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QUOTE OF THE WEEK

“The most important step a man can take. It's not the first one, is it? It's the next one. Always the next step.”

Brandon Sanderson

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Awareness, risk management key to insurance growth: Leaders at BFSI Summit - Business Standard - 30th October 2025



Insurance industry leaders agreed that while the proposed goods and services tax (GST) waiver could support penetration, it cannot, on its own, transform the sector. In a panel discussion on the topic "Will GST waiver improve penetration?" at the Business Standard BFSI Insight Summit 2025, Ratnakar Patnaik, Managing Director (MD) at Life Insurance Corporation (LIC), said, "GST waiver alone will not help in penetration levels."

He further said that awareness and training are essential to the insurance sector. "Our priority has always been the customer. Customer first is our focus," he added. Patnaik said that term insurance still has a "big room for improvement", noting that the average death claim is less than ₹3 lakh, which highlights the need for stronger financial awareness. He also

shared that 95 per cent of LIC's business is sourced via agents, adding that commissions for agents are expected to grow multifold in the coming years as distribution expands.

Education, collaboration needed

Tarun Chugh, Managing Director and Chief Executive Officer of Bajaj Life Insurance, said that insurance is not a product people buy out of choice, because there is a lack of awareness. "Insurance is not something that people will buy. GST was a significant part for term plans and we have to propagate more," he said. Chugh identified four key stakeholders, including customers, manufacturers (the insurance industry), distributors and vendors, and added that the "last three need to work harder" to take the industry forward. "We have to get educational awareness and innovations on all fronts," he said.

Risk management and efficiency at the core

Mahesh Balasubramanian, MD of Kotak Life Insurance, called insurance a "landmark reform" and said that it should not be treated as a luxury. "Insurance is a very essential aspect of life. It's not a lifestyle spend; it's a basic necessity," he said. He stressed that "risk management and operational efficiency" should be the industry's focus. "We are focusing more on GST cuts but we need to see managerial risks. If we create wonderful risk management, our ability to issue policies instantly will give us more leverage," Balasubramanian said. He also said that keeping people healthy is the best long-term gain for insurers: "If you can really keep a person healthy, that's the best thing that can happen to an insurance company."

Affordability improving, but growth remains key

Anup Bagchi, MD & CEO of ICICI Prudential Life Insurance, highlighted that discussions around life insurance have become more constructive due to rising affordability. "Positive discussions on life insurance are happening for the first time with this intensity, and it has come because affordability has improved," he said. Bagchi further said that customers seek "small premiums, large covers, early issuance, and instant settlements". However, he cautioned that affordability alone would not help in achieving long-term goals. "Only thing that really matters is the growth of the industry. If there is no growth, nothing can get absorbed," he said, adding that continuous product improvement remains vital.

(The writer is Rimjhim Singh.)

TOP

India's insurtech sector's cumulative valuations cross \$15.8 billion - Lokmat times - 30th October 2025

New Delhi, Oct 30 India has a sizeable insurtech ecosystem with over 150 active players, whose cumulative valuations crossed \$15.8 billion, and revenues surpassed \$0.9 billion in 2024 -- a 10 times increase since 2019, a report said on Thursday. The sector has two unicorns, eight players between \$100 million \$1 billion and more than 45 players over \$1 million mark. Despite a slowdown in insurtech funding in 2024, Health insurtechs in India accounted for four of the five largest deals and more than 70 per cent of the funding, reflecting their role in driving access, efficiency, and innovation. In the year, global Insurtech funding slowed down to \$4.1 billion, in line with the wider fintech correction. "Regional dynamics have shifted, with Europe, the Middle East and Africa (EMEA) gaining share as Asia-Pacific (APAC) declined. India also mirrored the global trends, signalling a shift in investor focus to backing businesses with clear

paths to profitability and scale," India InsurTech Association (IIA) said in its joint report with Boston Consulting Group (BCG).



