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

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# THE INSURANCE TIMES

VOL.XXXXIII-NO.04-April 2023-ISSN-0971-4480

*In this issue*





FOUR DECADES IN PUBLICATION 43 YEARS SINCE 1981 DEDICATED SERVICE TO THE NATION

"Animal biometrics can replace traditional identification methods by overcoming limitations and fulfilling the requirements for accurate and efficient cattle and buffalo identification."

**Dr Ajay Verma**
General Insurance Consultant
Dvara E-Dairy Solutions Pvt Ltd.

"The Bima Sugam portal has generated lot of expectations from customers. It is to be hoped that this portal is launched soon and ushers in a new era of convenient digital purchase and faster claim settlement for customers."

**Nandita Banerjee**
Former Manager
National Insurance Co. Ltd.


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# The Insurance Times

43 YEARS SINCE 1981

Vol. XXXXIII, No. 04, April 2023 ISSN - 0971 - 4480





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## *Editor-in-Chief's Desk*

**Ram Gopal Agarwala**
B.Com, LLB, FCA.

In a significant move, IRDAI has given insurers more freedom to offer commission to intermediaries. Insurers can now have a board-approved policy to determine the commission they pay to intermediaries subject to overall limits of expenses of management (EOM).

Currently, Insurance companies have a wide range of commission limits prescribed by IRDAI, depending on the type of intermediary and the insurance product sold.

The payout of agency commission has been a big issue with Regulator, Insurers and Intermediaries. It has been alleged that many insurers are paying extra commission over and above as mandated by IRDAI and this leads to booking the expenses through some other heads. Recently the GST department also booked several insurers for fake billing and claiming input.

The new advisory may solve this problem if the insurers are allowed to fix own remuneration structure according the business generated by the intermediary.

However the Insurers must adhere to the overall cap of management expenses. The Insurers may reward the channels which are better performing and focus on growth. The shift from product-level commissions to a company-wide limit of expenses, will ensure parity across varying business models like Broking, Bancassurance, Agency and other channels.

Overall IRDAI has been very proactive during the last one year and is focussing on growth and reducing regulatory compliances so that there is ease of operation and Insurers get more playground to expand the penetration. IRDAI must also plan to be more accessible to Intermediaries and consumers so that they may air their grievances and reach out with their suggestions.

IRDAI has constituted many working groups which will help to identify the industry requirements and iron out anomalies if any.

In the third Bima Manthan session recently held in Hyderabad, IRDAI stressed bringing EASE or Enhanced Access and Service Excellence for insurance services delivery in line with the banking industry. It said it wants to create an environment that provides policyholders the ease of approaching an insurance company for purchasing, servicing, or receiving claims or lodging grievances. IRDAI said that insurance companies must strive to provide maximum excellence in their service delivery.

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*From the Editors Desk*

# Climate Change – Time to wakeup

Dr. Rakesh Agarwal

Climate change is going to have a significant impact on the world, affecting many aspects of human society, the natural environment, and the economy. It is high time we wake up and make a concerted efforts to identify all possible impacts and measures to control it.

Climate change is causing more frequent and severe weather events. This impacts infrastructure, agriculture, human settlements and economy as a whole.

Global temperatures are rising due to increased greenhouse gas emissions, leading to increased heat waves, droughts, and wildfires. This impacts agriculture, water resources, and human health. As global temperatures increase, glaciers and polar ice caps are melting, leading to rising sea levels. This impacts coastal communities, infrastructure, and ecosystems.

Addressing climate change requires a coordinated global effort to reduce greenhouse gas emissions, adapt to the changing climate, and transition to a low-carbon economy.

Climate change is expected to have a significant impact on the insurance industry too as it increases the frequency and severity of natural disasters such as floods, wildfires, hurricanes, and droughts.

As the frequency and severity of natural disasters increase, the number of insurance claims is expected to rise. This can put pressure on insurance companies' profitability and could lead to higher insurance premiums for customers. Infact huge claims may even wipe out the capital of insurers.

It will also bring about lot of challenges in insurance underwriting. It may become more difficult for insurance companies to accurately underwrite risks.

In comparison to pandemics, climate change poses a bigger and more long-lasting risk to the insurance industry. While pandemics can result in significant losses for insurance companies, they are typically short-term events with a limited impact on the industry's long-term viability. In contrast, climate change is a long-term risk that is expected to have a significant and ongoing impact on the industry. The effects of climate change are likely to be felt for decades to come, and as such, the insurance industry will need to take steps to adapt to this changing risk landscape.

Concerted efforts needs to be made by all regulators including RBI, IRDAI, SEBI to extensively research on the area of impact and the possible solution to address the issue. Regulators play a critical role in managing climate change by establishing policies, regulations, and standards that incentivize organizations to reduce greenhouse gas emissions and mitigate the impact of climate change.

Regulators should enforce regulations and standards to ensure that organizations are complying with emissions reduction targets and other environmental standards. This can include fines or other penalties for non-compliance. Also one major requirement is to increase education and awareness about climate change by educating the public and raising awareness about the impact of climate change and the importance of emissions reduction.

# General Insurance News

## Shriram General opens all-woman branches

Shriram General Insurance Co. (SGIC) announced the opening of all-women branches in Ludhiana and Jaipur.

Said to be the first-of-its-kind initiative in the insurance sector, the workforce spans from the branch manager to support staff, said the company in a statement.

Going forward, the company plans to replicate the same model on a pan-India basis to facilitate the professional growth of women.

"Studies have found that women who work in diverse organisations report higher job satisfaction. By hiring qualified women at all levels, we create a more inclusive culture that values diversity. The CFO and the Legal Head at SGIC are women, which is indicative of the culture the company has built," said Anil Kumar Aggarwal, MD & CEO.

## Alarm bells as crop insurance claimed on fake farms, orchards in Maharashtra

A Right to Information (RTI) plea in November 2022 has blown the lid off a crop insurance fraud in districts across Maharashtra, where compensation was allegedly claimed for losses on imaginary vineyards, banana plantations and pomegranate and sweet lime orchards.

The alleged scam has prompted the Centre to order a physical verification or 'ground-truthing' of all crops registered under the Restructured Weather Based Crop Insurance Scheme (RWBCIS) in the state, and action against farmers who have fraudulently insured their crops.

In November last year, the state agriculture department received an RTI application seeking details of the documents submitted for claiming insurance for alleged losses suffered on a sweet lime orchard in Balgaon village in Jat taluka of Sangli district. In its reply to the plea, the department shared with the RTI applicant details of the claimant, including the Aadhaar card, bank details and geotagged pictures of the orchard.

The RTI applicant, Shivanand Nagappa Nila, the legal owner of the orchard, then reached out to the commissionerate to point out that it had been defrauded by a bogus insurance claim. The applicant said that while he cultivated several seasonal crops on his land, sweet lime wasn't among those. The alleged fraudster, Shavarsidhha Saibanna Dugdhi, had allegedly submitted a non-notarised

## Double export cover: Goyal to ECGC

Commerce and industry minister Piyush Goyal has asked the Export Credit Guarantee Corporation (ECGC) of India to double the limit to Rs 40 crore under a recently launched scheme that insures up to 90% of the credit risk in export finance.

"I would request the CMD of ECGC to move the Rs 20 crore export limit to Rs 40 crore, so that sectors other than gems & jewellery and commodities are covered under this expanded credit risk cover regime of 90% for any potential risk or loss. In return, we want the industry to assure full honesty and integrity in claims and in the way we work with ECGC," said Goyal. He was inaugurating ECGC's new headquarters in Andheri, Mumbai.

In his speech, Goyal said that the country was certain to achieve the target of $750 billion of exports for FY23.

The minister also urged ECGC to reduce documentation. He cited his experience as a businessman in the 1990s when he had to give up on a claim because of the documentation requirement.

lease deed to claim insurance, whereas the owner told the department that he had not leased out his land at all.

## Insurers eye bigger Marine pool for Russia shipments

India's general insurers are looking to set up a larger marine insurance pool to cover the risks of transporting crude oil, edible oil, project machinery and fertiliser from the war-torn Russia-Ukraine region. This is expected to facilitate trade as the West ratchets up sanctions on Russia.

A senior official said that both the government and the Insurance Regulatory and Development Authority of India (IRDAI) are keen to develop more indigenous capacity for maritime insurance risk.

Last year, general insurance companies led by GIC Re had set up a cargo pool for fertilliser imports with a net capacity of over Rs. 500 crore. That pool did not generate any losses, which has encouraged insurers to explore more capacity and better rates. "While the cargo pool has performed well, the ongoing war has exposed other shipments to vulnerability as foreign insurers are unwilling to take the risk because of the sanctions imposed," said the official.

## Reduce pile up of consumer cases, Govt tells insurance firms

The Consumer Affairs Ministry, at a meeting with stakeholders in the insurance sector including the IRDAI, flagged key concerns to reduce the number of pending cases at various consumer commissions.

Some of the issues that were flagged by the Centre included ambiguity in terms of insurance policies, repudiation of health insurance claims due to pre-existing diseases, lack of information regarding eligibility conditions for insurance policies besides issues regarding crop insurance. ❑

## New India Assurance forays into surety bonds business

New India Assurance said it entered the surety insurance bonds business, becoming the second such domestic insurance company. IRDAI had permitted general insurers to issue surety insurance bonds in April 2022.

Surety bonds are legally enforceable tripartite contracts that guarantee compliance, payment and/or performance.

The issuing insurer provides guarantee, for a premium, in case of a default in execution of a project. It assures one party (obligee) that the entity (principal) responsible for the project or service delivery delivers on the project in a time bound manner by adhering to the prescribed stipulations.

The principal is also reassured that the surety will assume responsibility for timely payments. If the principal defaults on the performance, the surety insurance provider pays damages to the obligee.

Neerja Kapur, chairman and managing director of New India Assurance Co, said, "Surety bonds will go a long way to revolutionise the dynamics of the infrastructure industry. Surety bond insurance will act as a security shield for infrastructure projects and protect the interests of both the contractor as well as the principal... our surety bonds will provide much-needed financial reassurance to all parties involved in infrastructure projects."

# Insurance Regulator *Update*

## IRDAI to roll out State insurance plans soon

IRDAI will soon rollout insurance plans for all States along with identifying a lead insurer for each district.

"This will be a major initiative to improve the penetration of insurance by involving the insurers and State governments. The idea is to replicate financial inclusion drives including the lead bank scheme in the banking sector," a senior official of IRDAI told.

The insurance regulator has already taken up the matter with the States to be part of the programme, which is likely to be launched formally in the ensuing new financial year. "Most of the States have already expressed their consent and the work is in progress,'' the official said.

The regulator had also discussed the matter with the insurers , which is 'eager' to take part as it augurs well both for the social security of the people as well the business growth of the insurers, he said.

A State level co-ordination committee consisting of insurers, State government officials and representatives of the regulator will monitor the implementation of the State insurance plans with monitoring by nodal officers.

## IRDAI orders insurers to cover PwDs, AIDS

IRDAI has ordered insurance companies to "mandatorily" launch an appropriate product offering health insurance cover for certain vulnerable sections of society - persons with disabilities (PWD), persons afflicted with HIV/AIDS and those with mental illness - "immediately".

In its latest circular, IRDAI said every general and stand-alone health Insurer, who has been issued a Certificate of Registration to transact general and health insurance business, should "mandatorily launch and offer their respective product immediately". "It is reiterated that this circular should come into force with immediate effect," the regulator said.

In October 2022, IRDAI had directed insurance companies to provide cover for mental illness under health insurance policies before October 31, 2022. However, insurers have not made any progress in launching such a scheme, forcing the regulator to issue another directive.

IRDAI has also prescribed a model setting out the minimum scope and parameters for design of the product. In other words, insurers may widen the scope of this product but in no case can the scope of product be narrowed down. "The insurers are directed to put in place a Board approved underwriting policy that ensures that no proposal from the above-mentioned categories of population is denied for reasons of the above stated disabilities or illnesses," IRDAI said.

The policy tenure of the product should be for a period of one year and renewable as per regulatory framework already laid down. The standard product should comply with all the provisions of IRDAI (Health Insurance) Regulations, 2016, all other applicable Regulations and other applicable guidelines and circulars as amended from time to time.

"The insurers may determine the price of the product subject to complying with the norms specified in the IRDAI (Health Insurance) Regulations, 2016 (HIR, 2016) and guidelines and circulars," it said.

## DFS firms up Insurance Act amendment proposals

The much anticipated fresh round of insurance reforms may be round the corner with the Department of Financial Services (DFS) in the Finance Ministry now having firmed up the amendment proposals to the Insurance Act and IRDAI Act, a top Finance Ministry official indicated.

The proposed amendments to these two laws are part of the Centre and IRDAI's overall efforts to enhance insurance penetration, encourage product innovation and diversification so as to achieve the goal of 'insurance for all' by 2047.

With all industry and stakeholder feedback now received by the department, the DFS is understood to have forwarded the proposals to the Law Ministry for further action before sending the draft Bill to the Cabinet for approval.

"Entire exercise has been completed from DFS end. It is now for the process to move forward. No timeline can be given as the processes now are outside the control of the DFS", sources said.

On the anvil are a slew of big reforms including introduction of concept of "composite insurance license"; captive insurers; differential minimum capital requirements after opening up registration to various classes, sub classes and types of insurers; allowing services to insurers that are incidental or related to insurance business; and allowing insurers to distribute other financial products as specified by IRDAI.

The latest proposals - which had been exposed by the Department of Financial Services in the Finance Ministry for comments by December 15 - are intended to among other things facilitate entry of more players in insurance market leading to economic growth and employment generation and enabling ease of doing business.

Asked about the status of the Insurance Amendment Bill, Debasish Panda, Chairman, Insurance Regulatory & Development Authority of India (IRDAI), said that the date (December 15 last year) by which public comments were sought by government have now closed. "It (Bill) should be in the offing, but I cannot give a timeline as to when it will be introduced in the House or approved by Parliament", Panda said.

## IRDAI asks insurer to talk to state govts to provide mandatory cover for uninsured vehicles

With almost 57 per cent of the vehicles plying on Indian roads uninsured, IRDAI has asked the general insurers to talk to transport authorities of 28 states and eight union territories to provide mandatory covers for the uninsured vehicles.

The Insurance Information Bureau of India has reported that uninsured vehicles still remain, an area of grave concern in India with 57 per cent vehicles on road being uninsured with 17 states reporting more than 50 per cent uninsured vehicles.

According to Vahan, the tech platform designed by the Ministry of Road Transport and Highways, total vehicles registered till date were 33.68 crore. This means over 19 crore vehicles on Indian roads are not insured.

"Using Vahan and IIB data, the IRDAI has asked us to take up the defaulting cases with the state governments for covering all vehicles,'' said the CEO of a general insurance company. The IRDAI had earlier developed a scheme, where each insurer has been assigned a state or a union territory that has to be nurtured by the same insurer.

The vehicle insurance issue was discussed in the two-day conclave of industry CEOs and the IRDAI which concluded recently. The regulator has worked out strategies to be implemented by the insurers to achieve full insurability of the nation by 2027 in some segments, including motor.

The new strategy will benefit state governments and general insurers as collecting fines will be a huge source of income for state governments from the defaulting vehicle owners and insurers will get more business from insuring such vehicles.

The new drive is expected to kick off in a month's time and complete the process by FY2023-24, according to an official source.

## Refuse fuel to uninsured vehicles, suggest insurers

The insurance industry has proposed that uninsured vehicles should not be allowed to refuel at oil pumps, looking to raise penetration of automobile insurance, industry executives familiar with the development said.

The proposal was part of the presentation made during 'Bima Manthan', organised by insurance regulator, the IRDAI, earlier this month.

## As part of new EoM norms, IRDAI to remove cap on commission to agents

Insurance Regulatory and Development Authority of India (IRDAI) has removed the cap on commission payments to agents, aggregators and brokers. According to new rules the earlier cap on commission payments is now replaced with an overall cap on expenses of management of insurers.

"The IRDAI regulatory changes are good for customers and the insurance industry, i.e., the revised Expenses of Management (EOM) and Commission limits for the industry. We firmly believe that the shift from product level commissions to a company-wide limit of expenses, as proposed through the proposed regulations, will ensure parity across varying business models while rendering greater flexibility in managing expenses for insurers," said Tapan Singhel, MD & CEO, Bajaj Allianz General Insurance.

# Health Insurance News

## IRDAI mandates general insurers to cover mental illness, HIV

IRDAI has made it mandatory for general insurers or stand-alone health insurers to launch health insurance policies that can provide coverage to people with mental illness and those afflicted with HIV/AIDS and disabilities.

In its latest circular, IRDAI said all general and stand-alone health insurers who have been issued a Certificate of Registration to transact general and health insurance business should mandatorily launch and offer their respective products immediately.

With the objective of making health insurance cover available for certain vulnerable sections of society, the IRDAI circular mandated general and health insurers to offer a health cover for persons with disabilities, persons afflicted with HIV/AIDS, and those with mental illness. It also asked them to put in place a board- approved underwriting policy that ensures that no policy cover excludes such people.

## Health cover increased to Rs. 25 lakh

Looking at the popularity of the free universal health care scheme in the state, the Rajasthan government has increased health insurance cover from Rs 10 lakh to Rs 25 lakh per family.

Similarly, the government has increased the insurance amount to Rs 10 lakh from Rs 5 lakh in the Mukhyamantri Chiranjeevi Durghatna Bima Yojana (Chief Minister Chiranjeevi Accident Insurance Scheme).

The increase in the insurance scheme is likely to be applicable from April 1, 2023.

## Insurers seek clarity on pricing, design of cover for mental illness

Insurance companies are grappling with the design, pricing and operational modalities of offering health cover for mental illness, disabilities and HIV after the IRDAI's February 27 circular.

As it is effective immediately, the urgency of the circular has left some gaps in terms of the operational metrics of the cover owing to the lack of precedence and sufficient information surrounding these medical issues, industry players said.

"We are discussing with the regulator and amongst ourselves to understand the products better, seek clarity and then take it forward. Once we understand the requirement from the market as well as the regulatory perspective, we can build something that caters to the exact needs of the customers," said Sanjay Datta, Chief - Underwriting, Reinsurance and Claims at ICICI Lombard General.

While some insurers have started integrating these covers as part of their regular products as riders or add-ons, others are saying that developing suitable products catered to these sections of the population could require some more time and work.

"The circular would encourage providers to evaluate and develop an appropriate product for the vulnerable section of the society," said Sharad Mathur, MD and CEO of Universal Sompo General Insurance.

In 2022, IRDAI had asked insurance companies to cover mental illness under their health insurance policies by October 31, 2022. This was followed by a November 2022 directive asking insurers for plans to introduce cover for mental health. However, lack of progress on this front likely prompted the regulator to issue a fresh directive mandating such coverage, industry players said.

# Life Insurance News

## Life Insurers report muted business growth in February

Life insurers reported muted growth in retail Annual Premium Equivalent (APE) for February 2023, largely due to a decline in retail APE growth of the state-owned Life Insurance Corporation of India (LIC).

While the overall retail APE for the industry rose 10.5% on a year-on-year basis, helped by private players expanding at 18%, LIC's retail APE declined by 3% over the same period.

The low growth resulted from a likely pre-booking of high-ticket non-ULIP policies in February and March 2023 to avoid the impact of taxation change proposed in the FY24 union budget, according to an Emkay report.

The life insurance industry uses retail APE as a metric to measure new business sales by taking the total new business premium (sum of regular premium and 10% of single premium) during a particular period and annualizing it by multiplying it with the premium payment term.

