



**In This Issue:**

**I. What's Happening at NIA**

1. International Colloquium on 'Transition to Stakeholders' Value Creation'
2. Virtual 74<sup>th</sup> Independence Day Celebration

**II. Upcoming Events at NIA**

1. Tatva - Virtual HR Summit 2020

**III. Industry Flash Figures**

1. Life Insurance
2. Non-Life Insurance

**IV. Topical Articles**

**V. Insurance News**

***I. WHAT'S HAPPENING AT NIA***

**1. International Colloquium on 'Transition to Stakeholders' Value Creation'**

An International Colloquium was conducted by National Insurance Academy on the topic '**Transition to Stakeholders' Value Creation'** on 21<sup>st</sup> August 2020. The programme inaugurated by IRDAI Chairman, Dr. S. C. Khuntia and was attended by about 100 participants consisting of CEOs, industry leaders and academicians.

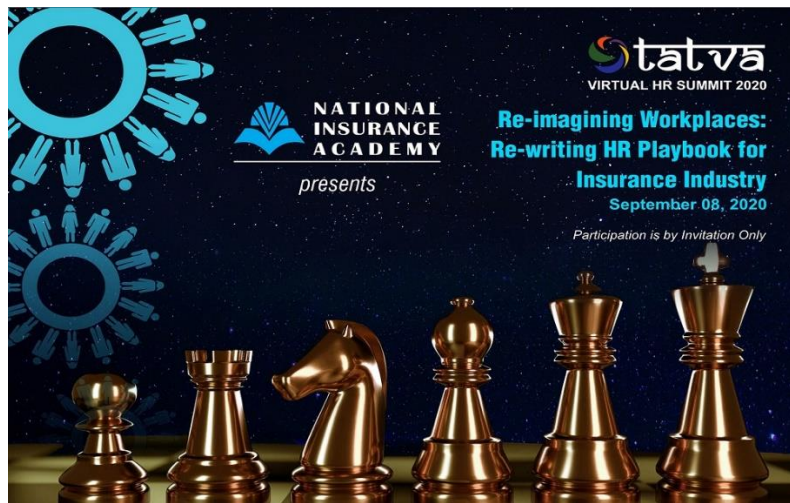
**2. Virtual 74<sup>th</sup> Independence Day**



Considering the social distancing norms, National Insurance Academy celebrated the 74<sup>th</sup> Independence Day virtually, wherein the PGDM students of NIA conducted an online cultural programme along with quiz.

## II. UPCOMING EVENTS AT NIA

### 1. Tatva- Virtual HR Summit 2020



National Insurance Academy is organising the annual event Tatva- HR Summit 2020 on 8th September 2020.

On account of the Covid-19 Pandemic, it will be a Virtual HR Summit this year. The theme for the event is 'Re-imagining Workplaces: Re-writing HR Playbook for Insurance Industry'.

Visit <https://niapune.org.in/tatva/> for more details.

Register at <http://bit.ly/TATVAregn>

## III. INSURANCE INDUSTRY FLASH FIGURES FOR JULY 2020

Click on:

1. [Life Insurance](#)
2. [Non-Life Insurance](#)

## IV. TOPICAL ARTICLES

### 1. Covid 19: A Thin Silver Lining

Nothing can be an unmixed blessing or an unmixed curse. This holds good for the Covid 19 as well.

The Covid 19 scare and the consequent safety protocols of home stay and social distancing resulted in the following clearly visible phenomenon:

1. People and families came together at home and this contributed to better quality time spending and improved bonding.
2. People adhered to healthy food habits prepared at home and started following some exercise regime which made them healthier and fitter.
3. People started working from home online which became a win- win for employees and organisations.
4. Many rediscovered their hobbies and started practising the same which improved happiness.
5. More time at hand was used by people to better connect with distant family members and friends.

However the most significant development is the major reduction of vehicular movement in and outside the cities. This resulted in drastic reduction in road accidents. The figure given to the Supreme court by the Road Safety Organisation has shown that between April to June quarter 2020 there were only 60,000 vehicle crashes as against 1,23,000 in corresponding period last year i.e. a reduction by 63,000 which is almost 51.2 per cent. Consequently, the road accident human death numbers also significantly reduced. Against last year April-June quarter fatality of 41,032 lives, this year it is only 20,300 a reduction of 50 per cent. This is a huge positive in terms of lives saved and the consequent impact on the family income and happiness. Injuries reduced by 69,402 cases from 1,27,000 last year. This means significant avoidance of disablements, pain, loss of income and happiness.

