Insurance News Snippets

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I. WHAT'S HAPPENING AT NIA

1. Successful Completion of Induction Training Programme for Newly Recruited Officers of The New India Assurance Company Limited

The National Insurance Academy (NIA), Pune, successfully conducted the six-week Induction Training Programme for approximately 350 newly recruited Officers of The New India Assurance Company Limited (NIACL) from **27 April to 6 June 2026**. The programme was designed to equip the officers with the knowledge, skills, and professional competencies required to excel in the evolving insurance landscape. Through expert-led sessions, case studies, simulations, and interactive learning activities, participants gained comprehensive exposure to insurance operations, customer-centric practices, regulatory frameworks, and emerging industry trends. The programme also emphasized leadership, ethics, digital transformation, and operational excellence, preparing the officers for future challenges. The successful completion of the programme was celebrated with a valedictory ceremony, recognizing the dedication and achievements of the participants.


NEW INDIA ASSURANCE
दि न्यू इन्डिया एश्योरन्स कंपनी लिमिटेड
The New India Assurance Co. Ltd
NATIONAL INSURANCE ACADEMY
New India Assurance Co. Ltd.
6.06.2026

Over six weeks, the officers built lasting professional relationships, exchanged valuable learning experiences, and developed a strong foundation for their careers. NIA remains committed to nurturing insurance professionals and strengthening the talent ecosystem of the Indian insurance industry through high-quality learning and development initiatives.

The valedictory programme was graced by Dr. B. C. Patnaik, Director, National Insurance Academy, Pune, and Ms. Girija Subramanian, Chairman-cum-Managing Director, The New India Assurance Company Limited, who inspired the participants with their insightful addresses on leadership, professionalism, integrity, and lifelong learning. Throughout the six-week programme, the officers had the privilege of learning from distinguished industry leaders from The New India Assurance Company Limited and the experienced faculty members of National Insurance Academy, Pune. The comprehensive curriculum, combined with practical discussions, case studies, and interactive sessions, provided participants with valuable insights into insurance operations, customer service, emerging industry trends, and managerial excellence. The programme concluded with participants expressing their appreciation for the enriching learning experience and the strong professional foundation it provided for their careers.

2. Director, NIA, Attends Graduation Ceremony as Chief Guest

The Director of National Insurance Academy (NIA), Dr. B. C. Patnaik, attended the graduation ceremony of G. H. Raisoni College of Engineering & Management as the Chief Guest. The ceremony marked a significant milestone in the academic journey of the graduating students and celebrated their achievements in the presence of faculty members, parents, and distinguished guests. A total of 537 students were conferred their degrees, while around 70 meritorious students were specially honoured for their exceptional academic performance and outstanding accomplishments.

Addressing the graduating students, Dr. Patnaik highlighted India's remarkable progress in engineering, technology, and innovation, emphasizing the growing opportunities available to young professionals in the rapidly evolving global landscape. He encouraged the graduates to uphold the values of integrity, lifelong learning, and professional excellence while contributing meaningfully to society, industry, and the nation's development. He also urged them to embrace innovation and responsible leadership as they embark on their professional careers.

The event reflected NIA's continued engagement with leading academic institutions and reaffirmed its commitment to promoting excellence, leadership, innovation, and professional development among future professionals, fostering stronger academia-industry collaboration for the benefit of the next generation.


GHraisoni COLLEGE
Engineering and Management Pune
Graduation
Ceremony
Mr. B. C. Patnaik
Dr. R.D. Kharadkar


GHraisoni COLLEGE
Engineering and Management Pune
Graduation
Ceremony

II. REGULATORY DEVELOPMENTS

1. **Circulars:**
   a. Remuneration to Key Management Persons (KMPs)
   https://irdai.gov.in/web/guest/document-detail?documentId=9508062
2. **Press Release**:
   a. Minutes of 133rd Meeting of Authority
   https://irdai.gov.in/web/guest/document-detail?documentId=9472095
   b. Minutes of 134th Meeting of Authority
   https://irdai.gov.in/web/guest/document-detail?documentId=9490137
   c. 2026 Internship Notification at IRDAI
   https://irdai.gov.in/web/guest/document-detail?documentId=9505892
   d. Aligning Performance Parameters with Customer Outcomes and Transparency
   https://irdai.gov.in/web/guest/document-detail?documentId=9508739

