The Actuary India

Magazine of the Institute of Actuaries of India

January 2025



Asset-Liability Matching

Asset-Liability Management in Insured Superannuation Schemes

President's Column

2025: Embracing Challenges and Opportunities in Actuarial Science

Tableau and Data Visualization

Getting to Know Tableau: Part -1 Introduction

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Editorial



Welcome to 2025! May the odds be ever in your favour and you remember to end (calendar) dates with 2025 instead of 2024.

Is your new year's resolution to learn something new? Why not consider learning Tableau, a data analysis and visualisation tool! Read on more about this fantastic software here. Stay tuned for further articles by our Tableau experts dropping very soon!

2025 marks the implementation of the Unified Pension Scheme, a pension scheme for central government employees that aims to blend features of the Old and New Pension Schemes to provide better retirement outcome. A question on everyone's mind is which scheme is better? Read an actuary's perspective on the debate here and let us know your thoughts.

The Institute of Actuaries of India has implemented a slew of measures to aid a student actuary's journey to fellowship. Chief among these measures is organising 4 exam diets for exams in the CM, CS, CB1 and CB2 in a year. We wish all our readers attempting these exams in February 2025 the best of luck! We hope they find our study tips for CM2 and CS2 helpful in their journey.

The 24th GCA will be held from 17th – 19th March at The Westin in Powai, Mumbai with the theme 'Actuarial Excellence in the Age of Disruption. The GCA is the Institute of Actuaries of India's flagship event and will encompass sessions across a wide range of topics and feature speakers from across the globe. We look forward to welcoming all our readers and interacting with you all soon. Registrations are now open here.

Thank you for all your love and support in the TAI journey so far and please do read, share and contribute!

Love & regards,

Kathan "KJ" Jain
Editor, The Actuary India
Magazine of the Institute of Actuaries of India

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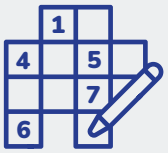
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President's Column

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President's Column - Jan 2025

2025: Embracing Challenges and Opportunities in Actuarial Science



Preeti Chandrashekhar took charge as the President of the Institute of Actuaries of India from October 2024. She is the first woman president to serve as the President of the IAI.

Wishing all of you a very happy and prosperous 2025!! Hope all of you are recharged for working towards a more fulfilling year ahead!!

My first 90 days as a President of the Institute of Actuaries of India have been nothing short of a roller coaster ride. And I am thoroughly enjoying it!!

We recently celebrated Swami Vivekananda Jayanti as "National Youth Day" on 12th January. His ideals are indeed timeless. As Swami Vivekananda said, "Supreme value of youth period is incalculable and indescribable. Youth life is the most precious life. Youth is the best time."

One cannot believe more in this. As I interact more with students, I cannot be more bullish about the future this profession holds for all of us in India. I see bright young minds getting drawn to the profession bringing fresh perspectives, challenging the status quo and driving innovation in the actuarial profession. A BIG shout to all students, "Congratulations for having chosen to become actuaries!! You are in the right profession at the right time!!"

As students who have decided to take up this career, you would have come across many people saying or writing about actuarial exams not being easy. While I agree that they are not a cakewalk, nothing is impossible with hard work and perseverance. You may hit a point that makes you wonder if it is really worth the effort. Being successful is hard and not every attempt of exam may lead to success in the first attempt. So please set your own goals and you will realise that all this is a part of the process. Thomas Jefferson once said, "I find that the harder I work, the more luck I seem to have". J K Rowling had 12 rejections before the work was published and the rest is history. Don't give up on yourself even if others give up on you; don't let yourself down.

Quoting Swami Vivekananda, again "Whatever you think, that you will be. If you think yourselves weak, weak you will be; if you think yourselves strong, strong you will be."

On another note, actuaries cannot solve the complex problems of today on their own for that matter, no one profession can. Problems are non-linear and multidimensional. We need a multilateral cooperation across life/health/GI/Pension actuaries, actuarial professional bodies, across different professions like accountants, lawyers, economists, data scientists, behavioral scientists etc.

The future for actuaries would be more intriguing as challenges become more complex and hence we need to develop broader skills beyond the core work. Actuaries have a huge potential in using their training and skills in newer areas of banking, climate risk, AI and ML. We need to think beyond numbers. Our work impacts various stakeholders including policy holders, pensioners, general public and policy makers, regulators among others. Unlike other professions, our work is not seen or felt directly so we need to uphold the highest professional standards. And this should become a part of our DNA while we are studying.

Communication is an integral part of collaboration. It is an essential skill for an actuary. The ability to explain your work and its outcome to non-actuaries especially the models, assumptions and key findings is what will make you stand above the crowd. A great model that is very efficient is only the beginning of the process. You should develop the ability to explain the relevance and importance of your solution in driving value for various stakeholder.

In a nutshell, you have a bright future ahead. Make the most of your training as an actuary since the world needs you!

Features

The Actuary India
Magazine Of The Institute Of Actuaries Of India

Asset-Liability Matching , Modelling , Employee Benefits

Asset-Liability Management in Insured Superannuation Schemes

Asset-Liability management exercises form an integral part of the risk management framework for insurers. In this article, **K Arumugam**, explores how different approaches are taken for ALM exercises within the context of an insurer-managed superannuation schemes.



Risk Management is one of the key principles of Corporate Governance in India and around the world. The primary tool in the Risk Management framework is Asset-Liability Management (ALM) and every company has an ALCO – Asset-Liability Committee to formulate its ALM strategy. The ALM exercise is done considering all assets and liabilities of a Company including its Defined Benefit Obligations related to Employees. For example, a Bank in India is performing an ALM exercise wherein its Liabilities include its Defined Benefit Superannuation Scheme to its employees. An Insurance Company that is offering Pension Products to Corporate clients, including the Bank, is also doing the ALM exercise as per IRDAI Regulations. As a result, here, for an Insured Superannuation Scheme, the ALM exercise is being done by both the Bank and the Insurance company separately to comply with their respective Regulations. This article discusses the relevance of the ALM exercise in this context.

ALM exercise



To illustrate the point more clearly, I am considering the following scenario involves a Bank and an Insurer. The Bank has an Insured Superannuation (Defined Benefit) Scheme covering its employees with a liability size of Rs 2,000 Crores. Here, the insured Scheme means, the Bank is having a Group Fund Based Non-Linked Policy with the insurer and the Bank has parked the entire assets of Rs. 2,000 Crores backing the liabilities with the Insurer.

The Insurance Company has sold Group Fund Based Non-Linked Superannuation policies with a total Superannuation portfolio size of Rs. 20,000 Crores. The Insurance company is declaring interest rate for the policy based on the investment income earned and no guarantees are provided related to the interest rate. The interest rate is declared at the end of each financial year and is net of charges.

Here, the issue I wish to discuss is the way, the ALM exercise is being carried out. The Bank is doing the ALM exercise including the Rs. 2,000 Crores superannuation liabilities wherein the corresponding assets are with the Insurer and these assets are not in the control of the Bank. The Bank does not have any discretion over the choice of asset class or duration of assets but is still doing the ALM exercise.

