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# CURRENT NEWS

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## IRDAI to simplify norms to attract more agents/intermediaries



Insurance Regulatory and Development Authority

Source: Cafe Mutual

IRDAI has proposed revision of regulations with respect to appointment of insurance agents and registration of other intermediaries like corporate agents, insurance marketing firms and insurance brokers.

The aim is to simplify the existing norms and attract a greater number of agents and intermediaries.

In a minutes of the board meeting released recently, IRDAI said, "It was presented that the Powers of the Authority under the following regulations which were delegated in the earlier Authority meetings are proposed to be revised for speedier disposal of the matter and to ensure operational efficiency, while also seeking delegation of powers in few stipulations afresh."

## India's public insurers set to undergo top-level overhaul



Source: Insurance Business

Public sector insurance companies in India are poised for a significant structural transformation with the impending completion of the selection process for nine executive director (ED) positions as the country moves away from the traditional roles of general managers and directors (GMDs), aligning with the structure of public sector banks.

Under the new system, an ED of a public sector undertaking (PSU) general insurance company will receive a higher salary than that of a GMD, a decision awaiting finalisation by the government. The Department of Financial Services (DFS) proposed the change, subsequently approved by the Appointments Committee of the Cabinet (ACC), which has also established guidelines for these appointments.

## With Irdai opening doors, insurtech firms look to transform into general insurers



Source: Economic Times

Insurtech firms such as Bengaluru-based Onsurity and Pune-based Loop Health help employers offer group health policies to their employees and run a platform to offer employee wellness services, too. They want to capitalise on the Insurance Regulatory and Development Authority of India (IRDAI) move of opening the heavily regulated sector to new participants.

New generation insurtech startups Bengaluru-based Onsurity and Pune-based Loop Health have applied for licences to offer health insurance, three people in the know told ET.

## **What will happen in the cyber insurance market in 2024?**

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## IRDAI asks insurers to give coverage for AYUSH in health insurance policies



Source: Business Standard

The insurance regulator has asked general insurers to put Ayurveda, Yoga, Naturopathy, Unani, Siddha, and Homeopathy (AYUSH) at par with other medical treatments in their health insurance policies, citing "increased popularity".

## Arbitration Clause valid only for commercial segments and not for retail insurance, says IRDAI



Insurance Regulatory and Development Authority

Source: Asia Insurance Post

Accordingly, the IRDAI, in a recent circular, has asked the general insurers to state in the policy documents for commercial lines of business that "The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy."

## Health insurance companies to offer 100% 'cashless' treatment in hospitals: All you need to know



Source: Indian Express

General and health insurance companies have decided to offer 100 per cent cashless treatment across the country from January 25. It's expected to boost insurance penetration in the country and ease the claim process of policyholders and hospitals, thus avoiding delays and disputes normally seen in the reimbursement mode.

# CURRENT NEWS

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## [Cyber attacks on the rise, Indian insurance companies see uptick in corporate cyber policy enrolments](#)



Source: First Post

In response to escalating cyber attacks in India, private insurers such as HDFC Ergo General Insurance and Bajaj Allianz General Insurance are taking proactive measures, including engaging in negotiations with cyber attackers, to address claims arising from ransomware incidents, as per a report by The Economic Times

India has recently become one of the most targeted countries globally for cyberattacks.

In addition to refining their cyber insurance products, insurers are modifying covenants and strengthening contracts with clients to enhance their capabilities in the rapidly growing cyber insurance sector.

## [How good is your health insurer? Latest incurred claim ratio of general, health insurance companies in India](#)



Source: Economic Times

If you are planning to buy a new insurance policy or port your existing health insurance policy to a new insurer, do remember to check the latest claim settlement ratio of all insurers before finalising one. Irdai has released the claims payment details of general and health insurance companies for the financial year 2022-23.

## [Bima Manthan: IRDAI to include state insurance plans in revised rural and social obligation for the industry](#)



Insurance Regulatory and Development Authority

Source: Asia Insurance Post

The mission of achieving maximum insurance inclusion received further impetus through deliberations on the progress of the industry under the State Insurance Plan, said the IRDAI on Thursday.