## Pankaj Gupta appointed MD & CEO of Pramerica Life Insurance

Pankaj Gupta has been appointed as the MD & CEO of the Pramerica Life Insurance. Gupta will succeed Kalpana Sampat.

He will be responsible for driving strategic growth led transformation to bring Pramerica Life amongst the leading life Insurance companies in India.

Gupta joins Pramerica Life Insurance from HDFC Life, where he was the Group Head - Distribution Strategy & Alliances and was part of HDFC Life's top Leadership team.

## ICICI Prudential Life Insurance taps ML to predict customer behaviour

Indian insurance provider ICICI Prudential Life Insurance is using machine learning (ML) models to predict the future persistency behaviour of customers who are likely to pay their renewal premium on time. The insurance firm claims that the ML model has led to higher premium collection and profitability.

Since the deployment last year, the firm has seen persistency ratio in the 61st month improve from 50.2% in December 2021 to 64.8% in December 2022.

Persistency ratio is an important indicator of the quality of the sale and future growth of the insurer. It measures the proportion of customers paying premiums.

Using the model, the firm claims it has a better understanding of the future persistency behaviour of new customers and assists sales managers in responding to their queries more effectively. It has also allowed them to identify distinct customer segments and offer a more personalised experience to existing customers by factoring in their preferences, profiles, and expectations.

"We have been leveraging data science and technology to ensure our customers are on course to achieve their long-term financial goals. This is in line with our vision of building an enduring institution that serves the protection and long-term saving needs of customers with sensitivity," Dhiren Salian, Deputy Chief Financial Officer, ICICI Prudential Life Insurance, said in a statement.

## LIC's net profit surges to Rs. 6,334 crore in Q3

Life Insurance Corporation reported a

manifold increase in its net profit in the December quarter (Q3) of financial year 2022-23 (FY23), aided by a transfer of Rs 5,670 crore from non-participatory to shareholders' accounts. Its net profit in Q3 stood at Rs 6,334.19 crore, compared with Rs 234.91 crore in the year-ago period.

In the nine-month period (April-December FY23), the corporation's profits soared to Rs 22,970 crore, compared with Rs 1,672 crore a year ago. The huge jump was because of the transfer of Rs 19,941 crore to shareholder accounts over the last four quarters.

LIC reported a net premium income of Rs 1.11 trillion in Q3, up 14.51 per cent year-on-year (YoY) from Rs 97,620.34 crore a year ago, with the first-year premium income rising 11 per cent YoY to Rs 9,724.71 crore, renewal premium increasing 6 per cent YoY to Rs 60,194.87 crore, and single premium income jumping 30 per cent YoY to Rs 42,117.10 crore.

Value of new business margin, a measure of profitability of life insurance companies, stood at 14.6 per cent for the nine months of FY23, which was the same at the end of the September quarter (6MFY23), despite a rise in the share of non-par business in its portfolio.

## Most Indians see inflation affecting retirement lifestyle: Survey

A majority of Indians are worried about inflation affecting their retirement savings and lifestyle, shows a survey conducted by ICICI Prudential Life Insurance.

The survey was carried out among over 1,100 individuals to understand consumers' attitudes toward retirement, money, and annuity plans.

The respondents included government employees, private sector employees, businessmen, self-employed, and retirees across the age bracket of 45 to 75 years from cities with a population of more than 2 million.

"Over two-thirds of those surveyed have mentioned, they worry about inflation impacting their retirement savings, and consequently, their lifestyle," said the survey results.

"Over three-fifths of the respondents indicated that their retirement goals include enjoying life, staying connected with friends, travelling abroad, feeling financially secure, and having peace of mind in this new chapter of their lives," it said.

The survey further showed that at present 11 per cent of total income is channeled towards retirement-specific savings.

## 32% drop in LIC premia drags life insurers' NBP

Life insurance companies reported a 17 per cent year-on-year (YoY) drop in new business premium (NBP) in February as state-owned Life Insurance Corporation (LIC) of India's premiums contracted 32 per cent during this period on account of a drop in its group single premium segment.

According to data released by the Life Insurance Council, the industry earned an NBP of Rs. 22,847.65 crore in February a drop of 17 per cent from the same period a year ago.

Generally, the last quarter of a financial year is the busiest period for life insurance companies as taxpayers look to buy savings and term products to reduce tax liability.

In January, the industry reported a 20 per cent jump in premiums, aided by private sector companies' performance (23 per cent YoY growth), while LIC saw its premium go up 18 per cent YoY. In February, while private sector companies managed to record a 10 per cent jump in premiums to Rs. 10,968 crore, insurance behemoth LIC's premiums dropped 32 per cent to Rs. 11,879.49 crore.

In the same period a year ago, LIC had earned premiums of Rs. 17,489 crore.

NBP is the premium acquired from new policies in a year. It is the sum of the first-year premium and single premium, reflecting the total premium received from new businesses. For LIC, the group single premium was a dampener, dipping over 40 per cent in February, dragging down its NBP.

## HDFC Life guaranteed income insurance plan

HDFC Life Guaranteed Income Insurance Plan is a non-linked non-participating individual life insurance savings plan that provides guaranteed tax-free benefits after completion of premium payment term and Guaranteed Death Benet during the entire policy term. This is a savings oriented product. ❑

# International News

## Insured losses from natural catastrophes break through USD 100 billion threshold again in 2022

"The magnitude of losses in 2022 is not a story of exceptional natural hazards, but rather a picture of growing property exposure, accentuated by exceptional inflation", said Martin Bertogg, Head of Catastrophe Perils at Swiss Re. "While inflation may subside, increasing value concentration in areas vulnerable to natural catastrophes remains a key driver for increasing losses. For our industry this is a call both to reflect the latest exposure even more carefully in risk assessments while continuing to support society in being better prepared."

With natural disasters continuing to wreak property damage across the world, the demand for coverage has grown. At the same time, inflation has surged over the last two years, averaging 7% in advanced economies and 9% in emerging economies in 2022. The effect of high prices has been to increase the nominal value of buildings, vehicles and other insurable assets, thus pushing up insurance claims for damage caused by natural catastrophes.

"The economic storm is not over, and interest rates will likely have to increase further given existing inflation pressure. This means higher financing costs and, as a result, capacity providers are likely to remain more cautious in deploying capital for a number of reasons, including risk assessment and loss experience. In our view, as higher exposures encounter shrinking risk appetite, momentum for rising prices, higher retentions and tighter terms and conditions will likely continue", said Jérôme Jean Haegeli, Swiss Re's Group Chief Economist.

Insured losses were largely driven by Hurricane Ian, by far the year's costliest event. Making landfall in Florida in September as a category 4 storm, Ian resulted in estimated insured losses of USD 50-65 billion. After Hurricane Katrina in 2005, Ian ranks as the second-costliest natural catastrophe insured loss event on sigma records.

In February 2022, a cluster of storms (Eunice, Dudley, Franklin) in northwestern Europe triggered combined insured losses of over USD 4 billion, bringing the total for this category to almost double the previous 10-year average. Meanwhile, France saw the highest ever annual loss (USD 5 billion) from hailstorms.

Global losses from floods were above average, the main event being flooding in eastern Australia in February-March 2022. This resulted in insured losses of USD 4.3 billion, the biggest natural catastrophe claims event ever in Australia.

On the opposite end of the rainfall spectrum, weather variability and anomalous atmospheric circulation conditions contributed to severe droughts and record-breaking heatwaves across the world. In Brazil, crop yields, particularly soybean and corn, suffered most, resulting in insured losses of USD 1 billion.

## Munich Re surpasses profit guidance despite challenging times

Munich Re posted a profit of •3,419m (2,932m) in the 2022 financial year, thus exceeding its profit guidance of •3.3bn. The Group's profit in Q4 2022 amounted to •1,516m (871m). Gross premiums written rose by 12.7% to •67,133m (59,567m) year on year.

Munich Re is on track to meet the financial targets specified in its Ambition 2025 strategy programme. In the 2022 financial year, the return on equity (RoE) amounted to 13.5%. Earnings per share rose by 17.6% to •24.63 in 2022. If the Annual General Meeting implements the proposal of the Board of Management and Supervisory Board to pay shareholders a dividend of •11.60 per share for the 2022 financial year, this would constitute an increase of 5.5%. At the end of the year, after making the customary deduction for the proposed dividend, the solvency ratio was approximately 260% (31 December 2021: 227%), and was thus also at a high level.

The operating result for the 2022 business year amounted to •3,582m (3,517m), while the other non-operating result amounted to -•81m (-91m), the currency result rose to •676m (262m), and the effective tax rate was 14.5% (15.9%). At •21,202m, equity was down from the level at the start of the year (•30,945m), mainly due to a decline in valuation reserves on fixed-interest securities. The latter was attributable to higher interest rates - which are ultimately economically advantageous for insurers.

The reinsurance field of business contributed •2,593m (2,328m) to the consolidated result in the 2022 financial year, and •1,393m (734m) in Q4. Reinsurance was thus well able to absorb the expenditure for Hurricane Ian in Q3 and the lower investment result, and - with further increased profitability of the business - slightly surpassed its adjusted profit guidance of •2.5bn. The operating result amounted to •2,574m (2,696m). As expected, gross premiums written increased significantly, to •48,075m (41,354m) as a result of our growth strategy in an improved market environment and due to positive currency translation effects.

Life and health reinsurance business generated a profit of •737m (325m) in 2022. Premium income rose to •13,676m (12,561m). The technical result, including business with non-significant risk transfer, rose markedly to •918m (218m) [the target was raised in Q3 from •400m to •800m]. In this context, business with non-significant risk transfer (fee income) in particular performed very favourably. COVID-19-related expenditure fell year on year to •344m (797m).

Property-casualty reinsurance contributed •1,856m (2,003m) to the 2022 result. Premium volume grew robustly to •34,399m (28,793m). Despite high natural catastrophe losses in the market, the combined ratio decreased to 96.2% (99.6%) of net earned premiums.

Major losses of over •10m each totalled •4,173m (4,304m) for the full year, and •615m (1,006m) for Q4. These figures include gains and losses from the settlement of major losses from previous years. Major-loss expenditure corresponded to 12.8% (16.5%) of net earned premiums, and was thus slightly below the long-term average expected value of 13%. Man-made major losses amounted to •1,742m (1,165m). The increase was due in part to expenditure related to the war of aggression in Ukraine totalling •475m. Major-loss expenditure from natural catastrophes amounted to •2,430m (3,139m). The costliest natural catastrophe for Munich Re in 2022 was Hurricane Ian, with losses of around •1.6bn.

## Lloyd's Lab announces 13 InsurTechs joining first ever European-focused cohort

Lloyd's, the world's leading marketplace for corporate, commercial and speciality risk announced the 13 InsurTech firms joining the 10th cohort of its innovation hub, the Lloyd's Lab, following a competitive pitch process where they presented innovative insurance solutions for the market.

The global accelerator programme received over 200 applications from 32 countries, of which 13 teams have been selected to form the next cohort of the Lloyd's Lab, beginning on 24 April 2023. Each of the teams chosen impressed an expert panel of Lloyd's and market stakeholders participants.

For the 10th Cohort, the InsurTechs have been selected based on solutions geared towards three themes: European Digital and Climate Solutions; Data and Models; and New Products. Throughout the ten week programme, teams will develop their products with the support of market experts and explore how their innovations can support the Lloyd's market.

This year for the first time, to increase collaboration between London and European Insurtech sectors, the Lloyd's Lab has introduced a region-specific theme, with four of the 13 successful teams addressing European Digital and Climate Solutions.

## Climate change making Earth 'uninhabitable' Guterres warns

"Every year of insufficient action to keep global warming below 1.5 degrees Celsius drives us closer to the brink, increasing systemic risks and reducing our resilience against climate catastrophe", said Secretary-General AntónioGuterres.

Climate change is intensifying heatwaves, droughts, flooding, wildfires and famines, he warned, while threatening to submerge low-lying countries and cities as sea levels rise due to melting glaciers and increasingly extreme weather.

The combined impact of this will be to drive yet more species to extinction, Mr.Guterres said.

This year's theme, The Future of Weather, Climate and Water Across Generations "compels us all to live up to our responsibilities" to future generations, he added. ❑

# Will the upcoming Bima Sugam portal be a disruptor?

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*India's insurance market is valued at USD 131 billion as of now. It is also expanding at a CAGR of 17 per cent. The current trends indicate that digital penetration in India is growing and it is contributing to growth and innovation in the insurance sector. It would not be incorrect to expect that Insurtech will play a significant role in the future development of the domestic insurance sector.*

## Introduction

Propelled by the Digital India initiative and with the Covid-19 pandemic acting as a catalyst, India is undergoing a digital revolution. This trend has been best reflected by the widespread adoption of the Unified Payments Interface (UPI) for digital payments. With the spread of use of smart phones and more than 600 million active internet users it is becoming easier and convenient for businesses to access potential customers.

The domestic insurance sector has also been impacted by digitisation. Not only Insurtechs but established insurers are also taking recourse to new and innovative technologies such as AI, IoT, APIs and Big Data to ramp up their offerings.

India's insurance market is valued at USD 131 billion as of now. It is also expanding at a CAGR of 17 per cent. The current trends indicate that digital penetration in India is growing and it is contributing to growth and innovation in the insurance sector. It would not be incorrect to expect that Insurtech will play a significant role in the future development of the domestic insurance sector.

## The Bima Sugam Initiative

Reports indicate that very soon, the Insurance Regulator, IRDAI, will be unveiling a one-stop online platform for policy sales, renewals and also claims settlements for both life and non-life insurance. This on-line portal is in the making and will be referred to as Bima Sugam. The intention of the Regulator appears to be utilizing the trend of increasing digital penetration to make it convenient for customers all over the country to purchase insurance through the online mode. This tech-driven portal is also expected to boost insurance penetration in the country, which is now 4.2 per cent as compared to a global metric of 7.40 percent. Thus, Bima Sugam will not only be a web-aggregator with government backing but also provide many additional facilities.

Customers will be able to choose from a variety of products, insurers and payment options on this platform. Both underwriting and renewals will be possible through this portal. Hence it will be of assistance to customers and help reduce some of their pain-points in the journey of insurance. The portal will require KYC authentication which will be done through Aadhar. This will ensure security and confidentiality of the information related to identity.

As a one-stop shop for buying and selling insurance, for policy servicing and also for claim settlement Bima Sugam will now take off from where the growing tribe of numerous online insurance web-aggregators have been active. (Insurance web aggregators collect, compile, and provide information about different companies' insurance policies on a website. They act as intermediaries between the insurance companies and prospects who wish to purchase insurance policies. Example: Policy Bazaar, TurtleMint etc.) This portal will be shared by insurers and agents, brokers and web-aggregators. Agent portability will also be available to online customers.

This new online-aggregator is expected to disrupt the insurance distribution business in India and is in conformity with the regulator wanting to digitize insurance distribution and level out the playing field for all insurers, online. Whilst the platform may disrupt distribution in a big way, a large section of customers will still need help from offline modes of distribution like agents, banks and last mile financial inclusion partners. Hence, this option will also be available for those customers who would prefer the assistance of intermediaries.

## Insurance Repositories in Bima Sugam

The policies purchased will be stored digitally with insurance repositories such as CDSL and NSDL in a e-insurance paperless account (like a demat account) for easy viewing and convenient claims servicing. (Insurance Repositories are registered by The Insurance Regulatory and Development Authority of India for maintaining data of insurance policies in electronic form on behalf of insurers.) Thus the process

of using dematerialized insurance policies would be encouraged.

This would reduce fraud and eliminate misplacement of documents. It would be possible for customers to go online and view the policy documents related to their insurance cover, be it life, vehicle or medical insurance conveniently. They would thus be able to set their own electronic reminders for renewals and maturity and not have to depend on anybody for renewing their policies in time.

## The stakeholders in Bima Sugam

***The pattern of stock-holding in Bima Sugam is as follows:***

- Life Insurance Council (30%)
- General Insurance Council (30%)
- Online PSBs (35%)
- Brokers Association (5%)

Several insurance companies (both general and life insurers) would become major shareholders in the Bima Sugam platform as the Life Insurance and General Insurance Councils are representative bodies of life and non-life insurers respectively.

Online PSBs is also one of the shareholders here. On-line PSB is a government initiative - a new-age digital lending platform - that aims to enhance the credit off-take for the MSME sector and individual entrepreneurs. Their platform integrates advanced technologies like AI (Artificial Intelligence) and ML ( Machine-learning) to automate and digitize the lending processes for borrowers and lenders and provides technology-based financial innovations and solutions. It is also known as The 59 minutes Public Sector Banks(PSB) loan scheme as it enables the borrowers to receive their loans within 59 minutes of submission of all the required documentation.

Thus it has leveraged technology to usher in speed and simplicity in availing loans that have perennially been pain points for the Indian borrower. With an impressive track record of having created a new benchmark by providing digital approvals for business as well as Retail loans within 59 minutes, this Fintech company has been incorporated to utilize their technical expertise to put up this online platform.

## How will the Bima Sugam portal work?

The portal will promote end-to-end digitisation of the insurance-selling ecosystem. It will take off from where the current aggregator portals such as Insurance Dekho, PolicyX.com etc. have proliferated and provide an enhanced experience for customers.

The repositories - CDSL and NSDL- will help maintain the insurance policies of the policyholder and his family digitally. Policyholders will view their policies in their E-Bima or E-insurance accounts and file a claim, as required. At the risk of repetition, it may be reiterated that the availability of all the information in a single place will make the claim settlement process convenient for nominees/beneficiaries. Moreover, the portal will also help individuals who may be apprehensive about sharing their contact details with private aggregator portals to obtain premium quotes.

This portal is the result of innovative use of technology in insurance. This is nothing other than InsurTech which may be described as the technology that lies behind the creation, distribution and administration of insurance business.

## The need for Bima Sugam Portal

***This new portal would serve some long-felt needs in the burgeoning insurance industry in India. They are as follows:***

- First and foremost, this portal would help to stem the tide of increasing complaints from customers regarding mis-selling and lack of transparency. Data available with the Regulator, IRDAI indicates that banks and insurance brokers received 12,300 and 10,800 complaints, respectively, related to mis-selling in the financial year 2020-21 and that 68% of complaints were rejected in the same financial year. Lack of transparency in communication was contributing to mis-selling.

  Customers have always had apprehensions in purchasing insurance due to its complex terms and conditions which were not clarified to them prior to sale. Be that as it may, customers would feel more confident in purchasing insurance from Bima Sugam as the portal would be directly monitored by the Regulator.

- Secondly, even as the direct online mode of purchase would be available in Bima Sugam it must be acknowledged that most customers in India do repose faith in insurance agents. The human touch is still relevant in the process of sale. In this background, the Bima Sugam portal will also provide the assisted mode


  of purchase of insurance products where the preferred agents or brokers of customers would have an important role to play.

  To assess the volumes of business brought in by agents; in life insurance business for example, tied agents remain the mainstay of the distribution network as more than 58% of business is coming through this channel as compared to 29.03% through banks and only 1.58% through digital channels. So, Indian customers still repose faith in the distribution network of insurance agents though it has numerous shortcomings.

  However, much of the growth of life insurance business takes place due to churning of policies by insurance intermediaries. Under such circumstances, if customers are empowered to switch agents (agent-portability facility being provided by the Bima Sugam portal) it will compel agents and insurers to take better care of their existing customers. This will result in policies being sold to customers as per their requirement and agents not making a windfall at the expense of misinformed customers.

- Thirdly, with technology eliminating distributor margins, the customers will benefit by enjoying cheaper premiums. It is expected that premiums on the Bima Sugam platform for Life Insurance should be 25 per cent less and General Insurance should be 10-15 per cent less, respectively. It is likely that the Regulator may also provide further discounts for the policies purchased from the platform to encourage use of this platform.

