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

₹85/-

बीमा सुरक्षा समृद्धि

THE INSURANCE TIMES

VOL.XXXXII - NO.05 - May 2022 - ISSN-0971-4480

In this issue

- Domestic and Overseas Travel Insurance in India - An analysis
- How Restoring Water Damaged Assets is Determining Business Continuity
- Let's Drive Safely- Its a Detariff - Zone
- Role of Risk Management Professionals in Emerging Economies
- Overview of Public Liability Insurance Act, 1991

LIC IPO opens on May 4, 2022

FOUR DECADES IN PUBLICATION
42 YEARS SINCE 1981
DEDICATED SERVICE TO THE NATION

"He proposed to make licences for insurance intermediaries perpetual instead of renewable every three years."

Debashish Panda
Chairman
IRDAI

"We are putting our pricing approach on a more sound technical basis and have tried pricing correction wherever we feel it is warranted."

Devesh Srivastava
CMD
GIC Re

"Face scan feature is a powerful innovation to democratise health checks, going beyond the realm of a transactional relationship to delivering a frictionless and engaging experience in the current times."

Sanjeev Mantri
Executive Director
ICICI Lombard General Insurance


BIMTECH IS DRIVEN BY INDIA'S LEADING
BUSINESS HOUSE - BASANT KUMAR BIRLA GROUP
BIMTECH
BIRLA INSTITUTE
OF MANAGEMENT TECHNOLOGY
Excellence with Values
EXPOSURE TO GLOBAL FACULTY
Educational experts from CXO Positions in Industry having IIT/IIM background
RANKED 6th
among TOP PRIVATE B-SCHOOLS IN INDIA
NHRDN-Shine (HT Media) Management Institute Ranking 2019
CATEGORY 1
Graded Autonomy Status by AICTE
among 400 PGDM Institutions
REGIONAL DIVERSITY
Students from 26 States
SCHOLARSHIPS
For meritorious and ESCS category candidates
GLOBAL RECOGNITION
First Indian B-School to get BSIS (Business School Impact System) Label from EFMD, Brussels
INDUSTRY 4.0
Aligned Courses
64+
INTERNATIONAL ALLIANCES
Admission 2022
PGDM - Insurance Business Management
Two Years Full-Time Post Graduate Diploma Programmes
AICTE Approved, programmes have MBA Equivalence by Association programmes have MBA Equivalence by Association of Indian Universities (AIU), Accredited by National Board of Accreditation (NBA)
Our Tie-ups:
Swiss Re
LOMA
RIMS
APRIA
FAIR
irm
Our Recruiters:
Alliance Insurance Brokers
CGI
Swiss Re
MARSH
RELIANCE General Insurance
howden
Infosys
Liberty General Insurance
LTI Let's Solve
digit
msg global
Chola MS
RMS
IFFCO-TOKIO
EXIDE Life Insurance
BAJAJ Allianz
TATA
SBI Life Insurance
UNILIGHT
bharti AXA
SBI general
Star Union Dai-ichi Life Insurance
kotak life
Coforge
TATA AIG
Sector-wise requirement in 2020-22 Batch
Sector | No. of Students Placed
IT & ITeS | 36%
Insurance | 64%
Average CTC INR 8.90 LPA
100% Placements
Apply Online: https://online.admissions.bimtech.ac.in/
NAAC
NBA
AACSB Business Education Alliance Member
BSIS BUSINESS SCHOOL IMPACT SYSTEM
EFMD GLOBAL NETWORK
BIRLA INSTITUTE OF MANAGEMENT TECHNOLOGY, Greater Noida (NCR), Uttar Pradesh, India
Tel: +0120 6843000-10, Mob: +91 9718444466, Email: admission@bimtech.ac.in, Toll Free: 1800 5723 999, Website: www.bimtech.ac.in

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

The Insurance Times

Vol. XXXXII, No. 05, May 2022 ISSN - 0971 - 4480

Correspondence Address

25/1, Baranashi Ghosh Street, Kolkata - 700 007, India
Phone : 91-33-4007 8378/2218 4184/2269 6035
Website : www.sashipublications.com
Portal : www.bimabazaar.com
E-mail : insurance.kolkata@gmail.com

Registered Office

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

Customer Help Line

For non receipts/any other query please contact
E-mail : sashipublications@yahoo.com
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.

Mr. Debasish Panda has been quite proactive since joining as Chairman IRDAI. He has outlined sleuths of measures for second phase of reforms in the Insurance Industry in India. Some of his plans include Contractors will be allowed to use these bonds as a substitute for bank guarantees for government contracts, New Insurers may introduce 100% FDI, allowing micro insurance player with Rs 10 crore or Rs 15 crore capital which can work in focus areas like a district, and initiating more reforms in the Insurance sector.

Hopefully the new efforts by IRDAI Chairman will benefit the industry in long run.

IRDAI Chairman should also need to focus on Education, training, Research and Development in the Insurance Industry. At the time of opening of industry Insurance Agents were required to do rigorous training for 100 hours for 18 days with a provision of Renewal training after an interval. Now the training part has been severely diluted and the real training for intermediary is missing. IRDAI must ensure that Intermediaries are trained properly and the objective is achieved.

As per report Health Insurance as well as Travel Insurance are under high demand after Covid-19 in the country. The business will increase gradually as markets openup.

Non life Insurance Sector in India shown 11% growth in the total Business growth during F.Y.21-22 which is healthy state of affair in the country.

LIC will launch the biggest initial public offer (IPO) in the history of Indian stock markets on May 4, 2022. Through this IPO, the Central government will be liquidating its 3.5% stake in the LIC, and aims to mop up about Rs 21,000 crore at the upper end of the price band of Rs 902 – 949 per share. This will result in market capitalisation of Rs 6 lakh crore for the company.

LIC is ranked fifth globally by life insurance GWP and 10th globally in terms of total assets. As at December 31, 2021, LIC had 2,048 branch offices and 1,559 satellite offices in India, covering 91 percent of all districts in the country.

Contents

News

Articles

Features

General Insurance News

Madhulika Bhaskar appointed as acting chief of New India

The Government has appointed Madhulika Bhaskar, General Manager at General Insurance Corporation (GIC Re), as acting chief of New India Assurance.

"The posting is reckoned against the vacant post of chairman & MD at New India Assurance for the purpose of drawing her salary on the same terms and conditions of service as currently applicable to her," the order said. The chairman position in New India has been vacant since March 1 after former chairman AtulSahai retired.

Earlier, IRDAI had objected to the government's move to give additional charge to Oriental Insurance chairperson as interim head of New India assurance. The regulator had cited Section 203 of the Companies Act, which prevents a manager from serving a whole-time position in two companies.

The government's earlier practice of using the Banks Board Bureau to identify candidates for the insurance sector had suffered a setback after the Delhi high court said that BBB was not authorised to make selections for the insurance sector.

Bajaj Allianz extends tenure of MD, CEO Singhel for 5 more years

Bajaj Allianz General Insurance, has extended the tenure of Tapan Singhel, the current Managing Director & Chief Executive Officer (MD&CEO) of the company, by another five years, effective April 1, 2022.

Singhel has already completed 10 years as the MD & CEO of the company.

Under Singhel, the company has achieved a cumulative underwriting profit of over Rs 350 crore, grew its revenue at a compounded annual growth rate (CAGR) of 16 per cent, net profit at a CAGR of above 30 per cent, the company said.

Claims ratio of Fasal Bima scheme dips to 61% in 2020-21

Claims to premium ratio under Pradhan MantriFasalBimaYojana (PMFBY) and other crop insurance scheme were around 61 per cent in 2020-21 as against 85 per cent in 2019-20, as a favourable weather lowered crop damages in most of major producing States, except Madhya Pradesh, according to latest data compiled by the Agriculture Ministry.

The implication of the lower claim ratio is seen to help bring back interest of private insurers in the crop insurance business.

Against the Rs. 31,675 crore gross premium collected, the reported claims stand at Rs. 19,197 crore as on March 31 for 2020-21 kharif and rabi seasons.

However, the claims ratio is 106 per cent in Madhya Pradesh where the Agriculture Insurance Company (AIC) had to pay out Rs. 7,494.2 crore against gross premium of Rs. 7,064.4 crore. In Haryana, the claims ratio is higher than national average at 86.2 per cent (claims Rs. 1,127.5 crore) while it is 64.4 per cent (Rs. 4,092.4 crore) in Rajasthan and 60.6 per cent (Rs. 887 crore) in Chhattisgarh. On the other hand, Uttar Pradesh has 31 per cent (Rs. 500.8 crore), Tamil Nadu 60 per cent (Rs. 1,887.2 crore), Odisha 39.1 per cent (Rs. 562 crore), Maharashtra 21.3 per cent (Rs. 1,382.7 crore) and Karnataka 46.2 per cent (Rs. 959 crore).

At least four private insurers including ICICI Lombard General Insurance and Tata AIG had exited the crop insurance business due to losses and high re-insurance costs.

Even public sector insurers are reducing their exposure to crop insurance as a result burden is gradually shifting to

AIC. Besides, several States like Gujarat, Telangana, Andhra Pradesh and West Bengal have exited PMFBY.

Maharashtra, one of the major States in PMFBY with about 20 per cent share in enrolled applications as well as in gross premium, may opt out of the scheme in 2022-23. The State government is considering launching its own crop insurance scheme for farmers.

Group health and cyber cover costlier

The new financial year of 2022-23 has seen a sharp rise in renewals of insurance premiums across categories with group health policy costs rising by up to 40%and cyber coverage witnessing an 80-100 % jump.

Reinsurers led by GIC Re and general insurers led by New India Assurance have hiked their premiums by up to 20-30 per cent in certain segments - other than health and cyber - depending on the group and customers.

The recent developments in the Indian insurance industry, which is expected to reach Rs 2.25 trillion in 2021-22, indicate there have been large premium hikes in aviation, marine, group health and liability business including cyber cover, insurers said.

"We are putting our pricing approach on a more sound technical basis and have tried pricing correction wherever we feel it is warranted,'' said Devesh Srivastava, CMD, GIC Re.

While the property line of business has seen some amount of stability in terms of pricing, the advantages have been largely neutralised by a cut-throat competition among the re-insurers to grab the huge SME business.

Motor third party cover hike to be delayed

The insurance industry's plan to hike third party motor insurance premium for the first time after three years from April 1 is likely to witness a delay.

The Ministry of Road Transport and Highways, which issued the original draft proposal on the revised motor third party motor premium on March 4 for public feedback, had originally planned to allow insurers to implement the revised rates from April 1. However, for some technical reason, the ministry has reissued the same draft proposal on March 17.

"There were some technical issues for which the draft proposal has to be reissued. Now the revised rates can only be implemented after May 15 after completing the entire set of legal formalities including insurers notifying their clients about the new rates," sources said. General insurers will be getting an opportunity to revise the motor third party rates after three years since last revision had happened in May 2019. The annual hike was put on hold due to the Covid pandemic that hit the country in March 2020.

Oriental Insurance's solvency ratio declines

The solvency ratio of Oriental Insurance Company has been pegged at 0.69 for the year ended March 31, 2021 which was previously at 0.92, according to filings made with the National Stock Exchange (NSE).

The number was flagged in a recapitalisation advice, sent by the department of financial services in the finance ministry to the company this week.

The progressive improvement calendar laid out for the company, with the recapitalisation plans, shows it will still be short of industry benchmarks for upto four years, effectively ending any discussion on listing its shares for the foreseeable future.

nurture.farm, Digisafe partner to offer weather cover to farmers

Leading agritech startup nurture farm and Digisafe insurance brokers announced their partnership on offering KAVACH - a weather-based cash guarantee program launched for nurture farm farmers. Farmers using the startup's services can enrol in the program. As a pilot, the farmers of Maharashtra and Madhya Pradesh can buy this coverage at a nominal fee. KAVACH offers farmers a cashback up to Rs 500 per acre against unseasonal rainfall. Highly customised as per local weather data, the KAVACH will transfer payouts directly to a farmer's bank account if rainfall breaches a pre-set limit. The farmers would not need to intimate for claims. Instead, the payouts will be automatically triggered based on the IMD weather data.

Commenting on the occasion, DhruvSawhney, Business Head and COO, nurture farm said, "Offering KAVACH is an incremental step towards enhancing farmer resilience. Through this service, we are nudging a behavioural change in farmers by encouraging them towards embracing financial protection tools. Since every season, every region faces weather-related calamities, we wish to cover our farmers against such weather-related adversities.

Through KAVACH, we have defined the parameters of cash out so that farmers will benefit based on localised weather. The automatic payouts, which happen timely within a week of the rainfall breach, will be a gamechanger. We wish to extend this to 3,00,000 farmers this year."

Within three weeks of its launch, more than 1,21,000 KAVACH have been availed by 30,000+ farmers across nine states, covering 280 districts.

The ministry has issued a cheque of Rs 1,200 crore to the company on March 28, to shore up capital.

The solvency ratio of an insurance company measures the size of its capital against the policies it has written, in other words, the risks it has covered.

3 PSU general insurers to get capital infusion of Rs. 5,000 crore

The Centre has raised the authorised capital of three public sector insurance companies - Oriental Insurance Company Limited (OICL), National Insurance Co. Ltd. (NICL) and United India Insurance Co. Ltd. (UICL) - to enable subscription of capital.

Officials said authorised share capital of entities is increased from time to time to enable subscription of capital.

"In the instant case, the government infused 5,000 crore, i.e. 3,700 crore in NICL, 1,200 crore in OICL and Rs 100 crore in UICL, which will be used to subscribe to the share capital of the respective public sector general insurance companies and issuance of shares to the Centre against the subscription," said an official, who did not wish to be identified.

A notification issued by the finance ministry on April 13 said that for NICL the authorised capital will now be 15,000 crore, for OICL it will be 7,500 crore and for UICL, authorised capital has been raised to 7,500 crore from 5,000 crore.

The state-owned general insurance companies were staring at low solvency levels and poor financial health, forcing the government to step in. The government notified the amendment to merge schemes of these three insurance companies.

The three state-owned general insurers, which have about 20% market share, have been unprofitable. In the past two years, the government has infused more than 12,500 crore in these three companies. Last month, Parliament approved capital infusion of 5,000 crore in these three insurers.

Non-life insurers post 11% growth in FY22 premiums

After a low single digit growth in FY21, the non-life insurance industry reported an 11 per cent growth in premiums to Rs 2.20 trillion in FY22. This compares with a 1.98 trillion worth of premiums collected in FY21.

Growth in the non-life sector is also back to pre-Covid levels as in FY20 the industry had posted a growth of 11.7 per cent over the year-ago period. In FY21, the industry's premiums had grown by just 5.2 per cent.

General insurers, booked premiums to the tune of Rs 1.84 trillion in FY22, up 8.79 per cent from year-ago period, with private insurers growing at 12 per cent and state-owned insurers registering a growth of just 4.55 per cent, mainly because of contraction in premiums seen by National Insurance Company and United Insurance Company. On the other hand, New India Assurance reported a growth of over 14 per cent in premiums during the same period.

Among private sector general insurers, market leader ICICI Lombard General Insurance reported a 28 per cent growth in premiums, Bajaj Allianz General Insurance premium grew by 9 per cent, and HDFC Ergo's premiums grew by 9.78 per cent.

Standalone health insurers, five in total, reported a premium growth of 32.53 per cent in FY22 to Rs 20,880.08 crore. In FY21, their premium collections stood at 15,755.18 crore. All the five players registered double-digit growth in premiums, with NivaBupa registering a staggering 60 per cent growth. Market leader Star Health's premiums grew by 22 per cent to Rs 11,462.39 crore.

And, specialised PSU insurers reported a premium growth of 14 per cent to Rs 14,979 crore.

Growth in premiums in the non-life insurance industry is being primarily driven by the health insurance segment, which has become the most dominant line of business for insurers in this segment.

As per the latest data released by the General Insurance Council, health seg-

KKR to aquire stake in Shriram insurance

Global investment major KKR & Co has entered into a definitive agreement to acquire a 9.99 per cent stake in Shriram General Insurance (SGI) for around Rs 1,800 crore. The stake is currently owned by Shriram Capital.

"KKR's investment will position Shriram General Insurance for continued growth in India's fast-growing general insurance industry," the insurer said in a statement. The agreement awaits regulatory approvals. SGI was valued at around Rs 18,000 crore. There will be one representation from KKR on Shriram General's board post the consummation of the deal.

KKR's investment builds on strong tailwinds in the Indian general insurance industry and SGI's continued expansion into new segments and investment in its digital capabilities to meet the evolving needs and preferences of Indian consumers, the statement added.

"We are delighted to welcome KKR as our investor, and look to benefit from their global insurance expertise as well as significant experience, taking Indian companies to the next level. We look forward to collaborating closely to strengthen Shriram General Insurance's offerings to Indian consumers and achieve continued success," said Anil Kumar Aggarwal, managing director and chief executive officer, Shriram General Insurance.

Travel insurance demand up as skies open

Travel insurance demand is seeing a surge after international commercial flights resumed normal operations on March 27. A larger proportion of international travellers are buying insurance now as compared to pre-pandemic levels.

The boom in travel insurance bookings has enthused insurers, who are looking at strong growth, two years after Covid hit the overseas travel insurance vertical due to lockdowns and international travel restrictions. The US, Canada, the UK, the UAE and Schengen countries have emerged as the top destinations for Indians travelling for leisure, corporate and education.

Online insurance platform Policybazaar said there is a 25% increase in bookings in the week starting from March 27 as compared to the previous week. This number is expected to grow in the coming months when air ticket prices stabilise and holiday season kicks in.

Bajaj Allianz General Insurance anticipates the travel insurance penetration will go past 35%, in terms of insurance taken to the total number of travellers, from around 18% in the pre-pandemic period. ICICI Lombard General Insurance sees increased demand for travel insurance in leisure and business segments, with the leisure segment witnessing a boom due to revenge travel.

ment premiums have grown by 25.58 per cent while motor segment premiums have grown by 3.28 per cent. Having said that, general and health insurers have also paid thousands of crore in Covid related health claims, which has eaten into their profitability.

Tata subsidiary joins insurance consortium for Air India cover

Within months of the Tata group taking over Air India, Tata Aig has joined a consortium to provide insurance cover to the airline. With that, Tata AIG General Insurance Company will for the first time be associated with Air India for its cover.

The insurance cover, pegged at $12 billion (approx Rs 91,000 crore) will provide cover to 141 aircraft (117 of Air India and 24 of Air India Express) as well as passenger liability among other things from April 1.

The insurance premium is expected to go up by 20 per cent for the airline due to theongoint war in Ukraine and the subsequent hardening of the insurance premium rates globally, said a public sector insurance offical asking no to be quoted. For the fiscal year ending March 31, Air India has paid Rs. 258 crore for the cover taken from the public sector insurance companies, which in turn had re-insured the airline with foreign insurers. AIG of the United States is already providing reinsurance cover to the airline. Apart from the ongoing war, the air crash in China on March 21 had also contributed to rising insurance rates.

Air India announces new medical insurance scheme for employees from 15 May

In an attempt to provide better medical facilities across a large network of hospitals across the country, Air India announced a Group Medical Insurance scheme that will be activated from 15 May, 2022.

"This medical insurance scheme will be fully extendable to both permanent and fixed term contract employees and their dependents based in India," the airline said in a statement.

The sum insured provided would be Rs 7.5 lakh per annum per family (maximum family size 7 - Employees Spouse/ Partner + 3 Children + 2 Parent/Parent-in-Law) with an option of corporate buffer, to be used by employees In case of medical exigencies, it added.

Digit Insurance appoints JasleenKohli as new MD and CEO

Digit Insurance has recently announced that it has elevated JasleenKohli as the new Managing Director and Chief Executive Officer (CEO) of the company with effect from April 20. The 42-year-old, Kohli will become one of the youngest CEOs in the insurance industry, as per the company release.

As the new MD and CEO, JasleenKohli will take over from Vijay Kumar who held the position since the company was founded in 2017. He will superannuate on April 19, 2022, a company release said. JasleenKohli looked into all sales and distribution channels of Digit as Chief Distribution Officer (CDO).

With 19 years worth of experience in the life and general insurance industry, Kohli last served as the director at Allianz Technology before joining Digit as the CDO in 2017.

Tripura govt announces health insurance for scribes

The Tripura government recently announced health insurance of Rs 3 lakh a year for accredited journalists in the state.

The health insurance will be on 80:20 basis. Eighty per cent will be borne by the government and the rest (20%) will be contributed by the beneficiary, state Information and Cultural Affairs Minister Sushanta Chowdhury said.

An accredited journalist aged between 21 and 65 is eligible for enlisting in the scheme, which has been named Tripura Journalists' Health Insurance Scheme 2022, he said. ❑

IRDAI News

IRDAI for easing 'entry' norms

IRDAI wants the removal of the minimum entry capital requirement of Rs.100 crore for setting up an insurance business in a bid to facilitate the entry of multiple players.

Debasish Panda, Chairman, IRDAI, said it should be left to the regulator instead to decide what should be the entry fee for interested players, depending on the size of the business and operations. According to the current norms, insurers are required to have a minimum paid-up capital of Rs. 100 crore.

IRDAI chief planning roadmap for second phase of reforms

IRDAI Chairman, Debashish Panda, has laid out a road map for the second phase of reforms in the industry.

On the cards is a review of the entire set of regulations for the sector to make them 'light touch' and principle-based as against the existing rule-based regulations. IRDAI will also recommend to the government to amend laws to enable differentiated insurance licences for micro insurers and regional insurance companies with a lower capital base. Panda said that he proposed to make licences for insurance intermediaries perpetual instead of renewable every three years.

"Current provision as per statute requires an investment of Rs 100 crore. This Rs 100 crore may turn out to be a barrier than a facilitator. We proposed to approach the government to amend the act and remove this so-called minimum requirement and allow the regulator to decide," Panda said.

He said that in the 20 years since liberalisation, the industry has matured and was now at an inflection point and the regulator needed to play a developmental role to increase participation in the insurance industry and ensure that every household had insurance cover.

Panda said that the regulator was reviewing norms that allowed insurers to hike health insurance rates only once in three years. He said this led to a sudden spike for the customer as the revision in the schedule of rates factored in medical inflation, besides which the insured would end up paying more on moving to a higher age bracket.

On the revision of the capital requirements, Panda said that the regulator was also looking at the solvency ratio

IRDAI seeks business plans from 3 PSU general insurers

IRDAI has sought revised business plans from the three public sector general insurers - National Insurance Company, Oriental Insurance Company and United Insurance Company.

Fund infusion into the three companies will be based on their meeting certain regulatory milestones.

