Published on 1st of Every Month
Date : 01-09-2022

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

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

₹ 85/-

THE INSURANCE TIMES

VOL.XXXXII - NO.09 - September 2022 - ISSN-0971-4480

In this issue

- PPN system - has done more harm than benefit - continues to violate principle of indemnity
- Health Insurance - The Unhealthy Preamble
- Case Study National Lok Adalat
- Insurance & Reinsurance of Nuclear Power Plants
- Public Offerings of Securities Insurance (POSI)

FOUR DECADES IN PUBLICATION

42 YEARS SINCE 1981

DEDICATED SERVICE TO THE NATION

"By giving 90% cover to banks, we expect more small companies to get export credit from banks, benefiting these industries greatly. We expect banks to provide more concessions. The net effect will be a benefit to exporters, involving a reduction in interest rate."

M. Senthilnathan
Chairman
ECGC.

"We have opted for parametric insurance as it provides faster pay-outs based on pre-defined parameters of adverse weather incidence such as deficit and excess rainfall, temperature, and relative humidity, which leads to losses to the farmers."

Panimalar T
Associate (Growth & Strategy)
BharatRohan

"The high growth rate is primarily due to a low base, since the insurance coverage of a company's digital assets three years ago was low due to a lack of awareness."

Sanjay Datta
Chief of Underwriting,
Reinsurance and Claims
ICICI Lombard General
Ins. Co. Ltd.

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

The Insurance Times

Vol. XXXXII, No. 09, September 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 : support@sashipublications.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.

IRDAI has proposed revising norms for Corporate Insurance Agents by allowing them to sell products for 9 Insurers in Life, General and health Insurance. This move will help to expand the product base and offer more choices to customers. Particularly in case of Bancassurance this move will benefit banks to tie-up with more Insurers and offer variety of products.

In case of Insurance Marketing Firm also IRDAI has proposed tie-up for 6 Insurance each in Life, General and Health. In Insurance Marketing Firm the Intermediary can sell only retail lines of business. It needs to be seen if in future IRDAI expands the role of IMF also.

The Insurance Brokers in India are allowed to sell products of all Insurance Companies. However after passing of above regulations, its impact needs to be assessed. The compliance and capital requirement in case of Insurance Broking is quite high in comparison to Corporate Agents or IMF. May be in future companies would like to opt for corporate agency model rather than Insurance Broking model.

IRDAI in last few months has been very aggressive to increase the penetration of Insurance sector in Country and for the first time has given business target to all Insurance Companies. Also IRDAI is proposing to give license to Insurance Companies in Insurrect, Micro segment with lesser capital requirement so that penetration is increased.

The mandatory standards for battery components and their testing including cells of electric vehicles (EVS) will come into force by end of this year. The government will also notify norms for the conformity of production (COP). The General Insurers must also review their strategy in Motor Insurance as with arrival of Electric Vehicles the nature of loss portfolio may change. Motor Insurance is one of the largest portfolio in General Insurance.

LIC celebrated 66th Anniversary on 1st September 2022. LIC was nationalized on 1st September 1956. LIC needs to gear up in the new environment where the Insurtech model is growing fast and its needs to remodel its distribution channels in alignment to competition in the Industry.

Contents

News

General Insurance News 05

IRDAI News 08

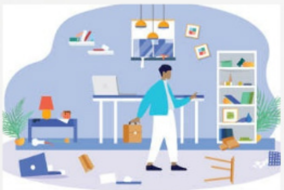
LIC News 11

Health Insurance News 13

Private Life Insurance News 15

International News 17

Articles



PPN system - has done more harm than benefit - continues to violate principle of indemnity
R C Thakker 19

Health Insurance - The Unhealthy Preamble
Dr. K. Raja Gopal Reddy 28

Case Study National Lok Adalat
Lata Shekhar Iyer 30

Insurance & Reinsurance of Nuclear Power Plants
Jagendra Kumar 32

Public Offerings of Securities Insurance (POSI)
Sweta Agarwal 39

Features

COSO's Enterprise Risk Management Framework 24

National Disaster Management Guidelines 42

No tripping, with Travel Insurance 46

New India Assurance Foundation Day Celebration 48

Legal 49

IRDAI Circular 51

Gross direct premium underwritten for and upto the month of JuLY 2022 53

Statistics - Life Insurance 54

Glossary / Poll 56

General Insurance News

ICICI Lombard offers motor cover linked to driving

ICICI Lombard General Insurance has launched a motor insurance cover where the premium will depend on the quantity and quality of driving. The company has also introduced a motor floater cover that provides the advantage of adding all vehicles owned by the proposer in one policy.

The Motor Floater offer for its customers is in line with the recent announcement by regulator IRDAI. It will enable those individuals owning multiple vehicles to ensure their vehicles, including cars and two-wheelers, are under one policy with a single renewal date and a comprehensive cover.

The pay-as-you-use and pay-how-you-use plans use telematics to analyse the extent and manner in which the insured uses the vehicle. The company would allow customers to choose from different 'kilometre plans' depending on usage. The customer will pay only to the extent they use the vehicle. Under the pay-how-you-use plan, the premium would change according to the insured's driving behaviour, with cautious driving incurring a lower premium.

According to ICICI Lombard executive director Sanjeev Mantri, the policies will go a long way in ensuring additional transparency and convenience for the end customer as these add-ons would precisely give them an idea of the coverage and incentivise both good driving and distance run with lower premiums.

ECGC launches enhanced insurance cover for exporters

Export Credit Guarantee Corp. of India (ECGC) introduced a new scheme to provide enhanced export credit risk insurance, amid heightened uncertainties in global trade.

The scheme provides enhanced export credit risk insurance cover up to 90% to support small exporters under the Export Credit Insurance for Banks Whole Turnover Packaging Credit and Post Shipment (ECIB- WTPC & PS).

"By giving 90% cover to banks, we expect more small companies to get export credit from banks, benefiting these industries greatly. We expect banks to provide more concessions. The net effect will be a benefit to exporters, involving a reduction in interest rate," ECGC chairman M. Senthilnathan said at a press conference.

This new scheme will enable the banks holding ECGC's WT-ECIB cover to explore the possibility of reducing interest rates further so that all the stakeholders are benefitted, the ministry said, adding that the enhanced cover percentage shall be made available to SBI as per the previous year's premium rate in view of its favourable claim premium ratio.

UP widow battered to death over insurance money

A 30-year-old woman, who had been resisting attempts by her in-laws to hand them over the insurance corpus she was about to receive for her husband's death eight months ago, was allegedly battered to death with a hammer by her brother-in-law.

Police said Twinkle was struck on the head at least 10 times at their home in Panchvati Colony of Loni by her brother-in-law Abhishek, who was arrested.

Twinkle and Gaurav got married in 2017 and had three children. In November last year, Twinkle lost Gaurav - an engineer with a private firm in Delhi - to a road accident.

Her mother Geeta, who lodged a police complaint against Twinkle's in-laws, alleged that her daughter was forced to give them Rs 4 lakh compensation that she had received from Gaurav's office after his death.

"When they learnt that my daughter was to receive another insurance amount of Rs 15 lakh, they started demanding that money as well," Geeta said. But Twinkle refused saying she would need the money to raise her three children.

"At one point, her in-laws pinned her to the ground and rained blows on her. In a fit of rage, Abhishek picked up a hammer kept in the room and battered my daughter to death," Geeta said,

Cognizant, insurer AXA Ink tech deal

Software exporter Cognizant has said it has won a multi-year IT services deal from multinational Insurer AXA UK & Ireland, a digital win for the company amid lowering quarterly bookings last quarter.

AXA is looking at a more digitally enabled technology ecosystem with a focus on overall costs, and Cognizant will provide a wide range of IT services from service desk support to app development to IT infrastructure management.

Digitally enabled IT helps deliver better customer experience and cuts overall cost, Rob Walker, President for Global Growth Markets for Cognizant. Cognizant's banking and financial services business accounts for a little under a third of its $4.9 billion second quarter revenue, according to the company's earnings release. India CMD Rajesh Nambiar had said Cognizant would strive to maintain the growth rate in the vertical amid a pivot towards bagging more digital businesses.

BharatRohan to offer parametric crop cover for paddy

Agritech start-up BharatRohan has introduced 'Pravir Shield', an initiative to provide parametric crop insurance to farmers in collaboration with ICICI Lombard and rural insuretech broker Gramcover.

The pilot phase of the insurance will cover paddy farmers in Barabanki of Uttar Pradesh who use BharatRohan's drone-based crop monitoring service 'CropAssure', the start-up said in a statement. This will help BharatRohan's subscriber farmers to mitigate losses due to changing weather patterns. The agritech firm aims to cover two lakh farmers by 2024.

"We have opted for parametric insurance as it provides faster pay-outs based on pre-defined parameters of adverse weather incidence such as deficit and excess rainfall, temperature, and relative humidity, which leads to losses to the farmers. The parameters are set based on the type of crop grown by the farmers as well as the historical weather pattern in the region," said Panimalar T, Associate (Growth & Strategy), leading this initiative at BharatRohan.

BharatRohan empowers its subscriber farmers by providing actionable insights through UAV/ drone-based hyper-spectral imaging technology. Periodic alerts of the upcoming threats to crops like pest attacks, disease outbreaks, and nutrient deficiencies are provided to the farmers.

Working across 30,000 acres with over 6,000 farmers in Uttar Pradesh and Rajasthan, the startup also enables its farmers to produce residue-free commodities and sells them to large institutional buyers.

Good signs on crop insurance front as gross premium declines by 11%

As the Centre has been trying to win back States that quit the flagship Pradhan Mantri Fasal Bima Yojana (PMFBY), a drop in gross premium in the current kharif season can be a good sign for the crop insurance scheme.

According to preliminary data from 18 States, the gross premium collected under PMFBY this kharif season is Rs. 14,943 crore as of August 10, compared with Rs. 16,853 crore during the whole of last season. There could be some increase in gross premium as more data are compiled, experts said.

The amount of sum insured is a notch higher at Rs. 94,642 crore so far this season - up from Rs. 94,604 crore last season.

"The premium rate has gone down in general as a risk factor has been lowered after integration of digitised land record in many State. Now, only one owner can be enrolled against his land whereas there were no such checks before," said a senior executive of an insurance firm. Citing the case of Madhya Pradesh, he said another Rs. 500-600 crore may get added in gross premium but it will still be much lower from last year.

Cyber insurance on rise as attacks surge

India Inc. is increasingly looking at dedicated cyber security insurance covers to address pervasive cyber threats including malware attacks, compromised emails, cryptojacking, or instances of disgruntled employees or adversaries attacking software systems and machinery.

India Inc.'s cyber insurance cover ranges $1-100 million a year, and is growing at 35% annually. In fact, experts said cyber insurance is the fastest-growing insurance segment in India.

While banks, non-banks and information

technology services companies were the first to buy cyber insurance covers due to higher exposure to digitally-connected systems and to protect financial transactions, startups and manufacturing firms are now waking up to the importance of such policies, especially post-pandemic, as they digitize their entire production and billing processes. “Cyber insurance business is growing at a CAGR (compound annual growth rate) of 30-35% over the past two years. Around ?300-400 crore comes from cyber policies alone for insurers now. At least 2-5% of the overall new premium collection is generated from sales of cyber insurance," T.A. Ramalingam, chief technical officer, Bajaj Allianz General Insurance, said.

According to Sanjay Datta, chief of underwriting, reinsurance and claims, ICICI Lombard General Insurance Co. Ltd, the cyber insurance market is growing at over 50%. The high growth rate is primarily due to a low base, since the insurance coverage of a company’s digital assets three years ago was low due to a lack of awareness. Assets are typically 50-100 times the annual premium paid for cyber insurance.

Noida Twin Tower Demolition Rs 100-crore insurance cover in place for Rs 20-crore demolition

The cost of demolishing the Noida Supertech Twin Towers is pegged at Rs 20 crore, which works out to be around Rs 267 per square feet. Edifice Engineering, which is tasked to bring down the structures, has secured a Rs 100-crore insurance cover for any damages it may cause.

It took almost Rs 70 crore to build the two 32-structure buildings, costing almost Rs 933 per square feet (sq ft) for a total built-up area of 7.5 lakh sq ft. Out of the total cost of demolition, Supertech is paying about Rs 5 crore and the remaining Rs 15 crore will be realised by selling the debris, which will weigh over 80,000 tonnes.

“We have secured a basic insurance of Rs 100 crore and around Rs 2.5 crore for the gas pipeline in the vicinity,” Uttkarsh Mehta, partner at Edifice Engineering, told.

“Any damage due to the fall will be covered. We have completed visual inspections and conducted vibration checks. All claims will be directed through the court,” he said.

The company anticipates that some window panes may develop cracks on account of air pressure for which “We already have a contractor in place. These would be replaced the same day,” he said.

ICICI Lombard General Insurance Co has launched 14 products across the motor, health, more

ICICI Lombard General Insurance Co has launched 14 products across the motor, health, and corporate insurance segments. They are in wide range and offers riders, add-ons, and upgrades on existing policies.

“We, at ICICI Lombard, have always been at the forefront of providing millions of customers with simplified and cutting-edge risk solutions that are tailored to their specific needs. Innovation and agility are a part of our organisational DNA and our comprehensive suite of offerings is designed to meet the myriad needs of customers, cutting across demographics of age, geographies, socio economic backgrounds or gender. Am elated to share that we have a product for virtually every segment and fuelled by regulatory reforms, we have accelerated our pace of developing and launching new products. I believe the current era in insurance industry is an exciting period to usher in innovation and reimagine possibilities. With 14 new products and upgrades on the anvil, has further cemented ICICI Lombard as a pre-eminent and comprehensive risk insurer of the nation." Said ICICI Lombard’s product portfolio, Sanjeev Mantri, Executive Director. ❑

IRDAI News

IRDAI eases limits for commissions to Insurance Agents

IRDAI provided insurers with more flexibility in paying commission by linking limits to the overall portfolio and company management expenses, according to a report.

The utmost commission sanctioned for non-life products has been pegged at 20% of the gross written premium in India in that financial year.

The insurers have been told by IRDAI that their commission and remuneration payout should be based on a board-approved policy which will be reviewed on a yearly basis. No commission shall be payable to insurance agents or the insurance intermediaries in the direct business, and the insurers must grant discounts on the premium.

Considering the positive side of the new regulation, the insurers said that insurance companies which were spending more on sales using the marketing route could now spend the money on commissions. "Public sector companies have a higher wage to premium ratio, but they are not very different from private players in management expenses. This is because private companies spend more promoting sales, which is not reflected in commission expenses," an official as saying.

The new regulations state that the commission limit will stay but, henceforth, it will be at the portfolio level limit and not an individual line of business. This means that a company that does more group health business at a low commission will have more headroom than a company with more individual health insurance businesses. Some insurers feel that even if limits are set at the portfolio level, regulations should not blend wholesale and retail portfolios for calculating commission ceiling.

IRDAI organises hackathon, invites innovative solutions for insurance sector

IRDAI has invited entities to develop technology-driven innovative solutions for automated death claim settlement, curtail miss-selling, and other areas of the insurance ecosystem, with an aim to protect the interest of policyholders. Applications have been invited by IRDAI as part of its first hackathon - Bima Manthan 2022 -- with the theme 'Innovation in Insurance'.

"The hackathon invites participants to identify and develop solutions that have the potential to make the insurance available to every individual in a seamless and swift manner with the use of technology and protecting the interests of the policyholders," the regulator said in a statement.

IRDAI has sought innovative ideas/solutions for automated death claim settlement using technology and tech-based solution to curtail miss-selling of insurance products.

The regulator is also looking for technology-enabled solutions to identify uninsured motor vehicles and ensure issuance of mandatory motor third party insurance, and technology-based distribution of insurance products, including micro insurance in "difficult terrains and less penetrable areas".

IRDAI eases norms of bank bonds, InvITs/REITs

IRDAI has allowed insurers to buy more perpetual bonds

issued by banks and permitted them to participate in the public listing of highyielding InvITs (Investment Trusts), enhancing the capital sources for such instruments that hitherto faced growth challenges due to the lack of wider institutional patronage.

"The aggregate value of AT1 (additional tier one) bonds held in a particular bank, at any point of time, shall not excess 10% of the total outstanding AT1 bonds of that particular bank," IRDAI said.

Earlier, the cap was meant for any particular primary issuance of those bonds, popularly known as perpetual papers.

AT1 bonds have no fixed maturities and are raised to shore up the capital base. These quasi-equity securities yield much higher returns than traditional bonds as the risk is also larger.

IRDAI nod not needed for issuing preference shares, subordinate debt

In a bid to promote ease of doing business, insurance regulator IRDAI has decided to do away with the prior approval requirement for raising capital through preference shares and subordinate debts by insurers.

The decision was taken in the board meeting held recently, sources said.

As per the decision, the issue of Other Forms of Capital (OFC) should not exceed 50 per cent of the paid-up share capital or net worth of the insurance company.

The board has also done away with the prior approval requirement for exercising the call option under OFC subject to a solvency ratio not less than 180 per cent.

Insurance regulator tightens anti-money laundering rules

IRDAI has stiffened the anti-money laundering rules as part of consolidation of the guidelines for the sector.

The rules issued to consolidate and update guidelines on anti-money laundering replaces the assorted norms issued since 2013. The key change is that exemptions and relaxations from the guidelines for companies have been done away with. So no life, general, or health insurer can claim any relaxations to comply with the money-laundering rules, as set out by the Reserve Bank of India.

Also, IRDAI has made the level of risk assessment a function of the size of the business of the companies. So the "periodicity of conducting anti-money laundering and counter financing of terrorism programme review and compliance audit and risk assessment (shall) not be fixed but based on risk exposure by the insurer".

The guidelines come as the regulator is preparing the ground for a larger exposure of foreign companies and a wider range of domestic financial sector companies to enter the sector. Globally, all regulators are upping the ante on these risks.

IRDAI allows insurers to empanel hospitals

In a bid to enhance the scope for offering cashless facility in health covers across the country, IRDAI has now allowed the insurers to empanel the hospitals that meet the standards and benchmarks criteria as specified by their boards.

While specifying the requirements, the board of insurers, among other things, should consider the minimum manpower and healthcare infrastructure facilities, IRDAI said. The insurers have to also publish the board approved empanelment criteria in their website from time to time. While empanelling network providers for cashless facility, insurers are also advised to focus on the delivery of quality healthcare services.

Sharad Mathur, MD & CEO, Universal Sompo General Insurance, said, "This regulatory initiative would increase the scope of the insurers' cashless services which would play a pivotal role in reducing the financial burden on policyholders. This will also provide a strong network of healthcare plus insurance services countrywide.

IRDAI flags reforms for investment, expenses

IRDAI has backed its growth push by flagging off reforms in the areas of investment, distribution and management expenses for insurers. The reforms envisage easing limits on investing in the financial sector and allowing insurers to invest in bonds issued for financing infrastructure and affordable housing over their financial sector investment.

Infrastructure and housing are expected to be big investment drivers in the current year. Giving insurers more headroom to invest in long-term bonds issued by banks will enable a better return for policyholders. The regulator also aims to relax the dividend criteria for investment in equities and preference shares under 'approved investments', which will give room to invest in new age companies.

According to insurance officials, the new IRDAI chairman, Debashish Panda, has given growth targets to insurers and is facilitating this through reforms. Distribution reforms include allowing corporate agents (which include banks) to tie up with nine insurers each in life, general and health. Currently, corporate agents can sell products of three companies in each segment.

There is also a proposal to allow insurance marketing firms to tie up with six insurance companies in each segment.

IRDAI issues draft notification on rules limiting expenses of life insurance companies

After health and general insurance companies, the Insurance Regulatory and Development Authority of India (IRDAI) has issued a draft notification on the limits of expenses for life insurance companies. For life insurance companies, the expenditure limit will be in consonance with their policy business. This means that there will be a limit on what companies will spend on agents' commissions, rewards, employee salaries and other expenses.

In pure risk products which are also referred to as Term insurance plans, for selling a policy for the first year, the expense limit will now be capped 80 per cent of the overall premium, as per the draft. As for renewal premium, the EoM (Expense of Management) could be at 25 per cent.

For life insurance plans which are not under the pure risk category, the first year expense will be capped 80 per cent of the overall premium. As for renewal plans, the EoM will be capped at 17.5 per cent of the overall premium.

In annuity plans with single premiums, the expense allowed will be up to 5 per cent of the total premium, the draft said. For individual pure risk and group policies with a single premium, the maximum expenditure allowed will be 10 per cent.

The insurance regulator IRDAI has asked the life insurance companies to reduce their expenses and pass on the benefits to the customers. It has also made provisions to stop allowances of the top management of the companies in the event of a violation of the IRDAI rules mandating the limit of expenditure.

IRDAI proposes setting up new platform for sale of insurance policies

Insurance Regulatory and Development Authority of India (IRDAI) has proposed setting up a new platform for sale, servicing and claims of insurance policies, sources informed CNBC-TV18. The same will be available from December this year.

"All products from life, general and standalone health insurers to be listed on IRDAI's proposed platform," they said.

In order to sell policies, agents will have to become platform members. They can sell it from all insurance companies once they become members.

IRDAI believes that insurance platform will help insurance penetration in Tier 2, 3 areas and will also bring down existing commission rates.

Earlier, sources said that the IRDAI committee is likely to propose allowing life insurers to sell health insurance. The committee is likely to seek a nod for the distribution and manufacture of health insurance.

The committee cited improved penetration, and global practice to support the move.

Presently, life insurers sell only fixed benefit health plans and not indemnity products. As per IRDAI, 75 percent of people pay for medical expenses from their pockets.

IRDAI pitches for affordable health cover for everyone

Insurance regulator Tuesday made a strong case for reducing expenses to make health insurance affordable for everyone.

