



The Actuary India

Magazine of the Institute of Actuaries of India

March 2025

CB2, Examination

**Mastering CB2:
Applying concepts to
real world scenarios**

Newsflash

**Industry Updates -
A roundup of February
2025 news on Indian
insurance sector**

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Humour flashcards



The month of March marks the end of the Indian financial year as well as the 3rd year of the digital avatar of TAI.

Over these 3 years, we've had several actuaries and other professionals from the community contribute across sections of the magazine – features, resources, trivia and culture. We also appreciate the effort of volunteers who send across reportages of the various events run by IAI allowing those who couldn't attend to read the highlights. Speaking of event reportages, we aim to soon publish the reports from the GCA sessions in the upcoming months.

Coming to the new content in March, in preparation for the April/May 2025 exams an actuarial student contributed some tips to [master the CB2 \(Business Economics\) exam](#). It's certainly helpful to go through these tips by our very own students who managed to ace the respective exams. You can find them by searching 'Examination' on the magazine's website. We are actively looking for students who wish to share what worked for them in their exam preparation – please do [reach out](#) if you would like to share some tips/strategies (you could even pair up with your friends and collaboratively share!).

In the last few TAI editions, several actuarial analysts have been putting together the insurance industry news covering headlines, industry trends and product launches on a monthly basis. If you need an 'Indian insurance industry 101' – hop over to the ['newsflash'](#) section of the magazine.

You know our in-house puzzle master is a true actuary as he introduced numbers into a concept which previously only involved tacking letters – [A Number Search!](#) There are 24 numbers which have to be located in a mind-boggling 15x15 grid. Do give it a shot and share a screenshot to us if you manage to solve it!

Lastly, as year-end work approaches and firms close their accounts – the culture short story – ['Crafting with Integrity and Passion'](#) published this month is very relevant. It reminds us, actuaries, of our professional responsibilities and ethics primarily in our professional environments and to be on high alert to review work with integrity.

We editors look forward to a new year of TAI filled with enriching features, heart-warming culture ideas and thoughtful resources from all of our readers!

Ekta Mehta
Editor, The Actuary India
Magazine of the Institute of Actuaries of India

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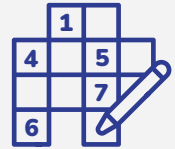
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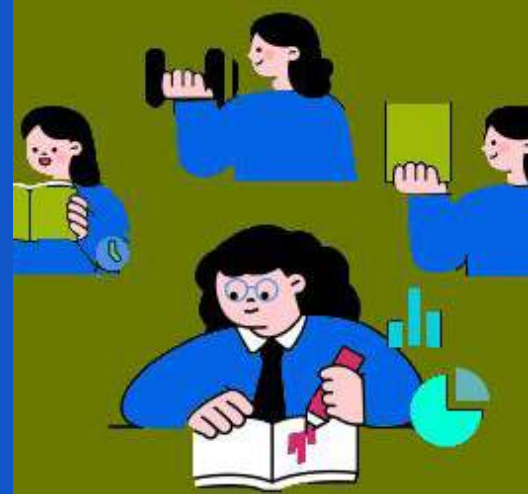
and many more!

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Resources

Mastering CB2: Applying concepts to real world scenarios

From demand & supply and utility theories to interest rates and inflation - business economics covers a wide range of real world topics. Chun Leong Lee shares his experience and journey of preparing for the CB2 exam - with an intention to help others pass the exam.



Background

As someone who developed an interest in the field of economics from a teacher in school, CB2 was one of my "most look-forward to" exam so far. CB2 is also less calculation intensive than the CS and CM papers but requires an understanding of concepts that might initially be challenging. However, once you grasp the concepts, passing the exam becomes a breeze.

For myself, here are the key study tips that I utilized, which allowed me to do well in school and in CB2

(Disclaimer: Everything below is from my personal view and may not apply to everyone):

1. Understand the concepts & logic

- a. Like tips for some of the other subjects (E.g. CM2), conceptual understanding is critical in gaining knowledge of the subject.
 - b. Try to understand the logic behind some of the assumptions. For example, in microeconomics:
 - i. In the topic of consumer behavior on utility, it talks about:
 - Consumers preferring "more to less"
 - a. In your daily life, would you normally like to have more of your favorite dish, or less?
 - Consumers exhibiting diminishing marginal utility
 - a. Can you eat the same thing every day for life, or would you want less of it eventually and want to try something else instead?
 - ii. In the topic of production, in the short run, labor is a variable cost while capital is a fixed cost.
 - How easy & how fast is it to:
 - a. Hire workers on an hourly wage, as compared to
 - b. Finding a new place to lease where you need to account for logistics like the electrical wiring and moving in of furniture?
- For macroeconomics, Central Banks use interest rates to control inflation. The logic can be thought to follow the process:
- i. Higher interest rates mean people need to pay more to borrow money in terms of interest.
 - ii. When borrowing becomes more expensive, people borrow less. As a result, people have less money. Also, higher interest rates mean higher interest is credited on savings, which incentivizes people to save and not spend.
 - iii. When people borrow money, or save more money, they will end up spending less.
 - iv. As a result, demand falls, and prices will either fall or will not rise as fast as before. This will cause inflation to slow down.