"For these three public sector general insurance companies, we have asked for revised business plans. The fund infusion would depend on their compliance with certain milestones we have laid out so that there is a calibrated way of coming out of this situation," said TM Alamelu, Member (non-life), IRDAI.

The Centre has sought Rs. 5,000 crore for recapitalisation of the PSU general insurers and is expected to announce a plan on this soon.

"The government is aware of the present financials of insurance companies. The regulator has given some forbearance with the advice also that may be they have to infuse more capital in order to perform better," Panda said, while declining to give more specific details.

norms and would consider the timeframe for moving to a risk-based framework.

There will also be a review of the 'open architecture model', which determines how many companies a bank can represent, to see whether it is inhibiting growth.

IRDAI may go for 100% FDI for new Insurance Company

IRDAIis planning to expand the scope of the sector by allowing 100 Percent FDI in new Insurance Companies.

After two years of consideration and internal discussions, IRDAmay allow 100% direct foreign investment in certain types of insurance. Such a change is hoped to provide the opportunity for FDI growth in sectors like health insurance or hybrid plans that go beyond basic life or motor coverage.

Majority wants insurers to restart sending physical copies of policy documents, says survey

A majority of individuals want insurance companies to restart sending them physical copies of their insurance documents along with digital format as COVID-19 cases have ebbed, according to a survey. Almost 88 per cent of the respondents prefer to have a physical copy of their insurance document as insurance companies may demand it at the time of a claim, according to the findings of a survey of around 5,000 respondents across age groups and cities.

A survey by the Bombay Master Printers Association (BMPA) further indicated that over 80 per cent of the respondents want Insurance Regulatory and Development Authority of India (IRDAI) to intervene and direct insurance companies to provide physical copy of policy documents to customers as a choice.

Incidentally, while several insurance companies decided to 'go green' by either discarding physical copies of insurance policies completely or making it optional, even before the pandemic, many consumers believe that the same insurance companies ask them for a physical copy while claiming for the policy amount, it said.

The companies not only ask for the physical copy of the insurance policy but also other necessary supporting documents, it added.

IRDAI to relook at regulations to widen insurance penetration and give insurers more flexibility

The Insurance Regulatory and Development Authority of India (IRDAI) will relook at regulations, capital requirements and introduce new products to widen the penetration and give insurers more flexibility in their operations, chairman Debashish Panda said.

Working groups will be formed to relook at current regulations with an aim to lighten them and give more flexibility for companies to launch new product, Panda who took charge of the IRDAI less than a month ago said. He spoke to the media after interacting with industry leaders in Mumbai over the last few days.

"Broadly we will have a principle based regulations rather than rule based regulations. We will fix the broad framework and then give companies the flexibility to work within that. The whole aim is to have lighter regulations and if there are over a 100 regulations we can bring it down to 10 to 15. The insurance industry has matured now and they understand the rules of the game and the market," Panda who took over as IRDAI chairman for a three year term last month said.

The IRDAI plans to form three to four different working groups to relook at regulations to remove those that are not required, identify ones that need modification and those that are completely outdated. "We will also have IRDA officials besides industry people to deliberate and discuss on the changes so that there is a consultative process right from inception. We also want to propose an amendment to the Insurance Act to reduce capital requirements which will allow small niche players to come into the market," Panda said.

Currently, the IRDA Act 1999 specifies that all insurance companies have to have a capital base of Rs 100 crore, which Panda said was disincentivising small technology driven mciro insurance companies which can provide services in the hinterland and widen the scope for insurance.

"Just like there are small finance banks and micro finance institutions in the banking sector we need technology led insurance companies offering standard products with defined benefits to small traders, shopkeepers, farmers or micro enterprises at a reasonable premium.

At Rs 100 crore capital base these niche players cannot come in so we need to open the door for them and move to a capital requirement depending on the size and operations of companies," Panda who served as secretary, department of financial Services, before he superannuated in January this year said. ❑

LIC of India News

SEBI may postpone implementation of tougher norms for LIC IPO

Sebi has proposed to postpone the implementation of tighter anchor investor norms for large IPOs. Bankers said the move is aimed at facilitating better institutional participation in the upcoming initial share sale of Life Insurance Corporation (LIC).

Until now, shares allotted to anchor investors in an IPO were subject to 30 days lock-in. However, with effect from April 1, 50% of such shares allotted to the anchor investors would be subject to an enhanced 90 day lock-in period.

However, now the regulator has proposed to exempt all IPOs worth more than Rs 10,000 crore from the enhanced norms until July 1,2022, according to agenda of the Sebi board meeting dated March 29.

"The impact of the new allocation methodology for NIIs (non-institutional investors) and lock-in provisions for Anchor Investors appears to be uncertain and may adversely affect their participation in the forthcoming IPOs especially those of the large issuers," said the document. "Accordingly, it is felt that implementation of these amended provisions especially for large issuers from April 01, 2022 may not be in the best interest of securities market at this stage."

LIC IPO set to open May 04, price band likely at Rs 902-949/share

Life Insurance Corporation (LIC) has fixed the price band for its initial public offer (IPO) at Rs 902-949 a share. The issue, which will remain open for retail investors from May 4 to 9, will enable the government to offload 3.5% stake in the insurer for Rs 21,000 crore, according to an official source. The insurer filed the red herring prospectus (RHP) with the Securities and Exchange Board of India (Sebi).

The IPO will still be the country's largest though the issue size is lower than the 5% mentioned by the insurer in the draft IPO papers filed with the regulator on February 13. The valuation is also almost half the level indicated by the Centre in the FY22 Budget.

For the anchor investors, the issue will open on May 2. Another source said thanks to 'strong demand' in the form of informal bids from domestic institutional investors, including mutual funds, the anchor book looked subscribed by 1.6 times as of May 2. "We, however, saw no point in going for a 5% stake sale after seeing the total demand till May 2 from anchor investors," the second source added.

The insurer's board, which met recently in Mumbai, also approved a discount of Rs 60/share for policyholders for whom 22.1 million shares, or 10% of the total offer size, has been reserved. The discount is Rs 45/share for retail investors and employees, and for the latter, 1.5 million shares or 0.68% of the total issue issue size will be reserved.

The net of the two categories — policyholders and employees, 35% — is set aside for retail investors, while 50% is kept for qualified institutional buyers (QIBs) and 15% for non-institutional investors. As much as 60% of QIBs portion is reserved for anchor investors.

According to the sources, the minimum bid size for the IPO will be 15 shares.

The reduced size of the IPO from 5% in the draft offer document, and the lower valuation are prompted by feedback from institutional investors, and recent capital outflows from the Indian and other emerging-economy markets following the Russia-Ukraine war.

Life insurance companies new business premium rise 37% in March

Life insurance companies have recordedanincrease of 37 percent in new business premiums (NBP) to Rs 59,608.92 crore in March 2022, with LIC recording 51 percent surge in first-year premiums.

In FY22, the life insurance industry's combined new business premium growth rate was 13 percent year over year, according to data released by IRDAI.

LIC NBP jumped nearly 8 percent to Rs 1.98 trillion for 2021-22.

"The robust growth in monthly numbers can be attributed to an increase in single premiums for both individual and group segments in the last month of the financial year (with individuals undertaking tax planning measures)," a CareEdge report said.

LIC substantially outpaced its private peers for the second month in a row, with a 63.2 percent share of the first-year premium pie for the life cover sector in FY22. The private sector, with the remaining 36.8 percent share of the total NBP, however, continued to gain market share at a faster clip compared to LIC, CareEdge report said.

LIC chairman's term extended by a year

The Centre has extended the term of the incumbent Chairman MR Kumar by one more year. This is expected to ensure continuity at leadership level and provide comfort to key institutional investors - who are looking to participate in the IPO - about stability at the Board level post the IPO and even if the proposed mega offering gets delayed beyond March 2022. The Centre also extended the tenure of Raj Kumar, Managing Director of LIC, by one year beyond January 31. This is the second extension for MR Kumar, whose term was to end on June 30 last year, but was given a nine-month extension until March 13 this year, when he is due to complete three years as Chairman. Now his term has been extended till March 13,2023, sources said. These extensions has been done as a one time measure and cannot be quoted as precedent, according to the decision taken by the Appointments Committee of the Cabinet.

The Centre is betting big on the mega LIC IPO and targeting to raise about Rs. 1 lakh crore. A few days back DIPAM Secretary TuhinKanta Pandey had said that LIC will list in bourses by March 31 this year. The mega LIC IPO is crucial for meeting the Rs. 1.75-lakh crore disinvestment target set for the current fiscal. The draft papers for the LIC IPO are still being finalised and expected to soon be filed with SEBI for approval. Being a government company, the approval process at SEBI is expected to be fast tracked, sources said.

LIC Board approved minimum 3.5% stake dilution via IPO, can raise limit to 5%

The Board of Life Insurance Corporation (LIC) of India is learnt to have agreed on diluting 3.5% stake in the country's largest insurer, even as it keeps the 5% stake dilution as an upward limit, as filed in the draft red herring prospectus.

A senior official aware of the development, the Board in a meeting recently decided on reducing the stake for dilution, which will be subject to regulatory approvals, amid headwinds from volatile stock markets and investor interest, even as it could dilute up to 5% stake as stated in the prospectus.

"The 5% limit is still on the table. As per the demand at the moment, markets can support about 3.5%, but if it changes, we can easily increase it to 5%," the official said, asking not to be named as the proceedings are not in public domain.

The government is seeking to garner between Rs. 21,000- Rs. 30,000 crore from the sale, at a valuation of Rs. 6 trillion, the official added.

Government approaches foreign sovereign, pension funds to be anchor investors in LIC public issue

The Central Government has approached the sovereign wealth and pension funds to be anchor investors for the upcoming public issue of LIC.

These sovereign wealth and pension funds include the Qatar Investment Authority, Singapore-based GIC, three Canadian pension funds, the Abu Dhabi Investment Authority among others, it added.

The government wants to confirm their participation from these institutions because they are stable investors with a long-term horizon and have previously indicated interest in the public issue, an official said.

"Many leading sovereign funds expressed interest in the LIC IPO. Merchant bankers are in advanced discussions with them for being anchor investors in the issue," the official said.

During roadshows ahead of the IPO, touted to be rolled out in May, the Centre has tapped around 180 potential anchor investors. Officials told the paper at least eight to 10 "big-ticket foreign investors" will be required as anchor investors for India's largest-ever IPO.

"One key consideration is the listing price and the market capitalisation at that level. Anything below Rs 10.7 lakh crore valuation at listing can make inclusion in the MSCI index difficult," they said. ❑

Health Insurance News

ICICI Lombard mobile app to provide health vitals

ICICI Lombard General Insurance is making available to all its app users a face scan diagnostic feature that provides within minutes vitals such as blood pressure, oxygen saturation, heart rate, respiration rate and stress level.

According to the company, the readings have an accuracy of 92-95%. The data will not be used for underwriting or medical intervention, but is provided as an additional feature for customers to maintain wellness.

The underlying technology that is used by the app is photoplethysmography (PPG) - the same that is used in pulse oximeters. This measures changes in light absorption in blood vessels to measure blood volume changes, based on which vitals are calculated.

"Face scan feature is a powerful innovation to democratise health checks, going beyond the realm of a transactional relationship to delivering a frictionless and engaging experience in the current times," said ICICI Lombard ED Sanjeev Mantri.

Insurers seek revision in premium for health products

Some Non-life Insurers, which had not revised rates during the pandemic, have now sought a revision in pricing to keep up with medical inflation. The regulator allows insurers to revise prices once every three years to keep up with rising costs. However, many companies had waited for the volatility claims during the pandemic to settle down.

According to sources, HDFC Ergo and Care Health had received approval for products with revising pricing. A few others including NivaBupa have applied to the regulator for revised products. Star Health, had said in its analyst call in February that it has taken about an average hike of 15% on its flagship health insurance policy from August 2021. The new rates will apply to all policies purchased or renewed thereafter. Company officials also said that they were relooking at group health insurance policies. In the call, Star Health chairman V Jagannathan said that products are priced assuming a normal situation and one-time incidence cannot be a continuous incidence.

Public awareness needed for health insurance

Health insurance awareness must be increased to help India overcome a poor global ranking in patient safety, said KIMSHEALTH Chairman and Managing Director, MI Sahadulla. Even while improving its personalised health index, the country ranks 66th in the world rankings on patient safety, the 2002-founded multi-specialty hospital group's chief pointed out, stressing on the need for people to go in for medical cover in a big way.

"We would splurge on luxuries such as cars, mansions and jewellery, but would refrain from investing some Rs. 15,000 a year on annual family health insurance," Sahadulla noted.

Sahadulla, who is also the Chairman of the CAHOCON-organising committee, said health cover has become essential in today's world, which is recovering from the ill-effects of the pandemic. "The Coronavirus has taught us the need to become conscious of the pitfalls in medical care," he noted. "Healthcare delivery was never perfect even in advanced countries, but Covid-19 has underscored the vitality of guarding against health risks."

Besides low awareness, healthcare suffers from an under-reporting of medical errors and insufficient training for the hospital staff, he said. India, unlike the West, is not equipped with strong statistics that can enable the country go for a futuristic healthcare policy.

Nova Benefits rolls out same-sex corporate health insurance cover for companies

Nova Benefits, an employee wellness platform centred on corporate health insurance, has announced the roll-out of LGBTQIA+ or same-sex corporate health insurance cover for companies, said a statement.

The firm aims to provide companies with equal and inclusive high-quality employee wellness benefits. It is currently providing LGBTQIA+ corporate health insurance to several companies, including Snapdeal, SplashLearn, FlexiLoans Technologies, and Dev Synthesis.

Organisations have the responsibility to ensure employee wellness, along with taking charge of diversity and inclusion needs in the working environment. Similarly, when it comes to healthcare, employees and their families must be provided equal access, with no discrimination on the grounds of sexual orientation or gender identity. However, standard health insurance plans do not consider relationships beyond heterosexual couples, making equal access to healthcare benefits a challenge.

Resolute announces the launch of its Family Health Design tools

Resolute, an integrated digital health & wellness service offering virtual care, precision wellness, and doctor-led programs for the whole family announces the launch of its family health design tools.

Resolute's Family Health Design is a set of evidence-based paths and tools for improving the health status of the entire family. It's a Whole Person, Whole Family Approach to ensure the healthiest life possible for everyone. With this tool, families can design and execute their goals together for everlasting health and happiness.

The family health design tools cover dimensions of medical, well-being, environment, and relationships. It includes modules including home care preparedness, healthy kitchen analyser, health insurance design, air quality optimisation, and sleep environment upgrade.

Health insurance to cover 89 lakh families in Bihar

The state government will provide annual health insurance of Rs5 lakh to the poor families not covered under Pradhan Mantri Jan Arogya Yojana (PM-JAY). The new scheme, christened Mukhyamantri Jan Arogya Yojana (CM-JAY), was approved by the state cabinet at its meeting on Monday. It is expected to start from May.

The new health insurance scheme will work on the similar pattern as that of PM-JAY, popularly known as Ayushman Bharat. In the state scheme, too, the beneficiaries will be given a card. The state government has taken the help of National Food Security Act to find the number of needy people not covered under the Ayushman Bharat scheme. For instance, as per PM-JAY, nearly 1.09 crore families are covered in Bihar and the state government found another 89 lakh families, who were eligible under the NFSA but not covered under the Ayushman Bharat scheme.

Now, these 89 lakh families will also get the health insurance from the state. Health department additional chief secretary Pratyaya Amrit called this scheme as a 'game changer'.

Health department additional secretary-cum-Bihar Swastha Suraksha Samiti CEO Kaushal Kishore said the guidelines for CM-JAY will be almost similar to that of the PMJAY.

"Here, too, the secondary and tertiary care hospitalisation cost will be incurred by the state government. Same hospitals, which are empanelled under PM-JAY, will be used for providing treatment facilities to these families," said Kishore. ❑

Covid-related health insurance claims doubled in FY22 due to Delta variant

Covid-19 cases may have eased in recent months and the third wave was not as severe as expected, but Covid related health insurance claims surged this fiscal, possibly led by the Delta variant. Insurers continue to remain under pressure despite increased awareness and purchase of such covers.

While there were 9.83 lakh Covid related claims in 2020-21, these surged to 19.47 lakh in the current fiscal, recording an increase of 98 per cent. As the second wave of the pandemic led to many cases of hospitalisation, Covid claims also increased dramatically. The average ticket size of Covid related claims across the industry also remains high at Rs. 91,881.

"Although there is greater awareness and purchase of health insurance policies, the premium remains at the same level as pre-Covid times. As an industry, the losses in the entire health portfolio are quite high and much more than what the industry has earned as premium," said Bhaskar Nerurkar, Head, Health Claims, Bajaj Allianz General Insurance, adding that non - Covid claims have also reached pre-pandemic levels and people are continuing with planned and elective surgeries.

"There is also increased awareness about Covid and health insurance, which has led to higher purchases of such policies, and in a way contributed to more claims," noted another insurer.

Private Life Insurance News

SBI research report bats for nil GST on insurance premiums

Taxing insurance premiums at 18 per cent at a time when insurance penetration in the country is merely 4.2 per cent is, perhaps, not the best way forward. Instead, the goods and service tax (GST) on life, health, and term premiums should either be reduced to 5 per cent or a "nil" rate so as to cover the maximum population of the country, SBI research said in its report.

"In India the insurance penetration is low; the introduction of tax in the realm of insurance may not represent the best step forward. After Covid19 pandemic's effect on the economy, it seems this is the right time to reduce the GST rate to 5 per cent or "Nil" rate on Life/Health/Term insurance to cover the maximum population of India," the research note said.

Twenty years after India's insurance sector was opened up, unshackling the control of state-owned companies, as many as 50 private players have set up shop. But India's insurance penetration needle has moved little. The overall insurance penetration has increased from 2.71 per cent in 2001-02 to just 4.20 per cent as of 2020-21. Life insurance penetration has increased from 2.15 per cent to 3.2 per cent during the period, while non-life insurance penetration has moved up by just 44 basis points to stand at 1 per cent as of 2020-21.

The insurance industry has been advocating a reduction in GST rates on premiums for a very long time, and more so after the Coronavirus (Covid-19) pandemic. While there have been several calls from the industry to the government for a relook at GST on premiums, there has not been much development on this front.

IDBI Bank to sell entire stake in life insurance arm to JV partner

IDBI Bank will offload its balance 25 per cent stake in Ageas Federal Life Insurance Company (AFLI) to Ageas Insurance International NV.

The board of directors has approved to sell IDBI Bank's entire stake of 200 million equity shares in AFLI to Ageas pursuant to exercise of Call Option by Ageas.

The details of the sale would be communicated once the share purchase agreement is executed, the bank informed BSE. The stake would bring in resources that are expected to augment the capital base of the private sector lender.

In December 2020, IDBI Bank had sold a 23 per cent stake in an insurance joint venture to Ageas Insurance International JV for Rs 507 crore. This raised Ageas stake to 49 per cent in the insurance company.

Life Insurers to get annuity boost

Life and general insurance companies may see a divergence in their fourth-quarter earnings as life insurers are expected to continue seeing robust demand for annuity schemes that will help offset declining revenue share from unit-linked plans (ULIPs). General insurers, by contrast, should report tepid growth as business activity is still weak.

"For life insurers, APE (annual premium equivalent) growth may be moderate with modest VNB (value of new business) margin unlike the third quarter, which witnessed stable margins for insurance companies. ULIP products are likely to be slower while annuity and credit life products are likely to have robust demand during the quarter.

"Further, the demand for protection is also expected to remain subdued," said BNP Paribas-owned brokerage Sharekhan. It expects the VNB margin to remain at 3-8% in the quarter ended March 2022.

APE is calculated by taking into account both the single premium and regular premium to give a better picture of the growth in premiums. VNB is the profit margin of a life insurance company and is calculated by dividing the new business value by the annualised premium equivalent.

Kotak Life to expand distribution

Kotak Life Insurance is hopeful that the worst of the pain from the pandemic is over and is now working on an expansion strategy.

"We will be expanding our distribution footprint and add more branches. In calendar year 2022, we expect about about 30% growth in our distribution footprints," said Mahesh Balasubramanian, Managing Director, Kotak Mahindra Life Insurance.

He, said, the insurer also plans to invest in data analytics and technology interfaces. It will be adding more partners on the agency side and bancassurance. It is also looking at a direct to customer digital play.

In terms of products, while the company intends to follow a balanced approach, but it would like to see the share of the protection business increase.

"We would like to grow all our businesses in a manner that the balance is maintained. If at all one area, we would like to increase it is in protection because we see an opportunity. And we believe that India will require more protection. Especially if one is focused on digital, on some of the new age channels protection becomes a very logical product to focus on," said Balasubramanian.

Kotak Life registered a growth of 16.86 per cent in new business premium in 2021-22 to Rs. 6,142.77 crore against Rs. 5,256.51 crore in 2020-21.

He further noted that the life insurance industry went through one of its toughest periods in the last 24 months, especially so in the last 12 months when the second wave of the Covid-19 pandemic struck.

ICICI Pru, HDFC Life, Bajaj Allianz gain market share in FY22

Private sector life insurance companies Bajaj Allianz (BAL), ICICI Prudential and HDFC Life gained market share in the fiscal year ended March 2022 even as some others like Max Life and SBI Life lost market share in terms of total sum assured.

BAL gained 150 basis points, ICICI Prudential 90 basis points (bps) and HDFC Life gained 80 bps in terms of total sum assured during last fiscal while Max Life and SBI Life witnessed a decline of 150bps and 50 bps respectively. One basis point is 0.01 percentage point.

"For individual sum assured, amongst large insurers, Tata AIA and SBI Life outperformed their private peers as their market share improved 380bps/ 70bps YoY to 14.2%/7.5%. HDFC Life/IPRU Life/BALIC reported market share loss of 80/210/80bps in FY22," said ICICI Securities in a report. Tata AIA is the market leader in overall individual sum assured.

Overall private sector life insurers clocked an 11% year-on-year growth in their total annualised premium equivalent (APE) in March 2022, translating into 21% growth in the fiscal ended March 2022. Their sum assured grew 17% YoY in FY22 led by sharp increase in group sum assured (24% YoY) vs individual sum assured (3% YoY).

ICICI Prudential Q4 net profit surges 189%

ICICI Prudential Life Insurance reported a 189.5 per cent surge in its net profit for the fourth quarter of the fiscal 2021-22 at Rs. 184.67 crore compared to Rs. 63.78 crore a year ago. For the quarter ended March 31, 2022, its net premium income fell 4.4 per cent to Rs. 11,358.91 crore as against Rs. 11,879.28 crore in the corresponding quarter in the previous fiscal.