The broader discussions ventured into crucial areas, such as availability of affordable insurance products for each segment of the society, the adoption of technology, leveraging the India Stack, updates on the State Insurance Plan, and the movement towards principle based regulatory architecture, added the insurance regulator

## [India's insurance sector to be fastest growing among G-20, may scale \\$450 bn of prm in next decade: Swiss Re](#)



Source: Asia Insurance Post

Swiss Re, the second largest global reinsurer, expects India insurance sector to be fastest growing among G-20 with 7.1 per cent growth over 2024-28.

The domestic insurance sector is on course to log in over 7 per cent annual growth over the next decade and the premium income is likely to double to around USD 450 billion by financial year 2033-34, Swiss Re said in its report "India's insurance market: growing fast, with ample scope to build resilience," released on Tuesday.

The country continues to be exposed to many natural catastrophes including earthquakes, floods, tropical cyclones, drought and wildfires, with an average annual economic loss of USD 8 billion (inflation adjusted) over the last decade (2013-2022), informed the report.

## [Insurer cites 'type of heart attack' to deny claim](#)

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## [Budget 2024-25: Insurers hope for tax reliefs, provisions for uncertainties](#)



Source: Business Standard

The introduction of a separate tax deduction limit for life insurance, waiving taxes on proceeds of pension and annuity products, and reconsidering the 18 per cent Goods and Services Tax (GST) charged on health insurance policies are some of the reliefs the Indian insurers expect from the [Union Budget 2024](#).

## [India: Regulations on expense management & commissions to take effect on 1 April](#)



Source: Asia Insurance Review

The IRDAI has issued regulations to enable and provide flexibility to insurers to manage their expenses, including commissions, within the overall limits as specified by the authority.

# Top 75 Highlights of Budget FY 2024-25 by Finance Minister Nirmala Sitharaman

The Budget 2024 is the interim Budget of the Present Government. Following are the Highlights  
FM Sitharaman rises to present her 6th Budget Indian economy has witnessed profound transformation in the past 10 years. Our development philosophy covers social & geographical inclusion

- ❖ No Changes in Income Tax Slabs
- ❖ No Change in Tax rates for Company, LLP or any other person
- ❖ Some Exemption to Startups and Extend some concession – extension of tax sops for sovereign wealth funds and startups to March 2025
- ❖ Tax payers service – Withdrawal of direct tax demands of period upto ₹25000 for period upto 2009-10 and ₹10000 for period upto 2014-15, 1 Crore people will benefit
- ❖ 40,000 normal railway bogies will be converted to vande Bharat standards
- ❖ 1-lakh crore corpus will be made available with 50 year interest free (long-term financing or refinancing) to encourage the private sector to scale up R&D. Corpus of 1 Lakh Crore for Reduced Rate Loans to Private Sector for Research in Sunrise Domains
- ❖ Rooftop solarisation and free electricity Through rooftop solarisation, 1 crore households will be enabled to obtain up to 300 units of free electricity every month
- ❖ This scheme follows resolve of Prime Minister, on the historic day of consecration of Ram Mandir in Ayodhya
- ❖ Garib, Mahila, Annadata and Yuva will be focus groups
- ❖ Sitharaman Working to make India a Vikasit Bharat by 2047
- ❖ Worries about food have been eliminated with free rations for 80 crore people
- ❖ 25 crores Indians were pulled out of multi dimensional poverty by the govt over past 10 yrs
- ❖ Govt could save 2.7-lakh crore through avoidance of leakages
- ❖ Electronic agri Mandi has connected 1051 mandis, transacting ₹2-lakh crore
- ❖ Minimum support prices for 'Annadata' (farmers) increased periodically
- ❖ Direct financial assistance was extended to 11.8 crore farmers
- ❖ For our government, social justice is an effective and necessary model
- ❖ Female enrolment in higher education has gone up by 28 per cent in 10 year
- ❖ Avg real income has increased by 50 per cent
- ❖ Every year under PM Kisan Samman Yojana, Direct financial assistance is provided to 11.8 crore farmers, including marginal and small farmers
- ❖ PM SVANIDHI has provided credit assistance to 78 lakh street vendors, from that total, 2.3 lakh have received credit for the third time
- ❖ PM JANMAN Yojana reaches out Particularly Vulnerable Tribal Groups
- ❖ PM Vishakarma Yojana provides end to end support to artisans and craftspeople
- ❖ Scheme for empowerment of Divyang and transgender people reflects our resolve to leave no one behind
- ❖ PM Mudra Yojana has sanctioned 43 crore loans amounting to Rs. 22.5 lakh crore for entrepreneurial aspirations of your youth
- ❖ Fund of Funds, Startup India and Startup Credit Guarantee Schemes are assisting our youth
- ❖ The National Education Policy 2020 is ushering transformational reforms
- ❖ PM Shri is delivering quality teaching
- ❖ Skill India Mission has trained 1.4 crore youth, upskilled and reskilled 54 lakh youth and established 3,000 new ITIs
- ❖ Large no. of institutions of higher learning namely 7 IITs, 16 IIITs, 7 IIMs, 15 AIIMSS and 390 universities have been set up
- ❖ The country received its highest ever medal tally in Asian Games and Asian Para Games in 2023
- ❖ Chess prodigy and our No. 1 ranked player Praggnanandhaa put up a stiff fight against world champion Magnus Carlsen in 2023, today, India has over 80 chess grandmasters compared to little over 20 in 2010
- ❖ The earlier approach of tackling poverty resulted in very modest outcomes When the poor became empowered partners in development process, government's power to assist them increases manifold. In the last 10 years, the government has assisted 25 crore people to get freedom from multidimensional poverty



