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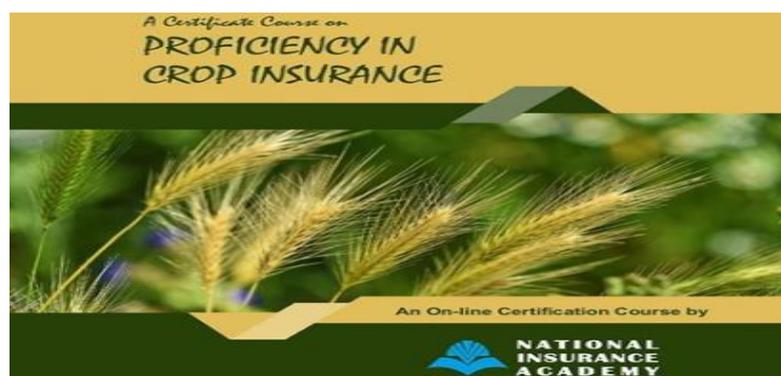
I. WHAT'S HAPPENING AT NIA

1. Certificate Course on Proficiency in Crop Insurance

National Insurance Academy has launched an online certification course on "Proficiency in Crop Insurance". The objective of the course is to provide knowledge about features of PMFBY Scheme, Crop Cutting Experiments, and Weather Based Crop Insurance Scheme. The course covers claims settlement process and loss assessment methods used for widespread calamities, sowing failure/prevented sowing, localized calamities and post-harvest losses. The course also discusses the applications of technology in underwriting and loss assessment and types of methods of reinsurance arrangements for Agriculture Reinsurance in India.

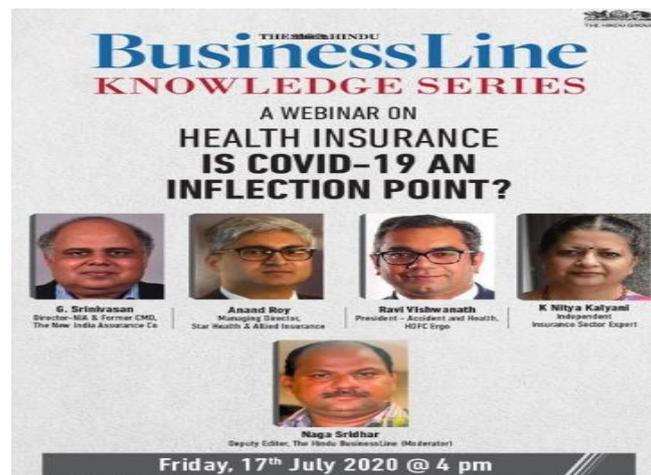
For more details visit:

<https://niapune.org.in/elearning/certification-course-in-proficiency-in-crop-insurance>



2. Webinar on Health Insurance: Is Covid-19 an Inflection Point?

The Hindu- Business Line Knowledge Series conducted a webinar on “Health Insurance: Is Covid-19 an Inflection Point” wherein Mr. G. Srinivasan, Director NIA, was also a spokesperson along with Mr. Anand Roy, MD, Star Health and Allied Insurance; Mr. Ravi Viswanath, President- Accident and Health, HDFC Ergo; and Ms. K Nitya Kalyani, Independent Insurance Sector Expert.



3. Webinar of Confederation of General Insurance Agents Associations of India

Mr. G. Srinivasan, Director NIA, addressed the agents of the insurance industry during the webinar of Confederation of General Insurance Agents Associations of India held on 04.07.2020 on the topic "The Days Ahead- Future Course of Agency Channel".

To listen to the webinar, click on:

<https://www.youtube.com/watch?v=53r0sqHAcUk&feature=youtu.be>



II. INSURANCE INDUSTRY FLASH FIGURES FOR JUNE 2020

Click on:

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

III. TOPICAL ARTICLES

1. Embedded Value: A Financial Parameter to know the Value of a Life Insurance Company

The value of a life insurance company is measured by using Embedded Value, which computes future profits from existing policies. Embedded value is determined as per the requirements and principles set forth by the Institute of Actuaries of India, in accordance with Actuarial Practice Standard 10.

The Embedded Value (EV) is a measure of the consolidated value of shareholders' interest in the life insurance business within the meaning of Insurance Act, 1938, and applicable IRDAI Regulations. It represents the present value of shareholders' interests in the earnings distributable from the assets allocated to the business after sufficient allowance for the aggregate risks in the business. An EV calculated in compliance with this practice standard will be known as the Indian Embedded Value (IEV).