However, for the full fiscal 2021-22, the private sector life insurer recorded a 21.4 per cent dip in its net profit to Rs. 754.13 crore from Rs. 960.15 crore in 2020-21.

In a statement, the insurer said its value of new business (VNB) grew 33 percent year on year in 2021-22. The GNI margin expanded to 28 percent and absolute GNI stood at 16 2,163 crore.

The company's 13th month persistence ratio improved to 85.7 percent in 2021-22 from 84.8 percent in 2020-21. The solvency ratio for 2021-22 stood at 204.5 percent, as against the regulatory requirement of 150 percent.

NS Kannan, Managing Director and CEO, ICICI Prudential Life Insurance said, "Despite the disruptions caused by the third wave of Covid-19, which impacted productivity in January and February, we were able to demonstrate resilience in our operations. In March, we posted the best ever monthly sales by the company in any year since inception. "

The insurer's claims and benefit payouts increased by 29.7 percent to Rs. 29,359 crore in 2021-22 from Rs. 22,641 crore in 2020-21 primarily on account of increase in surrenders and withdrawals and death claims. The company had Covid-19 claims (net of reinsurance) of Rs. 1,017 crore. ❑

International News

German general insurance industry to reach $229.6 billion in 2026 supported by strong fiscal measures

Germany's general insurance industry is expected to grow at a compound annual growth rate (CAGR) of 6.8%, from $165.4 billion in 2021 to $229.6 billion in 2026 in terms of direct written premium (DWP), according to GlobalData, a leading data and analytics company.

Ashish Raj, Insurance Analyst at GlobalData, comments: "After contracting by 2.1% in 2020 due to the pandemic, the German economy is expected to grow by 2.8% in 2022. The economic recovery is driven by strong government fiscal measures that include increased healthcare spending, short-term subsidies to preserve jobs, grants for small businesses and self-employed persons, and temporary VAT reduction."

The economic recovery is expected to support general insurance industry growth, which is expected to grow by 4.7% in 2022.

General insurance industry in Malaysia to reach $5.5bn in 2026

The general insurance industry in Malaysia is projected to grow at a compound annual growth rate (CAGR) of 4.8% from MYR17.67bn ($4.26bn) in 2021 to MYR22.31bn ($5.45bn) in 2026, in terms of direct written premiums (DWP), forecasts GlobalData, a leading data, and analytics company.

As per GlobalData, the growth in the Malaysian general insurance industry will be supported by the increase in automobile sales as well as strong performance in property insurance driven by the expansion of construction activities in the country.

Rakesh Raj, Senor Insurance Analyst at GlobalData, comments: "The Malaysian general insurance industry registered a growth of 2.4% in 2021 after declining in 2019 and 2020. The growth in the industry is predominantly driven by the economic recovery, which after declining by 5.6% in 2020, is expected to grow by 5.5% in 2022."

Motor insurance was the largest general insurance line, accounting for 46.5% of the total DWP in 2021. After declining by 2.0% in 2021 due to COVID-19 lockdown restrictions and global automobile chip shortage, the motor insurance segment is expected to grow by 1.9% in 2022, driven by an increase in vehicle sales. Motor insurance is expected to grow at a CAGR of 3.0% during 2021-26.

Property insurance, which was the second-largest general insurance line with a 25.4% share, grew by 12.4% in 2021, driven by increased construction activity. According to the Malaysian Ministry of Finance, the construction sector is expected to grow by 11.5% in 2022, driven by the strong pipeline of infrastructure, residential, and utility projects. As a result, property insurance is expected to grow at a CAGR of 7.9% during 2021-26.

Personal accident and health (PA&H) insurance was the third-largest line, accounting for 11.1% of general insurance DWP in 2021. The Malaysian healthcare system is predominantly based on public health insurance where private health insurance is mostly sold as an add-on service.

Raj continues: "However, with rising medical costs, increased health awareness, and a gap in public healthcare coverage, the popularity of private insurance is increasing among the citizens. PA&H insurance is expected to grow at a CAGR of 4.5% during 2021-26."

Marine, aviation and transit (MAT), Liability, and Miscellaneous insurance accounted for the remaining 16.9% share in 2021.

Raj concludes: "Malaysia's general insurance penetration, as a percentage of GDP, in 2021 was 1.2%, which is slightly higher than the Asia-Pacific average of 1.1%. Recovery in the economy, increasing vehicle sales and a strong pipeline of construction projects are expected to support the growth of the Malaysian general insurance industry over the next five years."

Google poses the greatest threat to traditional home insurers as over 25% of UK consumers would purchase home insurance from the tech giant

The accelerated rise of digitalization since the pandemic and increased use of smart home devices means that technology companies and outside players pose a threat to insurers in the UK by utilizing their skills in digitalization and strong brand recognition to attract customers. Research conducted by GlobalData, a leading data and analytics company, suggests that Google poses the greatest threat to UK insurers.

GlobalData's 2022 UK Insurance Consumer Survey found that over a quarter of UK consumers would be prepared to purchase home insurance from Google, were it to enter the market. Energy suppliers and Amazon also scored well.

Ben Carey-Evans, Senior Insurance Analyst at GlobalData, said: "Amazon will be a particular concern for insurers as it has been rumored to be on the verge of entering the insurance industry for many years now. Facebook, on the other hand, is unlikely to be as successful as a result of negative press stories in recent years. Consumers are also unlikely to view WhatsApp as a viable provider of such a serious product."

Google, Amazon and any energy supplier, offer the biggest threat to traditional insurers. Google and Amazon specifically, have huge brand recognition and reputations for digital capabilities and fast customer service. They already have strong tie ins to many homes across the UK, with Google Home and Amazon Echo, respectively. Energy suppliers also have a presence within UK insurance, with British Gas being the leading supplier of home emergency insurance (for standalone products) in the UK.

Carey-Evans adds: "In reality, it looks like these players will look to come in as partners for insurers and offer the technology to aid products. However, GlobalData found that if these companies did decide to offer end-to-end household products, a significant proportion of consumers would view them as viable providers, so the threat to incumbent insurers is there."

GlobalData forecasts Asia-Pacific personal accident and health insurance to double by 2026

The personal accident and health (PA&H) insurance industry in Asia-Pacific (APAC) is projected to grow from $203.0bn in 2020 to $421.9bn in 2026, in terms of written premiums, forecasts GlobalData, a leading data, and analytics company.

According to GlobalData, the PA&H insurance in Asia-Pacific is projected to grow at a compound annual growth rate (CAGR) of 13.0% over 2020-2026, backed by increased awareness and growing disposable income.

Deblina Mitra, Senior Insurance Analyst at GlobalData, comments: "The APAC PA&H insurance industry's growth peaked at 17.8% in 2021, driven by economic recovery and increased insurance awareness. The region's emerging markets with underdeveloped public healthcare system struggled during the pandemic to deliver healthcare due to a surge in demand beyond their capacity, compelling individuals to seek private healthcare, driving insurance sales."

China was the leading PA&H insurance market in the APAC region with a 69.5% share of written premiums in 2021. Growing middle-income population, tax exemption, traction in remote healthcare services, and rising medical expenses were the major factors behind the growth. The formation of a new national pension company in 2021 to develop health insurance is expected to create substantial business for PA&H insurers from China's $1.2 trillion pension sector. The PA&H insurance industry in China is expected to grow at a CAGR of 15.8% from 2020-2026.

Australia, with a share of 8.5% of written premiums in 2021, was the second-largest market in the region. The PA&H insurance industry in Australia is expected to grow at a CAGR of 5.1% over 2020-2026 with the lifting of restrictions on international travel, and awareness of mental health and well-being.

With every one in five Australians experiencing mental health issues, the demand for health insurance covering mental health witnessed growth. Psychology services and in-patient treatments/ rehabilitation are some of the mental healthcare services that are available under private health insurance.

Taiwan, India, and Japan constituted the region's remaining top five markets with a combined share of 15.4% in 2021. PA&H insurance in Taiwan, India, and Japan is expected to grow at a CAGR of 4.5%, 9.8%, and 3.3% respectively, over 2020-2026.

Across Asia-Pacific, the integration of online healthcare services in insurance policies and personalized insurance propositions using wearable devices has gained traction in 2021. ❑

DOMESTIC AND OVERSEAS TRAVEL INSURANCE IN INDIA - AN ANALYSIS

Introduction

Travel is an exciting proposition and beckons the young and old alike. As the renowned writer Hans Christian Anderson has put it, "to travel is to live". Whether it is sun kissed beaches, verdant hills, historical places, famous cities or exotic foreign locations, travel has a charm of its own. Indians are now travelling extensively. However, it would be prudent to give a thought to the risks and losses which one is likely to encounter while travelling and the available insurance protection; hence the utility of Travel Insurance.

There is however a new problem looming on the travel horizon. The novel Covid-19 virus infection has caused widespread disruptions of life and travel globally. It has been declared a pandemic by the World Health Organization. Globally travel has totally been disrupted. In fact, internationally, airlines such as Emirates, Cathay Pacific, Air-China, Lufthansa and Etihad have put their staff on unpaid leave due to plummeting demand and ticket cancellations. Even as this essay is being written, the situation is rapidly evolving. However, it is expected that things will improve in the future and travel will once again begin in a big way.

There are many different types of domestic and overseas travel covers available in India. There are covers for solo travellers, students, families, senior citizens and annual policies for those who travel frequently. There are also some new and innovative covers and low cost covers. Some of the different types of covers, policy exclusions, modifications required for betterment and the need for regulatory attention to some areas will be examined in this essay. The responses of insurers to the novel Covid-19 will also be examined. The components of a suitable policy for an overseas traveller will also be analysed.

About the author

Nandita Banerjee
Retired Manager
National Insurance Co. Ltd.

Traditional Overseas Travel Insurance by Public Sector Insurers

Traditionally, Overseas Travel Insurance has been a sold as a package policy. I would like to provide a typical example of Overseas Mediclaim policies marketed by Public Sector

General Insurers by citing those offered by the National Insurance Company Limited, (NICL). There are three main categories of policies . Specific policies are available for persons travelling abroad on Business and/Holiday, Employment and Studies Travel and for Corporate Frequent Travellers. The policies do not cover persons going abroad for treatment or travelling against medical advice. Pre-existing diseases are not covered. Medical and diagnostic test reports are required for persons over 70 years of age and for over 60 days of travel. An international service provider is available for claims assistance.

The Business and/or Holiday Policy has six sections; namely Medical Expenses and Repatriation, Personal Accident, Loss of Checked in Baggage, Delay in Checked in Baggage, Loss of Passport and Personal Liability. There are four Plans with separate Sum Insureds varying from 50,000 USD to 5,00,000 USD in four slabs. In case, no Medical Reports are submitted due to paucity of time; in case of persons above 70 years of age, a restricted Medical Expenses Cover for 10,000 USD is allowed. There are also Section wise sub-limits and deductibles. Standard exclusions apply to the policies. The Policy is issued for a maximum period of 180 days, at a time.

The Plan-wise and Section-wise Sum Insured under the aforesaid Policy has been taken from the website of (NICL) and is as follows:

TABLE 1

Plan A & B- Business and Holiday Travel (all figures in US $)				
Visit	**Worldwide excluding USA/Canada**		**Worldwide incl. USA/Canada**	
Plan	**A1**	**A2**	**B1**	**B2**
Section - A Illness, medical evacuation, repatriation,	50,000	2,50,000	1,00.000	5,00,000
Section - B Personal Accident & disablement	10,000	25,000	25,000	25,000
Section - C Loss of Checked Baggage	1,000	1,000	1,000	1,000
Section - D Delay of Checked Baggage	100	100	100	100
Section - E Loss of Passport	150	250	250	250
Section - F Third Party bodily Injury & Property damage	2,00,000	2,00,000	2,00,000	2,00,00

Section A also covers emergency dental services upto US $ 225 per occurrence for the immediate relief of dental pain, in addition to medical expenses related to illness, medical evacuation, repatriation. Delay in Checked Baggage is only for outbound International flight and the delay is for over 12 hrs.

Deductibles are applicable for each section. In addition, Plan K - For travel in Asian countries excluding Japan for business and holiday limited to US$ 15,000. Benefits: Section A: Medical Expenses, Evacuation, Repatriation-USD 15,000. Section B: Personal Accident, Permanent Disability- USD 7,500.

The Overseas Mediclaim Insurance Policy for Employment and Studies covers Medical Accident and Illness Expenses Coverage for medical expenses upto the Sum Insured, as approved by a registered medical practitioner and the Claims Administrator. Medical Evacuation Expenses when as a result of a Injury or illness, an Insured Person is hospitalized the Insurers will pay upon the recommendation and prior approval of the attending physician and the Claims Administrator of this Insurance for the evacuation of the Insured Person to India. In case of death of the Insured person the insurance will pay for repatriation of the remains to India or the funeral expenses abroad, upto a sub-limit.

Medical Emergency Reunion expenses in case of a disease of the Insured person that necessitates evacuation to India are also payable upto a sublimit. This section covers the expenses of travel and accommodation of a family member abroad. This policy also covers Contingency Insurance for Sponsored Students. In case the Insured Person is unable to continue his studies due to death or other specified reasons, a fixed amount per month of completed studies will be payable to the Nominated Sponsor, under this section.

The Plan-wise and Section-wise Sum Insured under the aforesaid Policy has been taken from the website of (NICL) and is as follows:

TABLE 2

PLAN C & D- Employment & Studies (all figures in US $)			
Visit	**Worldwide Excl. USA/Canada**	**Worldwide Incl. USA/Canada**	**Worldwide Incl. USA/Canada**
Plan	**C**	**D**	**D1**
Section - 1 A, illness	1,50,000	1,50,000	5,00,000
Section - 1B Medical evacuation	10,000	10,000	10,000
Section - 1 C Repatriation	10,000	10,000	10,000
Section - 1 D Medical Emergency reunion	5000	5000	5,000
Section - II Contingency Insurance (applicable for sponsored students only)	USD 750 for each month of study completed	USD 750 for each month of study completed	USD 750 for each month of study completed

In addition- Plan D1 covers (i) Loss of checked in baggage- US $ 1000

(ii) Delay of Checked in Baggage- US $ 100

There is also a Corporate Frequent Traveller Policy for Corporate directors and employees who frequently travel abroad on work. This is a multi-trip annual policy. It has been specified on the cited website that all policies can be purchased online or by using credit or debit cards.

The products marketed by National Insurance, though fairly comprehensive, have remained static and unchanged for several years and require updating. It would be innovative to look beyond the existing spectrum of eligible persons and expand into uncovered and untapped segments. The existing genre of products exclude many overseas travellers from insurance coverage. Persons above a certain age-profile generally suffer from pre-existing diseases and are especially financially vulnerable if they need hospitalization abroad, as they are excluded from coverage. Also excluded are those persons who are travelling abroad for treatment. These to my mind, are the major drawbacks of such conservative covers and which require modification and change.

Travel Insurance products of Private Insurers

Policybazaar, a web-aggregator registered by the Insurance Regulatory Authority of India (IRDAI) has rated the travel policies of Reliance, Religare, Bharti AXA, HDFC ERGO, Bajaj Allianz and Digit Travel Insurance as amongst the best.

I have analysed three of the Travel Insurance Policies marketed by Bajaj Allianz, as reflected on their website, as a typical example of travel policies issued by a private insurer. (Disclaimer: I have no connection with Bajaj Allianz or any other private insurer and this compilation is purely for the academic purpose of this essay). Bajaj Allianz has broadly categorized their policies into a few categories. Some of them are Individual Travel, Family Travel and Senior Citizen Travel. Other products include Corporate Travel Insurance and Travel Asia Policy. They also have a domestic travel insurance policy called Bharat Bhraman Policy and student specific covers.

Their covers broadly speaking include Flight Delays and Cancellations, Medical Treatment and Hospitalization Expenses, Trip Cancellation and Curtailment, Loss of Baggage and Passport and Home Burglary Insurance. They also provide Emergency Cash Advance. This is a comprehensive package of covers encompassing the traditional as well as some new covers. They have also mentioned, that they provide tailor-made plans, if required. They also have world-wide on-call support services.

Several riders can also be added to the base policy, with additional premium, to widen the coverage. The base policies applicable for riders along with the wordings of the riders and the premium required are listed in a convenient and customer-friendly manner. It would be pertinent to note that these riders are a mixture of some unbundled covers in traditional policies with some new and innovative covers thrown in along with them. The riders include Trip Delay Delight, Schengen Cover, Compassionate Visit by a Family Member, Emergency Hotel Accommodation for Family Member, Emergency Hotel Extension for Insured and Family Member, Escort for Minor child or children, Loss of Personal Belongings Cover and Replacement and Rearrangement of Staff. Deductibles are applicable to these riders.

The Travel Companion Plan encompasses a group of covers which can be availed of by an individual, a family, senior citizen, corporate or a student. The sectional covers include a package of traditional covers along with Trip Delay, Hijack Cover and Emergency Cash Advance. Claim Payments in Personal Accident Cover and Hijack Cover are on Benefit Basis. Deductibles and waiting periods are applicable to some of the sectional covers, as per the Customer Information Sheet on the website . A special feature of Travel Companion is The Golfer's Hole-in-one. "A sporting gesture from the company. It offers reimbursement of expenses incurred in celebrating a hole-in-one by the insured during the trip, anywhere in the world (excluding India), in a United States Golfers' Association recognized golf course."

I have also selected the Travel Prime Student Plan from the different variants of the Travel Prime group of products of Bajaj for analysis. It is a comprehensive plan for students going abroad for studies. The cover appears to be tailored to the specific requirement of students. There are seven slabs of Sum Insured ranging from 50,000 USD to 1,000,000 USD. The first two pages of the Customer Information Sheet of this policy indicates that the list of covers includes Personal Accident, Medical Expenses and Medical Evacuation, Emergency Dental Pain Relief, Repatriation, Loss of Checked Baggage, Accidental Death and Disability (Common Carrier), Loss of Passport, Personal Liability and Family Visit.

The other Additional Covers as per the relevant Policy which are quite innovative and useful for the insured persons include Bail Bond Insurance, Loss of Laptop, Tuition Fee, Accident to Sponsor, Family Visit and Suicide. It would be interesting to observe that suicide is normally not covered in many policies. To quote further from the relevant Policy " Section 26- Suicide -In consideration of the payment of additional premium as specified in the Schedule, it is hereby agreed and declared that in case of death on account of suicide or attempt to suicide, one-time payment as mentioned in policy schedule would be offered as benefit. Waiting period for 6 month will be applicable for this benefit since departure from India. In case of co-renewal same will be applicable for first 6 months from date of inception of the policy. The Company shall be under no liability to make any payment under Medical expenses, evacuation, Repatriation and personal accident benefit in respect of any Claim for suicide."

There are also five optional covers, as per the relevant Customer Information Sheet which can be taken with additional premium in the Travel Prime Student Plan; Cancer Screening and Mammography Cover, HIV (Human Immunodeficiency Virus) and AIDS (Acquired Immune Deficiency Syndrome) Cover, Pre existing illness Coverage,

Maternity and Baby Cover from Day One, Mental illness and Alcohol related Disorder Cover. However, these covers have not been mentioned in the relevant Policy Schedule. The policy can be taken for a maximum period of three years and extended by one more year on the basis of a Good Health Declaration Form signed by the Insured. Thus, a comprehensive cover can be utilized by students going abroad for studies.

The Insurer can be contacted on either their toll-free number or by e-mail. The Claim Settlement Procedure as indicated in the website indicates that a completed claim form must be submitted for all categories of claims. In case of Medical Claims Authorization for release of medical information form and the Attending physician's statement will also be required. In case of non-medical claims the documentary requirements are mentioned on the website.

It is worth mentioning here of an innovative low-cost overseas travel insurance product with limited features marketed by an intermediary called Toffee Insurance as per their website. Toffee Insurance has tied up with a number of private insurers and is marketing their products in partnership with them. This comprehensive international travel insurance for all countries comes with a package of covers. The premium is Rs. 346 plus for a policy period varying from one to one hundred and eighty days, appears to be quite affordable.

This policy is available for individuals between 18 years to 70 years of age. Deductibles are applicable for claims. Travel with Tourist/Visitor Visa is covered. Pre-existing conditions and accidents due to hazardous sports and competitions are not covered. It offers a viable and economical option to travellers. The wording is simplified and the digital option makes it attractive to many.

A Comparison of Overseas Travel Insurance premium

The following is a tabular representation comparing the premium charged by some major insurance companies providing Overseas Travel Insurance to various international destinations. For the purpose of the comparison, the age of the travellers is between 33 to 35 years, sum insured is US Dollar 1,00,000 and the duration of the trip is 15 days.

TABLE 3

Country	Insurers	Corresponding Plan Names	Premium (Rs.)
Dubai	Apollo Munich Health Insurance	Easy Travel Family	Rs.3051
	Religare Health Insurance	Explore Asia	Rs.1320
	HDFC Ergo Health Insurance	Single Trip Family Worldwide Excluding USA & Canada	Rs.1469
	Tata AIG Insurance Company	Travel Guard	Rs.2025
USA	Digit	On-the-Move	Rs.2381
	Religare Health Insurance	Explore Gold World Wide	Rs.2649
	Reliance General Insurance	Travel Care Family	Rs.1719
	Royal Sundaram General Insurance	Travel Shield Single Trip	Rs.1754
Canada	Apollo Munich Health Insurance	Easy Travel Family	Rs.3967
	Tata AIG Insurance Company	Travel Guard	Rs.2775
	Religare Health Insurance	Explore Gold World Wide	Rs.2649
	Bharti AXA General Insurance	SmartTraveller Regular	Rs.2099
Indonesia	Digit Insurance	Digit	Rs.1070
	Tata AIG Insurance Company	Travel Guard	Rs.2025
	HDFC Ergo Health Insurance	Single Trip Family Worldwide	Rs.1469
	Reliance General Insurance	Travel Care Family	Rs.1171

It may be observed that the comparison between different products should not be made only on the basis of the premium rates as reflected in the table, but after factoring in the sectional covers and deductibles or time excess to arrive at an accurate conclusion, as to which product is value-for-money. It is also to be noted that Apollo Munich Health Insurance is now part of HDFC Ergo Health Insurance.

Travel Insurance and Coverage for Covid-19 Virus

The obvious concern that arises in the mind of a traveller in these uncertain times, wherein the novel Covid -19 virus infection (CoV) assumed the proportions of a pandemic, is whether or not the overseas travel policies in India cover this virus. There is no divergence in the opinion that there are no specific exclusions in either any domestic or overseas travel policies for epidemics or pandemics like CoV. The Out-Patients-Department (OPD) and/or hospitalization expenses occasioned by this virus would be duly covered, as per the travel plan opted for. However, it is of note that due to the fact that such patients would likely be treated or quarantined in government facilities, the likelihood of claims under these policies is low.