On the other hand, the Insurance Company is also doing the ALM exercise for the whole Rs 20,000 Crores Superannuation Portfolio wherein the corresponding liabilities are not in the control of the Insurance Company. The liabilities of superannuation schemes are influenced by the movement of employees of the Bank and/or the salary/promotional increases awarded by the Bank, and these factors are not controlled by the Insurance Company. The Insurance Company is doing the ALM exercise wherein they have all the assets but do not have control over the liabilities. The Bank is doing ALM exercise wherein they can influence the liabilities but not the assets.

Then, in the above scenario, will doing the ALM exercise add any value, or it is being done merely to comply with the Regulatory Requirements? To analyse further, we need to go to basics by looking at the purpose and the likely ways of doing the ALM exercise.

Purpose of ALM Exercise

The ALM exercise is done to recognize and quantify the risks so that the quantified risks can be mitigated in a sound financial way considering the entity's risk tolerance and risk appetite. Also, the ALM exercise helps the institution to identify future cashflow problems and capital-related issues. The scope of the ALM Exercise will also include enhancing the investment yield subject to meeting the target risk tolerance/risk appetite of the Institution.

Normally, the ALM exercise will include the following risks:

- Liquidity risks
- Market Risks
- Trading Risks
- Reinvestment risks
- Future capital requirements related risks

Here Market Risks covers Interest rate, Equity fall, Currency and Credit risks. This exercise can be done with or without future New Business/New Entrants.

Possible ways of ALM Process

The bank will do this exercise for their Defined Benefit Pension Liabilities based on the projected liability and asset cashflows. The expected liability cashflows can be determined using demographic and financial assumptions such as future salary and employee turnover due to retirement, resignation & death based on the past experience of pension schemes with or without the help of an Actuary. The expected future assets cashflows can be determined using an average interest rate based on the past interest rates declared by the insurer and assuming the duration of assets matches the duration of liabilities. The bank has to make several assumptions related to Interest rates, duration of assets and asset quality to complete the process, as the assets are managed by the Insurer.



The Insurer will do this exercise considering the expected cashflows from the actual assets in their Superannuation Portfolio, duration of assets, reinvestment return and their intention to enhance the investment return to remain competitive. The expected cashflow related to liabilities can be determined based on the past data related to income and outgo of the entire superannuation portfolio. Here, the outgo to the portfolio includes all the outgo due to individual employee movements like Death, Retirement and Resignation as well as the policy level movements like Surrender of the policy. The Macaulay duration of liabilities may also be calculated based on past outgo to the portfolio and/or based on individual policy/member level. However, the assumptions used for projections of liabilities may not be specific to the individual customers.

How well the process meets the scope of ALM exercise

For the Bank, the ALM exercise is not actually addressing any of the issues related to Liquidity risks, Market risks or enhancement of the investment yield. The Bank's assets are now a part of bigger fund portfolio of the Insurer and therefore, the Bank will not have any risks related to Liquidity and relatively lesser Market risks. Also, the Bank cannot invest in assets to match the liabilities by duration or try to enhance the return by this ALM exercise.

As it's a superannuation scheme, the Bank may or may not buy annuities from the insurance company. In both cases, liquidity is not an issue for both the Bank and the Insurer.
The insurer is prone to liquidity risk as the policy may be surrendered at any point in time, and therefore, the insurance policies have clauses like Market Value Adjustment or Surrender Chargers to mitigate this risk.
Also, the Insurer will not try to match the liabilities by duration but will try to enhance the investment return subject to meeting its target risk tolerance level related to Market Risks.

The superannuation product may have a guarantee related to investment return but normally, the insurers are keeping this guarantee to a minimum level. The interest rate declared on the superannuation funds is based on the actual yield, and therefore, the liabilities of the Insurer are asset-driven. For such liabilities, ALM exercise will not focus on investing assets to match the liabilities. However, the Insurer has to provide a competitive return to stay relevant in the market, and therefore, the main objective of the ALM exercise of the Insurer is to enhance the investment return.
The ALM Exercise may be useful to some extent to predict the future cashflows related issues to Both the Bank and the Insurer considering the volatility related to future New Business for the Insurer and the future employee turnout for the Bank.

Conclusion

For the Bank, the ALM exercise does not add much value if the superannuation scheme's total/significant portion of assets is with the Insurer, and the effects of many of the risks are minimized or removed for such insured schemes. For the Insurer, doing the ALM exercise based on the income and outgo of the total portfolio may add some value and help the insurer to maximize the investment income. Considering the above aspects, the ALM exercise for the Bank may exclude the portion related to superannuation liabilities if the total assets are with an Insurer. Similarly, the objective of ALM exercise for the Insurer can be modified as the liabilities are driven by assets.

About the author(s)



K. Arumugam
Consulting Actuary

Arumugam has three decades of experience in Pension and Life Insurance. He is passionate about research, reading books and likes to visit ancient temples rich of sculptures and paintings.

Resources

The Actuary India
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Tableau and Data Visualization

Getting to Know Tableau: Part -1 Introduction

Tableau is a data visualization tool capable of handling large amount of data efficiently. This hands-on training series developed by **Ananya** and **Simran** is targeted for first-timers. You get acquainted with the Tableau UI and a few hands-on exercises to build confidence.

Introduction ● About Tableau ● Tableau Interface

It was late at night, and I was on the verge of wrapping up a big project. This project lasted for six months with a tremendous amount of learning gained. There were some late-night calls as well but no complaints since learning takes precedence. For this project, I was introduced to something new called "Tableau". For most of my actuarial journey, I have relied heavily on tools like SQL, GGY AXIS, and advanced Excel but because this software was new to me, I did not know how to navigate around it let alone work with it.

My colleague who possesses a good knowledge of Tableau joined me on a journey to explore this software more together. We explored its powerful capabilities, brainstorming creative ways to transform data into compelling visualizations. Now, with our combined experience, we are excited to share the lessons we have learned, and the possibilities Tableau can unlock.