- Lastly, the process of renewals is often quite irksome for customers. Digital processes and less manual intervention should contribute to making the renewal process fast and seamless for the policyholders and eliminate the hassles of physical paperwork and visits to insurers.

## How much of a disruptor will be Bima Sugam be?

To respond to the poser, raised in the title of this essay, it is evident that the Bima Sugam portal will leverage technology albeit with many differences from the existing web aggregators in the field. By retaining a human touch with a digital approach for internal and customer-facing operations it is very likely to be a disruptor in the arena of web-aggregators.

Generally speaking, an insurance aggregator may be defined as an insurance intermediary with an insurance broker's license who operates an online platform, whether hosted on an Internet website or available as a smart device application, which provides price comparisons and facilitates the purchase of insurance on behalf of insurance companies. Thus insurance web aggregators collect, compile, and provide information about different companies' insurance policies on a website.

They act as intermediaries between the insurance companies (insurers) and people who intend to purchase insurance policies. Insurance Web Aggregators are allowed to sell Life, General and Health Insurance products through online and distance marketing modes. Web aggregators have to adhere to prescribed eligibility criteria and are licensed by the Regulator. As of 31st March, 2022, there are 25 numbers of insurance web aggregators licensed by IRDAI. Some insurance web aggregators are InsuranceDekho, Coverfox, PolicyBazaar, GIBL, PolicyX, ComparePolicy etc.

As far as claims are concerned, web-aggregators guide customers through the process of lodging their claims with the insurers and even pursue claims on behalf of customers, to some extent. But the Bima Sugam portal goes a step further and will also allow for claim settlement through the portal. No doubt, this is an ambitious step and will provide respite to customers from the current process of claim settlement which is long and cumbersome.

For example, by ushering in the process of electronic claims which would possibly include a paperless claim form generated by computer software that is transmitted electronically over the smart phone or computer to an insurer in place of a manual claim form it would save time on part of both the customer and insurer and streamline the claim process.

***Filing claims electronically can offer a number of benefits, such as :***

- **Minimize disruptions to cash flow-** Claims submitted electronically will be processed more quickly, resulting in faster payment.
- **Monitoring claim status-** It allows for verification of the status of the submitted claims via a secure Internet connection, by day and night.
- **Increases accuracy and cuts down on claim rejections-** While paper claims are often rejected due to inaccuracies or omissions etc submitting claims electronically can result in fewer lost or incomplete claims.
- **Cuts down the paperwork-** Electronic claim submission eliminates the need to fill out and store paper claims and simplifies record keeping.

Web-aggregators so far active in the field, will possibly have to take a back-seat to Bima Sugam at the initial stage. It remains to be seen how they evolve after the launch of Bima Sugam, since their playing-field will now be much more competitive. With its enhanced features and the intention of allowing on board other intermediaries such as agents, brokers and web-aggregators Bima Sugam may be termed a super-aggregator site with the additional feature of government backing and supervision. It would not be over-optimistic to assume that it is bound to generate confidence amongst customers and generate impressive volumes of business.

## Conclusion

The Bima Sugam portal has generated lot of expectations from customers. However, its launch appears to be delayed as it was originally scheduled to go live from the beginning of this year and it is yet to be launched. It is to be hoped that this portal is launched soon and ushers in a new era of convenient digital purchase and faster claim settlement for customers.

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# Scaling Cattle Insurance through Digital Solutions

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*The tattooing, hot/cold branding and brass ear tagging methods are obsolete. Affixing Polyurethane ear tag and injectable RFID requires skilled professionals and don't complement scale in a fool-proof manner. Moreover, lack of tamper-proof, scalable, unique digital identity for bovines is one of the significant reasons for moral hazard, resulting in a higher loss ratio for livestock insurers.*

The cattle population in India, as per the latest census, is 303.7 million, which includes cows and buffaloes. India #1 in cattle population and also the largest milk producer in the world. Indian Government unveiled National Digital Livestock Mission at National Dairy Development Board, Anand, in 2021. A digital platform is prepared jointly by the Department of Animal Husbandry and Dairying and NDDB.

The aim is to create a farmer-centric, technology-enabled ecosystem where the farmers can realize better income through livestock activities with the correct information. The farmers will have a unique cattle identity through permanent identification to keep track of health, breeding, traceability, insurance, and disease control.

## Trigger for Innovation:

Insurance Industry has been in the cattle insurance business for nearly five decades in India. But today, the penetration of cattle insurance has been less than 5% of the cattle population in India, despite the support and push from the state/central Governments, and almost all private and public sector insurance companies of India have cattle insurance products in their product portfolio. Moreover, in general, 4-5% premium rates per annum are charged for cattle insurance by most insurers which are relatively very high compared to various other insurance products.

The major challenge that emerged from talking to insurers is moral hazard, lack of tools to address adverse selection and high loss ratio. Although insurers attempted all possible measures , nothing has worked well and up to the satisfaction to build confidence in insurers having a fool proof solution. Many instances of misuse, manipulation of identification system are observed in the field.

Insurers have used various cattle identification methods such as tattooing, hot/cold branding, brass/polyurethane ear tagging or radio frequency identification devices (RFID). However, a more reliable solution is needed for bovine identification from theft, false claims, and duplication. The tattooing, hot/cold branding and brass ear tagging methods are obsolete. Affixing Polyurethane ear tag and injectable RFID requires skilled professionals and don't complement scale in a fool-proof manner.

Moreover, lack of tamper-proof, scalable, unique digital

identity for bovines is one of the significant reasons for moral hazard, resulting in a higher loss ratio for livestock insurers. One of the most critical issues insurers face is that they are not sure if a cattle claim is for an animal that they have insured.

## Innovative Approach

Animal biometrics can replace traditional identification methods by overcoming limitations and fulfilling the requirements for accurate and efficient cattle and buffalo identification. Muzzle printometry is one such technology, where the muzzle pattern images provide a better insight into biometry and a unique identification system. Nose prints are unique, unalterable, permanent, and verifiable identification method similar to human fingerprints in that no two nose prints of different cattle and buffalo are the same. This identification method is painless, unique, simple, reliable, verifiable, and scientific. The planum nasolabial or muzzle is a characteristic feature of an individual animal and remains constant with age, and the patterns remain intact up to thirty hours after death.

## New Digital Solutions:

Dvara E-dairy solutions, a dairy tech, based at Chennai, India, has developed digital solutions leveraging deep learning and Artificial Intelligence to capture, retrieve and verify the identity of the cattle based on muzzle prints. This first-of-its-kind independently validated solution for the global market will benefit insurers, lending institutions and dairy farmers. The Surabhi e-tag facilitates the collection of muzzle images and instant feedback for the user to retake, avoiding operational hassle.

The user with an android mobile phone can capture acceptable quality of muzzle images through the auto-capture feature and generate a unique Surabhi ID, a system-generated, unique alphanumeric number for the bovine during registration. Advanced models of algorithms are used to mitigate critical challenges and improve the quality of muzzle images. The images and the Surabhi ID can be used to validate/verify dead cattle as part of the claim validation process. Cattle identification is also critical to track productivity and health management and to avoid asset duplication while offering financial services, including insurance.

The product has been independently validated and has demonstrated accuracy of 97.6% to 100% based on field validations of live and dead cattle. The company is working with all major insurers on cattle insurance in India through an API integration approach or SaaS model. The agents/staff of insurers and other entities have used the muzzle ID solution for on boarding about 40000+ cattle and validated 2500+ cattle in two years of the solutions development phase.

The insurance companies per se have on boarded 31,000+ cattle using muzzle ID in addition to physical polyurethane or RFID ear tag as for cattle insurance. Out of 552 claim validations, 41 cases were found having same ear tag numbers while the cattle were different, verified through Surabhi ID. Insurers repudiated these claims which resulted into avoidance of approximately Rs 20 lacs of actual or potential liabilities as their claims outgo. Insurers received no representation from those claimants whose claims were rejected based on muzzle identity. By having a plan for adopting this digital solution, companies can save their cost of cattle identification and become more efficient in the cattle insurance business.

## Example of no Match of Muzzle Identity:

The following pictures are of two cattle; one at the time of on boarding ( tagging on 16th Sept. 21) and the other at the time of the claim of dead cattle (validation on 1st June 22). Both cattle have the same ear tag, and the prominent body identification marks look similar. The insurance company would have settled the claim by going through the pictures of both cattle, when ear tag numbers match and body marks look similar, which the veterinary doctor in his report substantiates. Still, because of the muzzle pattern difference, it was authentically possible to disown the claim liability.

## Similar Cattle, same RFID and Ear Tag, different Muzzle

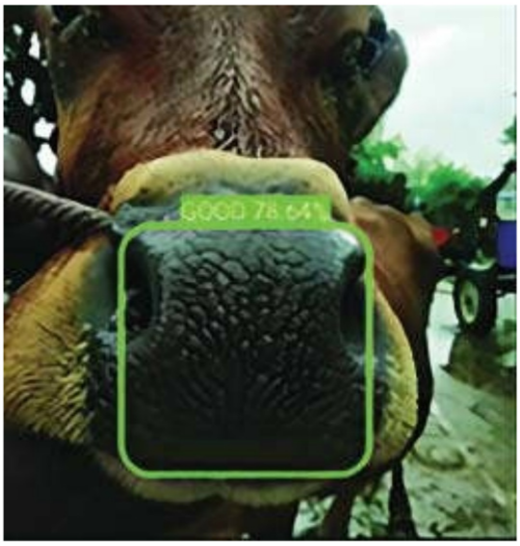

Result = No Match
Survey date = 01-June-2022
Tagging date = 16-Sep-2021

Comments:
- Similar looking cattle

## Way forward

These new-age innovative solutions are tamper-proof, provide a unique digital identity of bovines based on muzzle identity and can be a game-changer for various players in the dairy economy. The solution complements the growth of the underserved cattle insurance segment in a mutually rewarding manner for the dairy farmers and the insurers to achieve scale. The cattle and buffaloes' insurance market could increase by many folds with the following technology solutions being provided by Dvara E dairy.

1. **Dvara Surabhi ID (e-Tag):** Unique, tamper proof, verifiable identity of cattle (Muzzle identity)
2. **Dvara Surabhi Index:** Unbiased, digital solution to address Anti/Adverse Selection for Underwriting acceptance
3. **Dvara Cattle Health Fitness Certificate:** Leveraging artificial intelligence and advanced veterinary science & practice, verify the health status of cattle before onboarding for insurance.



## Comparison between Physical and Digital Identification:

Polyurethane (PU) ear tags and RFID are physical identification, whereas muzzle print is an e-tag considered digital identification. There are the following differences/ advantages of e-tag. The following comparison also indicates the cost-benefit for the digital solution users.

| | Muzzle Print (e-Tag) | Polyurethane Ear-tag / RFID |
|---|---|---|
| 1 | Non-Invasive | Invasive in to the ear or body of animal |
| 2 | No technical person is required hence low cost | A technical/skilled person can only do tagging specially RFID hence costly |
| 3 | No additional burden to sales team/vet/para-vet to carry tag applicator or reader and physical tags | Sales team/ vet/para-vet have to carry ear tags and tag applicators or readers |
| 4 | No cost for tagging applicators/Readers | Additional cost for tag applicators/readers and substantial cost for RFID tags |
| 5 | Mobile application can be downloaded by any number of persons engaged in the tagging | It is not possible to give applicators or readers (in case of RFID tags ) to all users otherwise it would be a very costly affair or if not given then work efficiency will decrease |
| 6 | Identification of Cattle would never be questioned at the time of Claim since muzzle images are stored in Cloud server | Sometimes Identification of cattle be questioned particularly when tags are lost/tampered/mutilated |
| 7 | There is no loss or damage to the e-tag | There is physical loss or damage to the tags/RFID while being used in the field |
| 8 | No question of damage to tagging applicator/ reader | There is every likely of damage to Tag applicator or readers. Readers are costly and irreparable. |
| 9 | E-Tag addresses the apprehension of cattle farmers that milk yield will go down after putting the tag or cattle will become sick. | Invariably, worries are there with cattle farmers that the milk yield will go down or animals will become sick after putting the tag. |
| 10 | Digital data can be shared immediately with all required stakeholders | Data of cattle along with tag numbers will come after a gap of sometime |
| 11 | No Inventory to be maintained | Physical inventory to be maintained and record of purchase and distribution also to be kept. Reconciliation and physical verification is also required.<br>At least a person is deputed to execute this activity |
| 12 | No question of unused e-tag since these are not procured from anywhere | Unused ear tags generally remain with the field level persons. Collecting back those unused tags has some cost. So definite loss due to unused tags |
| 13 | No question of retagging | There are 10-15% cases for retagging. Invariably retagging invites the moral hazard issue besides the extra cost. |
| 14 | No tempering is possible | Tempering is possible |
| 15 | Not required to put a condition of 'No-Tag No Claim' in the policy | 'No tag No Claim' condition is necessary to put in the policy |
| 16 | In addition there is solution for checking anti-selection on pure scientific and technical ground | There is no standards for checking anti-selection. It is upto the veterinary doctors to exercise physically. Practically no anti-selection done in the field |
| 17 | Other parameters of cattle (health fitness) can be estimated / ascertained | This is not possible with physical tag |

# Auto-Insurance Risk Mitigation through Telematics

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*Proceeds from life insurance policies to be taxable if aggregate premium for policies issued on or after April 1 2023 exceeds Rs 5 lacs annually. Proceeds received by heirs on death of the insured to remain exempt from tax.*

## Introduction

As we live in an ever-evolving world, different solutions that we offer our clients, and our customers also evolve with time. Today no part of a human life is untouched by technology. Not only have, AI&IoT, brought about a paradigm change in the way we analyze data & do predictions based on past data, they have also been redefining the way how we price our offerings and solutions to customers who too are becoming more& more amenable to cost effective digital offerings. Across various sectors, these digital offerings have also been gathering rapid pace. As for instance, in June 2022, Samsung announced its 3-nanometer semi-conductor technology compared to the conventional 5-nanometer. If the then reports are to be believed, Samsung had claimed that this new 3-nanometer semi-conductor technology can reduce the power consumption by almost 45%, improve performance by 23% and reduce area by 16%.

Insurance sector has usually been traditional in its approach towards underwriting of various offerings. While some of this may still be required for Commercial Property and Casualty Insurance product offerings, many retail Insurance product offerings like Auto-Insurance have caught the attention of many Insurance players and almost every player has been trying to make the experience better for customers leveraging technology to better its offerings to customers. As per a June 2022 report of the Boston Consulting Group, post covid saw accelerated technology adoption in Insurance sector with Insurtechs having raised $14.4 billion across 644 deals in 2021, surpassing the total raised in 2020 by about 87% and reaching a cumulative ten-year total of $43.8 billion from 2012 to 2021.

Auto Insurance underwriting has, for many decades, been using risk factors that range from a customer's demographics to his/her driving record, age, credit history, type of vehicle, engine capacity, claims history etc. to cost and price the risk. While these risk factors have etched their importance in pricing various offerings, these traditional underwriting approaches do not consider driving behavior of the driver, action or inaction of the driver given the driving context or the other environmental factors during driving to better price the risk. Though one could argue that information like accident history or no claim discounts are good proxies of the driving behavior, a real time monitoring of the individual driving behavior through Telematics not only adds valuable insights of adverse driving events like over speeding etc. but also other driving co-relations with road network characteristics like junction, crossing, intersection, flyover etc.

To address some such challenges, Insurance players have been trying to make gradual, yet important, strides in vehicle telematics technologies.

## Telematics Technology

Merriam-websters defines Telematics technology as "the combination of information technology with telecommunications especially the integration of telecommunications networks in vehicles (as for collecting data on performance)".

Telematics data refers to a variety of information that are collected in real time from drivers using various sensors that are either retrofitted in the vehicles (like On Board Diagnostic kits or OBDs) using OBD ports or using mobile applications. OBDs, due to them being hardware devices, are expensive and cannot be expected to be fitted in every vehicle. This is apart from other associated costs that come along with registering the devices and maintaining them, besides such devices becoming outdated in no time. Mobile based telematics app solutions are, hence, becoming more popular.

## Factors driving Telematics Technology adoption

Current lingering inflation, due to geo-political conflict has been driving customers to scout for more cost-effective digital offerings with better coverages and experience. A survey conducted by Nationwide in Dec 2020, found that around two-thirds of consumers were open to allowing telematics to capture driving behavior if it resulted in premium discounts. Mobile App based Telematics comes as a usage-based offering that makes the underwriting risk factors more deterministic and helps safe driving Insureds to save premium costs besides offering them various engagement programs that enhance customer experience like reward points, discount vouchers on shopping etc.

## What data Telematics solution collects?

To scratch beneath the surface, a mobile based Telematics app not only tracks information like geo-spatial data that provides information on vehicle movement, but it also uses various sensors installed in smartphones such as accelerometer to track acceleration, gyroscope to track the rate of rotation across the three sensor axes, magnetometer to track the ambient magnetic fields across three axes and host of other sensors to track a variety of useful information that help to study the behavior of a driver. Behavior based assessment throws up finer nuances of a driver's driving characteristics or his or her driving style which determine how safe or risky a driver is on the road. Knowledge of these nuances act as a win-win for both the Auto Insurers and the Insureds. While for Auto Insurers, it could lead to bettering the loss ratios with reduction in occurrence and severity of the accident or crash events, with real accurate timely telematics data, this also ensures improvement in a driver's behavior leading to safe driving besides saving on premium costs.

When a vehicle is on the road, there are a variety of risks, gleaning the data of which throws many interesting insights which can be used not only for rewarding safe drivers but also driver coaching

1. **Speeding -** As per NHTSA (National Highway Traffic Safety Administration), for more than two decades, speeding has been the cause of approximately one-third of all motor vehicle fatalities and in 2020, it was a contributing factor in 29% of all traffic fatalities. While such aggressive speeding may be characterized by say traffic congestion if one wants to avoid running late, contextualizing speeding may throw reasonable predictions on what led to it. Data from telematics may throw useful information like if speed was within the posted speed limit given other ambient conditions being normal like fewer vehicles on the road, good road conditions, normal weather etc.

2. **Cornering -** Cornering, also referred as lateral acceleration, is a measure of centripetal force applied when a vehicle is moving on a curved road or is taking a right or a left turn. A sharp curvature needs slowing of the speed so that a limited friction provides appropriate acceleration to take a smooth turn. Too sharp a turn may lead, in extreme instances, to overturning of the vehicle. Apart from additional wear and tear that the vehicle may undergo, telematics data related to cornering provides useful information of a driver's behavior on the road.

3. **Braking -** Telematics data may give rich insights on harsh Braking where and when it took place. A hard brake puts brake pads & other brake components into great stress and results in early wear and tear of these components. A hard braking behavior also indicates high risk of a driver losing control of the vehicle that may lead to an unfortunate outcome.

4. **Acceleration -** A hard acceleration apart from being a fuel guzzler, also leads to wearing off of the engine and

transmission systems including being riskier to the passengers leading to crash events. The telematics data may not only offer vehicle's acceleration at say one to two second intervals, but contextualization built into the application, may also give useful insights such as the probable reasons that may have led to hard acceleration. It is possible that a driver might have been trying to avoid hitting an object or from being hit by an object.

5. **Idle time -** Idle time refers to the time-period when a vehicle's engine is running but vehicle is stationary without moving. Whilst certain occasions may warrant idling a vehicle like stop signs, traffic, any incident enroute or when a driver is on a long haul on a highway, idling the vehicle too often leads to rapid fuel burn as well as increase in maintenance and running costs over short to long term. A Telematics application may not only send alerts to user driver to stop the engine, with intelligent contextualization built into it, but data from telematics can also offer rich insights on the idling time over the total trip duration which can help in driver coaching.