Due to the long-term contractual nature of the life insurance business and the wide variety and complexity of products, the valuation of life insurance companies will usually require the use of a valuation method that involves the projection of future cash flows.

Indian Embedded Value (IEV) represents the present value of shareholders' interests in the earnings distributable from assets allocated to the covered business after sufficient allowance for the aggregate risks in the covered business.

The IEV consists of the following components:

(1) **Free surplus:** It is the market value of any assets allocated to, but not required to support, the in-force business at the valuation date.

(2) **Required capital:** It is the amount of assets attributed to the covered business over and above that required to back liabilities for covered business, whose distribution to shareholders is restricted.

(3) **Value of in-force covered business (VIF):** It is the present value of future post taxation shareholder cash flows projected to emerge from the in-force covered business and the assets backing liabilities of the in-force covered business.

The VIF includes the value of renewals of the in-force business and should be net of reinsurance accepted and ceded.

Source: Institute of Actuaries of India (IAI), Actuarial Practice Standard 10 (APS 10).

(By Mr. Sandeep Pande, Research Associate, NIA)

IV. INSURANCE NEWS

Fraud Alert! IRDAI cautions public against these types of fraudulent offers on insurance policies

Many of us keep getting unsolicited calls to buy insurance policies. At times, some of them could be a fraud. The Insurance Regulatory and Development Authority of India (IRDAI) keeps on taking steps to safeguard the interest of the buyers and potential policyholders of insurance policies. In a recent public communication, IRDAI has once again raised the concern on spurious phone calls and fictitious and fraudulent offers.

The IRDAI note states that it has come to their knowledge that the General Public / Policyholders have been receiving spurious calls from un-identified and unscrupulous individuals posing to be the officials or representatives of IRDAI with fictitious and fraudulent offers which are beyond the scope of insurance policies.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/irdai-cautions-public-against-these-types-of-fraudulent-offers-on-insurance-policies/2036602/>

Covid insurance: Premiums may be around Rs 750 for a Rs 50,000 cover, Rs 4,500 for Rs 5 lakh

The Corona Rakshak policy is a standard benefit-based health policy which will be offered on individual basis only. The sum insured under the policy will be Rs 50,000 to Rs 2.5 lakh.

Participants in the non-life industry say launching the Covid-19 specific cover is a welcome move as this will attract more investors into health insurance segment.

Insurance Regulatory and Development Authority of India (IRDAI) recently announced guidelines for two standard Covid-19 health insurance policies. The products, called 'Corona Rakshak' and 'Corona Kavach', will be launched by the insurance companies on July 10.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/covid-insurance-premiums-may-be-around-rs-750-for-a-rs-50000-cover-rs-4500-for-rs-5-lakh/2009298/>

A new motor insurance that lets you pay premiums only when you drive

Amid coronavirus outbreak, several insurance companies are introducing 'pay as you drive' policies for the customers. This unique usage-based motor insurance, popularly known as 'Pay As You Drive', allows customers to pay the premium depending on how many kilometers the car has traveled.

In the first tranche of sanctions, the Insurance Regulatory and Development Authority of India (IRDAI) had approved companies to offer this product.

To read the whole article click on: <https://www.timesnownews.com/business-economy/personal-finance/insurance/article/a-new-motor-insurance-that-lets-you-pay-premiums-only-when-you-drive-details-inside/616072>

As drones find new uses amid lockdown, insurance policies for UAV set to take flight

From monitoring containment zones to spraying disinfectants, drone technology has found new applications during the Covid-19 outbreak. The increase in use of drone services has resulted in insurance companies witnessing a rise in queries for drone insurance policies since lockdown. Prompting many to mull exclusive cover for the unmanned aerial vehicles.

To read the whole article click on: <https://timesofindia.indiatimes.com/india/as-drones-find-new-uses-amid-lockdown-insurance-policies-for-uav-set-to-take-flight/articleshow/76717025.cms>

‘COVID-19 insurance claims 3 times higher than average

Charges for treatment for COVID-19 vary widely, resulting in higher insurance claims and efforts are on to standardise the treatment rates, according to an insurance company official.

The General Insurance Council is trying to bring in standardisation of COVID-19-related treatment rates, said S.S. Gopalarathnam, who laid down office as MD of Chola MS General Insurance Co. Responding to a query while talking to reporters, he said, “Covid-related claims under normal health insurance come to about Rs 1.8 lakh on average while other claims are in the region of Rs 45,000.”

