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Motor Insurance in India

भारतीय बीमा विनियामक और विकास प्राधिकरण

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Disclaimer: Due to administrative reasons, IRDAI could not roll out the previous edition of the Quarterly Journal.

Publisher's Page

Motor insurance is one of the major segments of general insurance sector that has contributed to almost 39% of the total general insurance gross direct premium collections in 2016-17. The segment assumes significance also because of the Third Party Insurance which is mandated by law. Due to its controlled pricing mechanism and high loss ratios, the third party motor insurance has been subject to close regulatory supervision and has seen many ups and downs.

However, when we talk of motor insurance, there are many areas which are a cause of concern. For example, 5 States, Tamil Nadu, Maharashtra, Uttar Pradesh, Karnataka and Kerala alone contribute almost 50% of the motor insurance policies whereas the rest of 24 States and 7 UTs contribute the remaining 50%. Another analysis shows that more than 25% of policies written during 2015-16 were that of new vehicles and more than 70% of policies were associated with less than 6 year old vehicles. This is an indication of the number of uninsured vehicles plying on roads. While there are several initiatives that are being taken by the Government through its legislative and executive powers and IRDAI with its regulatory framework, the statistics indicate that much more needs to be done.

In order to simplify and promote ease-of-selling motor insurance policies, IRDAI has recently issued the Guidelines on Motor Service Providers regularising the role played by automobile dealers in selling and servicing motor insurance policies. IRDAI has also recently issued an exposure draft on Telematics which has the potential to revolutionising the pricing mechanism of motor insurance by use of technology in assessing the risk posed by a particular driver or particular vehicle. IRDAI has also permitted sale of simple motor insurance policies through point of sale persons and the CSCs like E-seva and Mee-Seva. IRDAI is also working under the guidance of the Hon'ble Supreme Court and in association with Central and various State Governments to identify the uninsured vehicles and to bring them under the insurance umbrella. I hope with all round efforts by all stakeholders, with simplification of products and with use of technology, the uninsured vehicles would be brought into the insurance ambit which would ultimately be beneficial to one and all.

Government has identified crop insurance as one of its important flagship programmes and keeping in view the importance of the segment, the next issue of the Journal would focus on crop insurance.

T.S. Vijayan

प्रकाशक का संदेश

भारत में मोटर बीमा

मोटर बीमा साधारण बीमा के प्रमुख खंडों में से एक है जिसने 2016-17 में साधारण बीमा के कुल सकल प्रत्यक्ष प्रीमियम संग्रहण में लगभग 39% का अंशदान किया है। इस खंड का महत्व अन्य पक्ष बीमा के कारण भी है जिसे कानून के द्वारा अनिवार्य कर दिया गया है। अपनी नियंत्रित कीमत-निर्धारण व्यवस्था और उच्च हानि अनुपातों की वजह से अन्य पक्ष मोटर बीमा गहन विनियामक पर्यवेक्षण के अधीन रहा है और इसने कई उतार-चढ़ाव देखे हैं।

तथापि, जब हम मोटर बीमा की बात करते हैं, तब हम पाते हैं कि ऐसे कई क्षेत्र हैं जो चिंता का कारण बनते हैं। उदाहरण के लिए, केवल 5 राज्य (तमिलनाडु, महाराष्ट्र, उत्तर प्रदेश, कर्नाटक और केरल) मोटर बीमा पॉलिसियों का प्रायः 50% अंशदान करते हैं, जबकि शेष 24 राज्य और 7 संघ राज्य क्षेत्र बाकी 50% का। एक अन्य विश्लेषण यह दर्शाता है कि 2015-16 में जोखिम-अंकित 25% से अधिक पॉलिसियाँ नये वाहनों की हैं तथा 70% से अधिक पॉलिसियाँ 6 वर्ष से कम पुराने वाहनों से संबद्ध हैं। यह सड़क पर चलनेवाली बीमारहित गाड़ियों की संख्या का एक संकेत है। जबकि सरकार द्वारा अपने विधायी और कार्यकारी शक्तियों के माध्यम से तथा आईआरडीएआई द्वारा अपने विनियामक ढाँचे के साथ अनेक पहलें की जा रही हैं, वहीं आंकड़े यह निर्दिष्ट करते हैं कि और भी बहुत कुछ करने की आवश्यकता है।

मोटर बीमा पॉलिसियों के सुगमतापूर्वक विक्रय को सरल बनाने और इसे बढ़ावा देने के लिए आईआरडीएआई ने मोटर बीमा पॉलिसियाँ बेचने और इनकी सर्विसिंग करने में ऑटोमोबाइल विक्रेताओं द्वारा अदा की जा रही भूमिका को विनियमित करते हुए हाल ही में मोटर सेवा प्रदाताओं संबंधी दिशानिर्देश जारी किये हैं। आईआरडीएआई ने हाल ही में टेलीमैटिक्स संबंधी एक्सपोज़र प्रारूप भी जारी किया है जिसमें किसी विशिष्ट चालक अथवा विशिष्ट वाहन द्वारा उत्पन्न किये गये जोखिम का आकलन करने में प्रौद्योगिकी के प्रयोग के द्वारा मोटर बीमा की कीमत-निर्धारण व्यवस्था में आमूल परिवर्तन करने की अंतःशक्ति है। आईआरडीएआई ने विक्रय केन्द्र विक्रेताओं तथा ई-सेवा और मी-सेवा जैसे सामान्य सेवा केन्द्रों (सीएससी) के माध्यम से सरल मोटर बीमा पॉलिसियों के विक्रय की भी अनुमति दी है। बीमारहित वाहनों की पहचान करने और उन्हें बीमा के दायरे में लाने के लिए भी आईआरडीएआई माननीय सर्वोच्च न्यायालय के मार्गदर्शन में एवं केन्द्र और विभिन्न राज्य सरकारों की संबद्धता के साथ कार्य कर रहा है। मुझे आशा है, सभी हितधारकों द्वारा चहुँमुखी प्रयासों के साथ एवं उत्पादों के सरलीकरण और प्रौद्योगिकी के उपयोग के साथ बीमारहित वाहन बीमा की परिधि में लाये जाएँगे जो अंततः सभी के लिए हितकारी होगा।

सरकार ने फसल बीमा की पहचान अपने एक महत्वपूर्ण अग्रणी कार्यक्रम के रूप में की है तथा इस खंड के महत्व को ध्यान में रखते हुए जर्नल के अगले अंक में फ़सल बीमा पर फोकस रहेगा।

T.S. Vijayan

Inside

CEO's Corner

Issue Focus

From the Editor

Going the Distance

Motor vehicles were introduced in India during the latter part of the 19^{th} century and Indian Motor Vehicles Act, 1914 was the first legislation to regulate their usage. It was later replaced by the Motor Vehicles Act,1939. Consolidation of the previous legislations on motor vehicle usage and road safety was its main purpose. India's population almost doubled from the 1930s into the 1980s putting pressure on the transport sector and the policy makers, making them realize a need for a comprehensive review of the MV Act,1939 to make it relevant to the needs of the changed times. Various committees have taken into account factors like the changed transport technology, pattern of passenger and freight movements, developments of road networks in the country, etc to give final shape to the desired legislation. Various transport institutes, bodies, state governments and the general public were consulted for opinion seeking. Finally, the Motor Vehicles Act, 1988 was enacted.

However, with the arrival of the new millennium, the number of vehicles plying on roads and the number of accidents that are occurring are on the rise. According to a report, about 400-410 people die every day across India (1,46,000 deaths per annum) due to road accidents. This scenario is not desirable both for the family which suffers and to the economic wellbeing of the nation. Not just that, such a scenario also taints the image of India on the world scene. Motor Insurance tries to alleviate the suffering of these unfortunate families by providing them with monetary relief. Motor Insurance is the largest segment of General Insurance business in India in terms of premium collected per annum. It also has huge potential for becoming much bigger given the fact that about 60 percent of the vehicles plying on Indian roads are uninsured. A philosopher speaking on what freedom is, once remarked "Your freedom ends where my nose begins". True to this saying, Motor Third party insurance is made mandatory in India, because one cannot afford to harm others on account of one's own actions. The motor portfolio to reach its full potential has to address some of the problems it is facing like Motor Third Party losses, increase in motor insurance premiums, fake third party claims and the all-important high exclusion percentage of vehicles from the insurance domain. This edition of the Journal brings to the fore such issues in the Motor sector and also plausible solutions to them. The edition focuses on:

1. Challenges and Opportunities in the Indian market in the Motor Insurance sector.
2. Changing dynamics of the Motor Insurance Sector in India.
3. The Motor Vehicles Act Amendment Bill, 2017 which, inter alia, tries to bring about more discipline amongst the vehicle users.
4. A bird's eye view of Motor Insurance in India, its present status, potential and reasons for various lacunae in the sector and also plausible methods and means to address them.
5. Various challenges faced by the Insurers and also the Insured in the motor sector, the reasons for these challenges and the possible ways to fix them.

The issues and challenges that the Motor Insurance industry, the largest portfolio in the General Insurance business in India, is facing must be holistically addressed to make it a sustainable and a well rendered sector. Law of large numbers could come in handy here. One way of addressing the motor Third Party losses would be by increasing the volume to its true potential.
Let us wish that India soon sees the day when Motor Insurance realizes its full potential and that the users of the vehicles solicit motor insurance not as an obligation but as a duty with a sense of responsibility towards one's own safety and that of others.

- KGPL RAMADEVI


"Licence.
Registration.
Insurance."
Bima Bemisaal

Motor: Challenges on the road ahead

Mr. Praveen Gupta believes that greater attention to the processes extraneous to the insurers in the motor sector is the dire need of the hour because ensuring driver discipline and increasing the efficiency and transparency of these processes is fundamental to addressing the issues of the portfolio.

- Praveen Gupta FCII

The capping of Motor Third Party Bodily Injury (TPBI) liability remains a wishful thinking for most insurers. If and when in place will it really resolve all the barriers and challenges in the path to the third party portfolio profitability? Are we in a time warp? Do we need to recognise motor in context of evolution of mobility and the attendant risks as they unfold? Perhaps we need to evaluate this in the short to medium and medium to long term perspectives.

Motor must be seen as a part and parcel of our roads which reflect the socio-economic reality. We have multiple modes of transportation, ranging from animal driven to most modern automobiles. At the turn of the last century when all major brands were queuing up for India entry, the big question was – where are the roads. Today they all co-exist. This will only get more complex with newer forms of road mobility descending upon the same infrastructure. The growing prosperity will only further segment the options. Insurers need to anticipate how the mid-term will unfold in long-term.

Is capping the way forward?

Just over two plus decades ago the severity of *Chan Pui Ki versus Kowloon Motor Bus Company Limited* triggered a legislation leading to the capping of third party bodily injury in the then British colony of Hong Kong. The build-up was perceptible as the longevity of the residents, inflation and per capita income kept rising above those applicable in the UK. Two of the three Indian insurers with presence in HK were compelled into a runoff and shut shop, as an aftermath. The debate on applying multipliers in line with the recent trends in inflation

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continues to threaten the cap applicable to the TPBI coverage for vehicle owners in HK.

Given the developments across many common law jurisdictions, it would be no different here as and when limited liability comes into play. Disciplining the men behind the steering wheels, efficiency and transparency in the processes extraneous to insurers - call for greater attention.

As the country embarks upon ambitious mobility projects and imminent high paced urbanisation, seamless mobility should ideally call for seamless risk treatment. A uniform ''multimodal'' cover rather than a standalone Motor TP liability ought to be the need of the hour. Even in today's fragmented environment, imagine the variance in the passenger liability when onboard a drop bus to the aircraft versus whilst in a flight mode. Needless to mention that we must at all times be vigilant against blind-spots. The Motor Third Party Pool was a rude shock in the recent past. UK insurers and reinsurers are currently dealing with the Ogden rate changing.

Environment risks:

The fundamental problem with mankind's hundred plus year old obsession with the motor car is that it is a mobile source of air pollution, difficult although not impossible, to pinpoint. The pollution originates in both direct tailpipe emissions and in the mechanical wear of different parts of the vehicle. In 2006 California's Attorney General Bill Lockyear filed a lawsuit against leading US and Japanese car manufacturers, alleging their vehicles' emissions contributed significantly to global warming, harmed the resources, infrastructure and environmental health of California. It cost the State million of dollars to address current and future effects.

Vehicle emissions for long have been recognised as the single most rapidly growing source of carbon emissions contributing to global warming and known to be the origin of about half of the air pollution in the US. Bill Lockyear was trying to hold these companies responsible for their contribution to this crisis. It did not succeed then.

Could Motor insurers become liable?

Greenhouse effect is just one of a series of complications that our century plus old toy contributes to. Motor vehicles emit carbon monoxide (CO). This is a colourless, odourless gas that causes serious, possibly fatal, health problems. Ninety percent of CO in urban areas originates from cars. Hydrocarbon emissions have serious health implications. So do nitrous oxides, volatile organic compounds, lead and particulate matters.

Starting from eye irritation, wheezing, asthma, cancer, acid rain, ozone formation and the resulting greenhouse effect, the evils of motor car emissions constitute a horrendous list. The

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concern for motor insurers getting drawn in sooner or later arose from the fact that technology could possibly enable measuring individual car's toxic contribution. Hence the responsibility of each unit could be quantifiable. It is only a matter of time that the stage would be set beyond the greenhouse to health effects.

If tobacco companies could be sued for negligence, how long can car producers avoid legal action for impairing the overall environment and human health? Has the threat from pollution charges for vehicles gone away? China has dethroned the US in terms of number of cars sold per annum. It has completely transformed the landscape there. The battle against smog goes on. However, the Chinese are rapidly moving towards electric cars. They have their own version of Tesla. Given that Tort law is of only recent origin –

will we see any action like in California? Indeed a question mark. Could we see some action in our own land? Perhaps, thanks to the class action proviso under Companies Act rather than a pure motor cover. Activism against tobacco is already perceptible.

The Volkswagen defeat device opened another front in many jurisdictions – The US, Europe and Australia in particular. Still developing, this is yet another manifestation for pinning down auto pollution. Could technology be able to pinpoint damage by each and every vehicle, indeed it is getting closer – thereby potentially claimable under respective motor policy?

Mid to long-term: Technology ahead of regulation!

The transition from catalytic converters to hybrids and electric cars seems within sight. Apart from the climate degradation the implications otherwise are not far reaching. It is the self-driving technology that could really bring about the paradigm shift. "If they make the world safer it's going to be a very good thing, but it won't be a good thing for auto insurers", believes Mr Warren Buffett. Being safer, as they are expected to be, would bring down the overall economic cost of auto-related losses, thereby driving down the premiums – reports Business insider on concerns of Mr Buffett.

It is one thing to have driverless cars in place but what is critical is a legislative framework to determine who is liable in the event of an accident with a driverless car.

In the UK for instance, while the insurers still need to figure out the responsibility for an accident – the government has proposed to extend compulsory motor insurance requirements to include coverage for losses where autonomous vehicle is at fault. As a result, motor insurers will pay claims in the first instance – irrespective of whose fault it is. Where the vehicle is at fault, the insurer will then be able to recover costs from liable manufacturer.

There ought to be a framework for insurers to be able to recover damages from vehicle manufacturers when the data confirms an accident is the fault of driverless technology. Without this, insurance customers and shareholders could end up footing the bill for the failings of other parties. David Powell of the Lloyd's Market Association (LMA) was recently quoted by Rebecca Hancock.

The Economist resonates what could mid to long-term translate into. "It could take a decade or two before AVs can transport people anywhere, at any time, in any condition – and do so more reliably and safely than human drivers." It also articulates prerequisites for a car to metamorphose from Level 0 to a fully autonomous vehicle at Level 5. Whereby a Light Detection and Ranging (LIDAR) would make it happen. This would entail - an AV friendly road infrastructure; Vehicle to Vehicle (V2V) and Vehicle to Infrastructure (V2I) wireless networking; a reliable protocol for road sharing with unpredictable human drivers; ability to pin the responsibility once an accident happens: on the AV owner; manufacturer, software supplier. And last but not the least, protecting an AV from cyber attack.

In conclusion:

The motor portfolio will witness interplay of several dominant forces and undercurrents. Anyone managing it ought to reconcile with the fact that stability is the last thing they should expect. The portfolio could churn from a pure motor to elements of casualty class. As the nucleus of auto industry migrates from Detroit to Silicon Valley – metaphorically moving to a tectonically active terrestrial reality – it bodes ongoing disruption. As one of the larger motor market, we need to be prepared for all the potential ramifications. A recent IBM survey reveals that 74% of Indians who responded were in favour of autonomous vehicles. The AVs could arrive on our roads sooner than we might like to believe! Are we ready?

- Praveen Gupta FCII
Managing Director & CEO
Raheja QBE General
Insurance Co. Ltd.

Changing Dynamics of Indian Motor Insurance Sector

Mr. Rajiv Kumar presses upon the need on the part of the insurers to always maintain high future reserves to meet the high third party claims. He also expresses hope that the Motor Vehicle Amendment Bill, when it becomes an Act would bring about sanity and responsibility amongst the vehicle drivers.

- Rajiv Kumar

India has been seen as the "Next Superpower in its Cocoon" waiting to reap the fruits of demographic dividend but the same demographic dividend is being curtailed by loss of lives at an average of 17 lives every hour due to vehicular accidents every year. The growing urbanisation and rising disposable income have pushed the increasing number of motor vehicles. Since 2000, the increase in road network is only 39% as compared to the increase of 158% in numbers of motor vehicles plying Indian roads. Due to physical constraints, the growth of road network will be muted but a steady increase in vehicle count will lead to congestion of roads and fatalities.

Table 1 shows the leading causes of deaths and road accidents being 4th largest contributor of death in the age group of 15-49 years which are the productive years of the population. Also from the same study it is ascertained that between 1990 and 2013, the health loss due to road accidents had increased many folds whereas there is a marked decrease in health loss due to infectious diseases.

	<5	Years 5-14	Years 15-49	Years 50-69	Years 70+	Years All
1	Neonatal encephalopathy	Intestinal infections Iron-deficiency anaemia	Tuberculosis	Ischemic heart disease	Ischemic heart disease	Ischemic heart disease
2	Neonatal preterm birth	Diarrheal diseases	Ischemic heart disease	COPD	COPD	COPD
3	Lower respiratory infections	Lower respiratory infections	Self-harm	Cerebrovascular disease	Cerebrovascular disease	Cerebrovascular disease
4	Neonatal sepsis	Drowning	Road Injuries	Tuberculosis	Diarrheal diseases	Tuberculosis
5	Other neonatal	Malaria	Fire & heat	Hypertensive heart disease	Hypertensive heart disease	Diarrheal diseases
6	Diarrheal diseases	Road Injuries	Cerebrovascular disease	Diarrheal diseases	Tuberculosis	Lower respiratory infection
7	Congenital anomalies	Tuberculosis	HIV/AIDS	Diabetes	Diabetes	Self-harm
8	Intestinal infections	Leishmaniasis	Diarrheal diseases	Asthma	Lower respiratory infection	Road Injuries
9	STDs	Animal contact	Lower respiratory infect	Pneumoconiosis	Asthma	Hypertensive heart disease
10	Protein-energy malnutrition	Congenital anomalies	Intestinal infections	Interstitial lung disease	Interstitial lung disease	Diabetes

Table 1 : Top 10 leading causes of death in India in 2013 (Source: GBD 2013 Mortality and Causes of Death Collaborators, 2015)

Towards the Motor Vehicles (Amendment) Bill, 2016

Given the grim state of the road safety in India, the Ministry of Road Transport and Highways appointed the Committee on Road Safety in 2007 under the Chairmanship of Mr. S. Sundar to examine the magnitude of road traffic injuries and fatalities. The committee recommended the setting up of Central and State levels road safety authorities to advice and regulate the highly "fragmented and diffused" system from the Central to the local levels - such as municipal authorities, police, transport department, stakeholders including automobile and insurance industry, members of civil society, etc. The committee also noted that adequate insurance cover was not available either for the vehicle or the affected party to cover the medical expenses. In view of the same, the committee suggested for the establishment of an appropriate fund and scheme to facilitate medical coverage to road accident victims. In first of its kind, the Sundar Committee also suggested that insurance companies should link insurance premium with the accident record of the driver in order to provide an incentive for safe driving.

Several other committees had been set up to improve the road safety in the last 10 years and to bridge the gap between Indian and International Road and Vehicle Safety Standards such as Expert Committee Report under the Chairmanship of Mr S Sundar for the Review of the Motor Vehicles Act, 1988, 12th Five Year Plan sub-group on Road Safety and Human Resource Development (2011), and the National Transport Development Policy Committee Report (2014).

Given the gravity of various issues regarding road safety, third party insurance, regulation of taxi aggregators, recall of unsafe vehicles, and compensation for victims in case of road accidents, in April 2016, the central government constituted a group of state transport ministers under the Chairmanship of Mr. Yunus Khan (Minister for Transport, Rajasthan) to recommend reforms in road transport sector. The committee recommended that amendment to Motor Vehicles Act, 1988 is required on an urgent basis. Thus, the Motor Vehicles (Amendment) Bill, 2016 was introduced in Lok Sabha on August 9, 2016 by the Minister of Road Transport and Highways, Mr. Nitin Gadkari.

India has been seen as the "Next Superpower in its Cocoon" waiting to reap the fruits of demographic dividend but the same demographic dividend is being curtailed by loss of lives at an average of 17 lives every hour due to vehicular accidents every year.

Plugging various gaps in the Indian Motor Insurance Sector

Even after internalising much of the modern information on motor vehicles and road safety to formulate several laws and reports as mentioned above, all possible attempts at reducing the death rates have failed. The Motor Vehicles (Amendment) Bill, 2016 tries to address various plaguing issues in road safety and thus will have bearing on Motor Insurance sector.

Addressing the White Spaces: Serving the uninsured

One of the major issues is the number of uninsured vehicles plying on the Indian roads. As per the study by General Insurance council of India in 2015-2016, there were 190 million registered vehicles in India but only 82.6 million were insured, means that around 56% of the registered vehicles are not insured. This directly affect on one hand the victim by denying him the required compensation as the most often than not the accused will be uninsured and on the other hand put the accused under huge financial burden if he fails to slip from the clutches of judicial process. The Motor Vehicles (Amendment) Bill, 2016 has put forth various amendments which will provide the required impetus to the Motor Insurance sector by bringing more uninsured vehicles under the insurance coverage. Increasing the penalties for non-conformity with the Act will encourage more vehicles to take insurance. This in addition with the use of electronic services to improve road safety monitoring across India and sharing of RTA (Road Transport Authority) and IIB (Insurance Information Bureau of India) data regarding registered vehicles with the Police authorities will help in issuing of E-Challan as in the case of Cyberabad. The Bill also empowers the Central government to increase the fines by up to 10 percent every year if it feels the necessity.

Step to bring down the Exorbitant Third Party Claims Ratio

Historically, Insurance companies are reeling due to very high third party claims ratio and given the mandatory nature of the policy, there is hardly any options for the insurers but to keep paying up and maintaining a high future reserves under both IBNR (Incurred but Not Reported) and IBNER (Incurred But Not Enough Reported) provisions. These provisioning has an adverse impact on the insurers' balance sheet.

