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I. WHAT'S HAPPENING AT NIA

1. Annual Alumni Meet – Samagam, held on 6th April, 2024 at the NIA campus

The Alumni Meet, named Samagam, at NIA campus was a delightful occasion. Dr. Tarun Agarwal, the Director, and Dr. Sanjay Mali, the Principal, and other faculty and staff members had engaging conversations with the alumnus of several batches. Faculty members recalled about old memories, adding to the warmth of the event. It was a joyful reunion where former students connected with each other and with the current leadership of the academy. Laughter filled the air as stories from the past were shared and cherished. The event not only strengthened the bond between alumni and the institution but also created a sense of community among all attendees. Additionally, discussions about placement opportunities provided valuable insights to current students.. While talking to current students, alumni talked about their achievements, inspiring others with their success stories. They showed how their time at NIA helped them succeed in their careers, motivating current students and fellow alumni. Everyone left with smiles on their faces, looking forward to the next Samagam, where they could once again relive their company and nostalgia of their alma mater.





2. NIA Students felicitated by Executives of Kotak Life Insurance Company

The felicitation ceremony of NIA PGDM students by executives of Kotak Life Insurance Company marked a momentous occasion at the campus. Led by Ms. Ruchira Bhardwaja, CHRO of Kotak Life Insurance Company, the event celebrated the successful conclusion of the Kotak Life Lecture series. With great pride, Ms. Bhardwaja and her team acknowledged the hard work and dedication of the students throughout the series. The ceremony served as a testament to the strong partnership between NIA and Kotak Life Insurance Company, providing students with valuable insights and experiences. As students received recognition for their achievements, they were inspired to continue their journey with newfound motivation and determination.





II. REGULATORY DEVELOPMENTS

1. Regulations:

- a. De-Notification of All Tariffs
<https://irdai.gov.in/web/guest/document-detail?documentId=4592839>
- b. IRDAI (Registration, capital structure, transfer of shares and amalgamation of insurers) Regulations, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4591837>
- c. IRDAI (Corporate Governance for Insurers) Regulations, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4590027>
- d. IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulation, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4589093>
- e. IRDAI (Bima Sugam- Insurance Electronic Marketplace) Regulations, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4583640>
- f. IRDAI (Insurance Products) Regulations, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4590475>
- g. IRDAI (Protection of Policyholder's Interests, operations and allied matters of insurers) Regulations, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4590885>
- h. IRDAI (Rural, social sector and Motor third party obligations) Regulations, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4592224>
- i. IRDAI (Registration and operations of Foreign Reinsurers Branches and Lloyd's India) Regulations, 2024
<https://irdai.gov.in/web/guest/document-detail?documentId=4591301>

2. Press Release:

- a. Reconstitution of Insurance Ombudsman Advisory Committee
<https://irdai.gov.in/web/guest/document-detail?documentId=4690007>
- b. Press Release Bima Manthan 25-26 April 24
<https://irdai.gov.in/web/guest/document-detail?documentId=4737059>

III. INSURANCE INDUSTRY FLASH FIGURES FOR MARCH 2024

For monthly insurance industry data, click on:

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

IV. TOPICAL ARTICLE

Make the Millennials take their Responsibility of Retirement Preparedness!

‘Global Retirement/ Pension Index’ is a comparative tool that examines retirement income systems of various countries on the factors that drive retirement security of individuals. In the year 2023, India ranked 45th among the 47 countries of Mercer CFA Global Pension Index and ranked 44th - right at the bottom of the Natixis Global Retirement Index.

The old age preparedness of Indians has become an area of critical concern. As per the data published by National Statistical Office in the year 2021, nearly 70% elderly Indians are economically dependent on others. Moreover, nearly 81% of the economically independent elderly are required to shoulder the financial responsibility of at least one dependent and hence, they are financially vulnerable.

The poor state of old age preparedness of Indians can mainly be attributed to the fact that nearly 89% of the labour force is not covered under any formal retirement benefit schemes. Even in the formal sector, as the ‘Pay-As-You-Go’ public pension system was heavily burdened with population aging, India shifted from the ‘defined benefit’ pensions to the ‘defined contribution’ funded pensions from January 2004. This move transferred the burden of ensuring adequacy of pensions from the employers to the individual employees.