However, the next chapter will be defined not by growth at any cost but by sustainable, profitable operating models, it added. GenAI has the potential to fundamentally transform the value chain, from distribution to claims and from marketing to servicing, by improving efficiency, accuracy, and customer experience

According to the report, the opportunity now is to move decisively beyond pilots and embed adoption at scale. "AI and GenAI offer a \$4 billion profit opportunity for India's insurance industry. There are three key imperatives for organizations to achieve this value - focus on 2-3 high value pools rather than let a thousand flowers bloom; investing in high-quality data; and balancing traditional and generative, models to manage

costs and maximize value," said Pallavi Malani, Managing Director and Partner, Lead-India Insurance Practice at BCG, and co-author of the report. Where implemented effectively, AI and GenAI have already delivered 10–20 per cent efficiency gains in underwriting, 20-40 per cent lower service costs, and 3–7 per cent improvement in claims payout, she added.

As per the report, GenAI has emerged as the next major force shaping the insurance industry. The technology has evolved from AI to GenAI and now Agentic AI, with insurance ranking second globally in adoption, behind only technology. Use cases span the entire operating model -- sales and distribution, underwriting, claims, renewals, and servicing. Large insurers deploying GenAI are already seeing significant impact, with 15–20 per cent productivity increase for agents, 10–20 per cent efficiency gains in underwriting, 20–30 per cent lower service costs, and 3-7 per cent increase in claims payout efficiency. Insurtechs are central to this transformation, co-innovating with insurers and productizing AI modules for distribution, underwriting, claims, servicing, and renewals. "Global insurtech funding dropped from nearly \$14 billion in 2021 to about \$4 billion in 2024, in line with the wider fintech correction. India too has mirrored the global funding trends," said Vivek Mandhata, Managing Director and Partner at BCG, and co-author of the report.

TOP

Insurance companies cannot deny compensation because of route deviation: SC - The Economic Times - 30th October 2025



The Supreme Court has said that insurance companies cannot deny compensation to accident victims merely because there was deviation in route of the vehicle involved and that it was in violation of the permit. A bench comprising Justices Sanjay Karol and Prashant Kumar Mishra said the purpose of an insurance policy in the present context is to shield the owner/operator from direct liability when such an unforeseen/unfortunate incident takes place. "To deny the victim/dependents of the victim compensation simply because the accident took place outside the bounds of the permit and, therefore, is outside the purview of the insurance policy, would be offensive to the sense of justice, for the accident itself is for

no fault of his. Then, the insurance company most certainly ought to pay," the bench said.

The top court made the observation while dismissing appeals filed by a vehicle owner and insurer, The New India Insurance Company Limited. On October 7, 2014, a motorcyclist was hit by the offending vehicle being driven in a rash and negligent manner, resulting in his death on the spot. The Motor Accident Claims Tribunal awarded an amount of Rs 18.86 lakh as compensation along with interest. Being aggrieved with the amount of compensation awarded, the petitioner filed an appeal before the Karnataka High Court on the grounds that the compensation was not correctly calculated by the Tribunal. The insurance company also challenged the Tribunal's order on the grounds of violation by the insurer of the conditions enumerated in the policy. The high court directed the insurance company to satisfy the award as passed by the Tribunal and granted the right to recover the amount from the owner of the bus. While the insurer challenged the high court's direction to pay compensation first and later recover from the owner, the owner challenged the high court's order allowing recovery from him.

TOP

Festive Season Sees Rise in Insurance Policy Bookings: Policybazaar Analysis - The Economic Times - 27th October 2025



This festive season, Indians aren't just celebrating with shopping and travel - they're also securing protection for themselves and their families. Between September 22 and October 14, insurance payments grew 14 percent week-on-week and 35 percent year-on-year, coinciding with the 0 percent GST reform and early Navratri-Diwali spending, an analysis by Policybazaar shows. UPI emerged as the top payment mode, while credit cards made a strong festive comeback, and monthly premium plans gained remarkable traction. The festive period acted as a catalyst for insurance purchases, with users showing stronger intent to secure health, vehicles, and family protection before the new financial year-

end rush. While overall payment volumes in this segment were up more than 14.13 percent (week-on-week), the year-on-year festive growth was more than 35.38 percent. According to the analysis, the momentum strongest across motor and two-wheeler, categories linked to festive buying.