- ❖ 2cr more houses will be built under PM Awas Yojana Gramin 1cr houses will be taken to rooftop solar units to generate free electricity
- ❖ Housing for Middle Class, Govt will launch a new scheme to buy and build their own houses
- ❖ Making Triple Talaq illegal, one third women's reservation in Lok Sabha and state assemblies, giving over 70% houses under PM Awas Yojana in rural areas to women as sole or joint owners have enhanced their dignity
- ❖ Empowerment of Women through entrepreneurship, ease of living and dignity has gained momentum in last 10 years
- ❖ 30 crore MUDRA Yojana loans have been given to woman entrepreneurs
- ❖ Female enrollment in higher education has gone up by 28% in 10 years
- ❖ In STEM courses, girls and women constitute 43% of enrollment, one of the highest in the world
- ❖ All these are getting reflected in increasing participation of women in workforce
- ❖ Making Triple Talaq illegal, one third women's reservation in Lok Sabha and state assemblies, giving over 70% houses under PM Awas Yojana in rural areas to women as sole or joint owners have enhanced their dignity
- ❖ Besides delivering on high growth, the government is equally focussed on a more comprehensive GDP – i.e., Governance, Development and Performance
- ❖ Ayushman Bharat scheme cover will be extended to all Asha, Anganwari worker and helpers
- ❖ To ensure housing for middle class, the government will launch a scheme for middle class. This is to help them to buy or build their own houses for those living in slums, chawls or rented houses, she added.
- ❖ A committee to set up more medical colleges, free cervical Cancer vaccines for girls from 9-14 years
- ❖ Nano DAP on various crops will be expanded in all agro-climatic zones
- ❖ GST has enabled One Nation One Market One Tax
- ❖ GIFT IFSC and Unified Regulatory Authority IFSCA are creating a robust gateway for global capital and financial resources
- ❖ Proactive inflation management has helped keep inflation within the policy band
- ❖ Matsya Sampada Yojana to be expanded to generate more employment, increase earnings
- ❖ Despite the challenges due to COVID, implementation of PM Awas Yojana Rural continued and we are close to achieving the target of 3 crore houses. 2 crore more houses will be taken up in the next 5 years
- ❖ India U.S. Europe sponsored Middle East- Europe corridor: potential gateway for world trade for 100s of years.
- ❖ India assumed G20 Presidency during very difficult times, global economy was going through high inflation, low growth, high interest rates, very high public debt, low trade growth and climate changes
- ❖ Pandemic has led to a crisis of food, fertilizer, fuel and finances while India successfully navigated its way and showed the world the way forward
- ❖ India built consensus on global problems, the recently announced India Middle East Europe Economic Corridor is a strategic and economic game changer for India and others
- ❖ Our government is ready to assist states in faster development of aspirational districts and blocks. Government will pay utmost attention to make eastern region and its people a powerful driver of India's growth

Continued...