The situation is estimated to become worse by the year 2050. With the improvement in longevity and decline in fertility rates, the share of the elderly persons in the total population of India is projected to reach nearly 20%. If the elderly do not financially prepare for their old age, every 100 working people would need to support more than 30 elderly.

Such socio-economic consequences of aging population are more critical for India. Indians lack active retirement planning and in most parts of India, the contribution towards creation of pension wealth (in the form of financial instruments and pension funds) is negligible even among the rich. Contrary to many other countries, Indians depend on their children for old-age

support. This has been creating inter-generational tensions, thus limiting the education and productivity potential of the young generations.

This fact corroborated by the bottom positions of India in global retirement indices indicates a huge scope for the improvement of old age financial security in India. It is common to clamour that the government should work to expand the formal sector or enhance the coverage of its social security schemes to ensure old age security for the citizens. However, to arrest the serious socio-economic repercussions of 'population aging', it is important to make the citizens realize the gravity of their longevity risk. It is even more essential to make them accept the responsibility of mitigating their old age risk on their own.

The millennials - who are currently in the age group of 26 to 41 years and represent nearly half of the working-age population - would only be the age-old citizens of India, by the time India is to experience the demographic reality of 'population aging' in its full vigour. Ultimately, not only the awareness of the millennials, but also their early actions to actively plan for their retirement are essential to lay the foundation of financial well-being of Indian households.

In the year 2022, National Insurance Academy conducted a research study to assess the retirement preparedness of the middle- and high-income millennials. It was revealed therefrom that though the millennials are exposed to 'more than ever' longevity risk, they appear to be least concerned about it. More than two third of the better-off millennial respondents had not decided about how they were going to secure their old age financials.

The better-off millennials are aware of the need for, and the importance of 'pension'. Also, most of them are aware of the necessity of an early start for old age planning. However, this awareness has not resulted into their actions for their own retirement planning. Most of them seem not to have rational estimates of their longevity and the consequent longevity risk. This fact makes them underprepared for their retirement.

Various loan liabilities, low awareness of retirement needs, poor knowledge of financial products and income constraints are the main reasons that hinder the millennials from making sufficient investment for their retirement. Financial education about retirement planning and providing knowledge of pension products available for them- are the main factors that would encourage them to save for their retirement.

The Indian millennials are least prepared for their financial well-being during old age. It is a need of the hour to educate, encourage and support the millennials to actively plan their old age financials. It would ensure the healthy socio-economic constitution of future India.

(By Ms. -Suparna Bedakihale, Research Associate, National Insurance Academy, Pune)

V. INSURANCE NEWS

Farmers opting for flagship farm insurance scheme at record high

The number of farmers opting for the Government's flagship farm insurance scheme has seen a jump for two years in a row, along with an improvement in other indicators, a review by the farm ministry shows, pointing to a rebound in a programme that has long been hobbled by large inefficiencies.

To read the whole article click on:

<https://www.hindustantimes.com/india-news/farmers-opting-for-flagship-farm-insurance-scheme-at-record-high-101711909820942.html>

Two insurance rules from April 1, 2024: Demat type e-Insurance Account must buy new policies and latest surrender charges

There are two guidelines that are going to impact insurance policyholders, starting from April 1, 2024. One is mandatory e-Insurance policies for new policyholders and the other is regarding the surrender charges of the life insurance plans such as endowment policies.

To read the whole article click on:

<https://economictimes.indiatimes.com/wealth/insure/two-insurance-rules-from-april-1-2024-demat-type-e-insurance-account-must-to-buy-new-policies-latest-surrender-charges/articleshow/108915301.cms?from=mdr>

CCI clears Axis Bank-Max Life Insurance Company deal

Fair trade regulator Competition Commission of India (CCI) has approved Axis Bank's proposed acquisition of a stake in Max Life Insurance Company Ltd. Last year in August, the company announced a capital infusion by Axis Bank by issuance of 14.25 crore equity shares to help Max Life to support its future growth ambitions, augment its capital position and improve solvency margins.