2. Relate to real world examples

One of my favorite parts about economics is that the subject and content are heavily drawn upon real-life situations, and as such, you'll find that most (if not all) of the topics can be drawn from real-life examples. I list a few below:

- a. Microeconomics
 - i. In price discrimination, we have "third degree" where different groups of customers which can be clearly separated are charged different price.
 - In your country, do you have places (i.e. tourist attractions) where locals and tourists are charged a different price? Do locals have to show a local ID before paying the more affordable rate?
- b. Macroeconomics
 - i. Interest rates explained that they are used as a mechanism by Central banks to control inflation
 - In 2022, we observed that Central Banks like the Federal Reserve raise interest rates in a bid to reduce inflationary rates

3. Don't skip any chapters, especially for the portion of macroeconomics

- a. I pay special attention to macroeconomics because firstly:
 - i. Exam questions can come from anywhere in the syllabus
 - ii. Macroeconomics covers almost 50% of the exam marks (at least during my time. Look for the marks distribution across chapters in your next exam!)
- b. Secondly, macroeconomic topics (especially the main equation $Y = C + I + G + NX$, and on both government and monetary policy) are somehow inter-related to each other. For example:
 - i. For a floating exchange rate regime, if the central bank changes interest rates, what will the effect be on the exchange rate?
 - ii. For a fixed change rate regime, what is the effect of change in government spending or monetary policy?
 - iii. How does government spending or monetary policy affect unemployment levels and inflation?

4. Practice questions as much as you can

- a. Understanding concepts and relating to real-world examples is one thing, but practicing exam questions has no substitute.
- b. The more questions you practice, the more exposure you get to the type of exam questions that can be asked. This is especially so when CB2 has a portion of exam marks in multiple choice questions where there is only a right or wrong answer (no working marks, unlike the CS or CM papers!)

5. Try to teach others

- a. This may not apply to everyone, but for myself, I used this method to hone my understanding.
- b. Teaching and discussing with others also helped me to get a deeper understanding of the subject. Consequently, it became ingrained into my memory such that it did not become rusty so quickly despite not touching the subject for almost 4 years.

About the author(s)



Chun Leong Lee

Analyst
WTW

Chun Leong is currently a Life Actuarial Analyst at WTW where he has worked on a variety of actuarial-related projects including valuation & experience studies. Prior to working, he graduated with a degree in Business from the University of London, where his desire to do better in economics spurred him to volunteer as a student mentor to his juniors & of which some, under his guidance, managed to score distinctions in their economics examinations.

Puzzle

Number Search Puzzle

Number Search

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**.



2	9	6	8	6	0	2	1	9	7	8	7	3	1	3
2	4	0	3	0	1	5	9	5	9	4	9	6	5	0
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73540	74715	62548	80976	95103	086164	
138492	201939	343275	420597	452736	501619	
654761	763825	805719	934693	958062		

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4	8	9	8	6	7	2	1	3	0	6	0	6	6	8

About the author(s)



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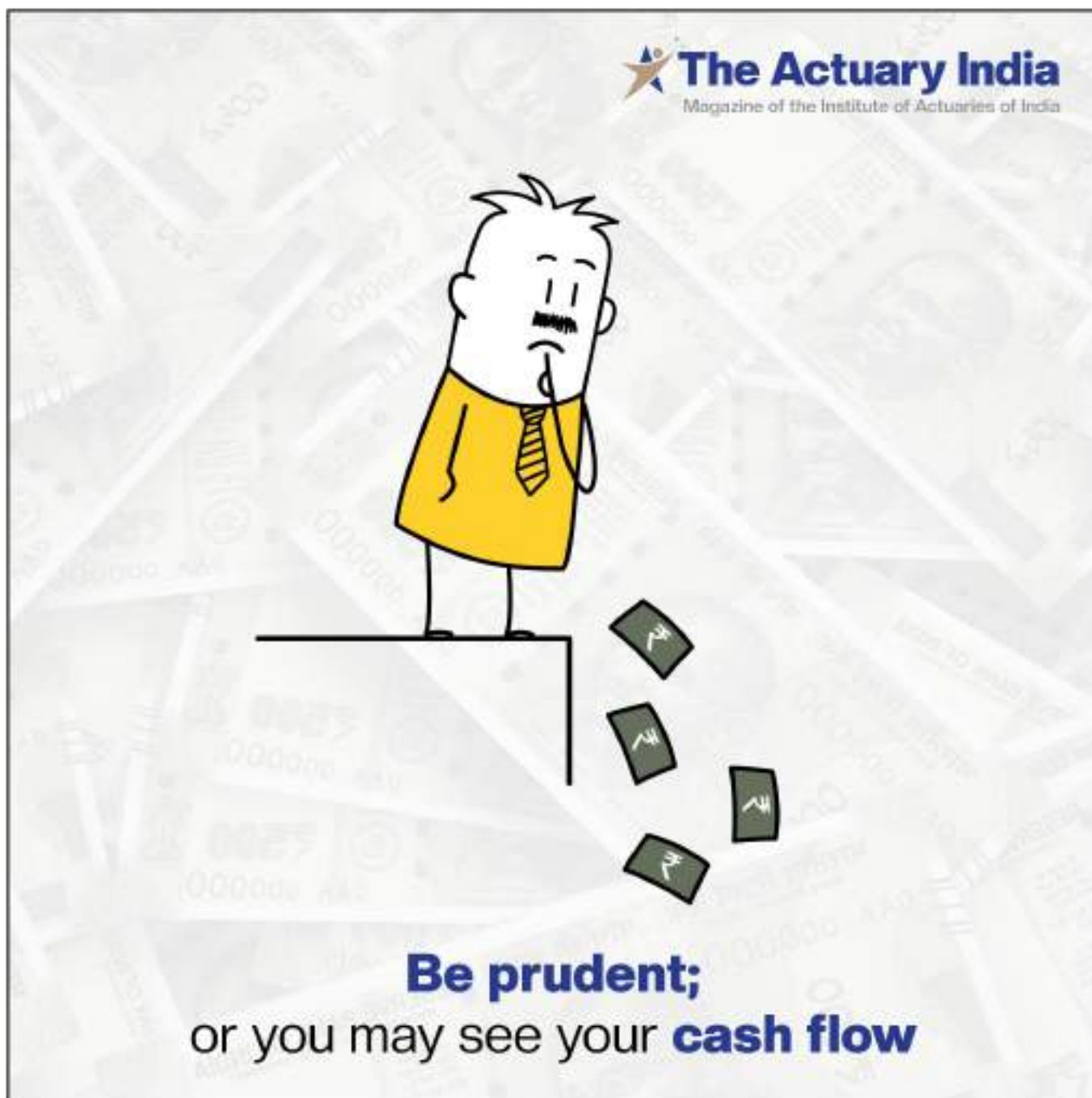
Kathan is a Fellow member of the IAI and the IFoA with a specialization in Pensions & Other Benefits and holds a B.Sc. in Actuarial Science from YCMOU. He's obsessed with food and enjoys binge-watching & solving puzzles in his free time.