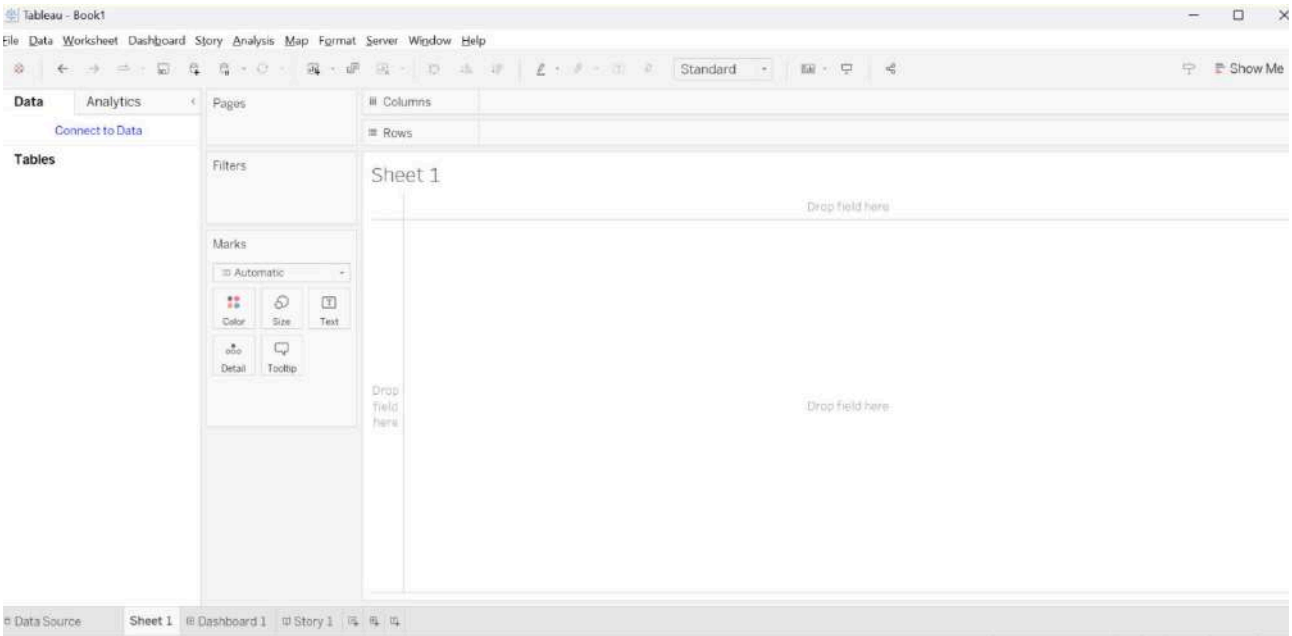
Getting to Know Tableau: Your Data's New Best Friend! 🚀

Tableau is a data visualization tool which can help in creating different charts, dashboards and reports as per the user needs. It has the capability to handle large amounts of data which helps in analyzing and presenting data in an interactive way.

With tableau you gain an additional advantage of publishing workbooks online. Let's say that you worked on a Tableau project, and you want to make it accessible for everyone? Now some people may not have access to the location where you might have the workbook saved. That's when publishing the workbook online will help you. All a user will have to do is gain access to the online workbook and they can check out your work!

A speedy stroll through its interface!

Tableau has a user-friendly interface. Here, we are sharing a snippet of how a Tableau workbook looks like when you first open it. (Hover on the image to see details.)



Now, when you would have hovered on "Columns and Rows" you would have read some terms like "Dimensions" and "Measures". You would be wondering what they are? Don't worry! We are here to help you!
Dimensions are qualitative metric which help in segmenting the data. For example- valuation date is a dimension. Measures on the other hand is a quantitative metric which can be measured. For example-death benefit is a measure.
We want to make sure that you are made aware that we will be using the paid version of tableau for our articles. However, for your learning you can consider using the free version which last for upto 2 weeks. Please bear in mind that there will be some limitations in the free version. (Please note that you can also use "Tableau Public", it is similar and is free to use, but has certain limitations)
Having explored Tableau's user-friendly interface, you've gained an initial understanding of its intuitive design and capabilities for creating impactful visualizations. However, this is only the beginning—there is much more to uncover.
Stay tuned for upcoming articles on mastering data analysis and bringing it to life in Tableau, plus a fun dive into data illustrations and the pesky errors to watch out for in Tableau!

Read Part 2 of this series here-

About the author(s)



Ananya Jain

Actuarial Team Lead
Accenture

Close to 7 years of actuarial experience ranging from pensions to life insurance. My work experience consists of valuation of employee benefits to assumptions unlocking and experience studies for group retirement business and testing of fixed annuities products. I like to read and watch mystery and thriller genres.



Simran Gupta

Actuarial Analyst
Accenture

Over three years of actuarial experience spanning model validation, interest rate recommendations, and a strong understanding of UL/VUL and traditional life insurance products in the U.S. market. Possess knowledge of LDTI implementation and currently support the Life CFA team at Accenture, contributing to strategic initiatives and delivering impactful solutions.

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Tableau and Data Visualization

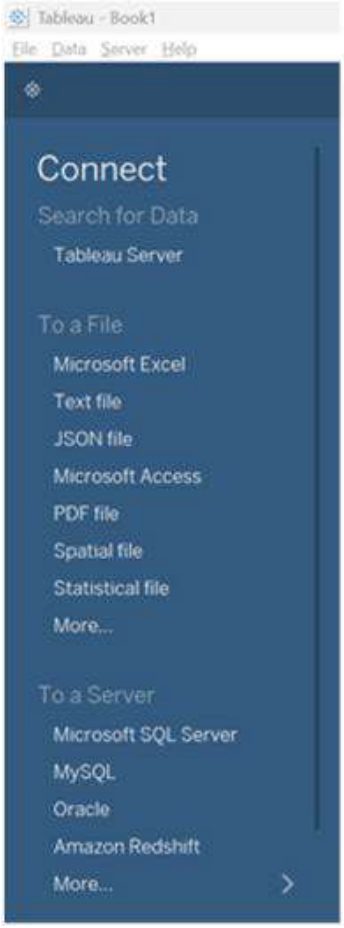
Getting to Know Tableau: Part -2
Exploring Data Connections and Loading Essentials

Tableau is a data visualization tool capable of handling large amount of data efficiently. This hands-on training series developed by Ananya and Simran is targeted for first-timers. You get acquainted with the Tableau UI and a few hands-on exercises to build confidence.
If you haven't read our part-1, Click here

Data Sources • Live vs. Extract Connections • Dataset Description • Data Loading Process • Next Steps

Connecting Data Sources in Tableau

What's any analysis without data? Exactly—absolutely nothing! 🚫 That's why step one in creating a Tableau dashboard is diving headfirst into the fascinating world of data. Let's unravel its secrets together! 💥
Tableau gives us the flexibility to load data in the workbook through various sources. Want to load the data from a Tableau server? Go ahead! Or you want to establish a connection with SQL or Oracle to load data? Be our guest! Or you want to simply load an already prepared data file like Excel? Sure, Tableau provides that capability too!
We are adding a snippet to show the various data sources that we discussed above:



Live vs. Extract Connections

Hold on! There's more to Tableau than just connecting to different sources. We were confused, what else could Tableau add to the data world apart from the sources? That's when we discovered the magic of "Live" and "Extract" connection.

As the name suggests, a "Live" connection directly connects Tableau to the data source in real-time. That is, whenever a data is updated in backend, then the workbook also gets updated automatically.
Now let's say that we have a live data connection, but we don't want any updates in backend to impact the data we are using for tableau. That's where tableau has given us the option of creating an "Extract". An Extract can help to create a snapshot of live data in tableau. This data can be stored locally or on server in ".hyper" format.