"Consumers are consciously planning how to pay for insurance in ways that maximize convenience, rewards, and cash flow management," said Harsh Vardhan Masta, Head of Payments at Policybazaar. "From UPI and credit cards to netbanking and monthly subscriptions, we are seeing a thoughtful, purpose-driven approach to payments. This shift shows that insurance is now an integral part of festive planning, alongside gifts, travel, and celebrations." UPI transactions surged 18 percent post-September 22, becoming the preferred mode for both renewals and new purchases. As per the analysis, strong growth was visible in motor (+17 percent) and two-wheeler (+17 percent) segments - where speed and convenience matter most. For smaller-ticket policies like two-wheelers and top-up health covers, UPI now dominates over 50 percent of total digital payments.

After months of muted usage, credit cards also re-emerged as a festive favorite for insurance payments - driven by cashback offers, reward redemptions, and EMI convenience. Term insurance payments via credit card jumped 21 percent in value, showing that consumers are using cards for high-value, protection-led spends. Motor and health insurance also saw a visible lift as banks rolled out festival-linked incentives. Credit card average ticket size (ATS) rose 2.14 percent, indicating confidence in paying larger premiums through cards. While UPI ruled the instant-payment space, netbanking remains the trusted choice for longer-term or higher-value purchases. Term insurance payments via netbanking grew 49 percent, while investment-linked plans saw a 37 percent rise during the same period. Debit cards also saw renewed traction during the festive period, supported by strong cashback offers with transactions rising 14 percent post-GST, helped by bank-level festive cashback offers and digital wallet linkages.

(The writer is Saloni Shukla.)

TOP

A month on, GST 2.0 positive for customers, insurers face teething issues - Business Standard - 24th October 2025

Sales of, and inquiries for, life and health insurance policies have seen a surge over the past month, reflecting the effect of implementation of zero GST on premiums as insurers have passed on the full benefit to customers. However, back-end challenges remain, particularly around managing the impact of the withdrawal of input tax credit (ITC). Insurers have indicated that they will pass on some of this impact to distributors and adjust their product mix to mitigate the effect, though margins are expected to take a hit in the short term. In early September, the GST Council announced a complete tax exemption on all individual life and health insurance policies, and their reinsurance has also been exempted to boost penetration. Insurers hope that the affordability of insurance products with zero GST will increase, leading to higher sales that will offset the short term pain they are currently going through.

"The protection category, which is health and life insurance, has shown up fairly well in the demand patterns," said Amit Chhabra, chief business officer (CBO) of General Insurance, Policybazaar. "There was a massive upsurge in demand, with also an increase in conversions. There is also a change in consumption pattern with people opting for higher sum insured or multiyear policies." In a post earnings call, Anup Bagchi, managing director (MD) and chief executive officer (CEO) of ICICI Prudential Life Insurance, said: "The early trends indicate a positive response after the GST exemption on life insurance. We have observed growth in website traffic, lead volumes, and conversion rates across product segments, indicating enhanced customer traction. Vibha Padalkar, MD and CEO of HDFC Life Insurance, earlier said that the company has witnessed more than 50 percent growth in its retail term life insurance products in the month of September. Meanwhile, insurers have said that they plan to use multiple levers, including renegotiating

commissions with distributors and other operating expenses optimisation measures, to reduce the impact of withdrawal of input tax credit (ITC) following the implementation of nil GST rates.

“... Reducing distributor commissions is one lever. We are also looking at improving the product mix — offering more profitable products, cutting costs,” Padalkar said. According to Animesh Das, MD and CEO, ACKO General Insurance, insurance companies are unable to claim ITC on commissions paid to distributors, resulting in a 5–7 percent cost impact. Companies are managing this by either absorbing the cost themselves or sharing it with distributors. The consensus across the industry is to avoid passing this burden to consumers, as health and life insurance are considered essential products, he said, adding that operational challenges that emerged initially have largely been resolved, especially for insurers with integrated systems. “Looking forward, the industry expects two key adjustments: reduction in distributor commissions and companies absorbing part of the cost. While the GST reduction has temporarily boosted demand, its effect is expected to be short-lived. Long-term growth will depend on continued product innovation, simpler distribution, and stronger consumer communication”, he said.

