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I. WHAT'S HAPPENING AT NIA

1. NIA - Munich Re - Live Webinar - Business Interruption Overview Including CBI Deep Dive



National Insurance Academy organized a Live webinar in collaboration with Munich Re on the theme “Business Interruption Overview including CBI Deep Dive” on Thursday, 29th October 2020. The eminent speakers for the webinar were Mr. Andreas Barowski and Mr. Stefan Feldhutter from Munich Re. The agenda for the webinar was to understand the BI wording format, calculating the correct BI sum insured, understanding the concept of gross profit vs gross earnings, turnover/output/revenue and difference basis, seasonal business, expanding the core cover, and Cyber BI.

2. Webinar on Enterprise Risk Management – ERM in the New World-Implications for the Insurers: Are You Ready?



The current pandemic has changed the nature and types of risks impacting the insurers globally and also changing the success of business models completely. Tackling these new age risks requires insurers to adopt an integrated and holistic ERM framework with the capability to identify, evaluate, and adequately define responses to the changing market conditions.

Realizing the importance of this topic, National Insurance Academy along with Risk and Insurance Management Society, (RIMS) USA, collaborated on an industry webinar on the topic of “ERM in the New World- Implications for the Insurers: Are you Ready?” on 13th October 2020. The webinar was attended by insurers, brokers, and risk managers from the insurance industry.

3. 100% Placement

All 92 students of PGDM Batch 2019-21 have been placed and National Insurance Academy’s legacy of 100% placement continues!! 5. Entire process was conducted online wherein around 300 interviews were conducted in one single day. The highest package offered this year has been Rs. 12.10 lakhs.

4. Project on Agriculture Insurance Penetration

National Insurance Academy has been awarded a research project by the State Government of Kerala to study on Agriculture Insurance Penetration in the State. The project aims to study all crop insurance schemes implemented in the state of Kerala Govt. The study also reviews similar

insurance schemes implemented in developed countries and peer states. It also analyses the stakeholders including farmer's perception about crop insurance schemes in the state.

The team members of the project are Mr. G. Srinivasan, Director, National Insurance Academy; Dr. Steward Doss, Associate Professor, National Insurance Academy; and Dr. Archana Singh, Assistant Professor, National Insurance Academy.

5. Vigilance Awareness Week





National Insurance Academy observed the Vigilance Awareness Week from 27th October, 2020 to 2nd November, 2020 with the theme "Vigilant India Prosperous India".



II. UPCOMING EVENTS / WEBINARS / IMPORTANT PROGRAMMES AT NIA

1. Webinar on Deepening the Insurance Penetration - Reimagining the Value Chain

NATIONAL INSURANCE ACADEMY
presents
**Webinar on
Deepening The Insurance Penetration –
Reimagining The Value Chain**

| | | | |
|--|---|--|--|
|  Speaker M. R. Kumar Chairman, Life Insurance Corporation of India |  Speaker Saurabh Mukherjee, CFA Founder, Chief Investment Officer Marcellus Investment Managers |  Speaker Srinath Sridharan Columnist / Leadership-coach |  Moderator G. Srinivasan Director, National Insurance Academy |
|--|---|--|--|

During this period of volatile economic turbulence, it is important that insurance industry gears up to expand the growth along with other key industry and financial sectors to attain the economic milestone. The current insurance penetration is only about 3.69% as compared to the global average of 7.23%. Realizing the importance of accelerating the growth of insurance penetration, National Insurance Academy is organising a webinar on the theme “Deepening the Insurance Penetration - Reimagining the Value Chain” on 03rd November, 2020 from 04:00 pm to 05:30 pm.

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

Register at <http://bit.ly/wbnr3nov>

2. Online Training Programmes

National Insurance Academy is organizing various online training programmes in the month of November 2020. Visit <https://niapune.org.in/online-programmes/online-programmes-2020> for more details.

III. INSURANCE INDUSTRY FLASH FIGURES FOR SEPTEMBER 2020

Click on:

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

IV. TOPICAL ARTICLES

1. How Correctly Did Alvin Toffler Predict



Alvin Toffler is the most renowned futurist of 20th Century whose iconic book, Future Shock indicated about the shape of things to come almost half a century back. While reading those predictions we, as young men, took these as science fiction stuff and wild imagination, but these have translated to reality sooner than he projected.

“The illiterates of the 21st century will not be those who cannot read or write but those who cannot learn, unlearn and relearn” wrote Toffler. We are seeing this as the reality in the context of the fast evolving technological revolution called IR4. Our young educated people have to hit the ground running to quickly acquire new skills and become employable and relevant.