3. **Orders**:
   a. Order in the matter of Nissan Renault Financial Services India Pvt Ltd.
   https://irdai.gov.in/web/guest/document-detail?documentId=9512013
   b. Order of IRDAI in the matter of M_s Omega Insurance Broking Services Pvt Ltd.
   https://irdai.gov.in/web/guest/document-detail?documentId=9512509

III. INSURANCE INDUSTRY FLASH FIGURES FOR MARCH 2025

For monthly insurance industry data, click on:

1. Life Insurance (Source: LI Council)
2. Non-Life Insurance (Source: GI Council)

IV. TOPICAL ARTICLE

Rethinking Motor Insurance in India: What the Global practices can teach us about Better Indemnification

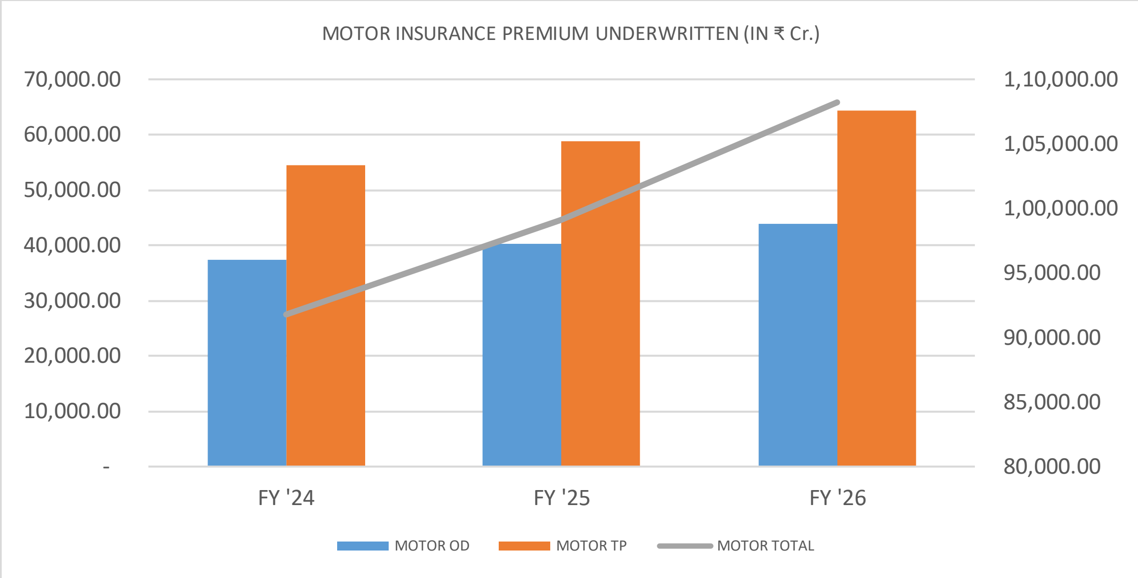
Motor insurance serves as one of the most visible and frequently utilized forms of general insurance, providing financial protection against accidental damage, theft, and third-party liabilities. At its core lies the principle of indemnity, which seeks to restore the insured or claimant to the same financial position they occupied immediately before the loss, without allowing financial gain or imposing unnecessary loss. While this principle is universal, its practical implementation differs significantly across insurance markets. Comparing practices in the United States and India highlights several opportunities for strengthening India's motor insurance ecosystem through improved vehicle valuation, repair methodologies, and claims management.