Humour

Humour

An actuary walks into $\bar{A}$

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



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.



Be the actuary of your **own destiny**

Newsflash

Industry Updates - A roundup of February 2025 news on Indian insurance sector

What's been happening in the insurance sector? Sahil Agarwal and Mahi Kayal are here to bring you the full update of February 2025.

NEWS

News Report

01 Feb 25

Life Insurance

SEBI Plans New Product Combining Mutual Funds and Life Insurance for Rural Investors

Sebi is planning to introduce a new product that combines mutual fund investments with life insurance, aiming to provide an affordable, accessible financial option for investors, especially in rural areas. The regulator will soon release a consultation paper on the proposal. The initiative seeks to make systematic investment plans (SIPs) more attractive in underserved regions by offering an integrated product. The cost of adding life insurance would be minimal, considering existing expenses related to investor services.

[Read more](#)



01 Feb 25

General Insurance

GIC faces Rs138 Crore tax demand

General Insurance Corporation of India has received a tax demand order from the Additional Commissioner of CGST & Central Excise, Mumbai South Commissionerate, amounting to ₹138.47 crore. This demand includes CGST of ₹45.53 crore, SGST of ₹39.13 crore, and IGST of ₹53.79 crore, along with interest and penalties, for the periods from July 2017 to March 2019 and April 2020 to March 2021. The issue pertains to the alleged short payment of tax for FY 2017-18 and non-reversal of Input Tax Credit (ITC).

[Read more](#)



01 Feb 25

General Insurance

IRDAI gives suggestions to validate health insurance premium rates

The Insurance Regulatory and Development Authority of India (IRDAI) has instructed insurance companies to standardize health insurance premium rates, drawing inspiration from the Pradhan Mantri Jan Arogya Yojana (PMJAY) model. The IRDAI noted a sharp rise in premiums for health insurance products, particularly for senior citizens. Unlike PMJAY, where hospitalization expenses are centrally negotiated and standardized across hospitals, there is no such standardization in health insurance products, leading to higher hospitalization costs and increased claims.

[Read more](#)

01 Feb 25

Life Insurance

General Insurance

Insurance Sector Leads FDI Inflows in Services Sector, Attracting Over 62% of \$5.7 Billion

The insurance sector attracted the largest share of foreign direct investment (FDI) in the services sector during the first half of FY25, receiving over 62% of the \$5.7 billion in equity inflows. Overall, FDI equity inflows in the services sector amounted to \$29.8 billion. The insurance sector has seen its foreign investment limits increase over the years, from 26% in 2000 to 74% in 2021. Despite a 7.7% growth in the Indian insurance market in FY24, insurance penetration remains lower than the global average, at 3.7%. Key challenges for the sector include emerging risks, an aging population, mis-selling, AI integration, cybersecurity, and claims delays.

[Read more](#)

04 Feb 25

Life Insurance

Government Plans Bill to Amend LIC, Insurance, and IRDAI Acts for Greater Autonomy and Flexibility

The government plans to introduce a Bill in the current Budget Session of Parliament to amend the LIC Act, Insurance Act, and IRDAI Act. The proposed changes aim to give Life Insurance Corporation of India (LIC) more autonomy, allow composite licensing in the insurance sector, and provide greater flexibility to the insurance regulator. The draft of the Bill has been finalized after consultations with stakeholders and will soon be sent for Cabinet approval. The Finance Minister has already approved the proposal.

[Read more](#)

06 Feb 25

Life Insurance

Life Insurers Oppose GST Exemption on Term Insurance Premiums Over Concerns of Increased Costs

Life insurance companies have opposed the proposal to exempt term insurance premiums from GST, citing concerns over blocked input tax credit (ITC). They argue that this would increase operational costs, which would ultimately lead to higher premiums for policyholders. Currently, life insurance premiums are subject to an 18% GST, and insurers can claim ITC to offset their business expenses. A complete GST exemption would prevent insurers from claiming ITC, raising their costs. Insurers prefer maintaining the GST rate with ITC eligibility to avoid higher costs for consumers. The government is still awaiting inputs from the Insurance Regulatory and Development Authority of India (IRDAI) before making a final decision.