Apart from the more evident lacunae in the travel insurance sector, there are many more problematic questions that require consideration. Will overseas travel policies at all be issued freely during this period? What will be the status of existing policy holders? As reported , insurers have adopted different strategies in this regard. For existing policy holders, it has been mentioned that "IFFCO Tokio General Insurance Co. Ltd will most likely pay medical expenses even if there is a travel advisory in place." However for new proposers travelling to China, they will issue policies after ascertaining the specific destination in China and the purpose of travel before issuing policies. "On the other hand, Bajaj Allianz General Insurance Co. Ltd may not pay the expenses if policyholders travel to a country against which a travel advisory has been issued." They have temporarily discontinued policies to China, Hong Kong and Macau in wake of the travel advisories.

ICICI Lombard General Insurance Co. Ltd, however, may issue policies based on certain conditions. Sanjay Datta, Chief - Underwriting, Claims, Reinsurance and Actuary, ICICI Lombard General Insurance Company Ltd., said, "It's an advisory not a ban, therefore we are not bound by it. Insurance companies may or may not issue policies to people as it's a matter of covering their risks." In case a country is on a ban list, the insurance company will not issue a policy, he added.

Many travel policies cover losses due to ticket or accommodation cancellation under their Trip Cancellation Cover due to "death, serious injury or sudden sickness requiring minimum three days of hospitalization of the insured or his spouse, parents or children. Inclement weather conditions, natural disasters or the government imposing compulsory quarantine or prevention of travel". Some experts have opined that as the virus outbreak is not specified in the Trip Cancellation clause of most standard travel insurance plans, recouping these losses due to the Coronavirus related cancellations are not possible.

However in my opinion, if compulsory quarantine or prevention of travel by the government due to the Cov leads to unexpected cancellations then such claims should qualify for payment, as these causes are mentioned in the aforesaid cover. However, losses due to cancellation caused by fear of contracting infection are not viable insurance risks. The 'cancel for any reason' clause/condition affords some level of trip cancellation protection, if the same is available, and has been opted for by customers.

There is however an ambiguity in relation to claims payment. The article goes on to say "A multi-trip or annual policy may not require you to give the travel details in advance, so you may get the policy. However, at the time of claim, expenses related to a trip to China may not be covered." This may be extended to include other places where the virus is now spreading. The rationale is not clear as to how the writer has arrived at this conclusion. In my opinion claims under a policy which has already been issued cannot be withheld or rejected unless the policy is cancelled by the insurers and premium duly refunded.

It is quite clear from the aforementioned discussion, that there is considerable divergence in the views expressed by different insurers. This ambivalence is bound to confuse customers. It is pertinent to note that the Insurance Regulatory Development Authority of India (IRDAI) has already issued Guidelines on handling of claims reported under Corona Virus vide their circular no. IRDAI/HLT/REG/CIR/054/03/2020 dated 04-03-2020. These guidelines have made it clear to insurers that CoV related claims are to be dealt with expeditiously under their health policies. It is time that the Regulator also takes similar initiatives in the sector of domestic overseas travel insurance for the convenience of customers.

Domestic Travel Insurance Covers

Domestic Travel Insurance is also available across a large number of public and private sector insurers in India. Since such covers are not mandatory, it is not essential to avail of them for domestic travel, as against the requirement of such products for international travel to several countries, where visa requirements make them a necessity. However, it would be prudent to do so. Though the reasons for availing cover may not seem to be as compelling, it is particularly necessary to avail of this insurance especially if the traveler does not have standard Health Insurance and Personal Accident Covers. It is also quite useful to cover possible losses arising out of flight delays and cancellations.

All Indian citizens between six months to seventy years of age can avail of these policies. The exact age may, however, vary across different insurers. Foreign nationals in India can also avail of these policies with proper documentation, if they are present on work or tour. In fact such policies would be quite useful for the latter category of persons.

As per the website of Bankbazaar.com , which describes itself as "a neutral online marketplace", most domestic travel policies offer a package encompassing many benefits. According to this site, these benefits include the following:

1. Accidental demise and PTD (24 hours)
2. Coverage for accidental hospitalization
3. Medical evacuation advantage in case of emergency
4. Deportation of remains benefit

5. Individual liability benefit
6. Accidental hospital money Benefit
7. Hotel accommodation rent if the trip is postponed due to delay in train/ plane arrival.
8. Loss of Ticket - Rail/Flight following accident
9. For transportation of family
10. Additional staff assistance in case of emergency (Only for business tours)
11. Ticket expenses if you miss the train or flight due to an accident

Some of the major providers include Reliance, Religare, Apollo Munich (now HDFC ERGO), Bajaj Allianz and TATA AIG.

To illustrate the point ; the Bajaj Allianz Bharat Bhraman Insurance Policy is one such policy, which is designed to take care of the risks faced by travelers travelling within India. It is a comprehensive cover with one compulsory and several optional sections. In fact, this makes it a very flexible policy which can be tailored to the specific needs of the domestic traveler. As per the Customer Information Sheet of this policy there is a Base Cover which is the Personal Accident Section.

Further, depending upon the mode/modes of transport opted for by the Insured he can opt for various optional covers. The optional covers include Accidental Hospitalization Expenses, Hospital Daily Allowance, Emergency Medical Evacuation, Personal Liability, Repatriation of Remains, Trip Cancellation, Emergency Hotel Extension, Missed Connection, Home Burglary Insurance, Bounced Hotel, Compassionate Visit by a Family Member, Delay of Checked Baggage, Loss of Checked Baggage, Trip Curtailment, Trip Delay by Scheduled Aircraft, Loss of Baggage and Adventure Sports Benefit. It may be observed that the covers are in line with those covers available for overseas travel insurance. Moreover, the Insured has the option of selecting those covers which he requires and ignoring those which may be already covered elsewhere.

An interesting low cost domestic travel cover is provided by a start-up Digit Insurance . They are offering a fixed-benefit cover for only domestic flight delays at a premium of Rs. 49/-, for a single flight. Subject to conditions, there is a benefit of Rs.1000/- for a delay of 90 minutes or more during the travel months of February to November. For delays of 120 minutes or more during the travel months of December and January, there is a benefit of Rs. 750/-. The claim process is mobile phone oriented and simple and hassle free. On conclusion of the procedure, the money is credited to the account of the Insured and can be used for any purpose that he deems fit.

The Digit on the Move Policy of Digit Insurance also covers travel in India or foreign countries. It is a comprehensive travel cover. As per Areas Covered it mentions "Area Covered- The area covered shown on your policy schedule which will be one of the following: India Asia Excluding Japan Europe - Schengen Countries Worldwide excluding USA, Canada and all Caribbean Islands Worldwide including USA, Canada and all Caribbean Islands".

Standard Travel Policy Exclusions

Be it domestic or overseas travel policies, there are some fairly standard policy exclusions, common to all insurers. As far as medical coverage is concerned; policies generally exclude the following: pre-existing diseases, those travelling against the advice of a physician, has received a terminal prognosis or those going for planned treatment. However, of late, some insurers are covering declared pre-existing diseases upto a limited and specified quantum. The new global health policies (analysed later) cover planned treatment abroad with the prior permission of the insurer. Treatment other than allopathy is normally excluded. Pregnancy related complications are covered in a very restricted way, by some insurers.

Travel policies also exclude expenses arising from suicide, attempted suicide, mental illnesses, self-inflicted injuries, alcoholism, abuse of drugs, HIV and AIDs and venereal disease. However as stated earlier, a few insurers are now covering some of these exclusions, with additional premium, in their student-specific policies.

Persons participating in naval, military or air force operations are also excluded. Travelling via transportation not licensed to carry passengers is not covered. Claims are also not payable for war, acts of foreign enemy, hostilities war be declared or not and nuclear radiation or contamination. However, Terrorism is covered unless it is explicitly excluded; as it is done by some insurers.

Expenses arising from Adventure sports are covered by a few insurers, to a limited extent. Baggage Delays are generally covered when they exceed 24 hours. Most of the coverages also come with their own deductibles or time excess.

Trip cancellation cover pays for cancellation of the trip in advance due to specified reasons, which varies from insurer to insurer. Payouts include unrecoverable expenses due to ticket and hotel cancellations, but the terms and conditions need to be verified carefully.

Some innovative overseas travel insurance products

The issue of coverage of pre-existing diseases is in my opinion, a very important dimension of overseas travel insurance plans. The costs of hospitalization treatment in USA/Canada and Europe etc. being prohibitive; it is essential to have adequate cover in this respect. Otherwise the traveller may find his savings wiped out in an instant. Moreover, a pre-existing disease cover must also be taken since there is a preponderance of pre-existing diseases, not only in senior citizens, but now even within the younger generation.

However, only a handful of overseas travel policies with this condition are to be found online . This data has been taken from the website of a registered web-aggregator, namely Instant Cover Insurance Web- Aggregator (EIndia Insurance).

In the 55 year old age profile of a traveller wanting a worldwide cover including USA/Canada for USD 50,000, TATA AIG's Silver Plan under Travel Guard offers a limited cover of upto USD 1500 to relieve acute pain or stabilise the patient for further treatment. Bajaj Allianz's Assist Card Classic covers pre-existing conditions upto USD 300 (deductible USD 100). Reliance General Insurance's Travel Care Standard covers pre-existing diseases which are of a non-critical nature upto the maximum limit of the sum insured, only in life threatening conditions. Religare's Explore Platinum $50,000 and Explore Gold $50,000 cover previously declared pre-existing conditions only in life-threatening conditions upto a limit of 10% of the sum insured. Thus the customers with pre-existing conditions have very limited options.

In this backdrop of restricted covers, global health insurance covers offer a much better option to the customers with pre-existing conditions. Global Health insurance covers have been launched by a few Indian insurers. They cover health care treatment both in India and abroad under the same policy. Not only is sudden emergency hospitalization covered abroad. Persons going abroad for planned hospitalization, with the prior approval of the insurer, can also obtain coverage under a global health plan. This is a significant feature of this genre of policies as normally persons travelling abroad for planned hospitalization are excluded from overseas travel policies.

Some of the insurers who have launched such products are Religare Health Insurance Company, Max Bupa Health Insurance, Cigna TTK Health Insurance and Apollo Munich Health Insurance (now HDFC ERGO). This information has been sourced from the website of the web aggregator Bank Bazaar, registered by The Insurance Regulatory Authority of India.

Religare Care is one such policy featured in the list of global policies . The policy is available for persons between the ages of 5 years to 75 years with lifelong renewability. It can be availed of by individuals or families on floater basis. As of now there is a sum assured of Rs. 60 lakhs plus . The Global Coverage Benefit allows treatment anywhere in the world. It allows for treatment upto a maximum period of 45 days in a single trip and upto 90 days in all, in a policy year. But additional premium has to be paid to extend the cover to the USA. Co-payments are applicable. The treatment coverage that has been mentioned appears to be fairly comprehensive. However it has not been clearly mentioned as to whether all the benefits indicated, are also available for treatment abroad, as well. It is also not clear whether cashless treatment can be availed of abroad.

However, critics advise caution prior to opting for global covers. No doubt, they seem to be a solution to some of the constraints presented by standard overseas travel policies; but it would be prudent to take a considered view of the

nature of coverage before paying a high premium. As per a leading Wealth Advisor, Mr. Vivek Rege , Religare Health Insurance Company does not pay for pre and post hospitalization treatment costs abroad. Moreover, there are additional expenses for Out Patient Department optional cover. The co-payment clause also adds to the expenses. The maternity benefit extension is only available in a family floater and so it is ruled out in case of an individual.

He also goes on to say that these covers maybe four to five times as expensive as standard health policies, particularly as the sum assured necessarily has to be high. The benefits are well-defined and may not allow flexibility at the time of claims. Pre-existing conditions also have a waiting period of three to four years, which varies across policies and so one has to pay premium for quite some time before one enjoys this advantage. Further, insurers of these policies settle claims on reimbursement basis mostly, and so there is a huge out-of-pocket expenditure in foreign currency before receiving the claim in India.

However, on balance, it is still a new and better proposition for the foreign traveler compared to the standard and restricted covers available earlier. It is expected, that with time, the range of covers may also become more affordable, comprehensive and customer friendly.

Which is the best Travel Overseas Insurance Policy?

This is a question which would definitely come to the mind of the Overseas Traveler, when he is looking for travel insurance at the time of going abroad. However, even for academic purposes, to give a considered answer to this question requires a lot of thought. Selecting travel insurance should not just be an afterthought after all other travel arrangements have been made. This is as important as other travel arrangements, as some perils can jeopardize an otherwise perfect trip. This is where a good overseas travel insurance plan is a life saver. A budget should also be kept aside for travel insurance.

A good overseas travel plan would definitely not be the cheapest policy or the one casually recommended by the overseas traveler's travel agent. Though of course the Proposer should compare prices, and the travel plans of the major insurers , there are many other important aspects to be examined, as well.

First and foremost, whatever may be the age profile of the Proposer it would be wiser to focus on the medical costs of hospitalization in his destination country to decide what would be an adequate sum insured for him and or his family. Then he and his family should also go in for a thorough medical check-up and ascertain their state of health well in advance.

Does he have any pre-existing disease? Then it would be prudent to select either a global cover, if funds permit, or a policy with pre-existing conditions. He should also check for other benefits such as Medical Evacuation, Dental Treatment, Outpatients Department Cover (in case OPD treatment is required) Hospital Cash and availability of cashless facilities to avoid out-of-pocket expenses in foreign currency. Is he a senior citizen? Then the requirements will be different and suitable travel plans have to be examined.

A Personal Accident cover is usually part of the package and is very necessary. Baggage loss covers, loss of Passport and other important travel documents are part of the standard covers but usually come with a deductible. The same must be verified in advance. Delayed or cancelled flights can be covered and the customer can get compensation. Additional stay in hotels due to hospitalization can also be covered and it is for the customer to decide whether these covers are really necessary.

If he has purchased flight tickets and has hotel accommodation booked in advance then he should also check the trip cancellation cover rules as otherwise he will suffer a big loss, in case of trip cancellation due to some unforeseen peril. There are different conditions for payouts in trip cancellation covers across different insurers. The same should be examined before taking the cover, as it may prove to be very useful in case of trip cancellations due to some unforeseen reason.

Last, but not the least the claims ratio of the selected insurer must be examined to verify as to what is their record in claims payout. Is it satisfactory as compared to other insurers or does it rank way below the others? The policy conditions and exclusions vis-à-vis the coverages must be examined thoroughly. The claims procedures for different kinds of claims must also be examined to avoid unpleasant surprises at the time of claims.

To sum up the best travel insurance policy is one which meets the customer's specific requirements adequately within a reasonable premium; provides him with the promised support at the time of distress and is prompt with the payout, at the time of claims.

Steps for hassle-free claims under Travel Insurance Policies

The most important part of any policy is the timely payment of claims and the same holds true for Travel Insurance Policies.

To start with, it would be important to correctly fill in the Proposal Form and not withhold any information which would prejudice claims later on. For smooth claim payment under travel policies it is important to be very clear about the policy terms and conditions and particularly the exclusions. For example, pre-existing conditions are excluded in most travel policies. So claims may be excluded for that reason. This is in fact a common reason for rejection of medical travel insurance claims and should not come as an unpleasant surprise at a critical time and cause fund problems.

If one presents an adventure sports related claim, that too would also be rejected under most policies, unless it has been specifically covered. It is common to indulge in alcohol during holidays. However this is again a reason to exclude claims by insurers. So it is important to know at the outset as to what is not covered by the insurer.

To give another topical example it has been reported that the onset of Covid-19 caused many persons to cancel their overseas trips to the affected countries, even before advisories and flight cancellations started. But they did not get the payouts they expected under their Trip cancellation Cover because the onset of a pandemic or pandemics in general are not listed in reasons why trip cancellations are allowed.

In this context, it would also be relevant to say that advisories by the insurers which are available on their website from time-to-time should also be checked to avoid unexpected setbacks later on, even if one has already purchased a policy from them. This will avert problems under multi-trip annual policies at the time of claims. For example many insurers have issued advisories about their policies with the onset of Covid-19.It would also be prudent to check with the insurance advisors or the insurer's Helplines on their toll-free numbers for any queries in this regard, before embarking on a trip,in case of doubt, to avoid confusion later on.

The claim procedure for medical and non-medical claims is also mentioned clearly in all websites. The requirements for say a baggage loss claim, would be different from a medical claim. So the procedure has to be carefully adhered to for smooth and hassle-free claim payment.

Last but not the least, it would be better if some basic documents are always maintained carefully as well as keeping a soft-copy of each, as they will always be required for claims. These documents include the original policy copy, claim form, air-tickets or trip tickets, correspondence with airport officials for baggage loss/baggage delays, FIR or Report with police authorities for theft and hospital documents in case of reimbursement claims. Moreover, all important documents which help to substantiate a claim must be preserved and presented properly at the time of claims.

Needless to mention, fraudulent or false claims must be avoided under all circumstances as otherwise not only will the claim be rejected, but the policy would also be cancelled forthwith and the customer blacklisted.

There are well-established grievance-redressal mechanisms in case of disputes with the insurer. However, it would be advisable to read the "fine print" of the policy one is opting for up-front and to clarify all doubts in advance, so that lengthy and protracted procedures subsequently are not at all required.

Insurance Regulatory Development Authority of India (IRDAI) and travel policies

In my opinion, this sector needs more attention from the Regulator. In line with standard health policies, there are many areas which could do with a relook. Customers are often confused with the variety of different products from various insurers with varying terms and conditions. The introduction of one universal travel policy with similar coverages and exclusions across all insurers, such as Arogya Sanjeevani in Health Insurance, would be of immense help to customers . Common definitions for different coverages such as Trip Cancellation Cover is also required urgently. Incorporation of coverage for pre-existing diseases by all insurers, would also be a welcome addition to travel policies.

Conclusion

One hopes that the Covid-19 threat soon stops looming over the travel horizon and the travel sector which is practically at a standstill, improves once again. The need of the hour is that insurers come out with more innovative and affordable travel products. Some combined domestic and overseas travel covers, global health insurance policies and low-cost policies for the customer to utilize, with the encouragement and under the supervision of a vigilant Regulator will transform this field appreciably. The American travel blogger and New York Times bestselling author Nomadic Matt says "travel safe, travel far, travel wide and travel often". I would like to add that it would be advisable to do all this but with a good travel insurance policy packed with your luggage.

References

Various Sources. ❑

HOW RESTORING WATER DAMAGED ASSETS IS DETERMINING BUSINESS CONTINUITY

Water has always been considered to be an essential element sustaining life. But water in excess can prove to be a destructive force. Where on one hand it plays havoc with the lives of people, on the other hand, it can have a tolling effect on the business. The draining effect can cause water damage which can bring a business to a halt and in worst cases can even lead a business to shut down. The revenue loss incurred while staking the reputation of the business can discourage its potential customers who with time seek alternative service/ product providers in the segment which can forfeit the business forever.

Time is a determining factor in dealing with the water menace. The first 24 to 48 hours are very crucial. It is a paradoxical situation where time cannot be wasted in waiting but at the same time, one cannot even jump to make hasty decisions. A solid emergency disaster plan must be devised beforehand to tackle such unforeseen situations. Prior education on the basics of water damage is important to address the issue. In the majority of the cases, companies are more likely to resort to the insurance company for help who in turn recommend seeking advice and service from a professional restoration team to repair the damage. Highly trained professionals with proper knowledge of sophisticated technology and equipment to control the water damage are needed to manage the crisis and restore the business operations back to normal.

About the author

Deepak Pahwa
Director
Technical Drying Services

Here Water Damage Restoration is highly efficient in achieving the desired result to deal with the damage. It is an emergency service having a niche in drying and restoring water-damaged assets. It not just ensures the safety of the occupants but also promotes the preservation, protection, and security of the assets from further damage while restoring the material to its original functionality.

During the restoration process, regulating the humidity plays a very pivotal role as it amplifies the drying process of the damaged area. As wet and moist conditions harbor a disastrous combination it becomes even more imperative to maintain relative humidity within a very narrow range. Warm air has more capacity to hold moisture than cool air. A condition where high temperature is coupled with low relative humidity (RH) sets the stage for rapid evaporation of water. But when reversed it shows a negligible impact on the evaporation process.

Things can even get worse if the relative humidity reaches its 100% capacity. It causes condensation formation on the surfaces which in turn can give rise to problems of mold, corrosion, decay, and other moisture-related deterioration. It is recommended to maintain the temperature at 72°F with RH between 50-55%. Lowering the RH further by less than 40% accelerates the evaporation process. But during the course of action, it is important to ensure that the temperature of the damaged area is not raised.

Hence, dehumidification offers a more viable and advanced solution to the problem. It is highly efficient in physically removing moisture from the air. Increasing the airflow has a huge impact on lowing the moisture content (dehumidification) which further speeds up the evaporation process. It reduces the risk of condensation, deterioration of furniture and building material, and eliminates the damp condition which can be a source of mold, mildew, cockroaches, or mites.

But before starting the Water Damage Restoration process, it is important to understand the basics and analyze the common factors which can lead to water damage, and understand the categories of water to find viable solutions

for the problem. Look for any water line failures, leaks or freezing; any sprinkler system malfunction; construction defects or tub and sink overflows. Regularly monitor for any defective appliances and fixtures, sewer backflows, fire suspension discharge, vandalism, and rainwater intrusion or flooding.

In the next step, it is very crucial to categorize the water causing damage. Given to the inherent properties of the water, there are three types of water. Category 1, also known as Clean Water, Category 2 - Gray Water, and Category 3 - Black Water. By the name itself, clean water is less prone to trigger contamination. It poses substantially less health risks to humans.

It can either come from broken water supply lines, contaminant-free tub or sink overflow, or rainwater. Inefficiency in handling the clean-up process within 24 to 48 hours can lead to water contamination and increase the risk of mold growth. As the water damage is not extensive it can be dried by the maintenance staff without any further assistance.

Gray water, on the other hand, contains a significant amount of chemical, biological and physical contaminants like fungal, bacterial, and viral algae, etc. which necessitates seeking professional help from qualified restoration companies as its exposure can cause discomfort or sickness to humans. The major potential sources of gray water can be dishwasher or washing machine discharge, toilet bowls overflow containing some urine, slump pump failures, hydrostatic pressure causing seepage, fire protection sprinkler water.

