



Insurance Institute of India

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Newsletter

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News	Listing guidelines for non-life insurers by March: IRDA
Newspaper	The Economic Times
Source	http://articles.economictimes.indiatimes.com/2011-10-21/news/30306698_1_chairman-j-hari-narayan-insurance-act-insurance-regulator

NEW DELHI: Insurance regulator IRDA today said the guidelines for listing of non-life insurance companies will be issued by March, 2012.

"General/non-life insurance listing rules will be issued by March," IRDA Chairman J Hari Narayan told reporters here.

According to the Insurance Act, promoters with 26 per cent stake can offload equity after 10 years of operation. The legislation also empowers the government to reduce the mandatory period.

As far as the life insurance companies are concerned, the draft norms for listing have already been issued by the Insurance Regulatory and Development Authority (IRDA).

As per the draft norms, only insurance companies that have completed 10 years of operation and have strong financial will be allowed to access the capital market.

Currently, there are 24 players in both the life and non-life insurance industry.

Health Insurance

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News	Health insurance market in India
Newspaper	Business Standard
Source	http://www.business-standard.com/india/news/kit-health-insurance-market-in-india/453438/

India spends around 5 per cent of its GDP on healthcare. The health insurance cover is still limited to only 15 per cent of the total population of India.

Indian Health insurance market is expected to grow at a CAGR of 43 per cent between 2011 and 2015. The market penetration will be three fold higher in 2015 as it is one of the fastest growing segments in non-life

The key growth drivers are increasing awareness of health insurance, rising healthcare costs, supporting demographic profiles, detariffing of the general insurance industry and rationalisation of premium rates.

The key market restraints are inadequate healthcare infrastructure, limited reach, significant underwriting losses for health insurance business in India, lack of standardisation and accreditation norms in the healthcare industry and insufficient data on Indian consumers and disease patterns.

The future trends in this sector are a shift in focus from group insurance to retail insurance portfolio, rationalisation of premium in group insurance policies, sub-limits, like co-pay and deductibles will increase and government companies are likely to increase their healthcare offerings.

News	Indonesia: Insurers and other non-bank financial institutions to have new regulator wef Jan '13
Newspaper	E-daily Asia Insurance Review
Source	http://www.asiainsurancereview.com/pages/e-weekly.asp?utm_source=Daily-AIR-eDaily&utm_medium=Email-AIR-e-daily&utm_content=News%2B&utm_campaign=AIR-eDaily-Blasting&country=10&articleID=14773#14773

A new regulator, known in Indonesia as Otoritas Jasa Keuangan, or OJK, is due to start functioning in January 2013, supervising insurers, capital markets, pension funds and other non-bank institutions. Its supervision of commercial banks will start from January 2014.

The OJK will take over the supervision of banks from Bank Indonesia, and that of insurers and stock markets from the Bapepam-LK with the objective of becoming a more professional and corruption-free institution.

The proposed establishment of the new financial regulator follows agreement reached between the government and lawmakers providing for the formation of a powerful financial services watchdog

The Financial Services Authority parliamentary working committee agreed last week to the government's plan for two former finance ministry and central bank members to be on the agency's board of commissioners, along with seven presidential picks vetted by parliament, so that the board will have nine members. The composition of the board of commissioners will make OJK independent, without political interference in supervising financial institutions, says Mr David Sumual, an economist at Bank Central Asia in Jakarta.

The World Bank and Moody's Investors Service are among the various parties which have called for financial regulators to be non-politicised. "It is imperative that the Financial Services Authority is able to do its job properly according to its legal mandates, free from political intervention," the World Bank's Indonesia country office said in an e-mail to Bloomberg News in June.

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