These developments resulted in better underwriting margins for general insurers.

On similar lines the fewer footfalls of persons in hospitals except for unavoidable morbidities and better health due to home stay, better food and cleaner air have been recorded evidenced by

records from hospitals and funeral services. These also have improved the health insurance claims outgo figures of insurers.

(By Mr. KK Panda, Faculty Member, NIA)

## **V. INSURANCE NEWS**

### **IRDAI to permit video-based KYC system for insurance companies**

After the banking regulator, now the Insurance Regulatory Development Authority of India (IRDAI) is set to open the gates for video-based verification of customers looking to buy insurance products.

The IRDAI said in a letter to insurance companies that they may use video-based identification process to simplify the Know-Your-Customer (KYC) requirements.

To read the whole article click on:

<https://www.moneycontrol.com/news/business/startup/exclusive-irdai-to-permit-video-based-kyc-system-for-insurance-companies-5776351.html>

### **Insurance companies roll out smart plans to attract customers**

As demand for insurance policies rise steadily after the Covid-19 pandemic, companies are leaving no stone unturned to launch consumer-friendly services. Insurers are also taking bigger and bolder digital moves for more convenience. For instance, Bajaj Allianz Life Insurance, recently launched a first-of-its-kind revolutionary technology service Smart Assist. The service will enable customers to connect with the company, through a secure screen sharing feature, to avail real-time assistance on completion of their journey, anywhere.

To read the whole article click on:

<https://www.newindianexpress.com/business/2020/aug/31/insurance-companies-roll-out-smart-plans-to-attract-customers-2190500.html#:~:text=For%20instance%2C%20Bajaj%20Allianz%20Life,completion%20of%20their%20journey%2C%20anywhere>

## **Pollution certificate must for renewals, not claims: IRDAI clarifies**

Insurance sector regulator Insurance Regulatory and Development Authority of India (IRDAI) has reiterated the need for vehicles to have valid Pollution Under Control (PUC) certificates if insurance policies are to be renewed. However, following “misleading” rumours that the same condition applied to motor claims, the regulator clarified that claims could not be rejected on the basis of PUC certificates.

To read the whole article click on:

<https://www.newindianexpress.com/business/2020/aug/31/pollution-certificate-must-for-renewals-not-claims-irdai-clarifies-2190498.html#:~:text=However%2C%20following%20%E2%80%9Cmisleading%E2%80%9D%20rumours,the%20basis%20of%20PUC%20certificates>

## **Insurer launches helpline to address COVID-19 mental health issues**

Aditya Birla Health has launched HeartToHeart, a 24/7 mental health helpline facility to address the mental health crisis in the wake of the COVID-19 outbreak across the country.

The rising number of cases of job losses and health issues in the midst of the COVID-19 outbreak has increased the stress levels of people across the country. Mental illness has been an issue of much concern today and it is estimated that around 10% of the Indian population could require active intervention for prevailing mental problems.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/73379/Type/eDaily/India-Insurer-launches-helpline-to-address-COVID-19-mental-health-issues>

## **Australia: Four big post-pandemic risks for insurers**

Four major risks for Australian insurers are emerging in the new business environment: Decreasing premium pool, workforce claims spikes, operational productivity and risk - and government financial services reforms.

InsurTech firm Xceedance VP and country manager Stephen Browne says that insurance as a risk-based industry is in the firing line for major impacts from the changed business environment after the

pandemic. Furthermore, as the Australian government winds up COVID-19 assistance packages, many businesses will be hit hard.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/73381/Type/eDaily/Australia-Four-big-post-pandemic-risks-for-insurers>

## **Insurance for Jan Dhan a/c holders: FM**

Holders of Jan Dhan accounts will be offered government-backed life and accident insurance, the finance ministry said, signalling an expansion of social security for the poor.

The schemes on offer are the PM Jeevan Jyoti Bima Yojana (PMJJBY) and PM Suraksha Bima Yojana (PMSBY). Both are available to those who hold bank accounts under the Jan Dhan Yojana.

To read the whole article click on: <https://www.livemint.com/news/india/insurance-for-jan-dhan-a-c-holders-fm-11598668623523.html>

## **Make process of claims seamless, painless: Anurag Thakur tells insurers**

Minister of State for Finance Anurag Thakur asked the insurance industry to focus on “ease of claims” with a view to making the whole process painless and seamless.

