started denying cashless facility which is impacting the smooth process of claims settlement. In many cases whole family is affected with Covid 19 and there would be difficulty in timely submission of claims too. IRDA and Insurance companies must also keep this aspect in mind while dealing with claims.

In order to contain the pandemic the government should consider partial lockdown of the country again. Few renowned doctors have already confirmed that there would be serious deficit of doctors in coming days. Overall the situation is very grim and we need to take timely measures to contain pandemic.

Contents

News

Articles

Features

General Insurance News

Average sum insured doubled to Rs. 2.2 million in pandemic year

According to a survey conducted recently, the average sum insured for health insurance policies bought on the online insurance marketplace almost doubled to Rs. 2.24 million during the financial year 2020-21 against Rs. 1.14 million in FY19-20.

The survey, which looked at how the COVID-19 pandemic has impacted consumer sentiment and purchase triggers when it comes to health insurance plans, found a sharp increase in awareness and demand for high cover protection policies.

On the claims filed during the year, the survey found that in April, 2020, of the total claims reported, only 4% were related to COVID-19. However, as the pandemic peaked in September, 2020, the proportion of COVID-related claims increased to around 40% of the total claims. The number of claims steadily increased from 8% in May to 23% in July and to 34% in August.

According to the statement, "The overall trend depicts how health insurance in FY20-21 was amongst the most sought-after investment instruments, leapfrogging all other insurance categories."

Amit Chhabra, Head - Health Insurance, Policybazaar, stated, "The pandemic has acted as a catalyst for increased awareness of health insurance. People have realized its importance for unforeseen health-related situations and are now investing more in high sum insured plans for advanced treatments."

Demand for plans with higher sum insured (more than Rs. 25 lakh) also witnessed a jump of 40% over the last financial year. The survey also showed that there was a 150% jump in requests from policyholders to port their existing health insurance plans to the higher sum insured (more than Rs. 25 lakh) from lower covers (Rs. 5-10 lakh).

Agriculture Insurance Company of India joins hand with Gramcover for rural insurance

The Agriculture Insurance Company of India Limited has recently collaborated with Gramcover to collectively enhance rural insurance penetration. It will achieve this by utilizing the expertise of Gramcover in rural insurtech space. The partnership aims to target 25 million farmers across the aspirational districts.

Under the MoU, Gramcover will work on market research and identification of widely grown crops and need-based rural insurance products. It will also work on the feasibility report to assess the suitability, requirement and affordability of insurance products in each aspirational district. Gramcover will explore marketing and distribution channels and integration of underwriting process, and claim settlement protocols, i.e., from market requirements to issuance of policies to claim settlement.

The Agriculture Insurance Company of India will work on development of need-based rural insurance products and streamline the underwriting process and channel partner app. It will integrate the underwriting process and claim settlement protocols from market requirements to issuance of policies to claim settlement.

Jatin Singh, Founder & MD, Gramcover, said that there is a need to vastly expand rural insurance as there is minimal coverage in rural India. "The insurance products of rural India lack diversity and therefore the number of people covered under these products get reduced. This is the final frontier of financial inclusion and we think through our effort, due to Gramcover's reach and AIC catchment, we will reach 25 million farmers."

Dhyanesh Bhatt, Co-Founder & CEO, Gramcover, expressed excitement about this partnership, "We should be able to create significant impact in the coming years as we bring various rural relevant product like parametric insurance, price insurance, livestock insurance etc to the rural customer at scale in a sustainable manner, thus increasing their financial resilience."

Motor insurance premiums remain in contraction till February

The biggest business of non-life insurers, motor insurance, is still in contraction. Till February, the segment has shrunk 4% in premiums collected. In the same period, the health insurance premiums have grown by 13%, with retail health rising 28%.

While group health has seen a growth of 9%, government schemes and overseas medical segments contracted. Among other segments, fire insurance premium is growing at more than 28%, while engineering is increasing at 10%. Crop insurance premiums have seen a decline of almost 6% till February. Overall, the premium of non-life insurers has seen a growth of 4% till February.

HDFC ERGO crosses Rs. 10,900 crores in gross premium; launches #21ReasonsWhy campaign

HDFC ERGO General Insurance Company has emerged as the most preferred insurer in India by crossing Rs. 10,900 crore in gross premium income YTD Feb 2021, covering more than 1.5 crores lives.

This growth during the pandemic has been facilitated by HDFC ERGO's largest distribution network of 203 branches, 323 digital offices, 1,40,000+ agents, 60+ corporate agents, and 17,000+ cashless claims service points (10,000 hospitals and 7,700 garages) across the cities in India.

While the year 2020 presented the world with challenges, 2021 is expected to be the year of hope. To corroborate this, the company has recently launched campaign #21ReasonsWhy with a motto to establish itself as a 'One-Stop-Shop' for all the insurance needs of their customers, be it protecting themselves, their loved ones against any medical exigency or protecting their movable/non-moveable priced possessions. The #21ReasonsWhy is a 360-degree campaign across all the brands communication platforms including social media.

Speaking on the campaign, Mehmood Mansoori, President - Shared Services & Online Business, HDFC ERGO General Insurance, said, "The year 2020 allowed us to reflect individually and prioritise our lives and that of our loved ones over everything else. It has allowed individuals to focus on having the right insurance products to protect ourselves and our assets. Our campaign #21ReasonsWhy, focuses on educating consumers about their financial well-being and the importance of insurance to deal with any unforeseen situations. The campaign will also highlight what consumers should expect from insurers and to consider the right insurance brand by asking questions that matter the most while purchasing one."

Car owners can avail 25% concession on road tax against scrappage certificate

The Ministry of Road, Transport, and Highways has proposed a concession of 25% in road tax against the scrappage certificate of personal vehicles and 15% for transport vehicles. This rule is proposed to come into effect from October 1, 2021 as a part of the newly introduced vehicle scrappage policy.

According to the new notification issued by the ministry, in case a new vehicle is registered against the submission of "Certificate of vehicle scrapping", it can avail a concession in the motor vehicle tax up to 25% for the non-transport vehicles; and up to 15% in case of transport vehicles. These concessions will be available up to 8 years for transport vehicles, and up to 15 years for private vehicles.

The ministry has also invited suggestions from the stakeholders on the draft rules over the next month, after which it will issue the final notification.

The scrappage eligibility of a vehicle will be primarily based on the fitness of the vehicles through the Automated Fitness Centres in case of commercial vehicles and non-renewal of registration for the private vehicles. As the vehicle scrappage policy has proposed, the commercial vehicles will be deregistered after 15 years in case of failure to get the fitness certificate.

Government may hike FDI limit in pension sector to 74%

The government may hike Foreign Direct Investment limit in the pension sector to 74% and a Bill in this regard is expected to come in the next Parliament session. Currently, the FDI in the pension fund is capped at 49%.

Parliament has recently approved a Bill to increase FDI limit in the insurance sector from 49% to 74%. Amendment to Pension Fund Regulatory and Development Authority (PFRDA) Act, 2013 seeking to raise FDI limit in the pension sector may come in the monsoon session or winter session depending on various approvals.

Scrappage policy may lower car insurance premium

Older vehicles are not only more hazardous but also carry a greater risk of breakdowns and accidents. They also lead to more pollution.

The scrappage policy aims at taking old vehicles off the roads. Vehicles beyond an age are compulsorily to be scrapped under the statute. Such policies currently exist in some states in differing forms. The national-level policy that is now being envisaged contemplates a 15-year life span for vehicles.

R.K.T. Krishnan, Country Head - Motor Claims, Royal Sundaram General Insurance, stated that the Government of India has been considering a policy to scrap vehicles that have reached their end of life (typically 15 years for a commercial vehicle and 20 years for a private vehicle) since 2016 and the policy draft for scrapping facilities was notified on 15 March.

The impact of vehicle scrappage on insurance will be known as the implementation of the policy evolves into action. Insurers will prefer safer vehicles to insure and this will have an impact on third-party claims. Any third-party premium reduction on this score will have to be seen, as a third-party premium is fixed after considering the industry experience.

Non-life sector reports 5.2% growth in gross premiums in FY21

According to preliminary data from the IRDAI, gross premiums underwritten by non-life insurers grew by 5.2% to Rs. 99 trillion ($26.4 billion) for the financial year ended March 31, 2021 (FY21). The non-life sector comprises 25 general insurers, 5 standalone health insurers, and 2 specialised public-sector insurers.

According to a report, FY21 was a 'peculiar' year for general insurers because the motor branch which makes up the biggest class of business in general insurers' portfolios, shrank in the initial months of the COVID-19 pandemic due to lockdown restrictions. The motor branch has since slowly recovered as the economy opened up.

On the other hand, health insurance business saw a huge uptick as demand for health plans, especially in the retail segment, surged since the onset of the COVID-19 pandemic.

Crop insurance, on the other hand, remains a challenge for the industry.

Mahindra & Mahindra to offer end-to-end solution for vehicle scrapping

Mahindra & Mahindra Ltd. has recently said that it has inked an initial pact with its automotive and steel recycling JV MMRPL to offer its customers an end-to-end solution for vehicle scrapping. The move comes in the wake of the government last month proposing a policy for vehicle scrapping, under which vehicles that fail fitness tests or are unable to renew registration after 15-20 years of use will be deregistered.

Veejay Ram Nakra, CEO, Automotive Division, Mahindra & Mahindra Ltd., said, "Our agreement with MMRPL is a step towards a one-stop solution for customers who wish to scrap their old vehicle. While the scrappage policy will take effect in some time, we are ready to help the customers who intend to discard their vehicles."

The agreement with MMRPL will enable customers to get a transparent and hassle-free deal under one roof. Any customer intending to purchase a new Mahindra vehicle by scrapping/exchanging the old vehicle which is more than 15 years old can do so at any of its dealerships. These services would provide utmost convenience to the customer without the need to look for a vehicle scrapping agency/dealer.

Under the proposed policy, a scrapped vehicle will be offered a monetary value close to 4-6% of the showroom value. There could even be up to a 5% discount on the purchase of a new vehicle if a scrap certificate is produced.

United India Insurance can be sold to private firms

According to the latest reports the government is considering United India Insurance as one of the state-run insurers for privatization. Apart from this, the other public sector insurers could also be taken up for privatization. The names mainly include National Insurance or Oriental Insurance, as per the information.

According to the sources, "United India Insurance is one of the top choices for privatization. Discussions are on, with the other options being National Insurance or Oriental Insurance."

Since this process of privatization will take some time, including legislative amendments, any move towards privatization and divestment of public sector insurers is likely to happen in the second half of the fiscal year.

IRDAI News

IRDAI standardizes technical notes for motor & health insurance policies

In order to expedite the product clearance process, IRDAI has standardized technical notes for filing health and motor insurance policies so that insurers can provide all necessary details in a prescribed standard format. According to IRDAI, this will help to ensure uniformity amongst insurers in the matter of filing pricing and product-related information for insurance products.

Naval Goel, Founder & CEO, PolicyX.com, stated, "The recent step is taken to ease the price pressure from the policyholders, as there were erratic hikes in the prices because of various new feature additions. As it's is already mentioned in the IRDAI guidelines that the insurers are required to submit a technical note detailing pricing aspects of health insurance product filing, the insurance companies will have to be answerable for every feature, which leads to the prices increase. This will allow customers to make an informed and calculative choice."

Under the consolidated guidelines on product filing by IRDAI, the insurance companies now have to submit a standard format for technical note, detailing pricing aspects of health insurance product filing.

For motor insurance, companies will have to provide assumptions used in pricing the product or add-ons along with justification, details of how the impact of excess and any other specific feature has been allowed in pricing as well as how sub-limits or caps have been considered in the estimation of premium rates.

For health insurance, under the technical note, insurance have to provide a description of the methodology used in pricing and justification for the choice of methodology. The companies will also have to explain how the impact of co-pay, pre-existing disease, waiting period, cost of pre-insurance health check-up, sub-limits, no-claim bonus, wellness benefits, outpatient benefits and any other specific feature has been allowed in pricing.

IRDAI proposes regulations for designing & pricing of insurance products

IRDAI has recently came out with draft regulations for the designing and pricing of general insurance products with an objective to protect the interest of the policyholders. The proposed regulations provide the basic framework and reflect the fundamental principles to be followed in respect of product design and pricing. It also aims to ensure that the interests of policyholders are protected while promoting efficiency in the conduct of the general insurance business.

The IRDAI (General Insurance Products) Regulations, 2021, which will apply to insurance products as well as add-ons, are aimed at encouraging efficiency in the conduct of the general insurance business, stated the draft.

IRDAI said, "It has been felt necessary to have regulations governing general insurance products, even while having a provision thereunder for issuance of guidelines for various segments as may be necessary."

The regulations, if approved, will apply to all general insurance products and add-ons marketed or offered by general insurers.

The proposal said, "The general insurance package product consisting of various covers/sections including Health section/s shall also be covered by these regulations in so far as non-health covers/sections are concerned."

Further, it says the design of products should take into consideration the policyholders' interests in terms of suitability and affordability even while catering to their changing needs through evolving risk coverage. The pricing of products/add-ons should generally be based on appropriate data and/or technical justification, the draft read.

It said, "Insurers, while pricing products/add-ons, have to factor in risk exposure, claim/loss experience, expenses, reinsurance, solvency requirement, and factor in a reasonable amount of surplus and/or economic cost of capital."

IRDAI issues guidelines for trade credit insurance products

IRDAI has recently issued draft guidelines for general insurance companies to come up with trade credit insurance products with customised covers for MSMEs and SMEs.

The latest guidelines will also enable general insurers to offer trade credit insurance covers to licensed banks and other financial institutions. These covers will help the financial institutions and companies manage their risks overseas, open up access to new markets and manage non-payment risks associated with trade financing portfolio. Trade credit insurance protects businesses against the risk of non-payment for goods and services by buyers.

As per IDRAI's Trade Credit Insurance Guidelines 2021, the trade credit insurance can cover commercial as well as political risks, among others. The political risk cover will be available only to buyers outside India and countries agreed upon at the proposal stage. The commercial risks covered would include risk of insolvency or protracted default of a buyer or bank responsible for payment in case of letter of credit transactions, among others. A trade credit policy can grant an indemnity of maximum 60% of trade receivables from each buyer for all banks, financial institutions or factoring companies.

According to the guidelines, insurers can offer an indemnity of 90% of the trade receivables from each buyer for all policyholders other than banks, factoring companies, and financial institutions. But for MSMEs, the policy can cover 95% in case of political risks.

Sanjay Datta, Chief - Underwriting, Claims and Reinsurance, ICICI Lombard General Insurance, remarked, "The new draft guidelines on trade credit insurance issued by IRDA today envisage allowing banks, factoring companies and other financial institutions to buy credit insurance protection for their receivable financing programs. This will open up opportunities to offer credit insurance-backed financing solutions to MSMEs and large corporates. Other changes like enhanced indemnity of 90%, single buyer coverage for MSMEs and pre-shipment risk coverage will make the credit insurance product more comprehensive."

IRDAI allows insurers to invest in startups via FOF

IRDAI has allowed the insurers to invest in fund of funds that invest within the country, in a move that is expected to open up more capital options for India's burgeoning startup ecosystem.

However, insurers are barred from investing in fund of funds that invest in overseas companies or funds, IRDAI said in a circular modifying the guidelines for alternative funds or AIFs.

The insurance regulator also barred insurers from investing in alternative investment funds in which the insurer has taken an exposure. Insurers will also have to obtain a quarterly report from a concurrent auditor about their compliance with these conditions and file it along with their quarterly periodical returns, the circular said.

A fund of funds is essentially an investment strategy of holding a portfolio of other investment funds rather than investing directly in stocks, bonds or other securities. In the context of AIFs, a fund of funds is an AIF that invests in another AIF.

Anil Agrawal, Joint Secretary at the Department for Promotion of Industry and Internal Trade, in a tweet, remarked, "This would lead to major mobilization of domestic capital for investing into startups."

IRDAI slaps Rs. 17 lakh fine on Future Generali

IRDAI has recently imposed a penalty of Rs. 17 lakh on Future Generali India Insurance Co Ltd for violating norms on protection of policyholders' interests and selling policies without seeking prior approval from the authority. The fine has been slapped on the insurer post an on-site inspection by the IRDAI during January 15-25, 2018, followed by response from the insurer in November, 2020 and personal hearing of the company's key personnel's in January, 2021.

The inspection report revealed certain violations of provisions of the Insurance Act regulations, guidelines and various circulars issued there under, IRDAI said in a circular.

Future Generali violated rules under 'File & Use' guidelines by selling up-approved add-on covers without approval of the authority. It also violated Protection of Policyholders' Interests Regulations by restricting the available options to the prospect at the point of sale, IRDAI added.

IRDAI notifies extending validity of sandbox regulations by 2 years

IRDAI has recently notified the extension of its sandbox regulations by another 2 years to enable the completion of the experiment of existing sandbox proposals and also to allow new sandbox proposals for the experiment.

The original sandbox regulations released in 2019 indicated that IRDAI could run them for 2 years. The idea was to run the sandbox for 2 years and then take a view on how things work. However, with the delays caused by COVID-19, among other things, the first year of applications themselves took too long to roll out and be completed. Hence, the current notification has extended the regulations by another 2 years.

Naval Goel, Founder and CEO, PolicyX.com, remarked, "There is merit in this extension of regulatory sandbox, which is established for live testing of new products or services. This amendment will help drive innovation in the insurance sector as insurance companies will now be able to experiment considerably without taking approvals to launch a new product."

Aatur Thakkar, Co-Founder & Director, Alliance Insurance Brokers, stated, "The first set of approvals involved evaluating as high as 173 proposals received in 3 months. The high-powered committee appointed for this purpose evaluated these proposals and gave the nod for 33 of them.

The approvals were time-bound for 6 months from 1 February 2020. The second and third tranches contained 16 and 18 approvals, for similar 6 months periods from 1 May 2020 and 1 July 2020, respectively. This was followed with a second cohort of filings for which IRDAI had provided a window between 15 September 2020 and 14 October 2020. The filings were larger in number than the first cohort, totaling 185."

IRDAI imposes Rs. 25 lakh penalty on SBI General Insurance

IRDAI has recently imposed a monetary penalty of Rs. 51 lakh on 4 insurers, including SBI General Insurance, for violation of norms related to motor insurance. A fine of Rs. 25 lakh has been imposed on SBI General Insurance Company for not fulfilling regulatory obligations under the Motor Third Party (MTP) business.

In the order on SBI General Insurance Company, IRDAI said the charge was that the insurer did not comply with the MTP Obligation for the financial year 2017-18 calculated as per Regulation 3 of the IRDAI (Obligation of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015.

The order said, "For the financial year 2017-18, the insurer did not fulfill the obligation and had a shortfall of Rs. 104.6 crores (24.08%), which amounts to non-compliance of Regulation 3 of IRDAI (Obligation of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015."

It further said that the insurer had not fulfilled the MTP obligations during the immediate previous financial year 2016-17 with a significant shortfall of Rs. 146 crore (38.59%).

"Taking into consideration the repetitive nature of violation, magnitude of violation, and the submissions of the insurer that they are committed and are entering into various tie-ups to fulfill the MTP obligation, the Authority... hereby imposes a penalty of Rs. 25 lakh," the order added.

Bajaj Allianz General Insurance fined Rs. 10 lakh by IRDAI

Bajaj Allianz General Insurance Company Ltd. was fined Rs. 10 lakh by IRDAI for violation of the Insurance Act and its Motor Insurance Service Provider (MISP) guidelines.

IRDAI, in its order, said that Bajaj Allianz General had solicited 2,214 motor insurance policies between November, 2017 and January, 2018 involving a premium of about Rs. 1.44 crore. The regulator said the company had sold the policies through 90 unregistered entities. Exercising its powers under Section 105C of the Insurance Act the IRDAI levied a penalty of Rs. 10 lakh on Bajaj Allianz General.

According to IRDAI, the penalty should be paid online after debiting the company shareholder's account. ❑

LIC of India News

LIC manages to grow business 10% in FY21 amid COVID-19

The Life Insurance Corporation of India has managed to record double-digit growth in FY21 despite new business premium lagging the previous fiscal until February, 2021. The corporation's chairman M.R. Kumar revealed that business growth for the year FY21 was 10%.

Figures released by LIC reveal that for the 11 months ended February, LIC had recorded a new business premium of Rs. 1,56,068 crore, which was 3% lower than the previous year. This was despite the premium for February 2021, at Rs. 10,404 crore, being 27% higher than the previous year. The premium for the life industry until February, 2021 was Rs. 2,34,861 crore - a 0.6% increase. LIC's share of the industry until February was around 69%.

LIC Housing Finance to waive 6 EMIs for PSU pensioners

LIC Housing Finance will waive 6 EMIs, spread across the tenure of the loan, under the Griha Varishtha scheme designed for public sector pensioners. Borrowers under this scheme, available to those eligible for defined benefit pension, will get a waiver of the 37th, 38th, 73rd, 74th, 121st, and 122nd EMIs, which will be adjusted against the outstanding principal.

Y. Viswanatha Gowd, MD & CEO, LIC Housing Finance, stated that the company has disbursed around 15,000 loans amounting to Rs. 3,000 crore under the scheme, which is available for applicants up to 65 years of age with the loan tenure up to 30 years or 80 years of age, whichever is earlier.

The EMI waiver is an additional benefit being provided under the scheme. The loan can be used to buy an apartment or construct a house or also for repairs or extension to an existing property. Borrowers fulfilling the Pradhan Mantri Awas Yojana Credit Linked Subsidy Scheme are eligible for interest subsidy of up to Rs. 2.67 lakh.

LIC policyholders can deposit maturity claim documents anywhere in the country

LIC has permitted its policyholders to submit their maturity claim at any of their nearest LIC offices anywhere in India. LIC made the announcement to ease the policy settlement process to mitigate the hardships faced by its customers due to the COVID-19 pandemic.