(The writer is Aathira Varier.)

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Life Insurers, Distributors in Talks to Recast Terms - The Economic Times -25th October2025



Insurers are renegotiating commercial terms with both large and small distributors after the government exempted individual life insurance policies from GST, multiple people aware of the new terms said. The new GST rules have disrupted commission structures and profitability across the value chain of the insurance industry. Initially, some insurers passed on the entire cost impact to distributors, but strong pushback from partners has led to fresh negotiations across channels. "We are in the process of renegotiating commissions with all our distributors. This conversation is on at this point," the management of ICICI Prudential Life Insurance said last week.

As the impact of the new GST norms is assessed, there appears to be a clear division on the extent to which insurance partners would be affected. "The retail business agents and brokers selling life and health products are most impacted as they cannot flex their muscle with the insurers and have no voice as broker associations, too, are dominated by general insurance brokers," said a Delhi-based retail distributor. "Distributors and intermediaries - whether banks, brokers, or agents in the general insurance and group business - are the least impacted as they can still set off the GST credit." Large distributors such as banks, corporate agents, and major brokers are using their bargaining power to protect margins, while smaller intermediaries and agency networks could be lagging. There were about 2.9 million individual life insurance agents, about 700,000 agents operating in the general insurance space, and 640 corporate agents, including banks and NBFCs.

From September 22, input tax credit on individual business is no longer available to insurance companies as the government has exempted individual policies from GST. This has impacted the new business profitability of companies. For instance, in the existing book, insurers including ICICI Prudential Life, HDFC Life, and SBI Life expect to see an impact of 50-100 basis points. One basis point is a hundredth of a percentage point. According to people familiar with the discussions, insurers are negotiating across distribution channels. "Bancassurance partners and top-tier corporate agents will likely see minimal impact, whereas smaller distributors and traditional agency channels will take the hit," said another source. HDFC Life, which took a hit on margins and solvency during the second quarter, said it is negotiating commissions with the distributors. "While the withdrawal of input tax credit may result in short-term margin pressure, we are confident, similar to the surrender value regulation changes, of managing this effectively over the next 2-3 quarters through operational adjustments and close distributor engagement," the management said earlier this month.

Similarly, ICICI Prudential, which has an estimated impact of about 1% embedded value on the existing book, said that to mitigate the impact on new business profitability, they have multiple levers, such as renegotiating commissions with distributors as well as continuing to optimise operating expenses.

(The writer is Shilpy Sinha.)

TOP

GST cut puts insurance on par with food in fiscal policy, says Irdai chief – Business Standard - 30th October 2025



The government’s latest fiscal stance with the Goods and Services Tax (GST) rate cut on health insurance has elevated insurance to the same priority level as essential goods like food, signalling a long-term policy commitment to deepen coverage and affordability, Insurance Regulatory and Development Authority of India (Irdai) Chairman Ajay Seth said on Thursday (October 30).

Speaking at Business Standard’s annual BFSI Summit in Mumbai, Seth said the government’s decision to reduce the GST on insurance products to zero places the sector “on par with food items” in policy significance. “What the government has signalled for the insurance industry—look at the tax rates on insurance products: zero. Food items have zero and insurance

is zero,” Seth said. “As a matter of its fiscal policy, the government is putting insurance as important as food.” He called it a “huge opportunity” for the industry to expand coverage and improve affordability. “We are a high-cost sector. We should be following the maximum reach to the population, not just the top 10 per cent,” he said. “Unless customers see value, the sector won’t grow.”

Focus on affordability and inclusion

Seth urged insurers to target the bottom of the pyramid, where most of the growth potential lies, and to shift from a high-cost to a moderate-cost model delivering good quality service. “There are several areas where we can economise costs. In life insurance, the cost is acquiring and managing the risk pool; in non-life, it is commissions to corporate agents,” he said. He added that the industry currently enjoys maximum government support to make products more affordable and widely accessible.