The insurance industry should gear up to seize the moment as the post-COVID-19 world is going to be very different, he added.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/make-process-of-claims-seamless-painless-anurag-thakur-tells-insurers/2068395/#:~:text=Minister%20of%20State%20for%20Finance,be%20very%20different%2C%20he%20added>

## **Promoters infuse Rs 100 crore capital in Liberty General Insurance**



Non-life insurer Liberty General Insurance said its promoters have infused Rs 100 crore.

The company also denied market rumours and speculation of any stake sale. A report had stated that Sachin Bansal is looking to buyout its promoters: American insurer Liberty Mutual Insurance Group, Enam Securities, and DP Jindal Group.

To read the whole article click on: <https://www.moneycontrol.com/news/business/promoters-infuse-rs-100-crore-capital-in-liberty-general-insurance-5769541.html>

### **Maharashtra extends Covid-19 insurance cover to private doctors**

The Maharashtra government has finally provided health insurance of ₹50 lakh to doctors and paramedical staff from all streams of medicine including Ayurveda, Homeopathy and Dentistry, who have continued to serve the patients in the time of pandemic.

To read the whole article click on: <https://www.thehindubusinessline.com/news/maharashtra-extends-covid-19-insurance-cover-to-private-doctors/article32468788.ece>

### **Pet insurance in India: Bajaj Allianz General launches policy for pet dogs**

Private non-life insurer Bajaj Allianz General Insurance has launched a pet dog insurance policy that covers pet dogs over their lifetime from age 3 months to 10 years.

The premium starts from Rs 315 per annum (small dog, 3 months to 2 years of age) and there is a 5 percent discount in case the dog is RFID tagged.

To read the whole article click on: <https://www.moneycontrol.com/news/business/economy/pet-insurance-in-india-bajaj-allianz-general-launches-policy-for-pet-dogs-5757621.html>

### **Why engine protector add-on cover is essential in motor insurance**

Monsoons witness a spike in motor insurance claims. Most of these claims are due to the problem of water ingress. As rainwater floods the streets, it becomes difficult for vehicles to be driven on the roads. At such times, you may need to abandon the cars until the water levels subside. If

at such times you crank up the engine, the water is pulled inside the components of the engine through the air filter. This water reaches the combustion chamber, where it hampers the ratio of air and fuel mixture. This causes the problem of stalling and the engine does not start at all.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/why-engine-protector-add-on-cover-is-essential-in-motor-insurance/2067420/#:~:text=Problems%20such%20as%20leakage%20of,engine%20protection%20add%20Don%20cover.&text=The%20add%20Don%20covers%20damage,damage%20due%20to%20water%20ingr ession>

## **How PlumHQ is looking to Solve India's 'Missing Middle' Puzzle in Digital Insurance**

“We want to bring affordable health insurance to India’s missing middle sponsored by their employers,” says Abhishek Poddar, CEO and cofounder of PlumHQ. India has a population of 1.3 Bn, of which the bottom 500 Mn poor and vulnerable population have health coverage through the various government schemes and Ayushman Bharat. Of the remaining 800 Mn, not more than 100 Mn would be able to afford health insurance on their own and these consumers have already opted for insurance through traditional players or digital insurance companies. That leaves the 700 Mn population uncovered – the missing middle that Poddar is referring to and the one that PlumHQ is targetting.

To read the whole article click on: <https://inc42.com/startups/plumhq-aims-to-solve-indias-missing-middle-puzzle-in-digital-insurance/#:~:text=Startup%20Stories-How%20PlumHQ%20Is%20Looking%20To%20Solve%20India's,Middle'%20Puzzle%20In%20Digital%20Insurance&text=Of%20the%20remaining%20800%20Mn,players%20or%20digital%20insurance%20com panies>

## **Unlock BFSI 2.0: From push, insurance has become a 'nudge product'**

While the Covid-19 pandemic has wreaked havoc across sectors, life insurers feel this black swan event has resulted in the bolstering of demand for insurance products, be it in protection, health,



guaranteed return segment or others. From being a push product, insurance has become a “nudge product” due to the uncertainties.

During the Business Standard webinar, moderated by Consulting Editor Tamal Bandyopadhyay, leading minds of the life insurance industry seemed to agree that the current situation has led customers to be more aware of insurance. And while demand for insurance, especially protection products, has gone up, affordability is an issue.