LIC said, "LIC has allowed its 113 divisional offices, 2,048 branches, 1,526 satellite offices, and 74 customer zones to receive maturity claims documents from policyholders whose maturity payments are due, irrespective of the servicing branch of the policy."

Nevertheless, the actual claim payment will only be processed by the servicing branch, it said, adding that this document transfer will be digitally managed by the branch where it has been submitted.

"However, the actual claim payment will be processed by the servicing branch only. The documents will be digitally transferred through 'LIC's All India Network'," LIC further said.

LIC employees to get over 25% wage hike & 5-day week

The new fiscal year 2020-21 has started for about 1.14 lakh employees of LIC on a happy note with over 25% hike in their pay packets. The Central

Government has recently notified the revised pay packets for LIC employees. The wage revision is effective from 1.8.2017.

Shreekant Mishra, General Secretary, All India Insurance Employees Association, remarked, "The employees are happy with the wage revision that has come at a difficult situation. The pay hike for the employees is expected to be over 25% per month."

He also said that a loading of 15% has been given after 100% neutralization of dearness allowance at 6,352 points of consumer price index. An additional Special Allowance ranging between Rs. 1,500 to Rs. 13,500 per month has been introduced for all cadres, which shall be reckoned for the purpose of calculation of dearness allowance but will not count for any other purpose i.e. house rent allowance, city compensatory allowance, privilege leave encashment, gratuity, superannuation benefit and others.

Mishra stated that the overall increase in LIC's total wage bill will be about Rs. 2,700 crore per year. He also said it will be five-day week for LIC employees.

He further added, "In the first round, the management offered 10% wage hike and it was revised upwards in the second round to 15%. We said the offer does not meet our expectations." According to him, the 15% wage hike offer was made on September 30, 2020 and the first offer of 10% hike was made in March, 2019.

LIC's death claims sprang to 17.11% in first 9 months of FY21

Death claims made on LIC crossed the 8-lakh mark between April and December 2020, reversing the decline in their numbers over the previous 3 years. As many as 8,16,652 death claims were made on LIC in April-December 2020, up 17.11% from the 6,97,314 claims in the corresponding period of 2019. It was not specified how many of these death claims related to COVID-19.

In the 9 months of 2020-21, LIC settled 8,08,575 death claims and paid Rs. 16,945.96 crore. The data indicate that the number of death claims made rose sharply in the October-December period. Between April and June, 1,68,301 death claims were made and they increased to 4,50,849 in the 6 months between April and September 2020.

The data must be seen in the context of the fact that though India was among countries earliest to report COVID-19, its death rate due to the infection has not been very high.

LIC's March, 2021 policy sales grow 299%

LIC has recently stated that its policy sales in March, 2021 were 299% higher than the previous year. It had sold 2.1 crore policies in FY21 of which 47 lakhs were sold in March, 2021 alone.

The business of LIC was hit severely in March, 2020 due to the lockdown in the second half. Although in the first half, LIC had been struggling to grow because of the lockdown, the surge in business in March has helped the corporation record its highest ever first-year premium income of Rs. 56,406 crores under individual assurance plans in FY21. This is a 10.1% growth over the previous year.

The market share cornered by LIC is at 81% in terms of number of policies for March, 2021 and 75% for the entire year. In terms of the first-year premium, LIC has a 65% market share for March and 66% for the entire year. LIC's pension and group schemes vertical also created a new record by recording its highest ever new business premium of Rs. 1.28 lakh crore over a base of Rs. 1.27 lakh crore in FY20. Despite COVID-19, the corporation added 3.5 lakh agents taking its sales force to 13.5 lakh.

LIC collects highest-ever premium of Rs. 1.84 trillion in FY21

Life Insurance Corporation of India has recently said that it has collected highest-ever first year premium of Rs. 1.84 trillion for fiscal year ending March, 2021. The corporation continued its performance in new business, despite a highly challenging business environment due to the COVID-19 pandemic for the entire previous year and paid Rs. 1.34 trillion as claims to policyholders.

According to the data of Life Insurance Council, first-year premium for March, 2021 rose 64.7% to Rs. 28,105.92 crore compared to Rs. 17,066.57 crore in March, 2020. Its premium for the full year 2020-21 increased by 3.5% to Rs. 1.84 trillion.

LIC, in a release, stated, "LIC also procured an impressive 2.10 crore policies, out of which 46.72 lakhs were procured in the month of March alone, with a growth of 298.82% over last year for the corresponding month."

During the FY 2020-21, LIC settled 9.59 lakh death claims amounting to Rs. 18,137.34 crores. Annuity payments due in March 2021 have also been settled on due dates.

"On the claims front, in spite of severe constraints due to COVID-19 pandemic, LIC settled 2.19 crore maturity claims, money back claims and annuities, amounting to Rs. 1.16 trillion," it further added. ❑

Health Insurance News

Term insurance prices hiked, health premiums stay unchanged in Q4: PolicyX

As per PolicyX.com's Insurance Price Index, there is a significant jump in term insurance premiums, while prices of health insurance policies remained changed despite the continuous rise in COVID-19 cases during the first quarter of the calendar year 2021.

PolicyX had launched the price index in January that allows users to observe shifts and trends in the premium prices. During the March quarter, in the term insurance category, the price index surged 4.4%, indicating that the average price of term insurance premium rose to Rs. 21,913 in the index value.

Out of total 10 insurance companies covered under the index, 4 insurance companies hiked their premium prices in the last quarter. The biggest jump observed in premium prices was about 19.0%, which was followed by 18.7%, 5.5% and the minimum was 2.6%.

The 10 companies covered under the index are LIC of India, SBI Life, HDFC Life, ICICI Prudential, Max Life, Bajaj Allianz Life, Aditya Birla Sun Life, Kotak Mahindra Life, Tata AIA Life and Canara HSBC OBC Life.

According to the company, there are some indications that other insurance companies might also increase their term insurance premium prices in the near future.

Naval Goel, Founder and CEO, PolicyX.com, stated, "As per our discussion with most of the insurers, term plan prices are likely to go up further. Fortunately, not all companies have affected the price increase so far. Customers who want to purchase a term plan should not postpone their decision further as they might land up paying 20% higher. The increase is due to the fact the re-insurers have increased their rates."

Second wave pushes COVID-19 health claims up 27%

According to sources in the General Insurance Council, health insurance claims related to COVID-19 have jumped to 9.9 lakh worth Rs. 14,500 crore, up 27% from 7.8 lakh claims worth Rs. 11,850 crore as on January 31, 2021. The surge follows the second wave of infections that hit the country in February, 2021.

ICICI Lombard General Insurance's head of claims Sanjay Datta remarked that March, 2021 has recorded last year's peak figures driven by claims filed from Maharashtra.

Bajaj Allianz General Insurance's head of health Bhaskar Nerurkar stated, "Claims applied for COVID treatment have gone up by 50% at 150 claims per day in March, as compared to the lowest recorded in January at 100 claims per day."

Liberty General Insurance said that COVID claims, which have almost doubled in recent weeks compared to a month ago, are likely to increase further as there is a lag in reporting the reimbursement of claims by some customers.

Aditya Birla Health Insurance introduces #ABHIKaro campaign

Aditya Birla Health Insurance Company Ltd. (ABHICL) has recently launched a two-video multilingual multi-platform campaign '#ABHIKaro' which has garnered a tremendous response. The campaign promotes the idea of 'Chuno insurance jo de zyada' (choose an insurance that gives more) to prod the viewers to choose an insurance cover that goes beyond satisfying the bare minimum needs.

The pandemic-driven awareness of health insurance has led people to have a more proactive approach towards their health needs. However, a significant part of India's population below 35 years feels that they are immune to health and medical risks because of age being in their favour. Similarly, a sizable number of people suffering from lifestyle-related diseases like asthma, diabetes, cholesterol, etc., are yet to invest in adequate health insurance coverage.

ABHI in Hindi means 'now' and #ABHIKaro is a witty take on the brand name 'Aditya Birla Health Insurance' acronym. The phrase 'ABHI Karo' is used to create a sense of urgency to choose Aditya Birla Health Insurance without procrastinating, to access quality health care services.

Commenting about the campaign, Ajay Kakar, Chief Marketing Officer, Aditya Birla Capital, stated, "The phrase 'ABHI kya kar raha hai?' is multi-dimensional and very commonly used in conversations across India. It can be a way of greeting, an inquiry, a question, or more. The 'ABHI Karo' campaign has used this as a hook to detail what ABHI i.e.; Aditya Birla Health Insurance is doing for its customers. The word play on the brand name allows for a high recall value and incorporates humour while reminding viewers regarding the importance of the comprehensive and 'health first' offerings provided by Aditya Birla Health Insurance"

Mayank Bathwal, CEO, Aditya Birla Health Insurance, remarked, "The concept of '#ABHIKaro' was derived from the sense of urgency to convince people to stop procrastinating and buy health insurance right now and thus '#ABHIKaro'. We want to urge our customers to seek more from health insurance - 'Chuno insurance jo de zyada' i.e. to think beyond protection from medical expenses and to explore plans that provide progressive healthcare services along with access to the wellness ecosystem. With Aditya Birla Health Insurance's feature-rich offerings such as the 'Activ Health' policy, one can get "zyada" from their health insurance. At ABHI, we have constantly taken efforts to evolve with the growing health and wellness needs and to provide truly comprehensive protection to our customers and so "#ABHIKaro."

Bajaj Finserv adds 100+ health plans under Pocket Insurance & Subscriptions

Bajaj Finance Limited has recently added 100+ types of affordable health plans under its Pocket Insurance & Subscriptions category.

In the backdrop of a turbulent economy dealing with job cuts, salary reductions and loss of income, households across the country are reeling under rising costs of healthcare expenses. Money is a major stumbling block in access to quality healthcare especially when one may not always be able to opt for conventional insurance plans. To address the needs of individuals seeking easier access to affordable and quality healthcare, Bajaj Finance announced the addition of 100+ health plans.

Wide range of products

Health Plans listed under Pocket Insurance & Subscriptions propose coverage against scenarios that are typically overlooked by conventional insurers. Some of the products offered under the health category include Dengue Cover, Ambulance Cover, Child Personal Accident Cover, Medical Convalescence, and ICU Cash Cover among others.

Affordable premium and higher coverage amount

Considering the instant need for affordable healthcare plans, and the rising costs of medical treatments in India, these products offer high coverage amounts at affordable premiums.

For example, the COVID-19 Insurance plan offers coverage in the range of Rs. 50,000 to Rs. 2 lakh, for affordable premiums starting from Rs. 952. Similarly, Infection Cover offers coverage of up to Rs. 50,000, at a nominal premium of only Rs. 79 per annum.

Another example is the Hospital Cash Cover plan, which takes care of daily expenses while the insured undergoes treatment at the hospital. One can opt for this plan by paying a premium of just Rs. 549, and receive Rs. 1,000 per day for 30 days to cover hospital expenses.

Easy application and claim process

Those looking to buy these health plans can do so, from the comfort of their homes. One can fill the online application form, pay the premium amount through any of multiple payment options, and instantly purchase these affordable health insurance products, offered by Bajaj Finserv. Additionally, one can raise a claim either by sending an email to the insurer, or by calling on the company's toll-free number.

In addition to the health plans, Pocket Insurance & Subscriptions also provides various subscription memberships & assistance products for everyday risks and contextual offerings to your lifestyle. Some of these products include Mobile Screen Protection, Wallet Care, Cycle Cover, Watch Secure, and Key Safeguard which offer protection against the smaller risks of one's daily lives.

PhonePe sees rising demand for COVID-19 insurance with increasing cases

PhonePe has recently stated that Corona Virus insurance has seen widespread adoption lately with 75%

of its policies bought by customers in smaller towns outside the tier-1 cities. The top states contributing to sales include Maharashtra, Andhra Pradesh, Karnataka, Gujarat, and Telangana.

PhonePe offers affordable COVID-19 insurance policies in association with Bajaj Allianz General. The claims of more than Rs. 3.5 crore have already been paid.

Gunjan Ghai, Vice President and Head of Insurance, PhonePe, stated, "The last few weeks have seen resurgence in COVID-19 cases across the country. Many Indians still do not have health insurance covers as a result of which they may have to bear an additional financial burden in case someone in their family needs to be hospitalised for COVID-19."

"Keeping this in mind, we are one of the very few players in the market today who continue to offer Corona Virus insurance product for our vast base of users," she further added.

Karnataka becomes third highest in COVID-19 insurance claims

Karnataka stands third among states, after Maharashtra and Gujarat, in terms of COVID-19 insurance claims from the start of the pandemic until April 1, 2021. Patients of Karnataka have claimed Rs. 11,36,36,58,040 crore through public and private insurance so far. The figures for Maharashtra and Gujarat are Rs. 4,345 crore and Rs. 1,922 crore, respectively.

As per the analysis by Jeevan Raksha initiative, average COVID-19 claims from some districts are higher than Bengaluru, although the cost of running a hospital in the metropolitan city is significantly higher. This is as per data from the General Insurance Council of India.

Patients in cities like Vijayapura, Yadgir, Belagavi, Chitradurga, Hassan, Tumakuru, Kalaburagi, Bagalkot, Shivamogga and Gadag claimed higher average COVID-19 insurance amounts than those in Bengaluru, which saw average medical insurance claim for COVID-19 at Rs. 1,42,000.

Mysore Sanjeev, Convener, Project Jeeva Raksha, stated that this clearly indicates that some of the hospitals in Karnataka are leveraging the helplessness of the general public and indulging in profiteering. "There is a need for uniform rates for COVID treatment across all districts in Karnataka. The government should relax the eligibility criteria for enrolling under the Suvarna Arogya Suraksha Trust (government health insurance cover). There are several instances wherein a large number of COVID patients have had to pay over Rs. 10 lakh towards hospitalisation. The family members had to borrow and also break their life's savings to meet the hospitalisation charges," he added.

Health insurance companies log strong growth, overall sector grows by 5.2%

In the wake of the advent of COVID-19, the non-life insurance sector has seen more than 5% growth throughout FY21, with the companies' premiums have reaching close to Rs. 2 lakh crores for the entire yea.

Compared to March figures of 2020, Premiums of companies grew by 23% in March, 2021. 7 standalone health insurance companies in the non-life insurance sector grew by 41% in March, exceeding 11% in the whole year.

Although, segment wise figures have not yet been provided by IRDAI, due to the pandemic there was no change in the premiums of third-party motor insurance throughout the year since auto sales were affected in the lockdown. Hence the largest pie has been shared by non-life insurance sector. Government insurance company New India Assurance remains to be the largest company with a market share of over 14% and the company saw a 6% growth in premium over the entire financial year.

Remdesivir rate volatility leads to many insurance claim rejections

Huge variations in the prices of Remdesivir, a very important drug in the treatment of severe cases of COVID-19, have resulted in a large increase in insurance claim rejections and also black-listing of hospitals by insurance companies. With COVID-19 infections hitting a new high every day, there is a shortage of the antiviral Remdesivir. This is leading to emergency purchases of higher priced drugs. As a result, insurers are now rejecting many claims for cashless treatment than they used to earlier.

General insurance companies like Star Health, Bajaj Allianz and Max Bupa say that the rejection rate of COVID-19 claims have gone up from 2-3% last year to as high as 9%. Insurers have called for price controls for commonly used pharmaceutical products like antivirals and antibiotics on a war footing.

Star Health and Allied Insurance is blacklisting a growing number of hospitals for price gouging. Dr. S. Prakash, MD of the company said, "The MRP of important COVID drugs like Remdesivir is quoted differently by different hospitals, resulting in retail prices that are five-six times higher."

Prakash also added, "We know the true cost and the MRP of Remdesivir by the same company is fixed differently for different hospitals, although the cost price is the same. The hospital with higher infrastructure fixes a higher MRP on these drugs and could go as high as 5x-6x from its original retail price." ❑

Private Life Insurance News

Aegon Life Insurance introduces Work from Anywhere policy

Aegon Life Insurance has recently launched a Work from Anywhere (WFA) policy effective from April 1, 2021, making it the first insurer to formally adopt a human resource policy that allows employees to work from any location across the country. It has also launched the concept of core working hours to encourage managers and teams to plan e-meetings and conference calls at specific times during the day. This is to ensure that employees don't end up working for extended hours, and are able to have a healthy work-life balance.

Sunita Rath, Chief People Officer, Aegon Life Insurance, said, "Needless to say, we will still have our office space to enable employees to meet, brainstorm, connect and collaborate."

At Aegon Life, the second Wednesday of every month has been designated as 'No Meetings Day', with no prescheduled calls and meetings. This will enable uninterrupted work and focus on projects.

There will also be a one-time reimbursement for setting up one's home office.Aegon Life said the company is also organising regular online wellness sessions to support the mental and emotional well-being of the employees.

Bharti AXA Life Insurance announces bancassurance partnership with Fincare Small Finance Bank

Bharti AXA Life Insurance has recently announced its bancassurance partnership with Fincare Small Finance Bank for distribution of life insurance products through the bank's pan-India network. This alliance will make life insurance solutions reachable to over 26.5 Lakhs customers of Fincare Small Finance Bank and provide financial security to them.

Under this arrangement, Bharti AXA will offer its comprehensive suite of life insurance products, including protection, savings and investment plans, to the customers of Fincare Small Finance Bank across its 747 branches and digital network presence across the country.

Commenting on the partnership, Mr. Parag Raja, MD & CEO, Bharti AXA Life Insurance, remarked, "We are pleased to partner with Fincare Small Finance Bank, which is a growing name in the domestic banking sector. Our alliance shall empower the bank's customers with protection and holistic insurance solutions and help us strengthen our commitment to reaching out to all strata of the population. We believe this partnership will enrich our distribution footprint and help us increase insurance penetration in the country."

Rajeev Yadav, MD & CEO, Fincare Small Finance Bank, stated, "We are proud to be associated with Bharti AXA Life Insurance for bringing best-in-class insurance solutions to our customers. Our association will enable us to offer need-based financial protection products suitable to a large segment of the population who are ignorant about the benefits of life insurance. The alliance is a part of the various measures being taken by us towards the process of financial inclusion."

SBI Life - Sampoorn Surakasha: Avail up to Rs. 40 lakh instant life cover through Yono app

SBI is offering instant life cover of up to Rs. 40 lakh to its customers. Under SBI Life - Sampoorn Surakasha, the customers can avail the life cover through SBI YONO app in no time. SBI said that one can apply for this life cover in a few steps. The scheme provides death benefit as sum assured will be payable as defined by the scheme rules.

SBI Life - Sampoorn Suraksha is a group, non-linked, non-participating, pure risk premium life insurance product. It is available for different formal and informal groups. This SBI life cover can be used to cover wider range of groups like borrower-depositor, employer-employee, professionals, affinity, etc.

This plan offers security through financial support to your group members' dependents in case of an eventuality, flexibility to define the benefits as per the group's requirements, and simplicity through an easy on-boarding process.

Shriram Life Insurance launches 12-hour claims settlement

Shriram Life Insurance has recently stated that it has introduced a 12-hour claim settlement process for non-early claims. Non-early claims are those that are filed after three years of a policy being issued.

Casparus Kromhout, MD & CEO, Shriram Life Insurance, said in a statement, "Our team is focused on ensuring that timely help is extended on claim intimation and wherever possible, the claims are settled within a time period of 12 hours. Currently, over 54% of all non-early claims received are settled within 12 or 48 hours."

The insurer has been steadily improving its settlement ratio from 64% in 2016-17 to over 91.6% in 2019-20, and is now set to go beyond 95% in 2020-21, the statement read.

Pramerica Life Insurance appoints Kalpana Sampat as new MD & CEO

Pramerica Life Insurance has recently appointed Kalpana Sampat as the Managing Director & CEO of the JV company. Prior to this elevation, she was the Chief Operating Officer of this fully owned subsidiary of Prudential Financial, Inc.

Sunil Kumar Bansal, Chairman, Pramerica Life Insurance Limited, remarked, "Kalpana is a respected leader in life insurance with an exceptional record. The Board is optimistic that the company can deliver substantial strategic and operational progress under her able leadership."

Prior to joining Pramerica Life Insurance, Kalpana Sampat was the CEO for Swiss Reinsurance Co., India branch and was instrumental in its launch in 2015. She is a certified ACMA, a Fellow of the Insurance Institute of India and Associate of the Chartered Insurance Institute UK. She has also been a guest faculty at the National Insurance Academy since 2003.

Upon her appointment, Kalpana Sampat stated, "I am honoured by our Company Board's decision and appreciate the trust posed in me by the shareholders and the Board. Our joint venture partner 'Prudential Financial Inc.', is an incredible global institution with a proud history. I am excited to collaborate with all my colleagues, in writing the next chapter at Pramerica Life Insurance and am fully committed to the responsibility bestowed on me."

ICICI Prudential Life's new biz premium up 23% in Q4

ICICI Prudential Life has recently reported a 23% development in its new enterprise premium, a key metric for insurance coverage firms, as it had report coverage gross sales in March and forecast a powerful development this fiscal as the financial system limps again to normalcy amid intermittent disturbances on account of COVID-19-related restrictions.

Its guaranteed-income and pension product launches, new financial institution assurance companions reminiscent of IndusInd and together with new 20,000 brokers helped enhance gross sales and produce down the reliance on Unit Linked Insurance Products. The firm has tripled its provisions for COVID-19-related claims to Rs. 300 crore.

The firm recently stated that at Rs. 5,133 crore, its new enterprise premium grew 23% year-on-year in the fourth quarter of FY2021 with bancassurance contributing 42% of it. Its share of ULIPs was at 47%, down from greater than 80% a couple of years in the past.

N.S. Kannan, CEO, ICICI Prudential Life Insurance, said, "Along with opportunity, the base effect should boost growth this year. The lockdowns won't be as harsh as last year. We don't expect a derailment of the economy. It would not be as bad as last year while businesses have learnt the hard way on how to navigate in these troubled times."

