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

**1. National Insurance Academy (NIA) Unveils Centre for Insurance & Cyber Security**

The National Insurance Academy, Pune (NIA), Pune, proudly inaugurated its new Centre for Learning in Insurance and Cyber Security, marking a significant step towards strengthening expertise in the rapidly evolving landscape of cyber risk and insurance.

This pioneering initiative, launched in collaboration with the Indian Computer Emergency Response Team (CERT-In), New Delhi, aims to enhance research, innovation and skill development in Cyber Security Risk Management. To further this commitment, a leading scientist from CERT-In has been nominated to provide technical guidance on ongoing and future projects. Further, NIA has signed a Memorandum of Understanding (MoU) with C3i Hub, Indian Institute of Technology, Kanpur, to facilitate industry-specific research in Cyber Security Risk and Insurance. Speaking about the event Shri B. C Patnaik, Director NIA said, “The launch of this Centre of Learning reaffirms NIA’s commitment

to pioneering research and education at the intersection of cyber security and insurance. With evolving cyber threats, the industry must stay ahead with robust risk mitigation strategies, and this initiative is a step in that direction. This initiative underscores NIA's dedication to equipping the insurance industry with future-ready leaders and fostering a sustainable, resilient framework for cyber risk management."

The inauguration event was graced by prominent dignitaries, including Shri Rajay Sinha, Member (Finance & Investment), Insurance Regulatory and Development Authority of India (IRDAI); Shri Sanjay Kedia, CEO, Marsh McLennan India; and Prof Sandeep Shukla, C3i Hub, IIT Kanpur. Their presence and insights enriched discussions on the evolving landscape of cyber risk underwriting.

Following the inauguration, Shri Rajay Kumar Sinha, Shri Sanjay Kedia & Shri B. C Patnaik unveiled the research report on "Cyber Risk Underwriting." This comprehensive study provides valuable insights into the complexities of cyber risk assessment and its implications for the insurance industry. The event witnessed an enthusiastic gathering of CEOs, Chief Risk Officers (CROs), Chief Technology Officers (CTOs), insurance brokers, Insurtech professionals, and risk management experts, reflecting the growing importance of cyber security in the insurance sector.







## 2. NIA Library Organizes “Library 2.0 – The Future of Libraries”

The Library Department of National Insurance Academy organized a unique event titled “Library 2.0 – The Future of Libraries” on 20th March 2025. Under the guidance of **Mr. Pramod Ranjan Mishra, Chairman, Library Committee** and the library staff, student teams from NIA presented innovative ideas on how libraries can evolve with emerging technologies and create enhanced value for readers. The event showcased futuristic concepts and practical models aimed at making the library a more engaging and resourceful space.

The event was graced by **Director Mr. B.C. Patnaik, Principal Dr. Sanjay Mali, Mr. V. Balagopal (Chair Professor – Life), Ms. Jayashree Sridhar (Chief Administrator)**, along with faculty, staff, and students. Their presence added to the significance of the occasion. Librarian Mr. Shariyan Ahmed and his team played a vital role in this event.

This initiative marked a significant step towards reimagining library services and was appreciated for its creativity and execution, making it a memorable and impactful event at NIA.







## **II. REGULATORY DEVELOPMENTS**

### **1. Circulars**

- a. Exposure to Forward Contracts in Government Securities (Bond Forwards)

<https://irdai.gov.in/document-detail?documentId=6876266>

- b. Circular on Cyber Incident or Crisis Preparedness

<https://irdai.gov.in/document-detail?documentId=6975996>

### **2. Press release**

- a. Voluntary Surrender of corporate surveyor license no. SLA-200122 M\_s Black Grapes Insurance Surveyors & Loss Assessor

<https://irdai.gov.in/document-detail?documentId=6991827>

- b. Press Release: 129th Authority Meeting

<https://irdai.gov.in/document-detail?documentId=6892490>

### ***III. INSURANCE INDUSTRY FLASH FIGURES FOR FEBRUARY 2025***

For monthly insurance industry data, click on:

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

### ***IV. TOPICAL ARTICLE***

#### ***Impact of DPDP Act 2023 on the Life Insurance Industry***

“Data” is a word we hear everywhere nowadays. In general, data is a collection of facts, information, and statistics and this can be in various forms such as numbers, text, sound, images, or any other format. Data is the lifeline of an insurance industry and it’s impossible to even think of insurance industry without Data.

The insurance sector has historically been a data-intensive one as it collects and processes a significant amount of personal (customer and employee) data, including health information. Data is being collected and used in almost every facet of the Insurance industry. It starts with the product development, pricing and servicing of the policy till the claim settlement. Even after the claim settlement Insurance company will have to maintain the data for future use or for statutory purposes.