A typical Telematics application may use hard metrics like the ones above and may also overlay them with contextual information like weather pattern, traffic / traffic congestion, road characteristics, accident hotspots etc. to determine the driving pattern of a driver and ultimately quantifying the pattern in the form of a score. The score also acts a guardrail for driver coaching to better driving skills.

One of the challenges that confront Insurers, is the ability to make reasonable predictions of a risk materializing. By gaining a better visibility of a fine-grained view of driving behavior of the driver along with contextual data, underwriters& risk professionals can better price their customers. With data on several factors determining driving behavior, they can get rich insights on what to consider and what not to, to arrive at a suitable price which is more personalized per customer along with added benefits of reduced frequency and severity of claims. Many such applications also come with plug and play interface enabling integration with Auto Insurers' IT systems.

## Conclusion

Telematics as a data driven digital offering helps in informed decision making, improves pricing accuracy, enhances driver safety and reduces claim costs. As traffic resumes to pre-pandemic levels coupled with renewal rates set to rise to 8.4% across US in 2023 according to a recent report from Value Penguin, a usage-based Insurance product like Telematics offers a great value proposition to Auto-Insurers and customers alike. ❑

## ICICI Lombard Revolutionizes Health Insurance with 'Anywhere Cashless' Feature, Providing Hassle-free Medical Treatment at any Hospital

In an industry-first move, ICICI Lombard - one of India's leading private sector general insurance companies, has announced the launch of its latest feature, "Anywhere Cashless" for their health insurance policyholders. This new feature allows customers to avail cashless facilities at any hospital- even if it is not a part of ICICI Lombard's current network of hospitals. *Customers will not have to bear any out-of-pocket expenses.

The "Anywhere Cashless" feature is subject to the hospital's acceptance of the cashless facility. To use this feature policyholders must inform the company 24 hours before their date of admission. They can then provide basic information about the patient, policy details, hospital name, diagnosis, treating doctor etc. The feature can be accessed through the IL TakeCare app under the 'Service we offer' section. This feature was initially launched as a pilot and now can be availed through the IL TakeCare App across India.

Looking through the lens of the customers, the present-day hassles of deposits, paying all expenses, collecting all original payment receipts and also coordinating with the insurance company to understand every minute detail, are eliminated with the Anywhere cashless feature. It provides a hassle-free experience through all aspects of the journey- from admission to discharge. It also lets customers choose a nearby or recommended hospital and focus on their family's well-being instead of dealing with insurance details at the time of treatment.

# Basic Elements of law of probability or law of large numbers insurance

**R. Venkatesan**
BA BGL AII DIL

*It is the calculation of an outcome or the chance of an event ever happening. Insurance companies use probability statistics to determine the chances of having to pay out a claim. A simple probability is calculated by dividing a specific outcome by all the possible outcomes.*

## Probability (means):

Random House a strong likelihood or chance of something. The relative possibility an event will occur (the ratio of the number of actual occurrences to the total number of possible occurrences).

A numerical measure of the chance or likelihood that a particular event will occur. Probabilities are generally assigned on a scale from 0 to 1. A probability near 0 indicates an outcome that is unlikely to occur, while a probability near 1 indicates an outcome that is almost certain to occur.

The probability of an event occurring is the chance or likelihood of it occurring. The probability of an event A, written P (A), can be between zero and one, with P(A) = 1 indicating that the event will certainly happen and with P(A) = 0 indicating that event A will certainly not happen.

### Probability: (in other terms)

- the number of successful outcomes of an experiment
- the number of possible outcomes

If a coin were tossed, the probability of obtaining a head = ½, since there are 2 possible outcomes (heads or tails) and 1 of these is the 'successful' outcome.

In probability theory, the law (or formula) of total probability is a fundamental rule relating marginal probabilities to conditional probabilities. It expresses the total probability of an outcome which can be realised via several distinct events.

## Kinds of probabilities:

- **Simple Probability:**

  The ratio of the number of outcomes favourable for the event to the total number of possible outcomes is termed as probability. In other words, a measure of the likelihood of an event (or measure of chance) is called probability.

  It is the calculation of an outcome or the chance of an event ever happening. Insurance companies use probability statistics to determine the chances of having to pay out a claim. A simple probability is calculated by dividing a specific outcome by all the possible outcomes.

  The probability of an event, like rolling an even number, is the number of outcomes that constitute the event divided by the total number of possible outcomes. We call the outcomes in an event its "favourable outcomes".

  For instance, when flipping a coin, there are two outcomes: heads or tails. To find the probability of getting either heads or tails, divide one outcome (1) by the two possible outcomes (2). Dividing 1 by 2 results in .50 or 50%.

- **Classical probability:**

  It is the statistical concept that measures the likelihood (probability) of something happening. In a classic sense, it means that every statistical experiment will contain elements that are equally likely to happen (equal chances of occurrence of something)

- **Objective Probability:**

  It refers to the chances or the odds that an event will occur based on the analysis of concrete measures rather than hunches or guesswork. Each measure is a recorded observation, a hard fact, or part of a long history of collected data.

  It refers to long-run relative frequency of an event based on the assumptions of an infinite number of observations and of no change in underlying conditions. It also ascertains that the occurrence of an event on the basis of already present information or observation or large portion of accumulated data.

- **Subjective probability: (personal probability)**

  It is the individual's personal estimate of the chance of loss and is based on your beliefs. The probability of an event is a "best guess" by a person making the statement of the chances that the event will happen. (e.g. 30% chance of rain)

  It permits the analyst to calculate the probability of an outcome based on experience and their own judgement.

  This type of probability is the perceived chance of a certain outcome happening. It is not an actual mathematical calculation of the odds, but rather a measure based on personal opinion, beliefs, prejudices, and emotions.

  For example, a fan of the favourite game say their team has a 50% chance of winning the World Series, despite not having any statistical evidence. It is not based on the team's record, but on the fan's personal beliefs and confidence.

- **Experimental or empirical probability:**

  It is expressed as a ratio of the number of times an event as occurred and the number of experiments performed. The method becomes increasingly accurate the more experiments are conducted, which translates into bigger and more revealing data. It is also based upon experiments.

  This method helps insurers predict the likelihood of claims being filed so they can make informed decisions about premium rates. It is a statistical method for determining the frequency of an event by using actual data from experiments.

- **Compound Probability:**

  It refers to a mathematical calculation that determines the possibility of two separate events happening at the same time. To calculate compound probability, multiply the possibility of the first event occurring with the probability of the second event occurring.

  The insurance industry uses compound probability to analyses risks and determine premiums.

  To use a simple example, suppose we knew someone who went for a morning jog 50% of the time and who also drove their car on average every other day. If we wanted to calculate the compound probability of them doing both activities on the same day, we would multiply both percentages, as follows:

  0.5 x 0.5 = 0.25 This means there is a 25% chance that this person would both go for a jog and drive their car on a given day.

- **Marginal probability:**

  It is the probability of an event irrespective of the outcome of another variable. It is the probability of occurrence of a single event. In calculating marginal probabilities, we disregard any secondary variable calculation. In our hypothetical example, we can calculate two marginal probabilities, we can look at specific eating habits or we can look at commute times. In essence, we are calculating the probability of one independent variable. It is not conditioned on another event.

- **Joint probability:**

  It is the joint probability which is the probability of two different events occurring at the same time or simultaneously .

  It is the probability of the intersection of two or more events. The probability of the intersection of A and B may be written p (A ? B). Example: the probability that a card is a four and red =p (four and red) = 2/52=1/26. (There are two red fours in a deck of 52, the 4 of hearts and the 4 of diamonds).

- **Conditional probability:**

  It is the probability that an event will occur given that another specific event has already occurred. For example, we would calculate the probability for some eating behaviour given that we know the commute times of the population. We say that we are placing a condition on the larger distribution of data, or that the calculation for one variable is dependent on another variable. It is the probability of one event occurring in the presence of a second event.

  Conditional probability is the probability of one event occurring in the presence of a second event.

p (A|B) is the probability of event A occurring, given that event B occurs. Example: given that you drew a red card, what's the probability that it's a four (p(four|red))=2/26=1/13. So out of the 26 red cards (given a red card), there are two fours so 2/26 = 1/13.

- **Axiomatic Probability:**

  It is a type of probability that has a set of axioms (rules) attached to it and a rule that the probability must be greater than 0%, that one event must happen, and that one event cannot happen if another event happens.

- **Weighted probabilities:**

  Probabilities represent the chances that different events will occur. For example, if you were rolling a single six-sided die, you would have the same probability of rolling a one as rolling any other number because each number will come up one out of six times. However, not all scenarios have each outcome equally weighted. For example, if you add a second die to the mix, the odds of the dice adding up to two are significantly less than adding up to seven. This is because there is only one die combination (1,1) that results in two, while there are numerous die combinations--such as (3,4), (4,3), (2,5) and (5,2)--that results in seven.

  Determine the total number of possible outcomes for the scenario. For example, with rolling two dice, there are 36 possible outcomes because there are six outcomes for each die so you would multiply six times six.

  Determine how many ways the desired outcome can occur. For example, if you are playing a board game and will win if you roll an eight, you would need to determine how many ways an eight could be rolled, which is five: (2,6), (3,5), (4,4), (5,3) and (6,2).

  Divide the number of ways to achieve the desired outcome by the number of total possible outcomes to calculate the weighted probability. To finish the example, you would divide five by 36 to find the probability to be 0.1389, or 13.89 percent.

- **Game probability:**

  The probability of rolling a 6 is 1/6 (there are six numbers, so you roll a six one time out of every 6) The probability of not rolling a six is 5/6 (rolling any of the other five numbers)

- **Playing card probability:**

  Let's look at one probability in these two ways:

  What is the probability of drawing a card from a deck and it being red and a face card?

  For this probability, we need to look at which cards are both red and face cards. There are 6 of these: Jack of Hearts, Queen of Hearts, King of Hearts, Jack of Diamonds, Queen of Diamonds, and King of Diamonds.

  P= 6/52 = 3/26 = 11.5%

  OR

  This time the card can be red, or a face card, or both at the same time. There are 26 red cards (6 of which are also face cards). In addition, there are 6 more face cards that are not red: Jack of Clubs, Queen of Clubs, King of Clubs, Jack of Spades, Queen of Spades, and King of Spades. That is a total of 26 + 6 = 32 cards.

  32/52 = 8/13 = 61.5%

Be careful not to just add up the number of face cards (12) with the number of red cards (26). That would give a total of 38 cards, but it would count the red face cards twice.

***To be continued in next issue***

# The Five Finger Leadership

**R Venugopal**
Retired ED LIC.

*If assigned any work in the office, he has his own time schedule to complete the job. So the Manager can't assign any urgent work but can allot any important work and this Spectator will definitely accomplish it but at his own sweet will. Don't you have this kind of employees in your organization?*

The number 5 is always highly significant in our country- Five Elements- Earth, Sky, Water, Air and Fire. Five Pandavas from the Epic Mahabharat- Dharmaraj, Arjun, Bheem, Nakul and Sahadev. Five Vedas- Rig, Sama, Yajur, Adharvan and Upanishad.

## Five Fingers in a hand-

- Small Finger
- Ring Finger
- Middle Finger
- Index Finger and the
- Thumb.

In the Medical parlance, these are referred to as Digits starting from the First- Small Finger- to the Fifth- Thumb.

### *When we come to the Leadership styles, we may attribute the following qualities to our five fingers-*

- Small Finger- Spectator
- Ring Finger- Connector
- Middle Finger- Creator
- Index Finger- Task Master and
- Thumb- Leader.

## Let us now analyse the above statements one by one:

### *Spectator*

This person observes everything and every one closely but never follows any one as his Role Model. But he knows all the functions. If assigned any work in the office, he has his own time schedule to complete the job. So the Manager can't assign any urgent work but can allot any important work and this Spectator will definitely accomplish it but at his own sweet will. Don't you have this kind of employees in your organization?

### *Connector*

This person is a good PRO- knows all influential people in the city, has friends in all the Departments like the Railways, Airports, State and Central Government offices and what not. Don't you need this kind of people in your arena? Don't you require these kind of services for you, your Boss and your family? Should you not keep him in good humour, whatever may be the quantity and quality of work he turns out on the normal days? Yes, we have to connect with this Connector at any given time.

### *Creator*

This person finishes all allotted work quickly and asks " What Next?"

He is like the 'Vedhaal' demanding more work in the Vikramaditya story.

Sometimes he creates work himself and helps the Institution. Of course, at times he exceeds his limit and poses problems in front of Superiors. But still, you have to protect him in view of his past good work, creating novel methods of working and helping the office.

### *Task Master*

This person is a ' Must ' in every office. He is a hard task master and gets any work completed in time and in a proper way. His help is very much required in times of Year End New Business, Recruitment of Staff and and any such time bound activities. Once you allot an assignment to this task master, you can forget and relax. On the appointed Day the results will be on your table. Is not such a person a requisite in each organization?

### *Leader*

The title is self-explanatory. He leads the entire team cohesively, patting some, tapping some and whipping some. His aim is to win, some times win at any cost. At times End justifies the Means for this man. You would have seen your Boss saying " Allot this job to Leader A and not to B, because although B is also capable, he is always particular about the means to achieve the result". You will agree that we do need this variety of ' Leader' in an Organization.

## The Assignments before us

- The tasks in front of us can be divided as
- Urgent
- Important
- Urgent but not important
- Important but not urgent
- Both urgent and important.

How are we going to allot the above to our Five Fingers, I mean. Leaderships?

Important job can be given to the Spectator. Though important, there is no hurry to finish the work.

Urgent job can be assigned to the Task Master. He will not only complete the work but also within the allotted time.

Important but not urgent work can be given to the Collector so that he can leisurely use his contacts and complete the assignment.

Urgent but not important job is suitable for the Creator. He will handle it well and in time.

The last variety- Leader- is the Jack of all Trades and also the Master of all.

## Conclusion

### *But the following facts remain-*

All the Fingers are important and required for every human being for all activities, although some times it appears as if one particular finger is more needed than others.

Although the small finger seems to be insignificant, only this finger is in the front when we do ' Namasthe' to others.

Although in the weddings, the Ring finger gets more prominence when the newly married couple exchanges the rings, but the ring gives more shine only when it it is accompanied by the other fingers.

Although the Thumb assists in showing the Victory sign, it is held high in the air only by the other fingers.

If even one finger gets injured in an accident, the whole hand loses its capacity of free movement.

Similarly all the five leadership qualities are required for any individual.

One has to contain a little of each quality- Spectatorship- should we not be a good observer?

Connectorship- should we not know imprtant persons in the city?

Creatorship- is it not required to be a fast worker and ask for more work?

Task Mastership- is it not needed to be a person to finish any given task?

Leadership- Who does not wish to be a good Leader?

Only when we possess all the above, we can be a true and lasting Leader.

Let us endeavour to be one such Five Finger Leader in our lives.

# Emergence of Digital Transformation in Indian Insurance Market & Associated Safe-guards needed

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*Fueled by FinTech investments and Insurtech startups, Indian insurance now become a hothouse of digital innovation. In response, insurers started embracing various changes and rethinking on their business models to move towards a compliant, secure and digitally-enabled operating model to enhance customer, employee, partner and other stakeholder experiences.*

## The digital transformation in Indian insurance market:

Here in India, the insurance sector has taken longer period to embrace digital transformation than many other sectors. This is mainly for, the chosen preference for personal relationships when dealing with insurance placements and the complexity of the insurance purchase processes, particularly when it comes to pension, ULIP and annuity products (in the life sector) with high-end values or Project & Liability insurance coverages (in non-life sector) for their discreet specific underwriting requirements.

Fueled by FinTech investments and Insurtech startups, Indian insurance now become a hothouse of digital innovation. In response, insurers started embracing various changes and rethinking on their business models to move towards a compliant, secure and digitally-enabled operating model to enhance customer, employee, partner and other stakeholder experiences. Newly invented digital tools and capabilities help insurers to streamline new product developments, digital experiences and the transformation of key functions — from positioning, marketing, distribution, underwriting, investigations and claims to finance and accounting.

## The facets of insuretech are depicted below:


**Facets of Insuretech**

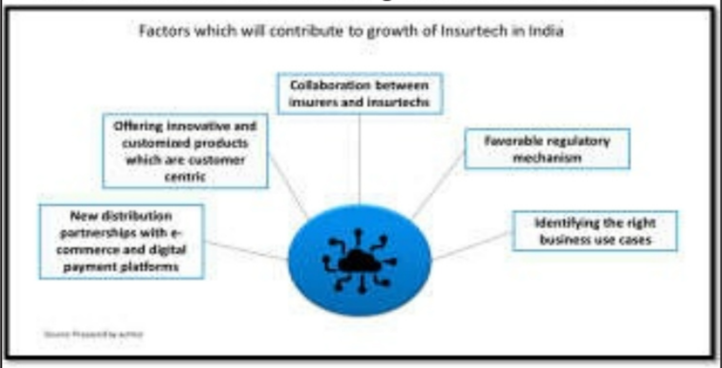
Digitalization is getting a lot of momentum in the Indian industries and the insurance sector is obviously emerging out to be one of the biggest beneficiaries – in regard to enhancing its footprint, selling of new policies, settlement of claims and creating digital intermediaries – as technology is playing the crucial role in insurance outreach. Intermediaries and agents are the integral part of the business to help reach insurance penetrate into uninsured areas but in majority of the cases insuretech is being used as the mean of distribution for existing products to new customers.

Policyholders are now provided with an online platform to get their policy immediately. Chatbots, allowing the customers to open an online conversation window to raise queries, are getting immensely popular amongst the proposers & policy-holders of insurance industry.

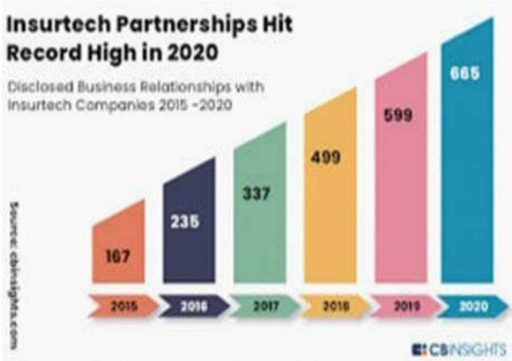
Now-a-days technology offers the efficiencies needed to provide the service to consumers' demand while enabling carriers to streamline their processes and initiate, tailor & scale insurers' product offerings. But insuretech doesn't just mean offering insurance products more speedily online - companies involving themselves in insuretech have since exploded to include a vast, evolving system of interconnected services and product offerings.

### Factors which will contribute to growth of Insuretech in India are now given as below:

**Factors which will contribute to growth of Insurtech In india**




Insuretech partnership expanded significantly during 2020 at the backdrop of lockdown (arising out of pandemic Covid-19) on the digital platform, that emerged as the dire need of common people in the entire global insurance market. Insuretech Partnerships flourished globally till 2020 is represented below: -



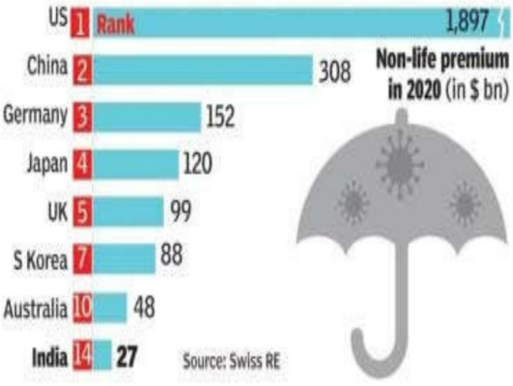

From the above figure, it is evident that every year, the number of Insurtech Partnerships is always increasing. As per the expectation between 2015 to 2023, the global market of insuretech is expected to grow 41% annually. There are lots of regulation issues exist in insurance sectors, and many established insurers are intended to be reluctant towards those. Moreover, these set-ups require the thorough experience of the exposures of traditional insurers' that they acquired while handling prudent underwriting &/or to manage the ghastly disasters of catastrophic risks.