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It can be seen from the figure 1 that historically the Gross and Net Incurred Claims ratio for Motor Third Party has been consistently above 100% putting much stress on the profitability of Insurers. The Claims experience shows a

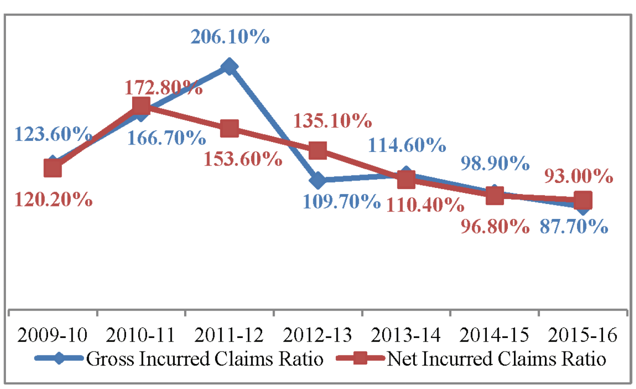

Figure 1: Third Party Gross & Net Incurred Claims Ratio
Source: General Insurance Council Yearbook 2015-16

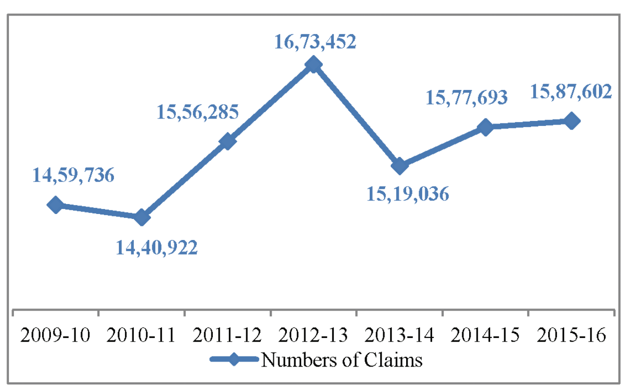

Figure 2: Numbers of Third Party Claims
Source: General Insurance Council Yearbook 2015-16

lower Third party rate against the claims outgo experience due to severity of the accidents and increasing compensation awards by the courts for the accident victims.

The Motor Vehicles (Amendment) Bill, 2016 has recommended for the capping of maximum liability for Third party insurance at Rs 10 lakh for death victims and Rs 5 lakh for grievous injury, but the bill passed by Lok Sabha has removed any such cap to clear the uncertainty on the responsibility of paying of the balance compensation amount. But a major win for insurers came from the fixing of time limit of six months for application of compensation to the Tribunal for road accidents. Previously there existed no time limit of the application of claims. This will surely help insurers to optimise their IBNR/IBNER provisions based on the claims application.

Recall of defective motor vehicles: emerging market for Product Liability Insurance

The Amendment Bill provides a provision for the Central government to order a recall for all such motor vehicles which are found defective by the authorised testing centres and agencies on the manufacturing standards as set by the guidelines. The recall can be initiated on the following defects:

i. Defects having adverse impact on the environment

ii. Defects having adverse impact on the driver

iii. Defects having adverse impact on the other road users

iv. Defects reported to the Government by the authorised testing agencies

Strict guidelines have been set by the Bill for the manufacturers to reimburse the owners of the recalled vehicles by reimbursing the full costs of the vehicle or by replacing the defective vehicle with another similar or vehicle with better specifications.

The Motor Vehicles (Amendment) Bill, 2016 has recommended for the capping of maximum liability for Third party insurance at Rs 10 lakh for death victims and Rs 5 lakh for grievous injury, but the bill passed by Lok Sabha has removed any such cap to clear the uncertainty on the responsibility of paying of the balance compensation amount.

The bill also provides for a penalty of a fine of up to Rs. 100 crore, or imprisonment of up to one year, or both if manufacturer is found of non-compliance with manufacturing or maintenance of standards of motor vehicles.

The provisions will certainly boost the Product Liability market for the General Insurers as more and more manufacturers will now opt for a risk protection against these recalls.

Establishment of New Central Fund for all road accidents

The Bill also laid down guidelines for the establishment of Motor Vehicle Accident Fund which will be utilised for treatment of injured persons in the golden hours and compensation for accident victims with the payment of funds through grant or loan from central government or through the balance of Solatium Fund which is managed by General Insurance Corporation through the premiums earned from various insurance businesses. Given the nature of this new Motor Vehicle Accident Fund, it may supersede the Solatium

Fund or a new source can be identified by the Central government to provide credit to this fund which may come from insurance.

Conclusion:

The Motor Vehicles (Amendment) Bill, 2017, as passed by Lok Sabha will certainly bring some sanity among the vehicle drivers as the penalties have been increased around five times for non-conformity with law. It will also help in increasing the insurance cover to uninsured vehicles through its focus on increasing e-governance across the system and thus sharing of various silos database across RTAs, IIB and Police authority. The bill also provide for a National Road Safety Board to advice Central and State governments on the aspects of traffic management and road safety through formulation of standards across safety and technology. This will also help in reduction of road accidents thus lesser burden on Insurers in terms of Third Party Claims.

The Success of the Motor Vehicles (Amendment) Bill, 2017 will depend on the implementation of the same as enforcement of the law plays a very vital role. It has been found in a study that vigilant enforcement of the provisions included in the Motor Vehicle Act (1988) would reduce death rates by more than a third.

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End Notes:

i Road Accidents in India 2015, Ministry of Road Transport and Highways, May 2015, http://morth.nic.in/showfile.asp?lid=2143

ii "Volume 3, Chapter 2, Roads and Road Transport", India Transport Report: Moving India to 2032, National Transport Development Policy Committee, June 17, 2014, http://planning commis sion. nic.in/sectors/NTDPC /volume3_p1/roads_v3 _p1.pdf

iii Table No 20.1: Number of motor vehicles registered in India, Statistical Yearbook of India 2016, Ministry of Statistics and Programme Implementation.

iv The National Road Safety and Traffic Management Bill 2010, July 27, 2010,

http://www.prsindia.org/uploads/media/Road%20safety/SCR%20National%20Road%20Safety%20and%20Traffic%20Management%20Board%20Bill%202010.pdf

Rajiv Kumar
MD & CEO
Universal Sompo General Insurance Co. Ltd.

Motor Insurance and Liability Insurance in India

Mr. Aravind Shenoy presents the current scenario of Motor Insurance in India, bringing to fore the various lacunae facing the sector, the reasons for such gaps and the efforts made by the governments from time to time to fill them. He vouches for a strict penalty regime and responsible stakeholders to make the sector a well rendered one.

ARVIND R. SHENOY

The Motor Vehicles Act, 1939 (MV Act, 1939) was mandated to provide relief to Third Parties who meet with road-accidents caused by a negligent Motor vehicle driver. For the injury so caused, the victim or the family in case of death could file a claim before specially formed courts called Motor Accident Claims Tribunals (MACT). The claim was decided as per specified limits based on whether the person was a passenger of a vehicle or a pedestrian, etc. and on income and age and/ or disability. In 1982, the MV Act, 1939 introduced a nominal fixed compensation in case of a hit and run accident where the vehicle number was not noted by the victim or the eyewitnesses and it remained unidentified. Such claims had to be filed before the Tehsildar/ Collector/District Magistrate and not in MACT. In 1988. the MV Act, 1939 was improved upon and replaced by Motor Vehicles Act, 1988. The Act had some new features like no fault liability and amount entitled to be claimed was modified to 'as incurred'. The hit and run cases got coded in the form of The Solatium Fund Act, 1989.

The Motor Third Party insurance business has been a loss-making portfolio for the past many decades for the general insurance industry. Not very long ago the industry used to pay claims of over Rs. 300 for every Rs. 100 it got as premium. With competition and solvency margins falling, lot of controls were put in place to better manage this portfolio. Further, after years of persuasion, the Insurance Regulatory Authority of India (IRDAI) accepted the industry demand of the need to increase the TP Premiums. While the IRDAI does not accede to the industry's demand for desired increase, it does a tight rope walk to ensure that various stakeholders especially the Transporters' bodies and the ordinary vehicle owners are not inconvenienced by a sudden increase. The industry continues to have higher MACT awards and outgo but the small relief of revision in premium and better systems in place to check frauds among other measures has helped the industry to a stage

While the IRDAI does not accede to the industry's demand for desired increase in premium, it does a tight rope walk to ensure that all the various stakeholders especially the Transporters bodies and the ordinary vehicle owners are not inconvenienced by a sudden increase.

According to the Ministry of Road Transport and Highways (MoRTH), in the year 2015, over 5 lakh accidents were reported of which 1.46 lakh were killed and over 5 lakh persons injured. Road accidents have taken the maximum toll as compared to any other causes even say malaria. Most reports have suggested that India has the maximum number of deaths due to road accidents in the world.

where the losses are bearable with the profits it makes in some other lines of businesses.

According to the Ministry of Road Transport and Highways (MoRTH), in the year 2015, over 5 lakh accidents were reported in which 1.46 lakh were killed and over 5 lakh persons injured. Road accidents have taken the maximum toll as compared to any other causes even say malaria. Most reports have suggested that India has the maximum number of deaths due to road accidents in the world.The industry settled between 4.5 and 5 lakh claims each year in the last three years. The backlog of claims still pending in various MACTs is a matter of concern as it is adding to the overall liability. With nearly 5 lakh claims being reported every year, the need is not only to reduce the incidence of accidents and fatality but also to provide faster relief by reducing the burden on courts.

The Governments have found it imperative to revisit the MV Act, 1988. The challenges were:

1. How to prevent or reduce road accidents?
2. How to ensure discipline on roads by all road users and make roads safe for all?
3. How to ensure immediate medical treatment and attention to road accident victims?
4. How to ensure quick relief to victims/victims' families without the hassle of seemingly unending adjudication?
5. How to ensure that some relief is also secured by those where they don't have to run after owners to get relief where Insurers have no liability and the accident causing vehicles were uninsured?
6. How to get adequate relief in case of Hit and Run accidents caused by unidentified vehicles?
7. How some immediate relief could be secured to victims without the rigors of protracted litigation?
8. How the increasing value of awards due to increased incomes do not result in unaffordable premiums by vehicle owners?
9. How to ensure that Insurers could determine their liability and offer relief to victims/families quickly so that avoidable litigation can be done away with?

Hopefully, the Motor Vehicles (Amendment) Bill, 2017 does seek to address these challenges. The Bill is currently passed by the Lok Sabha and pending in the Rajya Sabha.

There is a general tendency to start late from home and then try to cut through the traffic irrespective of traffic regulations to reach the destination in time. This tendency adds to the chaos on the road as thousands attempt to rush and violate traffic laws by justifying that it was okay to do so. We thus fail in our obligations to other road users. For instance, say vehicles have stopped at a red-light signal at a cross road. The signal for pedestrians to cross is on and if there appears to be no pedestrian there, some tend to pass through justifying it though they know it is wrong. Per chance, a pedestrian who was not visible suddenly may emerge or another vehicle may also decide to pass thinking all other vehicles would still be waiting for the light to turn green. In such instances, the vehicle bypassing the red light might hit the pedestrian or another vehicle and then blame the pedestrian or other vehicle.

It is often seen how cars and motorcycles just horn and immediately maneuver in front of a truck without leaving adequate time and space for the truck to slow down and the resultant accident is always blamed on the truck driver. Motor cycles and cars have power steering and power brakes and can stop the bike or car immediately while this advantage is not yet available in trucks. Such situations are faced umpteen number of times by a truck driver in a long-haul trip. It makes him irritated and frustrated but this challenge of road users not caring for the truck driver is something that he is expected as fait accompli he must live with.

If the accidents are to decrease there is a need for stricter penalties to curb traffic violations and strict enforcement of law. This will serve the dual purpose of enforcing discipline for more responsible use of the road thereby making our roads safer and reduce incidence of accidents.

By amending crucial provisions on penalties by hiking them steeply would deter negligent use of roads, penal regulations for manufacturers of faulty vehicles; wearing of helmets even by pillion riders, improving road infrastructure among others would make our roads safer. These are welcome changes.

The Good Samaritan clause in the Bill would gradually embolden the citizens to come forward to the rescue of injured victims who need immediate medical attention during the golden hour. The Bill also seeks to take care of the treatment during the golden hour till the victim stabilizes. This coupled with the fact that Trauma centers are planned to be set up at various places along the highways will bring immediate succor and treatment to the injured individuals and in saving precious lives.

The compensation to a victim of a road accident depends on case of injury, on the income, age and extent of medical expenses, permanent disablement caused by the accident (in case of non-fatal accident) or the number/age or income of dependents of the victims (in case of fatal accident). This is not all that simple as satisfactory proof in respect of each of these must be submitted and proved. Moreover, extent of any contributory negligence must be considered because to the extent of negligence of the victim he/ his family is not entitled to compensation. This thus becomes an arduous process of litigation.

If the accidents are to decrease there is need for stricter penalties to curb violations and strict enforcement of the law. This will serve the dual purpose of enforcing discipline for more responsible use of the road thereby making our roads safer and reduce incidence of accidents.

One way of overcoming this is to have a fixed compensation. If not to have a combination of fixed compensation for those up to a particular income and age. For those having higher income to be considered on a set formula.

In order that the compensation is easy to understand and victim or victim's family does not have to run after owners, advocates and courts, all the accident reports (FIR and other documents) be immediately (not later than 6 months) sent to the Insurer concerned by the Police. The victims or victim's family be then mandated to approach the Insurer directly and lodge a claim. The Insurer should within specified time arrange for due investigation and work out the amount payable if it is satisfied that the liability is certain. Insurers should have one to one interaction with the claimant(s) and based on the requisite documents make offer to the claimant(s). In case of disagreements or refusal by the Insurer the victim or victim's family could take recourse to MACT. This will reduce a large burden of such cases on the courts and to deal with the cases that come to them much faster.

In the bill, there is a welcome proviso of interim compensation out of a specific fund for this purpose to protect the victims.The compensation for Hit and Run cases too are hiked to Rs. 2 lakh in the event of death and Rs. 50 thousand to those with grievous hurt. The proviso of golden hour

The direct claim negotiation with the insurer can save claimants from the rigors of protracted litigation. The amount should directly get credited to the victims / complainants / Bank accounts. Since the negotiation is directly with the insurer and faster, this would translate into reduction in the expenses and the saving in interest for the insurer.

treatment too should save lives and help accident victims without their having to arrange for funds for treatment. In cases where insurers have a defense and are not liable to pay, the Fund would release compensation to the victims.

The direct claim negotiation with the insurer can save claimants from the rigors of protracted litigation. The amount should directly get credited to the victims/ complainants/ Bank accounts.Since the negotiation is directly with the insurer and faster,this would translate into reduction in the expenses and saving in interest for the insurer. This would in due course make the insurance premium more affordable or the increase would be too negligible to be felt by vehicle owners. As experience develops for the insurer there could be considerable saving in the time taken for settlement of claims.

All stakeholders must ensure that a simpler and faster remedy is available to victims of road accidents and that the roads become safe and road users more responsible. With driverless and electric cars and buses and hyperloop as the future, one can only look forward to a new India with clean roads, faster and disciplined movement of traffic whereby accidents may become very rare.

Arvind R. Shenoy
Retired Chief Manager , New India Assurance Co. Ltd.

Motor Insurance – a realistic view...

Mr. Dhiraj Nath identifies the causes for low penetration of General Insurance in India and what could be done by the industry to increase the same. He also presents the current scenario of the Motor Insurance sector in India with an empirical analysis and tries to present a realistic picture of the sector as a whole.

- Dhiraj Nath

Motor Insurance – a realistic view...

-Abstract: *Insurance penetration in India is very low compared to world average even after 16 years of opening up of insurance sector specifically in case of General Insurance. Health, fire & consequential loss and property insurance are the main areas where there is a huge untapped market. In spite of Motor Vehicle insurance being compulsory, only 35% of vehicles are insured which is one of the causes of loss to the insurer (supported by incurred claim ratio statistics). In this article, motor insurance scenario in India is discussed with probable causes of such high percentage of uninsured vehicles. Trend of increase in premium per car is also given. A brief description on calculation of Motor TP premium is given for ready reference. A reason wise analysis of claims for USA is also given, to identify the root cause and subsequently reduce the number of claims. Apart from these three specific suggestions are given at the end through which the portfolio of motor insurance can be made profitable.*

Insurance Penetration is an internationally accepted measure of insurance spread in any country and it is the calculated as the ratio of premium underwritten in a particular year to the GDP of the concerned country. The current level of insurance penetration in India is 3.44% of which general insurance penetration is only 0.72%.These levels of penetration are well below the world average specifically for General Insurance where the world average is 2.77%. The reasons behind this low penetration are many. Some of them are as follows:

- Ø Health insurance activity is comparatively low in our country than the developed countries. Total premium collected is about 20 thousand Crore where as the market potential is much more than that.

The penetration percentage is the internationally accepted measure of insurance development in any country and it is calculated as the percentage its premium to the GDP for the concerned country. In 2015 the insurance penetration in India is 3.44% of which general insurance penetration is only 0.72%.These levels of penetration are well below the world average specifically for General Insurance where the world average is 2.77%.

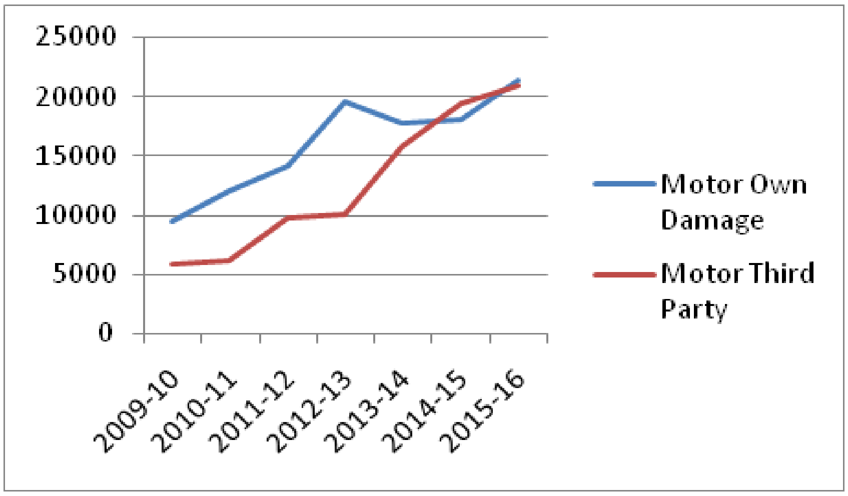
- Ø Property insurance is not so popular in India and as a result a huge segment has remained untapped. Same is the case for fire and consequential loss insurance.
- Ø Insurance for new vehicle is invariably bought while purchase, but renewal insurance rate is very low.
- Ø Travel insurance is another segment which has been remain mostly untapped. The initiative of travel insurance for reserved rail passenger is a promising step by the government. Even for air travel also the insurance is optional.

The total premium collected in India by Non-Life sector is Rs.96379 Crore in financial year 2015-16. To reach Global penetration levels, the premium should go up to a whopping Rs.3.86 lakh Crore or 4-fold increase from current level. Our GDP is also growing at 6-7.5% every year. Hence the projected figure of Rs.3.86 lakh crore will also go up correspondingly. To achieve the desired penetration level in a horizon of ten years the general insurance industry should reach Rs.6 lakh Crore premium (assuming the GDP growth of 6.5% per annum). For that the industry should have to achieve at least 21% growth in coming 10 years. In 2010-11 and 2011-12 the industry has achieved a growth of 23%. Hence it is not impossible.

Among the above mentioned factors, the premium underwritten for health insurance, property insurance and other segments can be increased by capturing the untapped and unexplored market segment. However, for motor insurance, it is difficult to increase the premium level as it is associated with the sale of Motor Vehicles.

Motor insurance is mainly of two types viz. Motor Own Damage (MOD) and Third Party Liability or Motor Third Party (MTP). MOD insurance gives protection to the vehicle owner against damages to his/her vehicle and the Sum Insured under a MODInsurance policy reflects the value of the motor vehicle determined based on the concept known as Insured's Declared Value (IDV). IDV is the value arrived at based on the Manufacturer's present value and depreciation based on the age of the Vehicle.

The MTP insurance pays for any Third Party Liability determined as per law against the owner of the vehicle. MTP Insurance is a statutory requirement. The owner of the vehicle is legally liable for any injury or damage to third party life or property caused by or arising out of the use of the



The MTP insurance pays for any Third Party Liability determined as per law against the owner of the vehicle. MTP Insurance is a statutory requirement. The owner of the vehicle is legally liable for any injury or damage to third party life or property caused by or arising out of the use of the vehicle in a public place. Driving a motor vehicle without insurance in a public place is a punishable offence in terms of the Motor Vehicles Act, 1988.

vehicle in a public place. Driving a motor vehicle without insurance in a public place is a punishable offence as per the Motor Vehicles Act, 1988.

Motor insurance premium accounts for about 44% of the total General Insurance premium. When the vehicle is new, people take both MOD and MTP insurance covers (generally termed as Comprehensive Cover) so as to cover any damage to the new car as well as warranty requirements.

Table 1: Premium rates applied on Tata Indica for 2017-18 taken from United India Insurance Company's online calculator.

Policies Available	Package Policy	Liability Only Policy
IDV	₹ 424708	
Premium in Rs. (Excluding Service Tax)	₹ 9835.0	₹ 2863

However, when the car becomes old and moves out of warranty, people skip the MOD insurance and continue with the statutory requirement of MTP only cover. Even it has been seen that some vehicles are not insured at all after the warrantee period is over. This fact can be substantiated with the following chart where we can see that Motor TP and Own Damage premium collection has been growing more or less at a same pace. Needless to say that MOD premium would have been much more if all the vehicles were insured with both the covers.For example, for a Tata Indica with anIDVof Rs.4.2 lakh, the MTP premium is approximately 1/3rdof the MOD premium. The quotation given below is obtained from United India Insurance Company's premium calculator. Premium mentioned under package policy consists of both MTP and MOD premium.

The motor insurance portfolio of insurers generally suffers loss on its total business due to skipping of the MOD insurance (which generates more revenue for the insurer) by car owner. For Third Party Liability insurance the insurer charges a notional premium as declared by IRDAI time to time. Still, the total claim amount is exceeding the expected claim size. Hence the motor third party premium has been increasing continuously (inflation index is also a component while fixing Motor TP premium).