[Read more](#)

06 Feb 25

General Insurance

Bupa to increase stake in Niva Bupa Health Insurance

Bupa plans to increase its stake in Niva Bupa Health Insurance following the budget announcement allowing up to 100% foreign direct investment in the sector. Currently, Bupa holds a 55.98% stake through Bupa Singapore Holdings. While there are no set timelines, the company is optimistic about the growth potential in India.

[Read more](#)


10 Feb 25

Life Insurance

General Insurance

RBI to Introduce New Guidelines to Combat Mis-Selling and Forced Selling of Insurance

The RBI announced plans to introduce new guidelines to address mis-selling and forced selling of insurance. Additionally, it has delayed regulations on liquidity requirements, provisions for potential defaults, and rules for subsidiaries, opting for a consultative approach before implementation. RBI Governor Sanjay Malhotra assured that regulations requiring banks to hold more liquid funds and provisions for project finance will not be enforced before March 2026, emphasizing the need to balance stability and efficiency when formulating new regulations.

[Read more](#)


11 Feb 25

Life Insurance

Life Insurers Revise Commission Structures in Response to New Surrender Value Guidelines

Life insurance companies have revised their commission structures and product designs to protect their margins in response to the Insurance Regulatory and Development Authority of India (IRDAI) implementing new surrender value guidelines from October 2024. Companies like HDFC Life, Axis Max Life, and ICICI Prudential Life have adjusted commissions based on the persistency of their distribution channels, using strategies like clawbacks and reductions in commissions for low persistency. LIC and SBI Life have also made changes, such as revising premium rates, ticket sizes, and reward structures to maintain profitability. The new surrender value norms, which require higher payouts to policyholders who surrender their policies after the first year, are expected to impact profitability, prompting insurers to focus on improving persistency and redesigning their offerings.

[Read more](#)


11 Feb 25

General Insurance

Health Insurers seeking clarity from IRDAI regarding 10% hike cap in premiums For senior health

Health insurers are seeking clarification from the Insurance Regulatory and Development Authority of India (IRDAI) on its recent circular capping annual premium hikes for senior citizens at 10%. The cap, effective from January 30, aims to protect vulnerable seniors from steep premium increases, but insurers are unclear about its application to long-term policies and renewals after multi-year terms. Insurers are also concerned about the potential impact on pricing strategies, especially regarding additional costs like immunotherapy, which has become a regulatory requirement. The IRDAI is also addressing practices like the discontinuation of older policies and repackaging them at higher rates, aiming to protect policyholders.

[Read more](#)

12 Feb 25

Life Insurance

General Insurance

IRDAI Intensifies Scrutiny of Insurers Exceeding 30% Management Expense Limit

The Insurance Regulatory and Development Authority of India (IRDAI) has intensified its scrutiny of insurers exceeding the 30% limit on expenses of management (EoM). Eight insurers, mostly general insurers, are now under quarterly monitoring to enforce financial discipline, as their breaches could impact policyholder interests. IRDAI has implemented new accounting norms, requiring insurers to report premiums annually instead of booking them upfront for long-term policies like health, motor, and property insurance. Additionally, IRDAI is monitoring rising commission expenses in bancassurance and other distribution channels, particularly after the removal of product-specific commission caps in April 2023. As a result, life insurers increased commission payouts by 22%, and general insurers doubled their expenses in FY24. Total management expenses in the life insurance sector reached ₹1.4 lakh crore, representing 16.94% of total premiums.

[Read more](#)

12 Feb 25

Life Insurance

General Insurance

IRDAI Requests Roadmaps for IPO Listings from 10 Insurance Companies

The Insurance Regulatory and Development Authority of India (IRDAI) has asked 10 general and life insurance companies to submit detailed road maps for their IPO listing strategies by the end of February 2025. This includes companies such as HDFC ERGO, IFFCO Tokio, TATA AIG, and Bajaj Allianz. The regulator's goal is to enhance transparency and professionalism in the industry. The insurance amendment Bill, expected to be introduced in Parliament, could facilitate IPOs by increasing the foreign direct investment (FDI) limit in insurance to 100%, along with allowing composite licensing and easing restrictions on foreign personnel and profit repatriation. Companies must meet several criteria, including having a positive net worth and achieving operating profits, to qualify for listing.

[Read more](#)

17 Feb 25

Life Insurance

General Insurance

IRDAI soft launches Bima Vahak's portal

The Insurance Regulatory and Development Authority of India (IRDAI) is set to launch the Bima Vahak portal, a women-centric insurance field sales force, with a soft launch for onboarding 'Vahaks' in April 2025. This was discussed during a quarterly meeting with CEOs of life and non-life insurance firms at the Bima Manthan event in February 2025. The IRDAI confirmed that a compliant, simple, and customer-friendly model for the phased launch of Bima Trinity has been approved by the industry's top executives.

[Read more](#)

17 Feb 25

Life Insurance

LIC Launches Digital Innovation Platform to Enhance Customer Engagement

LIC has launched a new marketing technology (MarTech) platform under its project DIVE (Digital Innovation and Value Enhancement). This platform aims to redefine customer engagement and marks the first significant step in LIC's goal to become a global digital leader in the insurance industry, utilizing advanced technology to transform customer interactions on a large scale.