Addressing the 'Health Insurance Summit 2022' here, Insurance Regulatory and Development Authority of India (Irdai) chairman Debasish Panda said that high operating and distribution costs, and hospital expenses as indirect costs could be the reasons affecting the insurance pricing.

Pricing is probably very high leaving insurance cover unaffordable to many sections of society, Panda said. "We have to look at ways of reducing the expenses in order to make insurance affordable," he said, adding that it should not be too burdensome for insurers either.

IRDAI's new rules on commissions give cos flexibility

The insurance regulator's new norms on commissions give insurance companies more flexibility while streamlining payments to agents and incentivising higher 'persistency ratios'. However, the focus on maintaining a certain threshold of expenses could benefit larger players who have a wider business with deeper banking relationships and could also disincentivise small agents from selling policies, industry executives and analysts said.

Persistency ratio shows how many policyholders paid their renewal premium.

In a draft notification earlier this week, the Insurance Regulatory and Development Authority of India (IRDAI) set a 20% commission cap for general insurance companies, down from the 30% to 35% they could charge earlier. The regulator also allowed life insurers whose expenses were under 70% of the allowable limit to set their own commission rates across product segments.

For companies that are above the expenses threshold, the maximum commission allowed as a percentage of premium is between 2% and 20%, down from a peak of 40% earlier. More importantly, there is a built-in commission for premium payments in the 5th, 10th, and 15th years, which encourages higher levels of persistency from agents. Stakeholders have time till September 14 to give feedback. ❑

LIC of India News

LIC shares drop even as death claims fall 20%

Shares of LIC fell over 1 percent trade even as LIC said it has witnessed a decline of nearly 20 percent in death claims in the first quarter of this fiscal with the Covid impact seen to be ebbing, though the amount is still higher than pre-2020 levels.

In the June quarter of the previous fiscal, settlement of death claims was to the tune of Rs 7,111 crore, which for Q1 of this year was Rs 5,743 crore, LIC Chairman M R Kumar said in a post-earnings call with analysts.

LIC Q1 net surges multi-fold to Rs. 682.8 crore

LIC reported a multi-fold increase in net profits to Rs 682.88 crore for the quarter ending June compared to a profit of Rs 2.94 crore in Q1FY22. It may be recalled that business activity in the country had come to a virtual standstill in the June 2021 quarter during the second wave of the Covid pandemic. Seen sequentially, LIC's performance was less impressive as the insurer had posted profits of Rs 2,371.55 crore in the three months to March.

The total income stood at Rs 1.68 trillion as against Rs 1.54 trillion in the year-ago period, LIC said. Total income stood at Rs 2.11 trillion in March quarter. The net premium income during Q1FY23 of Rs 98,351.76 crore, was about 20 per cent higher y-o-y. On a sequential basis, net premium was lower by about 32 per cent.

The first-year premium for the reporting quarter came in at Rs 7,429 crore as against Rs 5,088 crore in the year-ago period.

LIC breaks into fortune 500 list

LIC has broken into the latest Fortune Global 500 list, while Reliance Industries has jumped 51 places.

The nation's biggest life insurer with revenue of USD 97.26 billion and a profit of USD 553.8 million, was ranked 98th on the just released Fortune 500 list.

Reliance Industries jumped 51 places to 104 on the 2022 list.

This is the first outing of LIC on the list, which ranks listed companies by sales. Reliance, with revenue of USD 93.98 billion and a net profit of USD 8.15 billion in the latest year, has been on the list for 19 years.

The list, topped by US retailer Walmart, has nine Indian companies - five of them state-owned, and four from the private sector.

Only the debutant LIC, which came out with its IPO last fiscal, was ranked higher than Reliance among the Indian corporates.

LIC hires milliman to derive its embedded value

LIC has roped in Milliman Advisors to derive its embedded value (EV) as on September 2022. Milliman had ascertained the embedded value for the insurer before its initial public offering (IPO).

Embedded value is a key metric that indicates an insurance company's performance, and is the sum of adjusted net worth and value of in-force business or estimated future profits. In July, LIC had announced it would disclose its embedded value twice a year against the industry practice of releasing it once a year.

As the government and LIC had decided to declare the insurer's Milliman Advisors in March 2022 in its effort to improve transparency in reporting by the organisation, Milliman was also asked to compute the key metric as of March 2022. Now, the reporting actuary would ascertain the EV of India's largest insurer for September 2022 as well, an official told.

Milliman Advisors was appointed as the

reporting actuary for LIC in December 2020 to compute the embedded value prior to its listing as the exercise was never undertaken by the insurer after it segregated its Life Fund into participating policyholders fund and non-participating policyholders fund. Participating policyholders share profits of the participating fund of the insurer, while non-participating policies' profits and dividends are not shared with policyholders.

LIC had disclosed its embedded value for the first time in its draft red herring prospectus (DRHP) that witnessed an increase from Rs 95,605 crore in March 2021 to Rs 5.39 trillion in September 2021 after segregation of its fund into participating and non-participating funds. This increased further to Rs 5.41 trillion as of March 2022 backed by growth in value of new business (VNB).

In its computation for March 2022, Milliman Advisors had said a 10 per cent drop in equities would lower the embedded value of LIC by 6.5 per cent. Besides drop in equities, the embedded value is sensitive to the taxation rate. It could drop 24.3 per cent if the taxation rate is assumed to be increased to 34.9 per cent, the reporting actuary had noted.

LIC invests Rs. 34,000 crore in equities

LIC, has invested Rs. 34,000 crore in equities in the first quarter of the financial year.MR Kumar, Chairman, LIC said, "We are contrarian in our investment philosophy, so we thought this is a good time to buy stocks."

It bought equities worth Rs. 46,444 crore but booked a profit of Rs. 12,444 crore.

In the Q1 earnings conference, Kumar said that owing to the market volatility, the insurer chose to purchase more equities instead of booking profits. Due to this, LIC's investment gains fell year-on-year, with the company booking equity profit of Rs. 5,076 crore in June quarter much lower than Rs. 11,368 crore logged in the corresponding, he added.

LIC keen to re-enter mediclaim segment: Chairman

LIC is keen to re-enter the mediclaim segment as and when the regulator provides clarity on the issue, its chairman has said. "We are already doing a lot of long-term health protection and guaranteed health products. And we are evaluating the suggestion that the regulator IRDAI made recently," Chairman M R Kumar told, when asked about the same during its earnings call over the weekend.

The chairman further said, "I don't think it will be difficult for us as we already offer some of the health products."

Mediclaim policies, which are indemnity-based health plans, are the best-selling health insurance products in the country. However, in 2016, the Insurance Regulatory and Development Authority of India (IRDAI) had asked life insurers to withdraw indemnity-based health plans from the market. Life insurers since then have been allowed to offer only fixed benefit health plans.

LIC sees 20% fall in death claims in Q1

Insurance coverage behemoth LIC witnessed a decline of practically 20% in demise claims within the June quarter with Covid impression seen to be ebbing, although the quantity remains to be larger than pre-2020 ranges, officers stated.

Within the June quarter of FY22, settlement of demise claims was to the tune of Rs 7,111 crore, which for Q1 of this yr was Rs 5,743 crore, LIC chairman M R Kumar stated in a post-earnings name with analysts. “So, there may be fairly a lower, and it is fairly apparent that no matter lower was there based mostly on Covid... going away now, Q1 to Q1 of the earlier yr,” Kumar stated.

The declare charges had been steady earlier than the pandemic, stated Dinesh Pant, government director and appointed actuary, LIC. He added that there was a spike in claims within the final two years because of Covid.

LIC no longer among top 10 most valued listed firms

Life Insurance Corporation of India (LIC) has lost its spot among the top 10 most valued Indian companies by market capitalisation. The insurance behemoth is currently the 11th most valued listed Indian company.

The state-run insurance firm, which made its debut on bourses earlier this year, is replaced by leading NBFC Bajaj Finance and Adani Group's Adani Transmission.

The total market cap of LIC stood at Rs 4.26 lakh crore on Tuesday, which was less than Adani Transmission's Rs 4.41 lakh crore and Bajaj Finance's Rs 4.35 lakh crore.

Shares of Life Insurance Corporation are down by 30 per cent compared to its IPO price of Rs 949. The company has eroded about Rs 1.75 crore worth of notional wealth as it had listed with an m-cap of Rs 6 lakh crore.

On the other hand, shares of Adani Transmission have rallied as much as 130 per cent in 2022 so far. Bajaj Finance has remained flat in the current year.

India's largest insurer, which manages assets worth more than Rs 41 lakh crore, had launched a Rs 20,500 crore initial public offering in early May. ❑

Health Insurance News

Rajasthan tops in health insurance with 88% cover

The highest proportion of households covered under health insurance or financial schemes across the country is in Rajasthan, says the latest data on health insurance coverage - collected in 2019-21 through the National Family Health Survey (NFHS).

In the state, 88% of its households with at least one member is covered by a health scheme or health insurance. Andhra Pradesh is second with 80%, Goa (73%), Chhattisgarh (71%) and Telangana (69%).

The survey pointed out that health insurance coverage in the country is far from satisfactory. Over two-fifths (41%) of the households have at least one usual member covered under health insurance or financing scheme.

When household members get sick, they are slightly more likely to seek care in the public sector (50%) than the private sector (48%). However, in the state, percentage of households using government health facility is quite high. Only 26.4% of households in the state generally do not use a government health facility. Health department officials said they are providing free medicines and free diagnostic tests free to the people in government hospitals, which has also attracted patients to government hospitals.

Health Insurance losses increase in Public Sector Insurance Companies

All four public sector insurers incurred losses of Rs. 26,364 crore in the health insurance portfolio for the last five years due to higher claims in group policies, a CAG report said.

"The losses of the health insurance business of PSU insurers either wiped out/decreased the profits of other lines of business or increased the overall losses," an audit report by CAG tabled in Parliament recently said.

The aggregate loss of the four PSU insurers was Rs. 26,364 crore during 2016-17 to 2020-21.

The health insurance business is the second largest line of business of the PSU insurers (the first being motor insurance), having a gross direct premium of Rs. 1,16,551 crore during the five years from 2016-17 to 2020-21.

PSU insurers' market share in the health insurance business is also reducing continuously vis-a-vis the standalone health insurers and private insurers, the report observed.

ICICI Prudential Life keen to re-enter health insurance

ICICI Prudential Life said it is keen to re-enter the health insurance vertical as there's "nothing new" in the business for the company which had been in the segment for many years till 2016. Recently, IRDAI chairman Debasish Panda hinted at allowing more players into health insurance segment in order to ensure medical cover for every citizen by 2030. However, the IRDAI chairman clarified that he is evaluating the pros and cons of allowing life insurers to sell health insurance and that a decision is yet to be taken on the matter.

Before the blanket ban imposed by the regulator, ICICI Prudential Life had a large customer base in the health insurance segment. Following the regulatory restriction, the life insurer helped a large number of its customers port out their plans. However, over 2.6 lakh policyholders did not port and they are still being serviced by it, a top company official has said.

Telangana Governor urges insurers to include robotic surgeries in health insurance

Telangana Governor Dr Tamilisai Soundararajan has requested insurance companies to come forward and include all the robotic surgeries and approve them. Even the government insurance schemes should include the latest procedures in the approval list, Dr Soundararajan said while speaking after formally inaugurating the two-day and the first exclusive Conference on Gynaecological Robotic Surgeries RoboGynIndia-2022 organised in India.

Aiming at familiarizing surgeons and residents with the clinical application of the latest techniques in treating gynaecological disorders, the conference was jointly conducted by the Association of Gynecological Robotic Surgeons (AGRS), the national organization of surgeons practising the art of robotic gynaecological surgeries, along with Intuitive Surgical, a global technology leader in minimally invasive care and the pioneer of robotic-assisted surgery (RAS).

Dr Soundararajan while complimenting Chief Gynecologist Dr Rooma Sinha, Organizing Chairperson and Founder President, AGRS, for her exemplary services in this field, said that in our country it is expected that whatever latest and highest technology is introduced it has to be patient-oriented and even if there is a small complication, it would be difficult to use it for the next patient because of the bad word it earned.

ADIA to invest in Aditya Birla Health Insurance

The Boards of Directors of Aditya Birla Capital Limited (ABCL) and Aditya Birla Health Insurance Co. Limited (ABHI) approved a proposal for a primary capital infusion of approximately Rs 665 crore in ABHI, from a wholly owned subsidiary of the Abu Dhabi Investment Authority (ADIA). ABHI plans to use this capital to drive its growth in the health insurance market in India.

ABHI is a 51:49 joint venture between ABCL and Momentum Metropolitan Strategic Investments (Pty) Ltd, a wholly owned subsidiary of South African based Momentum Metropolitan Holdings Limited.

The transaction values ABHI at approximately Rs. 6,650 crores. Completion is subject to receipt of statutory and regulatory approvals, including the approval of the Insurance Regulatory and Development Authority of India (IRDAI). Upon the completion of the transaction, ADIA will own a 9.99 per cent stake, ABCL will hold a 45.91 per cent stake and MMH a 44.10 per cent stake, respectively, in ABHI.

5% GST on hospital room rent: How will it impact health insurance policyholders?

The 47th GST Council meeting in June 2022 capped the GST at 5% to be applicable on room rent (excluding ICU) exceeding Rs 5000 per day per patient charged by a hospital.

When someone gets hospitalised, one has an option to choose different types of rooms—single private room, twin sharing, suite room, etc. The per-day room rent charges for each of them are different and vary from hospital to hospital. Under certain health insurance policies, insurers only cover a portion of the room rent or have a cap on the same (depending on the sum insured opted).

Experts say that the 5% GST on hospital room rent will further increase the hospitalisation cost in cases where the hospital room rent is above Rs 5000 for non-ICU rooms.

“Under the new guidelines, a 5% GST will be imposed on hospital room rent above Rs 5,000 for non-ICU rooms. This will result in an overall increase in the hospitalization cost in cases where the per day room opted is higher than Rs 5,000,” Dr Sudha Reddy, Head – Health and Travel at Digit Insurance, told FE.

Insurance Company Launches Plan for Diabetes and Hypertension Patients

nsurance firm Niva Bupa Health Insurance Company Limited has launched a new health policy for people with diabetes and hypertension. The new rider plan, known as Smart Health+ Disease Management Plan will provide coverage for diabetes, hypertension and its complications from Day 1, thereby offering complete peace of mind to customers living with diabetes and hypertension. The plan was launched keeping in mind the high number of people in India who suffer from these diseases. The rider is available for those who sign up for the ReAssure plan.

“It is important to note that these customers are at a higher risk of needing hospitalisation and hence need of immediate cover," Niva Bupa, formerly known as Max Bupa Health Insurance Company Limited, said in a press release.

The plan is intended to give confidence to people suffering from Diabetes and Hypertension to live life without worry, the company said. The SmartHealth+ Disease Management Rider will also offer quarterly health check-ups and discount of up to 20 per cent on health insurance renewal premium on managing a healthy lifestyle.

Private Life Insurance News

Tata AIA Life declares Rs. 861 crore surplus

Tata AIA Life Insurance has declared Rs. 861 crore in annual surplus transfers to the participating policyholders for FY22.

The company said this is the fifth consecutive year of surplus (profit sharing) payments to the policyholders and is 20 per cent more than the profit shared with policyholders in FY21, making it the largest so far.

All participating policies in-force as of March 31, 2022 are eligible to receive this annual payout, it said in a statement.

The declared profit will be added to the policyholders' benefits, Samit Upadhyay, chief financial officer at the company, said.

He said the company's individual weighted new business premium income rose to Rs. 4,455 crore in FY22, up 30 per cent from Rs. 3,416 crore in FY21.

New premium income of life insurers up by 91%

New business premium income of life insurance companies witnessed a surge by 91 percent to Rs 39,078.91 crore in July as against Rs 20,434.72 crore during the corresponding period of last year.

LIC, has registered over twofold jump in new business premium income to Rs 29,116.68 crore during the month compared to Rs 12,030.93 crore in the year-ago month, according to the IRDAI data.

The rest 23 players, out of 24 total, in the private sector witnessed a nearly 19 per cent increase in their combined new premium income to Rs 9,962.22 crore in July 2022 against Rs 8,403.79 crore in July 2021.

On a cumulative basis, the first year premium of all the insurers grew by 54 per cent to Rs 1,12,753.43 crore during the April-July period of FY23 as against Rs 73,159.98 crore in the same period of 2021-22.

For LIC, the cumulative new premium in the first four months of the current fiscal was up by over 62 per cent to Rs 77,317.69 crore.

Premium income of the private players rose by 39 per cent in April-July of FY23 to Rs 35,435.75 crore.

Banks line up Additional tier plans after IRDAI opens door to insurers

Lenders from Bank of Baroda to State Bank of India are lining up plans to raise about Rs 10,000-15,000 crore in the next two months through additional tier-1 bonds, according to people spoke with.

Banks' resources teams are swinging to action, after IRDAI breathed life into the moribund market by easing the conditions for insurers to buy into these bonds.

AT1 bonds, also known as perpetual bonds, do not have any fixed maturity but offer relatively higher rates as those are considered quasi-equity instruments with a larger risk to the investment. The proceeds augment banks' capital base.

While SBI may raise up to Rs 7,000 crore, Canara Bank, Union Bank of India and Punjab National Bank are evaluating a new series of perpetual papers, market sources said.

"The latest relaxation has increased investor appetite for AT1 bonds as banks will be able to raise more capital via such instruments," said Sushanta Mohanty, general manager - treasury at Bank of Baroda. "With credit demand coming up, it is helpful for banks," he said.

The non-food credit growth, or the loans given to companies and individuals, recorded 13.7% growth in June this year compared with 4.9% a year earlier. This has necessitated banks to raise more capital.

Kotak Mahindra Life Insurance plans to double share of protection portfolio

Kotak Mahindra Life Insurance is gearing up to focus on growing its digital business and double the share of the protection portfolio from 3.2 percent to 6.8 percent, Mahesh Balasubramanian, Managing Director and CEO, Kotak Mahindra Life Insurance Company Limited, told.

"We are building the digital business with a bottom-up approach and creating an interplay of products, processes, and technology for a best-in-class customer experience across the digital ecosystem," said Balasubramanian. He added that the company expects its online business to grow faster than that of the industry's online business.

Kotak Life Insurance has recently started its digital business and said that, at present, it generates minuscule business from it. Its net profit for FY22 was Rs. 425 crore.

The company is also focusing on making protection that falls under the traditional portfolio stronger. Protection plans are specially designed to provide full protection and financial stability to the policy holder's family in case of any unforeseen events. "In protection, we would like to grow by double digits, from 3.2 per cent to 6.8 per cent this year. But overall, we can get protection, which is currently in single digits, to at least double digits in the next two or three years," said Balasubramanian.

The life insurance company will be adding 43 branches across the country during this financial year, of which nine will be opened in Tamil Nadu. At present, it has 253 branches.

Recently, Kotak Life Insurance was asked by the Insurance Regulatory and Development Authority of India (IRDAI) to focus on growing the life insurance business in Tamil Nadu and Pondicherry. The regulator has asked insurance companies to cater to region-wise growth by allotting different regions to different players.

This is a part of the Bima Manthan. Earlier this month, IRDAI launched Bima Manthan, a bi-monthly series of in-person meetings with the CEOs and MDs of all the insurance companies. It is a platform for the continuous engagement of IRDAI and the top players in the insurance industry.

Go Digit Insurance files red herring prospectus for Rs. 5000 crore IPO

Go Digit, the general insurer backed by Canada's Fairfax, has filed its draft red herring prospectus (DRHP) to raise around Rs 5,000 crore through an initial public offering (IPO) that will include fresh issuance of equity shares and an offer-for-sale.

It will be the first general insurer to be listed on the bourses in five years. ICICI Lombard General Insurance and New India Assurance went public in 2017. The company, formally known as Go Digit General Insurance, is looking to issue fresh equity of Rs 1,250 crore while the offer-for-sale will consist of 109.4 million equity shares by promoters and selling shareholders.

Go Digit Infoworks Services Pvt Ltd, the promoter holding around 86.35 per cent stake in the company, will offload 109 million shares. Investors Nikita Mihir Vakharia and Mihir Atul Vakharia will sell up to 4,000 equity shares, Nikunj Hirendra Shah and Sohag Hirendra Shah will sell 3,778 equity shares, and Subramaniam Vasudevan jointly with Shanti Subramaniam will sell 3,000 equity shares.

The company will use the proceeds from fresh issuance of shares to augment its capital base, maintain solvency and for general corporate purposes.

The Bengaluru-based firm provides health, travel, property, marine, liability, and other general insurance. It may in consultation with merchant bankers consider a pre-IPO placement of equity shares, or any other method aggregating up to Rs. 250 crores. If such placement is completed, the fresh issue size will be reduced, it said.

It earned premiums to the tune of Rs 5,268 crore in FY22. In FY21 and FY20, premiums collected by the company stood at Rs 3,243 crore, and Rs 2,252 crore, respectively. It has delivered a compounded annual growth rate of 52.9 per cent from FY20 to FY22 as far as premiums is concerned.

Canara HSBC Life declares bonus for ninth consecutive year

Canara HSBC Life Insurance has declared a bonus amounting to Rs. 78 crore for all its eligible policyholders for the financial year 2021-2022. This is the ninth consecutive year when the life insurer has declared bonus on participating products. The latest bonus reflects a 28 per cent increase over the bonus amount of the previous year.

Anuj Mathur, MD & CEO, Canara HSBC Life Insurance, said, "We are elated to announce the annual bonus for our customers and pleased that we are progressing each year in fulfilling the promises made to our customers. Our customers are testimony of our growth journey and our commitment towards their financial goals is unparalleled."