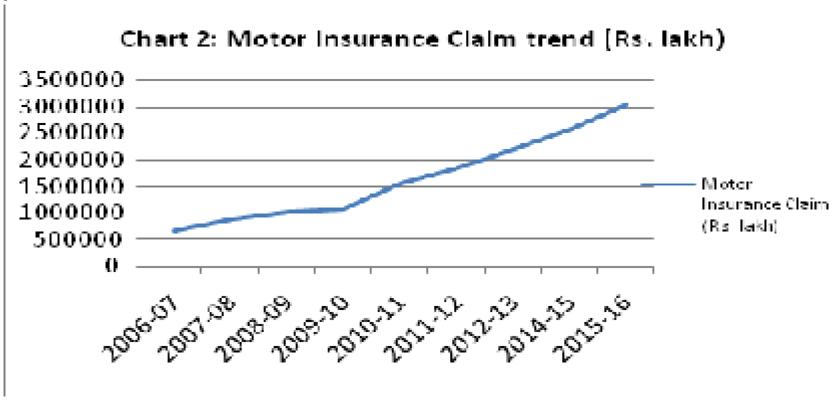
Table 2: Comparison of vehicles that are insured to the uninsured

All figures in lakh	2011-12	2012-13	2013-14	2014-15
Registered motor vehicles	1595	1825	2100	2305
Insured for TP only	216	238	144	220
Insured for MOD package	425	503	551	603
Total vehicles insured	641	741	695	823
No of Vehicles uninsured	954	1084	1405	1482
Percentage	59.84%	59.39%	66.93%	64.30%
Vehicles without MOD Insurance	1170	1322	1549	1702
Percentage	73.35%	72.45%	73.78%	73.85%

Table 3: Comparison of change in average premium per vehicle over the years

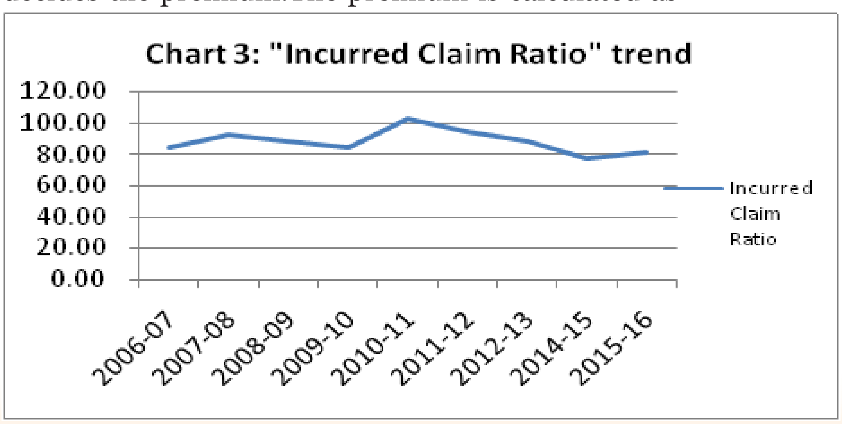
Premium in Crores (Rs.)	**2009-10**	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Motor Own Damage	9486	12036	14078	19595	17768	18019
Motor Third Party	5857	6139	9729	10094	15873	19547
Premium per vehicle	683.65	753.99	795.36	730.96	716.52	788.85
premium/ vehicle own damage	742.53	848.40	882.68	1074.04	846.10	781.84
Registered motor vehicle (in 000)	127746	141866	159491	182445	210000	230470
Grand Total (of all lines of business)	**38469**	**47019**	**57962**	**68719**	**77403**	**84685**

Even after the statutory requirement of MTP insurance, around 65% of the vehicles are uninsured. From Table-2 we could see that only a little above 26% of vehicles are insured with MOD policies which comes with



If we add another 15-20% as operating expenses, then the total expenses go beyond 100% of premium income. Hence it is clear from the above all the companies have been making losses on their motor insurance portfolio and as a consequence motor insurance premium is going up.

For MTP insurance, insurers have nothing to do as IRDAI decides the premium.The premium is calculated as



$P(t) = C1(t) \times CII(t-1) + C2(t)$ where

P(t) is the motor TP premium applicable to the financial year 't',

CII (t-1) is the cost of inflation index for the year 't-1' as notified by the CBDT, and

C1(t) & C2(t) are the parameters applicable to the financial year 't' whose values shall be determined and notified by IRDAI in each financial year based on the experience measured in terms of average claim amounts, frequency and expenses involved in servicing the motor TP business. The value of the parameters C1 (t) & C2 (t) may vary according to the class of vehicle.Some of the motor TP premiums for the current and last financial year are given below to compare the changes.

package policy. Needless to add that earlier the commission rates for MTP policies were NIL (for MOD policies it is 10%) which worked as a disincentive to the agent for doing third party only policy.

Elimination of causes of accident can directly reduce the claim but that is not under control of insurers. There are mainly two factors that cause most of the accidents viz. mentality of people and non-stringent implementation of rules and regulations imposed by government.

The following table shows the cause of road accidents in the US for the year 2015. Table-5 captures the types of accidents and Table-6 tells about the real causeof accidents.

Table 4: Sample of Motor TP premium changes in current year over last year

Type of car	Premium for 2016-17 (Rs.)	Premium for 2017-18(Rs.)	Revised Premium for 2017-18 (Rs.)
Two wheelers between 75cc & 150cc	619	720	720
Private car between 1000cc & 1500cc	2237	3132	2863
Private car exceeding 1500cc	6164	8630	7890
Goods Vehicle Weight 7500kg to12000kg	15365	21511	19667

Single vehicle event which accounts for 32% of accidents, causes due to hitting with something, skidding, turn upside down while turning, internal failure of the car, etc. Other than pure accidents, all other accidents are linked to the driver which accounts for 94% of total accidents. The following table tells us this fact.

The other causes mentioned in table 5 are mainly due to breaking of traffic rules. These types of accidents may be reduced by imposing stringent traffic rule by the Govt. like very high

Table 5: Classification of Road Accidents in US for the year 2015 as per type of accidents

Crash Configuration	Number of Crashes	Percentage
Single-vehicle events	7,13,272	32.60%
Change trafficway, vehicle turning	5,84,775	26.70%
Same trafficway, same direction	4,58,018	20.90%
Intersecting straight paths	2,61,410	11.90%
Same trafficway, opposite direction	1,19,948	5.50%
Miscellaneous (U-turn, etc.)	51,742	2.40%
Total	21,89,166	100%

penalty for breaking rules, breaking signal, driving without licence, lane driving, one way driving rule violation, over speeding, not taking proper precaution (helmet, seat belt, drunken driving) etc.

In this way the number of accidents will reduce and consequently the number of claims. However, this is not in control of the insurer. Though there is a clause that no claim to be paid if the accident is due to any violation of rule, proving each and every accident for such probable rule violations is not possible or feasible.

Insurer cannot control the car owner but they can impose conditions on their agents to increase the motor insurance premium by the following way:

Ø Commission rates may be modified in such a way that they increase gradually with renewal insurance. This will encourage the intermediaries to go for renewal. It would also be easy to collect renewal as the customer is known to

Table 6: Classification of road accident in US for the year 2015 as per cause of accidents

Causes of accident	Number	Percentage
Drivers	20,46,000	94% ±2.2%
Vehicles	44,000	2% ±0.7%
Environment	52,000	2% ±1.3%
Unknown Critical Reasons	47,000	2% ±1.4%
Total	21,89,000	100%

them and little or no canvassing is needed.

Ø When a car is not renewed for insurance, it may be treated as lapse like that of life insurance and may be linked with curtailment of club membership and other benefits of the agent.

The two factors mentioned will have two beneficial effects. On one hand they would increase the motor premium and on the other hand they would increase the commission income of the agents. Club membership benefits are of huge honour and prestige to the agents apart from financial benefits. They will not let it go so easily and as a consequence the premium will definitely go up. In due course the motor insurance portfolio of insurers will come out of the red and gradually become profitable.

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Uninsured two wheeler segment: challenge and opportunity in Indian insurance market

Mr.George Pascal points out the reasons for the high exclusion of the two wheeler segment and the plausible solutions. The vital role that could be played by all stakeholders in this excluded segment including technology, customer sensitization and coordination between various agencies is brought out.

- George Pascal Osta

Introduction

Motor insurance is the largest portfolio of general insurance business in India with a share of 43.89% and growth rate of 13.17% in 2015-16[1]. In terms of actual volume, the premium underwritten in 2015-16 stood at Rs. 42301 crore[2]. If we consider the insurance penetration of general insurance business in India, it is 0.72% out of which around 0.32% is due to motor insurance business.

From the above data it is seen that motor insurance is one of the developed portfolios of general insurance. However, this is just part of the picture of this segment in India. On the other hand according to General Insurance Council of India, 60% of vehicles plying on Indian roads in 2015-16 were uninsured[3]. Most of the uninsured vehicles are two-wheelers and 75% of the total two-wheelers plying on Indian roads are uninsured[4]. Thus, the challenge in the general insurance market is high exclusion in its largest portfolio.

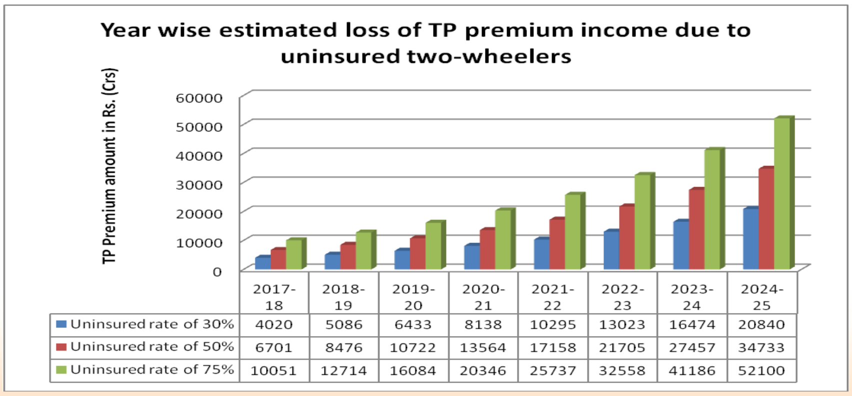
Uninsured two-wheeler segment

From Annexure-A we see that the estimated loss in third party premium (TPP) income, from uninsured two-wheelers, in the year 2015-16 was Rs. 5,641 crores. If the uninsured rate of 75% continues in this segment, then in 2024-25 the potential estimated loss of this premium

According to General Insurance Council of India, 60% of vehicles plying on Indian roads in 2015-16 were uninsured[3]. Most of the uninsured vehicles are two-wheelers and 75% of the total two-wheelers plying on Indian roads are uninsured[4]. Thus, the challenge in the general insurance market is high exclusion in its largest portfolio.

income will be around Rs. 52,100 crores. Post adjustment

Chart-A

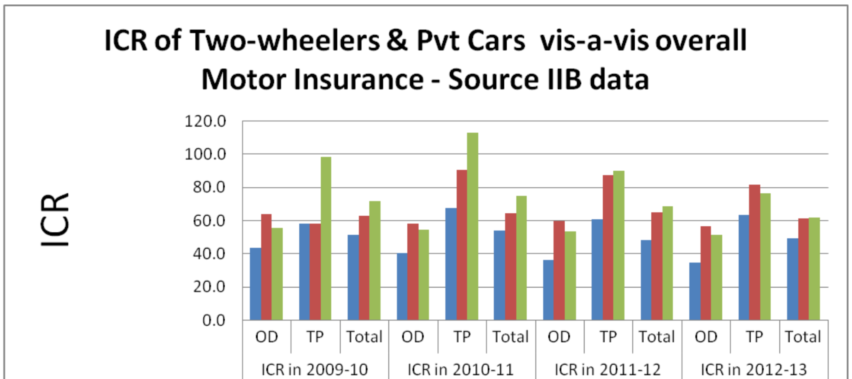


	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Uninsured rate of 30%	4020	5086	6433	8138	10295	13023	16474	20840
Uninsured rate of 50%	6701	8476	10722	13564	17158	21705	27457	34733
Uninsured rate of 75%	10051	12714	16084	20346	25737	32558	41186	52100

for inflation of 5%, this comes to around 80% of the entire motor insurance portfolio of 2015-16. The overall loss in premium is much more if we account premium for own damage cover also. Estimated loss as per Annexure-A for three scenarios of uninsured rate of 30%, 50% and 75% is given in Chart-A.

So, when an industry foregoes the opportunity to tap 15% of its current market, that to which is captive, we may jump to a conclusion that it is unprofitable. However, the ICR for Third Party (TP) Insurance of two-wheeler is the lowest among all classes of vehicles and was 63.37% for the year 2012-13[5]. It is not more than 68% for any of the years between 2009-10 and 2012-13[6] (Chart-B). In general insurance Incurred Claims Ratio (ICR) gives a fair indicator about profitability of a line of business. Thus, concluding that two-wheeler insurance even "act only" is draining or unprofitable is quite not supported with data available.

Chart-B



	ICR in 2009-10			ICR in 2010-11			ICR in 2011-12			ICR in 2012-13		
	OD	TP	Total	OD	TP	Total	OD	TP	Total	OD	TP	Total
Two Wheelers	43.3	58.1	50.9	40.0	67.5	53.5	36.0	60.4	48.1	34.3	63.4	49.0
Private Cars	63.9	57.9	62.7	58.1	90.1	64.3	59.5	87.0	64.9	56.5	81.4	61.1
Overall Motor insurance	55.5	98.0	71.2	54.2	112.8	74.9	53.4	89.9	68.4	51.3	76.1	61.8

Then why is a large chunk of two-wheeler segment uninsured?

To understand "why" let us look into issues of "demand" as well "supply" side of two-wheeler insurance market.

Supply side issues:

1) The ticket size (premium per policy) of two-wheeler for comprehensive as well as TP insurance is comparatively small. The median premium for "mandatory insurance" of two-wheeler is only Rs. 804/-[7]. Thus, it requires greater effort to earn same volume of premium compared with other class of vehicles like cars etc. E.g. If we take the highest premium of "act only" insurance, an insurer will have to renew 8 two-wheelers to earn similar volume of premium earned by renewing one car. Thus, output to effort ratio in this segment is very low and unattractive for insurers or distributors.

2) Distribution channel plays an important role in renewal of business. Most of the new two-wheelers sold are insured through intermediaries who are tied to the two-wheeler showroom. After one or two years most owners are not in touch with these showrooms as they go to local garages for servicing etc. For renewals after one year not much effort is made by these distributors as they are happy with the captive and higher ticket size insurance

When an industry foregoes the opportunity to tap 15% of its current market, that to which is captive, we may jump to a conclusion that it is unprofitable. However, the ICR for Third Party (TP) Insurance of two-wheeler is the lowest among all classes of vehicles and was 63.37% for the year 2012-13[5]. It is not more than 68% for any of the years between 2009-10 and 2012-13[6] (Chart-B). In general insurance, ICR gives a fair indicator about profitability of a line of business.

sold to people buying new vehicles.

3) The other option left for handling renewal of this low ticket segment is the online distribution channel because of cost efficiency. People generally nowadays search for competitive price of any product or services through web aggregators. On visiting the websites of insurance aggregators, it is surprising to note that most of them offer quotes for comprehensive two-wheeler insurance but not for mandatory insurance. Even where some offer quotes for TP insurance it is only from very limited (say only one or two) participating insurers. The reason for this could be that either most insurers do not want their TP insurance to cannibalise the comprehensive product or it is lucrative for the web aggregators to push comprehensive than TP only insurance.

Demand side issues:

Self insurance: Generally low level of awareness among retail segment is the main cause for low demand for insurance. However, awareness level is quite high in motor insurance as all new vehicles are sold with insurance. The main reason for low demand in two-wheeler segment is thus not low level of awareness but habit of "self-insurance". The reason for avoiding even mandatory insurance is that the perceived expected outgo in terms of paying fines for driving without insurance is lesser than the premium for mandatory insurance. Such perception arises mainly from the following facts:

The main reason for low demand in two-wheeler segment is thus not low level of awareness but habit of "self-insurance". The reason for avoiding even mandatory insurance is that the perceived expected outgo in terms of paying fines for driving without insurance is lesser than the premium for mandatory insurance.

a) Dismal implementation of traffic rules resulting in very low probability of being caught and fined for any traffic violation including driving without insurance.

b) High level of corruption leading to bribes of amount much lower than the fine thus reducing expected outgo even when caught.

c) Clubbing of expected outgo for being caught for other traffic offences (like driving without helmet, triple load, no pollution clearance certificate etc.) along with no insurance. Hence, the owner perceives it better not to pay for insurance and take a gamble and use this money if required to pay fine or bribe on being caught for any traffic offence.

I tried to validate my assumption of high self insurance by collecting data of traffic violation or fines levied for various offences, but I failed to find the relevant data in public domain. On searching the internet for information on self insurance in two-wheeler segment, I came across a web page at http://www.team-bhp.com/forum/indian-car-loans-insurance/161306-insurance-premiums-vs-claims-would-self-insurance-cheaper-you.html. Here, in a poll titled "Your equation with car insurance" out of 102 respondents 72.55% voted as "Yes, self-insurance would be cheaper. But I'll buy comprehensive coverage anyway", while 17.65% voted as "Yes, self-insurance would be cheaper. I'll consider it (or am already on it)". Though not scientific and conclusive enough, yet it gives some indication of existence of high degree of inclination towards self insurance in motor insurance. In contrast to cars the Insured Declared Value (IDV) of two-wheeler segment is very small. Thus, the need for comprehensive insurance in two-wheeler segment is far less due to which the risk taking behaviour gets encouraged leading to self insurance.

Who and how to bell the cat?

From the basic understanding of the challenge we move to the next important question as "how to overcome this challenge". The major players who can contribute their part to address the challenge are (a) law enforcement agencies (mainly traffic police) (b) regulator (c) insurers (d) others like automobile manufacturers and distributors, NGOs, family members etc. One thing is for sure in order to convert this challenge into an opportunity technology will be the most important tool.

Role of Law enforcement agencies: The only way to reduce "self insurance" and implement mandatory insurance is with strict enforcement of traffic rules. However, our police force is terribly short of manpower and has plethora of activities to manage. The number of traffic police pan India was only 39654 as on 01.01.2011[8]. This makes small and petty issues like traffic rules enforcement a least priority job.

Thankfully, today with great advancement in mobile and information technology we are better placed to overcome shortage of manpower and strictly implement traffic rules. The following can be thought of and also improved upon:

a) Effort to link every vehicle registered (starting with new one sold) with Aadhar, option to link it to e-mail id, mobile number etc. for communication of traffic violation challan etc. should be made.

b) Linking insurance database of insurers (or Insurance Information Bureau of India-IIB) with motor vehicle department and traffic police database. The "e-Vahan Bima" [9] initiative of Telangana government is an example of this and should be implemented pan India. This will help in issuance of traffic challan for person driving without insurance by just video recording vehicles at prominent points like traffic junctions, petrol pumps; parking spaces etc. and cross checking with insurers (IIB) database for insurance details. Only when the probability of being caught driving without insurance and consequently the outgo in terms of fine will increase, people will be compelled to substitute "self insurance" with formal insurance.

c) The automation of issuance of traffic challan will lead to reduction in corrupt practices like bribe and will thus enhance demand for motor insurance.

d) The linking of database will also take care of fake insurance certificates produced by some to avoid penalty.

e) Vehicles of persons who are caught for repeated violations of driving without insurance should be confiscated and released only when they produce valid insurance certificates.

Role of Regulator: The regulator has come up with IRDAI (Obligation of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015. This tries to put the obligations on insurers licensed to underwrite motor insurance business, to underwrite a certain minimum TP insurance premium. The effect of this had already begun to show and the TP insurance premium has shown growth of 26.07% in 2016-17 (Table-A)

The Regulator has also been successful in notifying Third Party Insurance premium every year based on inputs and suggestions of various stakeholders so that the interest of all are best served. However, the following avenues can always be explored:

1) To expand the net of insurance and to address mammoth exclusion in two wheeler segment, obligation of insurers to

Table-A

Growth of Third Party Insurance Premium

Year	2012-13*	2013-14*	2014-15*	2015-16*	2016-17**
TPP (Rs. crores)	12460	15237	17615	21036	26520
Growth in TPP	28.73	22.28	15.60	19.42	26.07

(*source Indian Non-life insurance Industry year book 2015-16 – General Insurance Council, **Provisional unaudited figure at IRDAI website) underwrite minimum **number of policies** under motor insurance should also be considered.

2) For online web aggregators, providing quotes for vehicle insurance, the option to mandatorily display third party premium rates of participating insurers should also be looked into.

Role of Insurers: The insurers are the one who hold the key to address this challenge. The role of insurer is not limited to just providing insurance solution but extends to partnering with various agencies like IIB, law enforcement agencies, motor vehicle department etc. to work out modalities for implementation of third party insurance norms. They can also think of other steps like:

1) Extending their distribution network beyond new vehicle showrooms to places frequented by vehicles like petrol pumps, garages, co-operatives or agencies handling parking spaces etc.

2) Innovation in motor insurance products has given rise to single premium three year term motor insurance products. Though, third party premium are regulated by IRDAI, yet some years down the line after accumulation of sufficient transactional data, 5 years term single premium comprehensive motor insurance or 10 years term single premium third party product can be explored.

Others

The role of others like automobile manufacturers and distributors, NGOs and family members can help play part in spreading insurance among this excluded segment. For example the auto manufacturers as part of their advertisements, highlight the need and importance of safety by promoting the use of helmets during driving and loss mitigation through insurance. The campaign of insurers, NGOs etc. should try to focus upon the members of family as a whole. The campaign should target on the need for having at least mandatory insurance to avoid future inconvenience like traffic fine, unnecessary financial burden in case of accidents etc.

Conclusion:

"Exclusion in mandatory insurance" is somewhat oxymoron. Yet, it is a reality, a crude reality the answer to which should not be tried to be found out by applying profitability criteria alone. The social and welfare cost of exclusion, though not easily quantifiable, can be devastating in the long run. Legislation and Regulation cannot be panacea for such issues. Innovative application of technology, sensitizing potential consumers, coordination between various agencies and commitment towards the cause will lead to converting this challenge into an opportunity.

Annexure A

Estimation of Third Party Premium loss due to uninsured two-wheelers under various scenarios and projection up to 2024-25

Methodology followed to arrive at figures of Annexure A

Data	Basis	Assumption made and reason for it
No. of Two-wheelers in 2015-16.	Detailed calculation in Annexure A1	A conservative estimate of vehicles registered in last 15 years (2001-02 to 2015-16) deemed fit for insurance.
No. of Two-wheelers in subsequent years	Calculated with growth rate of 10%	10% growth rate approximated on trend of net addition
TPP rate in respective Year (in Rs.)	2015-16 to 2017-18 median value of two wheelers actual rate.	2018-19 onwards calculated with growth rate of 15%, approximated based on CAGR of median TPP between 01.04.2010 to 01.04.2017.
Uninsured percentage rate		0% to 100% to study the premium lost under various scenarios.