[Read more](#)

18 Feb 25

Life Insurance

360 ONE Asset Acquires 15% Stake in Bharti AXA Life Insurance to Strengthen Market Position

360 ONE Asset will acquire a 15% stake in Bharti AXA Life Insurance, a move aimed at strengthening Bharti AXA's growth and expanding its market share. This investment will help the company enhance its product offerings and expand its distribution network. The transaction is subject to regulatory approvals.

[Read more](#)

18 Feb 25

General Insurance

Surge in Deposit Insurance Claims for Cooperative Banks, But Their Premium Share Declines

The crisis at a cooperative bank has raised concerns about the need to increase the deposit insurance limit and consider a risk-based premium model for the Deposit Insurance and Credit Guarantee Corporation (DICGC). Claims settled by DICGC nearly doubled in FY24, reaching ₹1,436 crore, primarily due to cooperative banks, with previous high settlements occurring during the pandemic in FY22. Despite this surge, the share of premium paid by cooperative banks to DICGC has been shrinking, dropping from 6.7% in FY21 to 5.6% in FY24. The flat-rate premium system has contributed to this decline, even as cooperative banks continue to serve a significant portion of the population. The RBI has suggested a periodic increase in the insurance limit and exploration of a risk-based premium model to enhance the financial stability of the deposit insurance system.

[Read more](#)

18 Feb 25

Life Insurance

Government Considers Extending Free-Look Period for Insurance Policies and Exploring Composite Licensing

The government is considering measures to improve the insurance sector, including extending the free-look period for policies from one month to one year. This will help reduce mis-selling and allow policyholders more time to review and cancel policies if they don't meet their needs. Additionally, the government is exploring a composite insurance licence, enabling companies to offer both life and non-life insurance under a single entity. Plans also include restricting insurance product sales to trained agents only.

[Read more](#)

19 Feb 25

Life Insurance

General Insurance

IRDAI Introduces UPI Mandate to Ease Premium Payments for Life and Health Insurance

The Insurance Regulatory and Development Authority of India (IRDAI) has introduced a one-time UPI mandate to ease premium payments for life and health insurance policies. This facility allows insurers to block funds in a customer's bank account for a premium payment, without immediately debiting the amount. The funds will only be transferred if the insurer accepts the proposal, and if rejected, the amount will be unblocked. This option, called Bima-ASBA, aims to streamline transactions and provide flexibility for customers. It will be available alongside other payment methods.

[Read more](#)

20 Feb 25

Life Insurance

Mirae Asset Sharekhan Expands into Life Insurance Distribution with ICICI and HDFC Partnerships

Mirae Asset Sharekhan, a leading financial platform in India, has expanded into life insurance distribution by partnering with ICICI Prudential Life Insurance and HDFC Life. This move aims to provide comprehensive financial solutions, integrating wealth creation with long-term financial security. The initiative seeks to bridge the gap between investment opportunities and financial protection, catering to the growing number of retail investors who are now looking for a one-stop platform offering both investments and insurance coverage.

[Read more](#)

20 Feb 25

General Insurance

SBI General Insurance Partners with PMFBY to Distribute Crop Insurance Policies

SBI General Insurance has teamed up with the Ministry of Agriculture & Farmer Welfare, Government of India, for the upcoming 'Meri Policy Mere Haath' campaign. This initiative, part of the Pradhan Mantri Fasal Bima Yojana (PMFBY), will run from 1st February to 15th March 2025. The campaign aims to deliver physical crop insurance policy documents directly to farmers' doorsteps, enhancing awareness of crop insurance benefits and providing a smooth insurance experience.

[Read more](#)

24 Feb 25

General Insurance

Air India Secures \$20 Billion Fleet Insurance, Premium Remains Unchanged

Air India has finalized a \$20 billion insurance cover for its expanded fleet following the merger with Vistara, maintaining its premium at around \$30 million despite the increase in coverage from \$12 billion. The coverage will protect over 300 aircraft from damage, accidents, and war-related incidents, with separate coverage for passenger and third-party liabilities. Tata AIG leads the insurance, with smaller contributions from Indian public sector insurers and ICICI Lombard, and the entire risk is underwritten by London-based reinsurers. Despite recent global aviation accidents, Air India's strong safety record and competitive market conditions have helped secure favorable rates. However, the ongoing fallout from accidents and geopolitical tensions may impact future premiums.

[Read more](#)

27 Feb 25

Life Insurance

Government Considers Issuing 50-Year On-Tap Bonds to Improve Insurance Companies' Financial Stability

The Indian government is considering issuing **50-year on-tap bonds** in FY26 to help insurance companies manage long-term liabilities and improve financial stability. The move, being discussed with the Reserve Bank of India (RBI), aims to provide insurers with stable, long-term investment options, which are vital for businesses that handle long-term contracts like life insurance. The bonds would offer insurers predictable returns to balance customer claim payouts and operational expenses over decades. The initiative would also aid in mitigating asset-liability mismatches, especially under the Insurance Regulatory and Development Authority of India's (IRDAI) solvency norms. The government is exploring the on-tap bond issuance framework as a way to provide greater flexibility and depth to the market while ensuring capital efficiency for insurers. Industry leaders, including **Tarun Chugh** of Bajaj Allianz Life Insurance, have shown interest in the move, which aligns with the need for long-term guarantees in insurance offerings.