Strong fund management and robust risk management practices have enabled the company to consistently reward participating policyholders with a higher bonus, he added. The annual bonus declaration reflects the company's ability to successfully deliver on promises made to the policyholder. ❑

International News

Japan general insurance market to reach $133.1 billion in 2026, driven by commercial insurance demand

The general insurance market in Japan will grow at a compound annual growth rate (CAGR) of 3.0% from JPY11,155.4 billion ($101.6 billion) in 2021 to JPY12,920.7 billion ($133.1 billion) in 2026, in terms of gross written premiums (GWP), driven by a rise in demand for commercial insurance lines, forecasts GlobalData, a leading data and analytics company.

According to GlobalData, increased frequency of Natural-Catastrophic (Nat-Cat) events, cyber-attacks, and geopolitical risks will drive demand for commercial insurance lines such as property and liability insurance.

Shabbir Ansari, Senior Insurance Analyst at GlobalData, comments: "The Japanese general insurance industry is expected to grow by 1.1% after registering a slower growth of 0.4% in 2021. The slow growth can be primarily attributed to a decline in motor insurance which accounts for over 50% of general insurance premiums. The general insurance industry is expected to gain momentum from 2023 onwards supported by growth in all major insurance lines."

Motor insurance is the leading insurance line in Japan's general insurance segment, accounting for a 50.5% share, in terms of GWP in 2021. It registered a decline in premium since the onset of the Covid-19 pandemic as frequent lockdowns impacted vehicle sales. This trend is expected to continue in 2022 as global automobile chip shortage and rising inflation will impact vehicle sales. The segment is expected to witness a gradual recovery from 2023.

Ansari adds: "Reduction in the premium rates for the mandatory motor third party liability (MTPL) insurance will also impact premium growth in motor insurance. The rates were reduced in April 2021 by the General Insurance Rating Organization of Japan as the number of road accidents declined by a CAGR of 12.7% during the last five years."

Property insurance was the second largest segment, accounting for a 25.5% share in terms of GWP in 2021. Japan is prone to frequent Nat-Cat events like earthquakes and volcanic eruptions. In February 2021, an earthquake in Fukushima caused an insured loss of more than $2.5 billion. The high frequency of Nat-Cat events will support the growth of property insurance which is forecasted to grow at a CAGR of 4.9% over 2021-26.

Augmented reality will be invaluable to insurers in the post-pandemic world

With augmented reality (AR) set to become a $152 billion market by 2030, its use cases for the insurance sector are only growing, according to GlobalData. The leading data and analytics company notes that the technology's demand among insurers has been catalyzed by COVID-19 and the need for remote inspections.

GlobalData's report 'Augmented Reality (AR) in Insurance' reveals insurers' growing demand for AR technology to combat challenges to the sector such as COVID-19, climate change, and rapid digitalization among younger generations.

Amrit Dhami, Associate Analyst at GlobalData, comments: "The COVID-19 pandemic has required insurers to start using AR technology in the form of AR-enabled inspections as a service platforms. These allow insurers to carry out in-depth remote inspections.

The specialist can use AR on a live video stream with the customer to mark specific points, overlay text and pointers to guide them, or measure real-life distances on-screen. Further, if a risk engineer or adjuster is needed onsite, they can use AR smart glasses to be safely guided by off-site colleagues to minimize the number of agents required at the claim site, while maintaining collaboration.

"The pandemic has left a legacy of remote operations, and it's no wonder considering how this can significantly reduce travel time, costs, and emissions for firms. For insurers, inspections at service platforms will continue to streamline the claims process and allow insurers to provide better customer service."

GlobalData's report also identifies that AR helps insurers assess risks associated with severe weather events and natural hazards.

Dhami continues: "AR allows insurers to effectively and safely simulate real-life disasters and estimate associated damage and repair costs. Insurers can overlay AR imagery on a room or environment to estimate the extent of damage from flooding, landslides, or other natural disasters. Showing customers how far flooding from a burst water pipe in their basement could spread can inform them of the assets and devices most at risk of being damaged, ensuring that preventative measures are taken to reduce avoidable claims.

"Importantly, insurers can use AR glasses to safely survey damaged sites after catastrophic events. Information such as blueprints or floor plans can be overlaid on the agent's field of vision so they can locate water pipes and gas lines safely and hands-free."

AR is also a key tool for maintaining market share among younger insurance customers. For example, GEICO's app uses AR and the user's phone camera to overlay information about different facilities and attractions nearby.

Dhami adds: "Today's insurance customers, many of whom are members of Generation Z, expect more engagement and innovation from their insurers than has traditionally been the case. New insurtechs on the scene are increasingly trying to appeal to this demographic, so traditional insurers can use AR to jazz up their advertising campaigns and provide entertaining in-app services to attract younger customers and fend off insurtechs. AR marketing is accessible due to the ubiquity of AR-enabled smartphones, so should be integrated into insurers' existing apps."

Insurtech investments fall by 79.6% in 2021 leading to job losses and tough economic conditions in 2022

With several leading insurtech start-ups providers going bust or cutting staff, the COVID-19 pandemic and cost-of-living crisis are having a massive impact on the global insurtech industry, with leading data and analytics company GlobalData finding that investments into insurtech have fallen significantly in 2022.

GlobalData's Deals Database reveals that the value of global investments into insurtech fell by 79.6% in 2021. This follows a consistent flow of stories of insurtechs struggling in 2022. The most recent is Lemonade cutting Metromile's staff by 20% after completing the acquisition of the insurtech in August 2022. This came after Lemonade previously stated it would not reduce headcount. Other high-profile insurtechs that have made similar moves in 2022 include Nova Benefits cutting 30% of its staff in June and Zego cutting 17% of its staff in July.

Ben Carey-Evans, Senior Insurance Analyst at GlobalData, comments: "These trends are likely due to a combination of factors. As highlighted, investment into the sector has dried up somewhat. Funding rounds are essential to keep insurtechs running in the early stages before they become profitable, so reduced investment is a significant barrier."

At the end of July 2022 there had been $1.0 billion invested into the theme, which represents 49.5% of the total annual 2021 figure suggesting growth is unlikely in 2022.

It is also likely that in tough economic times – such as a pandemic and now the cost-of-living crisis – consumers turn to familiar and established brands, as they trust them more to survive and pay out claims. It is also true that a lot of insurtechs focus on gadget or possessions insurance, which is not considered an essential purchase by consumers. As a result, it is a line that is always likely to be hit as disposable incomes decrease and consumers look to reduce their expenditure.

Carey-Evans adds: "Insurtechs will need to focus on offering value to consumers, as that is what they will be looking for in the immediate future. This can be achieved by relying heavily on artificial intelligence to cut processing costs, or by offering innovative products such as pay-as-you-drive and on-demand policies. The latter would allow consumers to control how much they pay or receive cover only when it is strictly needed." ❑

Cover Story

PPN SYSTEM - HAS DONE MORE HARM THAN BENEFIT - CONTINUES TO VIOLATE PRINCIPLE OF INDEMNITY

I wrote an article titled PPN SYSTEM - FAILURE OR SUCCESS, which was published herein this publication in March, 2017. In the said article, I had anaylsed the reasons in detail, which are the causes that this system was failing in its objective in the first five years of its' introduction by four PSU companies. Unfortunately, now when almost a decade is passed the PPN system has done more harm than benefit and continues to violate Principle of Indemnity.

In this present article, at the cost of some repetition, I have once again anaylsed with more in-depth study of the system from the beginning particularly in the light of new scenario, where private sector including standalone health insurance companies, have come in the field with aggressive marketing of their health products. This new scenario has proved how the PPN system is harming dangerously the health insurance portfolios of four PSU companies. Worst affected stakeholders are not only policyholder but also the intermediaries involved in selling these products.

About the author

R C Thakker
A.I.I.I.
Chief Insurance Advisor

Medical insurance was introduced at the insistence of Government around nineteen eighties with the noble objective of providing financial succor to citizens whenever any family member faces medical exigencies particularly when the disease is a critical one. It indeed has played a vital role for these objectives and innumerable number of families have been benefited, who, otherwise, would have been financially ruined or would have been deprived of costly treatments.

Prior to introduction of health insurance coverages, for all the service providers in the health sector, it was privately funded health treatment services. However, ever since the health insurance cover started in India, scenario in health treatment services has changed drastically. Other than government hospitals, for almost all private sector hospitals and nursing homes it has become insurance funded health treatment services which resulted in substantial increase in revenue generation. Commercial aspect and profit motives for improvement in quality treatment services under modern facilities also resulted in raise in considerably higher treatment cost.

As at the time of introduction of health insurance coverages only Public Sector Insurance (PSU) companies were present/ available in the market. Though, health insurance portfolio grew substantially for all four companies, the management of Health insurance portfolio for all the insurance companies become a challenging task for a simple reason that health treatment costs were considerably higher.

Commercial aspects of health service providers with better facilities have resulted in offering various services at a premium cost. Patients' choice for obtaining best treatment at modern facilities and modern treatment protocols has also kept treatment costs at higher levels. As a result of which the health insurance portfolio remained in red, almost all along.

From the year 2000 onwards, private sector insurers also started operating in India. Cautious about the market scenario of health insurance portfolio with the available operating results of four PSU companies, they were reluctant to enter in the market with this portfolio in a big way. As such, even after entry of private companies in the market the health insurance coverages were mainly provided by PSU companies for next decade also. One of the important features of the health insurance policies offered by PSU companies to the general public was that coverages were with subject to capping and limitations.

As the health portfolio remained loss making for almost large parts of three decades in all the four PSU companies, an innovative mechanism for controlling losses was designed and introduced around 2010, which is known as PREFERRED PROVIDER NETWORK (PPN) approved HOSPITALS and NURSING HOMES. The sole aim was to minimise the losses under this portfolio of all the four companies, but it was also projected by some of the heads of these companies during various interviews that with the expected reduction of claim amounts the corollary effect will be reduction in premium cost for insuring public. Undoubtedly the scheme of PPN was well designed and intended for the objective which was set by the authorities. However, in the long run it proved to be total disastrous and only generated resentment and complains for insuring public and to understand why this system turned out to be a failure and did not bring about the intended results, we have to understand what is the PPN system, what are the causes of its' failure and how it affected customers' confidence on PSU company's health products?

What is PPN system?

For simple understanding of PPN system, it is a legal and binding agreement between TPA on behalf of insurer, as one party and the hospitals/Nursing Homes as other party, whereby such other party agrees that for various procedures, fixed packaged rates will be charged from the patients availing CASHLESS facility under the policy provisions and the TPA, on behalf of insurer includes the name of such hospital in the list of PREFERRED PROVIDER NETWORK hospitals which are approved hospitals providing CASHLESS facility. Hospitals chooses this inclusion in PPN listed hospitals for the reason that they get more patients, which in a way is commercial consideration for them.

From the above position, ideally, when any patient undertakes treatment in such PPN listed hospitals, he should be charged as per the agreed packaged rate, neither more nor less. But in reality, it seldom happens. Invariably, hospitals charge in excess of agreed rates but the TPA settles the claim, either while approving CASHLESS amount or settling reimbursement claim at PPN rates agreed between them. Patient is called upon to pay extra charges. It is not that the hospitals/NH cannot charge over and above Package rates under the agreement. Under certain circumstances, which are defined by IRDA and for this purpose a declaration needs to be signed by the patient party, stating that they can charge over and above package rates and insured has to bear such additional charges. IRDA declaration provides for such additional charges, which Hospitals/NH can charge and which is to be borne by the insured, are as under:

"In case, policyholder wishes to avail better facility: Name of the Additional Facility/ Provision/ Procedure/ Treatment ………………………………………………………………………… …………. which costs Rs. : ………………………………………… ……………………………(In words: ………………………………………… ………………………………………………………………………… …………………………………………. ………………………………………… …………………………………………………………………………) only. On my own option, I wish to avail above better facility and I hereby agree to pay on my free will, after being explained in detail by the Hospital authority in my own and understandable language about the above mentioned Additional Facility/Procedure/Treatment and associated cost of it, which is over and above the agreed PPN tariff.

Further, if I opt to go for final bill reimbursement with insurance company, respective insurance company will reimburse only as per agreed PPN tariff rates and balance amount will be borne by myself or patient only. I have also been explained that when room service of a category better than the eligible room rent is availed by the patient, not only the difference in room rent but also an equal proportion of all other charges associated with the treatment shall be borne by me.

Signature :…………………… Signature :……………………".

Causes of failure of this declaration system

From the above form of declaration, two things are deduced, (1) Better Facility (i.e. Additional Facility or Provision, and (2) better Procedure/Treatment for which Hospitals/NH can charge additional amount over and above the package rates and insured has to bear the same. If we look into the first aspect of so-called better facility which is "additional facility or Provision" availed by insured, the question arises what kind of better facility during hospitalisation can be available for the patient? Immediate answer to this is better category of room i.e., single room, double room or general ward, deluxe room or ordinary room etc. Now for this different category of rooms, hospital tariff is offered and whichever kind of room, patient selects, hospital levies charges accordingly.

For this aspect in most of the health policies of PSU room rent capping is provided and not only extra charges over and above eligible limit of room rent but also proportionate charge on various other heads of the hospital bill are to be borne by the insured. Besides the accommodation in room what other "additional facility or provision" can be availed by any patient. Normally, we have never seen that in hospitals, treatment in different types of Operation Theatres (say, ordinary or deluxe) are given as a choice to the patient.

Yes, for certain procedures some advanced instruments or machines are used, but in normal circumstances decision to use such type of instruments or machineries are taken by the doctors. As such, it is not understood what this aspect of declaration means for the insured.

Similarly, for the second aspect i.e., "better procedure/ treatment" insured is called upon to bear extra charges. For any patient, treatment at hospital is taken with sole aim of getting relief from medical situations from which he or she suffers. In some cases, even such treatment is required to be taken from lifesaving considerations. In both the situations any patient naturally would like to opt for best procedure/treatment available.

The scope of cover under various health policies of PSU Companies provides for indemnity for 'Medically necessary, reasonable and customary medical expenses' incurred for treatment, subject to terms, conditions which includes any capping, sub-limits etc. and subject to sum insured under the policy'. If one reads the policy carefully, there is no definition of implant, there is no definition of category of treatment. Yes, various capping and various sub-limits are defined under the policies.

All the aspects of above mentioned declaration, if we consider in the context of scope of cover provided under various health insurance policies, such declaration appears to be meaningless. Moreover, in many hospitalisations bills it is never found that charges are levied for "better procedure or treatments". Also, unlike room rent tariff, which is published by the hospitals or shown in their websites, there is no differential rates shown for better or normal procedure/treatment. Yes, differential rates are made available normally for method of treatment, such as laparoscope surgery etc. as also with regard to implants, such as lenses for cataract etc. It is also pertinent to note that in the absence of any definition for covered category of treatment or selection of implants under the policy, can indemnity be denied for selection of better procedure for treatment or better implant? Such indemnity is to be considered within the meaning of capping and sub-limits provided under the policy.

One more important thing is that for similar type of treatment for any disease, even in conventional procedure, requirement of medical attention may differ from patient to patient. There may be different complications in different cases and different quantity of medicines, more investigations and repeated treatment may have to be given, which will certainly increase cost. Such costs, in terms of scope of policy, are 'Medically necessary, reasonable and customary medical expenses. As such, how can claims for such cases be settled in uniform manner of PPN agreed rates.

However, it is one thing that additional charges are levied in the bill for such defined reasons of the declaration, if any, and it is a different thing that hospitals/nursing homes charges extra amount over and above package rates "without giving any justification, whatsoever, in terms of IRDA defined better facility". Invariably, in hospital bills charges are levied over and above agreed package rates and no justification for that is provided under the bill document by the hospitals and nursing homes.

Such bills come in front of the TPA authorities, either at the time of consideration of cashless application or at the time of claims submitted by the insured for reimbursement. The TPA authorities, without bothering to check the bills for correctness of amount, and as per the agreement or justification for any extra charges, approves cashless authorisation or settle the claim for reimbursement on PPN rates and the insured is saddled with bearing such extra charges.

Adverse affect of PPN system

This is a mockery of PPN system and the consequences are that the hospitals/nursing homes merely go on violating the agreement and get scot-free due to total inaction on the part of Insurer/TPA and the insured is burdened with bearing such extra cost. It is not that there is no system to address such lacune. Authorities have set-up nodal authorities at all four regions to consider any grievance which is being brought to their notice and corrective measures have also been taken at their end. But cases of such grievance are very nominal as against violation of agreement by hospitals/nursing homes. This is also because many insureds and many intermediates are not aware as to what to do when they face cases of overcharging in the prevailing situation.

Main question is why does not the TPA check the violation, when bills are presented at first instance for processing. Settlement at PPN rates with insured and calling the insured to bear the extra charges instead of preventing hospitals/ nursing homes from charging beyond agreed packaged rates has resulted in two ways anomaly. One, the hospitals/nursing homes gets scot-free for violation of agreement and continue to indulge in more such violation and secondly insured remains disgruntled and dissatisfied.

Another important aspect of PPN system is that Insurer and, on their behalf, the TPA, applies PPN rates for settlement of claims in the cases of treatment taken at NON PPN hospitals under the provision of "Customary and Reasonable Charges" clause of the policies. Since, Non PPN hospitals have no agreement for package rates and their bills contain charges according to their own schedules rates. Settlement of such bills on PPN rates again leaves insured to bear the extra charges and there are no way hospitals/nursing homes can be called violator of any agreement. Such Nodal Authority system can also not do anything is such cases. Insured is the only sufferer in such cases.

Voilation of principle of indemnity

On the part of insurer, creating a situation where insured is called upon to bear extra charges is a clearcut violation of 'Principle of Indemnity' under the contract of insurance.

It appears that authorities of the four PSU companies are deliberately ignoring all these negative aspects of the system with a wrong notion that it is helping in loss ratio control but not realising that how harmful this strategy is going to be for the health insurance portfolio of the company in long run.

Impact of Health Insurance options

Now, if we look into present scenario of health insurance market, we find that the private sector general insurance companies had initial cautiousness, but in the last decade many companies have come out with various health insurance products. Specially in last five years many standalone health insurance companies have come-up and started aggressively selling many innovative health insurance products. The biggest change in market scenario was that, whereas PSU companies' products had features of capping and various sub-limits as also indemnity based on PPN system, the products of private insurers were much-much more attractive.

The premium cost for such innovative products is comparatively higher than the premium rates of PSU companies. However, most important features are that provisions of most of the policies are free of any capping or limitations. The Bonus feature of various policies increases sum insured and makes it double the amount as early as within two years of commencement of the policy.

In this scenario where, due to deficiencies of PPN system, as narrated above, and the various capping and sub-limits under the policies of PSU companies, large number of insured becoming disgruntled and for the reason of the availability of attractive options under the products of private sector companies, business under health insurance portfolios of PSU companies started shifting in substantial manner to private sector health insurance companies.

Private sector insurers including standalone health insurance companies adopted a different strategy and their focus was to provide maximum coverage with reasonable pricing. Even, under their policies, where there are no capping or sub-limits and there are provisions of increase of sum insured through attractive No Claim bonus systems, they also provided optional covers for OPD expenses, Dental Treatment cost and even reimbursement of cost of NON-PAYABLE consumables under various Add-ons. In their underwriting system they will examine proposals thoroughly and wherever required, through medical examinations, before accepting it and offering policy. In this method, it is the experience of many customers that in the event of claims they get reimbursement of almost entire hospitalisation expenses with very nominal deductions. Yes, at the time of claim, if there is a violation on the part of policyholder for non-disclosure or suppression of any material fact is detected, the insurers have invariably not only deny the entire claim but also have cancel the policies.

Aggressive selling by private insurers, particularly by standalone insurers is capturing health insurance portfolio in substantial manner and attractive reward schemes for the intermediaries are also helping them in growth of this portfolio. It is not that the PSU Companies are lacking in offering attractive reward schemes for their intermediaries and also they have made revisions in their products by inclusion of many new and attractive features including many meaningful ADD-ON covers with better underwriting procedures, however because even after bringing new and revised product with better underwriting guidelines and attractive reward schemes but still keeping indemnity based on capping and various sub-limits and particularly settlement of claim under PPN system and it's unreasonable use under the 'Reasonable and Customary Clause' has not made situation any comfortable for customers of Public Sector Policyholders, particularly when they get much better and attractive options elsewhere.

Intermediaries of public sector insurers, in many cases are so apprehensive that selling of these products sometimes force them to think that they will have to face the ire of the customer in the event of claim. Particularly, intermediaries, those who are controlling substantial business from clients in other departments are afraid that the dissatisfaction in the event of claim under health policies, sold to such client, will affect their other businesses also.

As has been mentioned earlier that profitability under this portfolio is a challenging issue for any insurer, it appears clearly that private insurers, including standalone health insurers are adopting strategy of 'expanding premium base of portfolio to the maximum' which, despite offering maximum coverage and despite mitigating claims under full coverage provision, can absorb the claims and cost of procuring business and hoping to make profits. As against this the PSU companies considered that by limiting the coverage by various limitations including Room rent clause as well as adopting PPN system can curtail losses and make profit.

Health portfolio for PSU companies consists of retail as well as from Group and Government sponsored businesses, as such overall results may still be within manageable limits, but if individually retail segment is considered, it cannot be very encouraging. Under the circumstances such strategy of limiting the scope of coverage by capping and various limitations under the policies and particularly adopting PPN system for indemnity will turn out to be suicidal in long run. It appears that authorities of PSU believe that as because only few cases of grievances are received by them, perhaps they feel that by resolving such small number of grievances, it still leaves majority of claim settlement cases with limited settlement, which helps in controlling losses. If this is their strategy, they are failing to realise that more and more policyholders will become disgruntled.

Such policyholders may not be knowing how to make grievances or they may not be getting proper guidance for fighting their cases but when better options are available, they would prefer to shift their policies to private companies. In the long run retail health insurance portfolio of PSU companies will drastically be affected and they will be saddled with more loss-making policies of old age insured persons, who cannot, for obvious reasons, shift their policies, as PSU authorities have believed in these disastrous strategies of loss minimisation.