Dataset Description

Having learnt the above, let's start with loading our own data in tableau.
We will be attaching the Excel data which we will be using for creating visuals. A small description of what the data file consists of is -

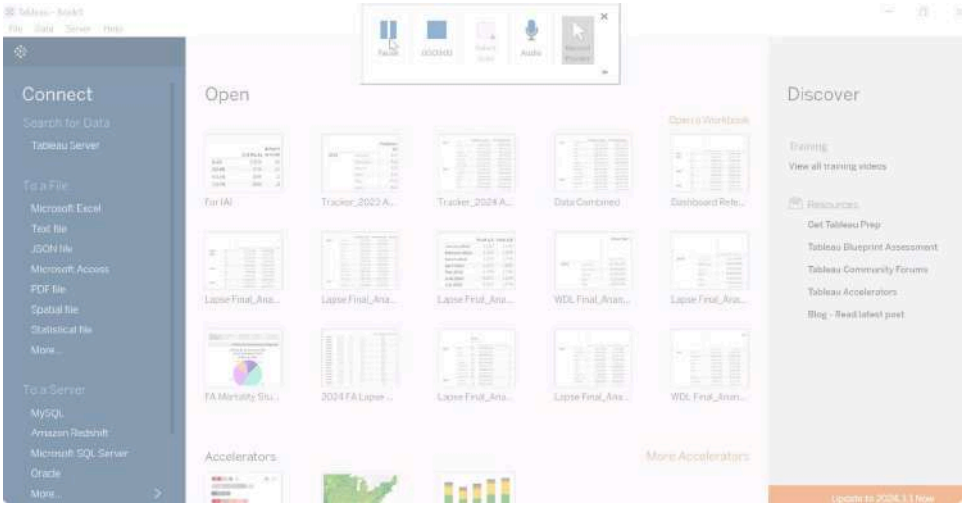
- Valuation Date: we will be performing the valuation of all the policies as at 30th September 2024
- Policy ID: each policy will have a unique ID associated to distinguish them
- Issue Age: the age of the policyholder at the time of policy issue
- Location: location where the policy is issued, we are adding 4 locations for adding variety to data
- Premium: we are assuming that a single premium of INR 100 is paid at the start of the policy
- Surrender Indicator: this is randomly assigned to policies. A surrender indicator of 0 implies that policy is in force and if 1 then it means that the policy has been surrendered before 30th September 2024.
- Account Value: It is calculated based on the premium amount received and an interest rate
- Surrender Value: It is based on a certain % of account value and is only calculated if the indicator is 1

We know! We know! There are a lot of assumptions that we have made here but we will not be discussing in this article. But hey! What's an actuary without assumptions?

Data Loading Process

Now, back to the data loading process. Once you have the data file saved in your PC, you can go through the below screen recording to load the data in tableau. Notice how we have our cursor on the number of rows which is 20. This gives a good indication that full excel data has been loaded.





Next Steps

We hope you found this article as exciting as we did! 🎉 Stick around as we dive into making assumptions, performing some cool coding magic in Tableau, building dashboards, and spotting those sneaky errors to watch out for! 🚀

About the author(s)



Ananya Jain

Actuarial Team Lead
Accenture

Close to 7 years of actuarial experience ranging from pensions to life insurance. My work experience consists of valuation of employee benefits to assumptions unlocking and experience studies for group retirement business and testing of fixed annuities products. I like to read and watch mystery and thriller genres.

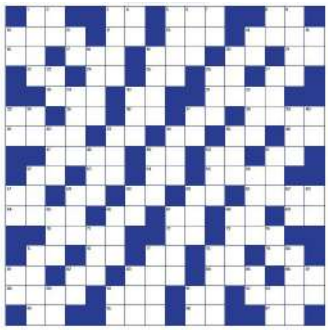


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Puzzle



Equation Crossword

Cross-Number Puzzle

Solve these crosswords by filling the correct number in each cell based on the clues provided. Take your time and as many attempts as you want (most importantly, don't give up). These are no more trickier than developing replicating portfolios! Enjoy this brain teaser by the Puzzle master: **Kathan Jain.**

Cross-Number Puzzle

ACROSS

1. 113 – 34
3. 373 – 132
6. LXIV
8. MDCLXXIII + CMLXXIII
12. 132 ÷ 6
13. 882 ÷ 3
14. 3,304 ÷ 4
15. 7 × 991
16. 5,421 + 2,622
18. 68 – 18
19. 2 × 37
20. 600 ÷ 8
22. 1,868 – 908
23. 1,158 – 201
24. 3 × 21
25. DCXCVIII
26. 5 × 239
29. 87 × 3
31. 64 + 25
32. 165 – 81
34. 668 + 82
35. 74 – 16
36. 8,104 + 1,188
38. 3,730 + 642
40. 69 ÷ 3
42. LVIII
43. XCVII
45. LIX
46. 1,309 – 571
47. 360 – 137
48. 437 – 126
49. 7,821 ÷ 9
51. 965 + 28
52. CMLXXXIX - LXIV
53. 270 ÷ 5
54. 29 + 11
55. 19 + 2
56. 322 ÷ 7
57. 2,759 + 2,688
60. 5 × 1,471
63. XIV
65. 5,416 ÷ 8
67. 6 + 6
68. IX + XXX
69. 932 – 367
71. 5,170 + 2,266
73. 853 – 315
75. 25 + 22
76. 18 × 23
78. 393 ÷ 3
81. LXXIV - LIX
82. 143 – 59
83. 19 + 31
84. 11,672 ÷ 8
85. 96 × 92
88. 1,023 – 248
90. 488 + 505
92. 8 × 6
93. 4,101 – 1,946
94. 28 – 8
95. 474 – 213
96. 52 – 14

DOWN

1. 197 × 37
2. 8,775 + 431
3. 202 + 21
4. 7 × 7
5. 2 × 7
6. 2 × 31
7. 138 ÷ 3
8. 792 ÷ 3
9. 45 + 24
10. XLIII
11. 4,432 + 2,347
14. 6,395 + 1,677
17. 422 – 21
18. 94 – 39
19. 48 + 25
21. 60 – 2
23. 568 + 382
24. 5,562 ÷ 9
25. 544 + 155
27. 858 + 871
28. 285 ÷ 3
30. 60 + 5
31. 2 × 41
32. 504 ÷ 6
33. 344 ÷ 8
36. 1,557 – 574
37. CCXCI
39. 11 × 69
40. 2,097 ÷ 9
41. XXXVIII
42. 233 + 292
44. number of dozens in 852
46. 839 – 48
47. 235 – 9
48. 3,096 ÷ 9
49. 78 + 6
50. 895 – 288
51. 25 × 37
52. 150 – 56
53. 2,479 + 3,094
58. 246 ÷ 6
59. 12 × 6
61. 3,042 ÷ 9
62. 35 + 24
63. 628 ÷ 4
64. 23 × 2
65. 4,044 ÷ 6
66. 37 + 37
70. 2,707 + 2,748
72. 1,842 ÷ 3
73. LI
74. 199 × 18
75. 63 – 19
77. 90 ÷ 9
79. 28,344 ÷ 8
80. 985 + 1,003
82. DCCCXXV
84. 1,048 ÷ 8
86. 27 × 3
87. 64 – 29
88. 68 + 4
89. 2 × 35
90. 23 × 4
91. 179 – 83

About the author(s)



Kathan Jain

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Kathan is a Fellow member of the IAI and the IFoA with a specialization in Pensions & Other Benefits and holds a B.Sc. in Actuarial Science from YCMOU. He's obsessed with food and enjoys binge-watching & solving puzzles in his free time.