To read the whole article click on: <https://www.thehindu.com/business/Industry/covid-claims-3-times-higher-than-average/article31957384.ece>

How insurance can help you manage various risks in times of COVID-19 pandemic

We have seen large corrections of more than 20% decline in the Nifty Index in the last 10 yrs, a barometer of the equity markets in India, led by various shocks but we are reasonably higher from the panic levels seen at those times.

The word resilience is derived from the Latin word ‘resiliens’, meaning ‘rebound’. We as individuals, families, societies, and corporations sometimes face untoward external occurrences in our lives that are not under our control. We cannot avoid some of these risks

but as a society, we have to learn to manage the risks and to mitigate the impact of such externalities, be it earthquakes, cyclones, volcanoes, or pandemics.

To read the whole article click on: <https://www.financialexpress.com/money/how-insurance-can-help-you-manage-various-risks-in-times-of-covid-19-pandemic/2009723/>

Govt plans scheme for cashless treatment of accident victims

The government plans to unveil a scheme for the cashless treatment of road accident victims and create a motor vehicle accident fund to pay for their medical care, including during the so-called golden hour.

Golden hour refers to the first hour after trauma when, if proper and timely first aid is given, road accident victims' chances of survival improve.

The transport ministry has proposed a cap of Rs 2.5 lakh for the victim's treatment per accident and designated the National Health Authority as the nodal agency to implement the scheme under the Pradhan Mantri Jan Arogya Yojana. All road accident victims of Indian or foreign nationality will be considered eligible under the scheme.

To read the whole article click on: <https://www.hindustantimes.com/india-news/govt-plans-scheme-for-cashless-treatment-of-accident-victims/story-bTTxCYZVmAR4BrlrugCLhJ.html>

Cyber-attacks are on the rise, but you can protect yourself from hackers.

Here's how

As the world adjusts to the work-from-home culture, companies and businesses are facing a new challenge in the form of cyber-attacks and ransomware. There has been a dramatic increase, in fact, in the number of cyber-attacks over the past few months, affecting both small and large businesses and individuals. Be it payments and shopping or sharing files and accessing VPN, the pandemic has opened up new avenues for scammers and fraudsters to hoodwink individuals and businesses.

To read the whole article click on: <https://www.financialexpress.com/industry/technology/cyber-attacks-are-on-the-rise-but-you-can-protect-yourself-from-hackers-heres-how/2013296/>

IRDAI committee to examine Surety Bonds for road contracts

Taking cue from a proposal from the Ministry of Road Transport and Highways, insurance regulator IRDAI has formed a panel under G Srinivasan, Director, National Insurance Academy, to assess the suitability of the Indian insurance industry or any other sector to offer Surety Bonds for road contracts in the country.

Currently, Surety Bond for contractors is not being offered by insurance companies in the market to guarantee satisfactory completion of a project by a contractor and provide performance security to various government agencies.

To read the whole article click on: <https://indianexpress.com/article/business/irdai-committee-to-examine-surety-bonds-for-road-contracts-6487537/>

Life Insurance: Why you need to have a term insurance cover

The coronavirus pandemic has changed the way we live. We can no more step out of homes without masks, sanitisers and other mandatory precautions, while maintaining social distancing. With fatalities rising, people are worried about their lives and many have been reviewing their life insurance cover. Those who are yet to relook at their life insurance cover, this is a good time to review and revisit their insurance needs and existing policy cover.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/life-insurance-why-you-need-to-have-a-term-insurance-cover/2011663/>

LIC IPO: How the transaction advisors should be selected

Bringing two different institutions together based on eligibility would not necessarily mean complementarity of their abilities. Appointment based on expertise would be better.

The Central government planned for disinvestments in the recent budget to unlock the value of state-owned firms by going public. Accordingly, the target for disinvestment in the current fiscal year is an ambitious Rs 2.1 lakh crore. To achieve this target, the government has placed its hope on one of the crown jewels of the public sector undertakings, Life Insurance Corporation of India (LIC). Accordingly, government has set the ball rolling by issuing a request for proposal (RFP) for engaging pre-initial public offering (IPO) transaction advisors.