Fintech is widely accepted in the entire financial landscape. India adapted to Fintech much faster than other countries, making it a fertile ground for Insuretech to mature and grow within India. A subsector of Fintech, Insuretech is a term used to refer to technology that is designed to improve and enhance operations of insurance players. With the backdrop of Covid-19, more and more people are resorted to digital modes of buying insurance in India. This pandemic has invariably changed how people think about insurance – for taking initiative to avail mainly the health & life insurance policies.

A digital revolution is gently happening in India. The share of premium received through an online channel in India is still small, but it is rising. It is proved through some of the surveys that consumers are using more and more internet for searching appropriate products, as internet has become a trusted source of advice for them. So, as a glaring example, it is found that adopting digital technology has already made some insurers as the market leaders.

## Situation of Indian Insurance Market Penetration:

We have witnessed that India has become the world's fastest-growing major economy, but insurance penetration stands continually low in Indian market in comparison to other developed markets. In FY2021, India's life insurance penetration stood at around 3%, while the non-life insurance penetration was hovering around at 1%.




**Non-Life Premium as per World Ranking**

So, there is enormous prospect of insurance penetration in India considering the vast untapped market and it experienced increase in momentum in recent years moving to 4.2% in 2021 from 3.76% in FY20.

The rapid economic expansion, supported by digital infrastructure and innovation will play a defining role to make the insurance market in India as one of the largest across the globe.

Indian Insurance market stands at $131 Bn as of FY22. The Indian insurance industry grew at a CAGR of 17% over the last two decades and is expected to continue its commendable growth trajectory in the future years. The India Insurtech Association (IIA) collaborated with Boston Consulting Group (BCG) released the second edition of their Insuretech Report (Captioned – 'India Insurtech Landscape and Trends Report'), which identifies dominating trends and key player's views on the Indian Insurtech Sector. According to this report, rapid funding in insuretech has continued across the globe (and strong momentum in India is also observed). Global funding in insuretech has grown 5.6 times in the last 5 years, from $2.5 billion in 2017 to $14 billion in 2021, with growth continuing even during the pandemic period. Insuretech funding in India has also increased from $290 million in 2020 to $800 million in 2021. Experts believe insuretech in India is well-positioned to cater to the nuanced needs of customers and also at the point of exponential growth.

Insurers who fully embrace digital transformation can achieve significant competitive advantages by meeting tomorrow's customer needs — driving operational agility to respond to changing marketplace expectations. To succeed, insurers must understand what's possible and take decisive action to deliver value now and ignite their long-term growth. Insurers need to ensure that their customers have secure, effortless access to services online. More people than ever before are buying insurance on their computers and mobile devices. Considering this increasing trend of on-line insurance sale, the dire needs are: -

1. To maximize customer inclusion and accessibility.
2. Building the trust amongst the customers/proposers/ insured
3. Protection against online fraud cases.
4. Ensure the delivery of a secure yet effortless digital customer experience.
5. Absolute compliance of AML Act, KYC & other requirements.
6. Defend against the reputational risk
7. Application of remote biometric face authentication.

## Dire need of safe-guards in Indian on-line insurance sale:

Various aspects of specific needs & safe-guards may be enumerated as per the following details: -

**A. Improving access to online- insurance portals:**

How does the insurer will ensure that the right person is able to access their account instantly & smoothly, without slightest frustration?

The frustration can be caused in many ways - Passwords can be forgotten, email accounts may have been deleted, recovery email addresses or security questions forgotten and phone numbers changed.

Biometric face authentication removes the need for passwords or other online security methods that can be forgotten over time.

A new customer might verify their face against a trusted document (such as a driver's license) when they open their account. Insured may use a simple face scan on their mobile device or computer to authenticate themselves whenever they return to the portal.

Alternatively, existing customers can be asked to verify themselves using a trusted document when they next access the portal to complete a sensitive transaction. Future authentication is then completed simply and securely using a face scan lasting for few seconds. This means that whether insured visit insurer's online portal once a month, once a year or once every five years, their face will ensure simple, secure access without any fuss or hassle. This delivers the highest levels of security, protecting both the insurer and their customers, from online fraud and identity theft.

### B. Enabling insurers to build trust during online sale:

All along the insurers win and retain customers through trust. Trust is the fundamental to the long-term success of any insurance brand. High-value pensions and annuities typically require years of contributions before they are accessed and drawn upon. Customers must feel confident giving their money to an institution, whom they trust to help the customers to achieve financial security. If these insurers' customers trust the Company's brand, they'll show their loyalty by adding to their portfolio of services, recommending that insurance organization to their friends and family in future course.

**C. Stringent enforcement of safeguarding features for avoiding money laundering:**

This might be a stiff challenge all along. Making it simple for customers to purchase an insurance policy needs to be balanced with critical checks to ensure that the policy is not being used for money-laundering purposes, in any way. Criminal networks, present in existence, use insurance policies to 'launder' ill-begotten financial gains by depositing large sums that they then draw down, turning fraudulent money into clean money.

To combat this, regulated insurers and other financial institutions have to comply with anti- money laundering (AML) regulations when they deal with their onboard customers.

### D. Reducing the risk of account (of on-line customers) hacking by fraud-stars:

One of the downsides of infrequent interaction between insureds and insurers: the customer forgetting their security credentials to access their account online.

But there's another potential downside to infrequent contact: the customer not noticing when fraud has been committed against their account. Pension and annuity funds are a target for criminals because of the high value of their contents. By impersonating the policy holder, fraudsters can take over an account and gain access to large amounts of money. Because the true account holder may only check their account once a year or less, account takeover fraud could go undetected and unreported for some time. It is therefore imperative for insurers to tighten up defenses around pension and annuities.

Biometric face authentication helps to prevent account takeover fraud. A criminal can steal knowledge-based security information, such as passwords and mother's maiden names. They can dupe people into revealing PINs and special words. Once they have that data, they can change phone numbers so that an individual's mobile device can no longer be trusted.

Criminals cannot steal a face, however, they can copy a face, using photographs or videos or masks.

So, insurers need to confirm that an online individual completing a biometric face authentication is the right person, a real person and that he/she is authenticating right now. This ensures that the person logging into their insurance account is indeed the verified policyholder.

## While summing up:

Most of the insuretech companies focus on the front-end customer experience, reducing existing frictions in traditional insurance transactions. The time it takes to fill out an application/proposal and receive a quote is a classic example towards this. Side-by-side it also seeks to streamline and enhance back-end functions, such as how to assess and price risk, perform loss control, and claims' management. The claims process is particularly well suited for technological transformation. Insurers traditionally have hired adjusters to determine the extent of their liability for a loss, damage, or injury to the claimant and come up with a settlement.

Today, new approaches aid the claims process, often in combination with traditional ones. Immediate and hassle-free claim settlement is the priority service of insurers – as it sets the benchmarking & branding of the insurers in the market for their performances – as such this initiative attracts the customers to come more within the purview of insurance net. At the same time, it excludes fraudulent claims – e.g., auto insurance claimants can submit photos via app immediately after an accident. Insurers also are using machine learning, record of pre-acceptance inspection reports and numerous publicly available datasets to detect and restrain potentially fraudulent claims to avoid their colossal blood-shedding, to ensure insurers' profitability.

As digitalization helps improve assessing and processing proposals and claims affairs, new insurance products are being developed and traditional products can be handled differently. One emerging global approach – enabled by the Intersection of Telecommunications and big data known as "telematics" – is the Usage-Based Insurance (UBI) priced according to drivers' own behavioral data in the field of vehicle insurance. A more recent stage in UBI's evolution is pay-as-you-drive auto insurance by the mile, with monthly billing that varies based on how much a person drives. Advances in telematics and the Internet of Things (IoT) are increasing the quantity and range of the data that insurers will have at their disposal, in this Insuretech Regime.

Moreover, although digitalization is creating opportunities and challenges for insurance companies. But it can be hard to cut through the noise – to the insurers to decide what to measure, what to automate, what the next commercial opportunities might be, and what technologies to employ to make the most of them. The technology the insurers develop is shaped by talking about their issues in conversations they have with their clients every day. Their consultants and technologists work side-by-side and this combination of domain knowledge, practical experience and cutting-edge technology development, all is required in this process.

It means their clients must benefit from insurance-focused solutions built from the ground up and how their sophisticated algorithms reduce the frictional costs of insurance at every stage of the involved value chain. Insurers continue to develop for their clients next-generation technology in-house as well as partnering with promising start-ups and early-stage businesses. It's about cutting through the hype and bringing clients the technology solutions that will transform their business in order to save money, work better and grow profitably.

***References:-***

*Different contemporary discussions & information as collected & collated from various text materials available on-line & in hard copies.* ❑

# Green Delta Insurance gets special recognition from HPM Sheikh Hasina and Bangladesh Govt. on the occasion of National Insurance Day 2023

On the occasion of National Insurance Day 2023, Green Delta Insurance Company Ltd. have been honored with a special recognition from HPM Sheikh Hasina and Government of People's Republic of Bangladesh for the organization's outstanding record and success in claim settlement.

Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO of Green Delta Insurance received the prestigious award from H.E Honorable Prime Minister Sheikh Hasina, while Sheikh Kabir Hossain, President of Bangladesh Insurance Association (BIA) was also present on the stage. Other high officials of Green Delta Insurance and other insurance companies were also present at the formal awarding ceremony jointly organized by Finance Ministry and Insurance Development & regulatory Authority (IDRA).

1 March has been announced and celebrated as the National Insurance Day of Bangladesh since 2020 with the Hon'ble Prime Minister Sheikh Hasina recognizing the necessity of insurance for the overall progress and development of the country and the nation. Since 2020 on this day, distinguishable insurance personalities and organizations are awarded at this national platform every year for their outstanding contribution to insurance sector.This year, apart from Green Delta Insurance, three more insurance companies have been awarded this special recognition.

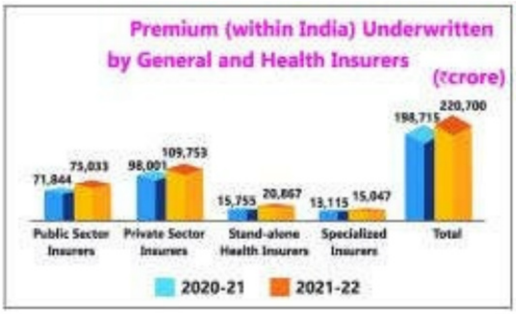
# Appraisal of General and Health Insurance Market

## General and Health Insurance Premium

The general insurance industry underwrote total direct premium of Rs. 2.21 lakh crore in India in the year 2021-22 registering a growth of 11.06 per cent from previous year. Out of 25 private insurers (including standalone health insurers) operating in the year 2021-22, 24 insurers reported an increase in premium underwritten as compared to the previous year. In case of public sector general insurers, market share of all the public sector insurers except New India has decreased from previous year.

Insurance company wise premium underwritten within India is given in Statement 10.

Three public sector insurers except United India are underwriting general insurance business outside India.




Premium underwritten outside the country declined by 1.93 per cent in 2021-22. The overseas premium constitutes 8.28 per cent of the total premium underwritten by the insurers in 2021-22.

### Gross Direct Premium of General and Health Insurers

(Rs. crore)

| Insurer | Within India | | Within and Outside India | |
|---|---|---|---|---|
| | 2020-21 | 2021-22 | 2020-21 | 2021-22 |
| Public Sector Insurers | 71,843.72 (-1.94) | 75,032.84 (4.44) | 75,211.29 (-1.73) | 78,335.45 (4.15) |
| Private Sector Insurers | 98,000.96 (8.00) | 1,09,753.37 (11.99) | 98,000.96 (8.00) | 1,09,753.37 (11.99) |
| Stand-alone Health Insurers | 15,755.19 (8.86) | 20,867.18 (32.45) | 15,755.19 (8.86) | 20,867.18 (32.45) |
| Specialized Insurers | 13,114.85 (25.66) | 15,046.83 (14.73) | 13,114.85 (25.66) | 15,046.83 (14.73) |
| **Total** | **1,98,714.72 (5.19)** | **2,20,700.21 (11.06)** | **2,02,082.30 (5.15)** | **2,24,002.82 (10.85)** |

***Note:***

1. *Figure in brackets indicate growth in per cent over previous year.*
2. *Reclassification/Regrouping in the previous year's figures, if any, by the insurer has not been considered*

## Premium Underwritten Outside India by General Insurers

*(Rs. crore)*

| Insurer | 2020-21 | 2021-22 |
|---|---|---|
| National | 44.92 (-11.34) | 51.10 (13.76) |
| New India | 3,024.94 (4.24) | 2,942.05 (-2.74) |
| Oriental | 297.71 (-7.93) | 309.46 (3.95) |
| **Total** | **3,367.57 (2.80)** | **3,302.61 (-1.93)** |

***Note:***

1. *Figures in bracket indicate growth (in percent) over previous year.*
2. *Reclassification/Regrouping in the previous year's figures, if any, by the insurer has not been considered.*

## Segment-wise General and Health Insurance Premium

The health business reported a growth of 26.27 per cent in 2021-22 making it the largest general insurance segment in India with a market share of about 36 per cent. The market share of motor segment decreased to about 32 per cent but reported a positive growth of 3.90 per cent compared to negative growth reported in the previous year. After COVID led interruptions in 2020-21, marine segment reported a growth of 19.48 per cent in 2021-22. Fire and other segments also recorded positive growth of 7.15 per cent and 1.10 per cent respectively in 2021-22.

Insurance company wise segment-wise premium underwritten is provided in Statement 11.

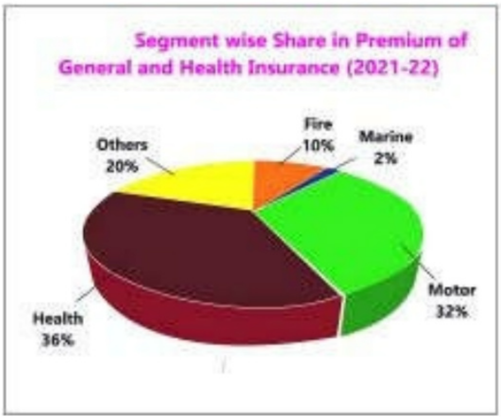
## Policies issued by General and Health Insurers

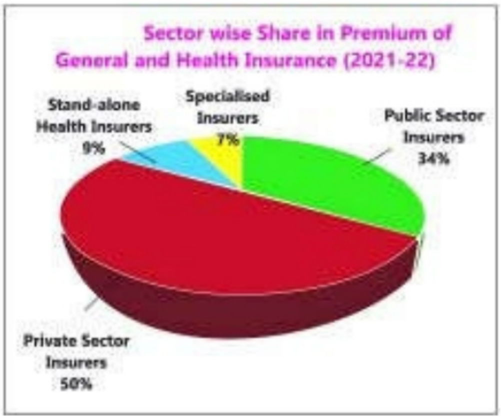
The general and health insurers have issued 26.57 crore

## Segment-Wise Premium (Within India) Underwritten by General and Health Insurers

*(Rs. crore)*

| Segment | Public Sector Insurers | | Private Sector Insurers | | Stand-alone Health Insurers | | Specialised Insurers | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 |
| Fire | 8,375.40 | 8,514.95 | 11,737.49 | 13,036.08 | NA | NA | NA | NA | 20,112.89 | 21,551.03 |
| Marine | 1,724.82 | 1,834.43 | 1,763.27 | 2,333.18 | NA | NA | NA | NA | 3,488.09 | 4,167.61 |
| Motor | 23,218.11 | 21,768.98 | 44,574.07 | 48,664.50 | NA | NA | NA | NA | 67,792.19 | 70,433.48 |
| Health | 28,902.71 | 35,374.27 | 19,095.07 | 24,260.83 | 15,755.19 | 20,867.18 | NA | NA | 63,752.97 | 80,502.27 |
| Others | 9,622.68 | 7,540.22 | 20,831.06 | 21,458.78 | NA | NA | 13,114.85 | 15,046.83 | 43,568.58 | 44,045.82 |
| **Total** | **71,843.72** | **75,032.84** | **98,000.96** | **1,09,753.37** | **15,755.19** | **20,867.18** | **13,114.85** | **15,046.83** | **1,98,714.72** | **2,20,700.21** |



policies in the year 2021-22 reporting an increase of 7.68 per cent.

### New Policies Issued by General and Health Insurers

*(in lakhs)*

| Insurer | 2020-21 | 2021-22 |
|---|---|---|
| Public Sector Insurers | 684.27 (-6.71) | 631.93 (-7.65) |
| Private Sector Insurers | 1,259.72 (-0.33) | 1,423.53 (13.00) |
| Stand-alone Health Insurers | 105.41 (14.34) | 125.94 (19.47) |
| Specialized Insurers | 417.93 (28.40) | 475.30 (13.73) |
| **Total** | **2467.33 (2.16)** | **2,656.70 (7.68)** |

***Note:*** *Figures in brackets indicate growth in per cent over previous year.*

## Paid-up Capital of General and Health Insurers

I.2.2.25 Total paid up capital of all general and health insurers as on March 31, 2022 was Rs. 37,855 crore. During 2021-22, the general and health insurers added Rs. 5,013 crore to their equity capital base. During the year, Rs. 5,000 crore were infused in three PSU general insurers by Government of India. Private sector general insurers effectively took out capital to the extent of Rs. 1,151 crore because of the demerger of general Insurance business of Bharti AXA General Insurance Co. Ltd. to ICICI Lombard General Insurance Co. Ltd.

Insurance company wise paid up capital is provided in Statement 12.

### Paid-up Capital of General and Health Insurers

*(Rs. crore)*

| Insurer | As at March 31, 2021 | Additions during 2021-22 | As at March 31, 2022 |
|---|---|---|---|
| Public Sector Insurers | 13,724.00 | 5,000.00 | 18,724.00 |
| Private Sector Insurers | 11,493.19 | -1,151.43 | 10,341.76 |
| Stand-alone Health Insurers | 4,235.06 | 404.27 | 4,639.33 |
| Specialized Insurers | 3,390.00 | 760.00 | 4,150.00 |
| **Total** | **32,842.24** | **5,012.84** | **37,855.09** |

***Note:*** *Reclassification/Regrouping in the previous year's figures, if any, by the insurer has not been considered.*

## Other Forms of Capital of General and Health Insurers

Under the provisions of IRDAI (Other Forms of Capital) Regulations, 2016, General insurers have effectively raised Other Forms of Capital amounting to Rs. 276 crore during 2021-22. Total other forms of capital as on March 31, 2022 was Rs. 5,151 crore.

## Expenses of General and Health Insurers

Commission expenses and operating expenses constitute a major part of the total expenses. The gross commission expenses of general insurance industry was Rs. 16,931 crore for the year 2021-22 increased by 9.87 per cent from previous year. The operating expenses of general insurers stood at Rs. 41,455 crore in 2021-22, showing overall increase of 8.29 per cent.