Stability and distribution reforms

Responding to concerns about policy stability from the industry, Seth said maintaining the status quo would only preserve a “low equilibrium.” “Health insurance is an unstable equilibrium currently, and life insurance has low savings. If you want to live with low-level equilibrium, we can stay with the status quo, but that is not the answer,” he said. He highlighted distribution reforms as the next major priority, noting that both reach and affordability must improve. “Distribution and reachability are two important pillars. Most of the growth is now coming from tier-2 and tier-3 cities, but affordability has not yet entered the conversation,” he said. While foreign investment is welcome, Seth said domestic capital remains critical. “Out of ₹3.5 trillion, FDI is only ₹80,000–90,000 crore,” he said. “One hundred per cent FDI alone cannot take care of the sector.”

Long-term capital and digital push

Seth said insurance investments in infrastructure remain small, with only 10 per cent of the total ₹75 trillion assets under management, though regulations permit up to 50 per cent in government securities. He called for coordination with the Reserve Bank of India (RBI) and Sebi to deepen India’s bond markets and enable insurers to deploy more long-term funds. On digital transformation, Seth said the next frontier is creating a Digital Public Infrastructure (DPI) for insurance, led by platforms like Bima Sugam and the Insurance Information Bureau (IIB). “These two entities together will enhance efficiency and consumer access,” he said. Seth said IRDAI’s next steps include consultations on risk-based capital and supervision, and encouraging more customised insurers to expand coverage. “More companies are needed, especially geographically focused ones,” he said. “Capital requirements are tricky, but as a regulator, we are ready for that.”

(The writer is Abhijeet Kumar.)

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Insurance sector is currently at unstable equilibrium: Irdai chief – Business Standard -31th October 2025

Three of India’s biggest financial regulators set the tone for discussions on the second day of the Business Standard BFSI Insight Summit 2025. The day kicked off with a fireside chat with Ajay Seth, chairman of the Insurance Regulatory and Development Authority of India (Irdai), who assured stakeholders that as a regulator he has an open mind. “As a regulator, this being my first appearance, I would like to assure that I have an open mind. Based on data, analysis, and

the perspectives I hear, I reach a conclusion. But nothing is done without extensive consultation, generating discussion, and building consensus,” said Seth. His comments would be reassuring for an industry battling muted growth in new policies and premium income.

“The insurance sector, and especially the health insurance sector, is at an unstable equilibrium at the moment. On the life side, there is a low-efficiency equilibrium happening. But other sectors that manage the savings pools of Indians are giving tough competition to life insurance companies,” he said. On the question of more capital for the insurance industry, he said that allowing 100 per cent FDI alone cannot meet the sector’s capital needs. “The own capital of the insurance industry is about ₹3.5 trillion, both life and non-life put together. Out of this, FDI is only ₹80,000-90,000 crore.”

The government’s plan to allow foreign direct investment (FDI) of up to 100 per cent in the insurance sector could also pave the way for global pension fund managers to enter the market without joint venture partners, as the FDI norms under insurance and pension laws are “joined at the hip”, Pension Fund Regulatory and Development Authority (PFRDA) Chairperson S Ramann indicated in a fireside chat. Currently, FDI is permitted up to 74 per cent in the pension fund management space. Stressing the need to enhance pension coverage in the country, Ramann also said the regulator is considering allowing smaller pension fund houses, on the lines of small finance banks regulated by the Reserve Bank of India. Such funds, with lower capital requirements, could offer products for underserved sections of the population in tier-III cities, MSME clusters, and rural communities that may not have any social security cover.

In all, there were 15 sessions on the second day of the summit, with top executives from life insurance, general insurance, private equity, the payments industry, wealth management, and the microfinance industry presenting the way forward for their sectors. Reserve Bank of India Deputy Governor T Rabi Sankar said that internationalisation of the Indian rupee is not intended to replace the dollar but to reduce risk for Indian businesses by enabling more transactions in rupees. “If you look at the Reserve Bank’s stance on capital account convertibility, we have fairly consistently been saying that it is a process, not an event. In this spirit, we have gradually been liberalising the capital account. Today, barring a few constraints like cost caps and amount limits on ECBs (external commercial borrowings), most inward capital flows are liberalised,” he said.