To read the whole article click on: <https://www.thehindubusinessline.com/opinion/lic-ipo-how-the-transaction-advisors-should-be-selected/article31970151.ece>

COVID-19 health insurance: This policy will cover quarantine expenses as well

In the wake of coronavirus pandemic, the Edelweiss General Insurance has extended their COVID-19 policy to those who are under quarantine in facilities identified the government. The coverage amount will be up to the sum insured under the policy, the company said in a statement. So, even if you are not diagnosed with COVID-19 and opt for any government-run quarantine centre for self-isolation, you will be able to get the benefits of Edelweiss health insurance policies.

To read the whole article click on: <https://www.livemint.com/news/india/covid-19-health-insurance-this-policy-will-cover-quarantine-expenses-as-well-11593771672321.html>

GI Council wants standard Covid treatment rates for easier claim settlement

The General Insurance Council (GI Council) has come up with an indicative rate chart for treatment of Covid-19 patients to guide insurance companies during the claim settlement process. The rates will be reviewed every month.

For cases where the rates charged are more than the indicative rates because of various medical exigencies, insurance companies will consider them while processing claims on a case-to-case basis.

To read the whole article click on: https://www.business-standard.com/article/current-affairs/gi-council-wants-standard-covid-treatment-rates-for-easier-claim-settlement-120070301402_1.html

Paytm, CEO Sharma to acquire general insurer Raheja QBE for Rs 290 crore

Paytm and the firm's Chief Executive Vijay Shekhar Sharma (pictured) will acquire Raheja QBE General Insurance for nearly Rs 568 crore to expand the digital payments company's financial services.

According to regulatory filings made by Prism Johnson, Raheja QBE would be sold "to QorQI, a tech company with majority shareholding of Vijay Shekhar Sharma and remaining held by Paytm (owned by One97 Communications), for an aggregate consideration of Rs 289.68 crore".

To read the whole article click on: https://www.business-standard.com/article/companies/paytm-ceo-sharma-to-acquire-mumbai-based-general-insurer-raheja-qbe-120070600255_1.html

Retiring soon? 4 financial moves to increase the longevity of your post-retirement kitty

The onset of your retirement life will not reduce the importance of financial planning, and the retirement corpus created by you in your working years through disciplined investments would still be threatened by inflation and taxes. Increasing life expectancy and rising health costs would only increase the risk of outliving your retirement corpus.

To read the whole article click on: <https://www.msn.com/en-in/money/topstories/retiring-soon-4-financial-moves-to-increase-the-longevity-of-your-post-retirement-kitty/ar-BB16nv1f>

Opinion | It's better to link insurance amount to your objective

Your life, health and home have a value that must reflect in the amount of insurance you buy. Determining this amount can be an art. In life insurance, a large number of deaths lowers life's perceived value. The covid-19 deaths have become a statistic within a curve that we want

flattened. In the US, *The New York Times* tried to prevent reducing people to numbers by dedicating a front page to the first 100,000 deaths and listing memories gathered from obituaries.

To read the whole article click on: <https://www.livemint.com/opinion/columns/opinion-it-s-better-to-link-insurance-amount-to-your-objective-11593963464926.html>

House panel for expansion of EPF/ESIC net for migrant workers

The parliamentary standing committee vetting the labour code on social security may make a strong pitch for the government's effective intervention to ensure coverage of Employees' Provident Fund (EPF) and Employees State Insurance Corporation (ESIC) to an estimated 30 lakh migrant workers.

After reaching a consensus among the committee members, the proposal is likely to find place in the committee's report, which will be submitted to the Lok Sabha secretariat this month, said committee chairman Bhartruhari Mahtab.

To read the whole article click on: <https://www.msn.com/en-in/money/topstories/house-panel-for-expansion-of-epf-esic-net-for-migrant-workers/ar-BB16pnvj>

COVID-19: LIC's portal allows you to submit insurance claims online

In a move that could iron out all the delays and glitches in claims settlement and help avoid physical contact, the Life Insurance Corporation of India (LIC) has initiated an online claims facility. You can register a claim through its portal.

Through the premier e-services facility rolled out in the wake of the COVID-19 pandemic, the government-owned insurer would now offer many services online. Death claim registration, request for maturity and survival dues, annuity registration and existence certificate submission, policy revival after it lapses and NEFT mandates are made available online.

To read the whole article click on: <https://www.moneycontrol.com/news/business/personal-finance/covid-19-lics-portal-allows-you-to-submit-insurance-claims-online-5515911.html>

Why every millennial must have insurance?

What's the most important lesson we have all learnt from this COVID-19 pandemic?