## Top 75 Highlights of Budget FY 2024-25 by Finance Minister Nirmala Sitharaman

- ❖ Social Justice was largely a political slogan. For our government, social justice is an effective and necessary governance model !! The saturation approach of covering all eligible people is the true and comprehensive achievement of social justice, this is secularism in action, reduces corruption, prevents nepotism There is transparency and assurance that benefits are received to all eligible people, all regardless of their social standing get access to opportunities We are addressing systemic inequalities which have plagued our society, our focus is on outcomes and not on outlays so that socioeconomic transformation is achieved
- ❖ Charging of electric vehicles Entrepreneurship opportunities to a large number of vendors for supply and installation, employment opportunities for youth with technical skills in manufacturing, installation and maintenance
- ❖ Rooftop solarisation and free electricity
- ❖ Through rooftop solarisation, 1 crore households will be enabled to obtain up to 300 units of free electricity every month
- ❖ FDI inflows stand at \$596 billion, twice more than 2014-15
- ❖ The govt will form a high powered committee to address the concerns of fast population growth and demographic change
- ❖ Fisheries scheme to help reach the target of INR 1 lakh crore exports
- ❖ 2 Crore More Houses To Be Built Under PMAY-Gramin
- ❖ Fiscal deficit for FY 24 revised at 5.8%. lower than earlier estimate of 5.9% in BE
- ❖ FDI is 'First Develop India. FDI inflow during 2014 to 2023 was Rs 596 billion US dollars, marking a golden era. This was twice the FDI inflow between 2005 to 2014. For sustained FDI, we are negotiating bilateral investment treaties with foreign partners
- ❖ PM Mudra Yojana has sanctioned 43 crore loans amounting to Rs. 22.5 lakh crore for entrepreneurial aspirations of our youth
- ❖ Revised fiscal deficit estimated for FY24 has been pegged at 5.8% of GDP and the deficit for FY25 is pegged at 5.1%
- ❖ To address fervour for domestic tourism, projects for port connectivity, tourism infra & amenities will be taken on our islands including Lakshadweep
- ❖ Government will further promote private and public investment in post harvest activities including aggregation, modern storage, supply chains, primary and secondary processing, marketing and branding
- ❖ After successful adoption of nano urea, Nano DAP application on various crops will be expanded in all agroclimatic zones
- ❖ Electronic National Agricultural Market has integrated 1,361 mandis and is providing services to 1.8 crore farmers with trading volume of 3 lakh crores of rupees. The sector is poised for inclusive, balanced and higher growth and productivity.
- ❖ I propose to retain the same tax rates for direct and indirect taxes including import duties
- ❖ Govt will lay a white paper in house on mismanagement of the economy before 2014

Source: Faceless Compliance

## Insurance regulator issues new guidelines on commission payments, effective April 1



**The Insurance Regulatory and Development Authority of India (IRDAI) has issued a notification outlining guidelines on commissions paid by insurers. According to this, every insurer will be mandated to have a written policy approved by the board for the payment of commissions.**

The new policy will come into effect from April 1, [IRDAI](#) said.

In framing this policy, insurers will be required to consider several key factors, ensuring that it aligns with various aspects for the benefit of policyholders, the insurance industry, and intermediaries.

### Key points from the notification include:

**Structured commission payments:** The policy must include the structure of commission payable, ensuring transparency and clarity in payment mechanisms.

**Policyholder interest:** The commission payment policy should be designed in the interest of policyholders, aiming to provide them with the best value and benefits.

**Insurance penetration and density:** Insurers are encouraged to frame their commission policies in a way that contributes to increasing [insurance](#) penetration and density in the country.

**Alignment with policy nature and tenure:** The commission structure should be commensurate with the nature and tenure of the [insurance policy](#), ensuring fairness in compensation.

**Agent and intermediary protection:** The policy should protect the interests of insurance agents, intermediaries, and insurance intermediaries.

**Business strategy alignment:** Commission payment policies should align with the insurer's overall business strategy.

**Administrative simplicity and cost-effectiveness:** The policy is expected to be simple to administer and cost-effective.

The notification further emphasises that the board-approved policy for commission payments shall be subject to periodic review to ensure its continued relevance and effectiveness.

Additionally, insurers will have the option to subsume the policy for commission payments within the board-approved policy for Expenses of Management.

Source: CNBC TV18

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