During the year 2021-22, five private insurers were under exemption period as the insurers are yet to complete first five years of operations. Out of remaining insurers, 18 insurers were compliant, nine insurers were non-compliant and eight general insurers were granted forbearance in accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, subject to the condition that excess of expenses of management shall be charged to shareholders' fund. In case of Reliance Health Insurance Ltd., its business portfolio has been transferred to Reliance General Insurance Co. Ltd.

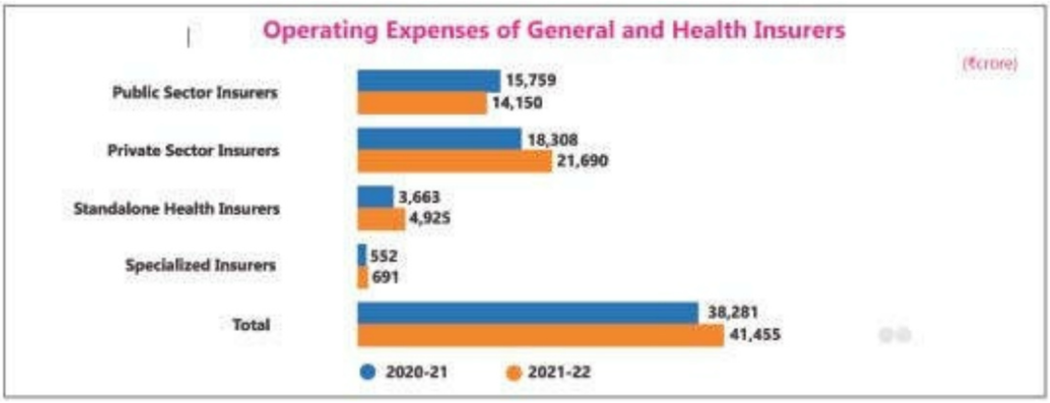
## Claims of General and Health Insurers

The net incurred claims of the general insurers stood at Rs. 1.41 lakh crore in 2021-22 as against Rs. 1.12 lakh crore in 2020-21 reported an increase of about 26 per cent during 2021-22. The incurred claims ratio (net incurred claims to net earned premium) of the general insurance industry was 89.08 per cent during 2021-22 against 81.06 per cent of previous year. Public sector general insurers experienced

## Commission Expenses of General and Health Insurers

*(Rs. crore)*

| Segment | Public Sector Insurers | | Private Sector Insurers | | Stand-alone Health Insurers | | Specialised Insurers | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 |
| Fire | 985.14 | 990.04 | 1,065.28 | 1,171.05 | NA | NA | NA | NA | 2,050.42 | 2,161.09 |
| Marine | 148.17 | 179.27 | 184.74 | 256.61 | NA | NA | NA | NA | 332.91 | 435.88 |
| Motor | 2,106.58 | 1,940.11 | 3,436.85 | 4,053.25 | NA | NA | NA | NA | 5,543.43 | 5,993.36 |
| Health | 1,872.36 | 1,890.39 | 1,764.31 | 2,117.16 | 2,134.87 | 2,758.69 | NA | NA | 5,771.54 | 6,766.24 |
| Others | 703.98 | 746.02 | 935.79 | 776.53 | NA | NA | 71.43 | 51.98 | 1,711.20 | 1,574.53 |
| **Total** | **5,816.23** | **5,745.83** | **7,386.97** | **8,374.60** | **2,134.87** | **2,758.69** | **71.43** | **51.98** | **15,409.50** | **16,931.10** |

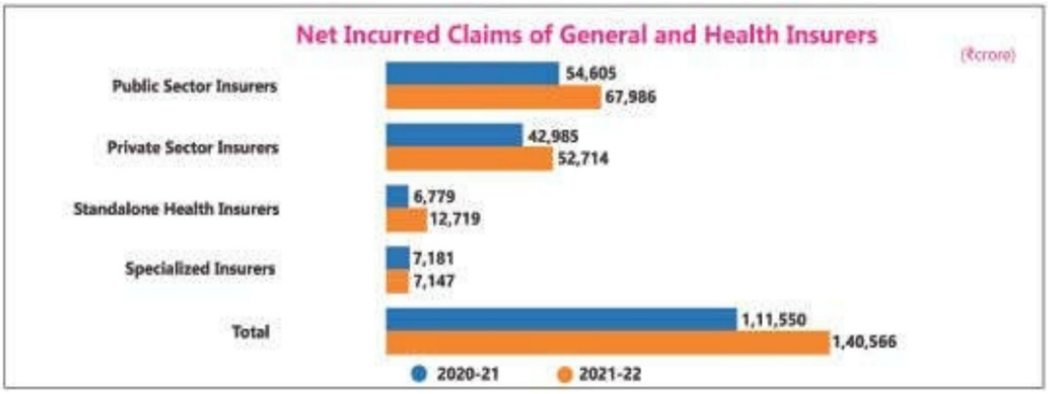



highest claims ratio of 103.17 per cent whereas private sector general insurers had lowest claims ratio of 77.95 per cent during the year 2021-22. Among the various segments, health segment had the highest claims ratio at 105.68 per cent against a claim ratio of 89.51 per cent during previous year.

Insurance company wise claim ratio and status of claims are provided in Statement 13 and Statement 14 respectively.

## Underwriting Experience of General and Health Insurers

The underwriting losses of the general and health insurers



### Incurred Claim Ratio of General and Health Insurers

*(in per cent)*

| Segment | Public Sector Insurers | | Private Sector Insurers | | Stand-alone Health Insurers | | Specialised Insurers | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 | 2020-21 | 2021-22 |
| Fire | 68.33 | 66.96 | 57.60 | 51.27 | NA | NA | NA | NA | 65.07 | 60.33 |
| Marine | 69.49 | 86.02 | 80.32 | 85.78 | NA | NA | NA | NA | 75.11 | 85.88 |
| Motor | 78.60 | 94.03 | 73.59 | 74.53 | NA | NA | NA | NA | 75.61 | 81.30 |
| Health | 101.02 | 126.80 | 78.44 | 94.66 | 75.43 | 79.06 | NA | NA | 89.51 | 105.68 |
| Others | 86.58 | 58.54 | 63.60 | 64.96 | NA | NA | 93.95 | 92.47 | 83.47 | 72.72 |
| **Total** | **87.48** | **103.17** | **73.39** | **77.95** | **75.43** | **79.06** | **93.95** | **92.47** | **81.06** | **89.08** |

***NA** - Not Applicable*

***Note:** Reclassification/Regrouping in the previous year's figures, if any, by the insurer has not been considered.*

was Rs. 31,810 crore in 2021-22 reporting an increase of 58.74 per cent. The ratio of underwriting loss to net earned premium for general insurance industry in 2021-22 was 20.13 per cent as compared to 14.56 per cent in the year 2020-21.

### Underwriting Experience of General and Health Insurers

*(Rs. crore)*

| Insurer | 2020-21 | 2021-22 |
|---|---|---|
| Public Sector Insurers | -13,497.75 (-21.62) | -20,443.55 (-30.71) |
| Private Sector Insurers | -4,052.83 (-6.92) | -8,158.25 (-12.06) |
| Standalone Health Insurers | -2,373.65 (-26.41) | -3,263.34 (-20.29) |
| Specialized Insurers | -114.59 (-1.50) | 55.56 (0.72) |
| **Total** | **-20,038.83 (-14.56)** | **-31,809.59 (-20.13)** |

***Note:***

1. *Figures in bracket indicate ratio (in per cent) of underwriting profit/ loss to net earned premium.*
2. *Regrouping/Reclassification, if any, in previous years figures by the insurer has not been considered.*
3. *Underwriting Profit/Loss = Premium Earned (Net) - Claim Incurred (Net) – Net Commission – Operating Expenses related to Insurance Business - Premium Deficiency Reserve.*

## Investment Income of General and Health Insurers

The investment income of all general and health insurers during 2021-22 was ?32,546 crore registering a growth of 9.42 per cent.

### Investment Income of General and Health Insurers

*(Rs. crore)*

| Insurer | 2020-21 | 2021-22 |
|---|---|---|
| Public Sector Insurers | 14,529.48 (-5.04) | 14,609.74 (0.55) |
| Private Sector Insurers | 12,745.46 (13.99) | 14,654.42 (14.98) |
| Standalone Health Insurers | 805.40 (8.73) | 1,277.19 (58.58) |
| Specialized Insurers | 1,663.21 (20.27) | 2,005.15 (20.56) |
| **Total** | **29,743.55 (3.98)** | **32,546.49 (9.42)** |

***Note:***

1. *Figures in bracket indicate growth (in per cent) over the previous year.*
2. *Regrouping/Reclassification, if any, in previous years figures by the insurer has not been considered.*

## Profits After Tax (PAT) of General and Health Insurers

During the year 2021-22, the net loss of general and health insurance industry was Rs. 2,857 crore as against the net profit of Rs. 3,853 crore in 2020-21.

Out of the four public sector insurers, one has reported PAT and three have reported loss after tax during the year 2021-22. New India reported a PAT of Rs. 164 crore during the year 2021-22 against a PAT of Rs. 1,605 crore in 2020-21. National, Oriental and United reported loss of Rs. 1,675 crore, Rs. 3,115 crore and Rs. 2,136 crore respectively.

Among the 20 private general insurers, while 13 companies reported PAT, the remaining seven companies incurred losses during the year 2021-22. Out of the five stand-alone health insurers, only one has reported PAT and the remaining four companies have incurred losses during the year 2021-22. Both the specialized insurers viz., Agriculture Insurance Company of India Ltd. and ECGC Limited have reported PAT of Rs. 738 crore and Rs. 875 crore respectively during the year 2021-22 as compared at Rs. 490 crore and Rs. 460 crore respectively during the year 2020-21.

### Profit After Tax of General and Health Insurers

*(Rs. crore)*

| Insurer | 2020-21 | 2021-22 |
|---|---|---|
| Public Sector Insurers | -1,467.29 | -6,761.16 |
| Private Sector Insurers | 5,729.06 | 4,098.77 |
| Standalone Health Insurers | -1,359.73 | -1,808.01 |
| Specialised Insurers | 950.50 | 1,613.46 |
| **Total** | **3,852.53** | **-2,856.93** |

***Note:*** *Reclassification/Regrouping in the previous year's figures, if any, by the insurer has not been considered.*

## Returns to Shareholders of General and Health Insurers

Private sector general insurers alone paid dividend during the year 2021-22 (Rs. 123.45 crore by Bajaj Allianz General Insurance Co. Ltd., Rs. 231.65 crore by HDFC Ergo General Insurance Co. Ltd., Rs. 378.08 crore by ICICI Lombard General Insurance Co. Ltd., Rs. 458.72 crore by Shriram General Insurance Co. Ltd., Rs. 4.79 crore by Universal Sompo General Insurance Co. Ltd. and Rs. 1.01 crore by Reliance General Insurance Co. Ltd.).

### Dividend Paid by General and Health Insurers

*(Rs. crore)*

| Insurer | 2020-21 | 2021-22 |
|---|---|---|
| Public Sector Insurers | --- | --- |
| Private Sector Insurers | 1,001.06 | 1,197.70 |
| Stand-alone Health Insurers | --- | --- |
| Specialised Insurers | --- | --- |
| **Total** | **1001.06** | **1,197.70** |

***Note:***

1. *Above figures include final dividend and interim dividend also.*
2. *Reclassification/Regrouping in the previous year's figures, if any, by the insurer has not been considered.*

## Offices of General and Health Insurers

As on March 31, 2022, the general and health insurers were operating from 10,775 offices as against 11,248 offices as on March 31, 2021, all over the country. Compared to the previous year, there is a decrease of 473 offices. As per tier-wise classification of offices, it is observed that 70 per cent of offices of general and health insurers are located in Tier I cities. About one per cent of general insurance offices alone are in Tier VI locations with a population of less than 5,000.

District-level analysis reveals that general insurers have offices in 77 per cent of total districts in the country (575 districts) and SAHI is having offices in 52 per cent of total districts in the country (387 districts). There are 11 states/UTs which have the presence of general insurance office in all their districts and 16 States/UTs are having SAHI offices in more than 50 per cent of their districts. State/UT wise distribution of general and health insurance offices with district wise coverage are provided in Statement 9. ❑

# New Product Launches

## Canara HSBC Life Insurance Launches Wealth Edge Ulip

Canara HSBC Life Insurance launched a new unit-linked insurance plan (Ulip) with savings option.Named Wealth Edge, the product offers three different plans depending on an individual's need and current requirements.

Invest Plus provides life coverage during the policy term as well as accumulated fund value at maturity. Premium Plus handles all financial responsibilities in the absence of the life assured, while the last option, Life Plus, aids retirement planning and provides the life assured with cover till the age of 100 years.

The policy also offers options of single pay and limited pay for all three plans, along with death and maturity benefits.

For Invest Plus, the minimum and maximum entry ages are 0 years and 70 years, respectively. The minimum and maximum maturity ages are 18 years and 80 years, respectively.

For Premium Plus and Life Plus, the minimum entry ages are 18 years, while the maximum entry ages are 50 years and 70 years, respectively. The maturity ages for Premium Plus are minimum 28 and maximum 80 years, while for Life Plus, the maturity age is up to 100 years.

The minimum annual premium is Rs. 1.25 lakh per annum on a yearly mode, and Rs 16,667 on a monthly mode for all the three options. The minimum premium comes to Rs. 75,000 on a half-yearly mode and Rs. 43,750 on a quarterly mode.

According to the insurer, the product has been designed for those who are looking for a fool-proof plan for their financial protection.

"The product recognises the importance of financial goals that an individual may set for his/her various life stages, and will help fulfil them along with providing an added shield of life insurance to protect the life assured and their family against various unforeseen uncertainties," the insurer said in a press release.

The policy also allows the policyholders to choose from eight diverse investment funds with a facility to access the accumulated wealth according to the individual's needs with systematic withdrawal option and/or milestone withdrawal option.

## Max Life Insurance Company Ltd launches Smart Capital Guarantee Solution

Max Life Insurance Company Ltd. has launched Smart Capital Guarantee Solution, a life insurance product solution that combines three benefits. Merging the benefits of 'Max Life Smart Wealth Plan' and 'Max Life Flexi Wealth Advantage Plan', the product will offer wealth creation through market-linked returns along with a guarantee on premiums paid at maturity with additional financial protection, the company said.

"As per the latest India Protection Quotient survey, over 46% of consumers prefer financial products as a mix of guaranteed and market-linked instruments. While the consumers want to get the upside of the market-linked products, there is a latent need to ensure the protection of the invested capital, along with additional financial protection. With this insight, we have designed the Smart Capital Guarantee Solution," said V Viswanand, deputy managing director, Max Life.

### *Key features of Max Life Smart Capital Guarantee Solution:*

1. Capital guarantee through maturity benefit of Max Life Smart Wealth Plan; market-linked returns through a part of the premium paid towards the Max Life Flexi Wealth Advantage Plan
2. Unique and customised storyboards tailored to meet

varied financial needs in the form of lump sum benefits, regular income, or whole-life income benefit

3. Flexibility to choose from different premium term payment options
4. Comprehensive protection with death-benefits
5. Tax benefits under section 80C and Section 10 (10D) of the Income Tax Act 1961*

Merging the benefits of market-linked returns along with guaranteed returns, the Smart Capital Guarantee Solution comprises the following products:

Max Life Smart Wealth Plan (a Non-Linked, Non-Participating, Individual, Life Insurance Savings plan) - A comprehensive life insurance savings product with guaranteed returns, the Plan unifies protection and savings into a simple and flexible solution. Allowing greater flexibility, the Plan offers choice amongst five different variants - three in lump-sum and one each in regular and whole-life income. All five variants come with distinct living benefits depending on the chosen variant and comprehensive life cover depending on their design.

Max Life Flexi Wealth Advantage Plan (a Unit-Linked, Non-Participating, Individual Life Insurance Plan) - A plan designed to maximize wealth creation needs while shielding loved ones financially. The Plan guarantees a return of eligible policy charges, loyalty additions, and power-packed boosters. Furthermore, the Plan allows greater customization with unlimited switches and free-of-cost premium redirection along different stages of the growth journey.

## Go Digit General Insurance launches health insurance plans

Go Digit General Insurance has launched three new plan under Digit Health Insurance policy --Digit Double Wallet plan, Digit Infinity Wallet plan, and Digit Worldwide Treatment plan -- aimed at catering to the newly evolved health insurance needs post the pandemic.

Digit Infinity Wallet Plan: The plan will help take care of the rising medical costs with an option of unlimited back-up sum insured (SI) being offered to customers. This will allow people to make multiple claims within the same policy year. However, any single claim cannot exceed the SI under the policy and the backup SI will only get triggered after the SI is exhausted. The back-up sum insured will get triggered from Day 1 and there will be no exhaustion clause. This will allow people to use their sum insured multiple times in a single year. However, any single claim cannot exceed the SI under the policy and the backup SI will only get triggered after the SI is exhausted.

Digit Double Wallet Plan: The plan will give the policyholders an option of double back-up sum insured. This will give customers access to double the sum insured (SI) opted by them in the same policy year in the form of backup SI. Any single claim cannot exceed the SI under the policy and the backup SI will only get triggered after the SI is exhausted. This plan will be relatively cheaper than Digit Infinity Wallet Plan

Digit Worldwide Treatment: The plan will give people the freedom to get treated anywhere in the world, including India. Customers if diagnosed with an illness in India can plan their treatment abroad.

Policyholders will be able to enhance their coverage further at a small added cost by opting for add-ons like PED waiting period modification cover (people wanting to reduce their waiting period can opt two years waiting period as well) and consumables cover, which will help take care of nearly the entire hospital bill, including consumable expenses like PPE kits, gloves, masks, etc.

## List of Car Insurance Add-on Covers available in India

Various car insurance companies provide different add-on covers for car insurance. The following are some of the most common add-on riders available in India by most car insurance companies:

- **Zero Depreciation**

  Zero Depreciation Cover is an additional add-on rider that shares the cost of depreciation of the car and its parts and enables the car owner to get a higher claim amount. It ensures that while paying the claim amount at the time of claim settlement, the cost of depreciation is not deducted. Most of the car insurance companies allow only two zero depreciation claims in the policy term, while some car insurance companies in the market allow unlimited zero depreciation claims like IFFCO Tokio General Insurance Company.

- **Consumables Add-on Cover**

  The consumable is an additional add-on cover that covers the cost of consumable items such as air conditioner's gas, grease, bearings, lubricants clip, engine oil, fuel filter, oil filter, washers, break oil, screw, nut and bolt, etc, which are not covered in the standard car insurance plan.

❖ **Roadside Assistance Cover**

Roadside Assistance Cover is an additional add-on cover that provides roadside assistance service to the car owner in case the car breaks down in the middle of the road. The insurance company will arrange for a mechanic to look over the car and provide assistance with just a phone call. Change a flat tyre, perform basic repairs on site, arrange for replacement of car keys, start a battery, and other services are provided under this add-on cover.

❖ **Engine Protection Cover**

Engine Protection Rider covers loss or damage to the engine of the car due to problems like electrical or mechanical failure, water infiltration, oil leakage etc. It provides financial coverage for replacement of car engine and its parts. However, similar to zero depreciation cover, engine protection cover is offered only to cars that are less than five years old.

❖ **No Claim Bonus Protection Cover**

No Claim Bonus Protection Rider is used to protect the No Claim Bonus (NCB) of the vehicle owner even if they file a claim during the policy term. It enables the insured to reduce his premium amount by using NCB, irrespective of whether a claim is made. NCB protection cover is applicable only on own damage insurance premium as third party insurance premium is determined by IRDAI and cannot be changed.