The main source of Data in the industry is at the Proposal stage, where the insurers get the personal & family details, health history, Date of Birth certificate, Address proof, KYC/AML compliance documents, Bank details, income proof, medical reports (if called for) about the proposed Life through a proposal form.

Insurance companies have always been at the forefront of digital adoption and post the pandemic, data analytics and artificial intelligence are being used to boost business growth by identifying patterns in customer behaviour, predict risk, and conduct marketing campaigns more effectively. Insurance industry is utilizing data analytics for providing customized products & services to their customers for a better customer experience & engagement. It’s a win-win situation for the customers as well as the industry. The meaningful & deeper customer engagement is helping in providing personalized services to the customers in a real quick time, whereas at the same time, it helps the industry to channelize their resources for designing &

pricing of products, retention of customers, up selling & cross selling of products, mitigating frauds and better risk management.

Apart from the policy related data, the insurance Industry also have a data of their employees, intermediaries, vendors, suppliers and third-party administrators etc.

In addition, the insurance value chain includes multiple data fiduciaries and processors that handle personal data within policy-buying channels such as third-party broking houses, both online and human brokers, contractual agents, Third Party Administrator (TPAs), marketing partners and insurance application users.

Moreover, the expansion of online aggregators sourcing policies and handling customers on behalf of insurers has resulted in further diffusion of customer data across the value chain.

### Strengthening of Data Protection Regime in India: A Chronology

Government of India formed a committee of experts for “Data protection framework” under the chairmanship of Justice B N Srikrishna in July 2017.

In the meanwhile, in the case of “Justice K. S. Puttaswamy (Retd) vs Union of India”, a nine-judge bench of the Supreme court, unanimously gave a judgement on 24th August 2017 that Indians have a constitutionally protected Fundamental Right to Privacy that is an intrinsic part of life and liberty under Article 21.

The Report gave a wide range of recommendations to strengthen privacy law in India including restrictions on processing and collection of data, Data Protection Authority, right to be forgotten, Data localization etc. Finally on 11th August 2023, Digital Personal Data Protection Bill, 2023 got the Presidential assent and became law of the land.

### **Digital Personal Data Protection Act, 2023 (DPDP Act 2023)**

The provisions of this Act shall apply to the processing of digital personal data within the territory of India where:

- (a) Personal data is collected from Data Principals online; and
- (b) Personal data collected offline is digitized subsequently.

The provisions of this Act shall also apply to processing of digital personal data outside the territory of India, if such processing is in connection with any profiling of, or activity of offering goods or services to Data Principals within the territory of India. As mentioned earlier, the life insurance companies are collecting various data from the customers, the provisions of this act are likely to be applicable to the insurance industry unless the government exempts insurance companies.

According to the DPDP Act 2023, the Data” means a representation of information, facts, concepts, opinions or instructions in a manner suitable for communication, interpretation or processing by human beings or by automated means.

“Data Fiduciary” means any person who alone or in conjunction with other persons determines the purpose and means of processing of personal data &

“Data Principal” means the individual to whom the personal data relates and where such individual is –

- (i) a child, includes the parents or lawful guardian of such a child;
- (ii) a person with disability, including his/her lawful guardian, acting on his/her behalf.

“Data Processor” means any person who processes personal data on behalf of a Data Fiduciary.

“Data Protection Officer” means an individual appointed by the Significant Data Fiduciary under clause (a) of sub-section (2) of section 10.

The main Principles of the DPDP Act 2023 are: -

1. Usage of personal data by organisations must be done in a manner that is lawful, fair to the individuals concerned and transparent to individuals.
2. Purpose limitation: Personal data must only be used for the purposes for which it was collected.
3. Data Minimisation: should collect and process only as much data as necessary for the specified purposes.
4. Accuracy: must keep personal data accurate when it comes to collection.



5. Storage limitation: The personal data that is collected” cannot be stored perpetually by default” and storage should be limited to a fixed duration.
6. Safeguarding of Data: There should be reasonable safeguards to ensure that there is “No unauthorized collection or processing of personal data”.
7. Accountability: “The person who decides the purpose and means of the processing of personal data should be accountable for such processing”.

### **Data Protection Board of India**

“Board” means the Data Protection Board of India established by the Central Government under section 18.

For the purposes of discharging its functions under this Act, the Board shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, in respect of matters relating to –

- (a) summoning and enforcing the attendance of any person and examining her on oath;
- (b) receiving evidence of affidavit requiring the discovery and production of documents;
- (c) inspecting any data, book, document, register, books of account or any other document; and
- (d) such other matters as may be prescribed.

No civil court shall have the jurisdiction to entertain any suit or proceeding in respect of any matter for which the Board is empowered under the provisions of this Act and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power under the provisions of this Act.

The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force. In the event of any conflict between a provision of this Act and a provision of any other law for the time being in force, the provision of this Act shall prevail to the extent of such conflict.