Overall, this is the defeat of objective with which those who had designed the mechanism of PPN. They only workout this system in theory by which agreements with hospitals and fixing of PPN rates for various procedures for controlling losses were designed but had no clue how it will work and particularly failed to set strict controlling system against violation of agreement by hospitals and nursing homes.

Rather, without realising the consequences, PSU companies allowed the TPAs to settle claim on PPN rates, even if there is violation and they force the insured to bear extra charges. Objective of PPN was that the insured will get medical services at fixed rates for various procedures as per the agreement but in large number of cases, it has not happened and thus has defeated the very objective of PPN system, by which it has also turned out to be a clear case of BREACH OF PRINCIPLE OF INDEMNITY UNDER THE CONTRACT OF INSURANCE.

Sad part is that hospitals and nursing homes have got scot-free under the very agreement, they have signed with the insurers. The need of the hour is that authorities at all four PSU companies should anylise the system thoroughly and take corrective steps immediately to save the situation. Also, regulatory authority IRDA should take stock of the situation and issue appropriate directives, so that insuring public does not face injustice anymore. ❑

COSO'S ENTERPRISE RISK MANAGEMENT FRAMEWORK

COSO

The Committee of Sponsoring Organisations of the Treadway Commission (COSO) was established in the mid-1980s, initially to sponsor research into the causes of fraudulent financial reporting. Its current mission is to: 'help organizations improve performance by developing thought leadership that enhances internal control, risk management, governance and fraud deterrence.'

Although COSO's guidance is non-mandatory, it has been influential because it provides frameworks against which risk management and internal control systems can be assessed and improved. Corporate scandals, arising in companies where risk management and internal control were deficient, and attempts to regulate corporate behaviour as a result of these scandals have resulted in an environment where guidance on best practice in risk management and internal control has been particularly welcome.

The ERM model

COSO originally created an enterprise risk management (ERM) model in 1992 which was shaped like a pyramid and focused on the evaluation of existing controls. This was updated in 2013 to the COSO cube, which focused on the design and implementation of a risk management framework. The COSO cube became a widely-accepted framework for organisations to use and it became established as a model that could be used in different environments worldwide.

The ERM model

COSO intended the cube to illustrate the links between objectives that are shown on the top and the eight components shown on the front, which represent what is needed to achieve the objectives. The third dimension represents the organisation's units, which portrays the model's ability to focus on parts of the organisation as well as the whole.

There are a number of issues under each of the eight components listed on the front of the cube that organisations have had to tackle - issues which can be featured in exam questions for the Strategic Business Leader (SBL) exam.

Internal environment

The internal environment establishes the tone of the organisation, influencing risk appetite, attitudes towards risk management and ethical values.

Ultimately, the company's tone is set by the board. An unbalanced board, lacking appropriate technical knowledge and experience, diversity and strong, independent voices is unlikely to set the right tone. The work directors do in board committees can also make a significant contribution to tone, with the operation of the audit and risk committees being particularly important.

However, the virtuous example set by board members may be undermined by a failure of management in divisions or business units. Mechanisms to control line management may not be sufficient or may not be operated correctly. Line managers may not be aware of their responsibilities or may fail to exercise them properly. For example, they may tolerate staff ignoring controls or emphasise achievement of results over responsible handling of risks.

One criticism of the ERM model has been that it starts at the wrong place. It begins with the internal and not the external environment. Critics claim that it does not reflect sufficiently the impact of the competitive environment, regulation and external stakeholders on risk appetite and management and culture.

Objective setting

The board should set objectives that support the organisation's mission and which are consistent with its risk appetite.

If the board is to set objectives effectively, it needs to be aware of the risks arising if different objectives are pursued. Entrepreneurial risks are risks that arise from carrying out business activities, such as the risks arising from a major business investment or competitor activities.

The board also needs to consider risk appetite and take a high-level view of how much risk it is willing to accept. Risk tolerance - the acceptable variation around individual objectives - should be aligned with risk appetite.

One thing the board should consider is how certain aspects of the control systems can be used for strategic purposes. For example, a code of ethics can be used as an important part of the organisation's positioning as socially responsible. However, the business framework chosen can be used to obscure illegal or unethical objectives. For example, the problems at Enron were obscured by a complex structure and a business model that was difficult to understand.

Event identification

The organisation must identify internal and external events that affect the achievement of its objectives.

The COSO guidance draws a distinction between events having a negative impact that represent risks and events having a positive impact that are opportunities, which should feedback to strategy setting.

Some organisations may lack a process for event identification in important areas. There may be a culture of no-one expecting anything to go wrong.

The distinction between strategic and operational risks is also important here. Organisations must pay attention both to occurrences that could disrupt operations and also dangers to the achievement of strategic objectives. An excessive focus on internal factors, for which the model has been criticised, could result in a concentration on operational risks and a failure to analyse strategic dangers sufficiently.

Businesses must also have processes in place to identify the risks arising from one-off events and more gradual trends that could result in changes in risk. Often one-off events with significant risk consequences can be fairly easy to identify - for example, a major business acquisition. The ERM has been criticised for discussing risks primarily in terms of events, particularly sudden events with major consequences. Critics claim that the guidance insufficiently emphasises slow changes that can give rise to important risks - for example, changes in internal culture or market sentiment.

Organisations should carry out analysis to identify potential events, but it will also be important to identify and respond to signs of danger as soon as they arise. For example, quick responses to product failure may be vital in ensuring that lost sales and threats to reputation are minimised.

Risk assessment

The likelihood and impact of risks are assessed, as a basis for determining how to manage them.

As well as mapping the likelihood and impact of individual risks, managers also need to consider how individual risks interrelate. The COSO guidance stresses the importance of employing a combination of qualitative and quantitative risk assessment methodologies. As well as assessing inherent risk levels, the organisation should also assess residual risks left after risk management actions have been taken.

The ERM model has, though, been criticised for encouraging an over-simplified approach to risk assessment. It's claimed that it encourages an approach that views the materialisation of risk as a single outcome. This outcome could be an expected outcome or it could be a worst-case result. Many risks will have a range of possible outcomes if they materialise - for example, extreme weather - and risk assessment needs to consider this range.

Risk response

Management selects appropriate actions to align risks with risk tolerance and risk appetite.

This stage can be seen in terms of the four main responses - reduce, accept, transfer or avoid. However risks may end up being treated in isolation without considering the picture for the organisation as a whole. Portfolio management and diversification will be best implemented at the organisational level and the COSO guidance stresses the importance of taking a portfolio view of risk.

The risk responses chosen must be realistic, taking into account the costs of responding as well as the impact on risk. An organisation's environment will affect its risk responses. Highly regulated organisations, for example, will have more complex risk responses and controls than less regulated organisations. The ALARP principle - as low as reasonably practicable - has become important here, particularly in sectors where health or safety risks are potentially serious, but are unavoidable.

Part of the risk response stage will be designing a sound system of internal controls. COSO guidance suggests that a mix of controls will be appropriate, including prevention and detection and manual and automated controls.

Control activities

Policies and procedures should operate to ensure that risk responses are effective.

Once designed, the controls in place need to operate properly. COSO has supplemented the ERM model by guidance in 'Internal Control - Integrated Framework'. The latest draft of this framework was published in December 2011. It stresses that control activities are a means to an end and are effected by people. The guidance states: 'It is not merely about policy manuals, systems and forms but people at every level of an organisation that impact on internal control.'

Because the human element is so important, it follows that many of the reasons why controls fail is because of problems with how managers and staff utilise controls. These include failing to operate controls because they are not taken seriously, mistakes, collusion between staff or management telling staff to over-ride controls. The COSO guidance therefore stresses the importance of segregation of duties, to reduce the possibility of a single person being able to act fraudulently and to increase the possibility of errors being found.

The guidance also stresses the need for controls to be performed across all levels of the organisation, at different stages within business processes and over the technology environment.

Information and communication

Information systems should ensure that data is identified, captured and communicated in a format and timeframe that enables managers and staff to carry out their responsibilities. The information provided to management needs to be relevant and of appropriate quality. It also must cover all the objectives shown on the top of the cube.

There needs to be communication with staff. Communication of risk areas that are relevant to what staff do is an important means of strengthening the internal environment by embedding risk awareness in staff's thinking.

As with other controls, a failure to take provision of information and communication seriously can have adverse consequences. For example, management may not insist on a business unit providing the required information if that business unit appears to be performing well. Also, if there is a system of reporting by exception, what is important enough to be reported will be left to the judgment of operational managers who may be disinclined to report problems. Senior management may not learn about potential problems in time.

Monitoring

The management system should be monitored and modified if necessary.

Guidance on monitoring has developed significantly since the initial COSO guidance. At board level, the Turnbull guidance on the scope of regular and annual review of risk management has been very important.

Key players in the separate evaluation are the audit committee and internal audit department. Whether separate monitoring can be carried out effectively without an internal audit department should be a key question considered when deciding whether to establish an internal audit function. Once an organisation goes beyond a certain level of size and complexity, it becomes difficult to believe that an internal audit function will not be required.

Further updates

The COSO 2013 framework was updated again in 2017 and its name was changed to 'Enterprise Risk Management - Integrating with Strategy and Performance.' The update focused on risk in processes and performance management. The cube was also updated into a helix structure. However, the COSO cube continues to be useful as it continues to provide a framework for improving risk management and internal control.

COSO continues to provide updated guidance that reflects the changing environments in which organisations operate. Recent publications have covered 'Guidance on Managing Cyber Risks in a Digital Age' (2019), 'Blockchain and Internal Control' (2020) and 'Enterprise Risk Management for Cloud Computing' (2021).

Conclusion

The ERM model has provided a foundation for organisations to manage risks more effectively. However, managers need an awareness of the limitations of risk management and where the process could fail.

[Courtesy: This article examines the guidance published by the Committee of Sponsoring Organisations (COSO)] ❑

ICICI Lombard launches a slew of 14 new products across Health, Motor and Corporate segments

ICICI Lombard, launched its latest line-up of 14 new or enhanced insurance solutions, including riders/add-ons and upgrades across Health, Motor, Travel and Corporate segments. The slew of offerings, announced at a press conference in Mumbai on Friday, offers a comprehensive array of products across categories for a wide spectrum of customers. The product suite shall transform the way consumers experience insurance, providing them a seamless journey and tech-enabled solutions.

The insurance industry is now seeing new types of risks emerging, be it pandemic, climate change or data privacy and this calls for comprehensive coverage steered by the changing customer behaviour and driven by the advent of new technological solutions and opportunities. This was the core thought behind the new offerings and propelled by the recent revolutionary announcement of 'Use and File' framework from the IRDAI (Insurance Regulatory and Development Authority).

Speaking about the expansion of ICICI Lombard's product portfolio, Sanjeev Mantri, Executive Director, ICICI Lombard, said, "We, at ICICI Lombard, have always been at the forefront of providing millions of customers with simplified and cutting-edge risk solutions that are tailored to their specific needs. Innovation and agility are a part of our organisational DNA and our comprehensive suite of offerings is designed to meet the myriad needs of customers, cutting across demographics of age, geographies, socio economic backgrounds or gender. Am elated to share that we have a product for virtually every segment and fuelled by regulatory reforms, we have accelerated our pace of developing and launching new products. I believe the current era in insurance industry is an exciting period to usher in innovation and reimagine possibilities. With 14 new products and upgrades on the anvil, has further cemented ICICI Lombard as a pre-eminent and comprehensive risk insurer of the nation."

HEALTH INSURANCE - THE UNHEALTHY PREAMBLE

Please do not confuse the word Preamble in insurance to the Preamble of our Constitution. Both are different. The insurance companies use the word preamble in their Policy Wording. These days and in order to save on paper, the insurers request us to download Policy Wording from their website. However, it is another matter that they do not mention exactly from where in the website this policy wording to be downloaded leaving the policyholder clueless!

In this article, we shall examine the Preamble or an Introduction or Foreword or Preface of seven insurance companies. Why seven insurance companies? Number & the insurers both were a random pick. The companies thus chosen are: 1) Aditya Birla Health Insurance Company 2) Edelweiss General Insurance Company 3) ICICI Lombard General Insurance Company 4) IFFCO TOKIO General Insurance Company 5) Liberty General Insurance Company 6) Life Insurance Corporation of India 7) Star Health and Allied Insurance Company.

About the author

Dr. K Raja Gopal Reddy
PhD, FIII, FCII(UK), FLMI (US),
Chartered Insurance Practitioner
Principal Officer
Topspot Insurance Broking Private Limited
(Commercially known as insurancepe)

Aditya Birla Health Insurance Co. Limited

"This Policy has been issued on the basis of the Disclosure to information Norm, including the information provided by You in respect of the Insured Persons in the Proposal Form, any application for insurance cover in respect of any Insured Person and any other information or details..."

Edelweiss Health Insurance

This is a contract of insurance between the Company and the Policyholder which is subject to the realization of the full premium in advance and the terms, conditions and exclusions to this Policy. This Policy has been issued on the basis of the Disclosure to Information Norm, including the information provided by Policyholder in respect of the Insured Persons in the Proposal and the Policy Schedule.

ICICI Lombard General Insurance Company Limited

"ICICI Lombard General Insurance Company Limited ("We/ Us"), having received a Proposal and the premium from the Policy Holder named in Part I of the Policy (hereinafter referred to as the "Policy Schedule") and the said Proposal and Declaration together with any statement, report or other document leading to the issue of this Policy and referred to therein having been accepted and agreed to by Us and the Policy Holder as the basis of this contract..."

Iffco-tokio General Insurance Company

This policy is evidence of the contract between you and us. The proposal along with any written statement(s), declaration(s) of yours for purpose of this policy forms part of this contract

Liberty General Insurance

"Liberty General Insurance (hereinafter called the "Company", "We, Our, or Us") will provide insurance cover to the person(s) (hereinafter called the "Insured", "You, Your, or Yourself") based on the Proposal made and agreed premium paid within such time, as may be prescribed under the provisions of the Insurance Act, 1938..."

Life Insurance Corporation of India

"THE LIFE INSURANCE CORPORATION OF INDIA (hereinafter called "the Corporation") having received a Proposal along with Declaration and the first premium from the Proposer and the Principal Insured named in the Schedule referred to herein below and the said Proposal and Declaration with the statements contained and referred to therein having been agreed to by the Proposer and..."

Star Health and Allied Insurance Company

The proposal, declaration and other documents if any given by the proposer shall be the basis of this Contract and is deemed to be incorporated herein. In consideration of the premium paid, subject to the terms, conditions, exclusions and definitions contained herein the Company agrees as under.

Anybody can question why we choose these companies only? They are chosen at random. Please do not conclude we love Aditya Birla Insurance Company and hate Tata AIG General Insurance Company. These seven insurance companies Preamble is appended for information. A bit tedious, but request you to read for the reason that YOU are paying huge premium and not indemnified if there were to a health claim!

Aditya Birla Health Insurance Company's Preamble of Health Insurance Policy starts in this manner: This policy has been issued on the basis of the Disclosure to Information Norm. Now, you may command me to stop here and demand to know: what is Disclosure to Information Norm? We searched the policy wording my dear friends; did not find it in their health insurance policy.

Edelweiss Health Insurance policy also refers to the Disclosure to Information Norm. ICICI Lombard does not refer to the Disclosure Norm. In case of IFFCO TOKIO General Insurance Company- the Policy Wording do not refer to anything at all. Further, the mistakes you see in their preamble are not committed by us. They are verbatim copied. They are in hurry for business. Liberty General Insurance startsyet another issue; they do not refer to Disclosure to Information Norm...on the contrary this is the only company of the seven refers to the Insurance Act, 1938. LIC and Start Health and Allied Insurance Companies do not refer to Disclosure to Information Norm and the Insurance Act either.

What is disclosure to information norm? It simply means the following gibberish: 'The policy shall be void and all premium paid hereon shall be forfeited to the company in the event of misrepresentation, misdescription or non-disclosure of any material fact.'

Sir / Madam, you paid the premium...your hard-earned money. Pray tell what these words mean? The Insurers have huge Insurance librarieson misrepresentation, misdescription, non-disclosure, material fact, forfeiting and void. You were never explained and probably, you will never be explained.

If you are interested in knowing more then you need to contact us and read future articles. See you in our next article. Stay healthy. ❑

CASE STUDY NATIONAL LOK ADALAT

FA No 1345/2015 in MACT Case 634/2002 at Pune

On an eventful day, 35 years ago, a meritorious and bright student, Mr. Aniruddha Dashrath Anand, having dreams of making it big in life, was travelling on a motorcycle with his friend. Due to incessant rain on that unfortunate day, the motorcycle driver lost control and Mr. Anand was pushed into a life of pain and suffering. He was in coma for 21 days after that. However, that was only the beginning of a life, that could have been adored with unending heights of greatness, but for the accident, was languishing in the nadir of despair, frustration and mental agony. In an attempt to ameliorate some of his suffering, we settled the matter at the High Court, Bombay in 2022, during the National Lok Adalat for an amount of Rs 43,50,000/- (32 lakhs plus accrued interest) towards the full and final settlement. This was the least we could do for the budding engineer the society lost on that day.

About the author

Lata Shekhar Iyer

Regional Office In-charge & Chief Manager
The New India Assurance Co. Ltd.
Mumbai Legal Hub Regional Office &
Official Language Implementation

FA No 426/2015 in MACT Case 85/2013 at Satara

A teacher in a school, Mr. Bhaurao Bhangare, was busy in grooming the next generation of our society. However, all came to a halt on that fateful day of 14.01.2013, when he was dashed by a Jeep while crossing the road. His family lost the sole bread-earner at an age when he was just about to bloom into a fine human being, the care-giver for his wife, the doting father to his daughters, the last resort of his ageing parents. We can never compensate for their loss, but within our limited capacity, we settled the case for an amount of Rs 62,00,000/- to give some financial security to the bereaved family.

Settlement of case for 75 lacs :

On the unfortunate day of 17th of October, 2015, Smt. Swati Naresh Patil lost her husband, the only earning member of the family. As the insurer of the car that dashed her husband, New India stepped into its statutorily obligated role in the Motor Accident Claim Tribunal.

Several rounds of negotiations were held with the claimants and the advocates of both the parties and many legal and technical issues were ironed out to pave the way for an amicable settlement of the matter.

Treading the fine line of social welfare and fiscal prudence, Mumbai Legal Hub decided to settle the matter for a sum of Rs. 75 Lacs. In doing so, the hub succeeded in ensuring that the matter got resolved atleast two years prior to its expected date and made a saving of over ? 35 lakh. Through proactive action the hub not only ensured that financial compensation reached the claimants much before time, but also prevented the drain of public money on interest payments and litigation costs.

MACP 2348/2015

On the fateful day of 4th of December in the year 2015 a set of aging parents lost their son and a young wife lost her husband when Mr Sohel Sayyed Khan became a victim of an unfortunate road accident.

He was what every parent aspires for their childyoung, vicious and successful for his age. He worked as a senior GIS analyst at a good pay. They lost the support care love and affection of their son one fine morning. A young woman barely married for a couple of years was left without a companion out of the blue.

The matter was filed in 2015 but while the old father unfortunately passed away waiting for any kind of justice being meted out to him the end only came insight for the struggling widow and the now much older mother in 2022, thanks to the initiatives taken by the company to settle the matter for 65,00,000.

Here the Award amount.

with Interest was Rs. 10600000/- resulting in saving of Rs. 41 lakhs.

Even though money can't compensate for human life, with the company settling the matter an attempt was made to at least ease the monetary hardships of now not one but 2 widows also proving in the process that the soul of the MV act is essentially compassion and empathy more than anything else.

MACP 895/2017

Though it is impossible to equate money with human suffering agony and personal deprivation, the company settling the case should make an honest and serious attempt to award damages so far as money can compensate the loss regard must be given to the gravity and degree of deprivation as well as a degree of awareness of the deprivation.

The general principle which should govern the assessment of damages in personal injury cases is that the company should offer the injured person such a sum as well put him in the same position as he would have been if he had not sustained injuries.

In the road accident in question the claimant has suffered permanent physical disability to the extent of 100% in relation to both upper as well as lower limbs.

At the young age of 19 years the petitioner has been confined to bed for the rest of his life owing to injuries sustained in the accident.

It has been specifically opined by the doctor of the medical board that the petitioner had no scope of improvement as it was a case of cervical spine injuries and that the petitioner would continue to be 100% dependent on others for survival including necessities of eating and passing out.

The petitioner suffers from quadriplegia has all his 4 limbs are affected The claimant had come to our office and we had seen his pitiable condition. There were series of discussions with both our advocate as well as applicant advocate before we settled the matter 49,00,000. ❑

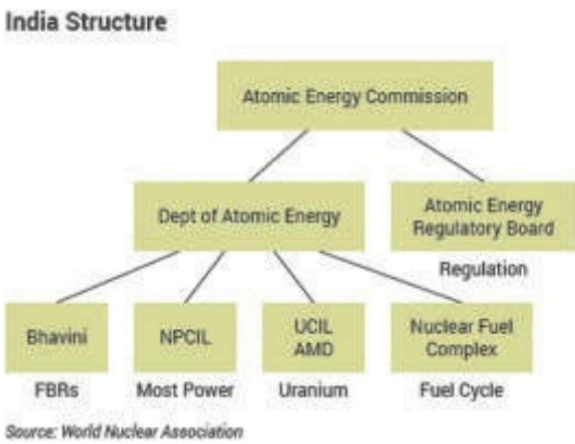
INSURANCE & REINSURANCE OF NUCLEAR POWER PLANTS

India has a largely indigenous nuclear power programme. The Indian government is committed to growing its nuclear power capacity as part of its massive infrastructure development programme. The government has set ambitious targets to grow nuclear capacity. Because India is outside the Nuclear Non-Proliferation Treaty due to its weapons programme, it was for 34 years largely excluded from trade in nuclear plant and materials, which hampered its development of civil nuclear energy until 2009.