❖ **Daily Allowance Cover**

Daily Allowance cover is an optional add-on cover that provides daily cash allowance to the policyholder to take care of daily traveling allowance at the time of car repairs in the garage. It reimburses the car owner for any costs incurred while renting the car or taking public transportation for travel while the car was in a network garage for repairs. However, this add-on rider is applicable only if the car has been repaired in a network garage.

❖ **Passenger Cover**

Passenger Protection Cover is an optional rider that pays for any medical expenses incurred by the passenger of the insured vehicle due to the accident. It pays for the cost of medical care, hospitalization and ambulance charges. Additionally, it offers compensation in case the insured person is killed or disabled due to an accident.

❖ **Tyre Protect Cover**

A standard car insurance plan does not cover damage or loss of tires if they are not due to an accident. This is where the tire protection cover comes in handy. Tyre protection is an additional add-on rider that reimburses the amount for repair and replacement of tires of the insured car such as tire cut, tire burst, puncture etc.

❖ **Key Replacement Cover**

The cost of replacing high-end or technologically advanced car keys is around INR 10K and sometimes even more. The cost of replacing car keys in case of misplaced, stolen, damaged, or even in need of lock replacement is covered by the Key Replacement Add-on Cover.

❖ **Loss of Personal Belonging Cover**

An add-on rider called Loss of Personal Belongings provides financial assistance in case of the insured car or personal belongings being stolen from the car. It also offers coverage in case of any damage caused to the personal belonging inside the car.

*(Courtesy : Renewbuy)*

# Cyber Insurance is back from the brink after onslaught of Ransomware attacks

The cyber-insurance market, battered by a rash of pandemic-era ransomware attacks, is making a comeback. Price hikes are moderating, new carriers and fresh sources of capital are emerging, and companies can better afford coverage.

Cyber-insurance pricing increased 10% from a year earlier in January, a fraction of the 110% annual increase reported in the first quarter of 2022, preliminary data from insurance broker Marsh McLennan show. If those trends continue, prices could be set to decline, said Tom Reagan, Marsh's cyber practice leader.

The reversal would follow a wave of digital intrusions that dominated the work-from-home era and forced insurers to recalibrate both how they write policies and their risk appetites. Those attacks also pushed their clients to adopt stronger cybersecurity measures. The brutal conditions in the market have let up since then, with claim frequency declining in the fourth quarter of 2022 even as severity remained elevated, according to Marsh.

"What we're left with is a very, very, very different market than what we went into two or three years ago," said Paul Bantick, the global head of cyber risks at London-based insurer Beazley Plc. "We have a mature market that has stood up against a huge test."

The risks posed by cyber criminals are still enormous. Ransomware attacks against industrial organizations increased by 87% in 2022 from the year before, while the US Treasury Department said financial institutions flagged nearly $1.2 billion in likely ransomware-related payments in 2021. Recent high-profile breaches at financial services firm ION Trading UK and a major Asian data center emphasized the grim risk posed by hackers.

Even so, the total amount extorted from ransomware victims in 2022 dropped to $456.8 million from $765.6 million the year before, according to data from Chainalysis.

The cyber insurance market is primed for growth amid that uncertain backdrop. Reinsurer Swiss Re AG said in a report late last year that insurers worldwide wrote $10 billion in cyber premiums in 2021. The firm estimated that figure is set to exceed $23 billion by 2025. More than half of businesses have cyber policies, but fewer than 20% have limits on those policies exceeding the median ransomware demand, Swiss Re said. The cyber attacks that proliferated during the pandemic's work-from-home boom pressured insurers to become more discerning when writing policies. Since then, underwriters have fine-tuned their coverage, while clients appear to have sturdier defenses in place.

"The cyber market is continuing to evolve and will continue to do so as the threat actors change over time," Aon Plc President Eric Andersen said on a conference call with investors and analysts earlier this month. "When you think about the cyber market today and where it's going, I would say the insurers have actually gone back to basics."

Bowhead Specialty Underwriters Inc. also started writing cyber policies in 2022 after the firm decided the coverage would align well with its other lines of business, according to Chief Executive Officer Stephen Sills. "There was a relative shortage of capacity for a while," Sills said in a phone interview. "There's a belief on our part that the amount of claims and the number of severe claims has dropped of late."

Newcomers coming into the market are creating "a lot more competition," according to Adam Lantrip, who leads the cyber insurance practice at brokerage CAC Specialty. That's helping rates to normalize while allowing companies to rebuild the stack of insurance policies they use to protect themselves against an attack.

It's not just new entrants bringing more capital to bear on the market. Beazley launched a $45 million cyber catastrophe bond in January that it touted as the first of its kind. The security is meant to protect against a widespread event that inflicts more than $300 million in losses - the sort of attack that would represent a major threat to the industry. The issuance points to how much the market has matured, and how insurers are continuing to think about how to innovate in the space.

"We want to be there for the future. We want to be a sustainable business," said Michela Moro, a regional cyber head with insurer Allianz SA. "That's definitely had an impact on the way we handle the underwriting process but also how we try to provide support and thought leadership for our clients." (Source: Mint)

# Govt plans revamp of auto insurance policy

Uninsured vehicles plying on highways are set to be offered on-the-spot insurance cover, with the government discussing a plan that includes deducting the premium from the owner's Fastag account.

The new approach to motor insurance has been brought about by an alarming rise in uninsured vehicles on the road, estimated to be as much as 40-50% of all vehicles in India.

According to two people aware of the development, the Centre is discussing a mechanism that will provide mandatory third-party insurance cover for motor vehicle owners at the first instance when their uninsured vehicles are impounded by traffic police or transport department officials.

Third-party insurance covers medical and treatment expenses for accident victims.

"The hand-held devices with police and transport department officials would not only check for insurance status of vehicles using the road and highway ministry's Vahan app but also provide instant third-party insurance options with relevant policies of general insurers linked with the transport department's network," said one of the persons quoted above.

"For instant payment of premium for on-the-spot policies, insurance companies could also be brought to the Fastag platform along with banks, with the premium getting deducted from Fastag balance," he added.

An official at the General Insurance Council (GIC) said spot insurance was also discussed in a meeting of the Council, and recommendations for its implementation are being formulated and will be discussed in a 17 March meeting.

GIC is a body of the non-life insurance industry that guides government policy.

The premium for third-party insurance depends on the size and age of vehicles, ranging from Rs. 2,072 for 1000cc-passenger vehicles to Rs. 3,221 for 1000-1500cc vehicles and Rs. 7,890 for vehicles with above 1,500cc engines.

Questions sent to the spokespeople for ministries of finance, and road transport and GIC remained unanswered till press time.

Officials across ministries said some way forward on the proposal would be made soon, and state governments would also be roped in to bring in the true integration of insurance, transport and prosecution agencies for the larger goal of making Indian roads safer.

"Insurance regulator IRDAI has already allowed insurance companies to issue temporary or short-term motor insurance for impounded vehicles. This could be replaced by a full third-party cover for the uninsured once systems are linked for delivery of the product," said another official, who did not want to be identified.

Legal issues related to the changes are being studied, and if needed, the Motor Vehicles Act and insurance rules could be amended to allow for the roll-out of the proposal.

Even as India embarks on a plan to build a network of highways and expressways for fast movement of passengers and goods, road safety continues to be a major problem -- it's a developmental issue, a public health concern and a leading cause of death and injury.

At least one in 10 people killed on the road across the world is from India, according to the World Health Organization. This move will ensure immediate funds for road accident victims, thus helping reduce fatalities on Indian roads. (Source: Mint)

Advertorial

# Events and Happenings at Birla Institute of Management Technology (BIMTECH)

## Upcoming Convocation Day at BIMTECH

BIMTECH is all set to host the 35th (2021-23 Batch) Convocation programme on Saturday, 15th April, 2023 at the Banquet Hall, Second Floor, India Exposition Mart (Expo Mart), Knowledge Park 2, Greater Noida.

BIMTECH is honoured to have the presence of ShriTapan Singhel, Managing Director & CEO, Bajaj Allianz General Insurance Ltd., is a renowned insurance veteran who has consented to be the Chief Guest at this year's convocation ceremony.

## Faculty Achievement

Publication of Article in leading financial daily Economic Times.

Prof. Abhijit K. Chattoraj, Dean (SW); Professor & Chairperson of PGDM - (Insurance Business Management), and Mrs. Maya Vimal Pandey, Doctoral Researcher at BIMTECH jointly wrote an article titled ""Women's health issues need special attentions; Make sure your health insurance cover addresses these" which got published in leading financial newspaper The Economic Times - ET Prime edition.

## Campus Industry connect initiative.

BIMTECH had the pleasure to host Mr. VikramJeetBhayana, Marketing Head of Bajaj Allianz General Insurance, a leading Indian general insurance company at BIMTECH camous on 13 th March,2023. Mr. Bhayana had a interactive discussion on the changing face of insurance sales & growth of digital marketing. He shared his insights of insurance sector and provided information on digital marketing. He talked about the need to have domain knowledge for both growth and survival in the industry and the need to network with people in domain area for success.

## Alumni Activity

Club INMOS - the insurance club at Birla Institute of Management Technology (BIMTECH) hostedits own senior alumni Rajesh Kumar Sinha for a Leadership talk on "The Use of Technology in Insurance" on February 24th, 2023.

## Launch of new learning module for students

Club INMOS BIMTECH, the insurance club of Birla Institute of Management Technology announcedthe launch of a free learning module on LifeLessons from Shri TapanSinghel, MD & CEO of Bajaj Allianz General Insurance (BAGIC).
The module is targeted at young professionals &students. On successful completion of the module, participants would get a certificate jointly issued by BIMTECH & BAGIC.

# Legal Update

## HC: Tyre burst not act of God, insurer must pay

Bombay High Court has ruled that a tyre burst is not an Act of God, but an act of human negligence and hence, directed an insurance company to pay compensation to a petitioner. The verdict comes in a case of a car accident in which a man lost his life after the tyre of the car he was travelling in burst, resulting in the car toppling.

The insurer, New India Assurance Co Ltd refused to pay compensation, saying that the accident was an 'Act of God'. Justice S G Dige passed the order on an appeal by the company against the June 7, 2016 order of the Motor Accident Claims Tribunal, Pune, that directed it to pay almost Rs 1.25 crore with a 9% interest to the family of the deceased, Makarand Patwardhan.

On October 25, 2010, Patwardhan (38) was travelling from Pune to Mumbai with two colleagues when the tyre of the vehicle burst they were travelling in, causing the vehicle to spin out of control and crash into a ditch. The vehicle was reportedly being driven by Patwardhan's colleague in a rash and negligent manner.

The insurer had claimed that the Tribunal awarded an exorbitant compensation, but Justice Dige noted that an Act of God is an instance of uncontrollable natural forces in operation, where no human is responsible. He said that the bursting of a tyre cannot be termed as an Act of God, and it is indeed, an act of human negligence. Justice Dige added that the reasons for tyre bursts include underinflation, over-inflation, second-hand tyres, tyre temperature and high-speeds.

## Insurer not injured party

Public sector insurer Oriental Insurance Company lost to HCL Infosystems at Delhi High Court after failing to convince the court that the arbitration tribunal's order directing it to pay HCL Rs. 2.24 crore, arbitration fees and other charges was incorrect.

In a 2016 tender floated by Oriental Insurance for an 'enterprise content management' solution, HCL was the successful bidder, quoting Rs. 15.98 crore. Oriental Insurance withheld 10 per cent for 'liquidated damages' over a delay in service.

The arbitration tribunal ordered Oriental Insurance to pay HCL the withheld amount with 18 per cent interest, apart from the arbitrator's fee of Rs. 10.87 lakh.

Oriental Insurance approached Delhi High Court, arguing that it was the injured party and that the 18 per cent interest was unconscionably high.

However, Justice Chandra Dhari Singh disagreed and dismissed Oriental Insurance's petition.

Indian Oil Corporation has won an insolvency case filed against it by Satec Envir Engineering (India) Pvt Ltd, an operational creditor, which claimed that IOC owed it Rs. 5.82 crore.

Delivering their verdict, Kishore Vemulapali (judicial member) and Prabhat Kumar (technical) of the National Company Law Tribunal, Mumbai Bench, underscored a key aspect of the Insolvency and Bankruptcy Code (IBC), namely insolvency proceedings can only be triggered by the existence of debt and not if the debt itself is in dispute. Nor does an insolvency court get into the adjudication of the dispute.

The judges said, "We consider that there exists a dispute requiring adjudication thereof and we cannot go into adjudication of dispute, whatsoever it may be, under the code."

Dismissing Satec Envir's petition filed under Section 9 of IBC, the tribunal said: "We cannot hold that there is default by the corporate debtor in payment of debt amount as existence of such debt is itself in dispute in view of various correspondence(s) placed on record."

## Hospitalisation not must for claiming medical insurance

A person can claim insurance even if s/he was not admitted to a hospital, or was admitted for less than 24 hours, a Vadodara consumer forum observed while ordering an insurance firm to make a payout to Rameshchandra Joshi, a resident of the city.

The Vadodara Consumer Disputes Redressal Commission (additional) observed that with the advent of new technology, patients sometimes are treated in lesser time or without being hospitalised. "If the patient isn't admitted, or is treated in less time after being admitted due to new techniques, the insurance firm can't reject the claim by saying that the patient wasn't admitted," the forum added.

Joshi had filed a complaint against National Insurance Company Ltd in August 2017 after the firm rejected his claim. Joshi's wife had dermatomyositis in 2016 and was admitted to Lifecare Institute of Medical Science and Research Centre in Ahmedabad. She was discharged the next day after treatment.

Joshi filed for an insurance claim of Rs 44,468 but the firm rejected it by citing clause 3.15 and arguing that she wasn't admitted continuously for 24 hours as per the clause in the policy. He presented all the documents before the consumer forum and stated that his wife was admitted at 5.38 pm on November 24, 2016 and discharged at 6.30 pm on November 25, 2016, which was over 24 hours. The forum said that even if it is assumed that the patient was admitted to a hospital for less than 24 hours, in the modern age new treatments and medicines have been developed and doctors provide treatment accordingly. The insurer was ordered to pay Joshi Rs 3,000 for mental harassment and Rs 2,000 towards litigation costs.

## Chhattisgarh man fakes family's death for insurance money

Under debt and pressure from loan sharks, a man faked his and his family's death by leaving a charred car in Kanker district in Bastar division of Chhattisgarh and going missing on March 1. He hoped to get Rs 72 lakh as death claim from insurers and planned to pay off his debts worth Rs 35 lakh.

In 13 days flat, his plan was unmasked as a manhunt by police, convinced that the family was alive, forced businessman Samiran Sikdar (29) to return on Tuesday. Police said Samiran, his wife Jaya, and their two children went missing without a trace and their burned car was found near a forest in Charama.

While the police were busy scanning CCTV footage and tracing mobile phones of the family, Samiran was switching locations as he travelled to Allahabad, Patna, Guwahati, Ranchi and Sambalpur.

Kanker SP Shalabh Sinha said that on March 1, while returning from Raipur, Samiran halted at Dhamtari and checked in at a hotel where he left his family and drove towards Charama. He dashed the car to a roadside tree and torched it with the fuel he had brought.

He then walked down to the bus stand and went back to Dhamtari from where the entire family took buses to travel to other cities, including Raipur, where he was last seen at a photo studio. His mobile phone was switched off, but he managed a temporary number and a handset in Allahabad through which he kept a tab on news reports and details of police investigation. ❑

## Insurers, pension cos must back startups

At a time when the global economic downturn has squeezed overseas funding for local startups substantially, Amitabh Kant, India's G20 Sherpa has made a case for domestic insurance companies and pension funds to take the lead in investing into startups.

"The challenge is that Indian insurance companies and pension funds are still not investing in startups. There's a vast amount of investable sums. They must be asked to put more and more resources into Indian startups," Kant said at a summit in New Delhi.

Much of the growth to late stage startups are heavily dependent on external funding to support and grow their businesses. Investors like Japan's SoftBank, US-based Tiger Global are among the biggest backers of Indian startups. "Money (into startups) comes from Silicon Valley or many other funds from across the world. Indian startups must start attracting Indian money," said Kant, while adding that pension funds and insurance firms could perhaps look at the possibility of setting up a funding corpus like the 'fund of funds' to support startups working in new, emerging areas like deep tech.

# Insurance Caselaws

## Whether there is any strait jacket formula for awarding compensation under the heads, pain and suffering and loss of amenities and happiness?

**Sri. Benson George**
**v.**
**Reliance General Insurance Co. Ltd**
**Civil Appeal No. 1540 of 2022**

***Policy type- Third Party Insurance***

The Supreme Court examined its previous decisions in Raj Kumar v. Ajay Kumar and Anr. (2011)1SCC 343 and Lalan D. v. Oriental Insurance Company Limited (2020)9SCC 805, and observed that the amount of compensation to be awarded under the heads, pain and suffering and loss of amenities and happiness cannot be based on a straight jacket formula. It depends upon the facts and circumstances of each case and varies from person to person who has suffered due to the accident. So far as awarding compensation under the head pain, shock, and suffering is concerned, multiple factors are required to be considered namely, prolonged hospitalization, the grievous injuries sustained, the operations underwent and the consequent pain, discomfort and suffering. Similarly, loss of amenities and happiness suffered by the claimant and his family members also depend upon various factors, including the position of the claimant post accident, and whether, he is in a position to enjoy life and/or happiness which he was enjoying prior to the accident. The Court accordingly enhanced the compensation awarded to the claimant under the head loss of amenities and happiness.

## What are the rules to be observed for making a proposal for insurance?

**Manmohan Nanda**
**v.**
**United India Assurance Co. Ltd. and Ors.**
**I(2022)CPJ20(SC)**

***Policy type- Overseas Mediclaim Policy-B***

The Supreme Court while allowing an insurance claim of the insured under a mediclaim policy summarized the rules to be observed in making a proposal for insurance, namely, (a) a fair and reasonable construction must be put upon the language of the question which is asked, and the answer given will be similarly construed; (b) carelessness is no excuse, unless the error is so obvious that no one could be regarded as misled; (c) an answer which is literally accurate, so far as it extends, will not suffice if it is misleading by reason of what is not stated; (d) where the space for an answer is left blank, leaving the question un-answered, the reasonable inference may be that there is nothing to enter as an answer; (e) where an answer is unsatisfactory, as being on the face of it incomplete or inconsistent the insurers may, as reasonable men, be regarded as put on inquiry, so that if they issue a policy without any further enquiry they are assumed to have waived any further information; (f) a proposer may find it convenient to bracket together two or more questions and give a composite answer; (g) any answer given, however accurate and honest at the time it was written down, must be corrected if, up to the time of acceptance of the proposal, any event or circumstance supervenes to make it inaccurate or misleading.

## Effect of delayed notification regarding theft of vehicle?

**Jaina Construction Company**

**v.**

**The Oriental Insurance Company Limited and Ors.**

**I(2022)CPJ119(SC)**

***Policy type- Motor Insurance Policy***

The insurer repudiated the insured's claim in toto on the ground that there was a delay in informing the insurance company regarding the theft of the vehicle. The condition in question mandated the insured to give immediate notice to the insurer of the accidental loss/damage but was given by the insured after a lapse of 5 months from the loss. Relying on Gurshinder Singh v. Shriram General Insurance Co. Ltd. and Anr. 2020 (11) SCC 612, the Supreme Court observed since the FIR was lodged immediately on the next day of the occurrence of theft of the vehicle by the insured and the vehicle could not be traced out, a delay of about five months in informing and lodging the claim with the insurer would not be fatal. The Court held that when the insurer has repudiated the claim only on the ground of delay, and the claim of the insured was not found to be not genuine, the insurer's repudiation could not be sustained.