[Read more](#)

28 Feb 25

Life Insurance

Tata AIA Life Insurance Confirms Foreign Stakeholder's Reluctance to Pursue Public Listing

Tata AIA Life Insurance has informed the **Insurance Regulatory and Development Authority of India (IRDAI)** that its foreign promoter, **AIA Group**, is not interested in pursuing a public listing of the company. This decision comes despite ongoing efforts by the IRDAI to encourage insurers to list publicly in order to improve transparency and corporate governance. Tata AIA, a joint venture between **Tata Sons (51%)** and **AIA Group (49%)**, has been facing resistance from its foreign stakeholders due to strategic or regulatory concerns. While listing is not legally mandatory, IRDAI has been nudging insurers to go public, and some companies, including Tata AIA, HDFC Ergo, and Bajaj Allianz, have submitted IPO plans. Tata AIA reported a 25% increase in premium income for FY24, reaching ₹25,692 crore, and maintains a strong solvency margin of 177%.

[Read more](#)

Industry trends

01 Feb 25

Life Insurance

General Insurance

Indian Insurance Market Grows by 7.7% in FY24, but Penetration Remains Below Global Average

Despite a slight decline in insurance penetration, the insurance sector in India saw a 7.7% growth in premiums in FY24, reaching Rs 11.2 lakh crore. Insurance penetration fell from 4% in FY23 to 3.7% in FY24, with life insurance decreasing slightly from 3% to 2.8%. Non-life insurance penetration remained stable at 1%. The Economic Survey highlights a significant gap in coverage compared to the global average of 7%, offering growth opportunities for insurers. Targeting tier 2 and 3 cities and rural areas with limited awareness and accessibility can help insurers reach new customer segments and drive growth.

[Read more](#)


04 Feb 25

General Insurance

Health insurers rejecting claims in FY 2023-24

In FY23-24, insurance companies rejected claims totaling ₹26,037.65 crore, with ₹15,100.14 crore disallowed according to policy terms and ₹10,937.17 crore repudiated by health insurers. The New India Assurance Co Ltd, a public sector insurer, rejected the highest claims at ₹7,038.04 crore, followed by ICICI Lombard General Insurance Co Ltd, which rejected health insurance claims worth ₹2,016.81 crore, as per data from the Insurance Regulatory and Development Authority of India (IRDAI).

[Read more](#)


04 Feb 25

General Insurance

SGIC aims for 25% premiums from private vehicles

Shriram General Insurance Company (SGIC), traditionally focused on used commercial vehicle insurance, plans to expand its private vehicle insurance business. The company aims for private vehicles to contribute 25% of its total portfolio in the next two years. SGIC, jointly owned by Shriram Group and Sanlam Ltd, reported a 25% year-on-year increase in gross written premium (GWP) to ₹1,061 crore for Q3 FY25, with motor insurance premiums rising by 27% to ₹988 crore. Currently, motor insurance makes up 93% of its total premium.

[Read more](#)


12 Feb 25

General Insurance

GI witnesses 6.58 percent in Jan 2025

India's non-life insurance sector saw continued growth in January 2025, with a 6.58% year-on-year increase in gross direct premiums, totaling ₹29,021.32 crore. For the financial year up to January, premiums grew by 7.69%, reaching ₹2,59,211.07 crore. The health insurance sector showed strong performance, with standalone health insurers experiencing an 11.01% increase in January and a cumulative 17.76% growth. The general insurance segment grew by 5.12% in January and 6.66% cumulatively. Notable insurers like Acko General Insurance, ICICI Lombard, and Tata AIG saw significant growth, with Tata AIG showing the highest monthly increase of 19.95%.

[Read more](#)

19 Feb 25

Life Insurance

General Insurance

India's Insurance Market Projected to Reach \$222 Billion by 2026, Despite Complex Compliance Challenges

India's insurance market is projected to reach \$222 billion by 2026, growing at a 17% compound annual growth rate (CAGR), according to a Teamlease Regtech report. While the sector has seen significant growth, it also faces complex compliance challenges, with a typical single-entity insurer needing to manage 2,236 unique compliance requirements, which increase to 4,638 when considering the frequency of these obligations. The sector is governed by numerous laws at various levels, contributing to the complexity of compliance.

[Read more](#)

19 Feb 25

General Insurance

Health Insurance Premiums Exceed ₹1 Lakh Crore in First 10 Months of FY25

The health insurance sector continues to drive growth in the non-life insurance industry, surpassing ₹1 lakh crore in premiums for the first time in the fiscal year 2025, ending January 2025. Health premiums reached ₹1,00,258 crore, compared to ₹90,785 crore during the same period in the previous year. Total direct premiums in the non-life sector for FY25 increased by 7.7%, reaching ₹2,59,211 crore. Public sector insurers have maintained strong growth, though private insurers continue to outpace them, driven by growth in retail health and motor insurance. The private sector's market share increased to 65% in FY25, up from 63% in FY24. The retail health segment remains the fastest growing, with expectations of continued growth, especially if new affordable insurance products like Bima Vistaar gain traction.