Current Landscape of Motor Insurance in India

India's motor insurance segment underwrote ₹91,781 crore in gross premium in FY24, rising 7.97% to ₹99,093 crore in FY25, and further to ₹1,08,216.08 crore in FY26, a roughly 9.2% increase over the prior year, broadly in line with the segment's recent growth pace. The FY26 figure accounted for roughly 32% of the country's total non-life insurance premium, according to IRDAI's FY26 segment-wise report. Of the FY26 total, motor own-damage premiums stood at ₹43,988.17 crore while the mandatory third-party component came in higher at ₹64,227.91 crore, together confirming third-party as the larger of the two segments, consistent with its dominant share of motor policies in recent years.

MOTOR INSURANCE PREMIUM UNDERWRITTEN (IN ₹ Cr.)			
	FY '24	FY '25	FY '26
MOTOR OD	37,325.41	40,354.83	43,988.17
MOTOR TP	54,455.44	58,711.02	64,227.91
MOTOR TOTAL	91,780.86	99,065.85	1,08,216.08

Source: Segment-wise Reports, General Insurance Council



Vehicle Valuation

Consequently, compensation is more closely aligned with the actual economic value of the vehicle immediately before the loss.

In the United States, insurers typically compensate claimants based on the Actual Cash Value (ACV) of the vehicle. ACV represents the actual economic value immediately before the accident by considering several dynamic factors, including vehicle age, mileage, maintenance history, accident records, modifications, regional market demand, and prevailing resale prices. Since vehicle values are influenced by numerous variables, ACV attempts to reflect the true economic worth of the automobile at the time of loss. Consequently, compensation is closely aligned with the amount required to replace a comparable vehicle in the market.

India, however, primarily relies on the Insured Declared Value (IDV) system. IDV is calculated by applying a standardized depreciation schedule to the manufacturer's listed selling price. This approach was introduced to simplify underwriting, promote consistency across insurers, and reduce disputes arising from subjective vehicle valuation. It also provides transparency in premium calculation and claims settlement. However, because IDV is primarily based on standardized depreciation, it may not always reflect the actual economic value of an individual vehicle. Two vehicles of the same make, model, and age may have significantly different economic values due to differences in maintenance quality, ownership history, service records, accident history, annual usage, modifications, and regional demand. Despite these differences, both vehicles may receive nearly identical IDVs, which can result in under-indemnification or compensation that does not accurately represent the vehicle's actual economic value. Unlike India's standardized IDV methodology, ACV is determined individually for each vehicle based on its condition and prevailing economic value at the time of loss.

A practical enhancement to the existing IDV framework would be to retain its standardized depreciation model while incorporating objective factors that influence a vehicle's residual economic value. In addition to vehicle age, the valuation could consider annual distance travelled, verified service history, previous accident and repair records, and the vehicle's operating profile, such as predominantly urban or highway usage. Regional factors, including the state of registration and principal place of use, could also be considered, as climatic conditions such as coastal humidity, flooding, extreme temperatures, and hilly terrain affect long-term vehicle deterioration. Local market conditions, including resale values, repair labour costs, and parts availability, could further refine valuations. Leveraging telematics, digital service records, and AI-driven analytics, insurers could develop a more accurate and transparent valuation methodology that better reflects a vehicle's actual economic value. Such an enhanced IDV framework would reduce valuation disputes, improve claim fairness, and strengthen the principle of indemnity.

Modernizing Claims Assessment

While accurate vehicle valuation is fundamental to fair indemnification, efficient claims assessment is equally important. Under the current regulatory framework, a licensed surveyor is generally required for motor claims exceeding ₹50,000. When the ₹50,000 threshold was introduced, it reflected the prevailing repair costs. However, rising labour charges, inflation, and the increasing use of advanced electronics, sensors, cameras, and Advanced Driver Assistance Systems (ADAS) have significantly increased repair costs, meaning that even relatively minor collisions can now exceed this limit.

Periodic revision of the surveyor threshold to reflect changing repair economics could improve claim efficiency without compromising claim quality. A higher threshold would allow surveyors to concentrate on technically complex, high-value, or suspicious claims, while enabling insurers to settle routine losses more quickly. Digital inspection tools, AI-assisted image analysis, and remote assessment platforms can support this process by assisting surveyors and improving documentation for straightforward claims, while physical inspections continue to remain essential where the nature or complexity of damage warrants detailed evaluation.