## Duties of an insurer, when a policy holder seeks renewal of an existing policy?

**Jacob Punnen and Ors.**

**v.**

**United India Insurance Co. Ltd.**

**I(2022)CPJ87(SC)**

***Policy type- Medical Insurance Policy***

The Supreme Court rejected the insurer's argument that the consumer was under an obligation to inquire about the terms of the policy, and any changes that might have been introduced, in the standard terms. The state of the law as observed was that an insurer was under a duty to disclose any alteration in the terms of the contract of insurance, at the formation stage or as in this case, at the stage of renewal. The insurer cannot be heard to say that the insured was under an obligation to satisfy itself, if a new term had been introduced. In the facts of the case, the Court observed that medical or health insurance cover becomes crucial with advancing age; the policy holder is more likely to need cover; therefore, if there are freshly introduced limitations of liability, the insured may, if advised properly, and in a position to afford it, seek greater coverage, or seek a different kind of policy. Further, most policies - health and medical insurance policies being no exception, are in standard form. One who seeks coverage of a life policy/a personal risk, such as accident or health policy has little choice but to accept the offer of certain standard term contracts. Therefore, relying on the IRDA (Health Insurance) Regulations, 2016, the Court observed that it is the insurer's obligation to inform every policy holder, about any important changes that would affect her or his choice of product.

## Can the Court adopt liberal interpretation while interpreting terms of the insurance policy?

**Life Insurance Corporation of India and Ors.**

**v.**

**Sunita Life Insurance Corporation of India and Ors.**

**(2022)1SCC68**

***Policy type- Life Insurance Policy under the Jeevan Suraksha Yojana***

The accident claim benefit as per the terms of the insurance policy was payable only if the policy was in force on the date of the accident. In this case, the policy had lapsed at the time of accident and the premium was sought to be paid three days after occurrence of accident. However, the complainant contended that the premium was paid along with late fee charges and therefore, the policy had stood revived before the death of the complainant's husband. In rejecting the claim of the complainant, the Supreme Court relied upon its own decision in Vikram Greentech (I) Ltd. v. New India Assurance Co. Ltd. (2009) 5 SCC 599. In that case, the Court had observed that in a contract of insurance, there is requirement of uberrima fides i.e. good faith on the part of the insured. The four essentials of a contract of insurance are: (I) the definition of the risk, (ii) the duration of the risk, (iii) the premium, and (iv) the amount of insurance. Upon issuance of the insurance policy, the insurer undertakes to indemnify the loss suffered by the insured on account of the risks covered by the insurance policy. Accordingly, the Court held that terms of insurance policy have to be strictly construed, and it is not permissible to rewrite the contract while interpreting the terms of the Policy. ❑

# GROSS DIRECT PREMIUM INCOME UNDERWRITTEN BY NON-LIFE INSURERS WITHIN INDIA (SEGMENT WISE) : FOR THE PERIOD UPTO FEBRUARY 2023 (PROVISIONAL & UNAUDITED) IN FY 2022-23 (Rs. In Crs.)

| | Fire | Marine Total | Engineering | Motor Total | Health | Aviation | Liability | P.A. | All Other Misc (Crop Insurance + Credit Guarantee+ All other misc) | Grand Total | Market % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **General Insurers** | | | | | | | | | | | |
| Acko General Insurance Ltd | 0.00 | 0.00 | 0.00 | 597.65 | 630.44 | 0.00 | 73.29 | 5.66 | 28.85 | 1335.89 | 0.57% |
| Bajaj Allianz General Insurance Co Ltd | 2014.72 | 267.35 | 273.86 | 4749.64 | 2916.84 | 11.63 | 475.66 | 210.77 | 3297.29 | 14217.77 | 6.11% |
| Cholamandalam MS General Insurance Co Ltd | 598.52 | 116.44 | 26.20 | 3918.16 | 534.89 | 0.00 | 22.08 | 283.13 | 72.05 | 5571.46 | 2.39% |
| Zuno General Insurance Limited $ | 25.40 | 1.12 | 4.97 | 276.54 | 155.56 | 0.00 | 0.05 | 26.19 | 2.74 | 492.57 | 0.21% |
| Future Generali India Insurance Co Ltd | 450.72 | 102.41 | 63.11 | 1493.31 | 726.01 | 0.37 | 60.40 | 94.28 | 1033.73 | 4024.34 | 1.73% |
| Go Digit General Insurance Ltd | 397.34 | 32.18 | 54.69 | 3463.42 | 701.36 | 0.00 | 641.53 | 150.11 | 50.83 | 5491.46 | 2.36% |
| HDFC Ergo General Insurance Co Ltd | 1574.02 | 206.34 | 185.69 | 4231.39 | 4279.76 | 18.45 | 510.51 | 555.32 | 3110.08 | 14671.56 | 6.31% |
| ICICI Lombard General Insurance Co Ltd | 2970.63 | 705.16 | 609.42 | 7708.56 | 4633.89 | 168.42 | 769.47 | 543.21 | 1357.77 | 19466.53 | 8.37% |
| IFFCO-Tokio General Insurance Co Ltd | 895.02 | 285.26 | 141.43 | 3705.03 | 1947.85 | 0.00 | 215.27 | 118.79 | 1568.19 | 8876.84 | 3.82% |
| Kotak Mahindra General Insurance Co Ltd | 63.32 | 16.38 | 7.75 | 449.61 | 364.61 | 0.00 | 1.09 | 52.05 | 31.78 | 986.59 | 0.42% |
| Liberty General Insurance Co. Ltd | 76.87 | 36.13 | 29.91 | 1248.21 | 294.55 | 0.00 | 18.74 | 18.79 | 58.92 | 1782.12 | 0.77% |
| Magma HDI General Insurance Co Ltd | 300.37 | 31.09 | 9.47 | 1711.10 | 219.18 | 0.00 | 59.39 | 8.82 | -0.67 | 2338.75 | 1.01% |
| National Insurance Co Ltd | 1041.14 | 238.95 | 298.46 | 4546.98 | 6423.11 | 49.47 | 158.09 | 421.59 | 478.35 | 13656.14 | 5.87% |
| Navi General Insurance Co. Ltd | -0.59 | 0.00 | 0.00 | 27.42 | 38.49 | 0.00 | 0.00 | 0.12 | 0.02 | 65.46 | 0.03% |
| Raheja QBE General Insurance Co Ltd | 21.70 | 0.01 | 2.52 | 268.05 | 12.53 | 0.00 | 61.96 | 0.44 | 0.34 | 367.55 | 0.16% |
| Reliance General Insurance Co Ltd | 984.47 | 123.88 | 193.54 | 3684.80 | 1303.00 | 21.48 | 72.20 | 159.99 | 2999.99 | 9543.34 | 4.10% |
| Royal Sundaram General Insurance Co Ltd | 275.66 | 47.46 | 52.48 | 2207.51 | 394.24 | 0.00 | 12.73 | 40.03 | 9.91 | 3040.02 | 1.31% |
| SBI General Insurance Co Ltd | 1462.16 | 78.30 | 67.19 | 2514.40 | 2033.59 | -0.09 | 56.31 | 872.48 | 2522.72 | 9607.05 | 4.13% |
| Shriram General Insurance Co Ltd | 70.60 | 1.91 | 14.63 | 1850.13 | 2.43 | 0.00 | 5.34 | 48.14 | 13.21 | 2006.39 | 0.86% |
| Tata AIG General Insurance Co Ltd | 1783.42 | 633.33 | 156.30 | 5854.16 | 2061.98 | 68.11 | 491.36 | 417.69 | 330.93 | 11797.29 | 5.07% |
| The New India Assurance Co Ltd | 3843.78 | 886.06 | 811.10 | 8074.23 | 15596.83 | 294.70 | 462.45 | 545.35 | 1067.19 | 31581.69 | 13.57% |
| The Oriental Insurance Co Ltd | 1470.53 | 428.77 | 305.24 | 3243.11 | 7752.14 | 119.99 | 129.20 | 508.44 | 425.45 | 14382.87 | 6.18% |
| United India Insurance Co Ltd | 1721.93 | 411.03 | 387.81 | 5365.87 | 6604.25 | 53.31 | 225.69 | 394.77 | 950.60 | 16115.26 | 6.93% |
| Universal Sompo General Insurance Co Ltd | 198.44 | 42.68 | 9.58 | 1670.73 | 264.75 | 0.00 | 16.54 | 180.87 | 1492.14 | 3875.73 | 1.67% |
| **General Insurers Sub Total** | **22240.17** | **4692.24** | **3705.35** | **72860.01** | **59892.28** | **805.84** | **4539.35** | **5657.03** | **20902.41** | **195294.67** | **83.94%** |
| Previous Year Sub Total | 20142.78 | 3842.78 | 3182.84 | 63052.13 | 48788.09 | 805.99 | 3881.31 | 5412.87 | 17958.66 | 167067.38 | |
| % Growth | 10.41% | 22.11% | 16.42% | 15.56% | 22.76% | -0.02% | 16.95% | 4.51% | 16.39% | 16.90% | |
| **Health Insurers** | | | | | | | | | | | |
| Niva Bupa Health Insurance Co Ltd | 0.00 | 0.00 | 0.00 | 0.00 | 3452.79 | 0.00 | 0.00 | 67.95 | 0.00 | 3520.74 | 1.51% |
| Aditya Birla Health Insurance Co Ltd | 0.00 | 0.00 | 0.00 | 0.00 | 2224.85 | 0.00 | 0.00 | 144.87 | 0.00 | 2369.72 | 1.02% |
| Care Health Insurance Ltd | 0.00 | 0.00 | 0.00 | 0.00 | 4292.88 | 0.00 | 0.00 | 303.63 | 0.00 | 4596.51 | 1.98% |
| ManipalCigna Health Insurance Co Ltd | 0.00 | 0.00 | 0.00 | 0.00 | 1167.11 | 0.00 | 0.00 | 27.80 | 0.00 | 1194.91 | 0.51% |
| Star Health & Allied Insurance Co Ltd | 0.00 | 0.00 | 0.00 | 0.00 | 10965.92 | 0.00 | 0.00 | 166.11 | 0.00 | 11132.03 | 4.78% |
| **Health sub Total** | **0.00** | **0.00** | **0.00** | **0.00** | **22103.55** | **0.00** | **0.00** | **710.36** | **0.00** | **22813.91** | **9.81%** |
| Previous Year Sub Total | 0.00 | 0.00 | 0.00 | 0.00 | 17370.49 | 0.00 | 0.00 | 666.81 | 0.00 | 18037.30 | |
| % Growth | 0.00 | 0.00 | 0.00 | 0.00 | 27.25% | 0.00 | 0.00 | 6.53% | 0.00 | 26.48% | |
| **Specialised Insurers** | | | | | | | | | | | |
| Agriculture Insurance Co Of India Ltd | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 13516.16 | 13516.16 | 5.81% |
| ECGC Ltd | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1024.20 | 1024.20 | 0.44% |
| **Specialised sub Total** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** | **14540.36** | **14540.36** | **6.25%** |
| **Industry Total** | **22240.17** | **4692.24** | **3705.35** | **72860.01** | **81995.83** | **805.84** | **4539.35** | **6367.39** | **35442.77** | **232648.94** | **100.00%** |
| Previous Year Sub Total | 20142.78 | 3842.78 | 3182.84 | 63052.13 | 66158.58 | 805.99 | 3881.31 | 6079.68 | 31886.28 | 199032.30 | |
| % Growth | 10.41% | 22.11% | 16.42% | 15.56% | 23.94% | -0.02% | 16.95% | 4.73% | 11.15% | 16.89% | |
| % Market Share | 9.56% | 2.02% | 1.59% | 31.32% | 35.24% | 0.35% | 1.95% | 2.74% | 15.23% | 100.00% | |

Note: Compiled on the basis of data uploaded by member insurers on Online Portal. $ Zuno General Insurance Limited formerly known as Edelweiss General Insurance Company Limited.

## Summary of New Business Performance of Life Insurers for the Period ended February-2023 (Provisional)

| Sl. No. | Particulars | Premium in Rs. Crores: Month of Feb-2023 | Premium in Rs. Crores: Upto Feb-2023 | Premium in Rs. Crores: Month of Feb-2022 | Premium in Rs. Crores: Upto Feb-2022 | Premium in Rs. Crores: YTD Variation in % | No. of Policies and Schemes: Month of Feb-2023 | No. of Policies and Schemes: Upto Feb-2023 | No. of Policies and Schemes: Month of Feb-2022 | No. of Policies and Schemes: Upto Feb-2022 | No. of Policies and Schemes: YTD Variation in % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Individual Single Premium | 3439.37 | 38539.33 | 3769.72 | 35496.09 | 8.57 % | 96041 | 1073745 | 113618 | 1058185 | 1.47 % |
| 2 | Individual Non Single Premium | 7938.30 | 79736.08 | 7121.17 | 69219.86 | 15.19 % | 2185963 | 22103506 | 2582640 | 22025544 | 0.35 % |
| 3 | Group Single Premium | 10508.51 | 186887.35 | 15155.36 | 139826.85 | 33.66 % | 126 | 1671 | 133 | 1455 | 14.85 % |
| 4 | Group Non Single Premium | 361.32 | 4855.53 | 6.23 | 30.29 | 60.32 % | 483 | 5170 | 534 | 6305 | -18.00 % |
| 5 | Group Yearly Renewable Premium | 600.14 | 8443.61 | 7.96 | 70.82 | 19.22 % | 2916 | 30655 | 2294 | 27704 | 10.65 % |
| 6 | **Grand Total** | **22847.65** | **318461.90** | **27464.76** | **254653.59** | **25.06 %** | **2285529** | **23214747** | **2699219** | **23119193** | **0.41 %** |

## Detailed New Business Performance of Life Insurers for the Period ended February-2023 (Provisional)

| Sl. No. | Particulars | Premium: Month of Feb-2023 | Premium: Upto Feb-2023 | Premium: Month of Feb-2022 | Premium: Upto Feb-2022 | Premium: YTD Variation in % | Policies: Month of Feb-2023 | Policies: Upto Feb-2023 | Policies: Month of Feb-2022 | Policies: Upto Feb-2022 | Policies: YTD Variation in % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Aditya Birla Sun Life Insurance Co. Ltd. | 612.62 | 6441.38 | 445.05 | 4655.22 | 38.37 % | 19363 | 202664 | 18368 | 189869 | 6.74 % |
| 2 | Aegon Life Insurance Co. Ltd. | 1.55 | 6.55 | 0.43 | 16.44 | -60.18 % | 418 | 2144 | 242 | 8731 | -75.44 % |
| 3 | Ageas Federal Life Insurance Co. Ltd. | 78.13 | 780.86 | 67.67 | 682.37 | 14.43 % | 3656 | 40337 | 3649 | 37286 | 8.18 % |
| 4 | Aviva Life Insurance Co. Ltd. | 31.13 | 253.77 | 25.73 | 229.45 | 10.60 % | 2788 | 23237 | 1943 | 17438 | 33.25 % |
| 5 | Bajaj Allianz Life Insurance Co. Ltd. | 929.88 | 9060.83 | 879.54 | 7463.64 | 21.40 % | 55923 | 520287 | 45462 | 399437 | 30.26 % |
| 6 | Bharti AXA Life Insurance Co. Ltd. | 94.75 | 834.14 | 79.11 | 773.95 | 7.78 % | 10571 | 89065 | 11063 | 100921 | -11.75 % |
| 7 | Canara HSBC Life Insurance Co. Ltd. | 274.10 | 3220.94 | 298.12 | 2447.14 | 31.62 % | 19142 | 154187 | 18900 | 148232 | 4.02 % |
| 8 | Edelweiss Tokio Life Insurance Co. Ltd. | 48.63 | 386.31 | 47.58 | 376.36 | 2.64 % | 8009 | 45153 | 8399 | 53725 | -15.96 % |
| 9 | Exide Life Insurance Co. Ltd. | 0.00 | 435.65 | 80.40 | 842.14 | -48.27 % | 0 | 61374 | 10924 | 107226 | -42.76 % |
| 10 | Future Generali India Life Insurance Co. Ltd. | 46.77 | 556.04 | 33.00 | 354.40 | 56.90 % | 3493 | 34250 | 3527 | 31264 | 9.55 % |
| 11 | HDFC Life Insurance Co. Ltd. | 2272.72 | 23071.43 | 2076.48 | 21136.73 | 9.15 % | 91472 | 823207 | 74777 | 788458 | 4.41 % |
| 12 | ICICI Prudential Life Insurance Co. Ltd. | 1330.44 | 14056.99 | 1340.22 | 12844.77 | 9.44 % | 51261 | 507036 | 56897 | 564679 | -10.21 % |
| 13 | IndiaFirst Life Insurance Co. Ltd. | 216.94 | 2388.97 | 211.25 | 2308.14 | 3.50 % | 28886 | 275810 | 26647 | 228268 | 20.83 % |
| 14 | Kotak Mahindra Life Insurance Co. Ltd. | 693.36 | 6181.55 | 572.21 | 4770.17 | 29.59 % | 32349 | 267379 | 33899 | 264815 | 0.97 % |
| 15 | Max Life Insurance Co. Ltd. | 726.19 | 6972.25 | 695.35 | 6510.75 | 7.09 % | 52416 | 480871 | 56507 | 515096 | -6.64 % |
| 16 | PNB Metlife Life Insurance Co. Ltd. | 278.88 | 2691.97 | 249.57 | 2013.26 | 33.71 % | 24326 | 247488 | 23825 | 218221 | 13.41 % |
| 17 | Pramerica Life Insurance Limited. | 92.72 | 581.43 | 27.96 | 257.31 | 125.96 % | 2793 | 29722 | 2872 | 24835 | 19.68 % |
| 18 | Reliance Nippon Life Insurance Co. Ltd. | 97.75 | 941.02 | 135.65 | 1120.15 | -15.99 % | 12857 | 133913 | 13945 | 137456 | -2.58 % |
| 19 | Sahara India Life Insurance Co. Ltd. | 0.00 | 0.00 | 0.00 | 0.00 | --- | 0 | 0 | 0 | 0 | --- |
| 20 | SBI Life Insurance Co. Ltd. | 2001.68 | 26084.12 | 1871.73 | 22613.36 | 15.35 % | 158068 | 1907406 | 163783 | 1658171 | 15.03 % |
| 21 | Shriram Life Insurance Co. Ltd. | 93.56 | 942.23 | 72.42 | 773.10 | 21.88 % | 20906 | 243323 | 21908 | 215451 | 12.94 % |
| 22 | Star Union Dai-Ichi Life Insurance Co. Ltd. | 255.44 | 2815.91 | 269.58 | 1707.65 | 64.90 % | 20376 | 172756 | 14708 | 113960 | 51.59 % |
| 23 | Tata AIA Life Insurance Co. Ltd. | 790.90 | 6574.62 | 496.39 | 4316.46 | 52.32 % | 50408 | 544489 | 50332 | 441350 | 23.37 % |
| | **PRIVATE TOTAL** | **10968.16** | **115278.96** | **9975.42** | **98212.96** | **17.38 %** | **669481** | **6806098** | **662577** | **6264889** | **8.64 %** |
| 24 | Life Insurance Corporation of India | 11879.49 | 203182.93 | 17489.34 | 156440.63 | 29.88 % | 1616048 | 16408649 | 2036642 | 16854304 | -2.64 % |
| | **GRAND TOTAL** | **22847.65** | **318461.90** | **27464.76** | **254653.59** | **25.06 %** | **2285529** | **23214747** | **2699219** | **23119193** | **0.41 %** |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