According to Sankar, the regulator is currently focused on liberalising inward capital flows given the country’s need for capital at its current stage of development, but as the Indian economy matures, it will look at outward capital flows. “Trade is largely free, with only procedural requirements such as repatriation timelines. We have already released two draft proposals to simplify trade regulations, reducing over 100 directives to a single comprehensive framework. ECB liberalisation is part of this broader effort. Our priority remains on facilitating inflows of capital first, followed by calibrated outflows,” he said. The RBI deputy governor also deliberated on Central Bank Digital Currency (CBDC) and politely brushed off suggestions that it had failed to take off. “We are not rushing it because most countries are still experimenting and studying its impact. Over 10 crore transactions have taken place, but we are going slow to understand potential effects -- for instance, whether CBDCs could replace bank deposits. We are technologically ready, but our approach is cautious,” he remarked.

Top executives in the wealth management industry said that India’s growing economy is a major tailwind for them. The industry is entering a defining phase as a swelling pool of high-net-worth (HNI) and ultra-high-net-worth individuals (UHNI) fuels demand for sophisticated financial advice and innovative investment products. India’s millionaire households have nearly doubled since 2021, with smaller towns and cities contributing significantly to the growth. This surge, driven by economic expansion and a shift towards financialisation, is transforming the wealth management landscape, making services more accessible and technology-driven, most panellists echoed. Executives from the microfinance industry (MFI) said the worst is behind them after recent quarters marked by liquidity stress, rising delinquencies, and slowing disbursements. “Now the situation is better. We have requested the government to institute a larger guarantee fund of, say, ₹ 20,000 crore, which will kick-start the virtuous cycle of funding and give confidence to banks,” said Alok Misra, CEO of the Microfinance Industry Network (MFIN).

Another high point of the penultimate day was a fireside chat with Arundhati Bhattacharya, former banker and now chairperson and CEO of Salesforce India, and one of the country’s top women business leaders. “If you’re a woman in India with a career, you have to continuously calibrate how to take care of family responsibilities while taking on newer responsibilities at work. There will be times when you feel it’s not worth it, but you need to accept that this is how it will be and find a way to still get ahead,” she said. Executives from the payments industry assured that Indian financial sector customers are relatively safer thanks to the Reserve Bank of India’s stringent requirements from the industry, even as they await implementation of the data privacy Bill. Deep Narayan Mukherjee, partner at Boston Consulting Group (BCG), said: “Data breach is one aspect of a cyberattack; the other is ransomware, which is not related to your customer. There are more and more instances globally in the last two or three months where non-customer-centric organisations’ businesses have been hacked?” He was speaking at a session on ‘Trust No One, Verify Everything: Cybersecurity for the Digital Age’.

At the general insurance panel discussion, the chiefs of general insurance companies highlighted that, with a surge in climate-related disasters, cyber threats, and emerging workplace models, there needs to be stronger collaboration between insurers, government, and technology partners to address these “new-age risks”. They also said there is a need to build comprehensive frameworks to protect people and businesses against digital fraud, climate catastrophes, and the risks associated with electric vehicles and the gig economy. At the life insurance panel discussion, the chiefs of life insurers said that the recent GST reforms will make insurance more affordable and inclusive in India. The GST exemption in insurance will help reduce premiums, enhance affordability, and signal the government’s strong focus on insurance as an essential life necessity. Crypto industry leaders and policymakers urged the government to introduce clear regulations for digital assets, warning that prolonged uncertainty is driving innovation and talent overseas.

In a panel titled India’s Crypto Crossroads: Time for a Policy Rethink?, Dilip Chenoy (Bharat Web3 Association), Sumit Gupta (CoinDCX), G Padmanabhan (former executive director, RBI), and S B Sekar (head of APAC, Binance) said India risks missing a \$1.1 trillion opportunity by delaying policy action. They also called for an INR-backed stablecoin to reduce remittance costs and strengthen India’s monetary sovereignty.