The insurer settled COVID-19-related claims aggregating Rs. 459 crore in the final fiscal and web of reinsurance it paid out Rs. 264 crore. ❑

International News

World Bank approves USD 32 million project to improve health services in Mizoram

The World Bank Board of Executive Directors has recently approved a USD 32 million project to improve quality of health services and management capacity in Mizoram, a world bank statement said recently.

According to the statement, the project titled "Mizoram Health Systems Strengthening Project" is expected to strengthen the governance and the management structure of the Mizoram Health department and its subsidiaries. It will improve the quality and coverage of services delivered by the state government health systems, and invest in a comprehensive quality assurance programme which would enable quality certification of health facilities.

The key focus will be to strengthen the effectiveness of the state health insurance programme, build synergies withthe Government of India's Pradhan Mantri Jan Arogya Yojna, and thereby reduce financial barriers in accessing hospital services, prevent catastrophic out of pocket expenditure for health by poor families and expand coverage. The project will also benefit healthcare personnel by strengthening their planning and management capabilities along with building their clinical skills and competencies.

Junaid Ahmad, World Bank Country Director in India, stated, "This project will support the state government's efforts to deliver quality healthcare for the poor and vulnerable and those located in remote areas."

Personal accident insurance market in India to benefit from policy standardization

The Insurance Regulatory and Development Authority of India (IRDAI) has mandated all general and health insurers in the country to offer standard personal accident insurance 'Saral Suraksha Bima' from 1 April 2021. This product with standard coverage and policy wordings will simplify product offering and promote the uptake of personal accident insurance policies in the country, says GlobalData, a leading data and analytics company.

GlobalData estimates the personal accident insurance industry in India to grow at a compound annual growth rate (CAGR) of 6.1% during 2019-2024 due to mandatory personal accident cover for employees, motor and travel insurance policies. In addition, there is an increasing awareness of independent personal accident cover mainly due to limited benefits offered under group policies.

Anjuli Shrivastav, Insurance Analyst at GlobalData, comments: "The standard features and policy wordings offered under 'Saral Suraksa Bima' product will make it easier for buyers to choose standalone personal accident insurance from a wide variety of products available in the market. Uniformity and greater transparency in policy contracts will improve the uptake of standalone personal accident insurance product and help increase penetration."

As per the new guidelines, standard personal accident product will come with one year tenure and cover death and disability. Sum insured will be in multiples of INR50,000 with a minimum insured amount of INR250,000 and a maximum of INR10m.

Insurers will be allowed to provide extra benefits and add optional covers such as temporary total disablement, hospitalization expenses in the same product and determine premiums within the guidelines prescribed by the IRDAI. This will encourage insurers to test new products and offer innovative and customized products.

Ms. Shrivastav concludes: “The uniform clauses set by the regulator will provide more confidence to the policyholders when purchasing a new product, as the risk of being deprived will be lower. This will benefit insurers in generating new business premiums and in retaining customers.”

UK brokers believe COVID-19 has strengthened customer relationships

The COVID-19 pandemic forced businesses to operate solely online, and this has had a more positive impact on brokers in the UK than was previously expected. The success of this new online operation provided insurers with the opportunity to reach their customers directly with ease, which was particularly beneficial for personal and small business lines. UK brokers are boasting stronger relationships as a result and are in contact with insurers more now compared to pre-pandemic, finds GlobalData, a leading data and analytics company.

GlobalData’s 2021 UK Commercial Brokers Survey found that over half (52%) of respondents stated they contacted customers more often now than prior to the pandemic. Just under half (47.8%) believed their relationships with customers had strengthened because of the pandemic, while only 17% believed it had deteriorated for this reason. Furthermore, 49.4% of brokers said their clients were more interested in learning about coverage gaps since the pandemic. This will be particularly encouraging for insurers looking to grow business after a tough 2020, as customers are expressing interest in expanding coverage.

Ben Carey-Evans, Insurance Analyst at GlobalData, comments: “This is extremely encouraging data for brokers, who would have had to work really hard at client relationships throughout a very trying 2020. One of the main consequences of the pandemic was that it forced people and businesses to operate solely online. This therefore posed a risk to the broker channel, and increased the pressure for these direct channels to strengthen. Fortunately, the success of this new online operation in fact allowed insurers the opportunity to reach their customers directly with ease, which was particularly beneficial for personal and small business lines.”

However, the pandemic has exposed some lack of understanding from people and businesses as to exactly what they were insured for. There have been disputes between insurers and small businesses over business interruption payouts, for example. This should benefit brokers greatly, as businesses of all sizes will be scarred by the pandemic and will want to ensure they are covered if a similar situation arises again.

Carey-Evans adds: “The need for expertise and advice looks likely to increase as businesses return to normality, and that is backed up by just under half (49.4%) of brokers’ customers enquiring about gaps in their cover.”

Life insurance industry in Malaysia to reach US$15.7bn in 2025

The life insurance industry in Malaysia is projected to grow from MYR50.70bn (US$11.98bn) in 2020 to MYR65.86bn (US$15.68bn) in 2025, in terms of gross written premium, according to GlobalData, a leading data and analytics company.

GlobalData has revised Malaysia’s insurance forecast in the aftermath of COVID-19 outbreak. As per the latest data, Malaysian life insurance industry is expected to grow at a compounded annual growth rate (CAGR) of 5.38% between 2020 and 2025, due to the gradual economic recovery.

Amrita Sheela, Insurance Analyst at GlobalData, comments: “Malaysian life insurance industry is driven by retail consumer segment, which accounted for over 90% of total premiums in 2020Indonesia. The economic slowdown and uncertainty triggered by the COVID-19 pandemic restricted consumer spending and impacted life insurance business. As a result, life insurance industry grew by 4% in 2020 against 9% growth registered in 2019.”

New business premiums declined by 3.2% in 2020, compared to 14.15% growth in 2019. This was mainly due to the lockdown restrictions in the first half of 2020. The gradual opening of economic activities and increased digitization helped recovery in the second half of 2020.

Premium income from renewals, on the other hand, increased by 6.32% in 2020, compared to 7.49% in 2019. Renewals in 2020 were supported by benefits offered by insurers such as discounts on premiums and extension on premium renewal dates, helping customers continue their insurance coverage during the pandemic. Furthermore, increased awareness and COVID-19 assistance offered by life insurance policies encouraged policyholders to renew their policies.

The recent measures announced by the government in 2021 budget allowing withdrawal of Employees' Provident Fund to purchase life and critical illness cover and introduction of ‘Perlindungan Tenang’ voucher program providing simple and affordable microinsurance products to low-income groups are expected to support demand for life insurance policies.

Ms Sheela concludes: “Malaysian life insurers have been successful in mitigating the impact of COVID-19 by tailoring policies and offering flexibility to customers. This, along with policy support from the government, will help drive the adoption of life insurance in the country.” ❑

INSURETECH: A TOOL FOR INSURANCE PENETRATION

Abstract

Technology is making an impact in almost every industry including insurance. The use of information technology has a huge impact on the Indian insurance industry and the unthinkable has become doable now. Insurance industry has always been very conservative to adapt technology and insurance is one of the least innovative areas for consumer's experience, but things have definitely changed in the last few years, especially in India. Around 10 years back, we were not even able to purchase insurance online, but today technology has become a major industry force. This transformation is giving huge advantages to the insured in terms of providing competitive premium and easy claim settlements. Insuretech no doubt is the next billion-dollar opportunity for insurers operating in India.

Technology has imposed a transformative effect on the insurance sector. Despite the fact that the general insurance business in India has been growing at a healthy rate of over 14 per cent from the last few years but its penetration level is just less than 1 per cent of India's GDP. India continues to be a grossly underpenetrated market with a non-life penetration at one-third of the global average. In the financial year 2018-2019, gross direct premiums of non-life insurers reached Rs. 1.69 trillion (US$ 24.14 billion), showing a year-on-year growth rate of around 14%, but a clear issue of insurance penetration can be seen despite recent growth numbers. This is also true that from the last few years, Insuretech has provided new ways of selling insurance and has become a vital tool for increasing insurance penetration. Digitization is driving an unprecedented shift toward lower cost structures and greater agility in the insurance industry. Technology is ruling the insurance industry and many competitors have started working on "InsurTech" by exploring different ways to adopt technology, which is cost-effective, and improve the efficiency of the company.

Insuretech has started making insurance better, faster, simpler, cheaper, and more reliable through cloud-based insurance systems, artificial intelligence, and blockchain technology and with the internet of things, sensors feeding data into real-time risk management systems, and predictive claims models.

In this article, you will be able to know, how insuretech is helping in increasing insurance penetration through building new products and services and how insuretech has made insurance more and easily reachable to all sections of society. The broad objective of this article is to identify the new and evolving technology that enhances the performance of the company, helps in fraud detection and effective client servicing.

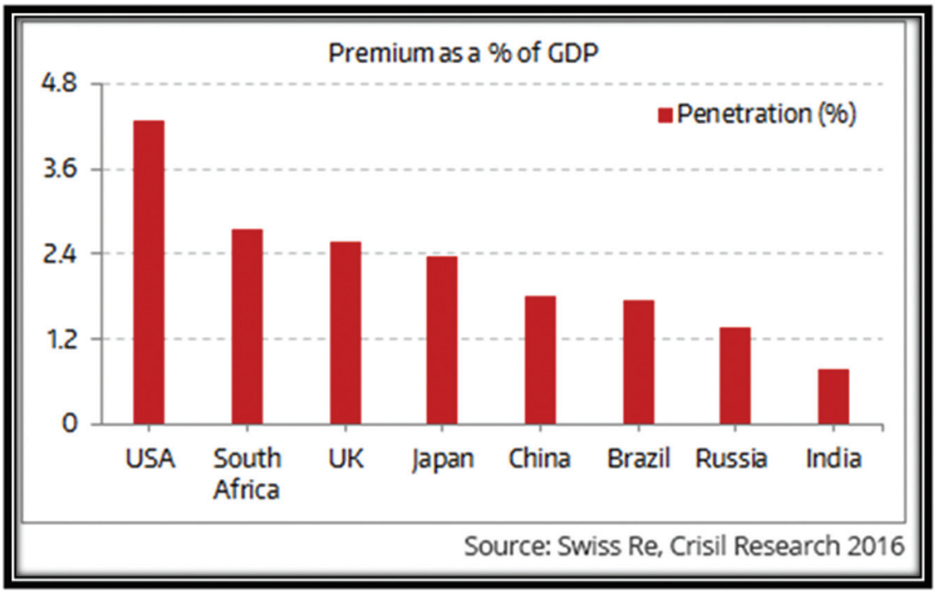
About the author

Shashi Kant Dahuja
Chief Underwriting Officer
FIII, ACII, Chartered Insurer
Shriram General Insurance Co. Ltd.

A digital revolution is quietly happening in India. The share of premium received through an online channel in India is still very small, but the same is rising. It is proved through some of the surveys that consumers are using more and more internet for research and that the internet has become a trusted source of advice for insurance. Digital technology has made some of the insurance companies as market leaders.

Digitalisation is getting a lot of momentum in the Indian industry and the insurance sector is emerging out to be one of the biggest beneficiaries - in regard to enhancing its footprint, selling of new policies, settlement of claims and creating digital intermediaries - as technology is playing a crucial role in insurance outreach. Intermediaries and agents are an integral part of the business to help reach insurance penetrate into uninsured areas but in majority of the cases insuretech is being used as a mean of distribution for existing products to new customers, in addition, policyholders are now often provided with an online platform to get their policy easily. Chatbots are also getting popular among policyholders. It allows the customers to open an online conversation window to raise queries. Insuretech is having a direct impact on increasing insurance penetration but there is lot more potential yet to be realized particularly in the area of internet of things, blockchain technology etc.

Insurance penetration for any year is defined as the ratio of premium underwritten in a particular year to the GDP of that year. We have witnessed that India has become the world's fastest-growing major economy, but insurance penetration stands continually low in Indian markets in comparison to other developed markets.



The Indian insurance market, which currently accounts for around 2% of the world's total insurance premiums, is having a huge business opportunity due to low penetration and through effective use of different technologies, the penetration level may increase.

Due to some of the factors like young population, healthy savings and investment rates etc., the growth optimism is strong for a country like India. Around 33 general insurance companies are operating in India, and all are running in the race of digital disruption. Insurance companies keep working on market analysis for technologies and digitization for better communication with customers. The use of big data, artificial intelligence, and cloud computing is changing the nature of work and the structure of the economy. This shift started with companies such as Apple, Amazon, Netflix, Facebook, Google, Salesforce, and Uber, which are creating online structures that enable a wide range of digital activities. They have opened the doors to radical changes in how we work, socialize, create value in the economy, and compete for profits. Use of technology is changing digital behaviors and customer expectations as customer want quick policy, quick claims, quick renewals and instant services. Today's generation is tech-savvy; they want everything on mobile app. Insurance companies are redefining their structure according to customer expectation. Recently, insurance companies are bombarded with a lot of technology in the market like Artificial Intelligence, Blockchain, Machine Learning, Predictive Modeling, IOT, Telematics, and Mobile Application etc. which all are useful for some or the other way in an insurance company. Companies started launching pilot survey for use of technology to check the efficiency of the technology before adopting it.

Insurance technology is undoubtedly playing an important role between customer and agents' interactions. Most of the channels for delivering insurance products are getting digitized, thereby increasing efficiency and reducing turnaround time.

Most of the insurers are now giving advisory services related to risks and claims through their digital platforms. Insurers are increasingly using technology for delivering sales and services to their consumers in a simplified and seamless manner.

Moreover, the adoption of technologies has also simplified the otherwise complicated insurance products and services; thereby helping customers in making smart choices. The world is changing at a fast pace and understanding ever-evolving customer needs is imperative in serving effectively and efficiently.

Reasons for InsurTech in India

Rising Customer Expectations

The Revolution of e-commerce has forced insurers to think differently in order to meet the rising expectations of consumers who are demanding better, faster and more relevant services.

Government Initiative of Digital India

Strong digital initiatives by the Indian government and regulatory authorities, such as Aadhar-based identification, eKYC, digital lockers, Unified Payments Interface, and more recently, the mandate for e-insurance accounts, are creating enabling systems for simplification of transactions coupled with an increasing smartphone penetration, huge markets that were not cost-effective to service earlier due to lack of reach and distributor interest in pursuing small-ticket premiums, are now becoming accessible to insurers.

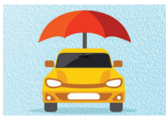
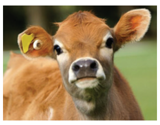
Competitive Pressure

As competition intensifies, margin pressures are pushing companies to look at more efficient ways of doing business - whether by reducing costs or improving efficiency. Especially in non-life insurance where contracts are of a much shorter duration than in life insurance, there is a constant need to create differentiators that will enable insurance companies to attract and retain customers.

Access to capital

There has been a mushrooming of incubators and start-up accelerators, which provide financial, marketing and networking support to insurers. In the forefront are large organizations such as Swiss Re, Oracle and IBM who are aggressively funding and supporting InsurTech start-ups, with the objective of benefiting from new solutions and fresh perspectives.

Types of Technology used in Different Segments of Insurance

Motor Insurance	
	Telematics technology is getting used in Motor Insurance. Afer the entry of Jio and Airtel low cost telematics devices are available in India.
Health Insurance	
	Wearable devices are helping insurers to better underwrite, price and manage health claims.
Crop Insurance	
	Helping the Crop underwriters with Crop Cutting Experiments (CCE) and giving more comprehensive data by capturing high-resolution visuals from a unique vantage point. Drones has also helped the surveyors to do risk inspection of property claims.
Livestock Insurance	
	For reducing moral hazard and fraud, insurers are using RFID technology for accurate identification of animal for livestock insurance.
Home Insurance	
	With the rise of personal smart connected home devices, there is an opportunity for insurers to increase insurance penetration in this segment.
Travel Insurance	
	Bajaj Allianz recently launched a blockchain-based travel insurance app Travel Ezee, which pays out claims automatically when there are flight delays.

Crop Insurance

- Pradhan Mantri Fasal Bima Yojana(PMFBY)
- Restructured Weather Based Crop Insurance Scheme (RWBCIS)

Insurtech is acting as an enabler for increasing penetration under crop insurance. Internet is one of the examples wherein it is providing a perfect platform for use of technology in crop insurance. All the stakeholders of crop insurance starting from Government, insurance companies to distributor are having an access to detailed information of Underwriting and claim data. The cost of collecting this data through manual form has reduced due to use of internet.

Technology is providing all the critical information to insurers in a fraction of seconds with less cost. Satellite, drones, mobile cameras are highly cost-effective means of collecting data and this cost efficiency is certainly encouraging insurance companies to increase crop insurance penetration.

Distribution

We see that traditional distribution networks are not only economically unviable for insurance firms but are also cumbersome from a customer perspective. Marketing and distribution in today's age require having an omnichannel presence. The millennials have come to expect 24x7 service availability. They want to have policy comparisons, quotes and policy terms and conditions made available to them in a device-agnostic online platform, at a place of their choosing. An online distribution channel is a low hanging fruit, which also leads to the most coveted commodity of them all, consumer data. Since this segment of digitalization has already seen considerable disruptor activity, any lapses in capitalizing on it can prove detrimental to an insurance firm.

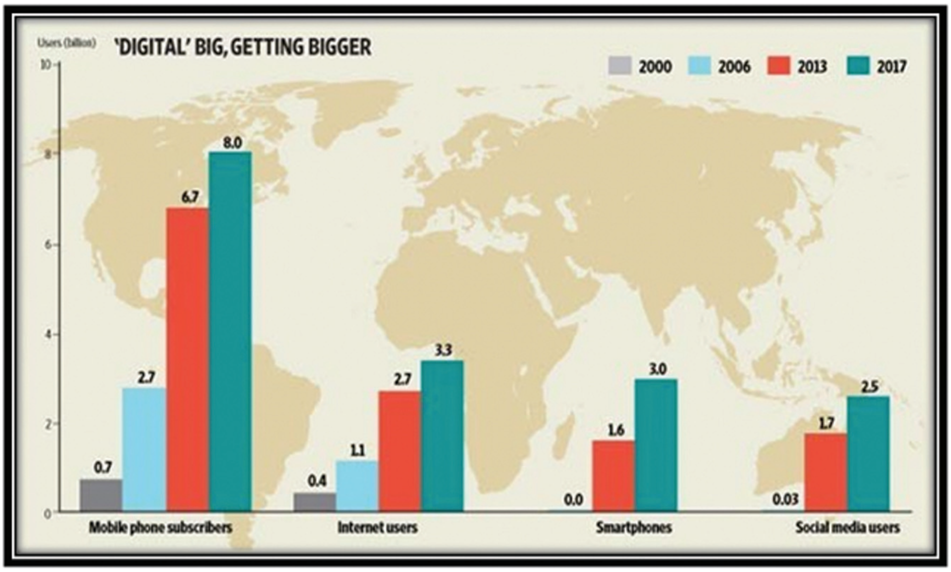
Some of the products like travel, motor and personal accident insurance require very little changes as they are mostly based on prospect information. The intervention required for such products is minimal and the training and exams for such persons could be of a lesser degree than those for a full-fledged distributor. In fact, last year, IRDAI had allowed the general insurance industry to use point-of-sale persons to sell general insurance products. For this, it identified products that are simple to understand, and in which the benefits are stated upfront and are fixed and predefined.

Therefore, at an aggregator level, people must understand that there is huge potential for insurance in India. India still has low, single-digit insurance penetration - despite the number of insured increasing during the last few years. With a population of over 1.3 billion, it is an epidemic. We are incredibly underinsured.

To cross-sell personalized insurance, some of the insurers have started looking beyond traditional distribution channels and explored strategic partnerships with newer channels such as retail aggregators (Amazon, Flipkart, etc.) Telecommunication providers (Airtel, Vodafone, Jio, etc.), smart home devices manufacturers (Amazon, Xiaomi, etc.), AR/VR device providers, telematics device manufacturers, sharing economy providers (Uber, Ola, OYO, etc.), transportation providers (IRCTC, bus providers), and messaging apps (WhatsApp, Facebook messenger, etc.). Allianz, for example, has set up a joint venture with Chinese Internet giant Baidu that enables it to apply data about consumers' online behavior to create customized offers.

For example, Acko General has tied up with Amazon, Bajaj Allianz has tied up with Flipkart to offer mobile insurance Etc. Shriram General, Bharti Axa, and Bajaj Allianz has tied up with IRCTC to provide PA cover to Passengers.

With mobile and Web technology, consumers across tier 2, 3 and 4 cities and rural India will have access to multiple insurers and transparent prices. Apart from reducing the cost of delivering the policy, and cutting down the branch network, online insurance selling also delivers transparent information to consumers.



Source: www.bimabazaar.com

Insurance technologies used for increasing insurance penetration:

- Mobile Applications
- Internet of things
- Blockchain
- Predictive Analysis
- Machine Learning and Artificial Intelligence
- Social media
- Telematics
- Drone
- RPA (Robotic Process Automation)
- Cloud Technology

Underwriting

Two lines of insurance that are using more insuretech for increasing insurance penetration are motor and health.

For health, wearable monitoring devices are already very popular among insurers to access live data on their insured instead of relying on health records and claim history. This sort of live data analytics will lead to more accurate risk assessment and pricing and may in turn lead to premium discounts or rewards for policyholders who stay healthy and active.

Similarly, with motor insurance, a device called telematics could be plugged into the car and the insurer could receive data on how the policyholders drive the vehicle, depending on the results, insurers can make the premium adjustment. A move towards flexible add-on covers of shorter durations will be made possible through the Internet of things (IoT) and wearables. Through this technology, asset usage can be constantly monitored. In the future, car insurance may cover and be priced for city driving and customers would need to buy an add-on cover when going on a road trip.