[Read more](#)

20 Feb 25

Life Insurance

Demand for Term Insurance Covers Grows as Consumer Awareness and Affluence Rise, Along with Increased Sum Assured

Rising consumer awareness, increasing affluence, and insurers' efforts to protect profit margins after revised surrender value norms have led to a growing demand for term insurance covers. Riders such as critical illness cover, accidental death benefit, and waiver of premium remain popular among affluent buyers. From April to December 2025, private life insurers saw a 41% year-on-year increase in retail sum assured, compared to 30% in the previous fiscal year. The average retail sum assured per policy for private insurers grew from Rs 13 lakh in FY2018 to Rs 24 lakh in FY2024, while LIC's figure remained stable at Rs 3 lakh. Group sum assured also saw significant growth, driven by the rise in credit life insurance, particularly in the expanding retail and unsecured loan segments.

[Read more](#)

20 Feb 25

General Insurance

Fire Insurance Premium can increase upto 60% in FY 2025

Fire insurance premiums are expected to grow by 60% in 2025, following a decision by general insurance companies to reduce property insurance premium discounts by up to 100% in January this year. On January 1, 2025, the property insurance sector saw an 80% increase in premiums as part of an effort to correct pricing after a period of heavy discounting. This significant hike is also a result of the industry's collective decision to remove discounts and bring premiums in line with rates recommended by the Insurance Information Bureau of India (IIB), which incorporates burning cost rates and guidelines from the Society of Domestic Fire Insurers (SDFI). According to an analyst, the move was also aimed at ensuring the industry's solvency.

[Read more](#)

28 Feb 25

General Insurance

India's Earthquake Insurance Coverage: A Wake-up Call for Better Preparedness

India's earthquake insurance coverage remains insufficient despite the country's high seismic vulnerability, with nearly 59% of the landmass at risk. The recent 4.0-magnitude tremor in Delhi-NCR is a reminder of the potential threat, and while disaster financing mechanisms exist, a focus on earthquake insurance is necessary for better preparedness. Currently, India's insurance penetration is low due to lack of awareness, a belief in government relief, and weak industry initiatives. Global examples like Japan, Turkey, and Mexico show how comprehensive insurance schemes, risk pools, and financial instruments like catastrophe bonds can provide timely relief and recovery. India needs to consider similar approaches, such as parametric coverage or a government-backed earthquake insurance pool, to ensure faster financial responses to seismic events.

[Read more](#)

New Product Launches

1. TATA AIA Life

04 Feb 25

Life Insurance

Tata AIA Life Insurance Launches Smart Pension Secure Plan to Address Evolving Retirement Needs

Tata AIA Life Insurance has launched the Smart Pension Secure plan to address the evolving retirement needs of India's workforce. With career dynamics changing and life expectancy rising, individuals, including the FIRE generation and aspiring entrepreneurs, are looking for smarter retirement planning solutions. Projections show that by 2050, Indians will live 4-5 years longer, making the need for flexible and growth-oriented financial solutions more important than ever.

[Read more](#)

2. MAX Life

06 Feb 25

Life Insurance

Axis Max Life Insurance Introduces Smart Term Plan Plus with Women-Centric Benefits and Premium Discounts

Axis Max Life Insurance has launched the Axis Max Life Smart Term Plan Plus, a non-linked, non-participating life insurance plan offering coverage tailored to various life stages. The plan provides up to 200% of the total premium as a special exit value, with no additional premium required. It includes women-centric features such as maternity cover and coverage for congenital anomalies in newborns for up to three years. The plan also offers a Lifeline Plus benefit, allowing increased coverage in case of a spouse's death. Additionally, it offers a 15% premium discount for female policyholders, with an extra 15% discount for salaried women in the first year, totaling a 27.75% discount.

[Read more](#)

3. SBI General Insurance

06 Feb 25

General Insurance

SBI General Insurance join hands with Ministry of Agriculture and Farmer welfare to promote "Meri Policy Mere Haath"

SBI General Insurance has partnered with the Ministry of Agriculture & Farmer Welfare for the 'Meri Policy Mere Haath' campaign under the Pradhan Mantri Fasal Bima Yojana (PMFBY). Running from 1st February to 15th March 2025, the campaign aims to deliver physical policy documents to farmers' doorsteps, enhancing awareness about crop insurance benefits and ensuring a seamless experience.

[Read more](#)


4. SUD Life

07 Feb 25

Life Insurance

SUD Life Unveils Guarantee Royale Plan for Guaranteed Financial Security and Milestone Achievements

SUD Life has introduced the SUD Life Guarantee Royale, a Non-Linked, Non-Participating individual savings plan designed to provide guaranteed financial security. The plan aims to help policyholders achieve their financial goals while ensuring security and certainty for their loved ones. It offers peace of mind by helping individuals navigate life's milestones and unexpected events with financial stability.

[Read more](#)


5. Magma

10 Feb 25

Life Insurance

Bombay Parsi Punchayet to Launch Voluntary Group Insurance Scheme for Elderly Parsi Community

The Bombay Parsi Punchayet (BPP), with over 25,000 members, is working on launching a first-of-its-kind voluntary group insurance scheme for the Parsi community, focusing on supporting its ageing population. This initiative comes after a significant population decline, as recorded in the 2011 census. While government initiatives like Jiyo Parsi address younger couples, the new insurance scheme aims to cater to the elderly, offering coverage without medical exams, no age limits, and coverage for advanced treatments. The plan will cover a family of four up to Rs 20 lakh, with premiums expected to be competitive. BPP is in discussions with Poonawalla Fincorp (formerly Magma Fincorp) to finalize the details.