Humour

Humour

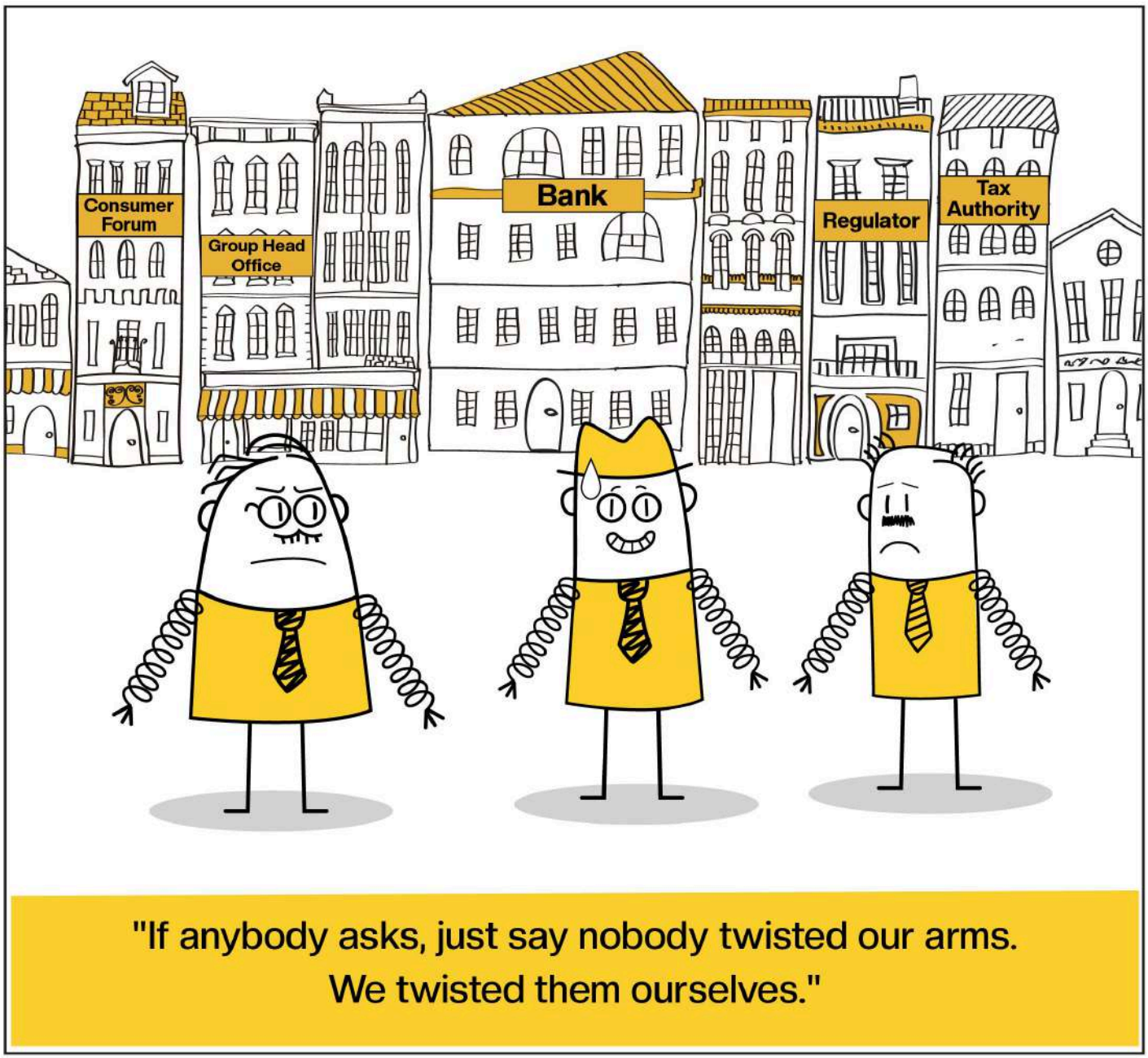
An actuary walks into Ā

A light-hearted take on the hopes, aspirations, trials, tribulations and perhaps even foibles of everyday actuaries in their everyday lives.



Managing Stakeholders

by B.M. Sampad



Newsflash

The Actuary India
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Newsflash

Industry Updates - A roundup of December 2024 news on Indian insurance sector

What's been happening in the insurance sector? **Sanket Alampuria** and **Shrikriti Singh** are here to bring you the full update of December 2024.



News Report

03 Dec 2024 | General Insurance

Health Ministry provides update on health insurance for senior citizens



The Government of India expanded the Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) to provide free treatment benefits of up to 5 lakh per year on a family basis to all senior citizens aged 70 years and above, irrespective of their socio-economic status on October 29, 2024..
Read more

04 Dec 2024 | Life Insurance | General Insurance

Coconuts caused 2.2 times more accidents than drunk driving in 2024: Acko



In a surprising finding, ACKO's 2024 Accident Index reveals that accidents caused by falling coconuts were 2.28 times higher than those caused by drunk driving. Stray animals continue to be a major contributor to road accidents, with stray dogs responsible for 62% of such incidents, followed by cows at 29% and buffaloes at 4%.

Metro cities account for a staggering 78% of India's road accidents, with Hyderabad and Delhi NCR identified as the most accident-prone. Other cities like Pune and Bengaluru also feature prominently, contributing 15.9% and 14.2% of accidents, respectively. The ACKO Accident Index provides a detailed overview of accident patterns and driving trends across India's major urban centers.
Read more

06 Dec 2024 Life Insurance

Government Proposes Strict Penalties for Mis-Selling by Insurers and Intermediaries



The Department of Financial Services (DFS) under the Finance Ministry has proposed amendments to the Insurance Act of 1938, introducing stringent penalties for insurance companies and intermediaries, including banks and brokers, found guilty of mis-selling. The proposed fines range from ₹1 crore to ₹5 crore per violation.
According to the DFS proposal, any insurer or intermediary providing false statements, documents, accounts, reports, or returns—knowingly or with disregard for their truth—will face penalties within this range. However, individual agents will be exempt from direct penalties, with insurers held accountable for their actions.
Read more

09 Dec 2024 General Insurance

No accident claim can be granted where deceased insured person was not holding valid driving license: Uttarakhand state commission



The Uttarakhand State Disputes Redressal Commission has held that no insurance claim for accident can be granted where the person was not holding a valid driver's license. A bench of Judicial member MK Singhal and Member CM Singh has upheld the denial of claim by National India Assurance Co. ltd. as the deceased insured was having only a learning license at the time of accident. This is a breach of the terms of the policy and also the Motor Vehicles Rules, 1989.
Read more

11 Dec 2024 Life Insurance

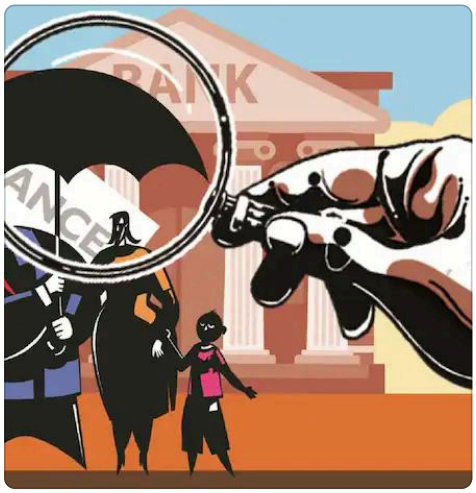
HDFC Life Sanctions ₹6.6 Crore Investment in Bima Sugam Insurance Platform