Claims

Image and video-based systems are expected to help in claims processing, fraud identification, accurate documentation and for notes recognition. For example, research on using the image of a human face to map out diseases and morbidities is currently under way.

Type of Technology	*Remarks*
Cloud Technology	*By using Cloud Technology, Insurer can host large volumes of data and analyze it in ways that simply wasn't possible five to ten years ago.*
Advanced analytics	*Advance data analytics is being leveraged by insurers for driving profitability and enhancing customer experience.*
Telematics	*The use of telematics helps insurers to accurately estimate claim damages and reduce fraud by enabling them to analyze the driving data (such as hard braking, speed, and time) during an accident. The additional data can also be used by insurers to refine or differentiate UBI products.*
Internet of things (IoT)	*Insurers are very much interested in IoT because it enables innovative models and also creates a strong data pool, for Exam. Connected Car, Connected Home, Connected Health.*
Smart Phones	*Insurance intenmediaries or insured can use their tablet/ smartphone for issuance of policies and for their spot*

	settlement of claims. Insurance intermediaries can also go through the training material of insurance through their smartphone.
Digital platforms	*Use of Aggregarots / Price Comparison websites, Chatbot etc.*
Blockchain technology	*Eliminate the human error element completely i.e. getting used in travel insurance claims.*
Artificial Intelligence (AI)	*Insurers are exploring automation of business process across the value chain and developing AI applications such as robo-advisors.*
Use of Drones	*Crop insurance claims, risk inspection etc.*

Mobile Applications

Mobile application has become one of the most important tool for increasing insurance penetration in India. Mobile Apps are increasing day by day not only in insurance industry but every company has an application to connect with the clients and customers.

It is now a common trend to see insurance companies launching different types of mobile apps for providing round-the-clock (24x7) support to customers and tools that allow for better and swifter engagement with the company. According to the data published in one of the reports, 281 million people in India use mobile internet every day and India has become the world's fastest-growing market for mobile apps.

Mobile application has become one of the fastest, better and cheaper way to connect with clients. Customer has to download the app either from Android or from Apple IOS and he can manage all the services from this app. An app can provide various services starting from Proving underwriting to claim settlement and many more and all transaction becomes instant in one click.

It also helps in paying bills, storing data like insurance policies and various document, check the status of the claim, getting quotes, read articles and blog about financial sectors, get information about various insurance productcoming in the market, claims can be reported by uploading picture and one will get the claim amount in the app wallet or account.

However, there are various characteristics which a mobile app can have in order to increase its usage among clients.

- Convenient to use and speedy, faster in processing information
- Customization and Flexible
- Security
- Better customer services
- Features and comparison on various policies
- User experience
- Informative by Blogs and Articles
- Interactive and catchy user interface
- Weather or an event tracking, Geo-location technology
- Easy and quick claim settlement

Health underwriter can also use this for better underwriting. Connected devices and wearable provide deep insights into the customer's physical condition, like blood pressure, temperature, pulse. Now, the insurer can even explore the client's lifestyle patterns, such as the number of steps per day, or how often and how long it takes someone to brush their teeth. In addition, all this data is available in real-time, which provides additional value for insurance companies. This will help in reducing premium or taking discounts for insured by allotting scores and points on the basis of risk-taking ability by an insurance company.

Mobile app used by different insurers:

- Reliance General Insurance: Reliance Selfi App
- Shriram General Insurance: Shriram M. Nova, I Nova
- Bajaj Allianz: Insurance Wallet
- ICICI Lombard: Insure

Customer can easily use the above-mentioned mobile apps. These applications ease the claims processes significantly with features like live video calls assistance with claim advisors, renewal of policies with just a tap, quick access to nearby garages, hospitals etc. These apps also allow users to track the claim/service status in real-time. The mobile app also allows users to safely store all their policy and other important documents like Driving License, RC Book, etc. in an E-Doc vault, which is easily accessible.

To be continued in next issue

SELLING PROFESSION- THE LARGEST AND GREATEST PROFESSION

There exists many kind of occupation around us which people choose as their profession. They are like, medical profession, technical profession, academics or education, agriculture or farming, writing, mass communication or media, legal, politics, human resource development, acting, sports and so on.

But when you get deeper into each of such occupations, you will find that at the end somewhere some kind of transactions are being made which is in some way fulfilling some kind of underlying purpose. And that could be anything from being an advice, a service, an idea, a knowledge, an entertainment etc.

All these can be put together and called a "Need", which is being taken care.

For example a doctor is providing his services by advising, counselling, prescribing, conducting surgery, to his patient who has a need for such a thing. Similarly a lawyer is also doing so.

Take another example of an occupation, of say a carpenter; he is providing a piece of furniture or is doing interior work of a house for some client of his who has the need for such work. The purpose or the need is fulfilled at the end.

There is another unique transaction which is being done in lieu of love, care and affection. Such as a child who has the need to eat his food and the mother of the child trying all means to feed the child. Telling stories or singing song. Transaction accomplished and purpose fulfilled.

Even an educator is involved in a transaction where he is trying to impart knowledge, in a way selling ideas and

About the author

Sanjay Ghosh

Experienced sales development and learning professional for more than three decades in hospitality and financial services industry. Experienced sales development and learning professional for more than three decades in hospitality and financial services industry. Have been able to nurture the young talent in sales profession to leadership level and demonstrated unrelenting persistence to growth, success and productivity of individuals, harnessing their true potential into deliverable performance

students acquiring it in a way buying it, as they need the knowledge. Again some sort of fees too exists unless it's a free service.

All such transactions are in a way is a sales transaction. Because there are two parties involved, one who has need for something so called product and the other who fulfills that need by providing that product, called provider or seller.

But in all such transactions another thing is also there, that is, the price, the cost, the fee, the charges whatever you call it, in lieu of it the transaction is being done.

So, you see, it is sales and selling is going on everywhere and at every moment. And to be more precise here, it would not be wrong to say that, the entire human world is continuously revolving around two factors only. One factor being the "Needs or Wants" in life and the other factor being the "Fulfilment of it".

And in that context, sales profession is the largest profession in the world.

However, here in this article, we are concerned with only that kind of transaction which generally we call as sales, whereby a sales person tries to sell his products to his prospects successfully.

There are various aspects of sales that exists around all three participants in the transaction, vis a vis, the buyer, the seller and the product.

There are various kinds of selling transactions we can see around us. Such as,

- Mass selling where footfalls are high as in exhibitions or seminar, year-end season's sale, discount sale, internet, auctions, malls etc.
- One to one or individual as in insurance, mutual funds, shares, etc., where seller approaches potential buyers.
- Over the counter as in shops, where customers walk in by themselves.
- Hawkers and peddlers.
- Selling to captive buyers, as in trains, planes, platforms, airport, stadium, hospitals, etc.

We need to understand the buyer's psychology in such different kind of selling situations as given above.

Different people have different need for products. Some make quick decisions to buy and others take time to decide. Whereas some keeps probing, while some depends on other person's advice.

Captive buyers may not have too many choice while there might be some who does impulsive buying.

Some buy with anticipation of future use while they may not have immediate need.

Advertisement of products also makes an impact on buyer's decision.

There is always a great desire in every salesperson that his product sells easily, comfortably and with minimum effort. But to fulfill one's desire a great amount of discipline is required along with knowledge and skills. Then there is also the attitude factor.

Like in most achievements, attitude towards sales profession plays an important role in success of a sales person. One should also have a social nature. One must be willing and enjoy to interact with people. An introvert nature does not match the required quality for a sales job.

Knowledge of local language and culture is beneficial and an advantage. Sense of humor also helps the interactions between a salesperson and his prospect. One should also become adept in objection handling ability. Every sales interactions is different, new and unique, and that is because the prospect is new, though the sales person is same, the product is same, the selling process is same.

Now about the product, a product is developed based on market demand. Lots of researches and studies are made in the market to understand what kind of product would be a success among potential buyers.

The benefits, the advantages, the features are carefully built into. It has to appeal to the buyer. The competitions are to be kept in mind as well. Product pricing and market affordability are also looked into. After all it is about profits in business too.

If the product meets the buyer's requirements and fulfills his need then the price paid by him is not a waste. Otherwise the money is wasted and it's a loss for the buyers.

Before 80's the manufacturer used to dominate in the market. But thereafter slowly the customers became the king and manufacturers took a back seat after sales service became the key matter in the market and started to direct the success and failure of products.

There are two view points in the market about the sales job. Though sales is considered to be the greatest profession in the world, many sales person differ to that belief owing to their inability to achieve desired success. Most sales person fails to adhere to the required discipline due to misfitting attitude and as a result they fall short of achieving their sales targets or just about make it or make something which does not keeps his motivation level to go on further.

Sales job, being a target oriented job, creates a challenging pressure to achieve the target figures of sales within a stipulated time, which is generally called monthly, quarterly, half yearly or annual target.

When a salesperson does not meet his own expectations, primarily regarding professional growth, or earnings in terms of sales incentives, he starts to lose the charm and motivation in his job.

Many can't take this pressure positively, thereby labeling sales profession as an unattractive job.

Many sales person lose their job due to inability to achieve target given. Many shift to other field in search of job satisfaction.

Now let us look at the positive aspects of the sales profession.

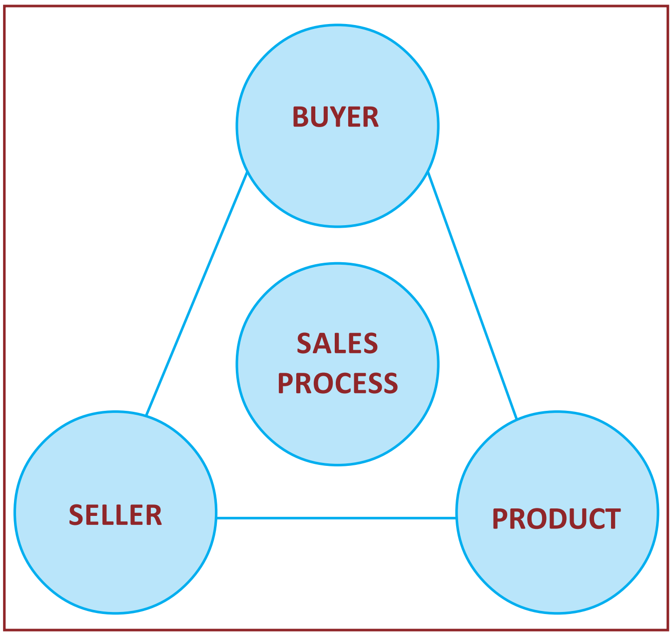
Sales is the only job which does not have limit in earnings of a person like the salaried one. As most sales job are incentive linked and the earnings of a sales person is directly proportional to the sales he does.

One can plan his earnings beforehand. Even sudden fund requirements can be met at certain times, whereas such things are not possible in a monthly fixed salary.

Then there is the challenge factor which is one of the main attractions among those doing well in sales.

There is no monotony like in many other jobs. New target, new challenge, rewards and recognitions, name and fame keep driving the salesperson all the time towards success.

We spoke briefly about all three components involved in a sales mechanism, that is the buyer, the seller and the product. But there is also a fourth component which is the common factor, which makes these three components interact amongst themselves in order to logically conclude sales, is the "sales process." This helps the buyer to arrive at a decision to buy the product and also feel good about it. This sales process comprises of many steps in a sequence.



Depending on the profile of buyer and the kind of product, a salesperson modifies and uses his methods.

The methods vary from product to product. But the selling process remains same.

"You can have everything in life you want, if you will just help other people get what they want"

- Zig Ziglar

National Seminar on "Modern Day Thoughts in Marketing of Insurance Services"

Ms. Tajinder Mukherjee. CMD, National Insurance lighting the lamp

Panel discussion

Release ceremony of Kolkata Insurance Institute Journal

View of audience

Complete report on page 45

AUTOMATION IN LIFE INSURANCE UNDERWRITING

Background

Underwriting engines have been around for over 20 years. Initially they were used in corporate offices, processing application form information keyed in by clerical staff, and avoiding the need for medical underwriters to spend time on these straightforward cases. From there data entry migrated to the point of sale, but still often with processing and decision-making deferred until the information could be uploaded in a corporate-office environment.

But since those early days, use of underwriting engines has grown, and in certain markets, such as the UK and Australia in which specialist medical information is used sparingly, underwriting automation has become ubiquitous. What is more, high straight-through processing (STP) rates – that is, where a final decision is made without any human involvement – are high. Indeed, some are very high: depending on classes of policy target market and underwriting policy, STP rates around the 90% mark are being achieved.

Peter Maynard
Director
SelectX Ltd

Dwaipayan Dutta
Technical Manager
SelectX Ltd

Recent Trends

Recently interest in underwriting automation has spiralled, and even in the USA where traditional underwriting, with medical exams and lab tests, has long been the king. American insurers have looked at ways of minimising costs and tapping into new markets via propositions that make life insurance easy and quick to buy. So-called 'simplified underwriting' uses algorithms applied to third-party data ('predictive analytics') plus information from traditional databases (previous rated decisions, motor vehicle records, prescription histories) to supplement the usual application form. If the app is clear and the database information and analytics add up, then the case can be accepted. After some initial caution, insurers are now prepared to accept sums assured of several million dollars on younger applicants in this way. And of course an underwriting engine is a key part of the risk evaluation and acceptance process.

Three things have ushered in an exciting era for automation. One is that experience in the US. The second is the growth in interest in use of external data. The third is the use of modern technology – machine learning, natural language processing, etc. – to extract key information from medical reports and records without the need for laborious work by humans. (And arguably there is a fourth too –

COVID-19 which has emphasised the benefits of buying and dealing on line.)

So underwriting engines are no longer confined to processing application form information; they can now take charge of the whole underwriting process. Information from application forms, third-party databases, medical exams, lab tests and (via the latest data extraction techniques) medical records can all be fed into the engine at appropriate stages for automated decision-making.

Major benefits

Clearly there are big benefits to be gained from deployment of a capable underwriting engine:

- Efficiency – less reliance on human underwriters.
- Speed of service to customers and distributors (case processing in minutes rather than in weeks).
- Quality of service – convenience and transparency (a better customer journey).
- Consistent application of underwriting philosophy.

But to focus on just these is to miss the point; there is a bigger picture. Automating the underwriting process has the power to radically improve the business – transform it even. It enables new customer propositions and underpins a multi-channel strategy. It revolutionises the on-boarding process for all stakeholders and truly moves the insurer into the digital age.

Data: “Digital Diamonds”

Just as important as all these, automated underwriting generates data, those ‘digital diamonds’ that, if used smartly, enable vastly improved management – not just of risk but of the business itself:

- Monitoring of engine performance and efficiency.
- Understanding the make-up of the new business flow – classes of policy, sums assured, buyer profiles.
- Getting a decent handle on non-disclosure – what, who, which distributors?
- Monitoring channel and individual distributor performance: who is really bringing in the valuable business?
- Getting a better fix on persistency and weed out under-performers.
- Understanding the risk make-up of the portfolio: is it as expected or does there need to be a change in underwriting, targeting and marketing?

The results of this sort of data enable improved business planning, strategies and tactics.

Underwriting automation makes sense at every level and benefits all stakeholders in the business. But insurers need to think big, to think strategy and transformation. The worst mistake would be to create an e-process based on a traditional paper one.

The right engine

Deploying the right engine is vital. Given the highly developed and effective products out there, don’t even think of building your own, and don’t just do it alone. Partner with a trusted supplier with a proven track record for true excellence. Be sure you are deploying the best tools for the best process and the best overall outcomes.

So, what is your company’s digital strategy and are you choosing the right tool for automating underwriting?

Fresh insurance cover to COVID-19 warriors

The Union Health Ministry has recently announced that all claims of the COVID-19 warriors under the Pradhan Mantri Garib Kalyan Package will be settled till April 24, 2021 after which a fresh insurance policy for them will become effective. The Ministry, in a tweet, said that a new dispensation will be provided to cover the "corona warriors". For this, the Ministry is in talks with the New India Assurance.

The Ministry of Health, in a statement, said, "Two hundred and eight seven claims have been paid by the insurance company so far. The scheme has played a crucial psychological role in boosting the morale of the health workers fighting COVID-19."

"The Pradhan Mantri Garib Kalyan Package (PMGKP) insurance policy claims of COVID warriors will continue to be settled till 24th April, 2021, thereafter a fresh insurance policy for COVID warriors will become effective," it further added.

HOW HEALTH INSURANCE IS BECOMING A PRODUCT FOR ALL SEASONS

India is among the 15 worst COVID-19 affected economies. COVID-19 which began as a health crisis has now taken over as a financial one. With the global economy crashing and multiple sectors taking a major financial hit, the insurance industry has become a vital part of the new reality of the economy. Since General Insurance undertakes the valuation of assets and businesses as well as their overall economic activity, it is benchmarked with the GDP of a country to measure the insurance penetration. Hence, a large proportion of the General Insurance sector is dependent on the performances of industries and individual businesses.

So with the lockdown causing a hitch in the business sector, the General Insurance market has subsequently suffered. The overall sector is believed to look up as the global economy stabilizes by 2022. The insurance industry rides on the back of other industries. Hence, unless the overall economy bounces back or the insurance industry finds business in hitherto uncovered areas, the industry is likely to struggle in maintaining its momentum. The COVID-19 crisis has given rise to both immediate and potential challenges for the insurance industry in near future. The COVID-19 pandemic has been a game-changer for the Indian life industry as it has managed to reinvent itself quickly by adopting digital processes in all its operational areas.

About the author

Jagendra Kumar
Ex. CEO,
Pearl Insurance Brokers
Jaipur

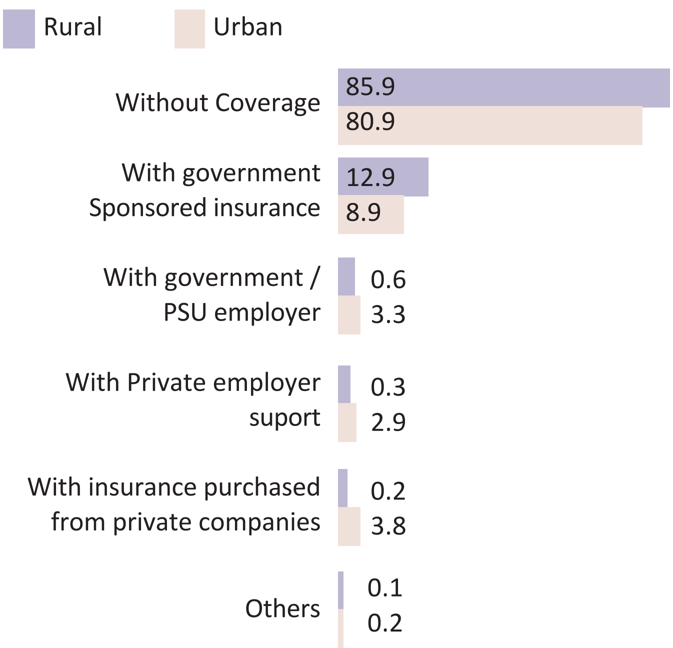
The pandemic has reminded everyone of how vulnerable they are and the need for people to adjust and adapt to the way they work and do things. The market has seen a proliferation and adoption of new technology over a short period of time. Technology that the industry was planning to adapt over the next five years has been implemented in a few months' time. The market was seeing a rapid increase in the acceptance of digital payments, including by the older generation.

India traditionally has been an underinsured country when it comes to Health Insurance. However, with Government initiatives such as Ayushman Bharat which aims to insure the poor and vulnerable, the gap has somewhat been bridged but the Private Insurance Schemes have reported covering only 18% of the urban population and a little over14% of the rural population. While the demand for health insurance is expected to increase considerably, underwriting thresholds may also go up and thus the negative movement may not be offset. With the constant increase in the number of cases and the prolonged duration of the crisis, the IRDAI has mandated all general and health insurers to start offering Corona Kavach - an indemnity based health plan and Corona Rakshak - a fixed benefit health insurance - policies to their customers.

These policies are meant for covering hospital and medical expenses of COVID 19 patients. Traditionally, the insurance industry has been employee-centric. With the advent of digital disruption of the industry, there will be an impact on its vast employee bases in the foreseeable future. However, despite the switch to digital mode, a vast majority of the business requires one-on-one communication or face-to-face interactions. As a result, companies need to ensure that their agents have access not only to safety equipment in the office but also required data and applications to safely work from home.

A large majority of Indians have no health Insurance coverage

Health Insurance coverage (% Individuals)



Note: Data for the period July to June 2018

A different roadmap for growth

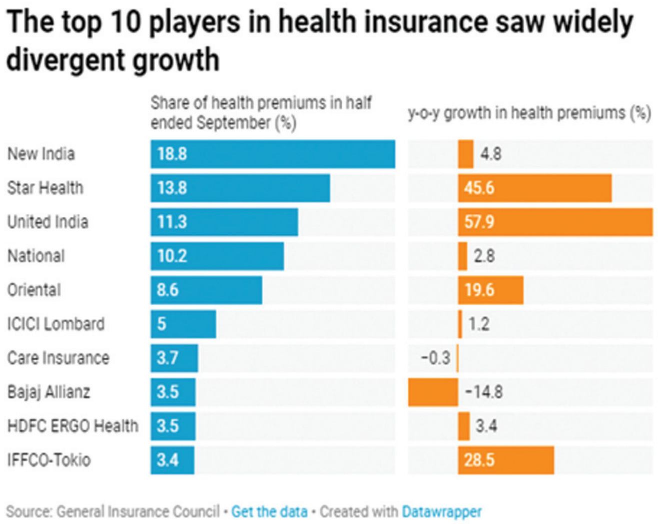
Remaining relevant through the digital transformation trends in insurance and demanding customers is a major challenge for the sector. The pandemic has changed the income and investment landscapes dramatically over the past nine months, forcing investors to rejig their financial portfolio for long-term security. Investors' preference for insurance, savings and the size of emergency funds have gone up, while building a corpus for wedding expenses has come down the priority list. The Covid-19 pandemic has turned the spotlight on the health insurance market in India. Out of pocket expenditure on health in India is as high as 64%, whereas, in developed countries, this figure is less than 20%. At present, health insurance is as low as 0.29% of GDP.