Third Party Premium Lost due to uninsured two wheelers (in Rs Crs.) Various scenarios of uninsured percentages

FY	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
No of Two wheelers (lakhs) —>	1377.53	1553.42	1666.81	1833.49	2016.84	2218.53	2440.38	2684.42	2952.86	3248.14
TPP rate (Rs.)	546	656	804	925	1063	1223	1406	1617	1860	2139

Uninsured percentage	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
0%	0	0	0	0	0	0	0	0	0	0
10%	752	994	1340	1695	2144	2713	3432	4341	5491	6947
20%	1504	1988	2680	3390	4289	5426	6863	8682	10983	13893
30%	2256	2982	4020	5086	6433	8138	10295	13023	16474	20840
40%	3009	3976	5360	6781	8578	10851	13727	17364	21966	27787
50%	3761	4970	6701	8476	10722	13564	17158	21705	27457	34733
60%	4513	5964	8041	10171	12867	16277	20590	26046	32949	41680
70%	5265	6958	9381	11867	15011	18989	24022	30387	38440	48627
75%	5641	7455	10051	12714	16084	20346	25737	32558	41186	52100
80%	6017	7952	10721	13562	17156	21702	27453	34728	43931	55573
90%	6769	8946	12061	15257	19300	24415	30885	39069	49423	62520
100%	7521	9940	13401	16952	21445	27128	34317	43411	54914	69467

Annexure A1 – Estimate of two wheelers registered in various years

Year	Estimated No. of two Wheelers regd. in the year **	Cumulative starting from 2001-02	Source
2001-02	30,25,032	30,25,032	**Difference between data of two wheelers of successive years as available in Table 20.1 (No. of Vehicles registered in India) obtained from website of Government of India, Ministry of statistics and Programme implementation at http://www.mospi.gov.in/statistical-year-book-india/2016/189
2002-03	59,38,431	89,63,463	
2003-04	44,02,484	1,33,65,947	
2004-05	68,77,729	2,02,43,676	
2005-06	59,43,424	2,61,87,100	
2006-07	43,85,636	3,05,72,736	
2007-08	62,07,264	3,67,80,000	
2008-09	70,66,079	4,38,46,079	
2009-10	91,95,686	5,30,41,765	

2010-11	1,02,66,791	6,33,08,556	Society of Indian Automobile Manufacturers (SIAM - Domestic sales trend) at http://www.siamindia.com/statistics.aspx?mpgid=8&pgidtrail=14
2011-12	1,34,09,150	7,67,17,706	
2012-13	1,37,97,185	9,05,14,891	
2013-14	1,48,06,778	10,53,21,669	
2014-15	1,59,75,561	12,12,97,230	
2015-16	1,64,55,851	13,77,53,081	
2016-17	1,75,89,511	15,53,42,592	

References:

IRDAI (2016). Annual report 2015-16, Hyderabad, IRDAI

Bureau of Police Research & Development New Delhi (2012), Data on Police Organisations in India As on January 1, 2011, New Delhi, BPR&D

Notification of TPP available at IRDAI website

The internet

1. Pg 18, Section I.3.34 of IRDAI Annual Report 2015-16
2. Pg 19, Table I.24 of IRDAI Annual Report 2015-16
3. In a news article dated 24.01.2017 of TOI available in the internet at http://timesofindia.indiatimes.com/india/60-of-vehicles-on-indian-roads-dont-have-insurance/articleshow/56744325.cms and accessed on 06.05.2017
4. In a news article dated 23.05.2015 of TOI available in the internet at http://timesofindia.indiatimes.com/india/75-of-2-wheelers-have-no-insurance/articleshow/47392161.cms
5. Report MR3 – "Vehicle Class wise - Incurred Claim Ratio" of IIB for the year 2012-13 available at
6. Ascertained from IRDAI circular Ref: IRDA/NL/NTFM/MOTP/089/04/2017 dated 17.04.2017 available in the website of IRDAI
7. Table 3.8 on page 56 of Chapter 3 of "Data on Police Organisations in India as on 01.01.2011" of Bureau of Police Research & Development New Delhi
8. Handbook on e-Vahan Bima (e-Motor Insurance Policies) available at http://www.hyderabadpolice.gov.in/assets/Handbook%20Electronic%20Motor%20Policies_version%20III.pdf

- George Pascal Osta

OSD, Health Department , IRDAI

Abbreviations used

Abbreviations	Full form
IRDAI	Insurance Regulatory and Development Authority of India
GIC	General Insurance Council
TPP	Third Party Premium
ICR	Incurred Claim Ratio
TP	Third Party
IIB	Insurance Information Bureau of India
NGO	Non-Governmental Organisation

In God We Trust…

Mr. Jacob K Thomas sanguinely opines that data is the new oil and that data management is the new engine of economic growth. He points out the vital role played by the Insurance Information Bureau of India in supporting the Insurance industry by providing it with sector-level data to enable data- based and scientific decision making by the insurers.

- Jacob K Thomas

Data is the new oil. It is expected that the next wave of economic growth will be churned by data and the new value proposition it brings in terms of more granular segmentation, better understanding of trends and cyclicality and to a great extent the prediction of the future. Well, one might say what's new in this, trend analysis and forecasting are old tools available to us for long but what is new is the way data is being collected and the vast amounts of data available today for analytics. As an industry, insurance has been traditionally a big user of data, what with the fulcrum of the industry being the law of averages. Therefore, the use of big data and the various off-the-shelf analytical tools available has only made things much more easy but at the same time, more demanding.

In India also there was a need felt for a body which could become the repository of all the data and provide key inputs to the Regulator and the Government to assist them in policymaking. The body would provide necessary inputs for policy research and insurance industry development activities. The body would act as a single point source for insurance industry data for real time decision making and be neutral and authentic.

Insurance Information Bureau of India (IIBI) was promoted in year 2009 by IRDA, with the participation of stakeholders of the insurance sector, with the objective of supporting the insurance industry with sector-level data to enable data-based and scientific decision making for pricing and framing of business strategies.

Keeping in view the above objectives, Insurance Information Bureau of India (IIBI) was promoted in the year 2009 by IRDAI, with the efforts of stakeholders of the insurance sector, with the objective of supporting the insurance industry with sector-level data to enable data-based and scientific decision making for pricing and framing of business strategies.

Motor insurance is the largest portfolio in the General Insurance sector in India. In FY 2016-17, nearly 9 crore policies were issued which generated more than 500 billion INR premium accounting for nearly 40% of the total General Insurance business in India. Therefore the data generated from the Motor insurance portfolio is the highest and the maximum number of data records submitted is from this portfolio in General Insurance space. For FY 2016-17, more than 200 million records (line item) are expected to be submitted for the various modes of submission by the 22 insurers doing Motor business in India.

Data for Motor insurance is submitted on a daily and monthly basis to IIBI. IIBI is collecting policy data on a daily basis for the insurance search facility that it provides to the various enforcement agencies across India. All insurers have been mandated by the Authority to submit data to IIBI for the policy incepted every day. IIBI has put in place web services based system wherein, by calling these web services, starting from midnight of a particular day all the policies underwritten by the Insurance companies the previous day start getting submitted to the IIBI. This data-set is then shared with various enforcement agencies by mid-morning through another set of web services so that Insurance status of any vehicle is available to the beat staff of these agencies without having to resort to physical checking of documents. This will help in ushering an environment of paperless insurance in the country. The Telangana government took a step in this direction by issuing necessary directions for legal acceptance of electronic insurance policies through the e-Vahan Bima. Going forward the citizen may not need to keep the insurance policy in any form, physical or electronic, as the insurance details of the vehicle will be provided by IIBI to the respective enforcement agency in an automatic seamless manner.

IIBI in particular has put in place data sharing arrangement with National Informatics Center (NIC) for sharing of 'VAHAN' and insurance databases for identification of the uninsured vehicles in India. The same is done also in compliance with the directions of the Supreme Court Committee on Road Safety. As of today the data is being exchanged on monthly basis manually, however it is envisaged that the data shall be shared on daily basis through web services being put in place. Based on the data shared by NIC and the mapping exercise done by IIBI till May 2017, more than 50% of the vehicles on road in India today are uninsured.

The Bureau provides a bundle of services related to motor insurance to multiple stakeholders such as public, police, transport departments and insurers through its service package titled V Seva. The services are available through call centre, SMS and web-based mode and provide information regarding insurance status of

Going forward the citizen may not need to keep the insurance policy in any form, physical or electronic, as the insurance details of the vehicle will be provided by IIBI to the respective enforcement agency in an automatic seamless manner.

the vehicle, stolen status, insurance details of stolen vehicles which have been recovered, insurance details of vehicles involved in accident etc. IIBI has now developed a mobile application for easy access of these services which is going to be released soon.

For the enforcement agencies IIBI has put in the following services :

- **Vehicle Insurance Status Search System (VISSS)** - This service helps the police to ascertain the insurance status of a vehicle by checking the Registration number or Chassis and Engine number of the vehicle in the IIBI database. Details provided are searched and insurance status is provided instantly. It is an authentic source for enforcement agencies to confirm the insurance status of any vehicle and for enabling enforcement agencies to identify and take action on uninsured vehicles.

- **Vehicle Stolen Status Search System (VSSSS)** - This service helps the enforcement agencies to find whether a vehicle is stolen or not. Police needs to provide Registration or Chassis and Engine number of the vehicle and the details provided are searched in IIBI database consisting of claims data of stolen vehicles and National Crimes Record Bureau data and the stolen status is provided instantly. The benefit is, if stolen vehicles are being used they can be recovered by enforcement agencies and usage of stolen vehicles can be stopped.

The Bureau provides a bundle of services related to motor insurance to multiple stakeholders such as public, police, transport departments and insurers through its service package titled V Seva. The services are available through call centre, SMS and web-based mode and provide information regarding insurance status of the vehicle, stolen status, insurance details of stolen vehicles which have been recovered, insurance details of vehicles involved in accident etc.

- **Stolen Vehicle Recovery Information System (SVRIS) -** Any police personnel who has recovered a stolen vehicle can find the insurance details of the vehicle. He can contact IIBI through a toll free number 1800 425 4734 (short code 155266) and IIBI will collect information like Registration Number or Engine number and Chassis Number, basic vehicle details and the police station where the same is recovered from the reporting officer for locating the insurance details of the vehicle in IIBI's database. Acknowledgement is sent to the e-mail id provided by the reporting officer.

The vehicle details are searched in IIBI's database and if found, the concerned insurance company is sent an e-mail informing the recovery of vehicle and police station where the vehicle is lying. It enables the insurance company to approach the police station for further action and benefits the police in terms of early disposal of recovered vehicles thus saving space, getting rid of records maintenance, security, complying with Supreme Court directive, etc.

- **Accident Vehicle Information Submission System (AVISS) -** This service helps the police to submit the information of any vehicle which has met with an accident to IIBI. Police needs to provide Registration number or Chassis and Engine number of the vehicle involved in the accident and also accident details (place and date). Informed accident vehicle details are mapped to IIBI insurance database and if mapped successfully corresponding insurer is intimated about accident and vehicle details and the police will receive an acknowledgement. If the same is not mapped then the details are sent to all the insurers for further verification of the same.

Accident Vehicle Information Retrieval System (AVIRS) : V Seva also has a service for the General Public called AVIRS. This facility is intended to help the accident victims to locate the insurer of the vehicle involved in the accident. The user needs to provide Registration or Chassis and Engine no. of the vehicle involved in accident and also accident details (place and date). The details provided are mapped to IIBI insurance database and if mapped successfully, accident victim is intimated the insurance details through e-mail/SMS and corresponding insurer is intimated about details of the accident. Wherever no match takes place the details of the vehicle is provided to all insurance companies. The access to this service is limited to three times from the same mobile number or e-mail address to avoid misuse of the system.

Vehicle Claim History Verification System (VCHVS) : helps the insurer determine the claims history, both OD and TP, of any particular vehicle for the last five financial years. The system is primarily used for NCB confirmation but has wide scope for determining the claim experience and in flagging vehicles with suspicious and fraudulent past based on claims history.

Graphical representation of the V Seva Services (Chart 1)

Apart from the above services IIBI has been providing data to IRDAI for the Third Party motor premium rating exercise and has also been providing data inputs to the various committees appointed by it, when requested. IIBI has also provided data support to IRDAI as and when the same has been sought.

The vehicle details are searched in IIBI's database and if found, the concerned insurance company is sent an e-mail informing the recovery of vehicle and police station where the vehicle is lying. It enables the insurance company to approach the police station for further action and benefits the police in terms of early disposal of recovered vehicles thus saving space, getting rid of records maintenance, security, complying with Supreme Court directive, etc.

IIBI has also developed various reports to mitigate frauds and help the insurer in recovery rights by putting in place the Stolen and Subsequently insured report which will identify vehicles which have been stolen in the past and have come up for insurance, for the insurer who has paid the claim to initiate recovery proceedings. Also for prudent underwriting it will identify vehicles which have come up for insurance but have been reported stolen in the past. Also IIBI is putting in place the Stolen & Total Loss vehicles database from FY 2014-15 onwards for insurers to check the same, while underwriting.

IIBI also publishes various regular, thematic and bespoke reports. Very soon IIBI will release the Motor Annual Report 2015-16, excerpts of which are produced below :

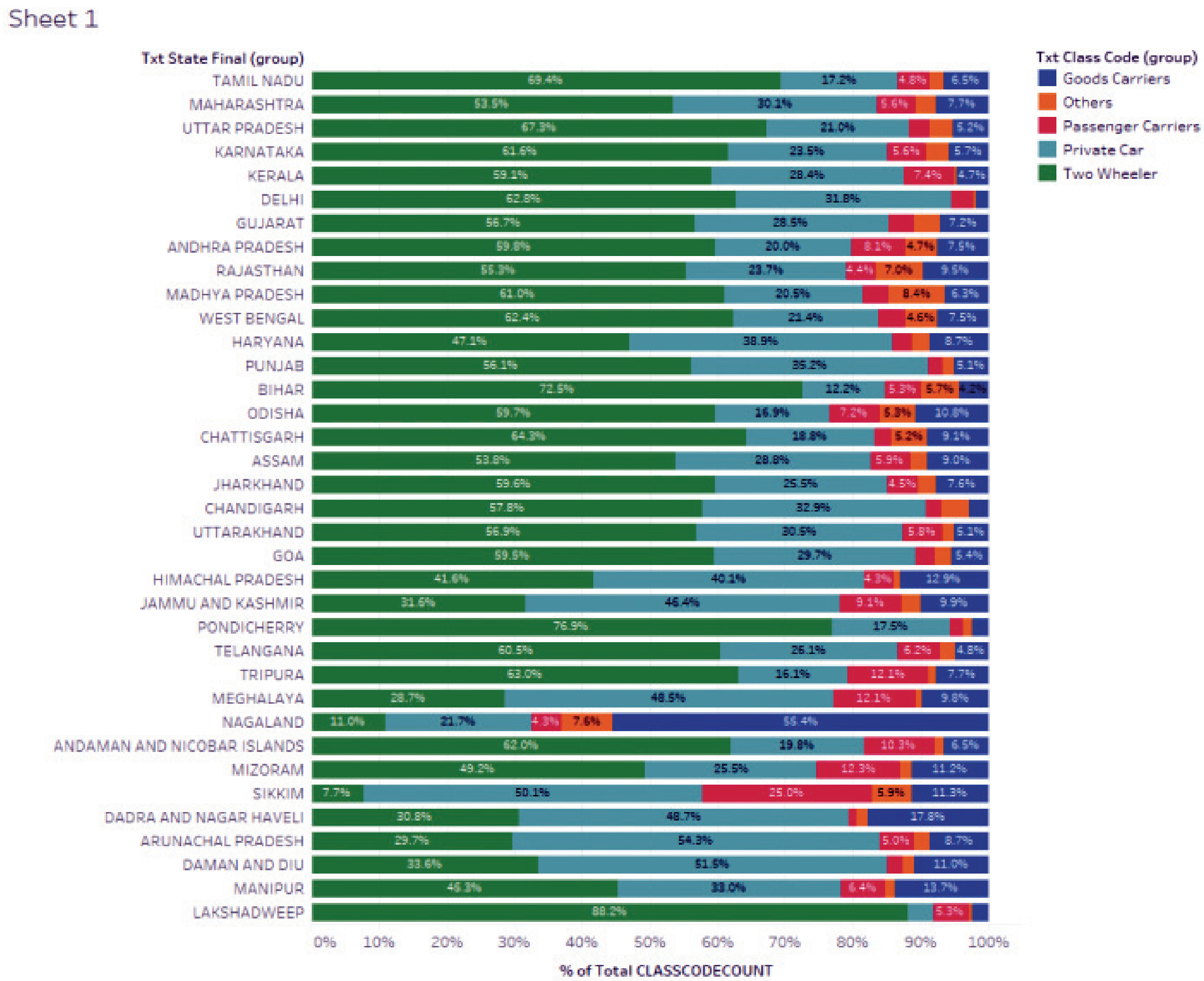
Chart 1

V Seva Services
Accessed & Mode of Access

MODE			SERVICES	DESCRIPTION	ACCESSED BY
WEB	CALL CENTER		SVRIS	Stolen Vehicle Recovery Information System	POLICE
WEB	CALL CENTER	SMS	VISSS	Vehicle Insurance Status Search system	POLICE
WEB	CALL CENTER	SMS	VSSSS	Vehicle Stolen Status Search System	POLICE
WEB	CALL CENTER	SMS	AVISS	Accident Vehicle Information Submission System	POLICE
WEB			AVIRS	Accident Vehicle Information Retrieval System	PUBLIC
WEB			VCHVS	Vehicle Claim History Verification system	INSURER

* Call Center Mode (Toll free no: 1800 425 4734, Short code: 155266)
* Web Mode (IIB portal: www.iib.gov.in)
* SMS Mode (SMS Gateway no: 9246811113

Distribution of policies across different vehicle types – State-wise



% of Total CLASSCODECOUNT for each Txt State Final (group). Color shows details about Txt Class Code (group). The marks are labeled by % of Total CLASSCODECOUNT. The view is filtered on Txt State Final (group), which excludes Null, NULL and Others. Percents are based on each row of the table.

Chart 2

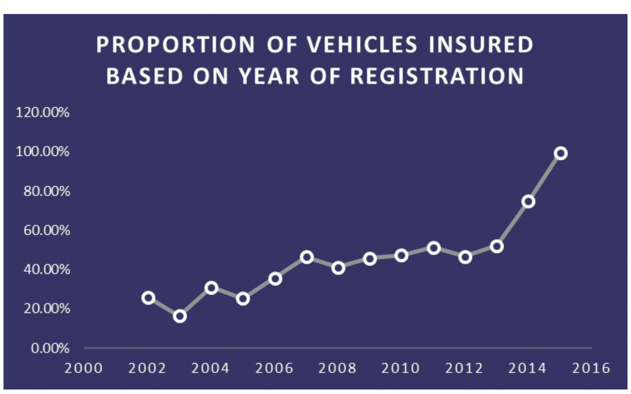


Chart 3

Private Car -OD Claim Frequency based on Time to Claim intimation

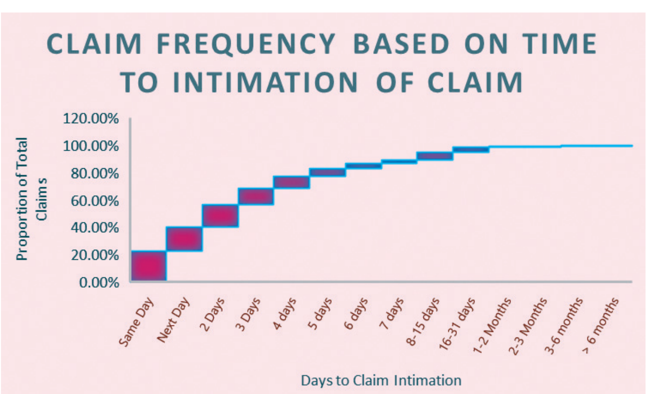


Chart 4

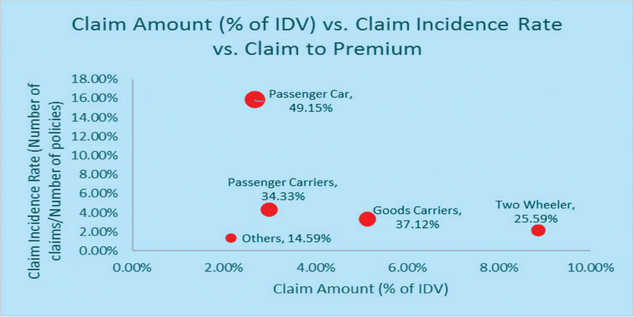
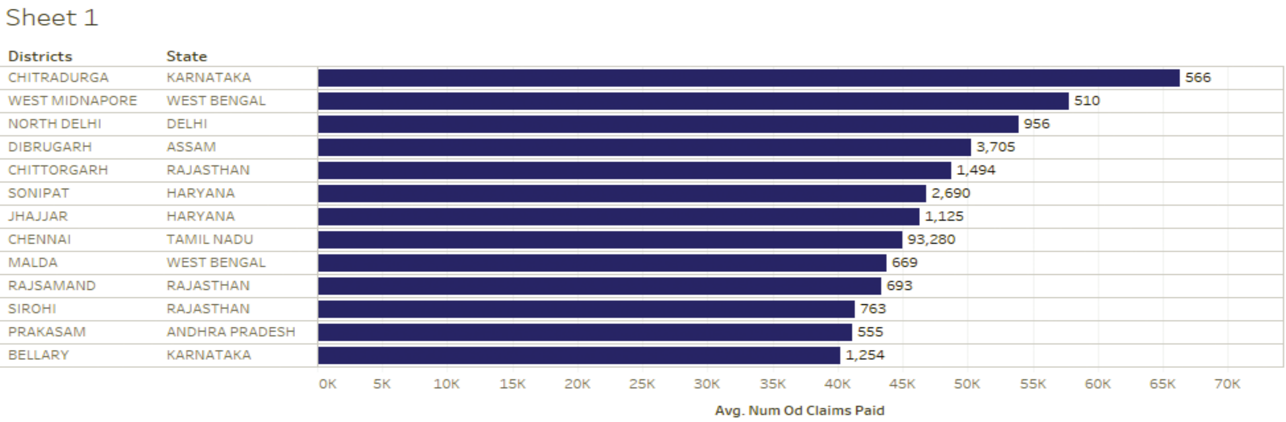


Chart 5

Mean OD Claims Paid – Top Districts – Minimum of 500 claims



Average of Num Od Claims Paid (CLAIM_REGISTER_1516_OD_030417 (Analytics)) for each State broken down by Districts. The marks are labeled by count of Num Od Claims Paid (CLAIM_REGISTER_1516_OD_030417 (Analytics)). The view is filtered on count of Num Od Claims Paid (CLAIM_REGISTER_1516_OD_030417 (Analytics)) and average of Num Od Claims Paid (CLAIM_REGISTER_1516_OD_030417 (Analytics)). The count of Num Od Claims Paid (CLAIM_REGISTER_1516_OD_030417 (Analytics)) filter ranges from 500 to 2,82,480. The average of Num Od Claims Paid (CLAIM_REGISTER_1516_OD_030417 (Analytics)) filter ranges from 40,000 to 66,332.

Chart 6

Private Car -Districts with most prevalent Theft claims

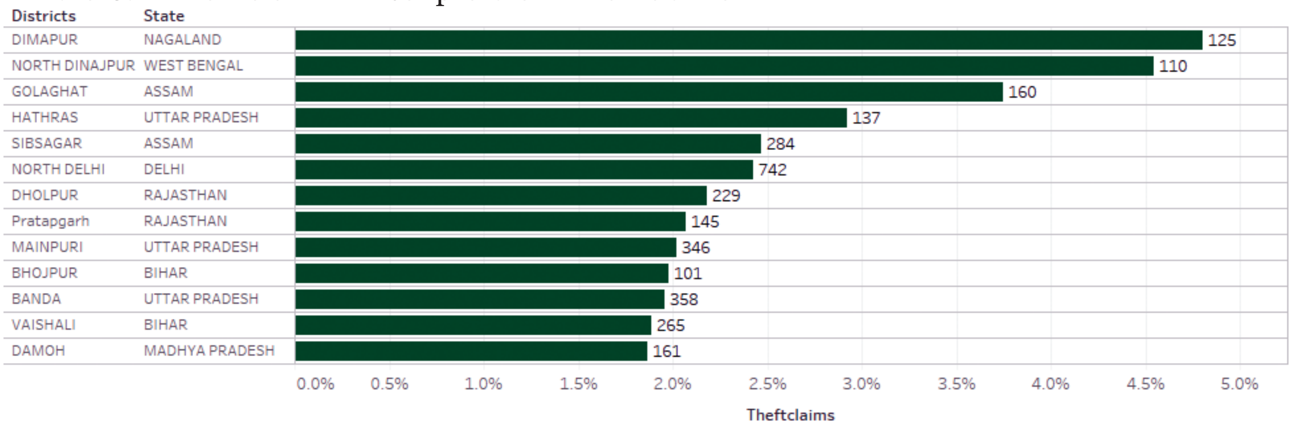


Chart 7 The Annual Report 2015-16 will provide many meaningful insights and inferences for the industry to consider while strategizing and framing business decisions.