To read the whole article click on:

<https://www.deccanherald.com/business/companies/cci-clears-axis-bank-max-life-insurance-company-deal-2962383>

IRDAI Frees up Insurance Cover Wordings

In a historic move, the insurance regulator has freed up policy wordings in non-life insurance contracts, opening the sector to innovation. Till now, non-life insurance companies could offer standard base policy wordings for motor, property, and engineering insurance cover on which they could provide add-on covers/riders.

To read the whole article click on:

<https://www.deccanchronicle.com/nation/irdai-frees-up-insurance-cover-wordings-889580>

Life Insurance Corporation hikes stake in Hindustan Unilever

According to an exchange filed by the largest life insurance company of the country on April 15, Life Insurance Corporation of India (LIC) has increased its stake in FMCG major Hindustan Unilever. The stake was increased from 4.99 percent to 5.01 percent, according to the filing.

To read the whole article click on:

<https://www.moneycontrol.com/news/business/companies/life-insurance-corporation-hikes-stake-in-hindustan-unilever-12644821.html>

GST Council discusses exempting reinsurance from GST

India's Goods and Services Tax (GST) Council is set to review exempting reinsurance business from GST. The move aims to streamline tax procedures and promote the reinsurance industry in India. Exempting reinsurance from GST could potentially reduce costs for insurers and facilitate better risk management practices.

To read the whole article click on:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/87907/Type/eDaily/India-GST-Council-discusses-exempting-reinsurance-from-GST>

Emergence and growth of insurance lines will require additional capacity

According to Aon in its "Reinsurance Market Dynamics April 2024" report, Closing India's large protection gaps and supporting the growth of new and existing insurance lines will require significant additional capacity as well as innovation.

To read the whole article click on:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/87914/Type/eDaily/India-Emergence-and-growth-of-insurance-lines-will-require-additional-capacity>

IRDAI new regulations seek to make health insurance more inclusive

Insurance regulator IRDAI is pushing companies to ensure that health covers are available to all age groups, as well as those with pre-existing diseases, mental health issues and women, to ensure that there is greater coverage and no one is denied the facility.

To read the whole article click on:

http://timesofindia.indiatimes.com/articleshow/109487398.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Pricing key challenge for health insurance of older citizens

The insurance regulator's move to prod insurance companies to sell health products to all age groups, including those above 65, is aimed at increasing penetration though there would be challenges on pricing due to higher risk perception.

To read the whole article click on:

https://www.business-standard.com/finance/insurance/pricing-key-challenge-for-health-insurance-of-older-citizens-experts-124042201093_1.html

Indian government open to selling stake in GIC Re and LIC

The Indian government is open to a minority stake sale in General Insurance Corporation of India (GIC Re) and Life Insurance Corporation of India (LIC) in the current financial year which started on 1 April 2024, after assessing investor appetite.

To read the whole article click on:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/87947/Type/eDaily/India-govt-open-to-selling-stake-in-GIC-Re-LIC-in-FY24-25-says-report>

Investments in AI firms disrupting insurance sector reach \$2 billion

As per a report, Investments in AI technology companies aimed at disrupting the insurance sector surged by 18 per cent (year-on-year) in 2023, reaching nearly \$2 billion through private equity and venture financing globally.

To read the whole article click on:

<https://cio.economictimes.indiatimes.com/news/artificial-intelligence/investments-in-ai-firms-disrupting-insurance-sector-reach-2-billion/109519472>

Loans bundled with insurance products by SFBs under scrutiny

As a first step to crack down on the mis-selling of insurance products, the banking and insurance regulators are questioning the need to forcefully bundle life insurance products with loans offered by small finance banks (SFBs).

To read the whole article click on:

<https://www.thehindubusinessline.com/money-and-banking/loans-bundled-with-insurance-products-by-sfbs-under-scrutiny/article68105443.ece>

Regulator outlines proposal for all-in-one insurance bundle

The Insurance Regulatory and Development Authority of India (IRDAI) held deliberations with insurance companies on the pricing and other modalities of the all-in-one affordable insurance product, Bima Vistaar.

To read the whole article click on:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/88014/Type/eDaily/India-Regulator-outlines-proposal-for-all-in-one-insurance-bundle>

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