“Change is not merely necessary to life- it is life” wrote Toffler. In 21st century we are appreciating this truth in education, health services, banking, insurance, mobility, travel, all transactions.

He wrote, “People of the future will not suffer from limitations of choice but from paralysing surfeit of it, they will suffer from over choice”. Human beings are unique and differ from other beings because they have freedom of choices, but we are now offered innumerable choices of consumer goods, financial services, utilities, education, e-books/audio books, all on digital platform.

“One of the most fantastic possibilities is that man will be able to make biological carbon copies of himself” said Toffler. Now with cutting edge genetic engineering it is possible to duplicate human organs through genetic cloning.

“Technology feeds on itself, new technology makes more technology possible”, said Toffler and we are seeing this happening in AI , IOT, Quantum computing, Voice recognition, Blockchain, Hyper automation, augmented reality etc. fast making the earlier versions redundant.

'Future shock' the book was aptly titled which meant the possibility of shattering stress and disorientation that can happen due to too much change in too short time. This is a reality, what change happened in 100 years is being beaten by changes in a decade's time now.

Insurance cannot be an exception. The whole activity including assessment of risk, prospecting, marketing, sales, pricing, documentation, claims management and all transactions have to adapt and adopt to this change. However, Toffler also said "You can use all the quantitative data you can get, but still you have to distrust it to use your own intelligence and judgement". This is true and states the primacy of human mind over digital matter.

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

2. Sweet & Simple: New Mantra of Insurance Regulator

"A vocabulary of truth and simplicity will be of service throughout your life." - Winston Churchill

The Latin word "Uberrima Fides" is the bottom line of Life insurance contracts, where the insured and the insurers are sharing the key information pertaining to the contract at the start of the contract. So the mutual trust is really the force which is instrumental in building and establishing the Insurance industry.

Insurance Penetration & Insurance Density are two parameters through which, one used to judge the scope for the Insurance industry. In 2019, India's Insurance industry's registered an Insurance penetration as 3.76% of GDP and Insurance density as 78 USD (as per sigma No 4/2020).

To spread the Insurance among the masses, the regulator has come out with a unique way of reaching out to the customers with standardized, simple and easy to understand products.

Firstly, they came out with a standardized indemnity Health Insurance product. The features and benefits offered will be same from all the Non-life and Health Standalone companies. To make it more convenient to identify, the product name will be prefixed with "Arogya Sanjeevani" and will be followed by the name of the insurance provider's name.

To further simplify the identification of health products, recently the regulator proposes to color codify the products according to their complexity. The simple indemnity health insurance

products will be codified with Green color, somewhat difficult with orange and complex products with red color.

Likewise, a standardized Non-Linked Non-participating Individual Pure Risk Premium Life Insurance is also coming up. Regulator has asked the life insurance companies to file the product with IDRAI, latest by 31st December 2020. Life insurance companies will be providing this standardized Life Insurance product by suffixing “Saral Jeevan Bima” after their companies name.

The standardization of insurance products will cut down the operating costs of the insurance providers and these products will be easy to understand not only for the intermediaries but also for the ultimate beneficiary the “esteemed customer”.

With these initiatives, the process of financial inclusion, which started with the opening of Jan Dhan accounts in 2014, and launch of PMSBY and PMJJBY in 2015, will now supplement those drives by bringing millions of people into the blanket of insurance.

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

V. INSURANCE NEWS

PayPoint offers free personal accident insurance to migrant workers

PayPoint, a technology-enabled distribution network of financial services, said it is offering a complimentary personal accident insurance cover for migrant workers transferring money to their families. The cover is available exclusively for PayPoint India customers and the premium for it is zero, the company said.

To read the whole article click on: https://www.business-standard.com/article/companies/paypoint-offers-free-personal-accident-insurance-to-migrant-workers-120102801410_1.html

ICICI Lombard, FreePaycard offer bite-sized, convenient health insurance solutions

ICICI Lombard in partnership with Freepaycard, an online pre-paid card trading platform, has launched Group Safeguard Insurance. The plan will be offered to the members of Freepaycard, allowing them to receive an assured amount in case of any injury or hospitalization for treatment.

To read the whole article click on: <https://www.financialexpress.com/money/icici-lombard-freepaycard-offer-bite-sized-convenient-health-insurance-solutions/2115736/>

Health insurance for millennial Indians - not so elusive anymore!