IIBI has been doing pioneering work in terms of providing data and analytical support to the Indian General Insurance industry for scientific decision making. We hope to continue on this path to create further value to our stakeholders and members and to ensure that this journey is meaningful and insightful.

Jacob K Thomas
Incharge, Motor, Insurance Information Bureau of India

Amendments in Motor Vehicles Act and Increase in Third Party Insurance Premium

Mr. N Majumdhar calls for extra care on the part of insurers while underwriting proposals and investigating claims. He vouches for User Based Insurance which would not only enable the insurers to make the risk based pricing more effective but would also reduce the number of fatal accidents.

- Nirjhar Majumdar

Latest amendments in Motor Vehicles Act, have resulted in sharp increase in thirdparty insurance premium both in respect of private and commercial vehicles plying on Indian roads. IRDAI initially proposed a 50% increase but later it decided to increase the premium by much lesser amount for all categories of vehicles. In none of the categories, the increase will be more than 41%.

While there is no increase in premium for private cars with engine capacities below 1,000cc or a two wheeler with engine capacity below 75cc, the premiums under cars with above 1,000cc engine capacity will cost around 40% more. The hike in premium for high power two-wheelers would be in the range of 16 to 40% and for commercial vehicles in the range of 5-40%. IRDAI has not asked the insurers to increase premiums for own damage policies.

As per new amendments in Motor Vehicles Act, the fines for violating traffic rules have also been increased. The penalty for driving a vehicle without insurance has been doubled to Rs. 2,000 to ensure that every vehicle on the road has insurance. Also, if the owner of the vehicle in whose favour the insurance certificate is issued transfers the vehicle, the insurance company must be informed within 15 days of the transfer. The fine for over speeding has been increased to Rs. 2,000 from Rs. 400. For drunken driving, the fine has been increased to Rs. 10,000 from Rs. 2,000.

Under Motor Vehicles Amendment Bill 2016, all third party claims have to be filed within six months from the date of accident. This will help the insurers to investigate each claim properly and settle it fairly quickly. Fraudulent claims can also be detected with fair degree of accuracy. The insurers will no longer be required to set aside a large amount of money to meet claims incurred but not reported.

Under Motor Vehicles (Amendment) Bill, 2016, all third party claims have to be filed within six months from the date of accident. This will help the insurers to investigate each claim properly and settle it fairly quickly. Fraudulent claims can also be detected with fair degree of accuracy. The insurers will no longer be required to set aside a large amount of money to meet claims incurred but not reported.

The new bill has categorically stated that if a driver is found to be driving without a proper license or permit or found to be under influence of alcohol or drugs, the insurers are not supposed to pay claims if accident occurs. The vehicle owner/driver will have to compensate the victims for the losses.

There has been an eight-fold increase in the compensation payable by insurers in hit and run cases (from Solatium Fund), from Rs. 25,000 to Rs. 2,00,000. That makes the compensation system fairly reasonable. Family members of victims of road accident (other than hit and run cases) will henceforth receive a compensation of Rs. 5 lakh (ten times what was payable earlier) within four months from the date of accident.

The new bill suggests setting up of a Road Safety Board which should advice state governments on all aspects of traffic management.

Why increase in premium is essential?

The price hike is not arbitrary in nature. The insurance regulator analysed the accident data collected from Insurance Information Bureau of India (IIBI) for the accident years 2011-12 to 2015-2016. The statistics of gross motor insurance premium collected by insurers and claims paid by them have also been analysed. Many of these data are already in public domain. The actual claim costs for each underwriting year is calculated by a method called "Chain Ladder Method". This method takes into account provisions for unearned premiums and

Since motor premiums were decided by Tariff Advisory Committee, the insurers could not increase premiums according to the actual claims experience, on their own. Passing of Amendments of Motor Vehicles Act necessitated serious changes to be made in the premium structure of third party motor insurance.

provisions for claims losses. These are the provisions every non-life actuary has to make while determining future premiums.

Motor insurance portfolio of non-life insurers has been in a very poor shape for quite some time. Incurred claims ratio stood at 81.18% for the industry in 2015-16. Annual hikes in third party premium enabled the insurers only to cover some of the past losses. The motor insurance business became almost non-viable for the insurers. Since motor premiums were decided by Tariff Advisory Committee, the insurers could not increase premiums according to the actual claims experience, on their own. Passing of Amendments of Motor Vehicles Act necessitated serious changes to be made in the premium structure of third party motor insurance.

The reported claims frequency is the highest for goods carrying segment followed by passenger carrying and private cars. Insurers have to collect differentiated premiums for different classes of risks. Otherwise, there is a risk that one category of motor insurance will subsidise other types.

In case of third party insurance, the insurers have unlimited liability in case of loss of life. Insurers wanted a cap on compensation payable (say at Rs. 10 lakh) but that has not happened. Thirdparty liability is decided and awarded by the judiciary on the basis of the age of deceased, earning capacity, current level of income etc., which keep on rising due to inflation and other factors. The Motor Vehicles (Amendment) Bill has substantially increased quantum of compensation for accident victims. In case of death in hit-and-run cases, the compensation has been increased to Rs. 2 lakh from Rs. 25,000. It also has provision of Rs.10 lakh in the case of road accident fatalities. The Bill proposes that the State Governments can apply multipliers to these compensations, which should be not less than 1 and not more than 10. Insurers will have to pay the compensation within 30 days from the date of receipt of record of settlement. If third party premiums are not hiked sufficiently, they will incur such huge losses that they will become insolvent one day and that in turn will affect the interest of accident victims.

Let us look at the Incurred Claims ratios of the Public and Private insurers in respect of motor insurance portfolio of non-life insurers in the last 5 years.

Table-1: Incurred Claims Ratios of Public and Private Insurers as a whole

Year	Incurred Claims Ratios	
	Public Sector Insurers	Private Sector Insurers
2011-12	134.9	118.7
2012-13	91.0	124.7
2013-14	103.2	123.4
2014-15	88.5	106.7
2015-16	78.8	96.7

Source: Indian Non-Life Insurance Industry Yearbook 2015-16 (General Insurance Council)

The above table clearly indicates that there is huge shortfall of premiums received as compared to claims incurred. In monetary terms, the industry loses about Rs. 10,000 crore every year from motor insurance business. The solution is simple. The vehicle users have to pay higher premiums and there has to be more stringent implementation of the provisions of penalties on those who flout traffic rules.

The proposed premium rate structure is an attempt to make risk based pricing of motor third party insurance products. It is a step towards making insurance pricing more transparent and rational.

Some official facts in public domain

Every year, 5,00,000 road accidents are reported in the country. This results in 1,50,000

The proposed premium rate structure is an attempt to make risk based pricing of motor third party insurance products. It is a step towards making insurance pricing more transparent and rational.

deaths of people of varying ages. Road accidents kill far more people in India than terrorism and natural disasters combined does. Let us have a look at Table-2 below.

The above table shows that persons injured and killed in road accidents are rising. That is why claims related outgo of insurers are rising every year.

India is a signatory to Brasilia declaration and is committed to reduce the incidence of road accidents by 50% by 2020. But,

Table-2: Road Accident Parameters of 2014 and 2015

Parameter	2014	2015	Percentage Change over previous year
Total accidents in the country	4,89,400	5,01,423	2.5
Total number of persons killed in the country	1,39,671	1,46,133	4.6
Total number of persons injured in the country	4,93,474	5,00,279	1.4
Accident Severity*	28.5	29.1	2.1
*No of Persons Killed Per 100 Accidents			

Source: Report of Transport Research Wing, Government of India the way road accidents are increasing every year, that goal seems to be almost unattainable. The severity of road accidents, measured in terms of persons killed per 100 road accidents is on the rise. 54.1% of road accident victims are in the age group 15-34 (consisting of people on the vehicle including drivers and innocent pedestrians). Road accidents cause loss to the economy to the tune of 3% of GDP. This is far higher than 1.5% for other middle income countries of the world.

Table-3: Accidents in 2015 classified according to causes

Causes of Accidents	No. Of Accidents	No. Killed in Accidents	No. Injured in Accidents
Fault of Driver	3,86,481 (77.1)	1,06,021 (72.6)	4,01,756 (80.3)
Fault of Cyclist	3, 695 (0.7)	1,384 (1.0)	2,928 (0.6)
Fault of Driver of Other Vehicles	24,431 (4.9)	6,961 (4.8)	19,686 (3.9)
Fault of Pedestrian	7,509 (1.5)	2,690 (1.8)	5,962 (1.2)
Defect in condition of motor vehicle	11,601 (2.3)	4,127 (2.8)	9,818 (2.0)
Defect in road condition	7,314 (1.5)	2,733 (1.9)	6,122 (1.2)
Weather condition	5,781 (1.2)	2,552 (1.7)	4,792 (1.0)
Fault of passenger	6,668 (1.3)	2,657 (1.8)	6,265 (1.2)
Poor light	5,456 (1.1)	2,095 (1.4)	4,809 (1.0)
Falling of boulders	1,087 (0.2)	505 (0.3)	966 (0.2)
Neglect of civic bodies	1,076 (0.2)	416 (0.3)	902 (0.2)
Stray animals	1,534 (0.3)	579 (0.4)	2,044 (0.4)
Causes not known	38,790 (7.7)	13,413 (9.2)	34,229 (6.8)
Total	**5,01,423 (100.00)**	**1,46,133 (100.00)**	**5,00,279(100.00)**
Figures in parenthesis are the percentage shares			

Source: Report of Transport Research Wing, Government of India

Table-3 shows a cause wise analysis of accidents that occurred in 2015 on Indian roads. This clearly helps us to understand who are primarily responsible for so many accidents on Indian roads.

From the above table, it is clear that negligent driving of vehicles is causing more than 80% of accidental injuries and deaths. Fault of pedestrian is only in 1.5% of cases. Poor road condition, weather condition, poor street lighting and neglectly civic bodies are causing very small proportion of road accidents in India. Therefore, it is not unfair to increase motor insurance premium as the people who are causing accidents have a moral responsibility to make good the losses.

Number of road accidents per 10,000 vehicles in India is 120 whereas the corresponding figure is only 10 in developed countries. Number of deaths per 10,000 vehicles is 55 in India whereas the corresponding figure in western countries is only 2. There is another way to compare road related deaths of various countries. This is known as accidental deaths per 1 lakh population of a country. These figures are given in Table-4 in respect of India alongside some selected developed countries.

Negligent driving of vehicles is causing more than 80% of accidental injuries and deaths. Fault of pedestrian is only in 1.5% of cases. Poor road condition, weather condition, poor street lighting and neglect by civic bodies are causing very small proportion of road accidents of India. Therefore, it is not unfair to increase motor insurance premium as the people who are causing accidents have a moral responsibility to make good the losses.

Table-4: Cross country comparison of road related deaths in the world in 2013

Country	Killed per 1,00,000 population	Country	Killed per 1,00,000 population
Australia	5	France	5
Germany	4	Japan	4
New Zealand	6	Portugal	6
Singapore	3	United Kingdom	3
Israel	3	Canada	5
Denmark	3	India	11

Source: World Road Statistics 2015

Accidents on Indian roads are taking more lives than many developed countries per one lakh population although a large part of our country is still non-motorable. Approximately 12% of the world's road fatalities happen on Indian roads. This can be attributed to rapid motorisation, poor infrastructure and laxity in enforcing legislation.

Developed countries enfore basic traffic rules more strictly and that is perhaps the reason for much fewer road related deaths there. If a person is found to be guilty of causing deaths and serious injuries while driving in drunken state, he will not only lose his driving license but also his professional license. Similar legislation should be in place in our country, too.

What can be done by insurers here?

In their own interest, the insurers should continuously request the Motor Vehicles department and the road transport departments of State and Central governments, to concentrate on improving road safety especially in those states which are responsible for higher number of accidents every year (e.g. Maharashtra, Tamil Nadu).

Those who adhere to safety standards should be given a chance to pay lower premiums. They should agree to share real time data on their driving behaviour with insurers. Telematics and improved features in some cars can enable the insurers to know whether the proposer deserves lower third party premium. At least one year's desirable driving behaviour should qualify a person to get the benefit of lower rate of premium. If such incentive is in place, people will drive more responsibly to avail the opportunity and accidents will also be less.

The kind of User Based Insurance (UBI) mentioned above has become extremely popular in US, Australia, Italy and UK and also in other parts of Europe. Some experts feel that India can make a smooth transition to UBI right now. This kind of insurance has other benefits. The insurers can in fact monitor the driving style of the driver and can even give him a lot of training on safe driving resulting in lower number of accidents. Emergency assistance can also

Accidents on Indian roads are taking more lives than many developed countries per one lakh population although a large part of our country is still non-motorable. Western countries impose basic traffic rules more strictly and that is perhaps the reason of much fewer road related deaths there. If a person is found to be guilty of causing deaths and serious injuries while driving in drunken state, he will not only lose his driving license but also his professional license. Similar legislation should be in place in our country, too.

be provided by the insurers in case of emergency.

Insurers should use technology to figure out bonafides of a claim. Bajaj Allianz has decided to introduce a simulation technology to reconstruct accidents. They are also hiring forensic specialists and medical officers to investigate genuineness of accidental claims. Other insurers can take similar measures to detect fraudulent claims. According to one estimate, more than 6% of motor and health claims are fraudulent in nature in our country. In fact, insurers should share their databases of fraudulent claims so that the fraudsters never get to profit at the expense of insurers' money.

There was a nationwide truckers' strike following IRDAI's proposal to significantly increase Third Party Premium for commercial vehicles. The main demand of the truckers' association was to share the accident data on real time basis. This was a legitimate demand. The industry must take measures to build accident data and these data have to be shown in the websites of all insurers and the general insurance council of India. Then nobody will be able to challenge the decision to raise the premium rates. The way mortality table of the Indian lives is available in public domain, the motor accident data and claim liabilities have to be made available in the public domain.

Motor third party insurance is at the crossroads now. The industry is moving towards risk based pricing from asset based pricing. The premium rates have increased for all types of vehicles. The compen sations to accident benefits have also increased. Insurers have to be more careful in underwriting proposals and investigating claims.

Many people now say that insurers can charge lesser premium in motor third party insurance as they earn a lot of investment income anyway. This is not true. Non-life contracts are all annual contracts. Non-life insurers do not have as large investable fund like life insurers. In fact, 93% of insurers' investments in Indian financial market are made by life insurers. Only about 7% of investments are made by non-life insurers. Regarding motor insurance, we can say that there is very little investable surplus as most motor insurance portfolios are incurring underwriting losses!

Motor third party insurance is at the crossroads now. The industry is moving towards risk based pricing from asset based pricing. The premium rates have increased for all types of vehicles. The compensations to accident benefits have also increased. Insurers have to be more careful in underwriting proposals and investigating claims. In my opinion the future of the industry lies in User Based Insurance as that alone can enable the insurers to make risk based pricing most effectively. That will also reduce the number of fatal accidents to a very large extent.

- Nirjhar Majumdar

Manager (Legal) Asansol Division, LIC of India

Auto-drive in a non-tariff zone

Mr. N M Behera presses upon the need to move to a risk based pricing from the present administered pricing in the motor portfolio so as to create a win-win situation for all the stakeholders. De-tariffing is the way forward he believes, arguing that a risk based pricing is more relevant than the current one size fits all approach.

- Dr. N M Behera

Unlike other lines of business, motor third party insurance is mandatory by law. The unique difference between motor TP and other lines of business is that in case of motor, a vehicle plying on the public road must have a third party insurance cover. In one way, it is a must to buy insurance and on the other, there is no price differentiation based on risk profile of the vehicle. Today, the TP Premium is still under a type of tariff, published by Insurance Regulator for every financial year. Motor TP business is considered to be a loss making segment, mainly attributed to the nature of MV Act provision of Unlimited Liability and frauds involved. Though there was a push to limit the liabilities, it seems there wouldn't be any change in the provision of the Act.

Motor segment contributes almost 43.89% of premium to the total general insurance business in India (2015-16 IRDAI Annual Report), where almost 48% of motor business comes from third party alone (source GI Council Annual Report). It means around 25% of total general insurance business is emanated from motor TP alone. All the classes of business, except the motor third party insurance, have been detariffed long before in respect of product pricing. It is difficult to say that the motor TP, which constitutes a major contributor for the non-life industry, will continue to be under a tariff for long. Therefore, it is time that one should keep the options open and foresee the effects of TP Premium detariffing, if it happens any time.

Detariffing will perhaps set a change- from the ways the pricing is now made from one size fits all to different sizes for different people. Individual choice on inherent risk at the individual risk level will be rule. The rating could be expected to be more scientific. And the focus will more be on the individual buyer than a broad overview of categories through an administered pricing.

Detariffing will perhaps set a change- from ways the pricing is now made from one size fits all to different sizes for different people. Individual choice on inherent risk at the individual risk level will be the rule. The rating could be expected to be more scientific. And the focus will more be on the individual buyer than a broad overview of categories through an administered pricing. This may lead to active participation of the owners, drivers and the features of a vehicle. The proposal and declarations by the policyholder, which will generally include type, make, model, claims history, driver's habits, age and experience and driver's driving history etc, will play a major role in deciding the insurance price of a particular vehicle. Under a risk based pricing, perhaps the customers will become more sensitive for safe driving and more concerned towards creating an environment of less number of accidents, consequently further reducing the premium to be paid by the owner.

It is understood that almost 50% vehicles are found to be uninsured. The insurers will make an attempt, with the help of ongoing endeavour by the enforcement agencies, to cover uninsured vehicles to create a better pool of third party premium sufficient enough to meet with the liabilities. By this process, on one hand the income from insurance from uninsured vehicles will increase and on the other claims ratio will improve, giving a fillip to hunt for all uninsured vehicles.

Detariffing will be a move towards risk based premium from a rule based premium calculation. There will be chance that the owners will get fair treatment. The pricing for different individuals will be different based on the risk associated with them. It could be expected that the price will be competitive and will be based on individual risk assessments. The customer will have an option to choose the insurer and the coverage based on the need and pricing. Customer will expect a fair price due to competition after detariffing.

The market may be able to see new and innovative products and add-on cover linked to driver risk profile, vehicle features and the owner's participation in the risk. In other countries, policies are sold on driver basis, policies are also marketed on "pay as you go basis". The latter will reduce the annual insurance cost of a vehicle owner. In this case, the owner may not be required to pay the full annual premium, but a portion as per his usage time only. There could be other innovations in product range too.

As already mentioned, the insurers will try hard to fetch the uninsured vehicles and try to build up the volume of business. This will encourage vehicle owners to participate in loss minimisation measures and improving the risks by employing good drivers, maintaining vehicles in good condition and minimising exposures. The insurers will give more importance to sound underwriting, which is a core function. Good customers would gain and risks with bad features will stand to pay more. This will help customers to maintain good risks.

However, unless the market behaves properly, the market could witness price competition leading to unhealthy situations. The unhealthy pricing could result into lesser profit, lesser solvency, and lower international ratings and poorer underwriting capacity. There is also a chance, that the insurers may make a cartel and charge

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However, any move for de-tariffing of motor TP Premium should be seen from a long term perspective and like others, motor TP premium should also be taken out from the rule based tariff. This will help the market grow. This will encourage the vehicle owners to buy insurance. Coverage of uninsured vehicles will increase. With increase in number of vehicles, the law of large numbers will play its role and will bring down the claim cost. And finally in the long run, it could be a win win situation for all stakeholders.

higher premium which do not commensurate with the risk assessment considering TP insurance is compulsory under law and found to be a loss making portfolio. Some even may take other shelters to deny the cover, considering the fact that the portfolio is a bleeding one. Under these circumstances, the owner may have to pay a very high price or may run the vehicle without any insurance cover. This is never the objective of any de-tariffing nor is considered as a welcome move.

De-tariffing may witness other challenges that the transporters may lobby and even come on the road calling strikes and bandhs against such a move if they apprehend that de-tariffing may not be favourable to them. Therefore, before moving towards de-tariffing a plan of action needs to be initiated and all the stakeholders may be taken into confidence.

Under the above circumstances, the role of the insurance regulator will be highly crucial to control the market and to ensure that the interests of the policyholders are not gone unprotected. It also needs to be ensured that no vehicle is denied insurance and no vehicle is charged with a higher premium than actually required under the risk assessment.

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Driving in a new land could be difficult and may face some bumps initially. But once accustomed with the new conditions, auto-drive in the non-tariff zone could also be safer and the journey will be enjoyable. This could be a welcome move not only for the customers, but also for the insurers and finally for the socio-economy.

Dr. N M Behera
DGM (Reinsurance Dept.)
IRDAI
nmbehera@gmail.com

April-September, 2017

1. **IRDA/IT/GDL/MISC/82/04/2017: Guidelines on Information and Cyber Security for insurers.**

   IRDAI issued guidelines to all insurers on Information and Cyber Security by exercising the powers vested with it under Sub-section (1) of Section 14 of the IRDA Act, 1999. All insurers are made responsible to ensure that adequate measures are put in place to ensure that all issues related to Information and Cyber Security are addressed. This becomes important because the policy holder information is shared with intermediaries and other regulated entities.

2. **IRDA/INT/CIR/ECM/083/04/2017: Filing of online application for Insurance Self Networking Platform (ISNP).**

   In order to increase insurance penetration through the medium of e-commerce, IRDAI has issued guidelines. IRDAI launched the registration portal for Insurance Self Networking Platform. Insurance companies, brokers and corporate agents can sell and service insurance policies through this platform.

3. **IRDAI/Reg/4/141/2017: Insurance Regulatory and Development Authority of India (Insurance Web Aggregators) Regulations, 2017.**

   The objective of the Insurance Web Aggregator Regulations is to supervise and monitor Web Aggregator as an insurance intermediary who maintains a website for providing interface to the insurance prospects for price comparison and information of products of different insurers and other related matters.

4. **IRDAI/Reg/6/143/2017: Insurance Regulatory and Development Authority of India (Appointed Actuary) Regulations, 2017.**

   The regulation elucidates the procedure for the Appointment of an Appointed Actuary along with listing out the current provisions for the existing Appointed Actuaries. It also lists out the powers, duties and obligations and the conditions for the cessation of Appointment of Appointed Actuary.

5. **IRDA/INT/CIR/IMF/122/05/2017:**

   Procedure to be followed to deal with the resignation of Insurance Sales Persons (ISPs) of Insurance Marketing Firms (IMFs).

6. **IRDAI / Reg/8/145/2017: Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017:** To ensure that the interests of insurance policyholders' are protected. To ensure that insurers, distribution channels and other regulated entities fulfil their obligations towards policyholders and have in place standard procedures and best practices in sale and service of insurance policies.