They provide a conducive environment for microorganisms to thrive which can further be worsened with the presence of moisture and warm temperature which increases the risk of mold growth. Furthermore, if left untreated for more than 48 hours it can inherently get converted to black water with a higher risk on human health.

Black water gives rise to the worst type of water damage. It is grossly unsanitary and unhealthy containing pathogenic agents which can rise from sewage or floodwater. Given to the huge health and financial risks it commands, no time must be wasted and professional restoration services must be contacted with immediate effect.

In addition to the above three water categories, there can be presence of regulated or hazardous materials like arsenic,

mercury, lead, asbestos polychlorinated biphenyls (PCBs), pesticides, fuels, solvents, caustic chemicals, and radiological residues which can only be managed by specialized experts.

Based on the category of water damage, a suitable restoration process can be employed depending on the extent of damage, degree of contamination, and replacement vs restoration costs. TDS offers end-to-end Water Damage Restoration solutions that heavily employ Desiccant Dehumidifier to eliminate moisture from affected material and makes use of high-velocity air blowers to accelerate the evaporation process ensuring quick drying. It plays an instrumental role in inhibiting the potential secondary and tertiary damaging effects caused due to standing water which can harbor fungus, mold, mildew, corrosion, etc.

By delving on vast industry knowledge, it has acquired expertise in providing effective professional solutions for water mitigation with the help of dehumidification system. TDS services are acutely beneficial for businesses as they reduce the interruption to production activities by substantially minimizing the degree of loss and saving on reconstruction costs and time. As a result, the damage compensation expenses incurred by the insurer are also decreased immensely.

The process involves water removal techniques that require Dehumidifier. It oversees all the intricate operations entailing evaporation and dehumidification. Coming with 200 man years of technical experience, TDS is highly adept at drying and restoring water damaged assets like electromechanical equipment, generator, transformers, turbines, electronic equipment, computer & data storage devices, documents, furniture, structural components, etc. ❑

General insurers seek clarity on various provisions from IRDAI

General insurance companies have sought clarity from the Insurance Regulatory and Development Authority of India (IRDAI) on various provisions relating to surety bonds. While the product came into effect from April 1, most general insurers have evinced interest, but have indicated that they cannot move ahead without more clarity on the structure and pricing of these bonds. There are also concerns relating to default, reinsurance support as well as experience and capacity to underwrite such bonds.

“We are working with the IRDAI and have sought clarifications,” said executives with two general insurance firms. A top concern is that general insurers do not have the same understanding of customers as banks. “We are not placed at par with banks in terms of assessing risks and underwriting for such products. We need to understand how to move forward on this,” said one executive. Another insurer noted that there has to be clarity on where these bonds stand under the Insolvency and Bankruptcy Code.

“Without any clawback that banks have through the IBC process, we can’t offer these bonds,” he noted. The industry is hopeful of IRDAI’s quicker response after which insurers plan to take a call on offering such products. The IRDAI had in January this year issued guidelines to regulate and develop the surety insurance business. A surety is a contract to perform the promise, or discharge the liability of a third person in case of his default. The person who gives the guarantee is called the Surety; the person in respect of whose default the guarantee is given is called the principal debtor, and the person to whom the guarantee is given is called the creditor.

General insurers can offer surety insurance contracts to infrastructure projects of the Government and Private in all modes, it had said. Finance Minister Nirmala Sitharaman had in the Union Budget 2022-23 announced that to reduce indirect cost for suppliers and work-contractors, the use of surety bonds as a substitute for bank guarantee will be made acceptable in government procurements. “Business such as gold imports may also find this useful. IRDAI has given the framework for issue of surety bonds by insurance companies,” she had said.

LET,S DRIVE SAFELY- ITS A DETARIFF - ZONE

The Indian insurance industry faces multiple challenges today. One of them is the issues involved in moving from a tariff to a detariff market. The last experience, when marine insurance was detariffed in 1994, was horrendous for the industry. The general insurance industry had no clue what awaited them. Premium rates touched unrealistically low levels, leaving the industry reeling for years and dying under suicidal competition threat. The market cannot afford a similar experience.

Insurers, especially the smaller players now fear the move into detariff zone. The reason, first and foremost being the Indian market does not have reliable, sufficient and detailed data required for actuarial analysis and pricing. Rating, based on limited data could mean a repeat of the 1994 experience.

About the author

Sanjay Singh
MBA (Insurance),Fellow-III,DCII-London
Shriram General Insurance Co Ltd
Jaipur

Preferential rating would not be possible. Thus clients, with a claim free track record are clubbed with those having a poor claim record. In a growing competitive environment, can insurers afford to offer a uniform rate to all? Growing insurance awareness brings with it a discerning insuring public who do not accept the 'one rate fits all' policy any longer.

If one were to look at the history of the Indian insurance industry, major landmarks have taken place in every other decade starting from the 1930s till the end of the last century. It was in 1938 the Insurance Act setting the rules and regulations for the insurance market were passed. In 1956 the Life Insurance Act was passed giving birth to the Life Insurance Corporation of India (LIC). In 1972, the General Insurance Business Nationalization Act was passed nationalizing all general insurance companies and organizing them into four subsidiaries of the General Insurance Corporation of India (GIC). In 1999, Insurance Regulatory and Development Authority (IRDA) Act was passed, opening up the industry to Private Indian and foreign participation. The recent changes being the IIB rates catering to the entire occupancies of Fire line of business and the sand box regulations promoting new and dynamic inventions in this field.

The market has evolved with each of these legislations. Insurance is a long- term business and it takes a while for the market to mature and support the economic growth of the country. But can the Indian market wait for another two decades for development of essential support agencies to take place? What does the market require to aid companies in a competitive, regulated and open market environment?

The market today is getting fragmented with the entry of new insurance providers. As far as the private insurers are concerned, at this stage their premium turnover is too small to be taken as base for actuarial exercise. The Public sector companies have a wealth of legacy data, which lies in various dockets in India. Collecting and collating them for meaningful analyses at the time of detariffing motor and other products is not an impossible task but is extremely time consuming, difficult and expensive. The question is who will foot the bell for this initiative?

What is the way out for India? A possible road map for India to move to a market experience based rating is to begin aggregating market data immediately. A market aggregator collects and aggregates detailed data from all the insurance companies and offers consolidated data back to the companies. This helps in better pricing, improved market segmentation, optimum reserve creation for unexpired risks and assists in product design.

A market aggregator collects policy and claims information from all the insurance companies in the market and consolidates the data. This is a highly specialized job. With the huge database at their disposal Market Data Aggregating Agencies (MDAA) can design policy coverage, analyze trends and provide other data related services. The market gets to use consistent and sufficiently large data. This makes pricing a lot more accurate and enables insurers to offer preferential ratings. Besides pure actuarial data an MDAA could offer policy wordings, new product designs, possible rating structures and underwriting rules.

This saves the industry's valuable resources and time. Individual companies would have to duplicate the task at an incremental price. Experts in the statistical, actuarial and technology fields can be hired for the market as a whole. The best of talents can be afforded because of shared costs.

MDAAs help not only the insurers and regulators but also the customers who would have the confidence that they are priced at an accurate rate based on past claim history and risk profile. The lag time between filing products with the IRDA and getting an approval is kept to a minimum of 30 days (file and use period) since objections from the regulatory angle would be preempted. As an alternative the MDAA could apply for approval from the IRDA and offer an approved product for insurers to launch quickly.

Companies' ability to respond suitably to the dynamics of the market, meeting regulatory, statutory and legal requirements could be possible with the least turnaround time. This would be the base product. Companies using this service could of course modify the 'vanilla' product to suit their company specific requirements. This being a purely statistical exercise a large population size coupled with detailed data means better predictions. Predictions based on market data are a lot more accurate than they it would be if based on data of a single company.

In a developing market like India it is all the more true, especially for the new entrants who together have a market share of around 10 per cent. Besides, information for a particular line of business, which is new to the company, can be approached more confidently, armed with accurate market experience. This is true even in a large market like the US, where most insurance companies use the products and services provided by the market aggregator, Insurance Services Office (ISO).

The Insurance Services Office (ISO), a thirty two year old organization in the US, is a popular provider of state approved property and casualty products and services. They hire fellows and associates from the Casualty Actuarial Society (CAS), Certified Property & Casualty Underwriters (CPCU) as well as certified professionals from Insurance Data Management Association (IDMA). They are also supported by legal, government and regulatory experts who analyze the effects of changing legislations and regulations on the business.

ISO provides standardized wordings and coverage based on years of market data. This can either be used as is or companies can modify them to suit their own requirements. Everyone, insurers, intermediaries and clients, benefit from ISO with reduced costs, prevent fraud and support competition by providing comparative information to aid decision-making.

What can IRDA do? IRDA has two major roles to play, development of the insurance market and protection of policyholders' interest. IRDA can facilitate the setting up of an MDAA. Regulations require that certain data be submitted to the Authority. But a lot more detailed data is required to be aggregated. This initiative has to begin immediately, when the operations are small and easy to manage and maintain. This way IRDA and the insurance companies become privy to aggregated data. This could be handled by an external agency with proper credentials and resources and enjoying IRDA's confidence. This being a purely statistical exercise a large population size coupled with detailed data means better predictions. Predictions based on market data are a lot more accurate than they would be if based on data of a single company.

In India the patronage of IRDA is required at this stage because nobody else is going to be able to manage and invest in such a venture. This will definitely go on to be self-sustaining.

Proposition being funded by the insurance entities through a fee on products and data. There is no question about the confidentiality of the data being published because these will be generic summarized data and not individual case history. For example, the MDAA will aggregate data on motor vehicles insured in terms of models, makes, seating capacity, driver profile and so on. The rate approval function of the IRDA would be a lot easier and meaningful if it had access to authentic actuarial data. What are the benefits that the Indian market can look forward to with an MDAA?

Benefits rendered by MDAA:-

Insurance Entity	Benefits from an MDAA
Insurers	❖ Benefit of complete market data ❖ Shared costs of actuarial analysis ❖ Quick turnaround time to react to changing consumer, regulatory, legal and statutory requirements. ❖ Reliable, accurate and sufficient data to take strategic decisions ❖ Supports competitive pricing but ensures that the limits are not crossed ❖ Supports differential pricing ❖ Assists in predicting losses more accurately ❖ Ensures policy wordings and coverages meet the legal and regulatory requirement ❖ Innovative product offerings
Intermediaries	❖ Better pricing rationale for their clients ❖ Helps stay competitive
Regulator	❖ Confidence that products are appropriately priced ❖ Realise the objective of developing the Indian market in a scientific manner ❖ Since loss predictions are more accurate appropriate reinsurance policies can be spelt out ❖ Industry as a whole keeps expenses low thereby supporting the growth of the market ❖ Easy to provide a benchmark rate for the market
Clients	❖ Gives confidence that the products ore priced properly ❖ Gives a choice of coverages to choose from ❖ Access to newer products

In conclusion, the Indian insurance industry could get a boost with access to detailed, accurate market data both historical and current. It is important that this initiative is supported all the way by all the participants. ❑

Omicron: New mutant detected in COVID-19 patients in Delhi

A new SARS CoV 2 mutant, BA. 2.12.1, related to the Omicron subvariant BA.2 but with other distinct changes, may be driving the current surge in COVID-19 cases in Delhi and surrounding districts, top sources in INSACOG, India's coronavirus genomic surveillance project, told Moneycontrol. When contacted for an official version, Dr Sujeet Kumar Singh, director, National Centre for Disease Control (NCDC), the agency under Union health ministry which is leading the INSACOG project, confirmed the detection of the variant in Delhi but did not elaborate more on this.

Sources, however, said that the BA.2.12.1 variant has been detected in several samples from the national capital that underwent whole genome sequencing over the last few days. BA.2.12.1, along with BA.2.12, the other subvariant of Omicron BA.2, was recently identified by the US Centers for Disease Control (CDC) in New York and a few other parts of the US and is said to be behind the rise in cases.

ROLE OF RISK MANAGEMENT PROFESSIONALS IN EMERGING ECONOMIES

Introduction

In the current ever-changing economic scenario, different risks require different techniques to deal with them. There are fewer chances that the risk varies in developed economies. However, there is a high probability that there are various risks in emerging economies that are continuously and quickly changing. Managing the risk in developed economies is not so challenging than an emerging market due to volatility and uncertainty. Therefore, due to new risks in emerging markets, and the high likelihood of occurring risk, the risk management professionals require unique and effective skills to deal risks efficiently.

Role of Risk Management Professionals in emerging economics

Organizations have to manage their activity levels and share insights with risk management professionals. These professionals will assess and identify the risk faced by the organization due to emerging economies. Based on such identifications of risk, concrete steps are taken to manage the volatilities and uncertainties (Olsson, 2002). The following are the risks faced in emerging economies and risk management professionals' roles to reduce or eliminate them.

Author

Ajit K Gopal

(1) Strategic Risk		
Political	Local Market /Industry	Competitive

(2) Operational Risk		
Pricing	WorkForce	Security
Supply Chain	Intellectual Property	

(3) Regulatory Risk	
Compliance/Integrity	Fraud, Bribery, and Corruption

(4) Financial Risk		
Currency /Treasury	Trade Credit	Financial Reporting

1) Role of Risk Management Professionals in Strategic risk management.

(a) Political Risk

Political risk is related to change in the ruling government in which emerging market operates. There is no technique to predict unstable regimes from the political level. From the professional risk point of view for emerging economies, the only response is to remain compliant with laws and regulations, to abide by the statutory requirements and adapt to the government policies. A risk management professional remains vigilant while monitoring the changes in local governments' priorities and ensures alignment of organizational activities accordingly (Clarke and Varma, 1999). For such purpose, these professionals remain in active relationships with government departments and political parties and stay connected to gain first hand knowledge of changes in government statutory requirements. Additionally, organizations opt to become members of business and trade associations to raise voice and concern via public voice to ruling governments. Political mastery can become a source of competitive advantage and a means of avoiding losses.

(b) Local Market /Industry Risk

This risk is related to volatility and uncertainty in the market and industry condition of emerging economies in which organizations operate. Risk management professionals' most critical response to these risks is the methodical and continuous testing of market circumstances. Risk Management professionals remain connected with the local market participant to gain knowledge of the local market culture. These professionals then raise the requirements to invest in technologies and upgrading organizational machinery to reduce costs. Such a response in the shape of the introduction of new brands and the acquisition of new companies or products can respond to local market and industry risk by risk management professionals effectively.

(c) Competitive Risk

This risk is referred to as competition in the local industry of emerging economies. Risk management professionals can respond to this risk by including competitor SWOT analysis and customer requirements through surveys and research. Along with a business consultant, these professionals will then analyze the competitive strategies adopted to gain a significant market share. For such purpose, investments need, and advancement in product quality will play a prominent role in responding to competitive risk aversions.

2) Role of Risk Management Professionals in Operational risk management

(a) Pricing Risk

Pricing risk refers to identifying the correct and acceptable price of a product that customers accept to purchase the product. Risk Management professional suggests that pricing risk can be managed through a cost-effective approach at raw material purchases, the economics of scales, and logistic expenditures in emerging economies. Purchase departments negotiate at the best available price in the market. Risk professionals suggest that market analysis will maintain the benchmarking cost for raw material items. Along with business professionals, they can respond to these risks by working closely with customers to supply the best value-added products that satisfy their needs.

(b) Workforce Risk

Emerging economies are facing a shortage of skilled workforce. This shortage may comprise technical as well as manual labours. To face this risk, risk management professional's advice to adopt human resources strategies to overcome the supply of labor force. Such strategies may be consisting of providing training and educations programs to improve the technical skill of labourers. Offering competitive market remuneration to a deserving candidate can overcome this work force risk. Overall, labourers can be handled via labour unions or through HR consultants. Further, technical staff assistance can be obtained from other countries or via remote working strategies in case of local shortage.

(c) Security Risk

The security risk is referred to as the law and order situation in rising economies. This includes security and safety of physical properties, goods, human resources, and organizational assets, either tangible or intangible. From the risk management perspective, professionals review security as significant threats to destabilize the economy (Cornalba and Giudici., 2004). Organizations shall focus on the risk management professional and security consultants to secure themselves from any risk that arises from destabilized law and order situations. In case an organization requires prior intimation related to a security risk, risk professionals can carry out security reviews against the organizations' risks. They can advice using insurance coverage for properties, medical, and other operational related matters. Further security planning and back plans can be suggested by the risk professional to cover the risk aversions.

(d) Supply Chain Risk

This risk is referred to as an assessment of customer and suppliers review related to product offer by organization in emerging markets. Such risk can be mitigated by maintaining close business relationships with wholesalers, distributors, suppliers, and final products' consumers. Risk professional suggests that the organization shall ensure the availability of alternative suppliers and multiple outsourcing options to eliminate any delay in productions. Further, the organization shall develop direct contact to get firsthand knowledge of customer requirements and the latest customers' tastes.

(e) Intellectual Property Risk

It refers to copying the work created by an organization such as product, brand, and design. Emerging economies, such as China, face a significant issue of protecting intellectual property rights where protection is nearly impossible. Risk Management professionals suggest protection of intellectual rights by trademark registration. Further, the organization may protect their agreements and contract containing the designs and model secrets by covering the protection act with lawyers and risk management professionals' help.

3) Role of Risk Management Professionals in Regulatory risk management.

(a) Compliance / Integrity Risk

An organization faces the compliance risk when there is a failure to act by the guideline laid with applicable industrial laws, regulations, policies, and procedures desired by regulatory bodies (Bürer and Wüstenhagen., 2008). Exposure to penalties, financial forfeit, and reputation loss to an organization is faced against the compliance risk. Risk professionals in emerging markets monitor the day-to-day changes in legislation and check its compliance with organizational, operational activities. Any gaps identified during such exercise is reported, to rectify and become compliant with regulations. For such purposes, risk

management can use experts such as auditing or accounting firms to gain expert advice. Further, the organization shall strengthen the internal compliance department to look after statutory issues in coordination with regulatory bodies.

(b) Fraud, Bribery and Corruption risk

This risk arises due to the illegal exchange of an undeserved return to pressure someone's behavior. It is also any illegal or inappropriate behavior that seeks to get a benefit through illegitimate sources. Risk management professionals suggest implementing healthy internal controls through documentation and monitoring of transactions for clear signing authorities. The organization shall implement policies such as a code of conduct, training, internal communications, and management policies to educate the staff members to avoid such practices. Anti-fraud departments, along with internal audit, can perform yardstick function by use of whistle blower policy.

4) Role of Risk Management Professionals in Financial Risk management.

(a) Currency /Treasury Risk

It is linked with the administration of corporate holdings, which covers money market instruments, equities, liquidity, and capital (Christoffersen, 2011). With the middle money market management strategy's help, risk management professionals respond to these risks through hedging techniques. To support the hedging, natural hedging toll and the negotiation of foreign deals in local currency can cover the treasury risk. Risk professionals appreciate, if the organizations have separate middle money market risk department, which will remain responsible for control, risk mitigation procedures, and limiting currency exposure.

(b) Trade Credit Risk

This risk arises when customers are unable to pay the bills on account of the purchase of goods on credit. Therefore, such risk gives rise to shortage of cash inflow, which is required to be managed by organizations themselves. Risk management professionals suggest that critical client analysis shall take place with credit ratings and payment histories via third party credit agencies to mitigate this risk. Some credit policies require specific pre-requisites to be fulfilled before extending credit purchase facilities to customers. These requisites shall cover imposing credit terms such as limitation of supply of goods and bad-debt treatment policies. Risk professionals will cover all aspects to secure the corporate financial interest through these measures.

(c) Financial Reporting Risk

It is referred to as risk that may arise due to the inaccuracy in financial reporting data to regulatory authorities. The entire organization faces such risk as different departments share different data types with regulatory bodies, as per statutory requirements. Risk management professionals suggest reporting the financial data via systematic reporting templates duly automated via the core system to gain direct information to cover this risk. The respective department shall validate such numbers. By implementation of a systematic check, the chances for inappropriate financial reporting will be minimized.

Conclusion

The economies of the world are not static. They are rapidly changing, along with risk uncertainties and volatilities. Due to these, emerging risks are to be faced by emerging markets. To respond to these risks, risk management professional spreads across the industries to reduce such risks and their effects. However, despite risk management professionals' availability, entire responsibility cannot be a burden over them. Immediate, relevant departments shall be the First Line of Defence to mitigate the risk, and risk management professionals shall support them with their expert opinion as the Second Line of Defence. The Risk Management professionals, while dealing with emerging economies should plan for the worst and ensure the utilization of tools and technologies to reduce risk to the lowest possible extent.

Reference

1. Olsson, C., 2002. Risk management in emerging markets. Financial Times and PrenticeHall, London.
2. Clarke, C.J., and Varma, S., 1999. Strategic risk management: the new competitive edge. Long-range planning, 32(4), pp.414-424
3. Cornalba, C., and Giudici, P., 2004. Statistical models for operational risk management. Physica A: Statistical Mechanics and its applications, 338(1-2), pp.166-172.
4. Bürer, M.J., and Wüstenhagen, R., 2008. Cleantech venture investors and energy policy risk: an exploratory analysis of regulatory risk management strategies. Sustainable Innovation and Entrepreneurship. Edward Elgar Publishing, pp.290-309.
5. Christoffersen, P., 2011. Elements of financial risk management. Academic Press.

100K excess premature deaths linked to air pollution in 8 cities

Exposure to air pollution has been linked to 100,000 excess premature deaths in the Indian cities of Mumbai, Bangalore, Kolkata, Hyderabad, Chennai, Surat, Pune and Ahmedabad between 2005 and 2018, according to a study.

The international team of scientists aimed to address data gaps in air quality for 46 cities in Africa, Asia and the Middle East using space-based observations from instruments onboard NASA and European Space Agency (ESA) satellites for 2005 to 2018.

The study, published last week in the journal Science Advances, shows rapid degradation in air quality and increases in urban exposure to air pollutants which are hazardous to health.

The researchers found significant annual increases in pollutants directly hazardous to health of up to 14 per cent for nitrogen dioxide (NO_2) and up to 8 per cent for fine particles ($PM_{2.5}$).

They also found increase in the level of up to 12 per cent for ammonia and up to 11 per cent for reactive volatile organic compounds.

The team, including researchers from the Harvard University in the US, attributed this rapid degradation in air quality to emerging industries and residential sources like road traffic, waste burning, and widespread use of charcoal and fuelwood.