The Digital Personal Data Protection (DPDP) Act, 2023, aims to safeguard the personal data of individuals in India by setting out a comprehensive framework for the digital collection, use and processing of personal data. The Act defines personal data as ‘any data about an individual who

is identifiable by or in relation to such data', such as name, address, phone number and email address.

#### Rights of Individuals:

**Access to Information:** The individuals should be able to "Access Basic Information" in languages specified in the eighth schedule of the Indian Constitution.

**Right to Consent:** Individuals need to give consent before their data is processed and "every individual should know what items of personal data a Data Fiduciary wants to collect and the purpose of such collection and further processing".

Individuals also have the right to withdraw consent from a Data Fiduciary.

**Right to Erase:** Data principals will have the right to demand the erasure and correction of data collected by the data fiduciary.

**Right to Nominate:** Data principals will also have the right to nominate an individual who will exercise these rights in the event of their death or incapacity.

#### Financial Penalties:

##### For Data Fiduciary:

The bill proposes to impose significant penalties on businesses that undergo data breaches or fail to notify users when breaches happen. The penalties to be imposed for any violation of the provisions mentioned in the act are very heavy and range from Rs. 50 crores to Rs. 250 crores.

##### For Data Principal:

If a user submits false documents while signing up for an online service, or files frivolous grievance complaints, the user could be fined up to Rs 10,000. All sums realized by way of penalties imposed by the Board under this Act, shall be credited to the Consolidated Fund of India.

The Central Government may have regard to the volume and nature of personal data processed, notify certain Data Fiduciaries or class of Data Fiduciaries, including startups, as Data Fiduciaries

to whom the provisions of section 5, sub-sections (3) and (7) of section 8 and sections 10 and 11 shall not apply.

The insurance industry being a custodian of the personal data of their policy holders need to be extra cautious in safeguarding the data of their policy holders and adhering to the guidelines put forward under the DPDP Act 2023. The DPDP Act will help create greater awareness of data privacy amongst employees and customers, leading to concerns about the use of their personal data.

Source:

1. Financial Services Practice, April 2016, McKinsey & Company
2. The Digital Personal Data Protection Act, 2023
3. Justice K.S.Puttaswamy (Retd) vs Union Of India on 26 September, 2018
4. <https://www.pwc.in/blogs/digital-personal-data-protection.html>

Contributed by-

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## ***V. INSURANCE NEWS***

### **LIC ranked world's Third strongest insurance brand**

Brand Finance's latest report has ranked Indian life insurer, Life Insurance Corporation of India (LIC), as the third strongest insurance brand in the world. This recognition highlights LIC's robust brand equity, customer trust, and dominant presence in the global insurance landscape.

Read more at:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/91002/Type/eDaily/India-LIC-ranked-world-s-third-strongest-insurance-brand>

### **IRDAI retains obligatory cession at 4% for FY26, third year in a row.**

The Insurance Regulatory and Development Authority of India has retained the 'obligatory cession' to be placed with state-owned General Insurance Corporation of India (GIC Re) at 4 per cent for FY26, marking the third financial year in a row at this level. Obligatory cession is the portion of business that Indian non-life insurers must mandatorily reinsure with GIC Re.

Read more at:

[https://www.business-standard.com/finance/insurance/irdai-retains-obligatory-cession-at-4-for-fy26-third-year-in-a-row-125030300857\\_1.html](https://www.business-standard.com/finance/insurance/irdai-retains-obligatory-cession-at-4-for-fy26-third-year-in-a-row-125030300857_1.html)

### **Centrico Insurance Repository to offer insurance repository services to LIC**

Centrico Insurance Repository, a subsidiary of Central Depository Services, has entered into an agreement with the Life Insurance Corporation of India (LIC) to provide insurance repository services.

Read more at:

[https://www.business-standard.com/finance/insurance/centrico-insurance-repository-to-offer-insurance-repository-services-to-lic-125032001135\\_1.html](https://www.business-standard.com/finance/insurance/centrico-insurance-repository-to-offer-insurance-repository-services-to-lic-125032001135_1.html)

### **GoDigit promoters get IRDAI nod for first Private Reinsurer**

The reinsurance market is set for a shake-up as Valueattics Reinsurance Ltd, backed by Kamesh Goyal and Prem Watsa's Fairfax, has become the first private sector reinsurer to receive regulatory approval.