भारतीय बीमा विनियामक और विकास प्राधिकरण

फ्लैश फिगर्स - गैर जीवन बीमा (अनंतिम और अलेखन)

सितंबर, 2017 के महीने और बाद में सीधे प्रत्यक्ष प्रीमियम अधिग्रहण
(रुपये- करोड़ों में)

बीमाकर्ता	सितंबर 2017 का महीना		सितंबर 2017 तक		सितंबर, 2017 के महीने के मुकाबले बाजार शेयर	पिछले साल की पुष्टि अवधि पर बढ़ोतरी
	2017-18	2016-17	2017-18	2016-17		
रॉयल सुंदरम	219.04	171.01	1269.51	1063.81	1.75	19.34
टाटा-एआईजी	387.00	494.00	2406.00	1977.00	3.32	21.70
रिलायंस जनरल	877.38	863.50	2,945.31	2,320.30	4.06	26.94
इफको टोकियो	362.66	322.69	2243.27	2136.04	3.09	5.02
आईसीआईसीआई लोम्बार्ड	1,218.35	997.81	6,493.72	5,565.09	8.95	16.69
बजाज आलियांज	1,387.08	910.49	4,806.87	3,677.27	6.62	30.72
एचडीएफसी एर्गो जनरल #	1,005.75	998.79	3,720.01	2,828.67	5.13	31.51
चोलामंडलम	432.33	328.05	2143.74	1469.94	2.95	45.84
फ्यूचर जेनेरली	143.00	114.30	942.81	824.53	1.30	14.35
यूनिवर्सल सोमपो	109.57	64.57	704.91	544.37	0.97	29.49
श्रीराम जनरल	171.6	151.03	980.12	866.13	1.35	13.16
भारती एक्सा जनरल	216.3	95.96	785.34	644.35	1.08	21.88
रहेजा क्यूबीई	6.76	4.54	36.06	26.69	0.05	35.11
एसबीआई जनरल	434.64	228.68	1,590.30	1,194.65	2.19	33.12
मेग माएचडीआई जनरल	36.93	30.60	224.89	186.95	0.31	20.29
लिबर्टी विडियोकॉन	60	42	397	285	0.55	39.30
कोटेक महिन्द्रा	14.09	5.67	77.87	25.40	0.11	206.52
निजी क्षेत्र के जनरल इंश्योरर्स - कुल	**7082.48**	**5819.15**	**31767.73**	**25636.19**	**43.78**	**23.92**
स्टारहैल्थएलायड इंश्यो	329.59	235.59	1558.36	1112.63	2.15	40.06
अपोलो हैल्थम्यूनिख	121.82	88.91	598.39	463.27	0.82	29.17
मैक्सबूपा हैल्थ	59.85	49.05	327.06	260.42	0.45	25.59
रेलीग्रयर हैल्थइंश्योरेंस	82.98	54.05	474.64	303.3	0.65	56.49
सिग्नाटीटीके हैल्थइंश्योकं.	25.55	17.94	134.76	97.41	0.19	38.34
आदित्या बिड़ला हैल्थ**	16.09	NA	95.92	NA	0.13	NA
स्टैंड-अलोन प्राइवेट स्वास्थ्य बीमाकर्ता- कुल	**635.88**	**445.54**	**3189.13**	**2237.03**	**4.39**	**42.56**
दी न्यूइंडिया	2449.56	1553.69	10802.54	8845.31	14.89	**22.13**
नेशनल	1261.63	944.51	7469.68	6344.77	10.29	**17.73**
यूनाइटेड इंडिया	1183.63	1796.71	7648.47	7650.01	10.54	**-0.02**
दी ओरिएंटल	1412.17	1331.17	5637.58	5224.6	7.77	**7.90**
सार्वजनिक क्षेत्र के बीमाकर्ता कुल	**6306.99**	**5626.08**	**31558.27**	**28064.69**	**43.49**	**12.45**
ईसीजीसी	122.38	125.28	563.62	555.32	0.78	**1.49**
एग्री. इंश्योरेंसकं.	3382.9	3412.12	5485.67	4249.04	7.56	**29.10**
विशेष पीएसयू बीमा कंपनियों- कुल	**3505.28**	**3537.40**	**6049.29**	**4804.36**	**8.34**	**25.91**
प्राइवेट कुल योग	**7718.37**	**6264.69**	**34956.86**	**27873.22**	**48.17**	**25.41**
पब्लिक कुल योग	**9812.27**	**9163.48**	**37607.56**	**32869.05**	**51.83**	**14.42**
कुल योग	**17530.64**	**15428.17**	**72564.42**	**60742.27**	**100.00**	**19.46**

नोट: बीमा कंपनियों द्वारा जमा आंकड़ों के आधार पर संकलित किया गया

 # 1.भारतीय बीमा विनियामक एवं विकास प्राधिकरण (आईआरडीएआई) ने 14 अगस्त 2017 के पत्र के अनुसार एचडीएफसी जनरल इंश्योरेंस लिमिटेड (पूर्व में एल एंड टी जनरल इंश्योरेंस कंपनी के रूप में जाना जाता है) का एचडीएफसी अर्गो जनरल इंश्योरेंस कंपनी लिमिटेड के साथ विलय के संबंध में अंतिम मंजूरी दे दी है, मर्ज किए गए इकाई को एचडीएफसी अर्गो जनरल इंश्योरेंस कंपनी लिमिटेड के नाम से जाना जाता है। 2.पिछले साल के आंकड़े एचडीएफसी अर्गो और एचडीएफसी जनरल इंश्योरेंस लिमिटेड के संदर्भ में (पूर्व में एल एंड टी जनरल इंश्योरेंस कंपनी लिमिटेड के रूप में जाना जाता है)

**** अक्टूबर 2016 में परिचालन शुरू**

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA
FLASH FIGURES -- NON LIFE INSURERS (Provisional & Unaudited)

GROSS DIRECT PREMIUM UNDERWRITTEN FOR AND UPTO THE MONTH OF SEPTEMBER, 2017
(Rs. in crores)

INSURER	For The Month of SEPTEMBER 2017		Upto SEPTEMBER 2017		MARKET SHARE UPTO the Month Of	GROWTH OVER THE
	2017-18	2016-17	2017-18	2016-17		
Royal Sundaram	219.04	171.01	1269.51	1063.81	1.75	19.34
Tata-AIG	387.00	494.00	2406.00	1977.00	3.32	21.70
Reliance General	877.38	863.50	2,945.31	2,320.30	4.06	26.94
IFFCO-Tokio	362.66	322.69	2243.27	2136.04	3.09	5.02
ICICI-lombard	1,218.35	997.81	6,493.72	5,565.09	8.95	16.69
Bajaj Allianz	1,387.08	910.49	4,806.87	3,677.27	6.62	30.72
HDFC ERGO General#	1,005.75	998.79	3,720.01	2,828.67	5.13	31.51
Cholamandalam	432.33	328.05	2143.74	1469.94	2.95	45.84
Future Generali	143.00	114.30	942.81	824.53	1.30	14.35
Universal Sompo	109.57	64.57	704.91	544.37	0.97	29.49
Shriram General	171.6	151.03	980.12	866.13	1.35	13.16
Bharti AXA General	216.3	95.96	785.34	644.35	1.08	21.88
Raheja QBE	6.76	4.54	36.06	26.69	0.05	35.11
SBI General	434.64	228.68	1,590.30	1,194.65	2.19	33.12
Magma HDI	36.93	30.60	224.89	186.95	0.31	20.29
Liberty	60	42	397	285	0.55	39.30
Kotak Mahindra	14.09	5.67	77.87	25.40	0.11	206.52
Private Sector Gen. Insurers Total	**7082.48**	**5819.15**	**31767.73**	**25636.19**	**43.78**	**23.92**
Star Health & Allied Insurance	329.59	235.59	1558.36	1112.63	2.15	40.06
Apollo MUNICH	121.82	88.91	598.39	463.27	0.82	29.17
Max BUPA	59.85	49.05	327.06	260.42	0.45	25.59
Religare	82.98	54.05	474.64	303.3	0.65	56.49
Cigna TTK	25.55	17.94	134.76	97.41	0.19	38.34
Aditya Birla Health **	16.09	NA	95.92	NA	0.13	NA
Stand-alone Pvt Health Insurers total	**635.88**	**445.54**	**3189.13**	**2237.03**	**4.39**	**42.56**
The New India	2449.56	1553.69	10802.54	8845.31	14.89	**22.13**
National	1261.63	944.51	7469.68	6344.77	10.29	**17.73**
United India	1183.63	1796.71	7648.47	7650.01	10.54	**-0.02**
The Oriental	1412.17	1331.17	5637.58	5224.6	7.77	**7.90**
Public Sector Insurers Total	**6306.99**	**5626.08**	**31558.27**	**28064.69**	**43.49**	**12.45**
ECGC	122.38	125.28	563.62	555.32	0.78	**1.49**
AIC	3382.9	3412.12	5485.67	4249.04	7.56	**29.10**
Specialized PSU Insurers	**3505.28**	**3537.40**	**6049.29**	**4804.36**	**8.34**	**25.91**
PRIVATE TOTAL	**7718.37**	**6264.69**	**34956.86**	**27873.22**	**48.17**	**25.41**
PUBLIC TOTAL	**9812.27**	**9163.48**	**37607.56**	**32869.05**	**51.83**	**14.42**
GRAND TOTAL	**17530.64**	**15428.17**	**72564.42**	**60742.27**	**100.00**	**19.46**

Note: Compiled on the basis of data submitted by the Insurance companies

 # 1.The Insurance Regulatory and Development Authority of India (IRDAI), vide letter dated August 14, 2017 has given final approval in respect of merger of HDFC Ergo General Insurance Co. Ltd. with HDFC General Insurance Ltd. (formerly Known as L&T General Insurance Co.Ltd.). The merged entity is known as HDFC ERGO General Insurance Co.Ltd.

2.Figures for Previous Year pertain to HDFC ERGO and HDFC General Insurance Ltd. (Formerly known as L & T General Insurance Com. Ltd.)

**** commenced operations in October 2016**

Gross premium underwritten by non-life insurers within India (segment wise) : SEPTEMBER, 2017 (Provisional & Unaudited)

(`crore)

Sl No.	Insurer	Fire	Marine (Total)	Marine Cargo	Marine Hull	Engineering	Motor (Total)	Motor OD	Motor TP	Health	Aviation	Liability	Personal Accident	All Others	Grand Total	Market Share (%_	Growth %	Accretion
1	**Royal Sundaram**	**85.41**	**22.44**	**22.36**	**0.08**	**22.77**	**946.39**	**587.84**	**358.55**	**143.67**	**0.00**	**7.25**	**34.44**	**7.15**	**1,269.51**	**1.75**	19.34	205.70
	Previous year	*70.83*	*20.50*	*19.75*	*0.75*	*22.34*	*806.46*	*504.19*	*302.27*	*107.46*	*0.00*	*7.15*	*23.65*	*5.43*	*1,063.81*	*1.75*		
2	**TATA-AIG**	**363.34**	**152.46**	**152.46**	**0.00**	**50.66**	**1,316.84**	**759.55**	**557.30**	**237.31**	**1.21**	**171.54**	**82.09**	**30.00**	**2,405.45**	**3.32**	21.70	428.83
	Previous year	*314.18*	*147.33*	*147.33*	*0.00*	*51.29*	*833.23*	*504.88*	*328.35*	*157.05*	*2.19*	*154.97*	*76.98*	*239.41*	*1,976.62*	*3.25*		
3	**Reliance**	**236.94**	**47.41**	**39.14**	**8.26**	**37.02**	**1,173.91**	**569.76**	**604.15**	**564.69**	**3.90**	**34.67**	**17.67**	**829.10**	**2,945.31**	**4.06**	26.94	625.02
	Previous year	*194.95*	*31.95*	*30.22*	*1.73*	*28.13*	*945.66*	*443.40*	*502.25*	*208.78*	*3.27*	*37.29*	*21.84*	*848.44*	*2,320.30*	*3.82*		
4	**IFFCO Tokio**	**179.03**	**82.84**	**79.95**	**2.89**	**53.77**	**1,384.68**	**698.96**	**685.72**	**244.99**	**0.10**	**37.53**	**29.19**	**231.15**	**2,243.27**	**3.09**	5.02	107.23
	Previous year	*160.94*	*70.89*	*68.05*	*2.84*	*34.80*	*1,424.46*	*709.76*	*714.70*	*255.52*	*0.23*	*55.23*	*28.09*	*105.88*	*2,136.04*	*3.52*		
5	**ICICI Lombard**	**444.58**	**182.00**	**158.99**	**23.01**	**132.36**	**2,493.07**	**1,454.20**	**1,038.87**	**1,010.31**	**42.18**	**179.76**	**220.08**	**1,789.38**	**6,493.72**	**8.95**	16.69	928.62
	Previous year	*405.65*	*194.56*	*162.97*	*31.59*	*122.69*	*2,145.13*	*1,299.16*	*845.97*	*1,026.81*	*32.92*	*146.88*	*184.47*	*1,305.97*	*5,565.09*	*9.16*		
6	**Bajaj Allianz**	**400.14**	**71.37**	**67.00**	**4.37**	**64.12**	**1,943.62**	**1,012.04**	**931.58**	**691.48**	**2.32**	**138.23**	**92.33**	**1,403.25**	**4,806.87**	**6.62**	30.72	1,129.60
	Previous year	*263.67*	*74.84*	*66.64*	*8.19*	*45.02*	*1,605.61*	*959.16*	*646.45*	*560.49*	*2.11*	*122.21*	*80.64*	*922.69*	*3,677.27*	*6.05*		
7	**HDFC ERGO#**	**278.23**	**76.76**	**65.14**	**11.62**	**55.16**	**1,002.90**	**587.16**	**415.74**	**449.48**	**10.56**	**94.99**	**294.03**	**1,457.91**	**3,720.01**	**5.13**	31.50	891.01
	Previous year	*271.09*	*71.24*	*59.98*	*11.31*	*55.83*	*799.16*	*476.74*	*322.42*	*404.04*	*12.57*	*82.76*	*232.40*	*899.91*	*2,829.00*	*4.66*		
8	**Cholamandalam**	**191.49**	**35.42**	**35.42**	**0.00**	**14.34**	**1,250.67**	**487.28**	**763.39**	**134.93**	**0.00**	**15.80**	**90.85**	**410.24**	**2,143.74**	**2.95**	45.84	673.81
	Previous year	*116.30*	*35.05*	*35.05*	*0.00*	*13.66*	*997.25*	*421.13*	*576.12*	*98.05*	*0.00*	*8.39*	*52.47*	*148.78*	*1,469.94*	*2.42*		
9	**Future Generali**	**114.08**	**33.65**	**33.65**	**0.00**	**20.89**	**502.16**	**244.40**	**257.75**	**129.41**	**0.08**	**20.74**	**52.74**	**69.06**	**942.81**	**1.30**	*14.35*	*118.29*
	Previous year	*94.39*	*34.05*	*34.05*	*0.00*	*18.47*	*454.14*	*278.78*	*175.36*	*102.23*	*0.07*	*22.57*	*25.47*	*73.14*	*824.53*	*1.36*		
10	**Universal Sompo**	**86.93**	**13.84**	**11.90**	**1.94**	**7.61**	**298.67**	**156.68**	**141.99**	**52.22**	**0.00**	**3.17**	**36.47**	**205.89**	**704.79**	**0.97**	*29.47*	*160.42*
	Previous year	*79.73*	*13.03*	*10.54*	*2.49*	*6.74*	*220.40*	*135.67*	*84.73*	*48.84*	*0.00*	*2.31*	*11.27*	*162.06*	*544.37*	*0.90*		
11	**Shriram**	**17.82**	**1.12**	**1.12**	**0.00**	**6.59**	**938.71**	**271.87**	**666.84**	**0.07**	**0.00**	**2.46**	**7.48**	**5.87**	**980.12**	**1.35**	*13.16*	*113.99*
	Previous year	*15.18*	*0.78*	*0.78*	*0.00*	*5.33*	*835.88*	*257.32*	*578.57*	*0.00*	*0.00*	*2.28*	*2.41*	*4.26*	*866.13*	*1.43*		
12	**Bharti Axa**	**24.73**	**16.95**	**16.95**	**0.00**	**7.89**	**501.12**	**317.98**	**183.14**	**53.89**	**0.00**	**13.43**	**8.47**	**157.06**	**783.54**	**1.08**	*21.60*	*139.18*
	Previous year	*24.25*	*12.08*	*12.08*	*0.00*	*7.70*	*530.56*	*357.15*	*173.42*	*40.99*	*0.00*	*13.03*	*7.91*	*7.83*	*644.35*	*1.06*		
13	**Raheja QBE**	**0.78**	**0.01**	**0.01**	**0.00**	**0.15**	**21.68**	**0.04**	**21.64**	**0.03**	**0.00**	**12.92**	**0.07**	**0.52**	**36.16**	**0.05**	*35.48*	*9.47*
	Previous year	*0.48*	*0.00*	*0.00*	*0.00*	*0.10*	*11.53*	*0.03*	*11.49*	*0.01*	*0.00*	*13.82*	*0.08*	*0.68*	*26.69*	*0.04*		
14	**SBI**	**336.18**	**9.91**	**9.91**	**0.00**	**12.11**	**430.18**	**283.03**	**147.14**	**178.05**	**0.00**	**5.65**	**177.08**	**439.95**	**1,589.10**	**2.19**	*33.01*	*394.36*
	Previous year	*312.00*	*11.16*	*11.16*	*0.00*	*11.55*	*337.10*	*222.91*	*114.19*	*113.83*	*0.00*	*3.85*	*133.46*	*271.78*	1,194.73	*1.97*		
15	**Magma HDI**	**19.53**	**7.88**	**7.88**	**0.00**	**2.37**	**180.43**	**68.76**	**111.67**	**7.25**	**0.00**	**5.37**	**1.25**	**0.82**	**224.89**	**0.31**	*20.30*	*37.95*
	Previous year	15.08	6.26	6.26	0.00	2.84	155.64	70.54	85.09	0.00	0.00	4.64	1.64	0.85	186.95	0.31		
16	**Liberty Videocon**	**22.16**	**11.47**	**11.47**	**0.00**	**9.83**	**264.39**	**175.57**	**88.82**	**60.05**	**0.00**	**4.63**	**9.80**	**14.03**	**396.35**	**0.55**	*39.09*	*111.38*
	Previous year	15.55	6.40	6.40	0.00	6.22	193.35	127.88	65.47	39.50	0.00	3.62	10.91	9.42	284.97	0.39		
17	***Kotak***	***2.10***	***0.00***	***0.00***	***0.00***	***0.00***	***61.04***	***35.58***	***25.46***	***8.68***	***0.00***	***0.00***	**4.22**	***1.82***	***77.87***	**0.11**	*206.52*	*52.46*
	Previous year	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*21.80*	*13.85*	*7.95*	*3.60*	*0.00*	*0.00*	*0.00*	*0.00*	*25.40*	0.04		

Gross premium underwritten by non-life insurers within India (segment wise) : SEPTEMBER, 2017 (Provisional & Unaudited)

(`crore)

Sl No.	Insurer	Fire	Marine (Total)	Marine Cargo	Marine Hull	Engineering	Motor (Total)	Motor OD	Motor TP	Health	Aviation	Liability	Personal Accident	All Others	Grand Total	Market Share (%_	Growth %	Accretion
18	Star Health									1,514.69			43.67	0.00	1,558.36	2.15	40.06	445.73
	Previous year									1,077.11			35.53	0.00	1,112.63	1.83		
19	Apollo MUNICH									550.09			48.31	0.00	598.39	0.82	29.17	135.13
	Previous year									422.50			40.77	0.00	463.27	0.76		
20	Max BUPA									323.62			3.44	0.00	327.06	0.45	25.59	66.63
	Previous year									258.95			1.47	0.00	260.42	0.43		
21	Religare Health									430.17			44.46	0.00	474.64	0.65	56.49	171.34
	Previous year									282.62			20.68	0.00	303.30	0.42		
22	Cigna TTK									125.80			8.96		134.76	0.19	38.35	37.35
	Previous year									91.10			6.30		97.41	0.13		
23	Aditya Birla									91.83			4.37		96.20	0.13	NA	NA
	Previous year									0.00					0.00	0.00		
	Private Total	2,803.46	765.54	713.38	52.17	497.63	14,710.46	7,710.69	6,999.77	7,002.67	60.36	748.12	1,311.48	7,053.20	34,952.91	48.17	25.40	7,079.70
	Previous year	2,354.25	730.12	671.27	58.90	432.71	12,317.36	6,782.56	5,534.81	5,299.48	53.36	681.00	998.43	5,006.50	27,873.22	45.89		
24	New India	981.47	303.83	194.80	109.02	206.48	4,194.96	1,612.79	2,582.18	3,426.81	66.09	206.27	212.41	1,204.23	10,802.55	14.89	22.13	1,957.23
	Previous year	935.51	329.14	190.11	139.03	258.78	3,433.65	1,413.52	2,020.13	3,037.20	64.21	207.73	208.94	370.14	8,845.32	14.56		
25	National	482.84	107.93	81.11	26.83	118.88	3,398.26	1,330.96	2,067.30	2,518.82	40.94	54.56	132.18	615.27	7,469.68	10.29	17.73	1,124.91
	Previous year	479.51	130.18	86.33	43.86	111.08	2,869.65	1,135.06	1,734.59	2,246.92	46.16	59.50	127.73	274.02	6,344.77	10.45		
26	United India	715.69	177.85	115.30	62.55	180.03	3,312.31	1,040.19	2,272.12	2,656.46	5.03	91.57	113.96	395.49	7,648.39	10.54	-0.02	-1.88
	Previous year	768.79	210.32	130.95	79.37	203.27	2,758.17	906.77	1,851.40	2,285.18	17.06	94.76	119.14	1,193.58	7,650.27	12.59		
27	Oriental	536.35	162.71	109.86	52.85	120.09	1,984.69	707.73	1,276.97	1,735.70	47.58	57.87	269.08	723.51	5,637.58	7.77	7.91	413.20
	Previous year	548.81	220.57	119.52	101.05	150.01	1,739.21	648.67	1,090.54	1,620.32	45.43	60.52	284.59	554.92	5,224.38	8.60		
28	ECGC													563.62	563.62	0.78	1.49	8.29
	Previous year													555.33	555.33	0.91		
29	AIC of India													5,485.67	5,485.67	7.56	29.10	1,236.63
	Previous year													4,249.04	4,249.04	7.00		
	Public Total	2,716.35	752.32	501.07	251.25	625.47	12,890.23	4,691.67	8,198.56	10,337.79	159.65	410.27	727.62	8,987.80	37,607.49	51.83	14.42	4,738.39
	Previous year	2,732.62	890.22	526.90	363.31	723.14	10,800.68	4,104.02	6,696.66	9,189.62	172.87	422.51	740.41	7,197.03	32,869.10	54.11		
	Grand Total	5,519.81	1,517.87	1,214.44	303.42	1,123.10	27,600.69	12,402.36	15,198.33	17,340.46	220.01	1,158.39	2,039.10	16,041.00	72,560.41	100.00	19.46	11,818.09
	Previous year	5,086.87	1,620.34	1,198.17	422.21	1,155.85	23,118.05	10,886.58	12,231.47	14,489.10	226.23	1,103.51	1,738.84	12,203.53	60,742.32	100.00		

1.The Insurance Regulatory and Development Authority of India (IRDAI), vide letter dated August 14, 2017 has given final approval in respect of merger of HDFC Ergo General Insurance Co. Ltd. with HDFC General Insurance Ltd. (formerly Known as L&T General Insurance Co.Ltd.). The merged entity is known as HDFC ERGO General Insurance Co.Ltd. 2.Figures for Previous Year pertain to HDFC ERGO and HDFC General Insurance Ltd. (Formerly known as L & T General Insurance Com. Ltd.)