To read the whole article click on: [https://www.business-standard.com/article/pf/unlock-bfsi-2-0-from-push-insurance-has-become-a-nudge-product-120082601839\\_1.html#:~:text=%C2%ABBack-Unlock%20BFSI%202.0%3A%20From%20push%2C%20insurance,has%20become%20a%20'nudge%20product'&text=While%20the%20Covid%2D19%20pandemic,guaranteed%20return%20segment%20or%20others](https://www.business-standard.com/article/pf/unlock-bfsi-2-0-from-push-insurance-has-become-a-nudge-product-120082601839_1.html#:~:text=%C2%ABBack-Unlock%20BFSI%202.0%3A%20From%20push%2C%20insurance,has%20become%20a%20'nudge%20product'&text=While%20the%20Covid%2D19%20pandemic,guaranteed%20return%20segment%20or%20others)

## **Over 15 lakh people covered under specialised COVID-19 policies: IRDAI Chief Subhash C Khuntia**

Need for demand-based insurance schemes has grown post the coronavirus pandemic, with more than 15 lakh people already being covered under the recently launched specialised COVID-19 policies, Irdai Chairman Subhash C Khuntia said.

Insurers must come to the rescue of the policyholders during these difficult times, he added. After watching the industry for some time, Irdai was compelled to come out with standard coronavirus policies – Corona Kavach and Corona Rakshak, Khuntia said.

To read the whole article click on: <https://www.financialexpress.com/money/over-15-lakh-people-covered-under-specialised-covid-19-policies-irdai-chief-subhash-c-khuntia/2067225/>

## **Five major challenges of insurance digital transformation**

One of the most significant hurdles in insurance digital transformation has been getting people – both customers and employees – to embrace new ways of doing things. However, the pandemic has changed all that; now, many more people are willing to overcome their

technological reluctance. Nevertheless, just because people are willing doesn't mean transforming your operation will be easy.

To read the whole article click on: <https://www.propertycasualty360.com/2020/08/26/five-major-challenges-of-insurance-digital-transformation/?slreturn=20200801061941>

## **Health overtakes motor as largest segment thanks to pandemic**

The COVID-19 pandemic has changed the face of India's insurance industry, as for the very first time in its history health premiums have overtaken motor insurance premiums to be the largest contributor in the non-life segment.

As per data from the general insurance council on the performance of the industry in the first two months of the fiscal 2020-21, the health insurance segment has contributed 36% of non-life insurance premiums against 26% of the motor insurance segment. The total premium income for the health insurance business was \$1.3bn during April-May in fiscal 2020-21 as against \$1.1bn a year ago, while for motor insurance the premium income was \$909m against \$1.4bn last year.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/73317/Type/eDaily/India-Health-overtakes-motor-as-largest-segment-thanks-to-pandemic>

## **Swiss insurer reports non-life growth despite COVID-19 challenges**

Helvetia has announced that its non-life business volume has developed as expected despite COVID-19 and the associated restriction in sales. It also reported a combined ratio well below 100% for the first half of the year.

It reported substantial growth in the non-life business, with Specialty Markets and Europe making a significant contribution alongside Switzerland.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/73314/Type/eDaily/Swiss-insurer-reports-non-life-growth-despite-COVID-19-challenges>

## LIC launches new annuity plan

The Life Insurance Corporation of India has introduced its new Jeevan Akshay-VII (plan no.857), which is a single premium, non-linked, non-participating, individual immediate annuity plan with effect from August 25, 2020.

Policyholders have an option to choose a type of annuity from 10 available options on the payment of a lump sum amount. The annuity rates are guaranteed at the inception of the policy and annuities are payable throughout the lifetime of annuitant(s). The plan can be purchased offline as well as online.

To read the whole article click on: [https://www.tribuneindia.com/news/ludhiana/lic-launches-new-annuity-plan-](https://www.tribuneindia.com/news/ludhiana/lic-launches-new-annuity-plan-131320#:~:text=Ludhiana%3A%20The%20Life%20Insurance%20Corporation,effect%20from%20August%2025%2C%202020.&text=The%20plan%20can%20be%20purchased%20offline%20as%20well%20as%20online)

[131320#:~:text=Ludhiana%3A%20The%20Life%20Insurance%20Corporation,effect%20from%20August%2025%2C%202020.&text=The%20plan%20can%20be%20purchased%20offline%20as%20well%20as%20online](https://www.tribuneindia.com/news/ludhiana/lic-launches-new-annuity-plan-131320#:~:text=Ludhiana%3A%20The%20Life%20Insurance%20Corporation,effect%20from%20August%2025%2C%202020.&text=The%20plan%20can%20be%20purchased%20offline%20as%20well%20as%20online)

## ICICI Lombard-Bharti AXA deal seen a leg-up for bancassurance sector

ICICI Lombard's deal with Bharti AXA General Insurance is expected to increase the market share of the company in the motor insurance segment. It will also enhance its business through the bancassurance and corporate agency tie-ups that Bharti AXA had formed in the recent past.