HDFC Life has approved an investment of ₹6.6 crore in Bima Sugam, a digital insurance platform. Established on June 18, 2024, under Section 8 of the Companies Act, 2013, Bima Sugam received approval from the Insurance Regulatory and Development Authority of India (IRDAI) earlier this year. The platform aims to serve as a unified marketplace, allowing consumers to compare, buy, and manage life, health, and general insurance policies seamlessly through a single window.
Read more

13 Dec 2024 | Life Insurance | General Insurance

IRDAI may Limit Insurance Companies' Overdependence on Parent Banks



The Insurance Regulatory and Development Authority of India (Irdai) is likely to bring in regulations to limit the overdependence of life insurance companies on their parent banks for business sources through bank channels, sources said. Irdai also plans to encourage diversification across multiple distribution channels to ensure balanced growth across the industry.
Read more

13 Dec 2024 | Life Insurance

IRDAI to Address Overreliance on Parent Banks by Insurance Companies



The Insurance Regulatory and Development Authority of India (IRDAI) is considering introducing regulations to limit life insurance companies' excessive reliance on their parent banks for business through bancassurance channels, according to sources. The proposed framework aims to promote diversification across various distribution channels, fostering balanced growth within the insurance sector.

While companies may leverage their parent banks' strengths, IRDAI emphasizes the need to avoid prolonged dependence on this single source. The regulator has been signaling its intentions and plans to release an exposure draft soon, inviting feedback from stakeholders before formalizing the guidelines, sources added.
Read more

16 Dec 2024 | General Insurance

Fresh Capital for PSU General Insurers Likely in Budget



The government may infuse fresh capital into its loss-making general insurers in the next financial year to strengthen their operations and help them meet regulatory requirements, two people aware of the plans said. The Union budget may allocate additional capital for these insurers after reassessing their quarterly parameters in the nine-month period ending December 2024, the people said on the condition of anonymity.
Read more

16 Dec 2024 Life Insurance

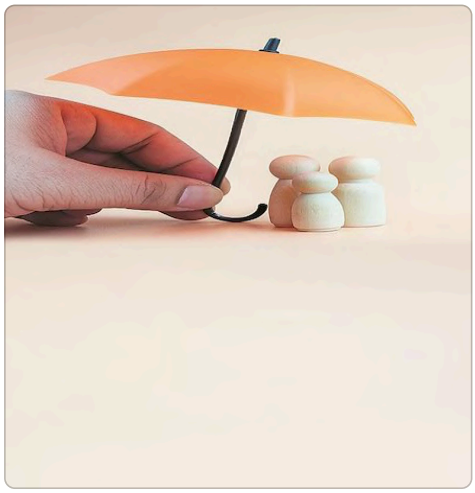
Max Life Rebrands as Axis Max Life Insurance After Regulatory Nod

Max Life Insurance has officially rebranded to Axis Max Life Insurance following corporate and regulatory approvals. Earlier this year, Axis Bank's board approved a proposal to increase its stake in Max Life Insurance, raising Axis entities' total ownership to 19.99% from 19.02%. Consequently, Max Financial Services Limited's (MFSL) stake in the insurer decreased from 87% to 81%.

The Registrar of Companies approved the name change and issued a "fresh certificate of incorporation consequent upon change of name" on December 12, 2024, according to the company's exchange filing.
Read more

20 Dec 2024 General Insurance Life Insurance

Insurance Premium Financing Expected to See Healthy Growth of 25% Annually



Insurance premium financing, currently in its early stages, is expected to see a healthy growth of 25 percent annually over the next few years amid increasing awareness of insurance and higher liquidity management needs among customers, according to an industry expert.
Read more

20 Dec 2024 General Insurance

Universal Sompo General Insurance and Sompo Care Inc Partner to drive global health initiatives



Universal Sompo and Sompo Care have been successfully making collaborative efforts at enhancing health and wellbeing across borders, in alignment with the Skill India Mission. The project under this collaboration is being implemented throughout 2024 and will continue through 2025. This project involves providing Indian nursing care personnel with nine months of comprehensive training in India.
Read more

23 Dec 2024 | Life Insurance

GST Council defers decision on Insurance Premium Tax Cut Pending IRDAI Feedback

The Goods and Services Tax (GST) Council has postponed its decision to reduce taxes on insurance premiums, citing the need for additional inputs, including feedback from the Insurance Regulatory and Development Authority of India (IRDAI), Finance Minister Nirmala Sitharaman announced.
Read more



25 Dec 2024 | Life Insurance

Doha Insurance Gets QCB Approval to Open Branch in India

Doha Insurance Group has received preliminary approval from the Qatar Central Bank (QCB) to establish a branch in India under the international insurance office category at Gujarat International Financial Tec-City (GIFT City). The new branch will focus on reinsurance activities, according to a statement released on the Qatar Stock Exchange (QSE) website on Wednesday.
The company is currently in the process of completing the necessary steps and securing further regulatory approvals from both QCB and relevant authorities in India for the launch of this project.
Read more



26 Dec 2024 | General Insurance | Life Insurance

Insurers Report Rise in Commission Expenses

The insurance industry saw a significant jump in commission expenses in FY24 after the sector regulator removed caps on payouts. Life insurers saw commission expenses increase 22 percent while general insurers saw commission expenses double in FY24. This follows the Insurance Regulatory and Development Authority of India's (IRDAI) decision to remove commission caps in April 2023, showed the latest IRDAI Annual report.
Read more



27 Dec 2024 | General Insurance | Life Insurance

Insurance Takes Big Reform Strides to Make it Easier to Understand, More Required



The insurance industry has witnessed major regulatory changes in 2024 such as revised surrender charges for life insurance, policy loans and partial withdrawal, wider choice of product add-ons, enhancing free look-in period, etc. While majority of the reforms have been customer centric to make insurance more easy to understand, purchase and retain, with India's total insurance penetration still at only 3.7 percent (both life and non life together) compared to the global 7 percent, more reforms are likely to be key to achieve a wider insurance net for the country, which is a stated objective of insurance regulator IRDAI.
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27 Dec 2024 | General Insurance

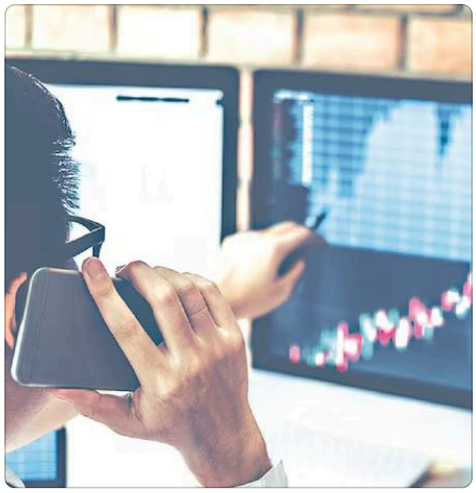
Minister warns insurance companies against harassing farmers



State revenue and disaster management minister Suresh Pujari on Thursday warned insurance companies against harassing farmers who suffered severe crop loss due to the recent unseasonal rain in Odisha. The minister said that delays and unjustified rejections of claims would not be tolerated by the state govt.
Read more

30 Dec 2024 | Life Insurance

Vakrangee Partners with Shriram Life to Offer Insurance Products



Vakrangee announced a strategic corporate agency partnership with Shriram Life Insurance.