Compiled on the basis of data submitted by the Insurance companies

	Fire	Marine	Marine Cargo	Marine Hull	Engineering	Motor	Motor OD	Motor TP	Health	Aviation	Liability	Personal Accident	All Others	Grand Total
Public	2,716.35	752.32	501.07	251.25	625.47	12,890.23	4,691.67	8,198.56	10,337.79	159.65	410.27	727.62	8,987.80	37,607.49
Private	2,803.46	765.54	713.38	52.17	497.63	14,710.46	7,710.69	6,999.77	7,002.67	60.36	748.12	1,311.48	7,053.20	34,952.91
Total	5,519.81	1,517.87	1,214.44	303.42	1,123.10	27,600.69	12,402.36	15,198.33	17,340.46	220.01	1,158.39	2,039.10	16,041.00	72,560.41

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

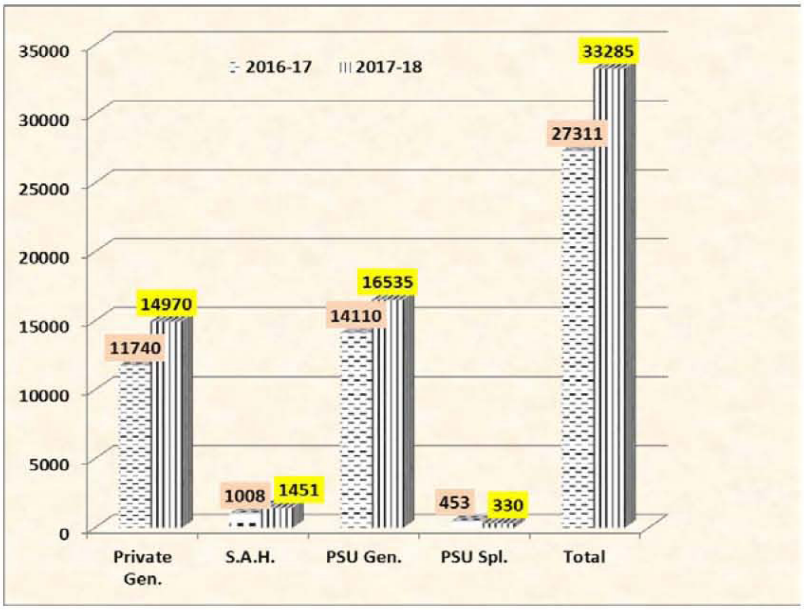
Analysis on Performance of Non-LifeInsurers: Segment wise
Up to 30.06.2017 (Q1 of F.Y. 2017-18)

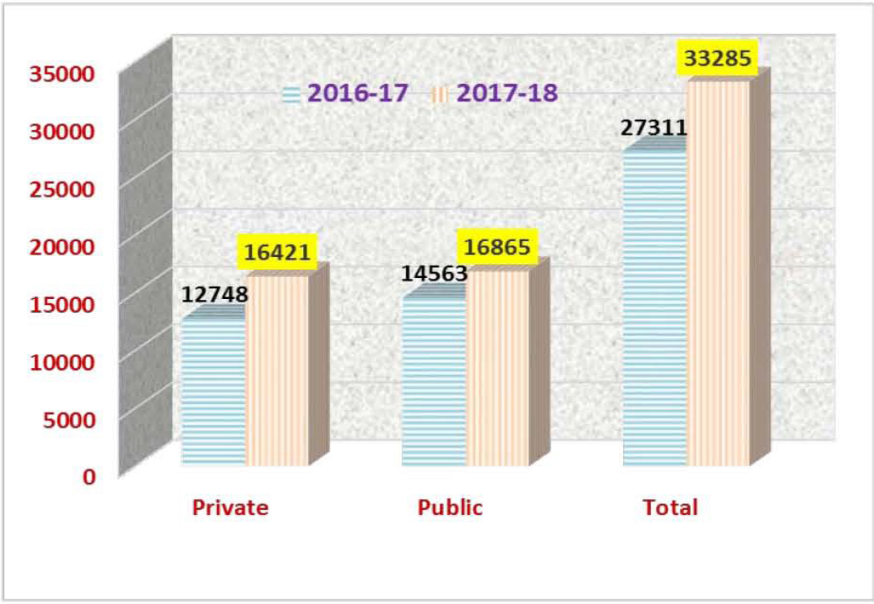
(Based on Provisional & Unaudited figures published by the Authority on 01.08.2017)

Industry's Gross Direct Premium (GDP - Rs. in cr.)

Data includes the GDP of 30 insurers in all i.e., 4 PSU General Insurers, 2 PSU Specialized Insurers (ECGC and AIC), 18 Private General Insurers and 6 Stand Alone Health Insurers.

Industry GDP : Q1 of 2017-18 (Rs. Crs.)





Motor Vehicle Insurance

Sl No.	Insurer	GDP Up to the Quarter		% Market Share		% Growth Rate in Q1 2017-18
		Q1 2017-18	Q1 2016-17	Q1 2017-18	Q1 2016-17	
1	Royal Sundaram	658.9	535.3	2.0%	2.0%	23.1%
2	TATA-AIG	1,291.7	924.3	3.9%	3.4%	39.8%
3	Reliance	1,268.8	885.3	3.8%	3.2%	43.3%
4	IFFCO Tokio	1,216.2	1,128.2	3.7%	4.1%	7.8%
5	ICICI Lombard	3,320.9	2,880.4	10.0%	10.5%	15.3%
6	Bajaj Allianz	1,963.7	1,516.5	5.9%	5.6%	29.5%
7	HDFC ERGO	1,696.8	882.7	5.1%	3.2%	92.2%
8	Cholamandalam	873.8	649.4	2.6%	2.4%	34.6%
9	Future Generali	503.2	456.5	1.5%	1.7%	10.2%
10	Universal Sompo	283.8	224.0	0.9%	0.8%	26.7%
11	Shriram	478.6	420.8	1.4%	1.5%	13.8%
12	Bharti Axa	315.5	332.3	0.9%	1.2%	-5.1%
13	Raheja QBE	17.5	12.4	0.1%	0.0%	41.3%
14	SBI	666.2	506.5	2.0%	1.9%	31.5%
15	HDFC GENERAL	52.9	136.2	0.2%	0.5%	-61.2%
16	Magma HDI	111.0	93.0	0.3%	0.3%	19.4%
17	Liberty Videocon	214.1	146.5	0.6%	0.5%	46.2%
18	*Kotak*	*36.0*	10.2	0.1%	0.0%	252.2%
	Pvt Gen. Total	***14,969.6***	***11,740.2***	***45.0%***	***43.0%***	***27.5%***
19	Star Health & Allied	673.8	480.3	2.0%	1.8%	40.3%
20	Apollo MUNICH	265.3	210.8	0.8%	0.8%	25.8%
21	Max BUPA	158.6	122.2	0.5%	0.4%	29.8%
22	Religare Health	230.5	151.2	0.7%	0.6%	52.4%
23	Cigna TTK	61.1	43.6	0.2%	0.2%	40.2%
24	Aditya Birla	61.8	0.0	0.2%	0.0%	
	S.A.H. Total	***1,451.0***	***1,008.0***	***4.4%***	***3.7%***	***43.9%***
25	New India	5,671.2	4,660.4	17.0%	17.1%	21.7%
26	National	3,833.7	3,338.0	11.5%	12.2%	14.8%
27	United India	4,270.8	3,604.0	12.8%	13.2%	18.5%
28	Oriental	2,759.4	2,507.8	8.3%	9.2%	10.0%
	PSU Gen. Total	***16,535.0***	***14,110.2***	***49.7%***	***51.7%***	***17.2%***
29	ECGC	289.8	278.4	0.9%	1.0%	4.1%
30	AIC of India	40.0	174.5	0.1%	0.6%	-77.1%
	PSU Specialized Total	***329.8***	***452.9***	***1.0%***	***1.7%***	***-27.2%***
	Private Total	**16,420.6**	**12,748.2**	**49.3%**	**46.7%**	**28.8%**
	Public Total	**16,864.8**	**14,563.1**	**50.7%**	**53.3%**	**15.8%**
	Industry Grand Total	**33,285.4**	**27,311.3**	**100.0%**	**100.0%**	**21.9%**

Segment wise % Growth Rate

Sl No.	Insurer	% GR in Q1 2017-18
1	Crop	131.0%
2	Motor TP	26.8%
3	Personal Accident	25.9%
4	All Others	22.8%
5	Health	21.4%
6	Motor (Total)	20.9%
7	Fire	14.9%
8	Motor OD	14.5%
9	Liability	8.3%
10	Marine Cargo	3.6%
11	Engineering	2.9%
12	Aviation	0.2%
13	Marine (Total)	-3.2%
14	Marine Hull	-20.8%
Industry exclu. Crop business		**18.9%**
Industry Total		**21.9%**

Crop segment, with the highest Growth Rate (131%) among all the segments, has pushed up the Industry's growth rate by 3%.

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

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Gross premium underwritten by non-life insurers within India (segment wise) : JUNE, 2017 (Provisional & Unaudited)

(Amount in Rs. `crore)

Sl No.	Insurer	Fire	Marine (Total)	Marine Cargo	Marine Hull	Engineering	Motor (Total)	Motor OD	Motor TP	Health	Aviation	Liability	Personal Accident	All Others	Grand Total	Market Share (%_	Growth %	Accretion
1	**Royal Sundaram**	**57.21**	**14.64**	**14.56**	**0.08**	**12.53**	**473.32**	**296.74**	**176.59**	**75.46**	**0.00**	**3.57**	**18.84**	**3.33**	**658.91**	**1.98**	23.10	123.66
	Previous year	*44.77*	*13.81*	*13.43*	*0.38*	*10.52*	*394.44*	*254.11*	*140.33*	*54.21*	*0.00*	*3.18*	*11.29*	*3.04*	*535.25*	*1.96*		
2	**TATA-AIG**	**263.54**	**94.74**	**94.74**	**0.00**	**31.60**	**651.50**	**376.39**	**275.11**	**94.51**	**0.69**	**97.02**	**36.39**	**21.68**	**1,291.69**	**3.88**	39.75	367.43
	Previous year	*216.92*	*84.94*	*84.94*	*0.00*	*30.67*	*379.91*	*234.91*	*145.00*	*73.54*	*1.16*	*82.11*	*35.07*	*19.95*	*924.27*	*3.38*		
3	**Reliance**	**137.15**	**34.82**	**31.51**	**3.31**	**18.49**	**599.11**	**292.20**	**306.90**	**317.23**	**2.02**	**28.18**	**10.52**	**121.24**	**1,268.75**	**3.81**	43.32	383.48
	Previous year	*107.93*	*22.38*	*21.46*	*0.92*	*15.84*	*481.20*	*219.50*	*261.70*	*139.68*	*1.73*	*31.52*	*14.22*	*70.78*	*885.27*	*3.24*		
4	**IFFCO Tokio**	**125.37**	**38.50**	**37.16**	**1.34**	**16.39**	**749.97**	**373.45**	**376.53**	**118.71**	**0.02**	**18.78**	**15.81**	**132.62**	**1,216.18**	**3.65**	7.80	88.03
	Previous year	*123.07*	*35.47*	*33.90*	*1.57*	*17.61*	*726.15*	*362.80*	*363.36*	*131.35*	*0.16*	*34.77*	*13.39*	*46.19*	*1,128.16*	*4.13*		
5	**ICICI Lombard**	**313.37**	**116.55**	**102.93**	**13.63**	**81.75**	**1,212.87**	**707.69**	**505.18**	**545.67**	**22.34**	**115.14**	**109.27**	**803.88**	**3,320.85**	**9.98**	15.29	440.45
	Previous year	*290.44*	*123.18*	*102.18*	*21.00*	*70.95*	*1,072.96*	*648.07*	*424.88*	*638.32*	*14.87*	*93.25*	*89.73*	*486.72*	*2,880.41*	*10.55*		
6	**Bajaj Allianz**	**242.86**	**45.22**	**41.41**	**3.81**	**29.90**	**982.86**	**512.93**	**469.93**	**364.11**	**1.55**	**80.43**	**53.18**	**163.60**	**1,963.71**	**5.90**	29.49	447.24
	Previous year	*165.92*	*45.14*	*40.56*	*4.58*	*24.19*	*818.34*	*494.18*	*324.16*	*253.50*	*1.67*	*62.18*	*36.89*	*108.63*	*1,516.47*	*5.55*		
7	**HDFC ERGO**	**179.15**	**48.30**	**39.20**	**9.10**	**24.26**	**459.99**	**275.20**	**184.79**	**208.78**	**6.82**	**53.59**	**147.50**	**568.45**	**1,696.84**	**5.10**	92.24	814.18
	Previous year	*153.10*	*42.93*	*34.78*	*8.15*	*23.54*	*292.82*	*171.78*	*121.04*	*190.78*	*6.60*	*43.39*	*114.34*	*15.16*	*882.66*	*3.23*		
8	**Cholamandalam**	**94.65**	**17.56**	**17.56**	**0.00**	**6.51**	**636.10**	**255.35**	**380.75**	**65.17**	**0.00**	**5.29**	**41.79**	**6.74**	**873.81**	**2.63**	34.56	224.42
	Previous year	*66.18*	*18.92*	*18.92*	*0.00*	*8.49*	*479.56*	*205.66*	*273.90*	*46.83*	*0.00*	*4.80*	*26.17*	*-1.56*	*649.40*	*2.38*		
9	**Future Generali**	**71.21**	**20.94**	**20.94**	**0.00**	**12.76**	**249.91**	**122.25**	**127.67**	**71.17**	**0.04**	**10.59**	**27.21**	**39.39**	**503.23**	**1.51**	10.23	46.72
	Previous year	*60.50*	*20.95*	*20.95*	*0.00*	*10.65*	*242.33*	*148.32*	*94.01*	*51.81*	*0.04*	*12.04*	*13.18*	*45.01*	*456.51*	*1.67*		
10	**Universal Sompo**	**62.12**	**9.46**	**8.48**	**0.98**	**4.23**	**136.31**	**76.27**	**60.03**	**27.40**	**0.00**	**2.42**	**11.63**	**30.20**	**283.79**	**0.85**	26.69	59.79
	Previous year	*51.05*	*7.47*	*6.11*	*1.37*	*3.83*	*104.58*	*67.60*	*36.98*	*28.31*	*0.00*	*1.36*	*8.74*	*18.66*	*224.00*	*0.82*		
11	**Shriram**	**10.58**	**0.65**	**0.65**	**0.00**	**3.47**	**455.50**	**133.89**	**321.60**	**0.04**	**0.00**	**1.21**	**3.94**	**3.26**	**478.64**	**1.44**	13.76	57.89
	Previous year	*7.97*	*0.52*	*0.52*	*0.00*	*2.55*	*405.74*	*123.56*	*282.18*	*0.00*	*0.00*	*1.12*	*1.02*	*1.85*	*420.76*	*1.54*		
12	**Bharti Axa**	**14.16**	**10.07**	**10.07**	**0.00**	**3.78**	**243.69**	**155.56**	**88.13**	**27.68**	**0.00**	**7.52**	**5.21**	**3.39**	**315.51**	**0.95**	-5.07	-16.84
	Previous year	*16.50*	*8.04*	*8.04*	*0.00*	*4.97*	*261.28*	*175.07*	*86.21*	*25.29*	*0.00*	*7.98*	*4.83*	*3.46*	*332.35*	*1.22*		
13	**Raheja QBE**	**0.71**	**0.00**	**0.00**	**0.00**	**0.04**	**8.78**	**0.02**	**8.76**	**0.02**	**0.00**	**7.66**	**0.05**	**0.20**	**17.46**	**0.05**	41.34	5.11
	Previous year	*0.25*	*0.00*	*0.00*	*0.00*	*0.01*	*3.65*	*0.02*	*3.63*	*0.01*	*0.00*	*7.95*	*0.07*	*0.42*	*12.35*	*0.05*		
14	**SBI**	**179.82**	**6.19**	**6.19**	**0.00**	**6.37**	**197.06**	**130.01**	**67.06**	**82.08**	**0.00**	**2.41**	**73.32**	**118.97**	**666.23**	**2.00**	31.54	159.75
	Previous year	*153.37*	*7.05*	*7.05*	*0.00*	*6.35*	*181.37*	*120.93*	*60.44*	*48.05*	*0.00*	*1.08*	*57.74*	*51.46*	506.48	*1.85*		
15	**HDFC GENERAL**	**3.56**	**1.18**	**1.18**	**0.00**	**4.92**	**29.37**	**16.47**	**12.91**	**13.02**	**0.00**	**0.37**	**0.15**	**0.28**	**52.87**	**0.16**	-61.19	-83.37
	Previous year	*20.56*	*5.10*	*5.10*	*0.00*	*4.93*	*87.62*	*57.73*	*29.89*	*14.84*	*0.00*	*1.55*	*0.77*	*0.87*	*136.24*	0.50		
16	**Magma HDI**	**7.64**	**5.08**	**5.08**	**0.00**	**1.43**	**89.78**	**35.55**	**54.23**	**3.63**	**0.00**	**2.38**	**0.65**	**0.39**	**110.98**	**0.33**	19.39	18.03
	Previous year	7.41	1.76	1.76	0.00	1.29	78.44	36.29	42.16	0.00	0.00	2.60	0.85	0.60	92.96	0.00		
17	**Liberty Videocon**	**15.45**	**7.11**	**7.11**	**0.00**	**5.57**	**133.65**	**88.78**	**44.87**	**36.91**	**0.00**	**2.35**	**6.49**	**6.60**	**214.14**	**0.64**	46.21	67.68
	Previous year	10.09	3.91	3.91	0.00	3.26	89.46	58.80	30.66	27.59	0.00	1.64	5.57	4.94	146.46	0.44		
18	***Kotak***	***0.52***	***0.00***	***0.00***	***0.00***	***0.00***	***29.67***	***17.06***	***12.61***	***3.55***	***0.00***	***0.00***	***1.68***	***0.54***	***35.98***	0.11	252.19	25.76
	Previous year	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*8.54*	*5.46*	*3.07*	*1.68*	*0.00*	*0.00*	*0.00*	*0.00*	*10.21*	*0.03*		

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

भारतीय बिमा विनियामक और विकास प्राधिकरण

Gross premium underwritten by non-life insurers within India (segment wise) : JUNE, 2017 (Provisional & Unaudited)

(Amount in Rs. crore)

Sl No.	Insurer	Fire	Marine (Total)	Marine Cargo	Marine Hull	Engineering	Motor (Total)	Motor OD	Motor TP	Health	Aviation	Liability	Personal Accident	All Others	Grand Total	Market Share (%_	Growth %	Accretion
19	Star Health									655.13			18.66	0.00	673.79	2.02	40.29	193.52
	Previous year									466.95			13.33	0.00	*480.27*	*1.76*		
20	Apollo MUNICH									239.65			25.61	0.00	265.26	0.80	25.85	54.48
	Previous year									*189.21*			*21.57*	*0.00*	*210.78*	*0.77*		
21	Max BUPA									157.17			1.40	0.00	158.58	0.48	29.80	36.41
	Previous year									*121.56*			*0.61*	*0.00*	*122.17*	*0.45*		
22	Religare Health									209.27			21.19	0.00	230.46	0.69	52.40	79.24
	Previous year									141.05			10.17	0.00	151.22	0.45		
23	Cigna TTK									57.16			3.96		61.12	0.18	40.24	17.54
	Previous year									40.95			2.64		43.58	0.13		
24	Aditya Birla									59.71			2.11		61.82	0.19	NA	
	Previous year									0.00					0.00	0.00		
	Private Total	1,779.09	471.03	438.79	32.25	264.03	7,339.46	3,865.81	3,473.65	3,433.25	33.50	438.91	636.57	2,024.77	16,420.61	49.33	28.81	3,672.40
	Previous year	1,496.03	441.58	403.61	37.96	239.64	6,108.39	3,384.79	2,723.60	2,685.48	26.24	392.52	482.18	876.17	12,748.22	46.68		
25	New India	650.40	197.87	112.58	85.29	119.06	2,173.98	856.58	1,317.40	2,028.27	46.00	138.01	92.85	224.78	5,671.23	17.04	21.69	1,010.82
	Previous year	*556.11*	*193.68*	*101.11*	*92.57*	*131.87*	*1,701.98*	*707.50*	*994.48*	*1,645.92*	*31.83*	*130.45*	*77.30*	*191.26*	*4,660.41*	*17.06*		
26	National	316.06	63.61	45.48	18.13	70.35	1,644.84	636.21	1,008.63	1,414.24	8.09	36.03	51.37	229.07	3,833.67	11.52	14.85	495.63
	Previous year	*272.98*	*81.06*	*49.34*	*31.72*	*56.44*	*1,419.03*	*587.94*	*831.09*	*1,260.35*	*17.30*	*37.60*	*52.78*	*140.50*	*3,338.04*	*12.22*		
27	United India	512.72	121.31	72.49	48.82	107.87	1,687.53	525.71	1,161.82	1,495.13	2.38	53.92	61.00	228.90	4,270.76	12.83	18.50	666.80
	Previous year	*474.37*	*139.04*	*81.05*	*57.99*	*101.33*	*1,357.81*	*448.80*	*909.01*	*1,208.93*	*12.39*	*48.69*	*60.74*	*200.66*	*3,603.96*	*13.20*		
28	Oriental	355.92	96.01	63.40	32.61	75.49	1,004.27	357.41	646.85	914.58	17.84	30.76	76.15	188.36	2,759.37	8.29	10.03	251.56
	Previous year	*345.76*	*125.87*	*71.99*	*53.88*	*89.37*	*865.78*	*323.31*	*542.48*	*848.04*	*19.83*	*34.61*	*56.28*	*122.28*	*2,507.81*	*9.18*		
29	ECGC													289.77	289.77	0.87	4.09	11.38
	Previous year													278.39	*278.39*	*1.02*		
30	AIC of India													40.00	40.00	0.12	-77.08	-134.52
	Previous year													174.51	*174.51*	*0.64*		
	Public Total	1,835.10	478.80	293.95	184.85	372.76	6,510.62	2,375.91	4,134.71	5,852.22	74.31	258.73	281.37	1,200.89	16,864.79	50.67	15.80	2,301.67
	Previous year	*1,649.23*	*539.64*	*303.48*	*236.16*	*379.01*	*5,344.60*	*2,067.54*	*3,277.06*	*4,963.24*	*81.34*	*251.35*	*247.10*	*1,107.60*	*14,563.12*	*53.32*		
	Grand Total	3,614.20	949.83	732.73	217.10	636.79	13,850.08	6,241.72	7,608.36	9,285.47	107.80	697.63	917.94	3,225.66	33,285.40	100.00	21.87	5,974.07
	Previous year	*3,145.25*	*981.22*	*707.10*	*274.12*	*618.65*	*11,452.99*	*5,452.33*	*6,000.65*	*7,648.72*	*107.58*	*643.87*	*729.28*	*1,983.77*	*27,311.34*	*100.00*		

NOTE: Compiled on the basis of data submitted by the Insurance companies

New Business Data as at 30.09.2017 (Line of Business wise)

INDIVIDUAL SINGLE PREMIUM (INCLUDING RURAL & SOCIAL)

(Rs in Crores)

Sl No.	PARTICULARS	PREMIUM		POLICIES		SUM ASSURED	
		SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017
	Non linked*						
1	***Life***						
	with profit	3664.90	3744.81	403775	355716	9318.23	7808.64
	without profit	156.78	176.91	103855	44450	4226.73	5205.18
2	**General Annuity**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	5462.39	8023.23	127895	154080	76.14	103.08
3	**Pension**						
	with profit	11.74	13.40	378	296	19.44	19.25
	without profit	198.41	13.18	144	171	2.16	9.09
4	**Health**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	0.15	1.01	921	3291	4.14	48.46
A.	**Sub total**	9494.36	11972.55	636968	558004	13646.84	13193.70
	Linked*						
1	***Life***						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	554.61	840.34	19097	24065	1638.90	2691.06
2	**General Annuity**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0.00	0.00
3	**Pension**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	130.51	17.39	283	109	10.71	7.27
4	**Health**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	-0.01	0.00	0	0	0.00	0.00
B.	**Sub total**	685.11	857.73	19380	24174	1649.61	2698.33
C.	**Total (A+B)**	10179.48	12830.29	656348	582178	15296.45	15892.03
	Riders:						
	Non linked						
1	Health#	0.00	0.00	0	0	0.00	0.00
2	Accident##	0.11	0.06	492	172	24.18	14.80
3	Term	0.00	0.00	3	1	0.12	0.05
4	Others	0.86	0.75	0	7	2.16	4.56
D.	**Sub total**	0.97	0.81	495	180	26.46	19.41
	Linked						
1	Health#	0.00	0.00	0	0	0.00	0.00
2	Accident##	0.04	0.03	340	317	11.16	6.97
3	Term	0.00	0.00	0	0	0.00	0.00
4	Others	0.00	0.00	0	0	0.00	0.00
E.	**Sub total**	0.05	0.04	340	317	11.16	6.97
F.	**Total (D+E)**	1.02	0.86	835	497	37.61	26.39
G.	****Grand Total (C+F)**	10180.50	12831.14	656348.00	582178.00	15334.06	15918.42

* Excluding rider figures.