Ayushman Bharat has provided health insurance to households below the poverty line. But, the middle class remains largely uncovered. Design of simple and need-based products, using simple wording to describe terms and conditions, and quick claim settlement are the key areas for the insurers to concentrate on. To cater to the current requirement, IRDAI came out with two standard corona products, Corona Kavach and Corona Rakshak. Along with other corona specific products, the insurers have been able to cover more than 120 lakh lives against Covid-19 till the end of October 2020. IRDAI has also mandated a simple, inclusive standard comprehensive health insurance product called "Arogya Sanjeevani" to be sold by all general and health insurers. This is helping customers to opt for appropriate health insurance without getting confused on varying terms and conditions. Insurers are also encouraging insurers to offer stand-alone products against vector-borne diseases like dengue, chikungunya, malaria and encephalitis.

New world, new customers, new solutions

Customer needs and expectations are changing, and they will continue to do so, possibly at an even more rapid pace. Those that view this as an opportunity to combine insurance and technology by providing new and innovative products, services and delivery channels will be the winners in what will be a different market in years to come. Customers are the disruptive force in the insurance industry. It will be crucial for insurers to leverage digital capabilities to deliver a superior customer experience. Insurers must establish online direct-to-customer channels to facilitate insurance purchase, policy administration and claims.

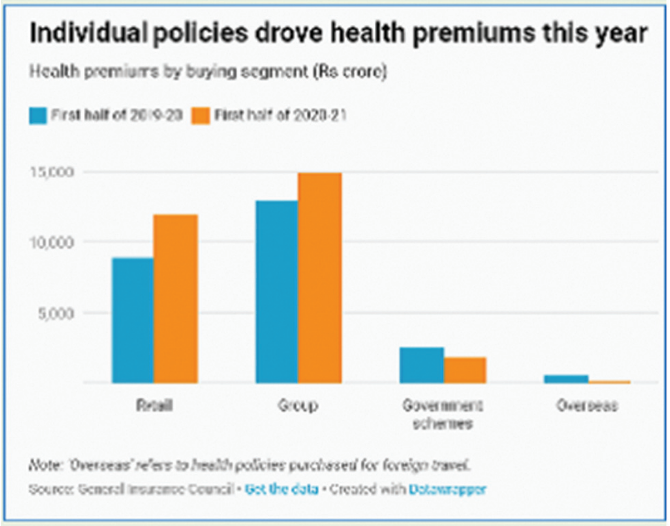
Further, empowering agents, brokers and bancassurance partners with technology tools to enable digital-assisted sales will improve productivity and customer experience, and support remote customer contact. The hybrid working model has been adopted by insurers and the pandemic has shown that remote working is here to stay. With the massive shift to work from home, distributed work environments are rapidly becoming the new norm. The pandemic has thrown light on the life and health insurance to the masses. Insurance has today moved from a push product to a nudge product.



Standard health insurance product

The general and health insurers can offer one or a combination of diseases and can price a policy for every disease separately. The minimum sum insured is Rs 10,000, while customers can opt for a cover in the multiples of Rs. 10,000, up to Rs. 2 lakh. The policies, which can be offered on a family floater basis as well, will have a waiting period of 15 days and the premiums will be same pan India. A standard insurance product means that the coverage details for a particular policy is uniform across all insurers.

Other standardized products include Corona Kavach and Rakshak for COVID-19, Arogya Sanjeevani, which is a health plan, and Saral Jeevan, a term insurance policy. Life insurers have been mandated by IRDAI to launch Saral Jeevan products by 1 January 2021. "Standardization helps set a baseline for insurers. At the first level, this will ensure the availability of specific-purpose plans. Next, insurers can innovate on product design to differentiate and provide more options to policyholders. However, it will not be mandatory for insurers to launch standard policies for vector-borne diseases.



Digital disruption - practical not theoretical

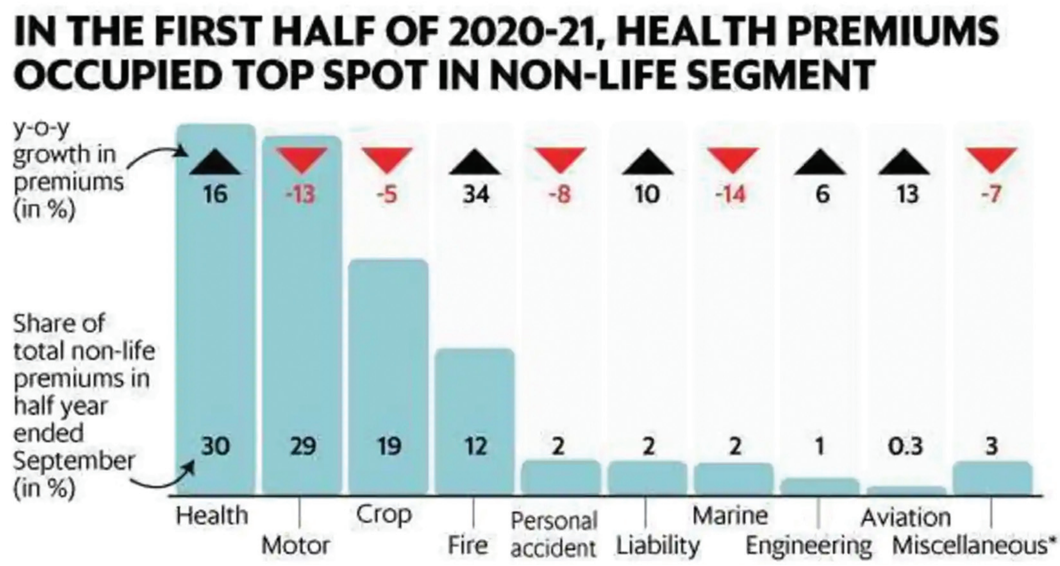
Technological change is a given. But knowing about it and acting on it are very different propositions. Disruption from new technologies is a given. It wends its way through all other trends. But acknowledging it and acting on it are very different propositions. Insurance companies need to know how to deploy the right technology for the right purpose or they risk being left behind. Rapid advances across a whole range of technologies are enabling industries to do more for their customers - and to do it faster and cheaper. Financial services, in particular, are seeing significant disruption; however, there is confidence in the industry as the majority believes that the industry is moving fast enough to keep up with future technology trends. Along with this advanced analytics is expected to increase over the next three years.

Despite this compliance will become more of a challenge when adjusting to digital disruption. Digital adoption over the past nine months has worked in its favour as the company, through the use of analytics, is now able to sell the right product to the right customer. The COVID-19 pandemic has resulted in a huge boost for digital transformation across the insurance industry and this is here to stay. The insurers have equipped the underwriting and fraud prevention teams with digital technologies for "faster and efficient" settlement of claims.

The negotiating table beckons

In a highly competitive environment, executives acknowledge that organic growth will not be enough. Incumbent firms can no longer rely on organic growth or internal innovation. The winners will be those that can forge alliances with innovative start-ups; ally with InsurTech; and consolidate with their peers. A rapidly changing industry will require unprecedented deal-making skills. Poorly integrated businesses fail to achieve expected synergies and are at least in part responsible for the complex organizational and technological structures in place that are currently holding back many insurers' attempts to keep up with more nimble competitors. Integration success requires detailed planning ahead of the deal closing and swift action thereafter.

This comparative table comprises statistics on the insurance industry indicators as this sector is a key component of the economy by virtue of the amount of premiums it collects, the scale of its investment and the essential social and economic role it plays on personal and business risk coverage. This dataset includes insurance activity indicators such as market share, density, penetration, life insurance share, premiums per employee, retention ratio, ratio of reinsurance accepted, market share of foreign companies and market share of branches/agencies.



Health insurance for diabetics:

When doctors write prescriptions for diabetic patients, recommendation for health insurance becomes an important element of it. However, for diabetic patients getting a health policy is not a simple affair, especially for those at an acute stage of it. Star Health and Allied Insurance created Star Diabetes Safe health insurance policy around seven years ago. First time in India, patients who were already on insulin had a diabetes policy without premium loading or flurry of questions, as happens otherwise.

While comprehensive policies also cover diabetes in India, they come with a long waiting period (up to four years) and may not be available to a patient during an acute phase of it. These people can go for diabetic specific plans. However, such plans may have at least a 25-30 per cent premium differential with the comprehensive plan. Besides, not many options are available. Popular ones include Care Freedom for Diabetes from Care Health Insurance, Diabetes Safe Plan from Star Health Insurance and Activ Health Enhance (Diabetes) from Aditya Birla Capital. Star Health policy comes in two variants of Plan A and Plan B. Under the Plan A variant, the insured person needs to undergo a pre-acceptance medical screening, while no such thing is required in Plan B. Diabetes Safe plan can be bought by any diabetic between 18 and 65 years.

Star Health policy covers other diseases as well such as prostate problem, gall stone, and cataract etc. However, the waiting period for the same could be longer than that for diabetes. In addition, insurance policies usually cover only type-2 diabetes. Star Health provides coverage for type-1 diabetes as well. Care Freedom for Diabetes also offers coverage without any pre-policy medical check-ups. Enrollment under the plan is applicable to individuals with multiple morbidities, or health complications such as hypertension, lipid, and obesity. Active Health Enhance (Diabetes) also covers type-2 diabetes along with type-1, but pre-policy medical check-up is also required.

35-year-Old Male Sum Insured: 5 Lakh City: Delhi

Insurer	Plan Name	Waiting Period	Premium
Aditya Birla Capital	Activ Health Enhance (Diabetes)	3 Years	33,724
Star Health Insurance	Diabetes Safe Plan B	1 Years	16,319
Care Health Insruance	Care freedom for Diabetes	2 Years	11,858

Source : Policybazaar.com

Steeper increase in premium:

With multiple factors coming into play, the COVID-19 pandemic being one of them, health insurance premiums have jumped up to 100 per cent this year. Premiums have jumped by 10-15 per cent for the middle age group, on an average. However, the insurance premiums have seen a steeper increase in the case of senior citizens. Premiums have increased by as much as 100 per cent in some companies in higher age groups. For client age above 55-66 years, the premium has doubled. For example, if in 2019-20, the premium was Rs. 28,000 for 2 persons, clients have received the renewal notice for Rs. 55,000-60,000, this year.

Premiums on an average have risen by 25-35 per cent this year as against an increase of less than 10 per cent last year. However, for some age groups, especially in the older ones, premiums on an average have increased by 50-75 per cent. There are multiple reasons for this rise - the COVID-19 outbreak that has also caused medical inflation, government-induced coverage expansion and change in price slabs, industry experts claimed. Insurance companies had received COVID-19 claims to the tune of Rs. 8,000 crore and they had settled Rs. 3,500 crore worth of claims. Increasing premiums is the only option for insurers. However, the increase in premium was anyway due for few insurance companies.

IRDAI has increased coverage under the health insurance policies and this has seen an increase in the health insurance premiums by around 5 per cent. COVID-19 might not have a major role to play in price hike as the extent of the premium increases depends on age, coverage and sum insured. People usually select a health insurance plan based on its annual premium.

However, the premium is not the only thing you should focus on while selecting a policy. It's equally important to consider factors like the plan's network of hospitals, exclusions and sub-limits, medical checkups, waiting periods for pre-existing conditions, pre and post hospitalization cash and no-claim bonus facilities, etc. and the insurer's claim settlement ratio and the ease of settling claims.

Here are the annual premiums for Rs. 5-lakh individual policies currently being offered by 20 top insurers in the country. Do note these premiums are for basic coverage for a 30-year-old male living in a metro city. Your actual premiums could be different as it would be determined based on the age of the insured, health condition, place of residence, type of cover, add-ons, so on and so.

Policy Name	Annual Premiums
United India	Rs. 4,730*
New India-Mediclaim Policy	Rs. 5,122*
SBI General	Rs. 6,088
Aditya Birla-Activ Assure Diamond	Rs. 6,371
Universal Sompo - Individual - Essential	Rs. 6,393
Max Bupa - Health Companion - Individual	Rs. 6,542
Royal Sundaram - Individual - Supreme	Rs. 6,558
Care Halth Insurance - Care Basic	Rs. 6,620
Future Generali - Health Total	Rs. 6,738
Oriental - Individual Mediclaim Policy	Rs. 6,899
Star Health - Medi Classic - Individual	Rs. 7,074
Reliance General - Health Wise Insurance - Standard	Rs. 7,348
Liberty General - Individual Health - Basic	Rs. 7,448
Manipal Cigna - Pro Health Protect	Rs. 7,631**
Cholamandalam MS - Healthline	Rs. 8,031
HDFC ERGO - Health Suraksha	Rs. 8,044
IFFCO-Tokio - Individual Health Protector	Rs. 8,407
ICICI Lombard - iHealth	Rs. 8,655
Tata-AIG - Medi Care	Rs. 9,359
Bajaj Allianz - Health Guard	Rs. 9,977

Gifting health insurance:

Getting expensive gifts and ornaments are surely enticing for everyone, however, securing one's family's health and future should be of utmost importance. Health is one of the most important aspects of life, whether it is for self, spouse, or the entire family. The health of one single person getting affected in the family disrupts peace and happiness of all other family members. To add to it, COVID-19 has taught each one of us the true value of life and significance of securing a family's health. If you want to include immediate family members like parents, wife, children, and other dependants, then a family floater plan is the best gift.

This type of plan offers coverage to family members at a single premium instead of multiple individual premiums. One has to note that, while family floater will give one the advantage of covering his whole family at a low premium and larger sum assured, the premium will typically depend upon the oldest member of the family. A higher premium needs to be paid in that case. If the family floater is for the husband, wife and no children, a lower premium will work as are all young and healthy. Maternity Health Insurance is one gift which can be specifically gifted to the wife. For newly married couples, who would sooner or later plan for a family, this can be a perfect investment.

The plan covers expenses such as pre-natal, post-natal, delivery charges and charges of the ambulance. Not just that, the plan also covers charges of infertility and offers coverage. A health insurance policy should not be treated as an option but a necessity in today's life. Health problems have intensified due to the changing lifestyles of people across the world. One wave of COVID-19 has proved, how critical, health emergency can be and why we need to keep ourselves prepared for the worst times. Hence, a well-thought-out insurance policy can be one of the most effective gifts.

GST on health insurance:

Health and finance experts argue that medical insurance has emerged one of the basic products during the pandemic and government should not make money out of people miseries. India, being a welfare state, should provide affordable healthcare especially in these unprecedented times of pandemic as part of the fundamental right to life guaranteed under Article 21 of the Constitution of India. Clearly, these are not the times for the government to tax or earn revenue from public health. Rather it is the time to subsidize the life-saving measures be it healthcare or the

health cover. The reducing GST makes sense as only luxury and non-essential products attract 18 per cent GST.

Even if the government is concerned about the loss of revenue due to decrease in GST rate, on the contrary, bringing health insurance in lower tax bracket might benefit the government by the way of enhanced penetration. As in developed countries, governments provide health insurance to its citizen, the least government in India should do is to put it under the lowest tax bracket. The implication of levying 18 GST on health insurance ought to be evident from these figures given the fact that the private health sector is now the major player in dispensing both the inpatient and outpatient health care.

In the six-month period from April to September 2020, health insurance became the most valuable segment for non-life insurers in terms of premiums collected, leapfrogging motor insurance. This is happening for the first time since the industry was thrown open to private players about 20 years ago. Health insurance accounted for 29.7% of premiums collected by non-life insurers in the first half (April to September) of 2020-21. Motor insurance came in a close second, with 29% of premiums. In 2014-15, the share of health was 23.4% and motor 44.4%. Historically, health premiums have been driven by 'group policies' or organizations buying an umbrella cover for their employees.

In the post-pandemic phase, the momentum came from individuals buying policies. Premiums paid on individual policies increased by 34% in the Apr-Sep period compared to the year-ago period, against 16% on group policies. As a result, the share of individual policies in the health premium pie increased from 36% to 41%. Premiums in the government segment fell and the overseas segment was virtually decimated. As per the latest data from GIC, nearly 4.45 lakh claims worth Rs. 6,836 crore have been claimed on account of corona virus, of which insurers have settled just 3.02 lakh claims worth Rs. 2,914 crore as of October 20.

As on 13 November, PM-JAY had issued 126 million e-cards to individuals. Even if one assumes all these 126 million individuals did not have any health cover previously, that still leaves about 1 billion Indians uninsured. While PM-JAY is a step in the right direction, its selection criteria is stringent, based on data from the Socio-Economic Caste Census (2011), restricting eligibility. Large sections of vulnerable populations, especially migrants, are still unable to access health insurance. Any income shock from hospitalization can plunge them into poverty. A significant expansion of health insurance is necessary to provide a safety net to vulnerable households. For a business that thrives on medical uncertainty, the COVID-19 pandemic has provided a shot in the arm for the health insurance industry in India.

The customer acceptance of technology needs to be retained even after the pandemic. Post COVID-19 the financial and medical underwriting of life and health insurance in India is likely to become tighter with some restrictions in place. Medical check-ups may be mandatory to ensure that none of the vital organs is impacted. COVID-19 could have long-term effects and clarity is still required over its post-illness impacts. A new COVID-19 questionnaire has also been introduced as an additional piece of documentation for life insurance buyers. Insurers will want to do fully-fledged medical check-ups. In terms of financial criteria, earlier, for lower sums assured, companies relied on self-declaration of income. Now, they would want to see income proofs. It has become one of those dreaded diseases because of the unpredictability.

So, if a person has had COVID-19, it would be prudent on the part of insurers to carry out medical check-ups to find out whether there is any impact on the individual's health. So, the risk of insuring someone who is already affected by COVID-19 needs to be carefully evaluated and provided for. Even before COVID-19, many reinsurers had increased premiums due to adverse mortality experience. The regulator has allowed Up to 5 per cent revision in prices based on the new inclusions in health products. Also, some companies may have raised rates other than that. According to the Ministry of Health and Family Welfare, there were 5.27 lakh active cases in India as on November 5. The number of people discharged was 77.11 lakh and 1.24 lakh died due to the pandemic. Insurers are already expecting an increase in the loss ratio of the health portfolio. They expect the loss ratio for the retail health policy to go up from current 65-70% to 80%. Non-life insurers are seeing rising demand for health policies under the Equated Monthly Installment (EMI) option. Insurers attribute this to reduced affordability due to a fall in income and job losses, even as the need for a cover has gone up due to the pandemic.

The industry is coming up with new digital health products that the customers are wanting to test. There is a change in consumer behaviour because there is a genuine need for the product. Insurers also see the distributors adapting to the new normal and serving the demands of our customers. All the initiatives taken by the industry towards digital adoption are registering a lot of acceptance from the customers and a greater push from our distributor network as well. Starting October 1, the Indian health insurance industry has seen a major revamp, resulting in health insurance policies becoming far more customer-centric than earlier.

References:

1. https://www.livemint.com/insurance/news/the-covid-19-boost-to-health-insurance-in-four-charts
2. https://economictimes.indiatimes.com/topic/STAR-Health-Insurance-Company
3. https://www.news18.com/newstopics/health-insurance.html
4. https://www.careinsurance.com/health-insurance/cr/health-insurance-plans-dk.html?agentId
5. IRDAI Annual Report 2019-20
6. Newspapers & Journals ❑

HEALTH INSURANCE SCHEMES TO GEN-S (SILVER-LINE): DARKNESS IN THE TWILIGHT YEARS

Of late, human lives are fraught with increased incidence of health ailments on account of routine and sedentary lifestyles. Though there is considerable improvement in medical technology in addressing the health emergencies, the associated costs for treatment are also on the rise. Any hospitalisation without health insurance potentially creates a financial `tsunami` in the family thereby causing mental anguish and stress. Thus, protecting self and loved ones from any health eventuality is a must by choosing an appropriate health insurance plan. "Health is Wealth" is what we know. It is being realised, going forward, that health requires a lot of wealth.

Life is full of uncertainties but 'Aging' is certain and we have to live with the age-related ailments with the support of family members. In the past, our traditional Joint Family system used to provide an excellent support structure with a philosophy "One for All and All for One". However, the joint family system is moving to Nuclear families on account of increased pace of relocation of people within the region, across the states and even abroad in pursuit of employment, career opportunities and improved livelihood. Though the children love their parents and wish to take care of their requirements, they find it difficult to manage their financial resources on account of increased living costs, health and education expenses. Truly, these factors shattered the long-established system and had adverse impact on Gen-S segment.

About the author

NSN Reddy
Retired Executive
Andhra Bank

In the above backdrop, most of the senior citizens are living independently with little or no support from their children/ family members. The increased medical expenses have become a burden on the weak purse strings of Gen-S as their sources of income is limited mostly pension and interest income. Thus, this segment is looking for formal health care service providers and also opting for Health Insurance Schemes to meet their present and future medical needs to lead their lives independently, peacefully and gracefully.

As per the census, around 11 crore people (8.30% of the population) are in the age group of above 59 years and another 10 crore people (7.90% of the population) are in the age group of 50 to 59 years, will be joining Gen-S club shortly. It is observed that approximately 55% of senior citizens are covered either under government-sponsored health schemes or purchased health policies on their own and the remaining 45% people are left out of any health insurance cover.