The collaboration aims to provide easier access to a variety of life insurance products through Vakrangee Kendras nationwide. The partnership will enable these Kendras, located in underserved and unserved regions, to offer a broad spectrum of life insurance solutions, improving both accessibility and affordability for customers, and ultimately providing enhanced financial security.
Read more

Industry trends

01 Dec 2024 | General Insurance

ICICI Lombard and Arya.ai set a new standard in insurance automation

ICICI Lombard, one of India's leading private-sector general insurance companies, has partnered with Arya.ai, a pioneer in AI-powered enterprise solutions, to transform its processes using Arya Apex, a comprehensive AI API platform. This resulted in operational efficiency and measurable improvements in operational speed and customer satisfaction, reinforcing ICICI Lombard's commitment to delivering seamless, customer-first experiences while staying at the forefront of innovation.
Read more

05 Dec 2024 | General Insurance

Turtlemint reports 200 percent Growth in motor insurance policies during festive season FY'25



Turtlemint, a leading InsurTech platform, has experienced exponential growth driven by a surge in its motor insurance business during the festive season of FY'25. According to Turtlemint's data for FY25, the period starting from August to October has resulted in an increase in the total premium for motor insurance by 2.3 times from last year.
Read more

05 Dec 2024 | Life Insurance

PSBs Fall Short on Government Insurance Enrollment Targets: Data



Public-sector banks (PSBs) have struggled to meet their enrollment targets for two key government insurance schemes, Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), according to government data reviewed by Business Standard. By October 2024-25, PSBs had achieved only 40% of their 64 million target for PMSBY and 30% of their 41 million target for PMJJBY. Launched in 2015, PMSBY is a renewable one-year accidental insurance scheme for individuals aged 18-70, provided they have a bank or post-office account.
Read more

06 Dec 2024 General Insurance

HDFC Ergo Targets 18 percent Growth in Retail Health Insurance | FY25

HDFC Ergo, promoted by erstwhile HDFC (now HDFC Bank) and Ergo International AG, is aiming at a premium income growth of 18 percent during the current financial year in retail health insurance, an official of the company said on Thursday.Ghosh said in the first half of the current financial year, the company earned a premium income of around Rs 2,000 crore in retail health insurance, registering a growth of 18 percent over the similar previous period.
Read more



06 Dec 2024 Life Insurance

Working Women and Tier-3 Cities Drive Growth in Life Insurance Confidence: Report

The 2024 Life Freedom Index (LFI), by HDFC Life and NielsenIQ, reveals a growing reliance on life insurance for financial security, with the index rising 9.3 points to 68.1 since 2021. Tier-3 cities saw the biggest increase, with a 17.8-point rise in their Life Insurance Confidence Index, reflecting improved financial literacy and access. Working women also showed a significant boost, with an 11.8-point increase in their index and a 10.2-point rise in their overall Life Freedom Index score.
Read more



10 Dec 2024 General Insurance

Motor Insurance: SUVs Hold Higher Claim Amount, Hatchbacks Higher Volume

An interesting trend has been observed in the motor insurance sector in the Financial Year 2025 (April to November) as the SUVs hold the higher claim amounts while the hatchbacks hold the higher claim volumes. The higher claim amounts for SUVs reflect their greater value and more complex repair costs compared to smaller vehicles like hatchbacks while the higher claim volumes from hatchbacks are due to their higher market share in the overall vehicle population.
Read more



10 Dec 2024 Life Insurance

LIC Reports 35.9% Returns, Outperforms Market Benchmark



Life Insurance Corporation of India (LIC) posted strong performance in the first half of 2024-25, with a 24% growth in annual premium equivalent (APE) and a 38% increase in the value of new business (VNB) year-on-year. Growth was driven by the individual non-par segment and a rise in group business, with a higher share of non-par products boosting VNB. LIC's embedded value (EV) grew by 24%, supported by strong equity markets, and assets under management (AUM) increased by 17%. However, the company's EV is vulnerable to sustained declines in equity markets.
Read more

12 Dec 2024 General Insurance

New India Assurance Co to invest Rs 5 crore in Bima Sugam



The New India Assurance Co at its meeting held today i.e Wednesday, 11 December, 2024 has approved investment of Rs.5 crore being Company's contribution as non-life Insurer in the equity share capital of Bima Sugam India Federation. The Board has also approved an aggregate investment (including the above) not exceeding 10 percent of the paid up equity share capital of Bima Sugam India Federation subject to commensurate increase in the authorized share capital of Bima Sugam India Federation (Bima Sugam).
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23 Dec 2024 Life Insurance

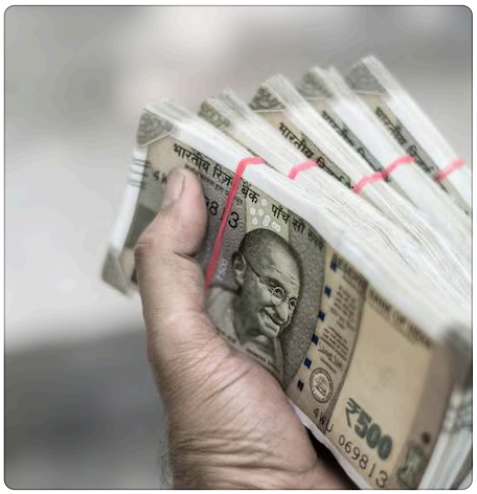
New India Assurance Records Lowest Claim Rejection Rate: Study



New India Assurance has achieved the lowest claims repudiation ratio of 0.2% among insurers, according to a study by the Insurance Brokers Association of India. The public sector insurer also leads in minimizing claim rejections for health insurance and motor own-damage insurance.
The study, featured in the association's policyholders' handbook, analyzed claims serviced in FY23—the most recent data available. The claims repudiation ratio measures the percentage of claims rejected out of the total claims closed, with a lower ratio indicating better customer outcomes. Other insurers with low repudiation ratios include HDFC Ergo (2.9%), Aditya Birla Health (3.9%), Future Generali (3.8%), and Shriram (4.6%).
Read more

24 Dec 2024 Life Insurance

Over Rs 20,000 Crore of Unclaimed Amounts with Life Insurers at FY24 End



At the close of FY24, life insurance companies held unclaimed amounts of Rs 20,062 crore, a slight decrease from Rs 22,237 crore at the start of the year, according to the Insurance Regulatory and Development Authority of India's (IRDAI) annual report. This reduction was attributed to a special six-month drive by IRDAI, from June to November 2023, aimed at expediting refunds and reducing unclaimed amounts. The drive resulted in a net reduction of Rs 1,018 crore in unclaimed funds during this period.
Read more

25 Dec 2024 Life Insurance

Micro-Insurance Premiums in Life Segment Exceed ₹10,000 Crore in FY24



In the financial year 2023-24, the new business premium (NBP) for the micro-insurance segment in life insurance, which caters to low-income groups, crossed ₹10,000 crore for the first time, as per the Insurance Regulatory and Development Authority of India's (IRDAI) Annual Report.