OVERVIEW OF PUBLIC LIABILITY INSURANCE ACT, 1991

The advent of the industrial revolution has brought about the social impact of accidents in manufacturing plants. With the evolution of sophisticated manufacturing product lines and use of hazardous chemicals, the risk for humans is high. According to the recent report published by the National Disaster Management Authority (NDMA), 130 major chemical accidents have been reported in the last decade, resulting in 259 deaths and 563 injuries.

Majority of the people affected due to such industrial accidents are found to be from the economically weaker sections and suffer huge financial hardships as they get delayed relief and compensations. However, workers of industrial units are protected under Workmen Compensation Act, 1923, but there is no such protection for the affected public.

About the author

Swagata Karmakar

M.A. (Economics), International Post Graduate Diploma in Insurance-IIRM, Hyderabad, F.I.I.I..

We are aware that worst industrial disaster in the world happened on a cold winter night in the early hours of 3rd December, 1984 in Bhopal. Nearly 25,000 people died in that incident and lakhs of people were injured.

A need to enact one Statute law was felt by Government of India after that event. The Public Liability Insurance Act (PLI Act), 1991 has been enacted and effected from 01st April, 1991. The object of this Act is to provide through INSURANCE immediate relief by Owners to persons affected due to accidents while handling hazardous substances on NO FAULT LIABILITY basis i.e., claimant need not be required to establish that the death, injury or damage in respect of which the claim has been made was due to any wrongful act, neglect or default of any person.

The definition of Owner includes any Firm or its partners, Association or its members, Company or its Directors and all other persons associated and responsible to that Company in the conduct of their business and also covers any person who owns or has control over any hazardous substance at the time of accident.

According to Section 4(2A) of the PLIAct, Insurance Policy is to be purchased by the owner for an amount up to the paid-up capital of the Undertaking but not exceeding Rs.50 Crores. But as per Rule 10 framed under the Act provides that the maximum aggregate liability of the Insurer to pay relief under an award to the several claimants arising out of an accident shall not exceed Rs.5 crores (AOA) and in case of more than one accident during the currency of the policy shall not exceed Rs.15 crores (AOY) in the aggregate.

In case of claims exceeding this statutory limits, it is to be met by Environmental Relief Fund (ERF) set up under Sec. 7A of the Act and managed by the Authority appointed by the Central Government. The liability beyond the total insurance and the Relief/Fund is to be borne by the OWNER.

Environmental Relief Fund (ERF) is created by contribution of equal amount of premium charged and collected from the Owner by the Insurance Company.

Schedule of Compensation

Section 3 (1) of PLIAct, 1991 provides Relief in the following scale:

Sl.No.	Impact of accident	Quantum of Relief per person	Additional: Actual Medical Expenses incurred per person
1	Death	Rs.25,000/-	Rs.12,500/-
2	Permanent Total Disability	Rs.25,000/-	Rs.12,500/-
3	Permanent Partial Disability	Amount of Relief on the basis of %age of disablement as certified by Registered medical practitioner	Rs.12,500/-
4	Temporary partial disablement which reduces the earning capacity of the victim	Fixed monthly Relief not exceeding Rs.1,000/- per month up to a maximum of 3 months, provided the victim has been hospitalized for a period exceeding 3 days and is above 16 years of age.	Rs.12,500/-
5	Actual Damage to property	Up to Rs.6,000/-	Not applicable

How to get relief under this act:

Under Section 6 of the PLI Act, 1991, an application for claim for relief to be made in prescribed form to the Collector of the District within 5 years of the occurrence of the accident by the person or legal representative of the deceased or by the owner of the property damaged by accident.

On receipt of application, the Collector would hold an inquiry in to the claim and make an award determining the amount of relief and specifying the person to whom such amount of relief to be paid.

Thereafter, the collector arranges to deliver copies within 15 days from the date of award and Insurer deposits the amount within a period of 30 days from the date of announcement of award.

The Collector would arrange to pay from the Relief Fund, in terms of such award and in accordance with the Scheme made under the Act to the claimants.

Introduction of ERF Scheme:

In 2008, the Central Government has notified and established "The Environment Relief Fund Scheme" known as ERF Scheme and United India Insurance Co. Ltd. was appointed as its Fund Manager. The funds existing in the custody of various Insurance Companies at the time of notifying the Scheme was transferred to ERF Scheme and subsequently the same Insurance Company remains Fund Manager. The contribution collected from the owner at the time of collection of premium by the Insurance Companies are transferred in the ERF Scheme. The Fund Manager is obliged to submit the annual statement of accounts on the management of funds to the Central Government. The quantum of this fund as on March, 2019 was over Rs. 800 Crores.

The following chart shows the percentage of contribution of different Insurance Companies to the ERF Scheme as on 31.3.2019.

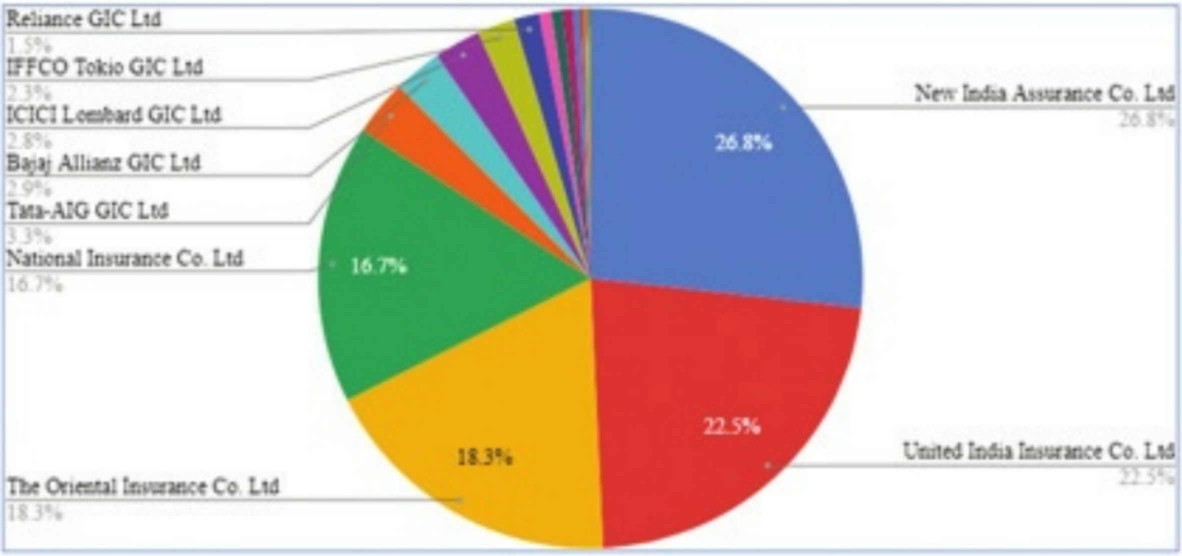


Chart depicting top contributors to the ERF till 31st March 2019

Introspection:

When the Public Liability Insurance Bill was introduced in parliament, and when subsequent amendment bills came up for discussion, a key suggestion was "to increase the amount of relief". As a matter of fact, this relief amount is negligible when compared with the present day expenses as well as the quantum of relief provided in other types of accidents.

Let us examine the provisions of Statutory law pertaining to liability under The Motor Vehicles Act (M.V.Act), 1988, Workmen Compensation Act (W.C.Act), 1923, The benefits/ relief are also on NO FAULT LIABILITY basis.

M.V. Act, 1988 have been revised in 2019. Nomenclature of Workmen Compensation Act, 1923 has been changed to Employees' Compensation Act, 2009 with increased benefits and benefits have again been revised upwards in 2020. Let us discuss provision of quantum of liability say, only for Death and Permanent Total Disablement under these two acts:

A) Under No fault Liability of Motor Vehicles Act, 1988, Death benefit was Rs.50,000/ and Permanent Total Disablement was Rs. 25,000/-; In 2019, it has been increased to Rs.5,00,000/- for Death and Rs.2,50,000/ - due to Permanent Total Disablement, i.e. quantum of compensation has been increased by 10 times.

B) Scale of Compensation under W.C. Act, 1923 varies with age, last drawn wages before the accident and "Relevant factor"(one multiplier varies with age provided under the act; compensation is derived multiplying that factor with the last drawn wages by the employee before the accident). Under W.C Act, 1923 maximum wages considered to calculate the Compensation for Death was Rs.4,000/-; it has been enhanced to Rs.8,000/- in 2009 and again revised to Rs.15,000/- in 2020. With the increase of wages, Compensation amount has also increased. Accordingly, at present, the compensation for Death, Permanent

Total Disablement and other benefits have been increased nearly by four times.

Way Forward:

1) **To increase the quantum of Relief:** Taking a cue from the above introspection, it is of utmost importance to enhance the Relief under different contingencies of PLI Act at least AT PAR with the No Fault compensation provided under Motor Vehicles Act, 2019.
2) **Upward Revision of Indemnity Limit:** Once the quantum of Relief per person is increased, Insurance coverage is required to be increased suitably for AOA limit and AOY limit.
3) **Widening the Scope of the Act:** The selective use of "Transportation by Vehicle" excludes transportation of hazardous substances by other modes like air, railways and ships. The act should include transportation by all such modes.
4) **Ensuring Compliance:** The Public Liability Insurance Act administered by the Ministry of Environment, Forest and Climate Change (MoEFCC) would monitor and ensure that Industries handling hazardous substances purchase this insurance. Creating digital awareness campaign help increase the level of compliance. In addition to that, information on status of PLI Act-insurance should be available in the website of the respective organizations handling hazardous substances.

It has to be kept in mind that PLI Act is a piece of welfare legislation and its purpose is to provide prompt and adequate relief to the persons suffering from such accidents. Modifications of Public Liability Insurance Act, 1991 is the need of the hour.

References:

1. The Public Liability Insurance Act, 1991
2. The Motor Vehicles Act 1988, The Motor Vehicle (Amendment) Act, 2019 and Employee's Compensation Act, 1923, and Notification S.O. 71 (E) dated 03.01.2020 in regard to E.C.Act, 2009.
3. The Environment Relief Fund Scheme, 2008..
4. Research work: "The Management of Environment Relief Fund, March 2020 by Debadityo Sinha.
5. Article: India: Workplace Safety & Public Liability Insurance Act- A Ready Reckoner with Special ESG Insights by Sonal Verma and Fauzia Khan.

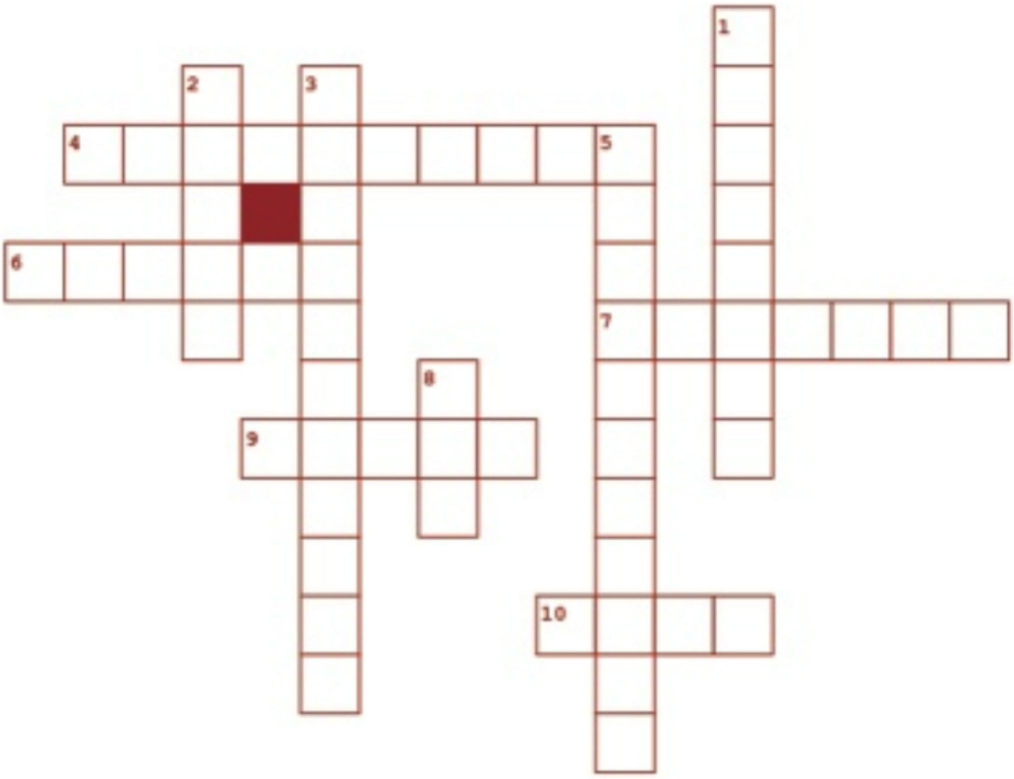
Banks Violate IRDAI norms, sell insurance policies above Rs. 5 cr, claim brokers

Insurance brokers have come out towards the apply of banks soliciting insurance policies for sums assured of above Rs 5 crore, violating the rules issued by the insurance regulator. Banks, which work as company brokers of insurance firms, are allowed to solicit insurance cowl just for policies the place sum assured is just not greater than Rs 5 crore per coverage as per the Insurance Regulatory and Development Authority of India's (Irdai's) company agent laws. "However, we observe that banks are not following these regulations of the Irdai and sell policies for Rs 100 crore and Rs 1,000 crore… even Rs 2,000 crore," stated Sohanlal Kadel, managing director, Kadel Insurance Brokers.

According to the Insurance Brokers Association of India (IBAI), banks as lenders and sellers of insurance needs to be ideally stored at arm's size. This is important to make sure that the belongings which can be hypothecated to the financial institution are correctly insured with optimum protection, counting on the recommendation of full-time insurance professionals. The mixing of the 2 capabilities of the financial institution can create avoidable battle of curiosity and result in poor threat administration, they stated. The high quality of insurance covers could be compromised resulting from business strain from prospects, the IBAI stated in a letter to the RBI and Irdai, opposing the apply of banks promoting high-value policies.

For instance, the mortgage publicity of a financial institution could also be Rs 10 crore whereas the entire asset dimension in danger could also be Rs 20 crore. Insurance is organized by the financial institution for under Rs 10 crore, which results in under-insurance of fifty per cent and leaves the client not absolutely protected when a calamity occurs. This defeats the very function of insurance safety for each the financial institution in addition to the client, stated a dealer. "Banks are not geared to understand the various coverage options available under commercial policies as they lack the necessary in-house expertise. They are not in a position to explain to the customers the terms, conditions and obligations the customers are expected to fulfil as part of the policy," the IBAI stated. This leads to prospects getting the flawed protection, resulting in non-payment for under-payment of claims.

Insurance Crossword Puzzle



Across

4. Accidental
6. Condition that increases the frequency and/or the severity of the loss.
7. Degree of Risk
9. The cause of the loss
10. UNCERTAINTY of the occurrence of loss

Down

1. Sudden Violent Visible
2. Insurance Regulator
3. Risk of Nuclear Contamination
5. Risk that can be retained
8. Indian Insurance Education Organization

Conditions:

1) Participants are requested to send across their answers before 31st May,2022 to contact@insurancepe.com and insurance.kolkata@gmail.com with subject as 'answers to insurance crossword puzzle'.
2) The names of all winners will be published in 'The Insurance Times' magazine.
3) Every winner will be rewarded.
4) The employees of Insurancepe and The Insurance Times are not eligible to participate in the puzzle.

CLOSING THE GENDER GAP THROUGH TERM INSURANCE

One in every three policies is sold to a woman in India, reveals a recent State Bank of India Ecowrap report. But according to PolicyBazaar, the trend witnessed on its platform is that women account for only around 15 per cent of term policy buyers.

Most insurance experts concur that women don't buy term insurance — one policy that can provide adequate protection — in large enough numbers.

Working woman's apathy

Working women often fail to purchase adequate term cover. "Most women who buy term insurance are single mothers or single women. Within families, the situation that largely prevails is that the male member, who is the sole breadwinner, is expected to be insured," says Vishakha R M, managing director and chief executive officer, IndiaFirst Life Insurance.

Financial planners agree. "Many women in the formal sector rely on the group life cover provided by the employer. They don't buy a personal cover," says Mrin Agarwal, founder-director, Finsafe.

According to Renu Maheshwari, a securities and exchange Board of India-registered investment advisor and cofounder and principal advisor, Finscholarz Wealth Managers, "Even in cases where the wife has a higher income than the husband, she sometimes has equal cover."

Policy cover should depend on contribution

Whether a person needs term insurance has nothing to do with gender. "If a person makes a financial contribution, has dependents, and his/her absence could have a financial impact on them, he/she should buy a term cover," says Maheshwar.

Single women with no dependents can do without it (although they must buy protection against risks like disability and illness). How much cover a woman buys should be based on objective criteria. Experts use one of tow approaches.

One is human life value, where the cover purchased is linked to a person's earning potential over her lifetime. The second is the insurance need analysis that takes into account the family's current and future expenses and goals.

Besides the main cover, women should buy a critical illness rider and a waiver on premium rider (which will ensure continuation of the policy, even in the case of disability). A separate critical illness policy and disability cover can also be purchased from a general insurer (terminating a separate policy is easier).

Don't look for returns

Avoid purchasing insurance in combination with investment plans. "You can't buy adequate protection in such plans. The premium for a Rs.1 crore cover would be exorbitant," says Agarwa. "Return on premium term plans should also be avoided as they are not cost-effective," adds Maheshwari.

Housewives: Curbs are being removed

While housewives don't have a tangible source of income, the duties they discharge carry financial value. Hence, they, too, need to be insured. Insurers impose limitations on the amount of cover they offer them, chiefly to avoid moral hazard. "If the husband has a policy, we offer the housewife a sum insured equal to 50 per cent of the husband's cover," Vishakha.

Some insurers place more limitations. "Sometimes, not only must the husband have a policy, his income should provide eligibility for both the husband and the housewife's cover," says Sajja Praveen Chowdary, business head-term life insurance, PolicyBazaar.

Assume the husband has an income of Rs. 25 lakh. An insurer offers him a cover 5x his income (Rs. 1.25 crore). What if he buys a Rs. 1 crore policy? The wife is eligible for 50 per cent of the husband's cover, or Rs. 50 lakh. Together, their cover becomes Rs. 1.5 crore, while the husband is eligible for Rs. 1.25 crore only. The wife can get only a Rs. 25 lakh cover. "The majority of term policies have a starting sum insured of Rs. 50 lakh," says Chowdary.

Recently, Max Life Insurance launched a policy for the housewife wherein if the household income exceeds Rs. 5 lakh, she can purchase a cover of Rs. 50 lakh, with no questions asked. Thus, her purchase doesn't depend on whether the husband has a policy or its sum insured. More insurers could launch such plans to make it easier for housewives to get covered. *(Source: Business Standard)*

New Traffic Rules: These mistakes will deprive you from insurance benefits

With the increase in the number of vehicles on the roads, the number of accidents and fatalities are on the rise. To reduce the incidents of traffic violations that often result in accidents, many stringent steps have been taken recently.

Apart from imposing heavy fines on violations of traffic rules, as per the direction of court, rules for insurance claims have also been changed and the new rules will be implemented by the insurance companies and the transport departments with effect from April 1, 2022.

As per the new rules, the following mistakes would make you ineligible for making any insurance claims or getting any insurance benefits:

Overloading
No insurance cover will be available if the number of passengers travelling by auto and two-wheelers exceeds the permitted numbers.

Riding without helmet
No insurance cover will be available to persons riding two wheelers without wearing a helmet.

Driving on wrong side
Not only will any compensation be given to the people driving their vehicles on the wrong side of the road, but also no case can be filed after an accident against those driving their vehicle on the correct side of the road.

Moreover, to compensate the loss to those on the correct side of the road, if an accident occurs due to driving on the wrong side by others, a sum up to Rs. 20 lakh will be recovered from the persons violating the traffic rules. The violators would face up to 14 years of imprisonment, in case the money couldn't be recovered even by selling the assets of the violators.

Drunken driving
There will be no insurance cover for the drunken drivers and in case of any accident, no compensation will be payable to such drivers for any loss.

Talking on mobile
The above violation rules will be applicable to a person found talking on mobile and the same punishment will be applicable even if he/she is wearing a helmet, driving on the correct side and/or driving without consuming alcohol.

Over speeding
Like talking on mobile, all the punishments will be applicable to fast driving vehicles exceeding the speed limits.

Trying to influence
In case a person tries to influence to avoid punishment in the above cases, the driving license of the person will be cancelled.

Punishment for inaction
If a concerned officer, responsible for taking action in the above violations, doesn't initiate any action, he/she will be suspended from service for a period of three years without any service benefits.

Not wearing seat belt
No compensation will be payable to a person driving without wearing a seat belt. ❑

LIC SHARE SALE: ALL YOU NEED TO KNOW

State-owned insurance behemoth Life Insurance Corp. of India on Sunday evening filed draft papers for the most-anticipated public share sale in memory, the biggest ever to hit the Indian stock markets. The draft red herring prospectus gives investors a deep insight into the insurance giant's operating metrics. Mint went through the 652-page document to bring to you some of the eye-popping numbers that LIC boasts of, and some worrying trends that the numbers reveal which investors should keep an eye on. The insurer was formed by merging and nationalizing 245 private life insurance companies in India on 1 September 1956, with an initial capital of Rs. 5 crore. Till 2000, it was the only life insurer in India.

Embedded value

Embedded Value (EV) of a life insurance company is the present value of future profits plus adjusted net asset value. It is the industry standard for valuing an insurance company. The DRHP pegs LIC's embedded value at Rs. 5.39 trillion or or Rs. 5,39,686 crore as on 30 September 2021.

LIC versus global peers

The DRHP says LIC is ranked fifth globally in terms of life insurance GWP (gross written premium) after German insurer Allianz SE, China's Ping An Insurance and China Life Insurance and Italy's Assicurazioni Generali S.p.A, and tenth globally in terms of total assets.

Largest asset manager

LIC is the largest asset manager in India as of 30 September, with assets under management (AUM) of Rs. 39.55 trillion on a standalone basis, which was more than 3.3 times the total AUM of all private life insurers in India and more than 1.1 times the entire Indian mutual fund industry's AUM. Its investments in listed equity represented around 4% of the total market capitalization of NSE as of 30 September.

The bulk of LIC's investments are in central government and state government securities. Around Rs. 14.8 trillion — representing 37.45% of its total investments – are in central government securities. Around Rs. 9.74 trillion—representing 24.62%—are in state government securities. Investments of more than Rs. 9.78 trillion are in equities, representing 24.78% of its investments. Around Rs. 3.18 trillion— representing 8.06%—are in debentures, bonds and pass-through certificates. Only around Rs. 30,905 crore, or 0.78% of its total investments, are in mutual funds, exchange traded funds and AIFs.