Due to earlier trade bans and lack of indigenous uranium, India has uniquely been developing a nuclear fuel cycle to exploit its reserves of thorium. Since 2010, a fundamental incompatibility between India's civil liability law and international conventions limits foreign technology provision. The scenario has changed now. The nation will have nine nuclear reactors by 2024 and a new nuclear project, the first in northern India, will come up 150 kms away from Delhi in Gorakhpur of Haryana. By 2024, India will have nine nuclear reactors plus 12 new additional ones which were approved during the Covid times with a capacity of 9000 MW. India is counting on its nuclear program to help meet its Paris climate commitments to reduce the emissions intensity of its economy by a third from 2005 levels by 2030. Earlier, most of our nuclear projects were with the support of Russia and France and now more and more of our reactors are becoming indigenous.

About the author

Jagendra Kumar
Ex. CEO,
Pearl Insurance Brokers
Jaipur

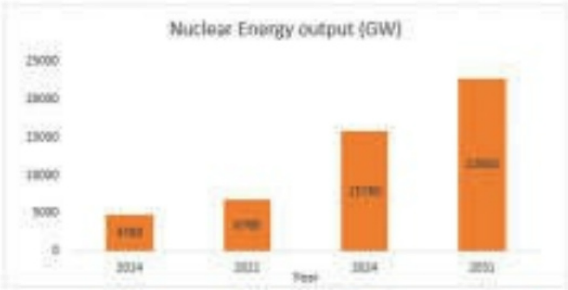


New nuclear power plants typically have high capital expenditure for building the plant. Fuel, operational, and maintenance costs are relatively small components of the total cost. The long service life and high capacity factor of nuclear power plants allow sufficient funds for ultimate plant decommissioning and waste storage and management to be accumulated, with little impact on the price per unit of electricity generated. Additionally, measures to mitigate climate change such as a carbon tax or carbon emissions trading, would favor the economics of nuclear power over fossil fuel power. Nuclear power construction costs have varied significantly across the world and in time. Large and rapid increases in cost occurred during the 1970s, especially in the United States. There were no construction starts of nuclear power reactors between 1979 and 2012 in the United States, and since then more new reactor projects have gone into bankruptcy than have been completed.

Unlike in the past when nuclear plants were limited to a few states like Andhra Pradesh and Tamil Nadu, the department has now moved northwards. We are going to have a nuclear project, the first of its kind, in North India just about 150 kms from here in a small township called Gorakhpur in Haryana. The nuclear energy will soon emerge as one of the most important sources of alternative or clean energy for the increasing power demand of the country. As far as the cost is concerned, though it varies from plant to plant and on the age of the plant, on an average it comes to about Rs 3 per unit and while the Kudankulam plant has about Rs 4 per unit and Tarapur has lesser cost. it was during the tenure of this government that a bulk approval of 10 indigenous reactors was done in a single cabinet decision, which is a record in itself and has never happened in the history of independent India. The government took an out-of-box decision of allowing the atomic energy department to enter into joint ventures, which was never happening before, and the insurance pool has also been increased.

Nuclear energy in India

Among all the developing nations, India is the only one to have generated electricity using indigenously developed, demonstrated, and deployed nuclear reactors. India ranks third in terms of electricity production worldwide by producing 1207 TWh of electricity. Nuclear energy is the fifth-largest source of electricity for India. India also stands at seventh position in terms of the number of nuclear reactors, with over 23 nuclear reactors in 7 power plants across the country which produces 6780 MW of nuclear power. With an aim to increase its atomic power contribution from 3.2% to 5% by 2031, this surge in the nuclear energy contribution in India will help the country lead towards a more sustainable and economic future.



Nuclear power is an efficient way of boiling water to create steam; this steam is used to turn turbines, which creates electricity. Compared to other forms of renewable energy Nuclear energy is considered beneficial, because of its smaller land footprint and the amount of waste it produces. Nuclear energy uses 360 times less amount of land as compared to wind farms and 75 times less land as compared to solar photovoltaic plants. Nuclear fuel is energy-dense as a 1-inch-tall Uranium pallet is equivalent to 120 gallons of oil and about 17,000 cubic feet of natural gas. The main objective of India's nuclear energy program was the utilization and development of Atomic energy for peaceful purposes.

India wanted to develop a cheap and efficient power source and use nuclear energy for various other research purposes like basic sciences, astronomy, astrophysics, cancer research and education. As the Indo-US nuclear pact of 2005 is yet to result in new projects with foreign aid, the Union Government is working on an indigenous nuclear power programme with six pressurised heavy water reactors (PHWRs) under construction and additional 10 approved. One of these standard 700 MW PHWRs - Kakrapar Atomic Power Project (KAPP-3) in Gujarat - is poised to become operational this year. The Department of Atomic Energy (DAE) is pursuing an ambitious plan to raise the share of nuclear power generation in the national pie. The present installed nuclear power capacity of 6,780 MW is expected to reach 22,480 MW by 2031 on the completion of projects under construction.

Operational Nuclear Power Plants-2021

Nuclear Power is the fifth-largest source of generating electricity in India after coal, gas, wind power, and hydroelectricity. At present, India has 22 operational nuclear reactors with an installed capacity of about 6,780 MW. The nuclear energy programme in India was launched around the time of independence under the leadership of Homi J. Bhabha. Asia's first nuclear reactor is the Apsara Research Reactor situated in Mumbai. The domestic uranium reserve in India is small and the country is dependent on uranium imports from other countries to provide fuel to its nuclear power industry. Since the 1990s, Russia has been a major supplier of nuclear fuel to India. The Government of India is committed to increasing its nuclear power capacity as part of its infrastructure development programme. For this, the Centre has set several ambitious targets in the coming years. India is outside the Nuclear Non-Proliferation Treaty due to its weapons programme and was largely excluded from trade in nuclear plants and materials for a period of 34 years, which impacted its development of civil nuclear energy until 2009.

Power Plant	Location	Operator	Type	Total Capacity (MW)
Kaiga	Karnataka	NPCIL	IPHWR-220	880
Kakrapar	Gujarat	NPCIL	IPHWR-220 IPHWR-700	1,140
Kudankulam	Tamil Nadu	NPCIL	VVER-1000	2,000
Madras (Kalpakkam)	Tamil Nadu	NPCIL	IPHWR-220	440
Narora	Uttar Pradesh	NPCIL	IPHWR-220	440
Rajasthan	Rajasthan	NPCIL	CANDU IPHWR-220	1,180
Tarapur	Maharashtra	NPCIL	BWR IPHWR-520	1,400
Total				7,480

The present nuclear power capacity is 6780 MW comprising of 22 reactors. There are 9 reactors with a capacity of 6700 MW (including 500 MW PFBR being implemented by BHAVINI) under construction. The Government in 2017 has also accorded administrative approval and financial sanction of 12 nuclear power plants totalling to a capacity of 9000 MW. On their progressive completion, the installed nuclear capacity is expected to reach 8180 MW by 2020 and 22480 MW by 2031.

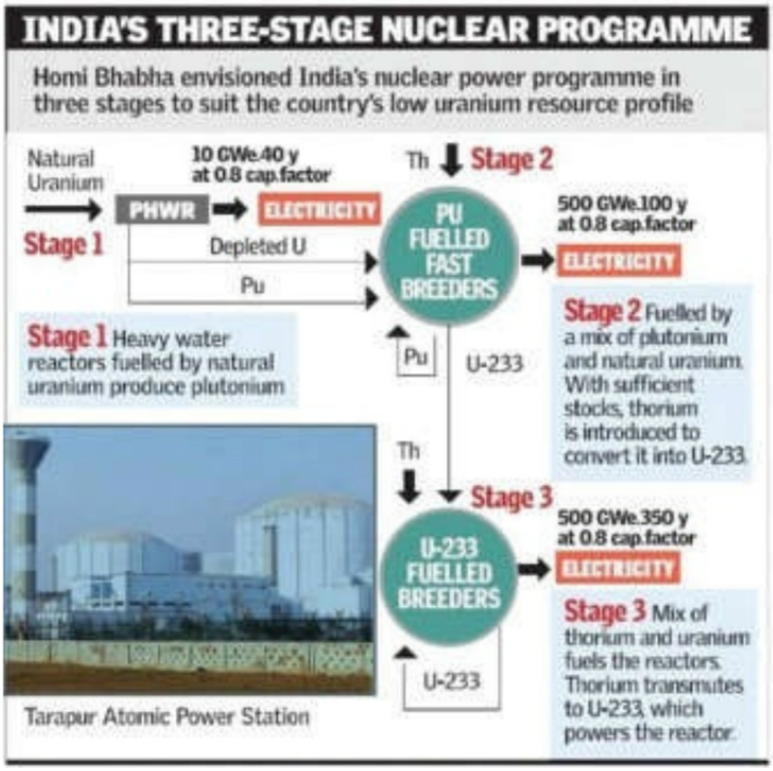
Indigenous nuclear power programme

India's nuclear program has an ambitious three-stage power production program; this program was meant to be a closed fuel cycle program in which every stage feed into each other. To put this in perspective in the first stage of the nuclear fuel cycle the spent nuclear fuel still contains 96% of reusable material, this material is used again in the second stage and the spent fuel of the second stage is reused for the third stage. This creates a closed chain where the fuel is being reused and recycled to maximize efficiency. The country was able to successfully reach the first stage of the nuclear energy program in 2013 with over 22 nuclear reactors in 7 nuclear power plants. The country produces 6780 MW of nuclear energy. The country has already generated 755 billion units of electricity and has saved 650 million tons of CO2 emissions.

The committee earlier asked the government to power indigenous heavy water reactors, noting that the Indo-US pact had so far not resulted in new commercial projects, barring Kudankulum project in Tamil Nadu. It would be better for the DAE to adopt a standardised 700 MW heavy-water reactor and use that design for its expansion plan in an aggressive manner. Apart from the six PHWRs, the government has sanctioned 10 more to be set up in fleet mode. Pre-project activities are in progress in respect of these 10 PHWRs.

India nuclear insurance pool

The idea of forming a pool was mooted in early 2013 and got stuck due to differences among stakeholders on certain clauses. In 2010, Parliament passed the Civil Liability of Nuclear Damage (CLND) Act, which creates a liability cap for nuclear plant operators for economic damage in the event of an accident. India Nuclear Insurance Pool of 1,500 crore rupees was launched as per the mandatory provision under the CLND Act, 2010. The pool provides capacity for insurance coverage to operators and suppliers for any nuclear liability towards third party. India Nuclear Insurance Pool also offer policies on the nuclear operators liability insurance policy and a nuclear suppliers' special contingency (against right to recourse) insurance policy. General Insurance Corporation of India (GIC Re) and 11 other non-life insurers have formed the



India Nuclear Insurance Pool. It will have a capacity of Rs 1,500 crore. It was formed as a risk transfer mechanism to cover/transfer the risks of operators' and suppliers' liability under the CLND Act (Section 6(2) and Section 17, respectively) to INIP.

New India Assurance issue the policy and deal with management of cover to the operators and suppliers, on behalf of all direct insurance companies participating in the pool. Apart from GIC Re, New India, Oriental Insurance, National Insurance and United India Insurance from the public sector, the private ones are ICICI Lombard General Insurance, Tata AIG General, Reliance General Insurance, Chola MS General Insurance, IFFCO Tokio General Insurance, SBI General and Universal Sompo General. The policies offered will be a nuclear operators liability insurance policy and a nuclear suppliers' special contingency (against right to recourse) insurance policy. This pool is the 27th such market pool globally.

It addresses third-party liability insurance to begin with and later expand into property and other hot zone (inside reactor areas) risk. This covers both operators and suppliers. At present, only cold zones (outside reactor areas) are covered. The country had achieved another milestone in the nuclear energy industry by setting up this pool. The CLND Act also provides for state-run Nuclear Power Corporation of India, which operates all atomic power plants in India, to seek compensation from suppliers in an accident due to faulty equipment. The CLND Act provides for Rs 1,500 crore as maximum liability for nuclear damage.

Reinsurance support

The reinsurance support had come from Nuclear Risk Insurer from London. Going forward, GIC Re as the pool manager will strive to ensure that this pool develops into a one-stop facility for covering all nuclear risks. This pool provides the risk transfer mechanism to the operators and suppliers to meet their obligations under the CLND Act. At a later stage, this pool also looks to provide reinsurance support to other such international pools. Insurance through the pool is a solution for suppliers' concerns about liability from nuclear risks. GIC Re, India's national reinsurer, is in charge of a US$222m nuclear insurance pool, which is an arrangement to cover exposures of nuclear power operators and suppliers. Parts of the pool are 11 other domestic insurers, which cover civil liability risks in accordance to the Nuclear Damage Act 2010.

The India Nuclear Insurance Pool (INIP) unveiled the Nuclear Supplier's Insurance Policy for Right to Recourse (Under CLND Act 2010). This Right to Recourse Policy works back to back with the 'Nuclear Operator's Liability (CLND ACT 2010) Insurance Policy' which was issued to Nuclear Power Corporation of India Limited (NPCIL) on 26th of May 2016. The Supplier's Policy was unveiled by Chairman, Atomic Energy Commission at Mumbai on the 12th of August 2016. The New India Assurance Company Limited, one of the major capacities providing non-life insurance company for the INIP has volunteered to issue the policy and administer the claims, as and when notified, on behalf of the Pool. INIP, the 27th Global Nuclear Insurance Pool, was launched on 12th June, 2015 by General Insurance Corporation of India (GIC Re), the National Reinsurer of India. The INIP has been formed by collating capacities from member companies to underwrite exposures arising out of the passage of Civil Liability of Nuclear Damage Act, (CLNDA) 2010. The Pool provides capacity for Insurance Coverage to Operators and Suppliers for any nuclear liability towards third party under CLNDA 2010.

Nuclear Plant Insurance

India's first insurance policy covering public liability to an atomic power plant operator was issued to Nuclear Power Corporation of India Ltd (NPCIL). The total premium came around Rs. 100 crore for a risk cover of Rs. 1,500 crore. The policy complies with all the provisions of the Civil Liability for Nuclear Damage Act (CLND). The insurance policy was issued by the country's largest non-life insurer New India Assurance Company Ltd. The policy covered the liability towards public as a consequence of any nuclear accident in the plants covered under the policy and also the right of recourse of NPCIL against equipment suppliers.

The insurance coverage was for all the NPCIL's plants- like a floater cover. The policy complied with all the provisions of the Civil Liability for Nuclear Damage Act (CLND). The pool provides capacity for insurance coverage to operators and suppliers for any nuclear liability towards third party. It will also provide the risk transfer mechanism to the operators and suppliers to meet their obligations under the CLND Act, 2010.

Nuclear Power Plants in India 2021- Planned Projects

Power Plant	Location	Operator	Type	Total Capacity (MW)
Kaiga	Karnataka	NPCIL	IPHWR-700	1,400
Jaitapur	Maharashtra	NPCIL	EPR	9,900
Kovvada	Andhra Pradesh	NPCIL	AP1000	6,600
Kavali	Andhra Pradesh	NPCIL	VVER	6000
Gorakhpur	Haryana	NPCIL	IPHWR-700	2,800
Mahi Banswara	Rajasthan	NPCIL	IPHWR-700	2,800
Chutka	Madhya Pradesh	NPCIL	IPHWR-700	1,400
Kudankulam Unit 5- 6	Tamil Nadu	NPCIL	VVER-1000	2,000
Madras	Tamil Nadu	BHAVINI	FBR	1,200
Tarapur	Maharashtra		AHWR	300
Total				**33,000**

India's nuclear power could provide a reliable solution to India's power demand as against wind and solar that is not available round the clock. This could further lead to a reduction in India's contribution to global Green House Gases (GHG) which stood at 6.55%, with energy sector contributing a little over two-third towards it. India's current nuclear power capacity of 6,790 MW is expected to increase to 22,480 MW by 2031. This in turn is going to assist the country in meeting zero energy targets along with other clean energy sources.

Current scenario of Nuclear power plants insurance

Insurer New India Assurance (NIA) has issued an insurance policy covering the Nuclear Power Corporation of India Ltd (NPCIL). The public sector insurer covered the NPCIL's 21 nuclear plants for a premium of US$14.8m. The new policy was issued on May 26. Previously, NIA provided property insurance for cold and hot zones separately. New India Assurance issued the policy for the all the existing plants of NPCIL. It will cover the hot zones for these plants. There will be a separate cover for suppliers. There are 21 existing nuclear plants in India, with five more to be launched. NPCIL currently generates 4,750 MW of nuclear power, and the power firm aims to triple the output by 2022. A recent incident at Kakrapara Atomic Power Station led to shutting down of one of the plant's units due to leakage of coolant water. This led to increased interest in nuclear liability insurance, echoing larger incidents such as Chernobyl and Fukushima in other countries.

The main suppliers' of policy under INIP is 'Nuclear Supplier's Insurance Policy (Right to Recourse only under the CLND Act)' ("NSIP") and it provides coverage for the supplier's liability under Section 17(a) and/or (b) under the CLND Act. While the terms of NSIP are not available in public domain, based on some publicly available information the main concern of suppliers inter alia relate to the fact that a supplier can avail a policy under NSIP only once the operator has availed a policy for the nuclear power plant under the operator's policy i.e., Nuclear Operator's Liability (CLND Act) Insurance Policy ("NOLIP"). Importantly, NOLIP needs to remain in full force and effect for the entire term of NSIP for a supplier to be able to make a claim under the NSIP. Further, NSIP is issued as only a right of recourse policy, offering to hold the supplier harmless should the operator exercise its rights against the supplier under Section 17(a) and/or Section 17(b) of the CLND Act. And, thus, NSIP would not indemnify a supplier against any liability under Other Laws or any other laws of any other country (or under Section 17(c) of the CLND Act).

Nuclear Power Plants in India 2021- Under Construction

Power Plant	Location	Operator	Type	Total Capacity (MW)
Madras (Kalpakkam)	Tamil Nadu	BHAVINI	PFBR	500
Kakrapar Unit 4	Gujarat	NPCIL	IPHWR-700	700
Gorakhpur	Haryana	NPCIL	IPHWR-700	1,400
Rajasthan Unit 7 & 8	Rajasthan	NPCIL	IPHWR-700	1,400
Kudankulam Unit 3 & 4	Tamil Nadu	NPCIL	VVER-1000	2,000
		Total		6,000

Liability under Indian & other laws

In 2010, the Civil Liability for Nuclear Damage Act, 2010 (CLND Act, 2010) was enacted. The Civil Liability for Nuclear Damage Rules, 2011 (CLND Rules, 2011) were notified in 2011 and were made part of subordinate legislation under the CLND Act. Assignment of liability under the Nuclear Liability Act has been a hotly debated issue in relation to the US-India agreement and the promotion of nuclear commerce in India few years ago. Section 17(b) and section 46 of the Nuclear Liability Act have been the primary bones of contention. Section 6 of the act limits the liability of an operator of a nuclear power plant and section 17 of the act provides the operator a right of recourse to suppliers after paying compensation under section 6. Sections 17(a) and 17(c) are comparable to article X of the Vienna Convention and article 10 of Annex to the Convention on Supplementary Compensation for Nuclear Damage. Section 17(b), which is unique to the Nuclear Liability Act, makes available a right of recourse if the nuclear incident was a result of an act of a supplier (or its employee) or supply of defective equipment or sub-standard services if the contract does not provide so.

Another cause for concern arises from section 46, which states that the provisions of the Nuclear Liability Act are in addition to, and not in derogation of, any other applicable law. Therefore, the Nuclear Liability Act does not exempt the operator from any proceeding under a law such as the law of tort. This means that an operator could be made liable under tort law for claims in excess of the limits specified in the act. CLND Act has complicated efforts to spur the country's use of atomic power as international equipment makers fear it would leave them liable for any accidents. Since its enactment in 2010, the country has taken steps to convince foreign suppliers that its law adheres to international standard. In 2014, the US too had raised similar concerns about Clause 46 in particular. Things are unclear over how much insurance cover does supplier have to take. There is still a lot of ambiguity in this. The legal framework for foreign direct investment ("FDI") in India does not permit foreign investment in atomic energy.

How much cover is good enough?

One of the key themes for global nuclear industry captains and Indian insurance companies is- How much cover is good enough for nuclear business. Does a Rs 15-billion insurance cover serve the expanding nuclear business in India? Even though the target of 63 GWe of nuclear power by 2032 set by its National Energy Policy looks far too ambitious to achieve, the scaled-down 22 GWe would also need more insurance cover. It also makes private companies reluctant to invest in the Indian nuclear projects, giving state-run ventures like those from Russia and France an advantage over them.

The Indian reinsurance company, GIC-Re, with the four state-run insurance companies, is in a difficult position to try to convince the foreign companies that the sum is adequate for now. The Indian government had set up the Rs 15-billion India Nuclear Insurance Pool on June 12, 2015, to provide cover corporate liability against any accident at nuclear plants. The cover comes under India's Civil Liability for Nuclear Damage Act of 2010 (CLND Act). The pool was created as India stepped out to solicit more investment in its power sector by nuclear power developers.

The sum agreed to essentially caps the liability of the insurers, even as project developer companies are told that their liability is unlimited. The Indian government claims, not incorrectly, that the risks are quite unlikely, so making the pool a larger sink only leads to larger demand for greater capital from GIC-Re and the four insurance companies. Though there are seven other Indian insurance companies with stakes in the pool, such as ICICI Lombard and Tata AIG, their stakes are narrow. The big money comes from the government-run New India Assurance, National Insurance, United India and Oriental Insurance, each of which contributes Rs 3 billion to the corpus. There is a way out, if the foreign project developers are allowed to buy their insurance covers from abroad.