Among the insured lot, Group Health Policies are playing an important role as it has inbuilt features viz., floater policy covering spouse, children and parents, waiver of medical check-ups and Pre-Existing Diseases (PED), lower waiting periods, cashless hassle-free treatment and low premium rates. However, the flipside points are:

- Normally, under group policy, it is expected that uniform premium is to be levied across the members irrespective of the age. However, the insurance companies are levying premium based on the age of the policy holder which is against the ground rules.
- The naive policy holder doesn't have any decisive role in negotiation of premium rates as the aggregator is only the competent authority to have dialogue with the Insurer. But in practice, they are failing their responsibilities and simply accepting the premium rates and other terms without any purposeful discussions with members.
- By and large, the retail policy holder is eligible for "No Claim Bonus" while renewing the policy but the same facility is not extended to group policy holders on the excuse that the premium is low compared to individual policy. Thus, the insurance companies are conveniently misusing the guidelines to exploit the policy holders.
- Contrary to the common belief that the group policies are cheaper compared to retail policies, the insurance companies have been resorting to hike in premium rates on an ad-hoc basis on the pretext of ever-increasing medical costs and thus making the group policy unaffordable especially to senior citizens.
- The claim ratio, a decisive factor in determining the premium rates, crucially depends on number and amount of claims. While the per cent of claims to total policies remain the same, the claim amount has been on the rise due to reported increase in service costs of the hospitals. Further, there is no uniformity and transparency with regard to treatment charges of various ailments. The nexus between Networked Hospitals and Third Party Agents (TPAs) also not ruled out and the regulator needs to focus attention on this area.
- The increased GST is also making the health insurance policies costlier.

The increased premium rates, especially in higher age groups, forces senior citizens to choose the exit route. Truly, it is an unethical practice and also unwarranted treatment being adopted by the Insurers towards senior citizens whose contribution to the nation-building is invaluable.

Barring PM-JAY, presently there are no government-sponsored health insurance schemes for middle-income group in general and senior citizens in particular. The alternative available to this group is either to rely on private sector on payment basis or depend on the mercy of voluntary organizations for free medical services. In the present scenario, the minimum health insurance coverage required for a family should be Rs. 5 to Rs. 10 lakhs and the premium quoted by the insurance companies is in the range of Rs. 25000/- to Rs. 90000/- per annum depending on the age of the insured. Under these circumstances, the pensioners whose annual income is below Rs. 5 lakh need to earmark minimum of one or two months pension towards purchase of health insurance policy. This is truly a burden to senior citizens, lest they have to choose an exit route which is a highly risky and precarious one.

While appreciating the government moves in improving the health care in the country duly covering majority of poor families under PM-JAY scheme, still many senior citizens like retired employees of Public Sector Banks / Public Sector Units / Corporate Bodies / Corporations / Private Companies, Self Employed & Professionals, Farmers & Artisans etc., whose annual income is below Rs.5 lakh and who are not members in any Government health insurance plans, need to be covered under this scheme on priority. Further, there is an imminent need to support senior citizens whose income

is between Rs. 5 to Rs. 10 lakh per annum with cross-subsidisation by the respective institutions in case of retired employees and with regard to others, it should be done by the centre/states.

The cost of the health insurance policy mainly consists of claims, operating expenses and taxes. On implementation of GST regime, the tax component has increased from 15% to 18% which is a big burden on the policy holders. Health care being a priority subject on the government agenda, taxing the individuals that too on purchase of health insurance policies is not fair. Government need to revisit its stand and initiate steps to bring down GST to zero forthwith since the senior citizens need it the most.

Since health policies are subjected for renewal every year, it is the responsibility of the insurer to inform the changes in premium or any other terms & conditions of the policy, to the insured well in advance. Conversely, the insurance companies are communicating the revised premium rates just before the due date of the policy, causing inconvenience to the insured. Thus, the regulator has to ensure that the policy holder receives communication from the insured minimum three months before the due date to enable him/her to take informed decision either to renew the policy or to switch to other insurance companies with seamless portability.

Levying premium based on the age of the policy holder is to be scrapped forthwith especially in case of group policies. The revision of the premium, if any, should be reasonable and uniform across all age groups.

As per IRDAI guidelines, it is the responsibility of the insurance companies to transfer the credit gained by the policy holder (individual or group) for pre-existing conditions and time bound exclusions, from one insurer to another insurer within the time frame and without any rider. Contrary, the group policy holder is deprived of portability as the Group Aggregator (GA) is not evincing any interest to take up the matter with the concerned for resolution. This is compelling the policy holder either to continue with the same insurance company, though not interested, or join in another company and wait for 2 or 3 years for pre-existing disease claims. The regulator has to look into this area and ensure the portability to all policy holders who are interested.

It is observed that the majority of GAs are not evincing the desired attention to protect the interests of the group members and not exercising their prudent negotiation skills with the insurance companies while renewing the policies. They are more interested in fee income and dropping the policy holders like hot potato to the mercy of the insurance companies.

The argument of insurance players in favour of hike in premium is mainly due to increased claims coupled with medical inflation. The chief reason for this is not having uniform rate for each ailment or disease and the treatment cost varies from hospital to hospital within a city/town. Further, it is a well-known fact that private hospitals are charging extra to card holder compared to normal cash payment. Thus, monetary cap on ailments and uniform billing with or without health card is the need of the hour.

The Gen-S segment is known for their hard work, sacrifices, devotion and dedication to the family, organisation where they worked as well as to the society. It is not out of place to mention that the senior citizens are the most law-abiding lot and have been genuinely paying taxes all through the years for the nation building. In the process, they have exhausted all their energies and resources and are left with little income to lead their second innings independently.

"Respect Elders", though has a resonance in various forums, but very little is done in letter and spirit. The Gen-S group is forced to look up to the Government, Regulator and former employers not for any freebies or charity but for deserving health coverage to continue their journey in their twilight years with peace and dignity. The stakeholders need not be reminded that this moral act is the least tribute that can be paid to the elders who were once born young. Hope, good days are ahead for Senior Citizens!!! ❑

3 WAYS THE RISK OF BUSINESS E-MAIL COMPROMISE IS EVOLVING, AND HOW TO PROTECT YOUR BUSINESS

Business E-mail Compromise (BEC) is the fastest growing type of social engineering fraud - a broad category of scams in which perpetrators impersonate a trusted party to manipulate their victims into giving away either funds or valuable information willingly. This deceptive form of theft is also known as phishing.

Though this risk is not new, it is evolving. Here are three trends amplifying the threat of BEC, and how businesses can better protect themselves from loss:

1. Stressed out, remote workforces make easier targets

According to the Anti-Phishing Working Group (APWG), BEC scams doubled in 2020 compared to 2019. Insurers have undoubtedly seen a spike in claims since the beginning of the COVID-19 pandemic, which has exacerbated vulnerabilities in companies' defenses.

With most employees working from home, employers lose some control over security. People have a tendency to utilize home networks and devices as workarounds to IT issues that arise in their employer's internal system. That provides new avenues through which fraudsters can reach their targets, with less chance of being caught in company filters.

Additionally, employees are dealing with new levels of stress, balancing full-time work with homeschooling, childcare and in some cases eldercare, on top of fears over becoming infected with the virus itself. When people are under pressure, they're more likely to give in to urgent demands coming from a presumably important vendor or business partner.

Fraudsters are capitalizing on the stress, uncertainty and occasional cyber security lapses of the past year, growing bolder in their tactics and demands.

2. Fraudsters are growing bolder and applying more pressure

In the classic BEC scenario, the thief poses as a vendor

About the author

Greg Bangs

SVP, Crime Regional Leader - North America at AXA XL

needing to update their banking information and requesting that future payments be sent to the new (fraudulent) account number. But businesses have grown wise to this plot, and perpetrators adapted by developing new ploys.

One emerging tactic involves the combination of a fraudulent e-mail with a fraudulent phone call. The schemers may still pose as a vendor or other business partner, demanding an urgent payment. They then follow up immediately with a phone call, pretending to be a lawyer involved in the transaction. They may drop the name of the CFO or another senior manager. People get flustered. Scammers know if they apply pressure, their target is more likely to do what they want them to do. Fearing that they've dropped the ball and wanting to avoid trouble, employees may make large transfers under these circumstances without verifying them.

Recently, fraudsters have also ironically posed as cyber security firms, hired by the recipient's employer to strengthen defenses against the exact type of crime they are about to commit. By fashioning themselves as protectors offering a service rather than requesting a payment, they more easily gain employees' trust - and access to their machines.

Once the fraudster gains access to a single computer, they can easily work their way through the target company's internal network to obtain the information they need to re-direct funds transfers or shipments of goods.

3. Facing little risk of retribution, scammers are making off with larger sums

The latest figures from the U.S. Internet Crime Complaint Center reflect more than $1.7 billion in losses from BEC in 2019 alone, accounting for half of all losses from every type of cyber attack. According to APWG, "BEC attacks that sought wire transfers from victim companies sought an average of $75,000 - a 56% increase from $48,000 in the third quarter of 2020."

But some scams have cost companies tens of millions. In one well-publicized case, an employee at a major auto manufacturer followed instructions to wire $37 million to a third party, only to discover shortly after that the request was fraudulent.

Once funds leave the coffers, it can be next to impossible to recover them. Perpetrators are clever. They utilize banks in countries where corruption is rampant; countries that don't do business with the U.S. Because the transfer is made willingly, there is little chance of regaining monies once in the possession of those foreign banks.

For public companies, large losses can have other negative downstream effects, including a degraded stock price, and the subsequent potential for shareholder lawsuits.

How to protect yourself from BEC

A few basic checks and balances can help companies reduce their vulnerability to BEC scams.

Best practices include:

- Verify third-party requests for bank account changes by calling the requester back using a number on file - not the number provided in the e-mail.
- Requests for wire transfers that come from an unusual channel or ask for large sums should always be checked with senior management. It is unlikely that any business truly needs millions of dollars transferred to them immediately - despite threatening calls from "lawyers". Follow protocol to verify these requests.
- Learn to identify red flags in fraudulent e-mails. Often, scammers copy a vendor's e-mail address almost exactly, except for an errant punctuation mark or extra letter. Hover your mouse over the e-mail address and ensure every character exactly matches the contact information on file. Grammar or punctuation errors, a tone that doesn't quite fit with the vendor's usual communication style, and urgent language can also indicate a phony e-mail.
- Reinforce employee training with regular phishing tests. Employees may become fatigued by hearing the same tips repeatedly and can eventually become lax, especially while working remotely. Regular tests can evaluate whether additional training is needed and reminds employees to stay vigilant.
- Ensure your commercial crime policy includes a specific endorsement for social engineering fraud. A standard crime or theft policy was never intended to include social engineering, and coverage may not be triggered in scenarios where funds were given away willingly. AXA XL, for example, offers a fraudulent impersonation endorsement to address these losses, even as new schemes emerge. ❑

National Seminar on "Modern Day Thoughts in Marketing of Insurance Services"

Organised by:

Kolkata Insurance Institute

(Formerly Indian Insurance Society)

Date: Saturday, 13th March, 2021

at Hotel Pride Plaza, Kolkata

Kolkata Insurance Institute organised a national seminar physically on March 13, 2021 at Hotel Pride Plaza, New Town, Rajarhat on "Modern Day Thoughts in Marketing of Insurance Services". 68 participants were present in the seminar. From College of Insurance, Kolkata Mr. Pradip Sarkar and Mr. P.N. Karmakar were present. For holding the seminar prior approval was taken from III, Mumbai.

The seminar was inaugurated by Mrs. Tajinder Mukherjee, C.M.D., National Insurance Co. Ltd. Mrs. Mukherjee emphasised the need of innovative ideas in marketing of insurance services. She added that the insurance industry was transforming repidly and new thoughts will help in further growth of the industry.

Mr. B.K. Nayak, Dy. General Manager, NICL and the Working President of KII welcomed all the participants with a high hope on the seminar.

Mr. Ravi, General Manager, National Insurance Co. Ltd. and the President of KII spoke on the theme of the seminar. He also briefed on the latest trend of marketing.

After tea break first technical session was started. Mr. B.K. Nayak was the first Speaker. He briefed the introductory theory of marketing emphasizing the insurance marketing. He explained the relevance of Blue Ocean Strategy in the modern marketing. He focused on additional 3Ps of marketing services with interesting slide.

Second session was taken by (Mrs.) Dr. Krishna Dasgupta, Professor, Xavier Institute of Management, Bhubaneswar. Her topic was 'Branding the Service Products in Marketing: How the Branding Made Visible in Insurance Marketing'.

In the third technical session, Mrs. Professor Konika Chatterjee, Dept. of Commerce, Calcutta University spoke on methodology for market communications in insurance product selling and for creating the relation between the insurer and public at large. Various values of business marketing to be reviewed and to be doubtless and transparent. She stressed on the trustworthiness between the buyer and seller.

In the fourth panel discussion the topic was distribution channels and delivery of services that can be made optional for the different segments of insurance market particularly for the rising millennial customers as well as for the masses. This session was moderated by Mrs. Kasturi Sengupta, Chief Manager, NICL, Faculty Member of COI, Mumbai/Kolkata. Very tricky and pertinent questions were put which were excellently dealt by Mr. Soumya Mukherjee, General Manager (Retd.), Oriental Insurance Co. Ltd. having 30 years experience in hard core marketing of insurance.

Dr. Konika Chatterjee, Dr. Krishna Dasgupta and Mr. Angshuman Roy, Faculty of CA Inst., IISWBM and College of Insurance, Kolkata. All panelists replied the questions with practical example. The seminar was highly enjoyed by the audience.

Moderator Mrs. Kasturi Sengupta was felicitated at the inaugural session for receiving Best Essay Writing Award on Road Safety organized by III. C.M.D., National Insurance Co. Ltd. felicitated her with a token of momento.

Hony. General Secretary proposed the vote of thanks. Jaya Chakraborty, A.M. NICL compered the entire programme in excellent manner.

Event photographs on page 29

Advertorial

E-Discussion on Mr. Nilesh Sathe's autobiography "Never Give Up: Overcome Life's Challenges and Achieve Success" by Birla Institute of Management Technology (BIMTECH)

B On17th April 2021 Birla Institute of Management Technology (BIMTECH) organised an animated E-discussion on the book "Never Give Up: Overcome Life's Challenges and Achieve Success" penned by Mr. Nilesh Sathe, former Member-(Life) IRDAI, former Executive Director LIC of India, and currently the Financial advisor to the NationalHighway Authority of India (NHAI).

The book published by Popular Prakashan is replete with lively accounts of Mr. Sathe's struggles and triumphs. Prof. Saloni Sinha of BIMTECH, the moderator of the discussion introduced Mr. Sathe to the audience comprising mainly the BIMTECH students and insurance professionals. Dr Harivansh Chaturvedi, Director, BIMTECH in his welcome address, expressed his great liking to the title of the book which he found was very moving and relevant, given the travails caused by pandemics. Dr Chaturvedi felt that the book would certainly inspire many people and exhorted youngsters to take a leaf out of this book to deal with similar situations. Dr KC Arora, Registrar, BIMTECH while hailing the discussion, briefly shared his experience of his own book "A Banker down the Rabbit Hole". Prof. Saloni Sinha continued the discussion further by prodding Mr. Sathe to elaborate by citing various incidents and stories from the book. One thing, she found very interesting and inspiring was the author's acknowledgment of the role of women, particularly his mother in his life. Mr. Sathe laments the early loss of his father and went on to discuss in details how his mother brought him up, in the face of adversities with courage and strength in a small village of Kosbar in Thane district of Maharashtra Mr. Sathe elaborated upon the various experiences and stories of his life and gave various accounts of how he faced difficult times with courage and willpower. It was his indomitable spirit and determination to succeed despite all odds stood him in good stead. He cited examples from his life which any reader can relate with and fight it out, the way he did. As far as his illustrious journey with LIC was concerned, he always felt the customer servicing was of prime motive throughout his life. On being asked by Prof. Manoj Pandey about his fight with cancer, Mr. Sathe lauded the role of his doctor in curing him and added,"I had full faith on my doctor and wentby his advice in toto. He kept me in high spirit which helped me to overcome the dreaded disease of cancer".

Prof (Dr) Abhijit Chattoraj, Chairperson, Insurance Business Management programme described Mr. Sathe as a wonderful human being and added that he was humility personified and modest to a fault. He found his autobiography very moving, particularly his fight with the feared disease of cancer. He concluded by saying that Mr. Sathe's stint with the IRDAI would be remembered forever in the annals of Indian insurance industry.

Axis Bank as promoter brings stability for Max Life

Axis Bank becoming a promoter of Max Life Insurance Company Limited, has reduced the pressure on the life insurance company to diversify its distribution channel. The private lender accounts for 55-60% of the insurer's sales and this was creating pressure on Max Life to ensure certainty of relationship. Prashant Tripathy, MD & CEO, Max Life, stated that the transaction removed uncertainty over third-party distribution channel. Axis Bank as a promoter makes the private lender a permanent, stable distribution channel.

Axis Bank has been distributing Max Life's products for almost a decade. Tripathy said that with this bancassurance partnership becoming a joint venture, there will be deeper tech integration and use of analytics-based technology. "Those with deep domain expertise in investment, people & technology and solid track record of retail financial services are going to participate in our board," he further added.

LEGAL

HC refuses to stay circular on mediclaim premium, asks insurance companies to respond to plea

The Delhi High Court has recently refused to stay the February 21 circular of General Insurance Public Sector Association by which mediclaim premium of serving and retired employees of 4 PSU insurance companies have been increased.

The HC, however, sought response of the Centre and GIPSA and 4 PSU insurance companies on a plea challenging the circular increasing the existing premium by loading at 47.75% in existing mediclaim premium. The circular has come into effect from April 1, 2021.

Justice Prathiba M. Singh has issued a notice to the Centre, GIPSA, National Insurance Company Limited, New India Insurance Company Limited, United India Insurance Company Limited, and Oriental Insurance Company Limited on a plea by Bhartiya Bima Mahasangh, an association of employees working with the 4 insurance firms and Life Insurance Corporation.

The petition said that the 4 insurance companies have increased the premium rate for mediclaim policy for the employees with effect from April 1, 2021 and added that if the increased premium rate is not stayed, they will have to pay very huge amount.

It said that GIPSA has illegally and arbitrarily increased the existing premium by loading at 47.75% in existing mediclaim premium. It claimed that the increase in premium rate is notarbitrary and illegal, but also discriminatory as the LIC has not increased any percentage in the premium in respect of their employees and maintained the existing rate of premium without any change.

The plea said the service condition of the employees of the 4 public sector insurance companies are similar to that of LIC, so, GIPSA cannot formulate a policy whichopposes the public policy.

The HC has listed the matter for further hearing on August 19 and declined to stay the implementation of circular at this stage.

Tamil Nadu woman burns husband alive to claim insurance money

A 57-year-old woman allegedly connived with one of her relatives to kill her 62-year-old husband, in order to claim Rs. 1.3 crore as insurance in Tamil Nadu. The police arrested the duo on murder charges.

According to reports, the deceased was identified as K. Rangaraj, a resident of Thudupathi in Erode district. He owned a power loom unit. On March 15, 2021, he got injured in an accident, following which he was taken to a private hospital in Coimbatore for treatment. The hospital discharged him and his wife R. Jothimani and relative Raja made him sit in a van, and the trio began their journey to Thudupathi.

According to a police officer, "When the vehicle reached Valasupalayam near Perumanallur around 11:30 pm, Raja stopped the vehicle. Raja and Jothimani got down from the vehicle, doused it with petrol and set it on fire. Rangaraj was burnt alive."

"On early Friday morning, Raja informed the Tirupur rural police about the death, which he said was an accident," the police further added.

However, the police grew suspicious on Raja as he gave inconsistent responses. The police came to know that Raja had purchased fuel from a petrol pump in a can. Following this, the cops procured the petrol pump's CCTV footage. On being confronted with video evidence, Raja confessed to having burnt Rangaraj alive.

Police investigation disclosed that Rangaraj had borrowed around Rs. 1.5 crore from several lenders, who persistently troubled Jothimani for money. Rangaraj had taken three insurance policies worth Rs. 3.5 crore, with Jothimani being the nominee. Jothimani decided to kill him and make it appear like an accident, with the intention to claim the insurance amount. She approached Raja, who agreed to help her for money. She gave him Rs. 50,000 as advance, and Rs. 1 lakh was to be paid after Rangaraj's elimination.

Police said that both the accused have been arrested and they have confessed to the crime.

HC declares all insurance companies liable to give effect to Mental Healthcare Act from 2018

The Delhi High Court has recently held that all insurance companies are liable to give effect to the Mental Healthcare Act, 2017 in their policies from the time it came into force in 2018 and any delay in doing so would be "contrary to the letter and spirit of the law".

Justice Prathiba M. Singh said insurance regulator IRDAI is duty bound to supervise the insurance companies and ensure that they comply with the Act and it "cannot turn a blind eye" to non-implementation of the same. IRDAI has to ensure that all the insurance products issued by insurance companies are in accordance with the law, the high court ordered.

The court's directions came on a woman's plea whose claim for reimbursement of costs for treatment of schizophrenia were rejected by the National Insurance Company Ltd on the ground that psychiatric disorders were excluded from medical cover.

The court held that her claim for Rs. 6.67 lakh was reimbursable and that she was entitled to the same. The court also imposed a cost of Rs. 25,000 on the insurance company to be paid to the woman for forcing her to opt for litigation to claim reimbursement.

Blood test not necessary for insurance company to reject claim over drunken driving: SC

In a notable judgment, the Supreme Court has recently held that a breath analyzer test or blood test as contemplated under the Motor Vehicles Act is not necessary for an insurer to repudiate an accident policy claim on the ground of drunken driving.

The SC held that if the insurance company is able to establish from the facts that the driver was under the influence of alcohol at the time of the accident, it will not be deprived of its right to exclude the policy benefit merely on the ground that the scientific tests for alcohol presence were not carried out.

A division bench comprising justices U.U. Lalit, Indira Banerjee and K.M. Joseph observed in the case of IFFCO Tokio General Insurance Company Ltd v Pearl Beverages Ltd., "...in cases, where there is no scientific material, in the form of test results available, as in the case before us, it may not disable the insurer from establishing a case for exclusion. The totality of the circumstances obtaining in a case, must be considered."