Our health is wealth. The virus is unpredictable and it spreads just as fast. We can only protect ourselves so much with social distancing and wearing masks and so on. But how can we protect ourselves from the financial damage from hospitalisation, if we fall sick? That's where health insurance comes in.

To read the whole article click on: <https://www.moneycontrol.com/news/business/personal-finance/why-every-millennial-must-have-insurance-5513231.html>

New health insurance scheme launched: Hospital bills not required for claim

ICICI Lombard General Insurance has joined hands with PhonePe to launch Hospital Daily cash benefit – a customised policy that allows buyers to get an assured amount if they are hospitalised. The customers are no longer need to produce hospital bills to claim the amount from the insurance company. Launched under Group Safeguard Insurance, this sachet-based group insurance also cover hospitalisation charges for COVID-19 patients based on terms and conditions.

To read the whole article click on: <https://www.livemint.com/insurance/news/new-health-insurance-scheme-launched-hospital-bills-not-required-for-claim-11595766346066.html>



Non-life insurance companies' gross direct premiums grow 7.83% to Rs 13,961.25 crore in June

Gross direct premiums underwritten by non-life insurance industry saw a growth of 7.83% to Rs 13,961.25 crore in June as against Rs 12,947.89 crore in same month last year. Players in the industry say that growth in June is due to the pick-up in the health insurance segment, but motor insurance remains under pressure.

However, gross premiums underwritten by general insurance players saw fall of 4.24% in the first three months of current financial year. The data from Insurance Regulatory and Development Authority of India (IRDAI) shows that general insurance companies collected premiums of Rs 39,329.62 crore in this fiscal till June as compared to Rs 41,072.14 crore in last financial year.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/non-life-insurance-companies-gross-direct-premiums-grow-7-83-to-rs-13961-25-crore-in-june/2018969/>

LIC's new premium income soars 25.2% to Rs 1.78 lakh crore in FY20

Life Insurance Corporation on Thursday declared a marginal 1.31 per cent higher policy payout at Rs 2,54,222.3 crore for 2019-20 despite the insurer logging in the best-ever show on new business premium that jumped 25.2 per cent to Rs 1,77,977 crore. State-owned LIC continues to be the dominant life insurer with a market share of 75.90 per cent in policies and 68.74 per cent in first-year premium, it said in a statement.

Pension and group superannuation business created history, crossing the Rs 1-lakh-crore mark collecting Rs 1,26,696.21 crore in new business premium income, recording a whopping 39.46 per cent growth from Rs 90,848.86 crore seen in the previous year to March 2019.

To read the whole article click on: https://www.financialexpress.com/money/insurance/lics-new-premium-income-soars-25-2-to-rs-1-78-lakh-crore-in-fy20/2040373/?utm_source=Taboola_Recirculation&utm_medium=RC&utm_campaign=FE

Parliamentary committee to seek unemployment insurance for most of unorganised sector workers

The parliamentary standing committee on labour vetting the labour code on social security is likely to ask the government to incorporate a provision of providing unemployment insurance for most of the unorganised sector workers, barring those working in farms and as domestic helps, in the code.

A fund can be created by the government in which the insured person will contribute on a monthly basis and the government will also chip in. It will help those who have not got the job yet even after attaining a certain age or skill or those who have fallen unemployed after in the job, the committee may suggest.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/parliamentary-committee-to-seek-unemployment-insurance-for-most-of-unorganised-sector-workers/2038001/>

ESIC increases monetary grant paid to pregnant women to Rs 7,500

The Employees' State Insurance Corporation (ESIC) has decided to enhance the monetary grant paid to pregnant women by Rs 2,500 to Rs 7,500 in case they cannot avail maternity services in ESIC dispensaries.

"In the Employees' State Insurance (Central) Rules, 1950, in rule 56-A, for the words 'rupees five thousand', the words 'rupees seven thousand five hundred' shall be substituted," the ministry of labour and employment said in a notification in the official gazette.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/esic-increases-monetary-grant-paid-to-pregnant-women-to-rs-7500/2037996/>

COVID-19 proves importance of Solvency II, says EIOPA

According to the European Insurance and Occupational Pensions Authority (EIOPA), over the last few months the COVID-19 outbreak has further proved the importance of the Solvency II regulatory framework.

The EIOPA argues that the framework has helped re/insurers to better align capital to risk, build-up resilience and enhance risk management practices, while the adjustments included for long-term guarantees enabled them to partially mitigate market volatility caused by COVID-19.