That route is, however, blocked since it would mean the foreign insurance companies would have the right to inspect the power plants being developed in India, before they offer any cover. India's offering them that path is ruled out since the cornerstone of its nuclear policy is that several of its nuclear facilities are outside the pale of inspection by any foreign entity. So the only option available for the project developers is to buy insurance cover through India's Civil Liability for Nuclear Damage Act of 2010.This pool is to address liability related concerns of suppliers under the CLND Act 2010 and paving the way for Indian as well as foreign suppliers to participate in the Indian Nuclear Power Projects.

As of now, India is developing eight nuclear power projects. Russia is already in a pole position in the market, but hopefully for the others, India plans to bid out more. In this context, the meeting is expected to see more push back by the attendees to relax the rules for buying insurance. India knows it is among the few shrinking list of countries where the business is expected to grow. Switzerland, for instance last year, has joined the list of countries to shutter its nuclear power projects in a decade. So India will want to keep its policies going. Insuring the nuclear power units at Kudankulam is one of the largest insurance contracts from India in recent years.

The insurance cover of more than Rs.43,200 crore is sought for the under-construction units 3 and 4 of the Kudankulam Nuclear Power Plant. The annual premium is more than Rs.150 crore. The amount of the policy, at Rs.43,200 crore, is itself huge and enough to entice the largest global reinsurers. Under law, New India cannot approach another reinsurer without GIC Re's permission. Reinsurers underwrite risks that are too large for insurance companies to handle on their own. This allows insurers like New India to obtain more business than they would otherwise be able to. GIC Re's first right of refusal under law means local general insurance companies such as New India must first approach it to back them before taking large risks.

GIC Re has annual treaties with all general insurance companies, which are like a promise of support to jointly underwrite risk. It is now up to the companies to follow up with their own negotiations and come up with viable techno-commercial offers and contracts consistent with India's law and India's practice so that reactors built with international collaboration can start contributing to strengthening India's energy security and India's clean energy options. GIC Re has annual treaties with all general insurance companies, which are like a promise of support to jointly underwrite risk.

Because of the extra impetus given by the prime minister to the enhancement of atomic energy generation and setting up of new units of the reactor, the Kudankulam plant has been progressively showing new constructions and generation. "By 2024 you will have nine nuclear reactors plus 12 new additional ones which were approved during the Covid times with a capacity of 9000 MW.

Five new sites are also being identified. the present installed nuclear power capacity in the country is 6,780 MW and the share of nuclear power in the total electricity generation in the country is about 3.1 per cent in the year 2020-21. The net zero targets are expected to be met through a combination of various clean energy sources, including nuclear power. In this context, the present nuclear power capacity of 6,780 MW is planned to be increased to 22,480 MW by 2031 on progressive completion of projects under construction and accorded sanction. More nuclear power reactors are planned in future.

References:

1. https://www.business-standard.com/article/finance/india-nuclear-insurance-pool
2. https://world-nuclear.org/information-library/country-profiles/countries-g-n/india.aspx
3. https://www.ibef.org/blogs/india-s-nuclear-energy-boom
4. https://www.jagranjosh.com/general-knowledge/list-of-nuclear-power-plants-in-india
5. https://www.tribuneindia.com/news/delhi/nuclear-power-capacity-to-treble-by-2031
6. https://www.letsstudytogether.co/nuclear-power-plants-india/
7. http://www.nuclearbusiness-platform.com/india/nuclear-industry/india-nuclear
8. IRDAI Annual Report 2020-21
9. Newspapers & Journals

PUBLIC OFFERINGS OF SECURITIES INSURANCE (POSI)

Indian Stock Exchanges (BSE, NSE, SMEs) ranked 12th in the world in terms of the number of IPOs in YTD 2021.

An Initial Public Offer (IPO) is the first sale of shares to the public by a privately owned company. The companies going public raises funds through IPO for working capital, debt repayment, acquisitions, and a host of other uses. An investor can apply for IPO Stocks in India by filling an online IPO application offered by the stockbrokers and banks.

Though India is now more attractive for growth seeking foreign capital given the recent decline in China's stature as an investment destination, yet volatile market conditions have led to a significant slowdown in the IPO market during the first quarter of 2022. The other factors contributing to the slowdown are geopolitical tensions, price correction in overvalued stocks, growing concerns about a rise in commodity and energy prices, the impact of inflation and potential interest rate hikes, as well as the covid-19 pandemic risk continuing to hold back full economic recovery. Once the current scenario settles, a lot of IPOs may start coming to the markets in the next 3-6 months, especially those who have chosen to park their public offerings until the markets stabilize.

About the author

Sweta Agarwal
Underwriter - Credit & Liability
Ideal Insurance Brokers Pvt Ltd

Companies planning to raise funds through IPO are a mix of traditional companies with long track records as well as newer age companies across various sectors such as consumer, pharmaceuticals, technology, logistics and financial services.

IPOs are a marketing event for the issuer. Given the hype pre-IPO with most companies, there is an increased scrutiny and accountability post-raising of capital. Paytm, Zomato, Kalyan Jewellers India, Reliance Power, ABSL AMC are few of the popular IPOs which failed - the stock prices of the company did not meet the valuation at which the stock was listed. More than 40% of IPOs this year have failed in the first half of the year itself, more so, the START-UPs.
Is the management up to such challenge?

POSI is a specialist product which is tailored to indemnify

Insured against claims arising from error, omission, misrepresentation, or non-disclosure in the documents issued to potential investors and the costs involved in defending such allegations. Many dreams of taking their company public. Talent and drive transform the dream into reality. But the reality is fraught with risk. Suddenly, company performance and decisions are subject to external scrutiny. Investors who helped to achieve the dream can turn it into a testing reality. Directors of newly floated companies run the ever-increasing risk of being sued or investigated if investor expectations are not met.

The road to a public offering is hazardous. Investors and their advisers must be presented with detailed information with which to judge the financial position and prospects of the company being floated. Directors and others face a difficult task in ensuring that all relevant information and material facts regarding the company are presented accurately. Is it ever possible to be confident of total accuracy? Investors experiencing a loss in the value of their shares will seize upon any mistake and may claim that they relied upon it when investing in the company.

Who can sue?

- Investors may bring an action against management for an alleged misrepresentation, error, or omission in the prospectus on which they had relied to make their investment.
- Regulatory bodies have authority to initiate proceedings against the parties to an offering in the event of allegations of wrongdoing or a breach of the listing rules.

Coverages:

- Protection against potential statutory exposures.
- Other exposures from the transaction.

- Protection against the liabilities arising from the issue of the 'red-herring' prospectus, the roadshow presentation, and any press releases etc
- Exposures arising from many overseas jurisdictions.

Pays -

- Defence Costs.
- Regulatory investigation costs/Administrative Expenses
- Reputation and Response Costs (Pro - active forensic service cost, repair of individual and company's reputation, Notification, Monitoring, Electronic Data)
- Damages& Settlements.
- Punitive and exemplary damages, interest on judgements and awards.

POSI should be a pre-requisite for every organization planning to raise capital from the public, be it a public offering of securities, debt, or equity rights issues or private placements.

Difference between D&O & POSI -

- A POSI policy operates to ring-fence the transaction exposure, leaving the D&O policy to respond to "business as usual" risks faced by the directors. When undertaking a public offering, many organizations purchase a POSI policy alongside their existing D&O policy.
- The scope of D&O contracts excludes public offerings. Even if the cover is extended by paying an additional premium, there are many benefits of having a stand-alone POSI cover like a broader set of beneficiaries - organization, D&O, controlling/selling shareholders, offering underwriter, etc.
- POSI are multi-year policies and can be customized to offer protection for multiple years with a one-off premium levied for the full period of the policy. Also, Policy coverage cannot be cancelled by insurers without the insured's consent.
- Thepremium for IPO policy can be capitalized as apart of the process of fund raising. It can be claimed as an IPO expense under the Income Tax act.
- Automatic cover for follow-on offerings, including roadshows, within 12 months of the initial offering and up to 25% of the initial amount raised can be opted for.

Reasons for claims -

- Receipt of undisclosed commissions, rendering the prospectus false and misleading,

- Illegal tie-in agreements, between underwriters & some investors in return for receiving a favorable allocation of shares in the IPO.
- Fraudulent use of money raised.
- Overcompensated or over matched management.
- Failure to disclose material information.
- Forward looking statements.
- Profile and accuracy of resumes of directors and management.
- False promises.
- Quality of investment bank/adviser to the IPO.

Typical Claim scenarios which are covered under POSI -

Failure to adequately inform

A manufacturing company initiates IPO, but its prospectus fails to adequately report the poor quality of their assets. Shareholders who purchase rights based on this information are disappointed when the share price falls following listing. Shareholders take legal action against the company claiming that it failed to ensure that the prospectus information was not misleading and that it did not omit any information reasonably required for a shareholder to make an informed assessment of the company's financial position.

Overstatement of Financial Information

A company is alleged to have materially overstated its financial position in its IPO prospectus. The regulator obtains an interim court order to freeze the funds raised in the offering. During this time the regulator conducts investigations and concludes that investors in the company should be compensated for the financial losses they sustained for purchasing shares based on the misleading information. The settlement costs reach more than INR 1000Cr.

Redundancy program

Shortly after its IPO, a manufacturing company announces a major redundancy program. The company's share price falls straight after the announcement, resulting in an immediate loss of value to many of the investors in the IPO. Investors sued the company alleging non-disclosure of this material information in the prospectus and after two years of civil litigation the manufacturer agrees a settlement figure of more than INR 100Cr.

Missed profit targets

A construction company issues a prospectus for an IPO which includes financial forecasts for the forthcoming year. But the company falls well short of its forecasts, issuing several profit warnings and the share price falls dramatically. Investors who purchased shares based on the prospectus pursue legal action to recover their losses, citing, amongst other things, the company, and its directors' misleading and deceptive conduct.

Legal Disputes not disclosed

A company withdraws its public rights offer shortly before it is due to close after regulators receive a complaint that the company had failed to disclose that it was in substantial legal disputes over terminated contracts. It's directors and other individuals involved in preparing the prospectus face investigation, legal action and possible civil and criminal liabilities for any false and misleading statements made in its prospectus. ❑

EU regulator backs use of Novavax COVID shot as a booster

The European Medicines Agency backed the use of Novavax's COVID-19 shot as a booster for adults, ahead of an anticipated rise in infections this winter. The vaccine, Nuvaxovid, is designed to target the strain of the virus that originally emerged in China. The EMA's recommendation is for people who previously were inoculated with either the Novavax shot, or any other COVID vaccine.

Separately, the EMA backed two separate COVID-19 vaccine boosters updated to target the Omicron variant of the virus. Developed by Moderna and the team of Pfizer and BioNTech, the new so called bivalent shots combat the BA.1 version of Omicron and the original virus first detected in China.

Novavax's Nuvaxovid made its debut well after first set of COVID-19 shots including those from Moderna, Pfizer-BioNTech, AstraZeneca and Johnson & Johnson were approved in different parts of the world.

The hope was Nuvaxovid would incentivise people who were sceptical of some shots based on the newer mRNA technology to get vaccinated, given Nuvaxovid relies on technology that has been used for decades to combat diseases including hepatitis B and influenza.

NATIONAL DISASTER MANAGEMENT GUIDELINES

Background

The growth of chemical industries has led to an increase in the risk of occurrence of incidents associated with hazardous chemicals (HAZCHEM). A chemical industry that incorporates the best principles of safety, can largely prevent such incidents. Common causes for chemical accidents are deficiencies in safety management systems and human errors, or they may occur as a consequence of natural calamities or sabotage activities. Chemical accidents result in fire, explosion and/or toxic release.

The nature of chemical agents and their concentration during exposure ultimately decides the toxicity and damaging effects on living organisms in the form of symptoms and signs like irreversible pain, suffering, and death. Meteorological conditions such as wind speed, wind direction, height of inversion layer, stability class, etc., also play an important role by affecting the dispersion pattern of toxic gas clouds.

The Bhopal Gas tragedy of 1984—the worst chemical disaster in history, where over 2000 people died due to the accidental release of the toxic gas Methyl Isocyanate, is still fresh in our memories. Such accidents are significant in terms of injuries, pain, suffering, loss of lives, damage to property and environment. A small accident occurring at the local level may be a prior warning signal for an impending disaster. Chemical disasters, though low in frequency, have the potential to cause significant immediate or long-term damage.

A critical analysis of the lessons learnt from major chemical accidents exhibited various deficiencies. Laxity towards safety measures, nonconformation to techno-legal regimes and a low level of public consultation are a few such shortcomings. The scenario called for concerted and sustained efforts for effective risk reduction strategies and capacity development under a national authority to decrease the occurrence of such incidents and lessen their impact. Although tremendous efforts have been made to minimise such accidents and to improve emergency preparedness at all levels, substantial efforts are still required to predict the occurrence of disasters, assess the damage potential, issue warnings, and to take other precautionary measures to mitigate their effects. Another pressing need is to properly assess the potential of chemical emergencies and develop tools for emergency planning and response to minimise the damage in case of any eventuality.

Risks Posed by HAZCHEM

Increased industrial activities and the risks associated with HAZCHEM and enhanced vulnerability lead to industrial and chemical accidents. Chemical accidents may originate in the manufacturing or formulation facility, or during the process operations at any stage of the product cycle, material handling, transportation and storage of HAZCHEM. Vulnerability is sometimes compounded due to the location of Major Accident Hazard (MAH) industries closer to densely populated areas. Chemical and industrial accidents generally occur due to technical failures that can be anticipated. The risk associated with them can thus be predicted and reduced effectively by identification of risk areas, risk assessment and designing pre-operative measures. The occurrence of chemical accidents and probability thereof, manifesting in a disaster, remain a cause of concern.

The Genesis of National Disaster Management Guidelines—Chemical Disasters

There has been a paradigm shift in the government's focus from its rescue, relief, and restoration-centric approach to a planning, prevention/mitigation and preparedness approach. It has been realised that effective Chemical Disaster Management (CDM) is possible by the adoption of preventive and mitigation strategies as most chemical disasters are preventable in comparison to natural disasters that are difficult to predict and prevent.

With this renewed emphasis, the National Disaster Management Authority (NDMA) took up the task of strengthening CDM in recognition of the gravity of the risk posed by HAZCHEM. The main stakeholders in the management of chemical disasters are Ministry of Environment and Forests (MoEF; the nodal ministry); Ministry of Home Affairs (MHA); Ministry of Health and Family Welfare (MoH & FW); Ministry of Labour and Employment (MoLE); Ministry of Agriculture (MoA); Ministry of Shipping, Road Transport and Highways (MoSRT & H); Ministry of Defence (MoD); Ministry of Chemicals and Fertilizers (MoC & F); Ministry of Petroleum and Natural Gas (MoP & NG), Department of Atomic Energy (DAE); state governments and Union Territories (UTs) and the chemical industries.

As a first step, a meeting of the stakeholders including representatives of Research and Development (R&D) organisations, professionals from scientific and technical institutes, academics, technocrats from leading national institutions and apex industrial associations/consortiums of corporate sectors was convened on 17 February 2006, with a view to pool the knowledge in this multidisciplinary field. A core group of experts was constituted from amongst these participants. Several meetings of the core group were subsequently held and a draft document was evolved for bridging the gaps that were identified.

These deliberations acknowledged several initiatives taken up by the government and other stakeholders. The draft document was reviewed by a group of experts on 18 May 2006, for evolving a consensus among various stakeholders including the nodal ministry. Detailed inputs from MAH units and regulators were obtained during a meeting held during 7–8 September 2006, at Bhopal. The recommendations and action points that emerged out of these deliberations have resulted in the development of the National Guidelines for the Management of Chemical Disasters (hereinafter referred to as the Guidelines).

Structure of Guidelines

The present work is an important step in the direction of the development of plans for the management of chemical disasters. The Guidelines have been prepared to provide directions to ministries, departments and state authorities for the preparation of their detailed Disaster Management (DM) plans. These Guidelines call for a proactive, participatory, well-structured, fail-safe, multi-disciplinary and multi-sectoral approach at various levels.

The Guidelines consist of seven chapters; the details of which are as follows:

Chapter 1 provides an introductory brief of risks, vulnerabilities and consequences of chemical accidents; provides an account of causal factors of chemical disasters so as to restrict and contain them; and enlists major chemical accidents—their initiators, and impact on human lives and the environment. The aims and objectives of the Guidelines focus on all aspects of the DM cycle to assist the ministries and departments of the Government of India, state governments and other agencies to prepare DM plans.

Chapter 2 reviews the existing regulatory framework and practises. It furnishes an overview of the institutional framework with details of the monitoring mechanisms and compliance by central and state governments. It also provides an overview of the functioning of research institutes, autonomous bodies, professional institutes, Non-Governmental Organizations (NGOs) and MAH units, their compliance to statutory safeguards, and the efforts of the MoEF in setting up crisis management groups in industrial areas to ensure chemical safety. Various initiatives highlighting substantial work done in the area of emergency response and management systems in installations, storages and transport sectors are also illustrated. A bird's eye view of international best practises and developments within India is also given.

Chapter 3 gives an overview of the salient gaps identified in various aspects of the management of chemical accidents, transport accidents and medical emergencies. The management of chemical disasters will aim at prevention and mitigation with the introduction of safer process technologies, improved performance of safety devices and reduction of human error. Immediate effects of a disaster can be mitigated through installing engineering systems like scrubbers, flares and venting systems. The various work areas and activities that can be undertaken within the framework of the Guidelines are described in chapters 4 to 6.

Chapter 4 includes comprehensive guidelines for a regulatory framework, code of practises, procedures and standards, testing and information, technical and technological information, preparedness including education, training, creation of appropriate infrastructure, capacity development, awareness generation, institutional framework, networking and communication, R&D, and response, relief and rehabilitation for CDM. The roles and responsibilities of various stakeholders at centre, state and district levels are also described. The salient highlights include:

- Strengthening of the present regulatory framework to meet the defined national policies and aspirations; augmentation of technical support functions.
- A supportive and technology neutral regulation framework.
- Legislation on land-use policy (buffer zone around chemical industry).
- Standardisation of national codes and practises.
- Emphasis on regular safely audit, identification and selection of professional organisations and their accreditation.
- Commissioning and decommissioning of chemical industries.
- Preparation of On-Site and Off-Site Plans.
- Regular testing of emergency plans.
- Need of medical first responders and medical inventory to deal with specialised chemical accidents at the installation site.
- Crisis management plans of hospitals to manage the victims of chemical emergencies.
- Concept of mobile hospital and mobile teams.
- Issues related to public health response, medical rehabilitation and harmful effects on the environment.
- Post-disaster documentation and analysis.

Chapter 5 comprises comprehensive guidelines for installations and storages (including isolated storages of HAZCHEM) that contain good engineering practises for safety, accident reporting, investigation and analysis checklists and safety promotional activities as important tools for effective CDM.

Chapter 6 deals with guidelines related to chemical accidents during transportation of HAZCHEM. The areas covered include:

- Preparation of a highway DM plan.
- Modification of rules pertaining to transport emergencies.
- Specific roles and responsibilities of MAH units, transporters, drivers, authorities and aspects related to emergency communication systems and training of various stakeholders.
- The need for the development of an efficient pipeline management system.

Chapter 7 sets out the approach to implementation of the Guidelines and also highlights the key points for ensuring the implementation of the plans prepared by the central ministries, departments and states. The strategy to be adopted for the important activities to be included in the Action Plan are given below:

- Putting in place a national mechanism for covering all major disasters and reporting mechanisms at the district level.
- Dovetailing regulations governing HAZCHEM safety with the Disaster Management Act, 2005 (DM Act, 2005).
- Establishing a risk management framework criterion for chemical assessment.
- Strengthening of the institutional framework for CDM and its integration with the activities of the NDMA, State Disaster Management Authorities (SDMAs), District Disaster Management Authorities (DDMAs) and other stakeholders.
- Renewed focus on model safety codes/standards for prevention of accidents at industry level by matching processes and technologies for safety installations comparable with the best available in the world.
- Identifying infrastructure needs for preparing mitigation plans.
- Implementing a financial strategy for the allocation of funds for different national and state/district level mitigation projects.
- Establishing an efficient information network for dissemination of alerts, warning and response messages.
- Identifying/recognising training institutions.
- Strengthening the National Disaster Response Force (NDRF), fire services, medical first responders and other emergency responders.
- Revamping of home guards and civil defence for CDM.
- Developing a national medical emergency plan binding all government, private and public hospitals with unified, wellestablished triage and other emergency procedures.

- Developing highway DM plans for all the identified stretches, nodal points, and Standard Operating Procedures (SOPs) integrated in the driver's kit.
- Establishing a register of relevant national and international institutes and information exchange programmes.
- Establishing post-disaster documentation procedures, epidemiological surveys and minimum criteria for relief and rehabilitation.
- Sensitising the community on chemical disasters.
- Sensitising all stakeholders, especially the management of MAH units for a more proactive role in prevention of chemical accidents by instituting regular internal audits of plant safety measures, actuation of On-Site emergency plans and establishment of mutual aid arrangements.

The MoEF, as the nodal ministry, will prepare a detailed Action Plan in accordance with these Guidelines with specific tasks, activities, targets and timeframes that will also form a part of the national DM plan.

In view of the expected time lapse between the formulation and approval of the DM plan, an interim arrangement has also been suggested, highlighting the following features:

- Baseline information on hazard identification and risk assessment in chemical installations and pipelines.
- Incorporation of Geographic Information System (GIS) technology.
- Identification and incorporation of legislative and institutional framework for disaster preparedness with specific and measurable indicators.
- Risk mapping.
- Development and improvement of relevant databases including isolated storages and warehouses.
- Preparation of a National Response Plan.
- Pooling of resources available on transport routes of chemicals.
- Crisis Alert System (CAS) and continued training programmes.