Even if the exact alcohol content present in the body was not established, the insurer can invoke the exclusion clause in the policy contract, attendant circumstances show that the accident was caused while driving under the influence of alcohol.

CBI arrests 2 insurance officers for demanding Rs. 4.5 lakh bribe to settle accidental death claim

Central Bureau of Investigation has recently arrested a Senior Divisional Manager and an Administrative Officer of the National Insurance Company Ltd. for allegedly demanding a bribe of Rs. 4.5 lakh to settle the accidental death claim of a person.

After getting the complaint, CBI had laid a trap where Nahida, the accused Administrative Officer posted at Srinagar office, had to receive Rs. 2 lakh as the first installment of the alleged bribe, they stated. After her arrest while allegedly receiving the bribe, the alleged role of Senior Divisional Manager Ravikant Goel also surfaced and he was also taken into custody.

R.C. Joshi, CBI Spokesperson, said, "A case was registered against the accused on a complaint alleging therein that a Dealing Official (later on, identified as Administrative Officer), National Insurance Company Ltd., Srinagar has demanded a bribe of Rs. 4.5 lakh from the complainant to settle personal accidental claim of her father who died in a road accident."

It was also alleged that the said accused would be sharing the bribe money with seniors.

Trio cheats government hospitals of Rs. 1.7 crore CM's insurance scheme money, held

A complaint had recently been lodged at the city police commissionerate on behalf of Medi Assi Pvt Ltd, a third party involved in the insurance scheme of the government, that the sum had been sanctioned by the United India insurance firm to be deposited in a few government hospitals' accounts through their firm as the public made use of the insurance scheme for various medical treatments.

The cybercrime wing of the CCB filed a case and probe revealed two from Medi Assi Pvt Ltd, Gunasekaran and Saravanakumar, diverted the sum to their accounts. According to the police, the duo also created a savings account in the name of the CM's medical insurance scheme in Indian Bank in Tiruvallur through another person called Kamal Haasan and diverted the money there too.

The trio was held and remanded in judicial custody. Rs. 8 lakh in cash, 13 sovereigns and a car was seized.

HC asks IRDAI to explain basis for approving policies

The Delhi High Court has asked IRDAI to explain on what basis it was approving insurance policies that excluded mental conditions from full coverage, noting that "a large number of insured persons would be affected by such an insurance policy".

Justice Prathiba M. Singh said that a perusal of the Mental Healthcare Act of 2017, makes its clear that "there can be no discrimination between mental illnesses and physical illnesses and the insurance provided in respect thereof".

The judge ordered, "This matter requires consideration, in as much as the Insurance Regulatory and Development Authority of India ought to place on record the basis on which approval has been granted for such insurance policies."

The court's direction came on a petition by one Subhash Khandelwal, who has an insurance policy from Max Bupa Health Insurance Company Limited. Mr. Khandelwal's case is that he has regularly been paying the insurance premium for the sum assured of Rs. 35 lakh. Recently, when he raised a claim with the insurance company in respect of his mental illness, he realised that there is a clause in the policy restricting the sum assured to Rs. 50,000, with a few conditions, in case of mental illnesses.

7 held for duping insurance policy holders in Ghaziabad

Police have recently arrested 7 people in Ghaziabad for allegedly duping hundreds of insurance policy holders of crores of rupees.The arrested included two women. The accused have been identified as Pradeep, Rahul, Sumit, Rupesh, Akshay, Jyoti and Pink.

According to an officer, the accused operated a fake call centre and obtained data of policy holders. They used to ask people not encash their insurance amount, offering more incentives. They used to take renewal amount raging from Rs. 1 lakh to 5 lakh from policy holders in their bank accounts, which they closed after withdrawing the money.

Police have recovered 11 mobile phones used in commission of crime, a cheque book, laptop and 6 ATMs cards from them. ❑

Criti-Care: Bajaj Allianz General Insurance introduces critical illness policy

Bajaj Allianz General Insurance has recently announced the rollout of a critical illness policy named Criti-Care. While the entry age for adults is 18 years to 65 years and that for children is 3 months to 30 years, there is no exit age under the scheme as the renewal is applicable for lifetime. The policy is a benefit only policy which means that it pays a lump sum amount to the customers if diagnosed with the listed ailment. The sum insured under each section ranges from Rs. 1 lakh to Rs. 50 lakh and the maximum total sum insured of the policy is Rs. 2 crore.

Criti-Care allows the customers to plan their coverage by selecting any or all 5 sections within the policy, waiting period as well as survival period. The 5 sections under the policy are cancer care, cardiovascular care, kidney care, neuro care, transplants care, and sensory organ care. It covers 43 critical illnesses, which include both initial and advanced stages.

"We have observed that many people are becoming susceptible to critical illnesses due to changes in lifestyle, amongst other causes, and the treatment costs for such ailments can substantially affect a person's financial health. With our modular product Criti-Care, our aim is to not only allow our customers the freedom to design their policy as per their needs, but also provide them with much needed support through additional benefits like dialysis care, physiotherapy care, among others, that can help them with faster recovery", remarked Tapan Singhel, MD & CEO, Bajaj Allianz General Insurance while commenting on the launch.

IRDAI Circular

Standard Technical Note (Template)- Motor Insurance

IRDAI/ACT/CIR/MISC/070/04/2021

Date:01-04-2021

1. This circular is issued in exercise of the power vested under section 14(2)(e) of the IRDA Act, 1999.
2. Reference is drawn to the Circular No. IRDAI/NL/GDL/ F&U/030/02/2016dated 18th February, 2016 on "Guidelines on Product Filing Procedures for General Insurance Products". In terms of the above Circular, insurers are required to submit a Technical Note detailing pricing aspects of general insurance product as a part of filings.
3. In order to expedite the product clearance process, it has been decided to standardize the Technical Note so that insurers can provide all necessary details in a prescribed standard format. This will help to ensure uniformity amongst insurers in the matter of filing pricing and product related information for general insurance products.
4. Insurers shall submit Technical Note providing complete information and duly signed by the Appointed Actuary as per the prescribed format. The format is enclosed as Annexure – 1 with this Circular.
5. Discounts/loadings, if any, shall be offered by the insurer as per the criteria mentioned in the Technical note.
6. This Standard Template shall come into force with immediate effect.

(P K Arora)
Member (Actuary)

Standard Technical Note (Template)- Health Insurance

IRDAI/ACT/CIR/MISC/069/04/2021

Date:01-04-2021

1. This circular is issued in exercise of the power vested under section 14(2)(e) of the IRDA Act, 1999.
2. Reference is drawn to the Circular No. IRDAI/ HLT/ REG/ CIR/ 194/ 07/ 2020 dated 22nd July, 2020 on "Consolidated Guidelines on Product filing in Health Insurance Business". In terms of the above Circular, insurers are required to submit a Technical Note detailing pricing aspects of health insurance product filing.
3. In order to expedite the product clearance process, it has been decided to standardize the Technical Note so that insurers can provide all necessary details in a prescribed standard format. This will help to ensure uniformity amongst insurers in the matter of filing pricing and product related information for health insurance products.
4. Insurers shall submit Technical Note providing complete information and duly signed by the Appointed Actuary as per the prescribed format. The format is enclosed as Annexure – 1 with this Circular.
5. In case, a General Insurance packaged product has Health as one of its sections or covers, this Technical Note template shall be used for health portion of the packaged product.
6. This Technical Note format shall also be used while filing PA (Personal Accident) and Pilot health insurance products.

7. This Circular shall come into force with immediate effect.

(P K Arora)
Member (Actuary)

Guidelines for Practical Training for Surveyors and Loss Assessors

IRDA/SUR/GDL/MISC/068/03/2021

Date:01-04-2021

I. Preliminary

These guidelines are issued in furtherance to the Circular vide Ref: IRDA/SUR/GDL/MISC/288/12/2020 dated 01/12/2020 on Guidelines for Practical Training for Surveyors and Loss Assessors for obtaining fresh / renewal licence to act as a surveyor and loss assessor.

These guidelines are being issued in terms of Sec.14 of IRDAI Act, 1999 and in terms of Regulation 3(2)(b) and (c) of Insurance Regulatory and Development Authority of India (Insurance Surveyors and Loss Assessors) Regulations, 2015.

II. Institutional Practical training:

a) Institutional Practical training for Two Months with National Insurance Academy (NIA) or Insurance Institute of India (III). This should include but not limited to the following:
   (i) Introduction to different types of policies, endorsements, various terminologies used in insurance, and nature of claims;
   (ii) Industrial and field visits to examine practical cases in co-ordination with insurers and other stakeholders;
   (iii) Use of technology, advanced techniques and tools available for assessment of risks and losses;
   (iv) Report writing including presentation of the facts, terms and conditions of the policy and admissibility of claims in a precise and accurate manner and importance of timely submission of reports in compliance with regulatory requirements;
   (v) Code of Conduct required for treating policyholders fairly during the entire process of assessment of loss.

b) Additional departments: A person can enroll for upto three departments during the aforesaid programme subject to meeting the eligibility criteria. For each of the additional departments, after passing the relevant examination, the applicant has to undergo practical training for a period of 2 weeks.

c) The fee per person payable to institution is as specified by III or NIA, as the case may be.

III. Practical training of Six Months with Individual Experienced Surveyors having 8 years of experience in the concerned department:

a) The curriculum remains the same as mentioned at para II(a) under the institutional training.

b) For the applicants, a maximum of three departments are allowed at the time of enrolment subject to meeting the eligibility criteria.

c) Additional departments: After passing the relevant examination, the applicants have to complete training for each additional department for a period of 8 weeks with the experienced surveyor having licence and at least eight years of experience in that line of business.

d) The training shall be imparted by an experienced surveyor as a part of code of conduct towards professional development by surveyors without charging any fee.

IV. After completion of the training, the applicant has to pass the Final practical test conducted by NIA or III and submit the training evaluation cum completion certificate for issue or renewal of license

V. This is issued with the approval of the Competent Authority.

(Suresh Mathur)
Executive Director

Extension of timelines for sale and renewal of short term Covid specific health insurance policies

IRDAI/HLT/REG/CIR/061/03/2021

Date:24-03-2021

1. Reference is invited to the short term Covid specific health insurance policies permitted to be offered by all Insurers.

2. In partial modification of Clause 5 of Guidelines on introduction of short term health insurance policies providing coverage for COVID-19 specific diseases of Circular ref.no: IRDAI/HLT/REG/CIR/156/06/2020 dated 23.06.2020 all insurers are permitted to offer and renew short term Covid specific health policies up to 30.9.2021.

3. Accordingly, Corona Kavach Policies offered as per Guidelines on Covid Standard Indemnity based Health Policy of Circular ref no. IRDAI/HLT/REG/CIR/163/06/2020 dated 26.09.2020 and Corona Rakshak Policies offered as per Guidelines on Covid Standard benefit based Health Policy of Circular ref no. IRDAI/HLT/REG/

CIR/164/06/2020 dated 26.06.2020 are permitted to be offered and renewed by all insurers up to 30.9.2021.

4. All other terms and conditions remain valid as specified under the respective guidelines.
5. This has the approval of competent authority.

(DVS RAMESH)
GENERAL MANAGER (Health)

Health Insurance Claims Settlement

IRDAI/HLT/CIR/MISC/053/03/2021

Date:19-03-2021

1. Reference is drawn to the provisions of Regulation 27 (Settlement/Rejection of claim by insurer), Regulation 30 (Administration of Health Policies) and Regulation 33 (Engagement of Services of TPAs by Insurers in relation to Health Insurance Policies) of the IRDAI (Health Insurance) Regulations, 2016, Regulation 21 (3) (c) (i) (b) of IRDAI (Third Party Administrators - Health Services) Regulations, 2016 and circular Ref: IRDAI/CAD/CIR/PPHI/059/04/2019 dated 10.04.2019 regarding information to be provided to the insurance policyholders/claimants about various insurance policy services.
2. It is essential that all insurers establish procedures to let policyholders get clear and transparent communication at various stages of claim processing. As specified in the within referred circular dated 10.4.2019, all the insurers shall ensure putting in place systems to enable policyholders track the status of cashless requests/ claims filed with the Insurer/TPA through the Website/Portal/App or any other authorized electronic means on an ongoing basis. The status shall cover from the time of receipt of request to the time of disposal of the claim along with the decision thereon.
3. Where claims are processed through TPAs, the insurers are permitted to let their respective Third Party Administrators operationalize the claim tracking mechanism. The policyholders shall be invariably notified in all the communications, the location to track the claim status.
4. Insurer shall ensure that the repudiation of the claim is not based on "presumptions and conjectures". As specified in the IRDAI (Health Insurance) Regulations, 2016, where a claim is denied or repudiated, the communication about the denial or the repudiation shall be made only by the Insurer by specifically stating the reasons for the denial or repudiation, while necessarily referring to the corresponding policy conditions. The insurer shall also furnish the grievance redressal procedures available with the Insurance Company and with the Insurance Ombudsman along with the detailed addresses of the respective offices. Claims shall be processed in a transparent, seamless and efficient manner within the prescribed timelines.
5. Insurer shall also ensure that the policyholder is provided with granular details of the payments made, amounts disallowed and the reasons for the amount disallowed as specified in the within referred provisions of IRDAI (Third Party Administrators - Health Services) Regulations, 2016.
6. Insurers and TPAs, wherever applicable, are advised to ensure compliance of these instructions without fail.

This has the approval of the competent authority.

(D V S Ramesh)
General Manager (Health)

Modification in Guidelines on Standard Individual Health Insurance Product

IRDAI/HLT/REG/CIR/051/03/2021

Date:18-03-2021

1. Reference is drawn to Guidelines on standard individual health insurance product circular Ref No: IRDAI/HLT/REG/CIR/172/07/2020 dated 07.07.2020 specifying norms on minimum and maximum sum insured limits.
2. In order to enhance the coverage available under "Arogya Sanjeevani Policy", in partial modification of the extant guidelines, insurers shall mandatorily offer the sum insured between Rs. 50,000/- to Rs.10,00,000/- under the standard product Arogya Sanjeevani w.e.f 1st May,2021 or earlier.
3. The tables of premium rates for revised sum assured slabs shall be filed in terms of Clause C (10) of "Guidelines on Filing of Minor Modifications in the approved Individual Insurance Products offered by General and Stand Alone Health Insurers on Certification Basis" (Ref No: IRDA/HLT/CIR/MISC/151/09/2019 dated 20th September,2019).
4. Insurers may launch the modified version of the "Arogya Sanjeevani Policy" after filing the same on Certification Basis as referred to at Para (3) above. The UIN allotted by the Authority will be retained.
5. This has approval of the competent authority.

D V S Ramesh,
General Manager (Health)

Performance Statistics - Non-Life Insurance

GROSS DIRECT PREMIUM UNDERWRITTEN FOR AND UPTO THE MONTH OF MARCH 2021

(Rs. in crores)

INSURER	For the month of March		Upto the Month of March		Market Share upto the Month of Mar. 2021 (%)	Growth over the corresponding period of previous year (%)
	2020-21	2019-20	2020-21	2019-20		
Acko General Insurance Limited	64.11	31.67	422.49	373.07	0.21	13.25
Bajaj Allianz General Ins. Co. Ltd.	870.78	727.74	12,569.53	12,779.77	6.32	(1.65)
Bharti AXA General Ins. Co. Ltd.	247.34	229.09	3,159.91	3,134.24	1.59	0.82
Cholamandalam MS General Ins.	454.37	370.00	4,400.00	4,398.49	2.21	0.03
NAVI General Insurance Limited	9.86	7.65	104.40	157.99	0.05	(33.92)
Edelweiss General Ins. Co. Ltd.	24.57	12.41	218.57	146.36	0.11	49.34
Future Generali India Ins. Co. Ltd.	451.96	298.90	3,835.23	3,417.49	1.93	12.22
Go Digit General Ins. Ltd.	330.35	166.81	2,418.90	1,767.86	1.22	36.83
HDFC Ergo General Ins. Co. Ltd.	1,399.37	1,171.48	12,295.10	9,629.59	6.19	27.68
ICICI Lombard General Ins. Co. Ltd.	973.74	743.76	14,003.09	13,312.84	7.05	5.18
IFFCO Tokio General Ins. Co. Ltd.	701.42	619.48	8,410.88	7,961.04	4.23	5.65
Kotak Mahindra General Ins. Co.	59.70	40.39	543.99	433.39	0.27	25.52
Liberty General Insurance Ltd.	124.52	108.46	1,445.71	1,531.37	0.73	(5.59)
Magma HDI General Ins. Co. Ltd.	118.85	84.11	1,283.59	1,224.77	0.65	4.80
National Ins. Co. Ltd.	1,566.00	1,637.33	14,180.98	15,262.21	7.14	(7.08)
Raheja QBE General Ins. Co. Ltd.	35.69	26.66	272.22	158.12	0.14	72.16
Reliance General Ins. Co. Ltd.	795.66	475.09	8,310.28	7,465.04	4.18	11.32
Royal Sundaram General Ins. Co.	267.25	241.07	2,822.51	3,666.96	1.42	(23.03)
SBI General Ins. Co. Ltd.	912.26	571.56	8,264.86	6,796.97	4.16	21.60
Shriram General Ins. Co. Ltd.	209.77	247.17	2,138.87	2,466.19	1.08	(13.27)
Tata AIG General Ins. Co. Ltd.	643.93	528.00	8,042.06	7,384.53	4.05	8.90
The New India Assurance Co. Ltd.	2,461.33	2,011.82	28,481.65	26,813.13	14.33	6.22
The Oriental Ins. Co. Ltd.	1,137.14	1,370.57	12,452.11	13,672.65	6.27	(8.93)
United India Ins. Co. Ltd.	1,512.39	1,709.34	16,710.94	17,515.09	8.41	(4.59)
Universal Sompo General Ins. Co.	311.03	255.31	3,052.17	2,859.05	1.54	6.75
General Insurers Total	**15,683.39**	**13,685.87**	**1,69,840.05**	**1,64,328.20**	**85.46**	**3.35**
Aditya Birla Health Ins. Co. Ltd.	177.15	104.91	1,300.64	872.04	0.65	49.15
HDFC Ergo Health Ins. Co. Ltd. #	---	---	---	2,200.47	---	NA
ManipalCigna Health Ins. Co. Ltd.	101.17	62.57	755.49	576.19	0.38	31.12
Max Bupa Health Ins. Co. Ltd.	253.75	158.27	1,750.78	1,242.89	0.88	40.86
Care Health Insurance Limited	315.88	222.11	2,559.75	2,388.99	1.29	7.15
Star Health & Allied Ins. Co. Ltd.	1,337.10	998.00	9,353.39	6,865.14	4.71	36.24
Reliance Health Ins. Limited*	---	(0.03)	(0.01)	5.99	(0.00)	NA
Stand-alone Pvt Health Insurers	**2,185.05**	**1,545.83**	**15,720.04**	**14,151.70**	**7.91**	**11.08**
Agricultural Ins. Co. of India Ltd.	1,275.88	329.81	12,112.34	9,361.24	6.09	29.39
ECGC Limited	154.54	73.91	1,062.26	1,075.47	0.53	(1.23)
Specialized PSU Insurers	1,430.42	403.72	13,174.60	10,436.71	6.63	26.23
GRAND TOTAL	**19,298.85**	**15,635.42**	**1,98,734.68**	**1,88,916.61**	**100.00**	**5.20**

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

**Takeover of Reliance Health Insurance portfolio by Reliance General Insurance; #HDFCERGO Health Insurance has been merged with HDFCERGO General w.e.f 13.11.2020 - Hence HDFCERGO General upto the month figure is merged figure.*

Performance STATISTICS - LIFE INSURANCE

SUMMARY OF NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR THE PERIOD ENDED MARCH - 2021 (PROVISIONAL)