Agent dependence

In FY19, FY20, FY21 and the six months ended 30 September 2021, LIC's individual agents were responsible for sourcing 96.69%, 95.73%, 94.78% and 96.42% of LIC's new business profit for its individual products in India. It has the largest individual agent network among life insurance entities in India, comprising approximately 1.35 million individual agents as of

31 March 2021, which was 7.2 times the number of individual agents of the second largest life insurer.

LIC paid agents in commission Rs. 9,815.2 crore in six months ending September 2021. In the fiscal ending March 2021, the figure stood at Rs. 22,358 crore.

Operating expenses

For FY19, FY20, FY21 and the six months ended 30 September 2021, LIC's operating expenses related to insurance business to premium ratio (as a percentage of premium) was 8.33%, 8.99%, 8.66% and 10.08%, respectively, on a consolidated basis. Total expenses (including commissions paid to agents) for LIC has been steadily worsening from Rs. 28,331.6 crore in FY19 to Rs. 34,425.88 crore in FY20 to Rs. 35,162.21 crore in FY21. Total expense for the six months of FY22 was Rs. 18,906.36 crore. LIC reported negative cash flows from operating activities in the first half of FY22 at Rs. 11,114.3 crore due to high other operating expenses. It reported positive cash flows in the previous three financial years. Cash on its balance sheet has reduced substantially from Rs. 67,899.5 crore in fiscal 2019 to Rs. 26,050 crore in the first half of fiscal 2022.

LIC versus Indian peers

Private life insurance companies' assets under management grew by over 15% CAGR over the past three years. On the other hand, LIC's AUM (comprising policyholders' investment, shareholders' investment and assets) on a standalone basis increased at 10.92% CAGR.

Though it is the market leader, LIC lags listed insurance peers in earnings per share (EPS). For fiscal 2021, it reported an EPS of Rs. 4.70, compared to an EPS of Rs. 14.55 for SBI Life Insurance, Rs. 6.73 for HDFC Life Insurance and Rs. 6.66 for ICICI Prudential Life Insurance.

Erosion of market share

LIC has gradually lost market share in individual new business premiums. Its share has dropped from 56% in fiscal 2016 to 44% in the first half of fiscal 2022. In the group new business premium segment, its share has reduced from 81% in fiscal 2016 to 77% in the first half of fiscal 2022.

The pandemic and related lockdowns played a big role in LIC's falling market share. Sales of individual policies decreased in the fourth quarter of fiscal 2020 by 22.66% to 6.35 million from 8.21 million in the fourth quarter of fiscal 2019. The sales in the first quarters of fiscal 2021 and fiscal 2022 were down 46.20% and 34.93% respectively.

LIC acknowledges that it may lose more of its market share if it does not offer its products on third party websites, signaling that dependence on the agent network for distribution may have to reduce in future for sustainability and growth.

Covid impact on claims

LIC's insurance claims by death increased during the pandemic. For FY19, FY20, FY21 and the six months ended 30 September 2021, its insurance claims by death in benefits paid (net) were Rs. 17,128.84 crore, Rs. 17,527.98 crore, Rs. 23,926.89 crore and Rs. 21,734.15 crore, respectively, on a consolidated basis, which were 6.79%, 6.86%, 8.29% and 14.47% of its total insurance claims, respectively.

Equity investment

LIC's realized investment income in equities for the six months ended 30 September 2021 was Rs. 35,987 crore. For FY21, ended 31 March 2021, its realized equity investment income (including interest, dividend and amortization and realized gains or losses) was Rs. 49,659 crore, up from Rs. 29,702 crore in FY20.

In FY19, its realized investment income from equities was higher at Rs. 34,799 crore. For context, equity markets were down at the end of FY20 as fears around the new covid wave began to spread.

NPAs

LIC said that its gross NPA stood at 7.78% for FY21 while Net NPA stood at 0.05%. This is only for its debt portfolio. It disclosed NPA only for policy holders' funds, not shareholders' funds.

Dividend

LIC paid Rs. 2,663 crore of dividend to the government in fiscal 2019 and retained its share of the surplus in fiscal 2020 and 2021 for the issuance of bonus equity shares to the government.

Litigation

As on 6 February, LIC is involved in as many as 26,919 criminal, consumer, civil proceedings, tax proceedings and actions taken by statutory or regulatory authority. *(Source: Mint)*

LEGAL

Motor accident claims criteria in fire tragedy

In a significant decision, the Supreme Court has ordered use of Motor Accident Claims parameters, such as age of the victim and future earning capacity, to compute compensation to be paid to kin of 65 victims and 161 injured in the fire that engulfed visitors to the India Brand Consumer Show at Meerut in 2006.

Earlier, in a tragedy of this nature, the kin of victims and injured were provided ex-gratia payment by the state governments. The decision of the SC to apply motor accident compensation claim parameters would enhance manifolds the amounts payable to kin of deceased and injured. Application of 'negligent pays the damage' principle, both to the event organisers and the state government, is a novelty.

This order came from a bench of Justices Hemant Gupta and V Ramasubramanian on a writ petition filed by the kin of victims of the fire tragedy of April 10, 2006, the last day of the India Brand Consumer Show organized at Victoria Park, Meerut, Uttar Pradesh, by Mrinal Events and Expositions. As many as 65 persons were charred to death and 161 more suffered burn injuries.

Rejecting every argument of senior advocate Shanti Bhushan to get the organisers off the hook from paying compensation beyond Rs 30 lakhs they had deposited, the bench said, "We request the Chief Justice of the Allahabad High Court to entrust the work of determination of compensation to a Judicial Officer in the rank of District Judge/ Additional District Judge at Meerut within two weeks of the order of this Court to work exclusively on the question of determination of the compensation on day-to-day basis."

Writing the judgment, Justice Gupta said, "The amount of compensation payable to each of the victim including the families of the deceased have not been computed and such amount is required to be computed in accordance with the principles of just compensation as in the case of accident under the Motor Vehicle Act, 1988 by the Motor Accidents Claims Tribunal."

The state has already paid an ex-gratia amount of Rs 5 lakh to kin of each victim, Rs 2 lakh to those who sustained serious burn injuries and Rs 75,000 to those who escaped with minor burn injuries. The Union government had paid Rs 1 lakh to kin of the dead and Rs 50,000 to those who suffered serious burn injuries. The Rs 30 lakh deposited by the event organiser has also been disbursed.

The SC said that the disbursed amounts would be taken into consideration while computing the compensation payable to kin of each deceased and injured persons.

Rubbishing the organiser's attempt to palm off the blame on the contractor who erected the enclosure for India Brand Consumer Show, the bench said, "The ticket proceeds were collected by the organizers. It is the responsibility of the organizers, having collected the entry fee, to ensure the safety and well-being of the visitors. The organizers have failed in that duty causing loss of life of the innocent victims who came to see the exhibition, which was purely a commercial event with an intention to earn profit by the organizers."

"Thus, the Court Commissioner has rightly fixed the liability on the organizers to the extent of 60%, and on account of negligence in performing statutory duties by the officers of the State, the State has been burdened with 40% of the total liability. We do not find such distribution of liability suffers from any illegality which may warrant interference by this Court," it said.

SC: If accident victim disabled 100%, be liberal with damages

Remarking that courts should take a liberal view in awarding compensation to victims who are left 100% disabled and also suffer mental disabilities after road accidents, the Supreme Court extended its helping hand to one such child and awarded Rs 50 lakh compensation with 7.5% interest per annum. The total amount could come to about Rs 1 crore as the accident took place in 12 years ago.

A bench of Justices Hemant Gupta and V Ramasubramanian said a child who suffers severe disability is to be compensated also for the loss of marriage prospects and loss of income which he would have earned after attending majority and that amount be decided on the basis of minimum wage fixed by the state government for skilled labours.

In this case, the child had met with a very serious accident in 2010 when he was five years old. He was not able to move both his legs after the accident and had complete sensory loss in the legs, urinary incontinence and bowel constipation. He became bed-bed ridden and dependent on others. Referring to SC's earlier verdict, the bench said, "...the courts or the tribunals assessing the compensation in a case of 100% disability, especially where there is mental disability also, should take a liberal view of the matter when awarding the compensation".

Taking into account his medical condition, the bench enhanced the compensation amount more than three times from Rs 13.46 lakh awarded by the Karnataka HC, which did not grant compensation on the count of loss of marriage prospects and loss of future earnings due to disability. The SC awarded Rs 49.93 lakh compensation, out of which Rs 11.18 lakh was given for loss of future earnings and Rs 3 lakh for loss of marriage prospects.

"...In view of the physical condition, the appellant is entitled to one attendant for the rest of his life though he may be able to walk with the help of an assistant device. The device also requires to be replaced every five years. Therefore, it is reasonable to award cost of two devices, i.e. Rs.10 lakh. The appellant has not only lost his childhood but also adult life," it said.

The bench calculated loss of income on the basis of minimum wage prevailing in Karnataka in 2010 for skilled labour, which was Rs 3,700 per month, with 40% for future prospects. "Thus, the compensation works out to be Rs 3,700 plus 40%, which amounts to Rs 5180 per month. The multiplier of 18 would be applicable in view of the age of the appellant. The loss of future earnings due to the permanent disability for life thus works out to be Rs 11,18,880," it said.

The court said out of the total amount, Rs1 0 lakh would be disbursed to his father and the rest of the amount would be invested in one or more fixed deposits receipts and the interest amount shall be payable to his guardian every month.

Insurance Company Liable To Pay Compensation Even When Driver Does Not Have Valid License: Madras High Court

The Madras High Court has recently held that when a claim is presented under the Motor Vehicles Act, the insurance company is liable to pay compensation even when the driver of the vehicle was not possessing a valid driving license. It added that amount may later be recovered from the owner of the vehicle.

The Madurai bench of Justice Teeka Raman made the above observations on an application filed by the owner of the offending vehicle, Thanikodi againstthe order passed by the Motor Accidents Claims Tribunal, Peiyakulam. The Tribunal had held that the owner of the vehicle was liable to pay compensation and exonerated the insurance company and had awarded compensation.

The original claimants are the legal heirs of the deceased. They had filed a claim petition before the Motor Accidents Claims Tribunal, Periyakulam. They claimed that the driver had driven the tractor in a rash and negligent manner and without any signal, suddenly turned his vehicle thus hitting the deceased who was riding a two-wheeler just behind the tractor. ❑

IRDAI Circular

Rationalization of certain compliance requirements

IRDA/ACT/CIR/GEN/74/4/2022

Date: 27.04.2022

1 This circular is issued under section 14(2)(e) of the Insurance Regulatory and Development Authority Act, 1999. It shall come into force with immediate effect.

2. On preliminary review of the extant compliance requirements pertaining to actuarial matters, it is decided to rationalize certain compliance requirements as per paras 3-5 of this circular.

3. For life insurers:

   3.1. The following items are omitted from Annexure I to circular ref. IRDAI/ACT/CIR/GEN/070/03/2017 dated 31.03.2017 regarding "information to be submitted as part of the annual actuarial valuation and related reports submission" (for life insurers):

   3.1.1. S. No. 4 – Peer Review Report, except for Domestic Systemically Important Insurers

   3.1.2. S. No. 6 – Audited Annual Financial Report along with all the Financial Statements

   3.2. The circular ref. IRDA/ACT/CIR/PRD/060/03/2012-13 dated 25.03.2013 regarding submission of product planner is repealed.

   3.3. The requirement to submit quarterly ALM returns as per circular ref. IRDA/ACTL/CIR/ALM/005/01/2012 dated 03.01.2012 regarding "Asset Liability Management and Stress Testing" (for life insurers) is dispensed with, except for Domestic Systemically Important Insurers.

   However, all insurers shall continue to regularly monitor their ALM position, with appropriate internal reporting and analysis, as part of their risk management and monitoring process.

   3.4. The circular ref. 21/IRDA/ACT/ULIP/OCT-08 dated 27.10.2008 regarding "money market instruments in unit linked products" is repealed.

   3.5. The circular ref. Actl/AA/Circular dated 23.05.2003 regarding standard format for appointment letter of Appointed Actuary is repealed.

4. For non-life insurers (including standalone health insurers):

   4.1 The following item is omitted from Annexure I to circular ref. IRDAI/ACT/CIR/GEN/075/03/2017 dated 31.03.2017 regarding "information to be submitted as part of the annual actuarial valuation and related reports submission" (for non-life insurers & reinsurers):

   4.1.1. S. No. 5 – Audited Annual Financial Report along with all the Financial Statements

   4.2. Domestic Systemically Important Insurers (including reinsurers) shall submit Peer Review Report, prepared as per the applicable standards of the Institute of Actuaries of India, along with the IBNR Report.

   4.3. The requirement to submit quarterly ALM returns as per circular ref. IRDA/ACTL/CIR/ALM/006/01/2012 dated 03.01.2012 regarding "Asset Liability Management and Stress Testing" (for non-life insurers and reinsurers) is dispensed with, except for Domestic Systemically Important Insurers.

   However, all insurers shall continue to regularly monitor their ALM position, with appropriate internal reporting and analysis, as part of their risk management and monitoring process.

4.4. The circular ref. Actl/AA/Circular dated 11.08.2003 regarding standard format for appointment letter of Appointed Actuary is repealed.

5. Applicability to reinsurers: For any circulars mentioned in paras 3-4 that were applicable to reinsurers immediately before the date of this circular, the corresponding repeals / modifications mentioned in paras 3 and 4 shall also be applicable to reinsurers.

6. The Authority may call for any documents or information from insurers as and when required.

(P K Arora)
Member (Actuary)

Open House at IRDAI

April 12, 2022

1. It has been decided by Insurance Regulatory and Development Authority of India (IRDAI) to hold an Open House for all the regulated entities.
2. The Open House is intended to invite suggestions from all the regulated entities for achieving the overall objective of increasing insurance penetration in the country and to work towards resolution of impediments hindering the process.
3. The Open House would be held at the Head Office of IRDAI at 3 PM on 15th of every month henceforth. If 15th happens to be a holiday, the Open House will be held at 3 PM on the next working day. Chairperson, IRDAI and, in his/her absence, the senior most Whole-time Member along with senior officials of IRDAI will be present.
4. All the regulated entities are requested to make use of this initiative to interact with the Chairperson,Whole-time Members and senior officials of IRDAI and offer pragmatic solutions to reduce significant insurance penetration gap in our country.
5. The interested regulated entities may register their interest to participate on the e mail - sdd@irdai.gov.in by making a captioned subject " Open House at 15th"by 10th of every month.

(a) Issuance of Electronic Policies and (b) Dispensing with physical documents and wet signature on the proposal form

IRDAI/NL/CIR/MISC/060/03/2022

Date: 31st March, 2022

This has reference to IRDAI circulars Ref: No. IRDA/NL/CIR/MISC/237/09/2020 dated 10th September, 2020 and further extension granted vide Ref:IRDAI/NL/CIR/MISC/064/03/2021dated 24th March, 2021 and Ref: IRDAI/NL/CIR/MISC/247/09/2021 dated 13th September, 2021 on the above subject.

It has now been decided by the Authority to further extend the dispensation allowed for proposal in physical form and wet signatureon the proposal form upto the period 30/09/2022.

However, the exemption granted to insurers in respect of issuing of policy document in the physical form stands withdrawn.Hence, the physical form of policy document shall also be issued in addition to electronic policies.

All other contents of the circular dated 10th September, 2020 remain unaltered.

(Yegnapriya Bharath)
Chief General Manager (Non-Life)

Extension of timelines for Dispensing with Physical documents and wet signature on the proposal form in respect of health insurance policies

IRDAI/HLT/REG/CIR/57/03/2022

31st March, 2022

1. Reference is drawn to the circulars Ref. No: IRDAI/HLT/REG/CIR/235/09/2020 dated 10.9.2020, Ref. No. IRDAI/HLT/REG/CIR/062/03/2021 dated 24.3.2021 and Ref. No. IRDAI/HLT/REG/CIR/248/09/2021 dated 14.9.2021 issued on (a) Issuance of electronic policies and (b) dispensing with physical and wet signatures on the proposal form in respect of health insurance policies permitting insurers to issue electronic health insurance policies and dispensing of wet signatures on proposal forms in respect of all health insurance policies up to 31.3.2022.
2. It has now been decided by the Authority to extend the facilitation of dispensing with physical signatures and wet signature on proposal forms in respect of health insurance policies for a further period of SIX (6) months i.e up to the period 30.9.2022.
3. Further, it is clarified that the facilitation exempting insurers from issuance of policy documents in physical form, granted under proviso to Regulation 4 (iii) of IRDAI (Issuance of e-insurance policies) Regulations, 2016, is no longer extended.
4. All other contents of the above circular remain unaltered.

General Manager (Health)

Important Insurance Contacts

Insurance Regulatory and Development Authority of India
Sy. No. 115/1, Financial District
Nanakramguda, Gachibowli
Hyderabad - 500 032
Tel: 040-20204000
Email:irda@irda.gov.in

Policyholder Online Complaint to IRDAI
Integrated Grievance Management System (IGMS) provides a gateway for policyholders to register complaints with insurance companies first and if need be escalate them to the IRDA Grievance Cells online through website.
IRDA Grievance Call Centre (IGCC) can be accessed through
a toll free number 155255 or 18004254732 for voice calls
Email: complaints@irda.gov.in

Policyholder Letter/Fax Complaint to IRDAI
Consumer affairs Department,
Insurance Regulatory and Development Authority, Sy. No. 115/1, Financial District
Nanakramguda, Gachibowli
Hyderabad - 500 032
Ph. : 8275059078

IRDA Consumer Website
http://www.policyholder.gov.in/

General Insurance Council
5th Floor, National Insurance Building,
14, Jamshedji Tata Road
Churchgate - Mumbai 400020, India
Tel: +91 22 2281 7511 / 12
Mobile : 8275059078
Fax: +91 22 2281 7515
E-mail : gicouncil@gicouncil.in

Life Insurance Council
4th Floor, Jeevan Seva Annexe Building,
Santacruz (West) Mumbai
Phone : (+91-22) 26103303 / 06
Email: licouncil@lifeinscouncil.org

Insurance Institute of India
C-46, G Block, Near Dhirubhai Ambani International School,Bandra Kurla Complex,Bandra (E), Mumbai - 400 051.
Tel No. 022-26544200
Email : mrm@iii.org.in

Indian Institute of Surveyors & Loss Assessors
Door No. : 3-5-890,Flat No.315, Paras Chambers, Himayath Nagar, Hyderabad -29.
Telephone : 040 - 66253666
E-mail : admin@iiisla.co.in

Institute of Actuaries of India
Unit no. F-206, 2nd Floor, 'F' Wing in Tower 2, Seawoods Grand Central, Plot no R-1, Sector 40,
Seawoods, Near Seawoods Railway Station
Navi Mumbai - 400 706
Boardline: +91 22 62433333|
Fax: +91 22 39686050
www.actuariesindia.org

Insurance Websites

Regulatory Bodies

Insurance Regulatory and Development Authority of India	www.irdai.gov.in
General Insurance Council	www.gicouncil.in
Life Insurance Council	www.lifeinscouncil.org
Executive Council of Insurers	ecoi.co.in/ombudsman.html

General Insurance Companies

The NewIndia Assurance	www.newindia.co.in
National Insurance Company	www.nationalinsuranceindia.co.in
Oriental Insurance Company	www.orientalinsurance.co.in
United India Insurance	www.uiic.co.in
Bajaj Allianz General Insurance	www.bajajallianz.com
RoyalSundaram Alliance Insurance	www.royalsundaram.in
ICICI Lombard General Insurance	www.icicilombard.com
Cholamandalam General Insurance	www.cholainsurance.com
Export Credit Guarantee Corporation of India	www.ecgc.in
IFFCO Tokio General Insurance	www.iffcotokio.co.in
Star Health Alied Insurance	www.starhealth.in
Apollo Munich Health Insurance	www.apollomunichinsurance.com
Reliance General Insurance	www.reliancegeneral.co.in
Tata AIG General Insurance	www.tataaig.com
HDFC ERGO General Insurance	www.hdfcergo.com
Future Generali India Insurance	general.futuregenerali.in
Universal Sompo General Insurance	www.universalsompo.com
Shriram General Insurance	www.shriramgi.com
Agriculture Insurance Company of India Ltd.	www.aicofindia.org
Bharti AXA General Insurance India	www.bharti-axagi.co.in
SBI General Insurance Company	www.sbigeneral.in
Max Bupa Health Insurance Company Ltd.	www.maxbupa.com
Religare Health Insurance Company Limited	www.religarehealthinsurance.com
Magma HDI General Insurance Company Ltd	magma-hdi.co.in
Liberty Videocon General Insurance	www.libertyvideocon.com

Life Insurance companies

Bajaj Allianz Life Insurance Co. Ltd.	www.bajajallianzlife.com
Life Insurance Corporation of India	www.licindia.in
HDFC Life Insurance Co. Ltd	www.hdfclife.com
Max Life Insurance Co. Ltd.	www.maxlifeinsurance.com
ICICI Prudential Life Insurance Co. Ltd.	www.iciciprulife.com
Kotak Mahindra Life Insurance Co. Ltd.	insurance.kotak.com
Aditya Birla SunLife Insurance Co. Ltd.	lifeinsurance.adityabirlacapital.com
SBI Life Insurance Co. Ltd.	www.sbilife.co.in
Exide Life Insurance Co. Ltd.	www.exidelife.in
PNB MetLife India Insurance Co. Ltd	www.pnbmetlife.com
Reliance Nippon Life Insurance Company	www.reliancenipponlife.com
Aviva Life Insurance Company India Ltd.	www.avivaindia.com
Sahara India Life Insurance Co. Ltd.	www.saharalife.com
Shriram Life Insurance Co. Ltd.	www.shriramlife.com
Bharti AXA Life Insurance Company Ltd.	www.bharti-axalife.com
Future Generali India Life Insurance Company Limited	life.futuregenerali.in
IDBI Federal Life Insurance Company Limited	www.idbifederal.com
Canara HSBC Oriental Bank of Commerce Life Ins. Co. Ltd.	www.canarahsbclife.com
Aegon Life Insurance Company Limited	www.aegonlife.com
Pramerica Life Insurance Co. Ltd.	pramericalife.in
Star Union Dai-Ichi Life Insurance Co. Ltd.	www.sudlife.in
IndiaFirst Life Insurance Company Ltd.	www.indiafirstlife.com
Edelweiss Tokio Life Insurance Company Limited	www.edelweisstokio.in
Tata Aia Life Insurance Company Limited	www.tataaia.com