The re/insurance sector had a comfortable capital buffer at year-end 2019 which helped it to withstand the initial market shocks caused by the pandemic.

To read the whole article click on: <https://www.reinsurancene.ws/covid-19-proves-importance-of-solvency-ii-says-eiopa/>

Travelers provides updates on renewed catastrophe reinsurance treaties

P&C insurer Travelers has provided an update on the catastrophe reinsurance treaties it renewed on July 1.

The Northeast Property Catastrophe Excess-of-Loss Reinsurance Treaty provides up to \$600 million part of \$850 million of coverage, subject to a \$2.25 billion retention for losses arising from a single occurrence, subject to one reinstatement.

Coverage is provided on an all-perils basis, including but not limited to hurricanes, tornadoes, hail storms, earthquakes, winter storms and/or freeze losses.

The treaty covers territory from Virginia to Maine for the period July 1, 2020 through and including June 30, 2021.

To read the whole article click on: <https://www.reinsurancene.ws/travelers-provides-updates-on-renewed-catastrophe-reinsurance-treaties/>

COVID-19 to accelerate insurtech's "silent metamorphosis"

The COVID-19 pandemic is set to accelerate a "silent metamorphosis" that the re/insurance industry has been undergoing in recent years regarding its use of technology.

This is according to Paul Donnelly, Executive Vice President for EMEA at Munich Re Automation Solutions, the specialist insurtech subsidiary of the global reinsurer.

Speaking in an interview with Reinsurance News, Donnelly acknowledged that the re/insurance industry has garnered a reputation for being slow to innovate and adopt new technologies.

This is possibly due to its very traditional culture and reliance on personal contacts, stemming from the early coffee house culture of the Lloyd's of London market.

To read the whole article click on: <https://www.reinsurancene.ws/covid-19-to-accelerate-insurtechs-silent-metamorphosis-munich-res-paul-donnelly/>

Re/insurance has major role in tackling climate change

In the wake of the COVID-19 pandemic, the insurance industry must reflect on the lessons it has learned and take a stance as a major player in the fight against climate change.

This is according to Urs Baertschi, Chief Executive Officer Reinsurance EMEA / Regional President EMEA at Swiss Re, who recently spoke to Reinsurance News about the industry's role in building climate resilience.

"Over the last few months, the world has been jolted awake by the widespread and devastating impact of an unprecedented global crisis in the context of Covid-19," Baertschi told Reinsurance News in a recent interview.

To read the whole article click on: <https://www.reinsurancene.ws/re-insurance-has-major-role-in-tackling-climate-change-swiss-res-baertschi/>

Lemonade reinsurers betting on improved loss ratio: analysts

Analysts are forecasting an improvement in the loss ratio of insurtech firm Lemonade over the coming quarters, based on its current reinsurance arrangements.

Taking 75% of the risk for every premium dollar Lemonade writes, reinsurers are bearing the bulk of the loss ratio outcome, good or bad, JMP Securities notes.

The insurtech's net loss ratio forecast for 2020 is set at 72%, which indicates a 100% combined ratio when considered alongside 2-3 points of expense and the 25-6 points of ceding commission.

To read the whole article click on: <https://www.reinsurancene.ws/lemonade-reinsurers-betting-on-improved-loss-ratio-analysts/>

Re/insurers' public COVID-19 losses reach \$20.2bn

Data compiled by Zurich-based financial services advisory PeriStrat LLC shows that publicly reported COVID-19 losses among the largest global insurers and reinsurers have now reached \$20.2455 billion.

Analysts noted that loss estimates have generally trended upwards in second quarter earnings releases.

However, the tracked public loss figure is still less than most of the publicised market loss estimates, indicating that more increased loss estimates are likely to emerge.

To read the whole article click on: <https://www.reinsurancene.ws/re-insurers-public-covid-19-losses-reach-20-2bn-peristrat/>

International News: Covid-19 drives digital transformation in the insurance industry

New research from TransUnion on the performance of insurers shows the pandemic has sparked a fundamental shift in consumer demand and buying behaviour, requiring new digital assets like seamless onboarding, with robust identity verification at point of contact. The research shows Covid-19 has hurt heavily intermediated, non-digitally transformed insurers. An analysis by TransUnion of quote volumes during Covid-19 revealed considerable variations across regions. In the UK, for example, volumes were relatively flat, whereas South Africa and India experienced a substantial decrease.

To read the whole article click on: <https://www.bizcommunity.com/Article/196/852/205855.html>

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