Overall, the NBP for life insurance increased to ₹10,860.39 crore, reflecting a 23.5% growth from ₹8,792.8 crore in FY23.
Read more

26 Dec 2024 General Insurance

High premiums, claims disputes create disquiet in insurance landscape

Net incurred claims to net earned premium (claims ratio) of the non-life insurance industry stood at 82.52 percent during 2023-24, compared to 82.95 percent in the preceding financial year, according to the Insurance Regulatory and Development Authority of India (Irdai) annual report. The ratio was even lower for the private sector.
Read more



26 Dec 2024 General Insurance

Healthcare cost inflation soaring, raising health cover premiums

Since COVID-19 pandemic, India has been witnessing a surge in healthcare cost inflation making assured and standardised healthcare unviable for several sections of the society and pushing up health insurance premiums. Last year, the country witnessed a healthcare cost inflation of 14 percent even while general inflation stood in single digits. Healthcare market experts note that this level of escalation is unsustainable, and market correction should be kicking in soon.
Read more



New Product Launches

1. Phone Pe

03 Dec 2024 General Insurance

PhonePe launches insurance for dengu and malaria

Digital payment platform PhonePe has launched a special health insurance plan for dengue, malaria and other vector-borne diseases. This plans starts from Rs. 59 and cover for a year offering coverage upto Rs 1 lakh .
Read more



2. Acko

03 Dec 2024 Life Insurance

ACKO enters life insurance market with flexible and affordable term plan

ACKO, a tech-driven insurance company in India, has entered the life insurance market with its first offering, the ACKO Life Flexi Term Plan. This product provides flexible coverage options for long-term financial protection and allows policyholders to manage their policies entirely through digital channels, simplifying the insurance process. The launch comes as India's insurance sector grows, with the Gross Written Premium (GWP) increasing at an 11% CAGR from 2020 to 2023. This growth supports the Insurance Regulatory and Development Authority of India's (IRDAI) vision of "Insurance for All by 2047."
Read more

3. Star Health

09 Dec 2024 | General Insurance

Star Health introduces 'SUPER STAR'- A long term retail offering

Star Health and Allied Insurance Company Limited, the first standalone health insurance company in India, today announced the launch of its revolutionary retail health insurance product, 'SUPER STAR'. This innovative policy offers a long-term policy for the retail health segment, combining advanced features and highly customisable covers to address the growing complexities of modern lifestyles, rising medical expenses, and unforeseen emergencies.
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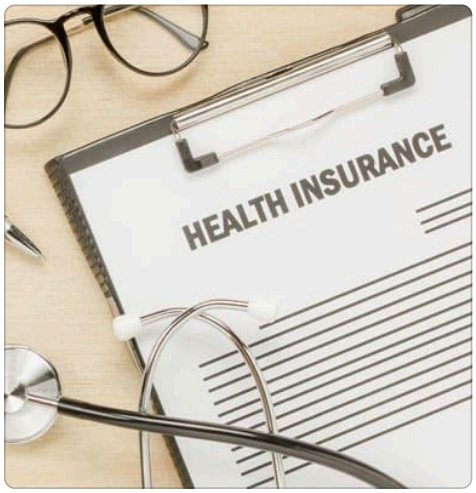


4. ICICI Prudential

16 Dec 2024 | Life Insurance

ICICI Prudential Launches ICICI Pru Wish to Address Women's Health Needs

ICICI Prudential Life Insurance has launched ICICI Pru Wish, a health-focused product designed to address critical illnesses and surgeries specific to women. Developed in partnership with Reinsurance Group of America (RGA), the plan offers an instant lump-sum payout of up to 100% of the health cover amount for conditions like breast, cervical, and uterine cancers, as well as heart ailments. Unlike traditional reimbursement plans, it provides financial flexibility with a fixed payout. The product also guarantees premiums for 30 years, reducing future payment uncertainty, and offers a premium sabbatical of up to 12 months. Additionally, it covers maternity complications and congenital illnesses in newborns.
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5. Bajaj Allianz

17 Dec 2024 | General Insurance

Bajaj Allianz unveils industry-first Eco Assure and Named Driver covers

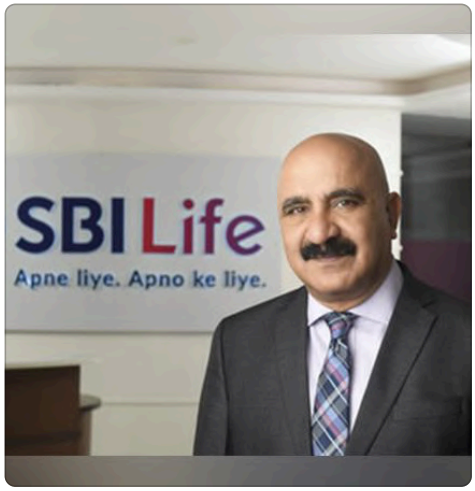


Bajaj Allianz General Insurance has launched two innovative motor insurance add-on covers: Eco Assure – Repair Protection, and Named Driver Cover. According to the company, these offerings are first-of-their-kind in the insurance industry, designed to enhance customer convenience, promote sustainability, and provide comprehensive and personalized coverage.
Read more

6. SBI Life

17 Dec 2024 | Life Insurance

SBI Life Launches 'Smart Platina Supreme' to Meet Demand for Guaranteed Income and Protection



SBI Life Insurance has introduced SBI Life - Smart Platina Supreme, a non-linked, non-participating life insurance savings plan designed to offer both protection and guaranteed pay-outs. With growing consumer demand for financial certainty in an unpredictable world, this plan provides customizable life insurance with predetermined future income guarantees. It addresses concerns over market volatility by offering reliable income and the security of life cover, catering to individuals seeking stability and assurance in their financial planning.
Read more

7. Pramerica Life

18 Dec 2024 | Life Insurance

Pramerica Life Partners with Policybazaar to Strengthen ULIP Portfolio with New Offerings



Pramerica Life Insurance has teamed up with Policybazaar to enhance its Unit-Linked Insurance Plans (ULIPs) portfolio. The collaboration has led to the launch of two new products: Pramerica Life NextGen Pension Plan and Pramerica Life Smart Invest 1UP. These solutions are designed to offer retirement planning and wealth-building options, providing financial security in an evolving economic landscape. By leveraging Policybazaar's digital expertise and customer insights, Pramerica Life aims to empower individuals with effective financial planning tools.
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Sanket is an aspiring actuary with strong background in general insurance reserving. He is involved in multiple Reserving projects for EMEA clients. In his free time, he likes to listen to music and enjoys cooking.



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on Full Time Contractual basis in the Company as per IRDAI
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Interested persons may apply on or before 19.02.2025
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She volunteers actively for the profession and is a classical dancer who enjoys swimming, blogging and reading.



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