For majority of young Indians, health insurance was an elusive entity until Covid-19 pandemic hit their cities and neighbourhoods. Thereafter, no thanks to experimental treatment, higher medical costs, longer hospital stays, including sufficient quarantine period, millennials are showing a paradigm shift in their mindset & their attitude towards investing in a comprehensive health insurance plans. Recent surveys indicate that the number of youngsters opting for insurance is steadily growing, especially in the wake of current pandemic.

To read the whole article click on: <https://www.theweek.in/news/biz-tech/2020/10/28/health-insurance-for-millennial-indians-not-so-elusive-anymore.html>

IRDAI panel proposes insurers issue surety bonds

A working group formed by the IRDAI has recommended that insurers issue surety bonds as an alternative to bank guarantees for large construction and infrastructure projects.

The panel, headed by former New India Assurance Chairman G Srinivasan, says that the IRDAI could allow insurers that meet a certain solvency margin above the current threshold to offer surety insurance. This line of business is yet to develop in the Indian market and the risk exposure under this business is quite significant.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/74303/Type/eDaily/India-IRDAI-panel-proposes-insurers-issue-surety-bonds#>

All you wanted to know about Saral Jeevan Bima

A term life insurance product offers financial stability and comfort to a family on the death of the bread-winner. While term plans are supposed to be simple, in practice, Indian insurers add quite a few features to them which makes the choice difficult. To address this, the insurance regulator, IRDAI, has come out with guidelines for Saral Jeevan Bima. All life insurers must offer this product from January 1, 2021.

To read the whole article click on: <https://www.thehindubusinessline.com/opinion/columns/slate/all-you-wanted-to-know-about/article32946297.ece>

Committee proposes ways to grow insurance services in International Financial Services Centre

The International Financial Services Centres Authority (IFSCA) expert committee on international retail business development in the IFSC has submitted several recommendations in an interim report aimed at making the Gujarat International Finance Tec-City (GIFT) IFSC an attractive destination for life, health and non-life insurance companies.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/74280/Type/eDaily/India-Committee-proposes-ways-to-grow-insurance-services-in-International-Financial-Services-Centre>

Australia: Regulator gives updates on protection against unfair contract terms

The Australian Securities and Investments Commission (ASIC) has updated its information sheets on unfair contract terms protections for consumers and small businesses.

The protections will be extended to insurance contracts following the government's enactment of the Financial Sector Reform (Hayne Royal Commission Response – Protecting Consumers (2019 Measures)) Act 2020.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/74281/Type/eDaily/Australia-Regulator-gives-updates-on-protection-against-unfair-contract-terms#:~:text=The%20Australian%20Securities%20and%20Investments,for%20consumers%20and%20small%20businesses.&text=It%20will%20also%20apply%20to,or%20after%205%20April%202021.>

LIC IPO may spill over to next fiscal as govt looks at valuation of insurer

The mega initial public offering of Life Insurance Corp (LIC) may spill over to the next fiscal as the government will first look at the independent actuarial valuation of the country's largest insurer.

To read the whole article click on: https://www.business-standard.com/article/markets/lic-ipo-may-spill-over-to-next-fiscal-as-govt-looks-at-valuation-of-insurer-120102500228_1.html

Health Insurance: Keep track of the waiting period in insurance plans

One of the most important terms that one must understand while buying health insurance cover is the 'waiting period'. Under a comprehensive health insurance policy, the waiting period refers to a fixed time duration in which the policyholder cannot avail certain benefits or coverage. All comprehensive health insurance plans come with different waiting periods for different coverages and the waiting period may differ from insurer to insurer. Only after the policyholder serves the waiting period, the coverage for that specific condition can be availed. Insurers generally apply a waiting period in order to avoid any kind of fraud and misuse of the health insurance for pre-existing ailments.

To read the whole article click on:

<https://www.financialexpress.com/money/insurance/health-insurance-keep-track-of-the-waiting-period-in-insurance-plans/2113031/>

Innovation in design and delivery needed to spread insurance

The covid pandemic has refocused attention on the vulnerability of low-income households to financial shocks. It is estimated that 20 million people in India plunge into impoverishment each year following an unforeseen health expenditure, due to lack of insurance. This became more acutely felt amid curbs, job losses.

To read the whole article click on: <https://www.livemint.com/news/business-of-life/innovation-in-design-and-delivery-needed-to-spread-insurance-11603644809450.html>

A subscription model fills gaps in healthcare

Government welfare schemes such as Ayushman Bharat offer free healthcare to the bottom of the pyramid – around 500 million people in India. The top 50 million have access to insurance and premium healthcare either directly or through their employers. That leaves around 600 million people who are the most vulnerable if they fall ill. Bengaluru-based startup Clinikk is trying to reduce this gap with a subscription model combining telehealth, insurance and primary healthcare for those falling through the cracks.