Repair Ecosystem

Another area where the U.S. motor insurance market offers valuable lessons is the integration of insurers, surveyors, repair facilities, and parts suppliers through digital platforms. Estimating solutions such as **CCC ONE**, **Mitchell Cloud Estimating**, and **Solera Audatex** enable stakeholders to prepare repair estimates, access OEM repair procedures, verify parts availability, and exchange claim information through a common workflow. This allows repairers and insurers to verify part availability, compare replacement options, and prepare repair estimates within the same workflow, reducing delays caused by manual parts sourcing.

The U.S. repair ecosystem also provides greater flexibility in replacement parts. Depending on insurer guidelines, vehicle age, and customer preference, repairers can source OEM, **CAPA-certified aftermarket**, or refurbished components. Suppliers such as **LKQ Keystone** integrate directly with estimating platforms like Mitchell Cloud Estimating, allowing repairers to compare pricing and availability in real time while maintaining quality standards through certifications such as **CAPA**.

In comparison, the Indian motor insurance ecosystem remains largely dependent on OEM parts supplied through authorized workshops, with limited integration between insurers, surveyors, repairers, OEMs, and parts suppliers. Expanding digital integration and introducing standardized certification for aftermarket and refurbished components while continuing to mandate OEM parts for safety-critical systems such as airbags, braking, steering, and ADAS could improve parts availability, reduce repair costs and vehicle downtime, and enable faster, more efficient claim settlements.

Conclusion

India's motor insurance framework has successfully provided a standardized and transparent approach to underwriting and claims settlement. However, changing vehicle technologies, rising repair costs, and increasing customer expectations present an opportunity to further strengthen the principle of indemnity. Rather than replacing the existing system, selective improvements such as enhancing the IDV methodology, periodically reviewing the surveyor threshold, and developing a more integrated repair ecosystem can build upon its existing strengths. By selectively adopting proven practices from the U.S. motor insurance market, India can strengthen the principle of indemnity while delivering faster, fairer, and more efficient claim settlements.

(Contributed by Devdoot Tarafdar, Student – PGDM, National Insurance Academy)

V. INSURANCE NEWS

Govt's Jan Suraksha Schemes Settle Claims Worth Rs 25,160 Crore Since 2015

The Centre's social security schemes, including Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), and Atal Pension Yojana (APY), have together settled claims worth around Rs 25,160 crore since their launch in 2015.

Read more at:
https://www.outlookmoney.com/news/govts-jan-suraksha-schemes-settle-claims-worth-rs-25160-crore-since-2015

GIC Re appointed manager of $1.4-b Bharat Maritime Insurance Pool

General Insurance Corporation of India (GIC Re) on Wednesday said it has been appointed by the Government of India as the Manager of the $1.4 billion Bharat Maritime Insurance Pool (BMIP). This sovereign-backed maritime insurance pool, launched by the Union Cabinet last month, will safeguard Indian-flagged vessels, India-controlled ships, and India-bound cargo navigating volatile maritime corridors, per a GIC Re statement.

Read more at:
https://www.thehindubusinessline.com/money-and-banking/gic-re-appointed-manager-of-14-b-bharat-maritime-insurance-pool/article70973824.ece#google_vignette

India launches $1.5 billion maritime insurance pool

Launching the pool, Financial services secretary M Nagaraju said it would bridge a key gap in India's maritime trade, which has so far relied heavily on foreign insurers. The pool offers a sovereign guarantee of $1.4 billion to support uninterrupted maritime insurance coverage. Read more at:

https://economictimes.indiatimes.com/industry/transportation/shipping-/-transport/india-launches-1-5-billion-maritime-insurance-pool-issues-first-covers/articleshow/131048821.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

100% FDI in insurance with regulatory safeguards

The liberalised policy also covers insurance intermediaries, including brokers, reinsurance brokers, consultants, third-party administrators, corporate agents, surveyors, loss assessors and insurance repositories. However, foreign investment in the Life Insurance Corporation of India will continue to be capped at 20 per cent under the automatic route. Read more at:

https://www.deccanchronicle.com/business/100-fdi-in-insurance-with-regulatory-safeguards-1954428