[Read more](#)

6. HDFC Life

11 Feb 25

Life Insurance

Policybazaar Partners with HDFC Life to Launch Click 2 Protect Ultimate Term Insurance with 100% Claim Assurance

Policybazaar has partnered with HDFC Life to launch the HDFC Life Click 2 Protect Ultimate, a term insurance product offering 100% claim assurance. The product combines financial protection with a seamless claim process, addressing consumer concerns about ease of purchase and smooth claims handling. Key features include return of premium on maturity, terminal illness benefits with accelerated death benefits, and a smart exit benefit allowing policyholders to get back premiums if they wish to exit the policy. Targeted at salaried professionals earning ₹10 lakh or more annually, the product is available in major urban centers and involves rigorous medical underwriting.

[Read more](#)

7. Federal Bank

18 Feb 25

General Insurance

Federal Bank offers free insurance worth Rs.60 lakhs

Federal Bank has introduced a new NRE savings account called Prospera, tailored for expatriates looking to make progress in life. The Prospera NRE Savings Account comes with a range of benefits, such as complimentary insurance coverage worth Rs 60 lakh, access to airport lounges, and reward points for debit card transactions. As part of an introductory offer, customers can enjoy discounts of up to 24% on flight and hotel bookings on selected travel platforms. The launch of Prospera was announced during Federal Bank's first international press conference, led by Managing Director and CEO KVS Manian, who took charge in September 2024. During the event, he highlighted Federal Bank's strong ties with the expatriate community in the Gulf region.

[Read more](#)

8. LIC

19 Feb 25

Life Insurance

LIC Introduces Smart Pension Plan with Flexible Annuity Options for Financial Security in Retirement

LIC has launched a smart pension plan that offers various annuity options for both Single Life and Joint Life annuities. The plan is a non-participating, non-linked product and provides liquidity options for partial or full withdrawals, as per the policy terms. The minimum purchase price for the plan is Rs 1,00,000, with incentives for higher purchase amounts. Annuity payments can be made annually, semi-annually, quarterly, or monthly.

[Read more](#)

9. Axis Max Life

19 Feb 25

Life Insurance

Axis Max Life Insurance Launches STAR ULIP with Market-Linked Returns and Customizable Coverage

Axis Max Life Insurance has introduced the Axis Max Life Smart Term with Additional Returns (STAR) ULIP, a unit-linked, non-participating individual life insurance plan. The plan offers a combination of life insurance protection and market-linked returns. It includes coverage for accidental death and total and permanent disability, along with optional riders for further customization. Policyholders can choose from various market-linked funds and investment strategies, allowing them to tailor the plan according to their risk preferences and financial goals.

[Read more](#)

10. Canara HSBC Life

25 Feb 25

Life Insurance

Canara HSBC Life Insurance Launches Promise2Protect, a Customizable Term Insurance Plan for Comprehensive Security

Canara HSBC Life Insurance has launched "Promise2Protect," a customizable term insurance plan designed to provide comprehensive financial security. The plan offers two variants: Life Secure and Life Secure with Return of Premium. Life Secure provides pure protection, ensuring the financial future of loved ones in case of an unfortunate event. Life Secure with Return of Premium refunds the premiums paid if no claims are made during the policy term. The plan is designed to be flexible, allowing policyholders to tailor it to their individual needs and life goals.

[Read more](#)

11. HDFC Life

25 Feb 25

Life Insurance

HDFC Life Launches Click 2 Achieve Par Advantage to Support Life Milestones with Flexibility and Financial Security

HDFC Life has launched Click 2 Achieve Par Advantage, a participating life insurance product designed to align with the milestones at different stages of an individual's life. The product offers Policy Continuance Benefit (PCB), which waives future premiums in case of the policyholder's death, allowing the benefits to continue for the nominee. It also provides a customizable Death Benefit Multiple (5x, 7x, or 11x) based on the policyholder's needs. The plan caters to individuals seeking flexibility, liquidity, and long-term financial security, making it ideal for achieving goals like homeownership and higher education for children.

[Read more](#)

12. Go digit General Insurance

26 Feb 25

General Insurance

HDFC Life Launches Click 2 Achieve Par Advantage to Support Life Milestones with Flexibility and Financial Security

Go Digit General Insurance (Digit Insurance) has partnered with K.M. Dastur Reinsurance Brokers (KMD) to launch India's first AQI-based parametric insurance policy. This policy is designed to safeguard 6,200 migrant construction workers in the Delhi NCR region from wage loss due to air pollution, especially during periods when construction activities are halted because of hazardous air quality levels. In Delhi NCR, air pollution often reaches critical levels, prompting local authorities to impose construction bans when the Air Quality Index (AQI) exceeds a set threshold. For workers dependent on daily wages, such restrictions pose a significant threat to their livelihood. This innovative insurance aims to provide prompt financial support during these disruptions.

[Read more](#)

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Announcements



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CHUBB

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About Chubb India

At Chubb India, we are on an exciting journey of digital transformation driven by a commitment to engineering excellence and analytics. We are proud to share that we have been officially certified as a Great Place to Work® for the third consecutive year, a reflection of the culture at Chubb where we believe in fostering an environment where everyone can thrive, innovate, and grow.

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We have offices in Bengaluru, Hyderabad, and Bhubaneswar.

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The Actuary India is the flagship magazine of the IAI that has been in publication for over two decades. We aim to provide our members and the larger actuarial community a platform to connect, exchange views and promote thought-leadership and research beneficial to the profession.

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