Currently, ICICI Lombard has around 10 per cent market share in the motor insurance business. After the merger, it will command 12 per cent market share. Furthermore, the consolidated entity will have a market share of 8.7 per cent in the non-life business, making it the third-largest non-life insurer in the general insurance business. The first two spots are now held by state-owned insurers.

To read the whole article click on: [https://www.business-standard.com/article/companies/icici-lombard-and-bharti-axa-to-merge-non-life-insurance-business-](https://www.business-standard.com/article/companies/icici-lombard-and-bharti-axa-to-merge-non-life-insurance-business-120082401508_1.html#:~:text=%C2%ABBack-)

[120082401508\\_1.html#:~:text=%C2%ABBack-  
ICICI%20Lombard%20Bharti%20AXA%20deal%20seen,leg%20Dup%20for%20bancassurance%20sector](https://www.business-standard.com/article/companies/icici-lombard-and-bharti-axa-to-merge-non-life-insurance-business-120082401508_1.html#:~:text=%C2%ABBack-)

[&text=ICICI%20Lombard's%20deal%20with%20Bharti,in%20the%20motor%20insurance%20segment.&ext=After%20the%20merger%2C%20it%20will%20command%2012%20per%20cent%20market%20share](#)

## **Axis Bank lowers planned stake purchase in Max Life Insurance, to buy 17% instead of 29%**

Axis Bank said it has reduced the size of the stake it plans to buy in Max Life Insurance to 17 per cent from 29 per cent. The bank had originally planned to raise its stake in the insurer to 30 per cent for about Rs 1,590 crore. The stake reduction plan follows reports that the deal ran into a regulatory roadblock over certain clauses in the agreement.

Axis Bank already holds around 1 per cent in Max Life Insurance. The bank will now own 18 per cent stake in the insurance firm. "We would like to inform you that following recent developments, Axis Bank now proposes to acquire 17.002 per cent of the equity share capital of Max Life, resulting in total ownership of 18.0 per cent post the transaction," the bank said in a stock exchange filing.

To read the whole article click on: <https://indianexpress.com/article/business/banking-and-finance/axis-bank-lowers-planned-stake-purchase-in-max-life-insurance-to-buy-17-6568374/#:~:text=Axis%20Bank%20on%20Monday%20said,for%20about%20Rs%201%2C590%20crore>

## **Insurers allow customers to pay health insurance premiums in installments**

In line with Insurance Regulatory and Development Authority of India's (IRDAI) order, several insurance companies have extended the premium payment option for customers. The insurance regulator had earlier asked all general and standalone health insurers to give policyholders the option to pay health insurance premiums in installments.

Insurers were initially supposed to implement this installment facility by October 2020. However, with the outbreak of the coronavirus pandemic, the regulator in April issued a notification to provide the facility on an immediate basis.

With this facility, policyholders can pay their annual health insurance premiums in a monthly, quarterly, or half-yearly basis.

To read the whole article click on: <https://www.cnbc18.com/personal-finance/insurers-allow-customers-to-pay-health-insurance-premiums-in-installments-6675591.htm#:~:text=The%20insurance%20regulator%20had%20earlier,health%20insurance%20premiums%20in%20installments.&text=According%20to%20Amit%20Chhabra%2C%20Head,th e%20payment%20process%20for%20policyholders>

## General insurance business at pre-Covid levels in July

The general insurance industry has posted yearover-year growth of 18% to Rs 17,011 crore in July, compared to the year-ago period. The industry has seen premiums of Rs 56,340 crore till July – a recovery to pre-Covid levels. This growth has been driven by fire, crop and health insurance.

To read the whole article click on: <https://timesofindia.indiatimes.com/business/india-business/general-insurance-business-at-pre-covid-levels-in-july/articleshow/77582608.cms#:~:text=BENGALURU%3A%20The%20general%20insurance%20industry,fire%2C%20crop%20and%20health%20insurance>

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