Others

GIC Re	www.gicofindia.com
Risk Management Association of India	www.rmaindia.org
Million Dollar Round Table	www.mdrt.com
Insurance Institute of India	www.insuranceinstituteofindia.com
Actuarial Society of India	www.actuariesindia.org
National Insurance Academy	www.niapune.com
Institute of Insurance Surveyor & Adjustors	www.iiisla.org

Performance Statistics - Non-Life Insurance

GROSS DIRECT PREMIUM UNDERWRITTEN FOR AND UPTO THE MONTH OF MARCH 2022

(Rs. in crores)

INSURER	For the month of March		Upto the Month of March		Market Share upto the Month of Mar. 2022 (%)	Growth over the corresponding period of previous year (%)
	2021-22	2020-21	2021-22	2020-21		
Acko General Insurance Limited	113.42	63.91	979.37	422.39	0.44	131.87
Bajaj Allianz General Ins. Co. Ltd.	1,009.90	870.78	13,688.59	12,569.53	6.20	8.90
Bharti AXA General Ins. Co. Ltd.	NA	247.34	NA	3,159.90	NA	NA
Cholamandalam MS General Ins.	500.15	442.49	4,828.00	4,388.21	2.19	10.02
NAVI General Insurance Limited	15.49	9.86	106.57	104.40	0.05	2.08
Edelweiss General Ins. Co. Ltd.	26.92	24.57	348.88	218.57	0.16	59.62
Future Generali India Ins. Co. Ltd.	496.89	451.96	4,137.98	3,835.23	1.88	7.89
Go Digit General Insurance Ltd.	495.27	329.07	4,673.94	2,417.62	2.12	93.33
HDFC Ergo General Ins. Co. Ltd.	1,765.68	1,399.37	13,497.55	12,295.10	6.12	9.78
ICICI Lombard General Ins. Co.	1,450.83	973.74	17,976.86	14,003.09	8.15	28.38
IFFCO Tokio General Ins. Co. Ltd.	814.71	701.42	8,452.91	8,410.88	3.83	0.50
Kotak Mahindra General Ins. Co.	92.00	59.70	742.47	543.99	0.34	36.49
Liberty General Insurance Limited	145.48	124.52	1,506.45	1,445.71	0.68	4.20
Magma HDI General Ins. Co. Ltd.	176.24	118.85	1,757.17	1,283.59	0.80	36.89
National Insurance Company Ltd.	1,327.27	1,497.99	13,126.46	14,140.83	5.95	(7.17)
Raheja QBE General Ins. Co. Ltd.	37.76	35.69	375.83	272.22	0.17	38.06
Reliance General Ins. Co. Ltd.	847.39	795.66	9,408.96	8,310.28	4.26	13.22
Royal Sundaram General Ins. Co.	298.64	267.02	2,866.54	2,822.28	1.30	1.57
SBI General Ins. Co. Ltd.	1,052.98	912.26	9,166.22	8,264.86	4.15	10.91
Shriram General Ins. Co. Ltd.	181.97	209.78	1,752.95	2,138.88	0.79	(18.04)
Tata AIG General Ins. Co. Ltd.	1,022.01	643.93	9,922.53	8,042.06	4.50	23.38
The New India Assurance Co. Ltd.	2,607.79	2,528.16	32,569.49	28,548.48	14.76	14.08
The Oriental Ins. Co. Ltd.	1,207.43	1,134.74	13,700.73	12,449.71	6.21	10.05
United India Ins. Co. Ltd.	1,722.28	1,506.14	15,720.91	16,704.70	7.13	(5.89)
Universal Sompo General Ins. Co.	299.34	311.03	3,467.81	3,052.16	1.57	13.62
General Insurers Total	**17,707.83**	**15,659.98**	**1,84,775.17**	**1,69,844.68**	**83.75**	**8.79**
Aditya Birla Health Ins. Co. Ltd.	224.00	177.15	1,740.62	1,300.64	0.79	33.83
ManipalCigna Health Ins. Co. Ltd.	124.62	101.17	986.18	755.49	0.45	30.53
Niva Bupa Health Ins. Co. Ltd.	379.01	253.75	2,809.97	1,750.78	1.27	60.50
Care Health Insurance Limited	481.80	315.88	3,880.94	2,559.75	1.76	51.61
Star Health & Allied Ins. Co. Ltd.	1,622.12	1,599.37	11,462.39	9,388.54	5.20	22.09
Reliance Health Insurance Ltd.*	---	---	(0.02)	(0.01)	NA	NA
Stand-alone Pvt Health Insurers	**2,831.55**	**2,447.32**	**20,880.08**	**15,755.18**	**9.46**	**32.53**
Agricultural Ins. Co. of India Ltd.	877.62	1,216.12	13,872.83	12,052.57	6.29	15.10
ECGC Limited	174.50	154.54	1,106.64	1,062.28	0.50	4.18
Specialized PSU Insurers	**1,052.12**	**1,370.66**	**14,979.47**	**13,114.85**	**6.79**	**14.22**
GRAND TOTAL	**21,591.50**	**19,477.96**	**2,20,634.73**	**1,98,714.72**	**100.00**	**11.03**

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*

#BhartiAXA General Insurance Co.Ltd has been merged with ICICI Lombard General Insurance Co.Ltd w.e.f 08.09.2021.

Performance STATISTICS - LIFE INSURANCE

SUMMARY OF NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR THE PERIOD ENDED MARCH - 2022 (PROVISIONAL)

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crores					No. of Policies / Schemes				
		Month of Mar-2022	Upto Mar-2022	Month of Mar-2021	Upto Mar-2021	YTD Variation in %	Month of Mar-2022	Upto Mar-2022	Month of Mar-2021	Upto Mar-2021	YTD Variation in %
1	**Aditya Birla Sun Life Insurance Co. Ltd.**										
	Individual Single Premium	40.95	256.05	31.33	153.07	67.28%	481	2806	357	2127	31.92%
	Individual Non Single Premium	394.00	2186.05	339.80	1923.49	13.65%	35396	222692	36328	255429	-12.82%
	Group Single Premium	545.82	3015.94	336.30	2355.84	28.02%	24	95	25	80	18.75%
	Group Non Single Premium	1.14	23.97	1.99	60.53	-60.39%	0	4	0	1	300.00%
	Total	**1010.11**	**5665.33**	**713.09**	**4564.26**	**24.12%**	**35919**	**225788**	**36723**	**258069**	**-12.51%**
2	**Aegon Life Insurance Co. Ltd.**										
	Individual Single Premium	0.02	0.42	0.34	0.91	-54.43%	400	2209	4564	4589	-51.86%
	Individual Non Single Premium	0.18	10.03	1.42	34.21	-70.68%	216	7121	1100	14586	-51.18%
	Group Single Premium	0.00	0.00	0.00	5.23	-100.00%	0	0	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**0.23**	**16.67**	**3.14**	**61.78**	**-73.02%**	**617**	**9348**	**5675**	**19271**	**-51.49%**
3	**Ageas Federal Life Insurance Co. Ltd.**										
	Individual Single Premium	30.24	271.79	26.28	237.45	14.46%	587	5081	691	6199	-18.04%
	Individual Non Single Premium	64.48	367.44	51.37	266.97	37.63%	6480	39269	5795	35671	10.09%
	Group Single Premium	39.34	177.17	23.23	127.27	39.21%	0	1	0	0	---
	Group Non Single Premium	0.00	0.03	0.00	0.05	-36.19%	0	2	0	5	-60.00%
	Total	**134.06**	**816.43**	**100.88**	**631.74**	**29.24%**	**7067**	**44353**	**6486**	**41875**	**5.92%**
4	**Aviva Life Insurance Co. Ltd.**										
	Individual Single Premium	2.06	14.76	0.77	11.71	25.98%	799	910	764	1218	-25.29%
	Individual Non Single Premium	48.57	191.39	34.30	149.30	28.19%	6642	23895	3614	20683	15.53%
	Group Single Premium	0.35	4.96	0.15	2.36	109.83%	0	1	1	1	0.00%
	Group Non Single Premium	0.16	1.29	0.27	1.61	-19.74%	0	0	0	0	---
	Total	**66.75**	**296.20**	**41.47**	**220.20**	**34.52%**	**7443**	**24881**	**4394**	**22039**	**12.90%**
5	**Bajaj Allianz Life Insurance Co. Ltd.**										
	Individual Single Premium	63.95	305.81	24.97	70.03	336.66%	720	4187	344	1213	245.18%
	Individual Non Single Premium	661.70	3654.92	476.96	2460.29	48.56%	75004	470787	61352	425790	10.57%
	Group Single Premium	933.94	4739.04	766.38	3591.74	31.94%	24	96	9	64	50.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	-100.00%	0	0	0	0	---
	Total	**1672.18**	**9135.82**	**1291.68**	**6312.94**	**44.72%**	**75772**	**475209**	**61749**	**427241**	**11.23%**
6	**Bharti AXA Life Insurance Co. Ltd.**										
	Individual Single Premium	3.98	51.68	6.62	86.89	-40.52%	4891	5294	5057	7870	-32.73%
	Individual Non Single Premium	129.16	706.30	104.52	559.97	26.13%	16090	116589	15655	108961	7.00%
	Group Single Premium	21.72	164.47	19.30	132.92	23.74%	5	20	3	18	11.11%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**160.76**	**934.71**	**131.33**	**783.31**	**19.33%**	**20986**	**121907**	**20716**	**116853**	**4.33%**
7	**Canara HSBC OBC Life Insurance Co. Ltd.**										
	Individual Single Premium	42.49	402.80	39.10	425.55	-5.35%	295	3264	320	3650	-10.58%
	Individual Non Single Premium	259.84	1334.63	229.70	1002.25	33.16%	29672	174862	27961	176062	-0.68%
	Group Single Premium	47.42	905.86	60.61	688.62	31.55%	0	6	1	12	-50.00%
	Group Non Single Premium	0.10	1.67	1.12	4.40	-62.11%	0	2	0	2	0.00%
	Total	**350.49**	**2797.63**	**372.71**	**2303.40**	**21.46%**	**29978**	**178210**	**28304**	**179815**	**-0.89%**
8	**Edelweiss Tokio Life Insurance Co. Ltd.**										
	Individual Single Premium	3.98	29.70	1.44	7.30	306.72%	2009	6722	1495	5882	14.28%
	Individual Non Single Premium	91.53	416.80	80.80	403.19	3.38%	9808	58816	10555	74249	-20.79%
	Group Single Premium	2.74	26.90	3.30	15.77	70.61%	3	0	0	0	---
	Group Non Single Premium	0.00	0.00	21.30	24.16	-100.00%	0	0	0	0	---
	Total	**104.21**	**480.57**	**106.97**	**455.28**	**5.55%**	**11823**	**65548**	**12050**	**80160**	**-18.23%**
9	**Exide Life Insurance Co. Ltd.**										
	Individual Single Premium	18.01	142.60	16.03	92.79	53.68%	182	1373	286	1384	-0.79%
	Individual Non Single Premium	134.86	708.68	122.10	581.69	21.83%	20401	126424	23307	147259	-14.15%
	Group Single Premium	0.02	0.58	0.11	0.71	-17.54%	0	0	0	0	---
	Group Non Single Premium	4.71	48.51	23.48	40.65	19.34%	0	12	5	27	-55.56%
	Total	**160.17**	**1002.31**	**173.03**	**780.72**	**28.38%**	**20583**	**127809**	**23598**	**148670**	**-14.03%**
10	**Future Generali India Life Insurance Co. Ltd.**										
	Individual Single Premium	0.96	4.79	0.90	3.55	34.98%	42	187	37	167	11.98%
	Individual Non Single Premium	86.06	315.02	103.11	352.58	-10.65%	7779	38878	10047	53082	-26.76%
	Group Single Premium	1.84	22.24	19.65	78.65	-71.72%	0	0	0	5	-100.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**102.57**	**456.97**	**139.52**	**523.09**	**-12.64%**	**7829**	**39093**	**10089**	**53284**	**-26.63%**
11	**HDFC Life Insurance Co. Ltd.**										
	Individual Single Premium	494.59	3958.97	431.88	3474.71	13.94%	6419	47406	6595	42451	11.67%
	Individual Non Single Premium	1133.39	7752.00	1015.77	6650.40	16.56%	120401	867696	130541	939556	-7.65%
	Group Single Premium	1500.50	12213.96	1495.44	9856.94	23.91%	42	169	25	176	-3.98%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**3164.35**	**24301.07**	**2991.26**	**20242.44**	**20.05%**	**126878**	**915336**	**137166**	**982263**	**-6.81%**
12	**ICICI Prudential Life Insurance Co. Ltd.**										
	Individual Single Premium	366.56	3330.42	427.71	2659.43	25.23%	4084	34430	4343	28246	21.89%
	Individual Non Single Premium	921.06	5965.63	904.31	5187.61	15.00%	84658	617855	90824	633265	-2.43%
	Group Single Premium	527.18	3050.77	458.87	2311.91	31.96%	27	141	11	82	71.95%
	Group Non Single Premium	0.00	0.25	0.24	0.27	-4.64%	0	0	5	6	-100.00%
	Total	**2190.75**	**15035.52**	**2157.04**	**13032.11**	**15.37%**	**88868**	**653547**	**95464**	**664396**	**-1.63%**

Performance STATISTICS - LIFE INSURANCE

SUMMARY OF NEW BUSINESS PERFORMANCE OF LIFE INSURERS FOR THE PERIOD ENDED MARCH - 2022 (PROVISIONAL)

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crores					No. of Policies / Schemes				
		Month of Mar-2022	Upto Mar-2022	Month of Mar-2021	Upto Mar-2021	YTD Variation in %	Month of Mar-2022	Upto Mar-2022	Month of Mar-2021	Upto Mar-2021	YTD Variation in %
13	**IndiaFirst Life Insurance Co. Ltd.**										
	Individual Single Premium	8.36	92.96	4.22	33.26	179.51%	190	2153	149	1346	59.96%
	Individual Non Single Premium	214.17	1335.78	173.16	890.74	49.96%	37261	263318	28816	196218	34.20%
	Group Single Premium	109.94	1211.41	54.30	1006.03	20.41%	41	289	22	198	45.96%
	Group Non Single Premium	0.02	0.49	0.04	0.49	-1.43%	1	1	0	3	-66.67%
	Total	**332.49**	**2640.63**	**231.71**	**1930.52**	**36.78%**	**37493**	**265761**	**28987**	**197765**	**34.38%**
14	**Kotak Mahindra Life Insurance Co. Ltd.**										
	Individual Single Premium	315.37	1320.28	299.54	1251.25	5.52%	14150	54101	9235	44400	21.85%
	Individual Non Single Premium	493.71	1980.81	404.81	1693.35	16.98%	60987	285282	57120	295936	-3.60%
	Group Single Premium	242.71	1633.46	214.14	1026.88	59.07%	7	89	41	222	-59.91%
	Group Non Single Premium	1.52	5.25	0.07	0.60	771.85%	0	14	4	20	-30.00%
	Total	**1372.60**	**6142.77**	**1274.62**	**5256.51**	**16.86%**	**75231**	**340046**	**66531**	**341292**	**-0.37%**
15	**Max Life Insurance Co. Ltd.**										
	Individual Single Premium	354.75	1840.60	233.31	1508.97	21.98%	1353	7352	819	5628	30.63%
	Individual Non Single Premium	924.97	5257.34	837.51	4719.33	11.40%	97621	606647	97185	638999	-5.06%
	Group Single Premium	101.02	746.83	101.62	483.88	54.34%	1	39	0	17	129.41%
	Group Non Single Premium	0.00	0.00	0.00	0.00	------	0	0	0	0	---
	Total	**1393.60**	**7904.35**	**1213.19**	**6826.88**	**15.78%**	**98985**	**614081**	**98005**	**645036**	**-4.80%**
16	**PNB Metlife Life Insurance Co. Ltd.**										
	Individual Single Premium	13.24	134.18	20.03	109.60	22.43%	208	1966	282	1623	21.13%
	Individual Non Single Premium	349.90	1746.23	300.21	1440.40	21.23%	38984	255349	38034	246030	3.79%
	Group Single Premium	79.76	457.07	68.16	375.45	21.74%	0	5	0	1	400.00%
	Group Non Single Premium	0.71	2.38	0.05	0.67	257.13%	16	109	18	170	-35.88%
	Total	**454.69**	**2467.95**	**398.41**	**1996.20**	**23.63%**	**39208**	**257429**	**38334**	**247824**	**3.88%**
17	**Pramerica Life Insurance Limited.**										
	Individual Single Premium	1.99	7.47	0.86	2.64	183.36%	14	116	8	2030	-94.29%
	Individual Non Single Premium	11.94	114.04	10.71	111.90	1.92%	4130	28730	4354	28615	0.40%
	Group Single Premium	29.39	133.13	14.30	89.61	48.57%	3	25	0	11	127.27%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**46.92**	**304.23**	**26.62**	**228.49**	**33.15%**	**4160**	**28995**	**4372**	**30852**	**-6.02%**
18	**Reliance Nippon Life Insurance Co. Ltd.**										
	Individual Single Premium	3.85	43.84	12.81	59.69	-26.55%	147	1413	206	1585	-10.85%
	Individual Non Single Premium	134.76	939.24	148.07	896.85	4.73%	18262	154350	24762	188839	-18.26%
	Group Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Group Non Single Premium	22.14	273.46	61.96	168.28	62.50%	8	50	12	40	25.00%
	Total	**162.17**	**1282.32**	**223.11**	**1135.00**	**12.98%**	**18424**	**155880**	**24988**	**190524**	**-18.18%**
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	467.59	4031.14	316.21	2528.55	59.43%	8944	94888	6881	48929	93.93%
	Individual Non Single Premium	1510.56	12469.49	1471.03	9971.51	25.05%	256061	1828032	226999	1607448	13.72%
	Group Single Premium	792.27	8484.67	723.85	7757.60	9.37%	27	161	24	173	-6.94%
	Group Non Single Premium	10.64	36.70	20.78	35.12	4.51%	1	1	3	5	-80.00%
	Total	**2844.93**	**25458.29**	**2561.15**	**20625.46**	**23.43%**	**265072**	**1923243**	**233941**	**1656891**	**16.08%**
21	**Shriram Life Insurance Co. Ltd.**										
	Individual Single Premium	6.25	64.28	9.22	56.12	14.53%	1741	9538	671	2001	376.66%
	Individual Non Single Premium	112.41	519.19	110.64	511.52	1.50%	55865	263448	59900	293837	-10.34%
	Group Single Premium	56.99	284.15	50.53	203.90	39.36%	0	3	0	3	0.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**304.75**	**1077.84**	**183.62**	**885.13**	**21.77%**	**57607**	**273058**	**60597**	**295985**	**-7.75%**
22	**Star Union Dai-Ichi Life Insurance Co. Ltd.**										
	Individual Single Premium	12.76	144.83	34.26	213.08	-32.03%	253	2875	542	3851	-25.34%
	Individual Non Single Premium	123.84	1006.00	109.35	669.16	50.34%	14646	125929	13889	95696	31.59%
	Group Single Premium	38.12	240.33	27.54	159.52	50.66%	0	3	0	2	50.00%
	Group Non Single Premium	0.00	0.06	0.03	1.07	-94.42%	0	0	0	0	---
	Total	**218.66**	**1926.31**	**185.07**	**1163.91**	**65.50%**	**14905**	**128865**	**14433**	**99567**	**29.43%**
23	**Tata AIA Life Insurance Co. Ltd.**										
	Individual Single Premium	105.42	616.94	52.75	597.64	3.23%	1132	6158	483	3934	56.53%
	Individual Non Single Premium	863.95	4393.30	706.25	3356.65	30.88%	89303	525363	80451	456336	15.13%
	Group Single Premium	18.61	106.10	8.08	33.57	216.07%	0	3	0	1	200.00%
	Group Non Single Premium	3.77	7.28	15.40	63.94	-88.62%	2	14	4	48	-70.83%
	Total	**1042.18**	**5358.64**	**791.13**	**4144.03**	**29.31%**	**90476**	**531826**	**80957**	**460607**	**15.46%**
	PRIVATE										
	Individual Single Premium	2357.40	17066.29	1990.58	13584.18	25.63%	49041	294429	44129	220323	33.64%
	Individual Non Single Premium	8665.05	53370.30	7735.89	43833.36	21.76%	1085667	7101332	1048589	6932547	2.43%
	Group Single Premium	5089.71	37619.05	4445.86	30304.39	24.14%	204	1146	162	1066	7.50%
	Group Non Single Premium	44.92	401.36	146.73	401.83	-0.12%	28	209	51	327	-36.09%
	Private Total	**17289.61**	**115502.57**	**15310.76**	**94103.41**	**22.74%**	**1135324**	**7400213**	**1093559**	**7160279**	**3.35%**
24	**Life Insurance Corporation of India**										
	Individual Single Premium	4018.33	24805.53	2495.82	28822.49	-13.94%	181957	994754	147304	985566	0.93%
	Individual Non Single Premium	5501.12	30015.74	5046.16	27584.02	8.82%	4714062	20723941	4520648	19989873	3.67%
	Group Single Premium	30052.86	137350.36	20294.02	121569.45	12.98%	54	567	97	481	17.88%
	Group Non Single Premium	2576.95	5249.09	298.93	5598.14	-6.24%	1829	7953	2257	8388	-5.19%
	Total	**42319.22**	**198759.85**	**28105.92**	**184174.57**	**7.92%**	**4900661**	**21754965**	**4672824**	**21007234**	**3.56%**
	GRAND TOTAL	**59608.83**	**314262.42**	**43416.69**	**278277.98**	**12.93%**	**6035985**	**29155178**	**5766383**	**28167513**	**3.51%**

Glossary

Substandard Risk
Risks deemed undesirable due to medical condition or hazardous occupation requiring the use of a waiver, a special policy form, or a higher premium charge.

Superfund
Federal act mandating retroactive liability for environmental pollution where responsible party maintains accountability for environmental clean-up regardless of length of time since polluting event occurred.

Surety Bond
A three-party agreement whereby a guarantor (insurer) assumes an obligation or responsibility to pay a second party (obligee) should the principal debtor (obligor) become in default.

Surplus
Insurance term referring to retained earnings.

Poll

Do you think Insurance Industry is poised for a 2nd phase of reforms under new IRDAI chairman?

Yes

No

Can't say

Results of Poll in our April 2022 Issue

Do you think LIC IPO price should be reduced?

Yes	50
No	50
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

Published on 1st of Every Month
Date : 01-05-2022

Declaration No. 88
Dated 14-12-2017

R. No. KOL RMS/158/2022-2024
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