Read more at:

[https://economictimes.indiatimes.com/industry/banking/finance/insure/godigit-promoters-get-irdai-nod-for-first-pvt-reinsurer/articleshow/118978805.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/industry/banking/finance/insure/godigit-promoters-get-irdai-nod-for-first-pvt-reinsurer/articleshow/118978805.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

### **Allianz to sell 26% stake in insurance JVs with Bajaj Group for 2.6 billion euros**

Global insurance major Allianz SE said it has entered into binding share purchase agreements with Bajaj Finserv to sell its 26 per cent stake in its non-life and life insurance joint ventures (JV)– Bajaj Allianz General Insurance Company and Bajaj Allianz Life Insurance Company – to the Bajaj Group for a total consideration of 2.6 billion euros.

Read more at:

<https://www.thehindubusinessline.com/money-and-banking/allianz-to-sell-26-stake-in-insurance-jvs-with-bajaj-group-for-26-billion-euros/article69341876.ece>

### **Allianz, Jio Financial strike deal for insurance business in India**

Reliance group-owned Jio Financial Services has reached a preliminary agreement with Germany's Allianz SE to form an insurance business in India. This comes after Allianz agreed to sell its 26% stake in its non-life and life insurance joint ventures with Bajaj Finserv to the Bajaj Group for around 2.6 billion euros (\$2.82 billion).

Read more at:

### **GST on insurance may be slashed to 5%**

The Goods and Services Tax (GST) Council may settle for a reduction in the tax rates on health & life insurance, instead of a full waiver. The GST, which now applies at 18% on gross premiums, is likely to be reduced to 5%, while retaining the facility of input tax credit, according to official sources.

Read more at:

<https://www.financialexpress.com/money/gst-on-insurance-may-be-slashed-to-5-3785942/>

### **LIC set to buy 40-49% stake in Manipal Cigna Health Insurance: Report**

Life Insurance Corporation (LIC) is fine-tuning an agreement with Ranjan Pai-led Manipal Cigna Health Insurance for a significant minority stake. LIC, which has a market capitalization of Rs 4.97 lakh crore, will buy a 40-49 percent stake in the company for a valuation of Rs 3,500- 3,750

crore, ET said. The pact will make it a three-way tie-up with Pai's Manipal Education & Medical Group and US-based Cigna Corporation.

Read more at:

<https://www.moneycontrol.com/news/business/companies/lic-set-to-buy-40-49-stake-in-manipal-cigna-health-insurance-report-12977186.html>

## **Insurance cos knock on IRDAI door seeking more time to implement Bima-ASBA**

Insurance companies have approached the Insurance Regulatory and Development Authority of India (Irdai) and sought an extension in implementing its new payment mechanism Bima-ASBA (Applications Supported by Blocked Amount), which aims to simplify and streamline the payment process for health and life insurance policies.

Read more at:

[https://www.business-standard.com/finance/insurance/insurance-cos-knock-on-irdai-door-seeking-more-time-to-implement-bima-asba-125030900295\\_1.html](https://www.business-standard.com/finance/insurance/insurance-cos-knock-on-irdai-door-seeking-more-time-to-implement-bima-asba-125030900295_1.html)

## **IRDAI appoints 5 new members to Insurance Advisory Committee**

The Insurance Regulatory and Development Authority of India (IRDAI) has announced the appointment of five new members to the reconstituted Insurance Advisory Committee.

Read more at:

<https://www.moneycontrol.com/banking/irdai-appoints-5-new-members-to-insurance-advisory-committee-article-12971017.html>

## **ESIC to invest in stock market-awaits SEBI nod**

The Employees' State Insurance Corporation (ESIC) wants to invest surplus funds in the stock market through exchange traded funds (ETFs) and is awaiting the Securities and Exchange Board of India's (SEBI) nod for an exemption from the ₹25 crore per transaction limit.

Read more at:

<https://www.thehindubusinessline.com/economy/esic-to-invest-in-stock-market-awaits-sebi-nod/article69298413.ece>

## **Insurance-tech platform InsuranceDekho raises \$70 million round led by Beams Fintech Fund**

The round in the CarDekho Group's insurance-tech platform was co-led by Beams Fintech Fund, Japan's Mitsubishi UFJ Financial Group (MUFG) and insurer BNP Paribas Cardif through its insurtech fund managed by European investment major Eurazeo.

Read more at:

<https://www.financialexpress.com/business/start-ups-insurance-tech-platform-insurance-dekho-raises-70-million-round-led-by-beams-fintech-fund-3767258/lite/>

## **Banks' RoA and RoE will be impacted if deposit insurance limit as well as premium are upped**

ICRA expects an increase in deposit insurance limit as well as premium in the wake of the recent failure of a cooperative bank. This, in turn, will impact banks' return on assets (RoA) and return on equity (RoE). This assessment comes in the backdrop of frauds hitting the urban co-operative banking segment in the last few years.

Read more at:

<https://www.thehindubusinessline.com/money-and-banking/icra-predicts-impact-on-banks-roa-and-roe-due-to-potential-increase-in-deposit-insurance-limit-and-premium/article69294694.ece>

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