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crore					No. of Policies / Schemes				
		Month of Mar-2021	Upto Mar-2021	Month of Mar-2020	Upto Mar-2020	YTD Variation in %	Month of Mar-2021	Upto Mar-2021	Month of Mar-2020	Upto Mar-2020	YTD Variation in %
1	**Aditya Birla Sun Life Insurance Co. Ltd.**										
	Individual Single Premium	31.33	153.07	12.87	112.94	35.53%	357	2127	230	2971	-28.41%
	Individual Non Single Premium	339.80	1923.49	211.20	1690.52	13.78%	36328	255429	27997	258851	-1.32%
	Group Single Premium	336.30	2355.84	234.03	1753.74	34.33%	25	80	10	98	-18.37%
	Group Non Single Premium	1.99	60.53	16.36	21.23	185.15%	0	1	2	4	-75.00%
	Total	**713.09**	**4564.26**	**480.90**	**3657.11**	**24.81%**	**36723**	**258069**	**28281**	**262495**	**-1.69%**
2	**Aegon Life Insurance Co. Ltd.**										
	Individual Single Premium	0.34	0.91	0.07	2.42	-62.32%	4564	4589	2	15038	-69.48%
	Individual Non Single Premium	1.42	34.21	6.69	70.77	-51.66%	1100	14586	1738	22335	-34.69%
	Group Single Premium	0.00	5.23	0.00	1.08	383.71%	0	0	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**3.14**	**61.78**	**9.73**	**91.73**	**-32.66%**	**5675**	**19271**	**1755**	**37487**	**-48.59%**
3	**Ageas Federal Life Insurance Co. Ltd.**										
	Individual Single Premium	26.28	237.45	18.83	138.87	70.99%	691	6199	495	4581	35.32%
	Individual Non Single Premium	51.37	266.97	25.86	268.15	-0.44%	5795	35671	3662	42935	-16.92%
	Group Single Premium	23.23	127.27	26.27	153.16	-16.91%	0	0	2	4	-100.00%
	Group Non Single Premium	0.00	0.05	0.00	0.33	-85.50%	0	5	0	0	---
	Total	**100.88**	**631.74**	**70.97**	**560.50**	**12.71%**	**6486**	**41875**	**4159**	**47520**	**-11.88%**
4	**Aviva Life Insurance Company Limited**										
	Individual Single Premium	0.77	11.71	0.57	8.82	32.84%	764	1218	593	1326	-8.14%
	Individual Non Single Premium	34.30	149.30	12.27	114.73	30.13%	3614	20683	1615	19415	6.53%
	Group Single Premium	0.15	2.36	0.00	2.56	-7.53%	1	1	0	1	0.00%
	Group Non Single Premium	0.27	1.61	0.14	1.35	19.44%	0	0	0	0	---
	Total	**41.47**	**220.20**	**15.47**	**217.53**	**1.22%**	**4394**	**22039**	**2218**	**20787**	**6.02%**
5	**Bajaj Allianz Life Insurance Co. Ltd.**										
	Individual Single Premium	24.97	70.03	8.13	80.44	-12.94%	344	1213	73	513	136.45%
	Individual Non Single Premium	476.96	2460.29	234.47	1918.78	28.22%	61352	425790	35483	310905	36.95%
	Group Single Premium	766.38	3591.74	331.62	3003.89	19.57%	9	64	6	53	20.75%
	Group Non Single Premium	0.00	0.00	0.00	0.00	51.46%	0	0	0	0	---
	Total	**1291.68**	**6312.94**	**585.36**	**5178.73**	**21.90%**	**61749**	**427241**	**35562**	**311507**	**37.15%**
6	**Bharti Axa Life Insurance Co. Ltd.**										
	Individual Single Premium	6.62	86.89	8.66	45.58	90.64%	5057	7870	4092	11364	-30.75%
	Individual Non Single Premium	104.52	559.97	55.25	589.07	-4.94%	15655	108961	10866	196248	-44.48%
	Group Single Premium	19.30	132.92	14.14	194.13	-31.53%	3	18	3	16	12.50%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**131.33**	**783.31**	**78.05**	**828.78**	**-5.49%**	**20716**	**116853**	**14961**	**207628**	**-43.72%**
7	**Canara HSBC OBC Life Insurance Co. Ltd.**										
	Individual Single Premium	39.10	425.55	46.94	130.77	225.42%	320	3650	243	716	409.78%
	Individual Non Single Premium	229.70	1002.25	92.74	961.82	4.20%	27961	176062	13378	149138	18.05%
	Group Single Premium	60.61	688.62	7.69	341.99	101.36%	1	12	1	11	9.09%
	Group Non Single Premium	1.12	4.40	0.53	6.91	-36.42%	0	2	0	3	-33.33%
	Total	**372.71**	**2303.40**	**148.98**	**1527.52**	**50.79%**	**28304**	**179815**	**13622**	**149876**	**19.98%**
8	**Edelweiss Tokio Life Insurance Co. Ltd.**										
	Individual Single Premium	1.44	7.30	0.53	9.17	-20.33%	1495	5882	1017	4486	31.12%
	Individual Non Single Premium	80.80	403.19	31.55	321.98	25.22%	10555	74249	6308	75414	-1.54%
	Group Single Premium	3.30	15.77	3.75	22.08	-28.59%	0	0	0	4	-100.00%
	Group Non Single Premium	21.30	24.16	12.63	18.66	29.44%	0	0	0	2	-100.00%
	Total	**106.97**	**455.28**	**49.06**	**383.15**	**18.82%**	**12050**	**80160**	**7328**	**79953**	**0.26%**
9	**Exide Life Insurance Co. Ltd.**										
	Individual Single Premium	16.03	92.79	10.47	113.66	-18.36%	286	1384	138	2304	-39.93%
	Individual Non Single Premium	122.10	581.69	73.57	659.45	-11.79%	23307	147259	17153	188109	-21.72%
	Group Single Premium	0.11	0.71	0.11	0.53	32.78%	0	0	0	0	---
	Group Non Single Premium	23.48	40.65	13.05	39.10	3.97%	5	27	7	47	-42.55%
	Total	**173.03**	**780.72**	**105.14**	**888.65**	**-12.15%**	**23598**	**148670**	**17298**	**190460**	**-21.94%**
10	**Future Generali India Life Insurance Co. Ltd.**										
	Individual Single Premium	0.90	3.55	0.45	5.24	-32.36%	37	167	22	324	-48.46%
	Individual Non Single Premium	103.11	352.58	48.96	366.52	-3.80%	10047	53082	6020	64947	-18.27%
	Group Single Premium	19.65	78.65	9.12	77.67	1.26%	0	5	0	3	66.67%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**139.52**	**523.09**	**70.77**	**767.43**	**-31.84%**	**10089**	**53284**	**6051**	**65325**	**-18.43%**
11	**HDFC Life Insurance Co. Ltd.**										
	Individual Single Premium	431.88	3474.71	250.14	2844.10	22.17%	6595	42451	2831	38488	10.30%
	Individual Non Single Premium	1015.77	6650.40	578.83	5680.14	17.08%	130541	939556	88670	857865	9.52%
	Group Single Premium	1495.44	9856.94	1193.71	8439.32	16.80%	25	176	729	1112	-84.17%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**2991.26**	**20242.44**	**2060.25**	**17396.25**	**16.36%**	**137166**	**982263**	**92239**	**897693**	**9.42%**
12	**ICICI Prudential Life Insurance Co. Ltd.**										
	Individual Single Premium	427.71	2659.43	138.65	1368.45	94.34%	4343	28246	1622	18204	55.16%
	Individual Non Single Premium	904.31	5187.61	464.20	6505.88	-20.26%	90824	633265	59019	747003	-15.23%
	Group Single Premium	458.87	2311.91	239.22	2154.34	7.31%	11	82	9	150	-45.33%
	Group Non Single Premium	0.24	0.27	0.00	0.00	---	5	6	0	0	---
	Total	**2157.04**	**13032.11**	**983.35**	**12348.11**	**5.54%**	**95464**	**664396**	**60859**	**766991**	**-13.38%**

Performance

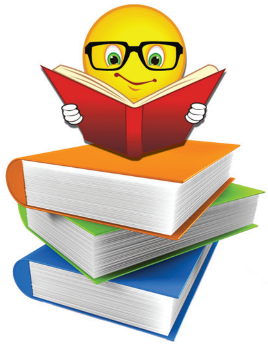
STATISTICS - LIFE INSURANCE

SUMMARY OF NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR THE PERIOD ENDED MARCH - 2021 (PROVISIONAL)

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crore					No. of Policies / Schemes				
		Month of Mar-2021	Upto Mar-2021	Month of Mar-2020	Upto Mar-2020	YTD Variation in %	Month of Mar-2021	Upto Mar-2021	Month of Mar-2020	Upto Mar-2020	YTD Variation in %
13	**IndiaFirst Life Insurance Co. Ltd.**										
	Individual Single Premium	4.22	33.26	1.11	19.75	68.41%	149	1346	-26	15683	-91.42%
	Individual Non Single Premium	173.16	890.74	113.32	847.96	5.04%	28816	196218	19454	172213	13.94%
	Group Single Premium	54.30	1006.03	54.61	904.18	11.26%	22	198	13	162	22.22%
	Group Non Single Premium	0.04	0.49	0.13	0.58	-14.79%	0	3	1	6	-50.00%
	Total	**231.71**	**1930.52**	**169.17**	**1772.46**	**8.92%**	**28987**	**197765**	**19442**	**188064**	**5.16%**
14	**Kotak Mahindra Life Insurance Co. Ltd.**										
	Individual Single Premium	299.54	1251.25	184.64	837.04	49.48%	9235	44400	2832	45747	-2.94%
	Individual Non Single Premium	404.81	1693.35	248.99	1561.70	8.43%	57120	295936	37115	269592	9.77%
	Group Single Premium	214.14	1026.88	108.90	1159.56	-11.44%	41	222	36	256	-13.28%
	Group Non Single Premium	0.07	0.60	0.11	4.18	-85.59%	4	20	2	27	-25.93%
	Total	**1274.62**	**5256.51**	**744.64**	**5105.77**	**2.95%**	**66531**	**341292**	**40073**	**316150**	**7.95%**
15	**Max Life Insurance Co. Ltd.**										
	Individual Single Premium	233.31	1508.97	194.75	1169.52	29.02%	819	5628	270	2011	179.86%
	Individual Non Single Premium	837.51	4719.33	531.50	3961.50	19.13%	97185	638999	73041	594513	7.48%
	Group Single Premium	101.62	483.88	32.05	325.43	48.69%	0	17	5	112	-84.82%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**1213.19**	**6826.88**	**775.42**	**5583.59**	**22.27%**	**98005**	**645036**	**73393**	**597531**	**7.95%**
16	**PNB Metlife Life Insurance Co. Ltd.**										
	Individual Single Premium	20.03	109.60	0.39	14.91	634.97%	282	1623	14	462	251.30%
	Individual Non Single Premium	300.21	1440.40	129.40	1294.95	11.23%	38034	246030	18337	193665	27.04%
	Group Single Premium	68.16	375.45	49.99	409.07	-8.22%	0	1	2	9	-88.89%
	Group Non Single Premium	0.05	0.67	0.08	0.67	-0.51%	18	170	13	176	-3.41%
	Total	**398.41**	**1996.20**	**189.64**	**1778.63**	**12.23%**	**38334**	**247824**	**18366**	**194312**	**27.54%**
17	**Pramerica Life Insurance Limited.**										
	Individual Single Premium	0.86	2.64	0.26	8.22	-67.91%	8	2030	13	345	488.41%
	Individual Non Single Premium	10.71	111.90	12.89	157.67	-29.03%	4354	28615	2529	39494	-27.55%
	Group Single Premium	14.30	89.61	5.13	272.37	-67.10%	0	11	2	56	-80.36%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**26.62**	**228.49**	**21.71**	**514.84**	**-55.62%**	**4372**	**30852**	**2564**	**40369**	**-23.58%**
18	**Reliance Nippon Life Insurance Co. Ltd.**										
	Individual Single Premium	12.81	59.69	7.20	53.54	11.47%	206	1585	201	1599	-0.88%
	Individual Non Single Premium	148.07	896.85	100.84	887.72	1.03%	24762	188839	20424	203245	-7.09%
	Group Single Premium	0.00	0.00	0.00	0.72	-100.00%	0	0	0	0	---
	Group Non Single Premium	61.96	168.28	1.24	49.61	239.19%	12	40	6	20	100.00%
	Total	**223.11**	**1135.00**	**109.83**	**1006.11**	**12.81%**	**24988**	**190524**	**20633**	**204901**	**-7.02%**
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	316.21	2528.55	136.84	1636.78	54.48%	6881	48929	3302	33243	47.19%
	Individual Non Single Premium	1471.03	9971.51	671.76	9607.42	3.79%	226999	1607448	118332	1517933	5.90%
	Group Single Premium	723.85	7757.60	298.57	5126.92	51.31%	24	173	17	97	78.35%
	Group Non Single Premium	20.78	35.12	1.70	18.60	88.83%	3	5	0	0	---
	Total	**2561.15**	**20625.46**	**1127.47**	**16591.82**	**24.31%**	**233941**	**1656891**	**121680**	**1551862**	**6.77%**
21	**Shriram Life Insurance Co. Ltd.**										
	Individual Single Premium	9.22	56.12	2.99	37.17	50.98%	671	2001	146	1933	3.52%
	Individual Non Single Premium	110.64	511.52	60.71	457.07	11.91%	59900	293837	35932	272799	7.71%
	Group Single Premium	50.53	203.90	23.34	200.98	1.45%	0	3	1	6	-50.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**183.62**	**885.13**	**87.81**	**708.60**	**24.91%**	**60597**	**295985**	**36079**	**274750**	**7.73%**
22	**Star Union Dai-Ichi Life Insurance Co. Ltd.**										
	Individual Single Premium	34.26	213.08	12.72	101.35	110.24%	542	3851	222	2082	84.97%
	Individual Non Single Premium	109.35	669.16	48.12	541.87	23.49%	13889	95696	6333	75525	26.71%
	Group Single Premium	27.54	159.52	12.47	91.20	74.91%	0	2	0	0	---
	Group Non Single Premium	0.03	1.07	0.18	1.78	-40.02%	0	0	0	0	---
	Total	**185.07**	**1163.91**	**74.74**	**771.02**	**50.96%**	**14433**	**99567**	**6555**	**77620**	**28.27%**
23	**Tata Aia Life Insurance Co. Ltd.**										
	Individual Single Premium	52.75	597.64	29.46	431.71	38.43%	483	3934	233	2770	42.02%
	Individual Non Single Premium	706.25	3356.65	326.84	2648.61	26.73%	80451	456336	48036	475158	-3.96%
	Group Single Premium	8.08	33.57	2.73	39.72	-15.49%	0	1	0	0	---
	Group Non Single Premium	15.40	63.94	24.27	95.95	-33.37%	4	48	2	64	-25.00%
	Total	**791.13**	**4144.03**	**384.27**	**3241.07**	**27.86%**	**80957**	**460607**	**48289**	**478182**	**-3.68%**
	Private										
	Individual Single Premium	1990.58	13584.18	1066.65	9170.45	48.13%	44129	220323	18565	206190	6.85%
	Individual Non Single Premium	7735.89	43833.36	4079.97	41114.27	6.61%	1048589	6932547	651442	6747302	2.75%
	Group Single Premium	4445.86	30304.39	2647.43	24674.64	22.82%	162	1066	836	2150	-50.42%
	Group Non Single Premium	146.73	401.83	70.42	258.96	55.17%	51	327	33	349	-6.30%
	Private Total	**15310.76**	**94103.41**	**8342.73**	**80919.41**	**16.29%**	**1093559**	**7160279**	**671407**	**6961463**	**2.86%**
24	**Life Insurance Corporation of India**										
	Individual Single Premium	2495.82	28822.49	1112.85	21967.39	31.21%	147304	985566	46034	851489	15.75%
	Individual Non Single Premium	5046.16	27584.02	1679.59	29260.43	-5.73%	4520648	19989873	1123751	21044731	-5.01%
	Group Single Premium	20294.02	121569.45	13552.02	98247.69	23.74%	97	481	38	1001	-51.95%
	Group Non Single Premium	298.93	5598.14	663.59	27848.34	-79.90%	2257	8388	279	2547	229.33%
	Total	**28105.92**	**184174.57**	**17066.57**	**177977.08**	**3.48%**	**4672824**	**21007234**	**1171662**	**21925106**	**-4.19%**
	GRAND TOTAL	**43416.69**	**278277.98**	**25409.30**	**258896.49**	**7.49%**	**5766383**	**28167513**	**1843069**	**28886569**	**-2.49%**

Glossary



Irrevocable Beneficiary
A life insurance policy beneficiary who has a vested interest in the policy proceeds even during the insured's lifetime because the policy owner has the right to change the beneficiary designation only after obtaining the beneficiary's consent.

Joint and Last Survivor Annuity
Retirement plan that continues to payout so long as at least one, of two or more, annuitants is alive.

Joint Underwriting Association (JUA)
A loss-sharing mechanism combining several insurance companies to provide extra capacity due to type or size of exposure.

Joint-Life Annuity
An annuity contract that ceases upon the death of the first of two or more annuitants.

Poll

Do you think recent measures taken by IRDAI for sandbox and product standar disation will boost the industry?

Yes

No

Can't say

Results of Poll in our April 2021 Issue

Do you think increase of the FDI limit to 74% will help in increasing penetration?

Yes	90
No	10
Can't say	00

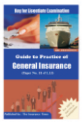
You may send your views to :
Poll Contest, **The Insurance Times**
25/1, Baranashi Ghosh Street, Kolkata - 700 007
Phone : 2269 6035, 2218 4184, 4007 8428
Email: insurance.kolkata@gmail.com

The Insurance Times Education Series

Self Learning Kit for Licentiate, Associateship & Fellowship Exam of Insurance Institute of India

Guide books for Licentiate


Guide to Principles of Insurance Paper No. 1 of III
Price ₹ 750


Guide to Practice of General Insurance Paper No. 11 of III
Price ₹ 750


Guide to Regulations on Insurance Business Paper No. 14 of III
Price ₹ 750

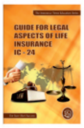

Guide to Practice of Life Insurance Paper No. 2 of III
Price ₹ 750

Combo offer : Buy Licentiate's 3 Books + Online Mock Test for 3 papers worth ₹900/- Total Value ₹2850/- Pay only ₹1800

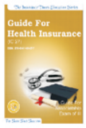
Guide books for Associateship

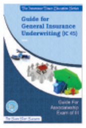

Guide for Life Insurance Underwriting (IC 22)
Price ₹ 1024


Guide for Applications of Life Insurance (IC 23)
Price ₹ 1020


Guide for Legal Aspects of Life Assurance (IC 24)
Price ₹ 1087


Guide for Life Insurance Finance (IC 26)
Price ₹ 1105


Guide for Health Insurance (IC 27)
Price ₹ 1060


Guide for General Insurance Underwriting (IC 45)
Price ₹ 1042

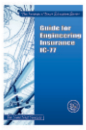

Guide for General Insurance Accounts Preparation & Regulation of Investment (IC 46)
Price ₹ 1141


Guide for Fire Insurance (IC 57)
Price ₹ 1065


Guide for Marine Insurance (IC 67)
Price ₹ 1095


Guide for Motor Insurance (IC 72)
Price ₹ 1110

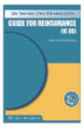

Guide for Liability Insurance (IC 74)
Price ₹ 1080


Guide for Engineering Insurance (IC 77)
Price ₹ 1090

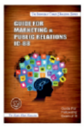

Guide for Miscellaneous Insurance (IC 78)
Price ₹ 1075

Combo offer : Buy any 6 Associateship's Books + Online Mock Test Pay only ₹ 6000/-

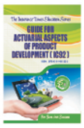
Guide books for Fellowship


Guide for Reinsurance Management (IC 85)
Price ₹ 1210


Guide for Risk Management (IC 86)
Price ₹ 1170


Guide for Marketing & Public Relations (IC 88)
Price ₹ 1074


Guide for Human Resource Management (IC 90)
Price ₹ 1114


Guide for Actuarial Aspects of Product Development (IC 92)
Price ₹ 1240

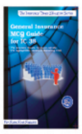
Combo offer
Buy 4 Fellowship Books + Online Mock Test Pay only ₹ 4300/-

Mock Test

Mock Test For
Associate and Fellowship Exams Any paper @Rs 500 only

Practice online mock test in exam condition to assess your preparation. Be confident for the exam
www.insurancetrainingcentre.com

Others Books


General Insurance MCQ Guide for IC 38
Price ₹ 210

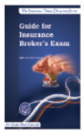

Life Insurance MCQ Guide For IC 38 (Hindi Edition) Only MCQ
Price ₹ 200


Life Insurance MCQ Guide For IC 38
Price ₹ 175


Life Insurance MCQ Guide For IC 38 (Bengali Edition) Only MCQ
Price ₹ 200

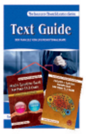

General Insurance MCQ Guide For IC 38 (Hindi Edition) Only MCQ
Price ₹ 200

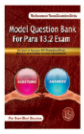

Hints on Insurance Salesmanship
Price ₹ 190


Guide for Insurance Broker's Exam
Price ₹ 500

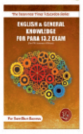

Guide for Principles and Practice of Insurance and Survey and Loss (IC-S01)
Price ₹ 1033


Guide For Direct Recruit Exam in Govt. Insurance Companies (2 books + Mocktest) Combo offer
Price ₹ 990


Para 13.2 Promotional Exam Combo offer
Price ₹ 1570


Model Question Bank for Para 13.2 Promotional Exam
Price ₹ 500


Text Guide for Para 13.2 Promotional Exam
Price ₹ 500


English & G.K for Para 13.2 Promotional Exam
Price ₹ 500


Guide for PSU- NON Life Officer's Exam Scale 1-5 Combo offer
Price ₹ 1300


Model Question Bank for PSU- NON Life Officer's Exam Scale 1-5
Price ₹ 500


Text Guide for PSU-NON Life Officer's Exam Scale 1-5
Price ₹ 575

Sashi Publications Pvt. Ltd. Ph. 033-2269-6035 / 4007-8428 / 429 | Mobile : 09883398055
Email : insurance.kolkata@gmail.com | www.sashipublications.com


irdai
IIRM
A Joint Initiative of IRDAI and Govt. of Telangana
AICTE
All India Council for Technical Education
Admissions Open
IIRM
Specializations
Finance
Financial Services & Banking
International Marketing
Insurance
Risk Management
Actuarial Science
Data Science & Analytics
HRM
2 Year Master's Level Program 2021-23
PGDM
with Dual Specializations
PGDM
Insurance & Risk Management
Eligibility
Any graduate from a recognized university with minimum 50% marks and valid scores of CAT / XAT / MAT / ATMA / GMAT / CMAT / State level Management Tests. Candidates can also opt for IIRM CET. Those who are writing their final year exams can also apply.
How to Apply
Apply online or download application from website and send along with a DD for Rs. 500/- favouring IIRM
IIRM - HYDERABAD
Financial District, Gachibowli, Hyderabad, 500 032.
Tel: 040-23000005 | M: 8106360044 , 9652740909
WhatsApp: 8106360044 | Toll Free: 18004252041, E-mail: admissions@iirmworld.org.in
www.iirmworld.org.in | www.iirmworld.edu.in

Published on 1st of Every Month Date : 01-05-2021
Declaration No. 88 Dated 14-12-2017
R. No. KOL RMS/158/2019-2021 RNI No. 37299/1980

Owner Sushil Kumar Agarwala, Printer Sushil Kumar Agarwala, Publisher Sushil Kumar Agarwala, Published from 31/1, Sadananda Road, P.S. Kalighat, Kolkata - 700026, West Bengal and Printed from Satyajug Employees Co-operative Industrial Society Ltd., 13, Prafulla Sarkar St., Kolkata - 72, West Bengal, Editor - Dr. Rakesh Agarwal