** for policies Grand Total is C.

All riders related to critical illness benefit, hospitalisation benefit and medical treatment.

Disability related riders.

The premium is actual amount received and not annualised premium.

New Business Data as at 30.09.2017 (Line of Business wise)

INDIVIDUAL NON - SINGLE PREMIUM (INCLUDING RURAL & SOCIAL)

(Rs.IN CRORE)

Sl No.	PARTICULARS	PREMIUM		POLICIES		SUM ASSURED	
		SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017
	Non linked*						
1	***Life***						
	with profit	11687.86	13506.34	8058252	8377403	185846.12	205561.23
	without profit	1855.41	2126.71	1043939	1144105	147917.70	214791.31
2	**General Annuity**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	0.00	0.02	0	1	0.00	0.00
3	**Pension**						
	with profit	86.66	115.94	13743	13457	930.25	1198.24
	without profit	60.86	90.84	5486	8210	324.79	501.18
4	**Health**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	80.62	70.27	163068	178134	9938.74	15298.85
A.	**Sub total**	13771.41	15910.12	9284488	9721310	344957.60	437350.80
	Linked*						
1	***Life***						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	5005.34	7488.50	572874	790489	52010.44	76959.96
2	**General Annuity**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0.00	0.00
3	**Pension**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	268.71	433.57	17748	27639	31.77	51.10
4	**Health**						
	with profit	0.00	0.00	0	0	0.00	0.00
	without profit	-0.05	-0.03	-11	-2	-0.12	-0.05
B.	**Sub total**	5274.00	7922.04	590611	818126	52042.09	77011.02
C.	**Total (A+B)**	19045.41	23832.17	9875099	10539436	396999.69	514361.82
	Riders:						
	Non linked						
1	Health#	4.04	5.79	29283	44019	764.07	1243.12
2	Accident##	9.76	13.25	257492	237006	16102.20	21644.56
3	Term	2.59	2.49	18636	19985	538.76	447.66
4	Others	3.48	5.20	21397	26408	749.33	1017.84
D.	**Sub total**	19.87	26.72	326808	327418	18154.36	24353.18
	Linked						
1	Health#	0.04	0.16	-1	-1	1.15	3.96
2	Accident##	0.76	0.17	12811	14618	603.82	953.21
3	Term	0.00	0.00	-18	-5	-1.40	-0.93
4	Others	0.01	0.03	82	124	3.78	5.76
E.	**Sub total**	0.81	0.36	12874	14736	607.36	962.00
F.	**Total (D+E)**	20.68	27.08	339682	342154	18761.72	25315.18
G.	****Grand Total (C+F)**	19066.09	23859.25	9875099.00	10539436.00	415761.41	539677.00

* Excluding rider figures.

** for policies Grand Total is C.

All riders related to critical illness benefit, hospitalisation benefit and medical treatment.

Disability related riders.

The premium is actual amount received and not annualised premium.

Motor Vehicle Insurance

New Business Data as at 30.09.2017 (Line of Business wise)

GROUP SINGLE PREMIUM (INCLUDING RURAL & SOCIAL)

(Rs.IN CRORE)

Sl No.	PARTICULARS	PREMIUM		NO.OF SCHEMES		LIVES COVERED		SUM ASSURED	
		SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017
	Non linked*								
1	***Life***								
a)	*Group Gratuity Schemes*								
	with profit	18.13	35.41	4	2	0	132	0.00	0.01
	without profit	8008.76	9924.99	28	23	59925	40719	102.38	275.64
b)	*Group Savings Linked Schemes*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	-0.07	1.02	0	0	0	0	0.00	0.00
c)	*EDLI*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	38.57	1.42	57	7	237911	18855	19594.10	1127.89
d)	*Others*								
	with profit	1.26	32.49	0	1	0	50	0.00	0.01
	without profit	8025.08	6882.49	1228	523	34608530	18626135	390780.59	238760.48
2	**General Annuity**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	3851.68	3301.44	7	18	5686	6084	0.06	0.00
3	**Pension**								
	with profit	269.51	80.01	2	0	0	0	0.00	0.00
	without profit	21346.34	30808.86	6	5	24760	55478	303.35	240.61
4	**Health**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.15	0.00	5	0	5683	0	15.20	0.00
A.	**Sub total**	41559.42	51068.11	1337.00	579.00	34942495.07	18747453.00	410795.69	240404.64
	Linked*								
1	***Life***								
a)	*Group Gratuity Schemes*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	494.05	848.79	32	46	131033	120825	13.10	10.31
b)	*Group Savings Linked Schemes*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	-0.10	0.08	0	0	0	0	0.00	0.00
c)	*EDLI*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
d)	*Others*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	277.30	273.26	24	26	53070	51658	382.41	484.56
2	**General Annuity**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
3	**Pension**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	122.17	66.70	4	4	6338	1116	0.00	0.00
4	**Health**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
B.	**Sub total**	893.43	1188.83	60	76	190441	173599	395.51	494.87
C.	**Total (A+B)**	42452.85	52256.94	1397.00	655.00	35132936.07	18921052.00	411191.21	240899.51
	Riders:								
	Non linked								
1	Health#	24.25	0.00	38	0	82331	0	3165.86	0.00
2	Accident##	25.33	7.56	51	0	348896	11741	11267.79	2577.31
3	Term	0.02	0.00	1	0	691	0	46.81	0.00
4	Others	0.00	0.00	0	0	0	0	0.00	0.00
D.	**Sub total**	49.59	7.56	90.00	0.00	431918.00	11741.00	14480.47	2577.31
	Linked								
1	Health#	0.00	0.00	0	0	0	0	0.00	0.00
2	Accident##	0.01	0.01	0	0	0	0	0.00	0.00
3	Term	0.00	0.00	0	0	0	0	0.00	0.00
4	Others	0.00	0.00	0	0	0	0	0.00	0.00
E.	**Sub total**	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00
F.	**Total (D+E)**	49.60	7.57	90.00	0.00	431918.00	11741.00	14480.47	2577.31
G.	****Grand Total (C+F)**	42502.46	52264.51	1397.00	655.00	35132936.07	18921052.00	425671.67	243476.81

* Excluding rider figures.

** for no.of schemes & lives covered Grand Total is C.

All riders related to critical illness benefit, hospitalisation benefit and medical treatment.

Disability related riders.

The premium is actual amount received and not annualised premium.

NOTE: Reporting of Group Yearly Renewable Premium separately has been mandated from April' 2017. Accordingly, much of the GSP / GNSP business is being reported under GYRP. Hence, figures submitted in this sheet cannot be compared with previous year corresponding figures.

New Business Data as at 30.09.2017 (Line of Business wise)

GROUP NEW BUSINESS -- NON - SINGLE PREMIUM (INCLUDING RURAL & SOCIAL)

(Rs.IN CRORE)

Sl No.	PARTICULARS	PREMIUM		NO.OF SCHEMES		LIVES COVERED		SUM ASSURED	
		SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017
	Non linked*								
1	***Life***								
a)	*Group Gratuity Schemes*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	201.89	31.14	1205	1268	1259326	1412672	8072.44	5005.63
b)	*Group Savings Linked Schemes*								
	with profit	0.00	-0.01	0	0	0	-3	0.00	-0.06
	without profit	4.07	-0.01	0	0	-15	-8	-0.63	-0.27
c)	*EDLI*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	49.95	7.21	234	24	1357375	240856	72572.58	14716.03
d)	*Others*								
	with profit	0.00	0.00	0	0	7552	7816	0.47	0.14
	without profit	1137.49	215.65	12008	369	70901498	1500768	465270.66	99711.97
2	**General Annuity**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
3	**Pension**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	2282.49	1198.37	117	97	83588	172885	50.44	0.00
4	**Health**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
A.	**Sub total**	3675.89	1452.36	13564	1758	73609324	3334986	545965.97	119433.44
	Linked*								
1	***Life***								
a)	*Group Gratuity Schemes*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	714.70	56.93	208	38	401652	13667	439.48	3.15
b)	*Group Savings Linked Schemes*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	4.44	-0.01	9	0	857	0	0.09	0.00
c)	*EDLI*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
d)	*Others*								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	12.24	2.41	6	1	5010	25897	19.13	2.56
2	**General Annuity**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
3	**Pension**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	60.74	13.71	13	13	47888	907	16.84	0.00
4	**Health**								
	with profit	0.00	0.00	0	0	0	0	0.00	0.00
	without profit	0.00	0.00	0	0	0	0	0.00	0.00
B.	**Sub total**	792.12	73.04	236	52	455407	40471	475.54	5.70
C.	**Total (A+B)**	4468.01	1525.41	13800	1810	74064731	3375457	546441.50	119439.14
	Riders:								
	Non linked								
1	Health#	17.16	0.80	333	28	409732	214730	49500.55	23408.38
2	Accident##	1.92	0.00	37	0	27867	0	3739.14	-0.22
3	Term	0.01	0.00	0	0	2155	0	130.93	0.00
4	Others	0.00	0.00	1	0	-66	0	-53.14	0.00
D.	**Sub total**	19.10	0.80	371.00	28.00	439688.17	214730.00	53317.48	23408.16
	Linked								
1	Health#	0.00	0.00	0	0	0	0	0.00	0.00
2	Accident##	0.00	0.00	0	0	0	0	0.00	0.00
3	Term	0.00	0.00	0	0	0	0	0.00	0.00
4	Others	0.00	0.00	0	0	0	0	0.00	0.00
E.	**Sub total**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F.	**Total (D+E)**	19.10	0.80	371.00	28.00	439688.17	214730.00	53317.48	23408.16
G.	****Grand Total (C+F)**	4487.11	1526.21	13800.00	1810.00	74064731.00	3375457.00	599758.98	142847.30

* Excluding rider figures.

** for no.of schemes & lives covered Grand Total is C.

All riders related to critical illness benefit, hospitalisation benefit and medical treatment.

Disability related riders.

The premium is actual amount received and not annualised premium.

NOTE: Reporting of Group Yearly Renewable Premium separately has been mandated from April' 2017. Accordingly, much of the GSP / GNSP business is being reported under GYRP. Hence, figures submitted in this sheet cannot be compared with previous year corresponding figures.

New Business Data as at 30.09.2017 (Line of Business wise)

GROUP NEW BUSINESS -- YEARLY RENEWABLE PREMIUM (INCLUDING RURAL & SOCIAL)

(Rs.IN CRORE)

Sl No.	PARTICULARS	PREMIUM		NO.OF SCHEMES		LIVES COVERED		SUM ASSURED	
		SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER, 2016	SEPTEMBER, 2017	SEPTEMBER , 2016	SEPTEMBER, 2017	SEPTEMBER , 2016	SEPTEMBER, 2017
	Non linked*								
1	***Life***								
a)	*Group Gratuity Schemes*								
	with profit		0.00		0		0		0.00
	without profit		101.86		7		97382		7.94
b)	*Group Savings Linked Schemes*								
	with profit		0.00		0		0		0.00
	without profit		0.00		0		4		0.05
c)	*EDLI*								
	with profit		0.00		0		0		0.00
	without profit		29.92		170		481793		28891.70
d)	*Others*								
	with profit		0.00		0		1		0.00
	without profit		815.20		12243		41539133		416161.99
2	**General Annuity**								
	with profit		0.00		0		0		0.00
	without profit		0.00		0		0		0.00
3	**Pension**								
	with profit		12.01		2		20786		0.00
	without profit		8.24		1		141		94.55
4	**Health**								
	with profit		0.00		0		0		0.00
	without profit		0.62		73		28600		54.72
A.	**Sub total**		967.85		12496		42167840		445210.95
	Linked*								
1	***Life***								
a)	*Group Gratuity Schemes*								
	with profit		0.00		0		0		0.00
	without profit		397.26		29		518437		214.67
b)	*Group Savings Linked Schemes*								
	with profit		0.00		0		0		0.00
	without profit		5.84		16		3379		0.34
c)	*EDLI*								
	with profit		0.00		0		0		0.00
	without profit		0.00		0		0		0.00
d)	*Others*								
	with profit		0.00		0		0		0.00
	without profit		1.52		0		6840		2.86
2	**General Annuity**								
	with profit		0.00		0		0		0.00
	without profit		0.00		0		0		0.00
3	**Pension**								
	with profit		0.00		0		0		0.00
	without profit		175.33		1		11283		73.66
4	**Health**								
	with profit		0.00		0		0		0.00
	without profit		0.00		0		0		0.00
B.	**Sub total**		579.93		46.00		539939.00		291.53
C.	**Total (A+B)**		1547.78		12542		42707779		445502.47
	Riders:								
	Non linked								
1	Health#		35.44		46		316939		23386.53
2	Accident##		1.00		24		17581		1698.26
3	Term		0.03		0		2756		172.79
4	Others		0.00		0		0		0.29
D.	**Sub total**		36.46		70.00		337276.00		25257.87
	Linked								
1	Health#		0.00		0		0		0.00
2	Accident##		0.00		0		0		0.00
3	Term		0.00		0		0		0.00
4	Others		0.00		0		0		0.00
E.	**Sub total**		0.00		0		0		0.00
F.	**Total (D+E)**		36.46		70.00		337276.00		25257.87
G.	****Grand Total (C+F)**		1584.24		12542.00		42707779.00		470760.34

* Excluding rider figures.

** for no.of schemes & lives covered Grand Total is C.

All riders related to critical illness benefit, hospitalisation benefit and medical treatment.

Disability related riders.

The premium is actual amount received and not annualised premium.

NOTE: Reporting of Group Yearly Renewable Premium separately has been mandated from April' 2017. Accordingly, much of the GSP / GNSP business is being reported under GYRP. Hence, figures submitted in this sheet cannot be compared with previous year corresponding figures.

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1. The article must be original contribution in the form of essay, research paper or case study of the author.
2. The article must be an exclusive contribution for the Journal and should not have been published elsewhere in the same form.
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   c) Line spacing: 1.5 Leading
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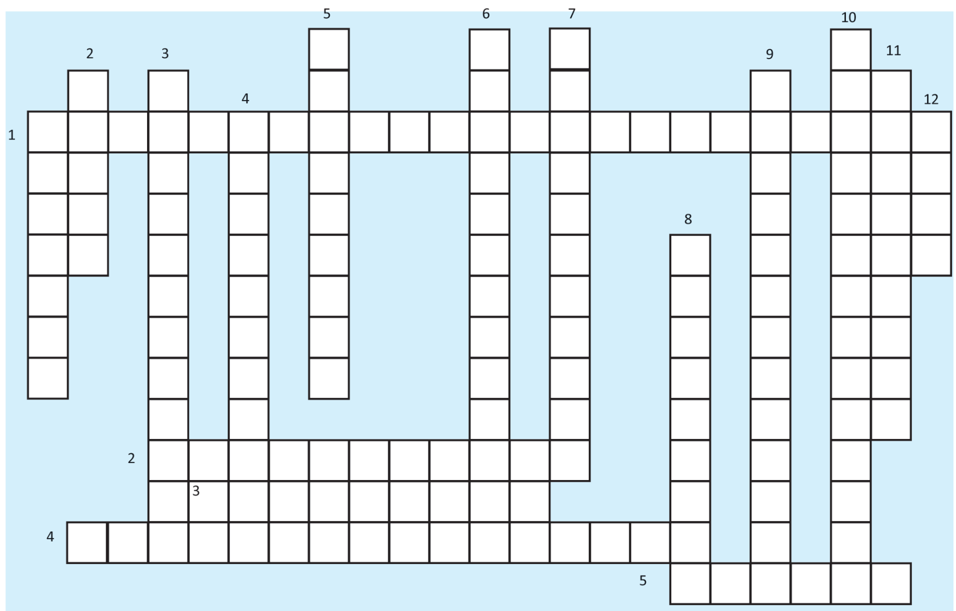
P.S: Attach one photograph of the author(s) along with the contribution in .jpg format.

Cross word Solutions

(January-March, 2017)

Across

1. Third Party Administrator
2. Reinsurance
3. Morbidity
4. Wellness Measures
5. Rating



Down

1. Takaful
2. UHIS
3. Primary Care
4. Penetration
5. Mortality
6. Deductible
7. Coinsurance
8. Cashless
9. Group Discount
10. Anti Selection
11. Copayment
12. RSBY

List of Non Life Insurers

1.	Agriculture Insurance Co. of India Ltd.
2.	Apollo Munich Health Insurance Co. Ltd.
3.	Bajaj Allianz General Insurance Co. Ltd.
4.	Bharti Axa General Insurance Co. Ltd.
5.	Cholamandalam MS General Insurance Co. Ltd.
6.	Cigna TTK Health Insurance Co. Ltd.
7.	Export Credit Guarantee Corporation of India Ltd.
8.	Future Generali India Insurance Co. Ltd.
9.	HDFC ERGO General Insurance Co. Ltd.
10.	ICICI Lombard General Insurance Co. Ltd.
11.	IFFCO Tokio General Insurance Co. Ltd.
12.	L&T General Insurance Co. Ltd.
13.	Liberty Videocon General Insurance Co. Ltd.
14.	Magma HDI General Insurance Co. Ltd.
15.	Max Bupa Health Insurance Co. Ltd.
16.	National Insurance Co. Ltd.
17.	The New India Assurance Co. Ltd.
18.	The Oriental Insurance Co. Ltd.
19.	Raheja QBE General Insurance Co. Ltd.
20.	Reliance General Insurance Co. Ltd.
21.	Religare Health Insurance Co. Ltd.
22.	Royal Sundaram Alliance Insurance Co. Ltd.
23.	SBI General Insurance Co. Ltd.
24.	Shriram General Insurance Co. Ltd.
25.	Star Health and Allied Insurance Co. Ltd.
26.	Tata AIG General Insurance Co. Ltd.
27.	United India Insurance Co. Ltd.
28.	Universal Sompo General Insurance Co. Ltd.
29.	Kotak Mahindra General Insurance Co. Ltd.
30.	Aditya Birla Health Insurance Co. Ltd.
31.	DHFL General Insurance Limited
32.	Acko General Insurance Limited.
33.	Go Digital General Insurance Limited.

List of Life Insurers

1.	Aegon Life Insurance Co. Ltd.
2.	Aviva Life Insurance Co. India Ltd.
3.	Bajaj Allianz Life Insurance Co. Ltd.
4.	Bharti AXA Life Insurance Co. Ltd.
5.	Birla Sun Life Insurance Co. Ltd.
6.	Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd.
7.	DHFL Pramerica Life Insurance Co. Ltd.
8.	Edelweiss Tokio Life Insurance Co. Ltd
9.	Exide Life Insurance Co. Ltd.
10.	Future Generali India Life Insurance Co. Ltd.
11.	HDFC Standard Life Insurance Co. Ltd.
12.	ICICI Prudential Life Insurance Co. Ltd.
13.	IDBI Federal Life Insurance Co. Ltd.
14.	IndiaFirst Life Insurance Co. Ltd
15.	Kotak Mahindra Old Mutual Life Insurance Ltd.
16.	Life Insurance Corporation of India
17.	Max Life Insurance Co. Ltd.
18.	PNB MetLife India Insurance Co. Ltd.
19.	Reliance Life Insurance Co. Ltd.
20.	Sahara India Life Insurance Co. Ltd.
21.	SBI Life Insurance Co. Ltd.
22.	Shriram Life Insurance Co. Ltd.
23	Star Union Dai-Ichi Life Insurance Co. Ltd.
24.	Tata AIA Life Insurance Co. Ltd.

Policyholder Servicing Turn Around Times

Policy Service	Maximum Turn Around Time
Processing of Proposal and communication of decisions including requirements/ issue of Policy/Cancellations	15 days
Issuing copy of proposal form	30 days
Response by the insurer on post policy issue service related requests such as change in address/nomination/ assignment of policy etc.	10 days
LIFE INSURANCE	
Surrender value/Annuity/Pension processing	10 days
Maturity Claim/Survival Benefit/Death claim without investigation	30 days
Raising claim requirements after lodging the claim	15 days
Death Claim Settlement / Repudiation with investigation requirements	6 months
GENERAL INSURANCE	
Appointment of Surveyor	3 days
Survey Report Submission	30 days
Insurer seeking addendum report	15 days
Offer of settlement/rejection of claim after receiving first / addendum survey report	30 days
GRIEVANCES	
Acknowledging a Grievance	3 days
Resolving a Grievance	15 days

Some Important Insurance Related Websites

	Insurance Related Links	
1	Insurance Regulatory and Development Authority of India (IRDAI)	www.irdai.gov.in
2	IRDAI Consumer Education Website	www.policyholder.gov.in
3	Insurance Information Bureau of India	www.iib.gov.in
4	IRDAI Agency Licensing Portal	www.irdaonline.org
5	Integrated Grievance Management System (IGMS)	www.igms.irda.gov.in
6	Mobile Application to Compare ULIPs	www.m.irda.gov.in
	Insurance Education Institutions	
1	Institute of Insurance and Risk Management (IIRM)	www.iirmworld.org.in
2	Insurance Institute of India (III)	www.insuranceinstituteofindia.com
3	Institute of Actuaries of India (IAI)	www.actuariesindia.org
4	National Insurance Academy (NIA)	www.niapune.com
	International Links	
1	International Association of Insurance Supervisors	www.iaisweb.org
2	National Association of Insurance Commissioners	www.naic.org
3	International Gateway for Financial Education	www.financial-education.org
	Other Links	
1	Governing Body of Insurance Council (GBIC)	www.gbic.co.in
2	General Insurance Council	www.gicouncil.in
3	Life Insurance Council	www.lifeinscouncil.org
4	Insurance Brokers Association of India (IBAI)	www.ibai.org

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