The activities mentioned above will be initiated with immediate effect and will be further intensified in due course of time. An institutional framework for the management of chemical disasters will be set up at the national level, which will integrate and strengthen the existing institutional mechanisms on CDM. For efficient and coordinated management, the state governments will issue guidelines for the preparation of district and local level plans in accordance with these Guidelines. The objective is to evolve an attainable and practical approach for the management of chemical disasters in India with the participation of all stakeholders including local communities for On-Site and Off-Site emergencies. ❏

India's Axis Bank eyes 10% stake in Go Digit life insurance business

India's Axis Bank is in talks to acquire a stake in Go Digit Life Insurance, two sources with direct knowledge of the matter, as the country's third biggest private lender seeks to tap a fast-growing insurance market. Axis is planning to take a 10% stake for around $9 million in the start-up's upcoming life insurance business, effectively valuing the business at $90 million, said the two sources, who declined to be named as the talks were private.

The move comes after India's biggest private lender HDFC Bank said in a stock exchange disclosure last week that it planned to buy a 9.94% stake in Go Digit Life for up to 700 million rupees ($9 million). Start-up Digit, which already works in the general insurance business, is foraying into the life insurance market with its "Go Digit Life" venture. A Digit spokesperson declined to comment, saying the company had not yet received a licence for its life insurance business. Axis did not respond to Reuters' request for comment.

Go Digit General Insurance, Digit's general insurance business, says it is valued at $4 billion and backed by Canadian billionaire Prem Watsa and Sequoia Capital. It offers products such as health, travel and automobiles coverage. Axis' plans underscore growing interest in India's lucrative insurance business from private lenders, one of the sources said, adding that the partnership with Digit could help Axis fulfill its insurance ambitions.

India's life insurance market, the world's tenth biggest, remains largely untapped. Life insurance penetration - which is measured by the country's life insurance premium as a percentage of its gross domestic product - grew to 3.2% in the fiscal year to 2021, up only slightly from 2.15% two decades ago, according to data from India's insurance regulator.

NO TRIPPING, WITH TRAVEL INSURANCE

International travel is opening up, but the widespread Covid pandemic has made travel insurance an absolute necessity for responsible travel today. Apart from the obvious health-related risks, the uncertainty also extends to travel disruptions caused by Covid restrictions in destinations and or in transit airports.

The basic travel insurance covers can be divided into medical and non-medical covers. The medical cover includes medical expenses on sickness or accident in destinations, accidental death, cash on hospitalisation, personal liability and even dental treatment, excluding pre-existing conditions. The nonmedical covers typically covers baggage related delays or loss, lost passports, hotel/airline cancellations or delays and repatriation of mortal remains. Today, even as most of the existing covers, medical or non-medical, encapsulate risks arising from Covid-related conditions, most insurance policies have explicitly included Covid situations in their policy wordings in a bid to eliminate confusions to the retail buyer.

Covid-induced covers, add-ons

While travellers gear up to expect the unexpected in a post-Covid world, insurance companies too have warmed up to the new reality.

Beginning with an option to defer or cancel travel insurance without additional charge - announced in early April-2020 - insurance plans now comprehensively cover risks specific to Covid. Upon being diagnosed with Covid-19 during a trip, under accident and sickness clause, medical expenses would be covered up to the sum insured. But this can be claimed only under hospitalisation for most policies. Out-patient treatment coverage is offered only in select plans. Care Health Insurance, for instance, offers it. The other two

Covid related risks arise from either trip cancellation or curtailment. Travel insurance policies with Covid cover reimburse 'non-refundable unused service costs', including hotel or airline bookings when trips are cancelled due to Covid. If the insured travel companion or immediate family member is diagnosed with Covid-19 prior to the trip, bookings done prior to being diagnosed with Covid are reimbursed upto a certain limit of the sum insured. On being diagnosed with the Covid infection during the trip, similar unutilized non-refundable services can be reimbursed.

Also, additional accommodation and travel expenses incurred due to trip interruption, subject to the sum insured limit are covered as mentioned by Tata AIG. HDFC Ergo travel insurance also provides for hotel accommodation to isolate or quarantine, if one is tested positive during travels. While most policies allow for automatic extension of policy period if a lockdown is imposed in destination regions, ICICI Lombard covers additional lodging and boarding expenses on account of a companion being hospitalized as well. Some plans allow for continued treatment even after policy expires. Tata AIG plans for instance, offers coverage to date of discharge or 60 days post expiry of the policy.

Costs

Pricing primarily depends on trip duration, frequency (multi trip or single trip) and age of the insured. For a 30- year old travelling to the USA for a single trip of 30 days today, the premiums range from Rs. 1,508 to Rs. 2,839 (sourced from Policybazaar.com) for a sum insured of US$ 100,000.

Individual needs have to be kept in mind in choosing the right travel policy. For instance, Tata AIG (Travel Guard Silver Plus) comes with a higher premium of Rs. 2,069 and does not provide hospital cash benefit but does provide US$750 for financial emergency assistance. Reliance General insurance (Reliance Silver) offers a 'compassionate visit' feature where a family member can come to the aid of the insured when he/she falls sick when travelling. For a 30 year old travelling to the US for 30 days, the premium comes to Rs. 1,688 here.

Points to note

The need for travel insurance today becomes more pressing when considering the individual travel restrictions imposed by many countries Travel to Dubai for instance will require two RT-PCR tests, one before travel and one after reaching the destination. The test must be conducted 48 hour before departure and self-isolation is mandated till the test report is out. Entry to most European countries on the other hand requires proof of negative test result from 72 hours before departure, proof of vaccination with EMA- approved vaccine (Covishield vaccine in Indian context) or proof of recovery from latest infection.

Travel insurance becomes vitally important to navigate such regulations - especially for the test to be conducted 72 hours before departure, as is seen with many country regulations. When the test turns out to be positive 2-3 days before travel, travel insurance cover with Covid protections will ensure minimizing travel related losses by helping reimburse airlines, hotels and other allied deposits that would have been incurred. *(Source: Business Line)*

Events and happenings at Birla Institute of Management Technology (BIMTECH)

Our Alumnus Mr. SudipIndani of batch 2002-2003 visited BIMTECH campus on 10th August ,2022 to deliver lecture on his experiential learning during his Corporate journey to our PGDM- Insurance Business Management to batch of 2021-23 & 2022-24.

Mr. SudipIndani is National Head- Employees Benefits at Howden Insurance Brokers Limited India.

It was indeed a great learning experience for the students. The session helped the student to get a clearer idea about their future and also helped to know what skillsets are required to succeed in the insurance sector.

CXO Talk Series-ARCADIA '22

Another session of the CXO Talk Series-ARCADIA '22, was held on August 20th, from 3:00 p.m. onwards. The topic of the session was "What are the essentials for future managers to excel in the insurance industry?"

The event was graced by the presence of, Mr. Mohan C R, Senior Vice President and National Head of Property Underwriting, Large Risks, Global Accounts, and Risk Engineering Services at Bajaj Allianz General Insurance.

He shared with the students the industry insights from a practitioner's point of view.

Mr. Mohan is a general insurance professional with three decades of experience in Technical, Marketing & Leadership roles, with Fellowship in Insurance and Engineering qualifications.

Future Generali India aims for 20pc growth in FY23

With revival in the motor insurance business, Future Generali India Insurance (FGII) is looking at a growth of around 20 per cent in the current fiscal, accompany top official said. In the previous fiscal, the private general insurance major had registered a growth of 8 per cent with a gross written premium (GWP) of Rs 4,210 crore. In the current fiscal, health has taken a backseat compared to last year's sharp spike in demand due to the Covid pandemic, a top official said.

"With the revival of the motor business on the back of higher sales in vehicles, we expect a growth of around 20 per cent at a company level. Motor is the largest contributor with 65 per cent of the retail portfolio," FGII managing director & CEO Anup Rau said.

He was in Kolkata for a roadshow of the new health insurance product FG Health Absolute. "Though health will grow at a faster pace than motor due to lower base, motor will continue to remain the largest," Rau said. FGII retail business accounts for 60 per cent, while corporate is 20 per cent and another 20 per cent is crop insurance of the GWP. The general insurer said new areas like pet (dog) insurance which is at a nascent stage but catching up fast, the official said.

New India Assurance Foundation Day Celebration

LEGAL

Legal Case Studies on Individual Mediclaim

Col. S L Narula
V/S
United India Ins. Co. Ltd.

Mr. S L Narula, the complainant has stated in his complaint that a mediclaim for treatment of his son had not been settled by the insurance company till date. The complainant stated that his son met with an accident on 24.09.2017 and was admitted in ICU of Kailash Hospital on the same day. The complainant had found a health card (corporate policy purchased by the employer of his son) in the wallet of his son and the same was handed over to the hospital for availing cashless treatment. M/s Med save, the TPA in this case, sanctioned cashless treatment up to Rs. One lakh as sum insured under the policy was Rs. One lakh only.

When, the expenses of treatment exceeded the limit of one lakh, the hospital asked the complainant to pay balance amount. At that time, when he again searched documents of his son, he came to know that his son had also purchased another policy (Individual Mediclaim Policy) with sum insured of Rs. 3 lakhs from the same insurer. Accordingly, he handed over health card of the second policy to the hospital. In order to avail cashless benefit under second policy, the hospital discharged the patient on 29.09.2017 at about 7 PM and readmitted him on the same day after two hours.

This exercise was done only in records as the patient remained admitted in the ICU during the intervening period of two hours. The Claim papers for Rs. 2, 06,188/- were submitted to the TPA who sanctioned Rs. One lakh only and disallowed balance amount of Rs. 1, 06,188/- in view of sum insured under the policy. Later, another claim of Rs. 94,800 for the hospitalization period from 29.09.2017 to 03.10.2017 was submitted to E-meditek, the TPA of second policy which was approved and paid by them. Since, the insurer was same in both the policies, the complainant approached the insurer several times requesting them to settle the claim for unpaid amount of Rs.1, 06,188/- under the second policy but failed to get any relief.

The insurer stated that the TPA of the second policy had advised the complainant to submit original /certified documents for hospitalization which were submitted by him to M/s Med save, the TPA of corporate policy, so as to enable them to process reimbursement of balance amount of Rs. 1,06,188/- but the complainant failed to submit the same, hence his claim could not be settled by the TPA of the second policy (Individual Mediclaim Policy).

The complainant stated that he was unable to understand as to why his claim had not been settled till date, when both the policies were issued by the same insurer. The insurer admitted that due to lack of coordination between the two TPAs, the claim for balance amount could not be settled. However, the insurer assured that the claim would be settled within one week from the date of receipt of required documents.

Pragati Gupta
V/S
National Insurance Co. Ltd.

The complainant stated that her husband was admitted in the Synergy Hospital Agra for the period from 16.03.2016 to 19.03.2016 for treatment of Acute Pancreatitis. She had incurred an expenditure of approximately Rs. 40,000/- and all the required documents, medical papers and reply to various queries raised by the TPA were submitted to the insurer but her claim had not been settled till date. On going through the documents submitted by the complainant, it is observed that the TPA had raised certain queries vide their letters dated 25.07.2016 and 02.08.2016 which were replied by the insured vide his letter dated 26.08.2016.

However, the insured informed vide letter dated 07.10.2016 that on receipt of complaint through this forum, the claim was reviewed and the insurer had agreed to settle the claim for Rs. 22,358/- subject to submission of consent of the complainant. Subsequently, the complainant, vide another mail dated 07.10.2017 has confirmed receipt of claim amount. The complaint, thus, stands closed and disposed off.

Mr. Rajeev Kumar
V/S
United India Insurance Co. Ltd.

Mr. Rajeev Kumar, the complainant has stated that two claims for treatment of his wife had not been settled by the insurance company till date. Aggrieved, he had requested the TPA/insurer including its GRO to reconsider the claims but failed to get any relief. The complainant stated that he had submitted two claims amounting to Rs. 299179 for treatment of his wife to the TPA on 17.01.2017 but in spite of various letters and telephonic calls, his claims had not been settled by the insurance company till date.

The complainant informed that after lodging the complaint in this forum, he had received payment of one of the claims but another claim had not been settled by the TPA/insurer till date. The representative of the insurer stated that in spite of his best efforts, status of the pending claims could not be obtained from the policy issuing office. He requested for some time so as to enable him to get details of the claims lodged by the insured. Accordingly, another personal hearing was held on 17.11.2017. The insurer informed that out of the two claims lodged by the complainant, one claim for Rs. 93881/- had been paid and the complainant had been advised to resubmit claim papers of the second claim as the same could not be traced by the TPA/Policy issuing office at Bangalore.

The complainant stated that he had already sent the claim papers of the second claim to the TPA; however, he agreed to resubmit the same. The insurer informed vide their mail dated 29.11.2017 that the complainant has resubmitted claim documents of the second claim for Rs. 1.73 lakhs to the TPA and the admissible amount of the claim would be settled shortly. It is observed that although, the complainant had alleged inordinate delay in settlement of the claims, he himself was confused and could not provide specific details of the claims. It appears that the complainant had also not followed up the claims properly with the insurer. However, now that the documents have been resubmitted, the insurer is advised to ensure prompt settlement of pending claim.

Mr. Barun Kumar Chandra
V/S
Oriental Insurance Company Limited.

The complainant had taken Oriental bank Mediclaim Policy for the period from 06/09/2016 to 05/09/2017 with sum insured of Rs 200000/ for himself and his family. The spouse of the complainant had problem of acute cholecystitis and Cholelithiasis, where laparoscopic cholecystomy was conducted on 28.02.2017. The complainant had lodged a claim with the company for re-imbursement but the same was rejected by the company . The complainant stated that the company had rejected the claim of his spouse because of break in insurance due to fault of Bank . He had regularly taken the policy from the company for the last five years.

The premium of the policy of Rs.3399/- was debited from his account on 23.08.2016 instead of 26/07/2016 hence the policy period should be effective from 23.08.2016 instead of 05.09.2016; which is less than one month and very much within grace period. The company stated that the policy, on which the claim was reported was renewed after a gap of 41 days and the previous policy was also renewed after a gap of 16 days, hence the current insurance policy was treated as a fresh policy. As per terms and conditions of the policy there is a waiting period of 2 years for the treatment of cholelithiasis (stone) disease and if continuity of the policy was not maintained then subsequent cover was to be treated as fresh policy, hence the claim of the complainant was rejected by the company under clause 4.2 of the policy, which states that the expenses on treatment of calculus disease for the period of two years is not payable if contracted and/or manifested during the currency of the policy. The insured did not appear for personal hearing. From the records, it was noticed that the premium as claimed by the complainant was debited within one month, confirming the break in insurance is within 30 days.

Hence the Insurer should settle the claim on merit as agreed by them after condoning the delay, which is less than 30 days. Once this is considered, the treatment of cholelithiasis would not fall within two years. Hence, an award was passed with the direction to the insurance company to provide all the continuity benefits of renewal under the policy to the complainant after condoning the delay. ❑

IRDAI Circular

Master Guidelines on Anti-Money Laundering/ Counter Financing of Terrorism (AML/CFT), 2022

IRDAI/IID/GDL/MISC/160/8/2022

Date: 1st August 2022

1. IRDAI had issued Master Guidelines on AML/CFT for General insurers and Life insurers in 2013 and 2015 respectively. Subsequently, multiple circulars had been issued on the subject.
2. In order to consolidate and update guidelines on AML/CFT, a single Master Guidelines covering provisions of PML Act, Rules and other applicable norms (as amended from time to time) is issued.
3. The guidelines are applicable to all classes of Life, General or Health insurance business.
4. The guidelines will come into force from 1st November 2022.

Randip Singh Jagpal
(Executive Director)

Exposure Draft Regulatory Sandbox Regulations Amendment 2022

IRDAI/HLT/CIR/MISC/150/7/2022

Date:03-08-2022

1. The Authority has notified the IRDAI (Regulatory Sandbox) Regulations, 2019 with a validity of two years to facilitate innovation in products or solutions proposed to be offered by the insurance companies and other players for the benefit of policyholders. Subsequently, the Authority has extended the validity period of the said Regulations for a further period of two years up to 25th July, 2023.
2. Based on the experience of 2 cohorts of Regulatory Sandbox and stake holder's feedback, the department has observed the following limitations:
   (i) Validity – as stated under para 1 IRDAI (Regulatory Sandbox) Regulations, 2019 has a validity clause of four years.
   (ii) Experiment period - Regulation 6(2) of Sandbox Regulations permits the applicant to experiment the ideas for a period of 6 months (Extendable by another 6 months only).
3. In view of the above, the draft IRDAI (Regulatory Sandbox) (Amendment) Regulations, 2022 is prepared with an objective to
   (i) remove the limited validity period
   (ii) increase the experimental period of the Regulatory Sandbox from the existing six (6) months to up to 36 months
   (iii) The Chairperson may be authorized to issue guidelines, if necessary, based on the outcome of Sandbox proposals.
4. The Exposure Draft Insurance Regulatory and Development Authority of India (Regulatory Sandbox) (Amendment) Regulations, 2022, has been attached as Annexure – A.
5. You are requested to offer your comments, suggestionson the proposed modifications for further examination at our end. The comments, suggestions

may be sent in the attached format (Annexure- B) by 25th August , 2022 to insurtech-mission@irdai.gov.in with a copy to deepakkg@irdai.gov.in.

Applicability of Service Tax / GST on services provided by IRDAI to Insurance intermediaries

IRDAI/GA&HR/CIR/MISC/172/8/2022

11/08/2022

As per the Order passed by the Commissioner (Appeals – I) in appeal no. HYD/SVTAX-HYC/APP-025-022-23 (APP1) dated 22/06/2022, it is stated that the services provided by the Authority to Insurance intermediaries are liable for Service Tax / GST.

Therefore, all insurance intermediaries are advised to ensure that any payment made to the Authority towards fees / charges etc., paid / payable on or after 12/08/2022 shall be made along with GST @ 18%. Instructions in respect of Service Tax / GST for the earlier period will be issued separately.

Further, all the insurance intermediaries are directed to submit a copy of their GST registration certificate bearing the Goods and Services Tax Identification Number to the Authority on the e-mail ID, kanthishri@irdai.gov.in and accounts@irdai.gov.in on or before 20th August, 2022 for the purpose of including the same in the invoices generated by the Authority in respect of the fee collection.

CGM (General Administration & HR)

IRDAI Single Window NOC Portal

17.08.2022

Insurance Regulatory and Development Authority of India (IRDAI) is constantly driving to increase insurance penetration, ensuring availability of insurance in every nook and corner of country and also facilitating ease of doing business in the Indian Insurance market. In this direction, IRDAI has launched a Single Window NOC Portal (www.noc.irdai.gov.in).

This will expedite the process of incorporation of an insurer. Interested entities can obtain NOC from IRDAI through the 'Single Window NOC Portal' in a hassle free and time bound manner.

A list of Frequently Asked Questions (FAQs) related to the registration of insurers is also placed on the portal. Further, an internal facilitation group will be formed within IRDAI for each new application. The group will provide necessary guidance on the process to be followed for registration of insurers with IRDAI.