Padmanabhan cautioned that with 97 per cent of stablecoins pegged to the US dollar, India must act to avoid dollar dominance. Gupta added that “the best time to regulate was yesterday; the next best is today.” While panellists were divided on creating a separate regulator, they agreed that India must move fast on principle-based, flexible rules that balance innovation and oversight. Without clarity, they warned, India’s Web3 and blockchain talent will continue to leave for friendlier markets, eroding its leadership in digital finance.

(The writer is Krishna Kant.)

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LIFE INSURANCE



Life insurers see strong customer demand after GST exemption, offset ITC loss through cost control - The Economic Times - 20th October2025

Large private life insurers are witnessing a sharp rise in customer interest and sales conversions after the government removed goods and services tax (GST) on life and health insurance policies. The surge in demand follows the GST Council’s September decision to make these products, along with their reinsurance, completely tax-exempt to improve insurance penetration. The policy change has triggered a notable increase in leads and conversions for life insurers, with online traffic and customer enquiries showing strong momentum across product segments. Industry data indicates that demand for term and health insurance products has more than doubled from pre-GST levels, surpassing even the peaks seen during the pandemic years.

The financial impact

Despite the boost in customer activity, insurers are managing the financial impact of the withdrawal of input tax credit (ITC) that accompanied the nil-GST regime. The removal of ITC is estimated to cost the life insurance industry around Rs 15,000 crore. To mitigate this, companies are implementing measures such as renegotiating commissions with distributors and optimising operating expenses. For major players, the impact on embedded value has been relatively contained. HDFC Life expects a reduction of about 0.5 percent, or roughly Rs 260 crore, while ICICI Prudential Life estimates a 1 percent hit. Both insurers are undertaking efficiency initiatives to offset the margin pressure over the coming quarters.

[TOP](#)

Young professionals lag in term insurance adoption despite cost advantages: ABSLI - The Hindu Business Line - 23rd October2025

One in four term insurance policyholders in India is aged 26-35, accounting for 25.24 percent of active customers, according to Aditya Birla Sun Life Insurance data as of March 31, 2025. However, this age group remains significantly underrepresented compared to older demographics. The 36-45 age bracket dominates term insurance uptake with 41.68 percent of policyholders, while the 46-55 group accounts for 23.96 percent. This distribution indicates that younger earners are delaying critical financial protection despite facing lower premiums and fewer medical exclusions.



Industry experts attribute the delay to competing financial priorities among young professionals, who often prioritize loan repayments and wealth-creation instruments over insurance. The absence of immediate returns and limited peer emphasis on protection planning further discourage early adoption. “Term insurance should be seen as a lifestyle enabler, not just a backstop,” said Kamlesh Rao, MD & CEO of Aditya Birla Sun Life Insurance. He emphasized that insurers must adapt to the digital-first preferences of younger customers. Delaying coverage results in substantially higher premiums and potential medical restrictions in later years. Securing term insurance in the 26-35 window allows policyholders to lock in lower rates for decades while building coverage around long-term financial commitments.

Insurers are now exploring product innovations including wellness benefits and flexible riders to make term insurance more relevant to younger demographics, aiming to bridge the protection gap in this crucial age segment.

TOP



GENERAL INSURANCE



General insurers brace for climate, cyber and EV-era risks at BFSI Summit – Business Standard - 30th October 2025



From cyberattacks and climate change to supply-chain disruptions, as risks evolve in complexity and scale, general insurers are being pushed to rethink their traditional playbook. No longer limited to underwriting and claims management, insurers are now taking on the role of proactive risk advisors, leveraging technology, data analytics, and innovative products to stay ahead of emerging challenges. On Day 2 of Business Standard BFSI Insight Summit 2025 in Mumbai on Thursday, leaders from the general insurance sector discussed how the industry is adapting to this new era of risk to safeguard individuals and businesses in an increasingly unpredictable world. The industry chiefs argued that the response must be systemic — combining product innovation, public-private

cooperation, deeper data use, and customer incentives — if the sector is to contain escalating economic and social losses.