Prudential buys 75% stake in Bharti Life Insurance for ₹3,500 crore

In the first major insurance sector deal after the government notified 100 per cent foreign direct investment (FDI) in insurance, Bharti Enterprises on Sunday announced that Prudential plc, has agreed to acquire a 75 per cent stake in Bharti Life Insurance Company Ltd from Bharti Life Ventures Pvt Ltd and 360 ONE Asset Management, for an initial cash consideration of ₹3,500 crore payable on completion.

Read more at:
https://www.thehindubusinessline.com/money-and-banking/prudential-buys-75-stake-in-bharti-life-insurance-for-3500-crore/article70990664.ece

IRDAI wants insurance agent commissions to be based on sales effort

The move is part of a broader overhaul of distribution regulations that IRDAI is currently working on. The proposed framework is also expected to revisit norms governing bancassurance and agency channels, alongside rationalisation of overall commission limits and expenses of management (EoM). This comes amid rising concerns around distribution costs hurting insurance penetration.

Read more at:
https://www.cnbctv18.com/india/exclusive-irdai-wants-insurance-agent-commissions-to-be-based-on-sales-effort-ws-l-19900086.htm/amp

Jio Financial and Allianz Group formally launch 50:50 insurance JV

Jio Allianz General Insurance Ltd (JAGIL) was incorporated on May 12, 2026, following receipt of a no-objection certificate from the Insurance Regulatory and Development Authority of India (IRDAI) and a certificate of incorporation from the Ministry of Corporate Affairs

Read more at:

https://economictimes.indiatimes.com/industry/banking/finance/insure/jio-financial-and-allianz-group-formally-launch-5050-insurance-jv/articleshow/131065858.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Ebix Technologies aims 20% growth across insurTech, financial services business

Ebix Technologies Ltd, the financial technology arm of Ebix Group, is expanding its focus on insurance technology infrastructure and aims for about 20 per cent annual growth over the next three years. Alongside its insurance technology expansion plans, Ebix continues to strengthen its broader India financial services ecosystem through EbixCash and its integrated forex, remittance, travel, payments, and distribution businesses.

Read more at:
https://www.thehindubusinessline.com/money-and-banking/ebix-technologies-aims-20-growth-across-insurtech-financial-services-biz/article70997243.ece/amp/

Iran plans to offer insurance for Hormuz transit

Iran has moved a step further in its attempts to formalise its effective control over the Strait of Hormuz after the country's top security organ announced the formation of a new body to manage the key passage.

Read more at:
https://www.aljazeera.com/news/2026/5/18/iran-plans-to-offer-insurance-for-hormuz-transit-will-it-work

Rise Seen in Health Insurance Coverage Across India- NFHS-6

Health insurance coverage in India has seen a significant jump, according to the latest National Family Health Survey (NFHS-6). The survey found that 60.2% of Indian households now have at least one member covered by a health insurance or health financing scheme, up from 41% in NFHS-5 (2019-21).

Read more at:
https://www.ndtv.com/health/rise-seen-in-health-insurance-coverage-across-india-says-nfhs-6-what-this-means-11574767

LIC sees West Asia war hitting insurance growth amid lower savings

India's largest insurer, Life Insurance Corporation of India (LIC), expects growth to slow due to the West Asia war, but hopes to maintain its "double-digit growth" target for new business premium, managing director and chief executive R. Doraiswamy said on Thursday.

"It is expected that every sector will be impacted by the crisis. Naturally, when people experience some difficulties, savings and that too savings through life insurance, can certainly have an impact, but we will try our best to see that we continue to move towards our targeted growth rate," he said in the company's earnings call for the fourth quarter and 2025-26.

Read more at:
https://www.livemint.com/companies/company-results/lic-march-quarter-fy26-results-insurance-premium-growth-west-asia-war-11779373542637.html

Please share your feedback at http://niapune.org.in/in-feedback