Exposure Draft Regulatory Sandbox Regulations Amendment 2022

IRDAI/INT/ED/REG/166/8/2022

Date:03-08-2022

1. In order to facilitate open architecture which will enable the prospects and policyholders to have wider access in purchasing insurance and also to enhance the reach of insurance to every nook and corner of the country, the IRDAI (Registration of Corporate Agents) Regulations, 2015 and IRDAI (Registration of Insurance Marketing Firm) Regulations, 2015 have been reviewed. The key changes proposed to be brought about to these two regulations (through the IRDAI (Insurance Intermediaries) (Amendment) Regulations, 2022 are: -
   - Increase in the maximum limit of tie-ups with insurers for Corporate Agents from the existing three for each category of insurance to nine for each category of insurance;
   - Increase in the maximum limit of tie-ups with insurers for Insurance Marketing Firms from the existing two for each category of insurance to six for each category of insurance;
   - Removal of the restriction on Corporate Agent (General) to place commercial lines of products having a total sum insured not exceeding rupees five crores per risk for all insurances combined.
2. The exposure draft of IRDAI (Insurance Intermediaries) (Amendment) Regulations, 2022, is attached herewith.
3. All the stakeholders are requested to submit their comments / suggestions, if any, on the proposed amendment in the regulations in the given format on or before 5:00 PM on 24th August, 2022 to ramasudheer@irdai.gov.in with a copy to nirmalraj.ks@irdai.gov.in

Performance Statistics - Non-Life Insurance

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

(Rs. in crores)

INSURER	For the month of July		Upto the Month of July		Market Share upto the Month of July 2022 (%)	Growth over the corresponding period of previous year (%)
	2021-22	2020-21	2021-22	2020-21		
Acko General Insurance Limited	113.92	70.81	432.13	241.06	0.55	79.26
Bajaj Allianz General Ins. Co. Ltd.	2,495.36	2,659.36	5,595.51	5,131.03	7.18	9.05
Bharti AXA General Ins. Co. Ltd. #	NA	338.95	NA	794.47	NA	NA
Cholamandalam MS General Ins.	488.46	402.23	1,778.76	1,302.73	2.28	36.54
NAVI General Insurance Limited	6.19	9.05	27.62	16.76	0.04	64.76
Edelweiss General Ins. Co. Ltd.	57.20	23.96	167.83	84.74	0.22	98.05
Future Generali India Ins. Co. Ltd.	331.82	339.30	1,197.81	1,038.76	1.54	15.31
Go Digit General Ins. Ltd.	453.93	299.94	1,983.22	1,088.05	2.55	82.27
HDFC Ergo General Ins. Co. Ltd.	1,160.51	956.14	4,233.85	3,342.45	5.44	26.67
ICICI Lombard General Ins. Co.	1,959.96	1,181.79	7,330.28	4,914.75	9.41	49.15
IFFCO Tokio General Ins. Co. Ltd.	704.80	796.76	2,834.15	2,629.24	3.64	7.79
Kotak Mahindra General Ins. Co.	90.52	50.26	308.04	169.24	0.40	82.01
Liberty General Ins. Ltd.	156.18	122.06	612.58	459.01	0.79	33.46
Magma HDI General Ins. Co. Ltd.	221.97	153.25	762.46	449.62	0.98	69.58
National Ins. Co. Ltd.	1,486.79	1,127.41	4,614.26	4,218.68	5.92	9.38
Raheja QBE General Ins. Co. Ltd.	45.05	39.68	156.75	126.93	0.20	23.49
Reliance General Ins. Co. Ltd.	784.25	700.44	3,258.66	2,754.89	4.18	18.29
Royal Sundaram General Ins. Co.	290.92	274.26	1,020.32	893.57	1.31	14.18
SBI General Ins. Co. Ltd.	680.88	521.89	2,431.26	1,686.25	3.12	44.18
Shriram General Ins. Co. Ltd.	190.35	136.30	591.82	480.59	0.76	23.14
Tata AIG General Ins. Co. Ltd.	1,153.71	782.24	4,069.04	2,856.25	5.22	42.46
The New India Assurance Co. Ltd.	2,989.35	2,737.46	12,539.51	11,569.35	16.10	8.39
The Oriental Ins. Co. Ltd.	1,772.26	1,162.56	5,412.01	4,306.93	6.95	25.66
United India Ins. Co. Ltd.	1,800.81	1,408.89	6,109.69	5,050.44	7.84	20.97
Universal Sompo General Ins. Co.	224.26	174.27	1,052.46	674.84	1.35	55.96
General Insurers Total	**19,659.45**	**16,469.24**	**68,520.03**	**56,280.63**	**87.98**	**21.75**
Aditya Birla Health Ins. Co. Ltd.	216.89	125.48	847.28	493.00	1.09	71.86
ManipalCigna Health Ins. Co. Ltd.	103.52	77.33	390.00	288.51	0.50	35.18
Niva Bupa Health Ins. Co. Ltd.	314.11	223.87	1,098.54	808.65	1.41	35.85
Care Health Insurance Limited	423.40	306.68	1,519.73	1,050.23	1.95	44.70
Star Health & Allied Ins. Co. Ltd.	1,088.53	1,003.87	3,555.46	3,188.97	4.57	11.49
Reliance Health Ins. Ltd.*	---	(0.01)	---	(0.01)	NA	NA
Stand-alone Pvt Health Insurers	**2,146.46**	**1,737.23**	**7,411.02**	**5,829.35**	**9.52**	**27.13**
Agricultural Ins. Co. of India Ltd.	1,493.68	1,856.05	1,607.12	2,063.05	2.06	(22.10)
ECGC Limited	92.88	94.71	346.44	288.10	0.44	20.25
Specialized PSU Insurers	**1,586.56**	**1,950.76**	**1,953.56**	**2,351.15**	**2.51**	**-16.91**
GRAND TOTAL	**23,392.46**	**20,157.23**	**77,884.61**	**64,461.14**	**100.00**	**20.82**

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 JULY - 2022 (PROVISIONAL)

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crores					No. of Policies / Schemes				
		Month of Jul-2022	Upto Jul-2022	Month of Jul-2021	Upto Jul-2021	YTD Variation in %	Month of Jul-2022	Upto Jul-2022	Month of Jul-2021	Upto Jul-2021	YTD Variation in %
1	**Aditya Birla Sun Life Insurance Co. Ltd.**										
	Individual Single Premium	40.30	85.33	17.42	66.05	29.20%	678	1296	222	575	125.39%
	Individual Non Single Premium	172.30	576.66	158.51	478.90	20.41%	16323	59308	17806	57599	2.97%
	Group Single Premium	240.98	1075.30	134.64	424.87	153.09%	9	32	4	22	45.45%
	Group Non Single Premium	0.67	1.74	0.11	0.87	99.54%	0	1	1	1	0.00%
	Total	**469.52**	**1803.45**	**316.28**	**986.68**	**82.78%**	**17030**	**60721**	**18039**	**58230**	**4.28%**
2	**Aegon Life Insurance Co. Ltd.**										
	Individual Single Premium	0.00	0.00	0.08	0.09	-101.19%	-47	152	504	506	-69.96%
	Individual Non Single Premium	0.04	0.41	1.16	5.64	-92.71%	133	542	800	4278	-87.33%
	Group Single Premium	0.21	0.49	0.00	0.00	---	1	4	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**0.26**	**0.94**	**1.77**	**10.46**	**-90.97%**	**87**	**699**	**1306**	**4800**	**-85.44%**
3	**Ageas Federal Life Insurance Co. Ltd.**										
	Individual Single Premium	14.82	56.25	25.90	69.16	-18.66%	277	1188	449	1321	-10.07%
	Individual Non Single Premium	38.96	100.46	30.85	69.47	44.61%	3827	10904	3581	8399	29.82%
	Group Single Premium	19.90	58.64	10.37	30.11	94.77%	0	3	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	-2.11%	0	0	0	0	---
	Total	**73.68**	**215.35**	**67.13**	**168.74**	**27.63%**	**4104**	**12095**	**4030**	**9720**	**24.43%**
4	**Aviva Life Insurance Co. Ltd.**										
	Individual Single Premium	0.46	3.90	1.79	3.36	16.12%	5	45	18	2	2150.00%
	Individual Non Single Premium	14.21	38.03	11.91	36.50	4.20%	2054	5552	1531	4511	23.08%
	Group Single Premium	0.00	1.88	0.46	1.12	68.66%	0	2	0	0	---
	Group Non Single Premium	0.16	0.39	0.09	0.30	27.23%	0	0	0	0	---
	Total	**21.71**	**78.34**	**32.62**	**72.06**	**8.72%**	**2068**	**5626**	**1573**	**4560**	**23.38%**
5	**Bajaj Allianz Life Insurance Co. Ltd.**										
	Individual Single Premium	43.84	164.11	20.10	65.11	152.05%	444	1938	296	890	117.75%
	Individual Non Single Premium	318.11	1200.78	247.40	736.23	63.10%	41280	161397	35957	105939	52.35%
	Group Single Premium	477.40	2175.01	343.95	1027.79	111.62%	18	57	9	21	171.43%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**896.41**	**3812.61**	**636.91**	**1932.84**	**97.25%**	**41752**	**163475**	**36269**	**106885**	**52.94%**
6	**Bharti AXA Life Insurance Co. Ltd.**										
	Individual Single Premium	0.89	7.73	5.37	19.02	-59.35%	15	136	41	117	16.24%
	Individual Non Single Premium	50.33	190.78	52.41	159.00	19.98%	7523	27765	10091	29580	-6.14%
	Group Single Premium	19.67	63.94	14.58	45.77	39.69%	4	5	0	3	66.67%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**72.46**	**267.90**	**72.36**	**224.07**	**19.57%**	**7542**	**27906**	**10132**	**29700**	**-6.04%**
7	**Canara HSBC Life Insurance Co. Ltd.**										
	Individual Single Premium	17.05	67.60	30.76	97.34	-30.55%	133	539	349	1063	-49.29%
	Individual Non Single Premium	99.76	338.63	93.45	228.87	47.96%	13033	42895	13112	33644	27.50%
	Group Single Premium	20.67	207.88	23.47	482.96	-56.96%	5	6	0	2	200.00%
	Group Non Single Premium	0.06	0.23	0.14	0.83	-72.19%	1	1	0	0	---
	Total	**167.48**	**783.17**	**152.46**	**910.72**	**-14.01%**	**13175**	**43455**	**13473**	**34745**	**25.07%**
8	**Edelweiss Tokio Life Insurance Co. Ltd.**										
	Individual Single Premium	2.36	8.52	3.76	8.54	-0.21%	22	91	37	423	-78.49%
	Individual Non Single Premium	33.21	100.97	27.29	84.55	19.41%	4028	15494	4560	15610	-0.74%
	Group Single Premium	0.52	2.93	4.56	7.64	-61.72%	0	0	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**36.38**	**112.89**	**35.70**	**101.36**	**11.38%**	**4050**	**15586**	**4597**	**16037**	**-2.81%**
9	**Exide Life Insurance Co. Ltd.**										
	Individual Single Premium	7.15	27.80	14.56	49.06	-43.34%	80	304	97	318	-4.40%
	Individual Non Single Premium	54.63	182.95	52.85	146.66	24.75%	10188	34228	10170	30671	11.60%
	Group Single Premium	0.13	0.17	0.04	0.20	-11.95%	0	0	0	0	---
	Group Non Single Premium	0.26	3.19	12.96	25.68	-87.60%	1	11	5	10	10.00%
	Total	**65.51**	**238.92**	**84.71**	**248.33**	**-3.79%**	**10269**	**34543**	**10272**	**30999**	**11.43%**
10	**Future Generali India Life Insurance Co. Ltd.**										
	Individual Single Premium	0.43	1.84	0.33	0.64	186.45%	11	53	13	25	112.00%
	Individual Non Single Premium	21.46	71.09	21.76	58.33	21.86%	3105	10132	3232	7982	26.94%
	Group Single Premium	1.57	4.02	1.59	9.30	-56.77%	0	0	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**26.80**	**190.72**	**31.35**	**130.36**	**46.29%**	**3123**	**10195**	**3247**	**8016**	**27.18%**
11	**HDFC Life Insurance Co. Ltd.**										
	Individual Single Premium	344.20	1165.75	409.55	1073.02	8.64%	3915	13665	4937	12922	5.75%
	Individual Non Single Premium	636.80	2118.57	652.87	1891.23	12.02%	62376	218950	79807	242276	-9.63%
	Group Single Premium	919.75	3350.79	954.60	2791.96	20.02%	7	47	6	23	104.35%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**1930.87**	**6782.05**	**2047.49**	**5862.05**	**15.69%**	**66305**	**232717**	**84756**	**255241**	**-8.82%**
12	**ICICI Prudential Life Insurance Co. Ltd.**										
	Individual Single Premium	220.09	847.32	283.10	904.12	-6.28%	2518	10357	2909	9120	13.56%
	Individual Non Single Premium	428.21	1466.22	448.66	1328.92	10.33%	42922	155450	47780	160835	-3.35%
	Group Single Premium	298.87	1099.19	184.76	578.20	90.11%	5	19	9	27	-29.63%
	Group Non Single Premium	0.00	0.00	0.02	0.13	-98.81%	0	0	0	0	---
	Total	**1344.46**	**4528.45**	**1157.00**	**3715.52**	**21.88%**	**45612**	**166275**	**50725**	**170715**	**-2.60%**

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

(₹ Crores)

Sl. No.	Particulars	Premium in Rs. Crores					No. of Policies / Schemes				
		Month of Jul-2022	Upto Jul-2022	Month of Jul-2021	Upto Jul-2021	YTD Variation in %	Month of Jul-2022	Upto Jul-2022	Month of Jul-2021	Upto Jul-2021	YTD Variation in %
13	**IndiaFirst Life Insurance Co. Ltd.**										
	Individual Single Premium	4.73	17.36	6.43	18.19	-4.56%	101	409	172	440	-7.05%
	Individual Non Single Premium	128.87	423.45	105.38	254.78	66.20%	24493	82795	21972	53902	53.60%
	Group Single Premium	78.43	271.90	70.46	343.14	-20.76%	14	62	22	127	-51.18%
	Group Non Single Premium	0.05	0.08	0.08	0.26	-70.37%	0	1	0	0	---
	Total	**212.08**	**713.39**	**182.35**	**616.37**	**15.74%**	**24608**	**83267**	**22166**	**54469**	**52.87%**
14	**Kotak Mahindra Life Insurance Co. Ltd.**										
	Individual Single Premium	86.51	319.30	85.74	257.92	23.80%	1781	12760	1784	5954	114.31%
	Individual Non Single Premium	143.70	452.29	110.25	322.62	40.19%	21825	68195	19979	57372	18.86%
	Group Single Premium	216.35	705.55	86.49	316.41	122.99%	4	20	6	38	-47.37%
	Group Non Single Premium	2.24	6.34	0.01	0.07	9403.72%	2	2	1	4	-50.00%
	Total	**486.16**	**1705.99**	**341.92**	**1056.96**	**61.41%**	**23649**	**81112**	**21825**	**63628**	**27.48%**
15	**Max Life Insurance Co. Ltd.**										
	Individual Single Premium	175.50	589.85	137.91	441.61	33.57%	869	3002	657	1946	54.27%
	Individual Non Single Premium	341.20	1244.40	379.18	1179.26	5.52%	38719	149437	47420	156403	-4.45%
	Group Single Premium	64.37	216.09	55.66	187.41	15.30%	1	2	0	21	-90.48%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**583.29**	**2067.27**	**573.72**	**1812.79**	**14.04%**	**39596**	**152477**	**48078**	**158376**	**-3.72%**
16	**PNB Metlife Life Insurance Co. Ltd.**										
	Individual Single Premium	9.02	35.67	12.58	36.22	-1.54%	152	646	182	523	23.52%
	Individual Non Single Premium	153.48	453.46	99.18	304.41	48.96%	18528	74305	18608	60303	23.22%
	Group Single Premium	54.95	199.04	29.09	93.78	112.23%	0	0	0	1	-100.00%
	Group Non Single Premium	0.05	0.12	0.10	0.57	-78.84%	7	28	17	68	-58.82%
	Total	**231.18**	**728.89**	**157.92**	**479.12**	**52.13%**	**18687**	**74979**	**18807**	**60895**	**23.13%**
17	**Pramerica Life Insurance Limited.**										
	Individual Single Premium	0.36	1.90	0.40	0.78	143.63%	8	30	12	20	50.00%
	Individual Non Single Premium	13.60	43.41	9.61	34.64	25.31%	2941	9837	2373	6689	47.06%
	Group Single Premium	28.90	81.00	8.06	24.60	229.32%	8	17	0	0	---
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**43.89**	**141.75**	**22.39**	**77.23**	**83.53%**	**2958**	**9909**	**2398**	**6779**	**46.17%**
18	**Reliance Nippon Life Insurance Co. Ltd.**										
	Individual Single Premium	2.76	11.20	4.99	16.33	-31.39%	82	355	148	521	-31.86%
	Individual Non Single Premium	64.06	282.70	59.98	223.89	26.27%	12065	48599	12380	45304	7.27%
	Group Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Group Non Single Premium	8.11	29.78	41.77	47.30	-37.04%	5	18	6	11	63.64%
	Total	**75.39**	**325.73**	**111.28**	**294.63**	**10.56%**	**12154**	**48990**	**12543**	**45856**	**6.83%**
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	496.78	1441.39	342.00	841.77	71.23%	7205	22501	7369	28549	-21.18%
	Individual Non Single Premium	990.80	3475.94	1058.07	2393.44	45.23%	154698	553374	156910	392412	41.02%
	Group Single Premium	806.62	2883.03	362.09	1802.55	59.94%	14	38	10	25	52.00%
	Group Non Single Premium	1.66	9.17	0.01	12.41	-26.08%	0	0	0	0	---
	Total	**2324.26**	**7914.96**	**1800.64**	**5144.53**	**53.85%**	**161945**	**576012**	**164301**	**421028**	**36.81%**
21	**Shriram Life Insurance Co. Ltd.**										
	Individual Single Premium	3.21	13.81	6.08	19.02	-27.41%	701	2907	726	1910	52.20%
	Individual Non Single Premium	40.27	146.02	37.49	115.49	26.44%	20700	76565	18626	59941	27.73%
	Group Single Premium	29.07	98.17	10.99	34.77	182.31%	1	1	0	1	0.00%
	Group Non Single Premium	0.00	0.00	0.00	0.00	---	0	0	0	0	---
	Total	**74.93**	**284.20**	**63.68**	**208.84**	**36.09%**	**21408**	**79486**	**19357**	**61913**	**28.38%**
22	**Star Union Dai-Ichi Life Insurance Co. Ltd.**										
	Individual Single Premium	8.66	37.00	15.97	40.27	-8.14%	249	974	289	777	25.35%
	Individual Non Single Premium	99.37	312.79	74.32	179.14	74.61%	14769	43597	9891	24494	77.99%
	Group Single Premium	24.71	85.80	17.17	46.88	83.03%	0	2	0	0	---
	Group Non Single Premium	0.00	0.00	0.01	0.06	-108.26%	0	0	0	0	---
	Total	**309.45**	**935.17**	**137.54**	**437.16**	**113.92%**	**15022**	**44582**	**10184**	**25289**	**76.29%**
23	**Tata AIA Life Insurance Co. Ltd.**										
	Individual Single Premium	57.24	226.99	49.06	120.51	88.36%	483	2096	497	1319	58.91%
	Individual Non Single Premium	426.23	1430.18	307.68	866.36	65.08%	46313	171825	38037	119272	44.06%
	Group Single Premium	18.89	62.88	7.06	15.88	295.92%	2	3	0	1	200.00%
	Group Non Single Premium	0.15	1.39	0.37	1.40	-0.74%	0	8	1	11	-27.27%
	Total	**516.05**	**1804.20**	**376.56**	**1037.55**	**73.89%**	**46836**	**174066**	**38552**	**120675**	**44.24%**
	PRIVATE										
	Individual Single Premium	1536.35	5130.61	1473.88	4148.13	23.68%	19682	75444	21708	69241	8.96%
	Individual Non Single Premium	4269.58	14650.17	4040.29	11098.35	32.00%	561843	2021146	574623	1677416	20.49%
	Group Single Premium	3321.97	12643.68	2320.12	8265.34	52.97%	93	320	66	312	2.56%
	Group Non Single Premium	13.41	52.42	55.67	89.89	-41.68%	16	70	31	105	-33.33%
	Private Total	**9962.22**	**35436.36**	**8403.79**	**25528.36**	**38.81%**	**581980**	**2098173**	**596630**	**1748556**	**19.99%**
24	**Life Insurance Corporation of India**										
	Individual Single Premium	1903.02	6536.27	2141.60	5497.08	18.90%	78694	272986	80693	209135	30.53%
	Individual Non Single Premium	2436.92	8720.36	2280.91	6937.00	25.71%	1625421	5112893	1424945	3604216	41.86%
	Group Single Premium	24285.57	60429.43	7313.42	34477.36	75.27%	51	358	11	44	713.64%
	Group Non Single Premium	435.71	1487.07	176.70	507.33	193.12%	493	1739	673	1969	-11.68%
	Total	**29116.68**	**77317.69**	**12030.93**	**47631.62**	**62.32%**	**1707444**	**5394830**	**1508250**	**3820056**	**41.22%**
	GRAND TOTAL	**39078.90**	**112754.04**	**20434.72**	**73159.98**	**54.12%**	**2289424**	**7493003**	**2104880**	**5568612**	**34.56%**

Glossary

Variable Universal Life

Combines the flexible premium features of universal life with the component of variable life in which excess credited to the cash value of the account depends on investment results of separate accounts. The policyholder selects the accounts into which the premium payments are to be made.

Viatical Settlements

Contracts or agreements in which a buyer agrees to purchase all or a part of a life insurance policy.

Vision

Limited benefit expense policies. Provides benefits for eye care and eye care accessories. Generally provides a stated dollar amount per annual eye examination. Benefits often include a stated dollar amount for glasses and contacts. May include surgical benefits for injury or sickness associated with the eye.

Poll

Do you think relaxation of norms for corporate agents will affect Insurance Broking business?

Yes

No

Can't say

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

Results of Poll in our August 2022 Issue

Do you think Insuretech will drive future growth of Insurance Industry

Yes	80
No	20
Can't say	00


नई सोच.
बड़ी शुरुआत.
START YOUR
MUTUAL FUND BUSINESS
JOIN NOW
WEALTH
ONE OF INDIA'S
LARGEST
MUTUAL FUND DISTRIBUTOR
ASSETS UNDER MANAGEMENT
₹ 1,23,000 cr+
Asset managed by various AMCs, Mobilised by NJ
Call: 635 99 22 000
SMS NJWC<NAME & CITY>to 9223340000
Visit us at www.njwealth.in/mf-distributor
*as in April 2022


YOUR CLAIM
OUR EXPERTISE
OUR LOSS ASSESSORS WILL HELP YOU GET THE BEST OUT OF YOUR INSURANCE POLICY
insurancepe™
Paisa bachao
89779 18030
040 23240077
contact@insurancepe.com
www.insurancepe.com
For more details on risk factors, terms and conditions please read the sales brochure before concluding a sale.
Topspot Insurance Broking Private Limited, 17th floor, Babukhan Estate, Basheer Bagh, Hyderabad - 500 001 Telangana, India - IRDA Reg. No.: 803, valid until: 09-02-2025
ADVRT/IPE/PM/2022/008


SINCE 1963
SHRIGODA
INSURANCE 4 LIFE
You Demand We Serve
1800 572 3234
www.insurance4life.in
Say no to hefty medical bills with Complete Health Solution Ultima
Buy your Personal Mediclaim Policy or Topup Policy or GMC or GPA
Health Benifits*
₹100 per day
Health Insurance*
Up To ₹10 Lac
And much more under one plan!
Get Quote
*Depends on age and health ground
More information ask us at
+91 8420689381
ADVT/2022/007 is offered by Shrigoda Insurance Brokers Limited (CIN : U67110WB2022PLC251176) principal place of business : FD 11 saltlakecity sector iii Kolkata 700106 west Bengal ; Registered Office : 1/1A, 3rd floor Biplabi Anukul Chandra Street Kolkata 700072, IRDAI Broker Code No DB 947/22, IRDAI Licence No. 830, Licence Category - Direct Broker (Life & General), Valid Till 07/07/2025. For more details on risk factors, association terms & conditions and exclusions, please read the sales brother carefully of the respective insurer before concluding a sale. | *T&C Apply

Published on 1st of Every Month
Date : 01-09-2022

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