To read the whole article click on: <https://www.livemint.com/news/business-of-life/a-subscription-model-fills-gaps-in-healthcare-11603644424532.html>

Mental illness has to be a big part of insurance policies

Mental illnesses are prevalent, some consider it an epidemic, and this has only worsened during this pandemic. The challenges in addressing mental illness are considerable: building patient, doctor awareness and treatment capacity. Insurance currently has a minor role in mental illness

and we could do more. The first issue is that the mentally ill find it difficult to buy health insurance, even in minor conditions. This leaves them uncovered even for physical illnesses.

To read the whole article click on: <https://www.livemint.com/insurance/news/mental-illness-has-to-be-a-big-part-of-insurance-policies-11603634821731.html>

IRDAI proposes changes in insurance advertisement regulations

In a bid to protect consumers, regulator IRDAI has proposed to prohibit insurers from issuing advertisements that make claims which are beyond reasonable expectations of performance.

The unfair and misleading advertisements will include those which fail to clearly identify the product as insurance and describe benefits that do not match the policy provisions, the regulator said in the draft Insurance Regulatory and Development Authority of India (Insurance Advertisements and Disclosure) Regulations, 2020.

To read the whole article click on: <https://www.businesstoday.in/current/corporate/irdai-proposes-changes-in-insurance-advertisement-regulations/story/419870.html>

Kotak Life launches Kotak Health Shield, forays into comprehensive health insurance segment

As the majority of Indians feel most stressed because of their concern about physical health during the Covid-19 pandemic, demand for health insurance products are on the rise. To grab the opportunity created by the spike in demand, an increasing number of insurance companies are entering into the health insurance space. Going by the trend, private sector life insurer Kotak Mahindra Life Insurance Company Limited (Kotak Life) has forayed into the health insurance segment and announced the launch of a new comprehensive product – Kotak Health Shield – a fixed benefit, comprehensive health insurance plan.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/kotak-life-launches-kotak-health-shield-forays-into-comprehensive-health-insurance-segment/2111994/>

Regulator directs insurers to link healthy lifestyle to health insurance plans

IRDAI has stipulated that all life, general and specialised health insurers have to include features and benefits in their health insurance plans that would promote a healthy lifestyle among policyholders. To this end, the IRDAI has issued guidelines on wellness and preventive feature.

To read the whole article click on: <https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/74245/type/eDaily/India-Regulator-directs-insurers-to-link-healthy-lifestyle-to-health-insurance-plans#:~:text=IRDAI%20has%20stipulated%20that%20all,on%20wellness%20and%20preventive%20feature.>

LIC launches New Jeevan Shanti deferred annuity plan

The Life Insurance Corporation of India (LIC) has introduced New Jeevan Shanti plan, which is a non-linked, non-participating, individual, single-premium, deferred annuity plan.

The annuity rates are guaranteed at the inception of the policy and annuities are payable post deferment period throughout the life time of annuitants.

To read the whole article click on: <https://www.financialexpress.com/money/lic-launches-new-jeevan-shanti-deferred-annuity-plan/2111266/>

AP govt launches YSR Bima scheme

Andhra Pradesh Chief Minister YS Jagan Mohan Reddy launched YSR Bima scheme. The scheme will benefit 1.41 crore families by providing insurance cover. The State government will be paying ₹510 crore every year as a premium for the scheme.

To read the whole article click on:

<https://www.thehindubusinessline.com/news/national/ap-govt-launches-ysr-bima-scheme/article32909928.ece>

IDBI Federal Life Insurance launches Guaranteed Income Plan with lumpsum or annual income options

IDBI Federal Life Insurance has launched a non-linked, non-participating life insurance plan titled IDBI Federal Life Insurance Guaranteed Income Plan. The plan provides a combination of life insurance and guaranteed returns and offers a choice of Income and Endowment options, basis an individual's financial needs and life goals.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/idbi-federal-life-insurance-launches-guaranteed-income-plan-with-lumpsum-or-annual-income-options/2110604/>

IRDAI sets up panel to examine need for standard cyber liability insurance product

The Insurance Regulatory and Development Authority of India (Irdai) has set up a panel to explore possibility of a basic standard product structure to provide insurance cover for individuals and establishments to manage their cyber risks.

The general liability policies do not cover cyber risks, and cyber insurance policies currently available are highly customised for clients in a new and quickly growing market.

To read the whole article click on: <https://www.financialexpress.com/money/insurance/irdai-sets-up-panel-to-examine-need-for-standard-cyber-liability-insurance-product/2110178/>

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