Climate shocks: capacity, layering, and public-private solutions

Tapan Singhel, MD & CEO, Bajaj General Insurance, warned that the insurance industry’s response to climate risk cannot be piecemeal. “If you look at a catastrophic loss, government payouts under national disaster schemes and insurer payouts together often cover less than 10 per cent and roughly 90 per cent remains uncovered,” he said, stressing the macroeconomic consequences. Singhel argued that the solution lies in layered, multi-stakeholder approaches such as catastrophe bonds, tiered risk pools, and explicit government participation alongside industry capital. He cited international examples like Japan, the UK, and Australia and urged India to adapt global mechanisms to domestic scale. “The problem is massive and we are not fully comprehending its magnitude. We need a roadmap that stitches together markets, instruments, and public support,” he added.

EVs, autonomous vehicles, and evolving liability

Electric vehicles (EVs) present both opportunities and new risk profiles. Singhel described how insurers have studied EV markets to design Indian solutions like cover for battery failures, charging-station infrastructure, breakdown assistance, and layered liability models. He warned, however, that as autonomous driving grows, liability questions will intensify. “If a self-driving car crashes, liability may shift to manufacturers — that will change underwriting and claims dynamics,” he said. Yashish Dahiya, Chairman & Group CEO, PB Fintech, flagged the rapid rise in EV-related product searches and customer demand, which, he said, signals that EV insurance is scaling. However, he cautioned that product design must anticipate shifting third-party and product-liability risk over the next decade.

Cyber risk: low penetration, huge economic drag

Cyber exposures have ballooned with India's digital adoption. Naveen Chandra Jha, MD & CEO, SBI General Insurance, underlined the scale of the challenge. "Cyber fraud losses and related leakages are material enough to dent GDP, and a large share of incidents go unreported. With over 600 million daily UPI transactions and rising digital footprints, individual and institutional exposures are growing faster than awareness," he said. Jha noted that insurers are launching products that go beyond payouts to offer response roadmaps and remediation services. Anup Rau, MD & CEO, Generali Central Insurance, highlighted the education gap, saying that products exist but individual take-up remains low. He urged insurers to build retail cyber franchises and to reframe cyber as a mainstream, preventative product rather than a niche corporate cover.

Behaviour, incentives, and data-driven underwriting

Panelists agreed that underwriting must evolve from static, backward-looking models to dynamic, behaviour-linked frameworks. Rau described initiatives that incentivise risk-reducing behaviour, such as offering premium benefits to small businesses that fortify assets or cut carbon footprints. "Underwriting has to move beyond the purely technical to create a virtuous cycle where customers are rewarded for prevention," he said. Sudden frequency changes in perils mean classical actuarial windows no longer suffice. Jha urged more dynamic, climate-sensitive pricing using granular meteorological and geospatial data and AI-enabled loss modelling to keep pricing accurate and claims predictable.

Capacity, pooling, and mandatory cover: aligning incentives

The speakers stressed that insurance penetration, especially for homes, micro, small, and medium enterprises (MSMEs), and catastrophe exposures, remains the structural barrier to resilience. Dahiya proposed a pragmatic nudge: make certain basic covers mandatory for access to essential utilities or services, much like motor insurance is required for vehicles. "It should be something like you must buy health cover to get electricity at home," he said. Singhel and Jha both argued for pooling and structured reinsurance solutions to build capacity for extreme events, noting that without mandatory participation and state co-investment, the industry alone cannot absorb tail losses.

Distribution, partnerships, and shared responsibility

The panelists called for deeper partnership models across the value chain. Dahiya urged distributors, service providers, and insurers to become "partners in risk" rather than adversaries at claim time. He said commissions and expense debates must give way to combined operating-ratio thinking that rewards superior risk selection and loss mitigation. Technology firms and insurtech platforms were repeatedly identified as crucial allies for risk selection, real-time telemetry (in motor and commercial lines), fraud detection, claims automation, and customer education. Jha said collaboration with tech specialists is "very important" to keep pace with perpetrators of cybercrime and to manage complex product servicing.

Customer economics: affordability, accessibility, and awareness

The panelists stressed the "three A's" — affordability, accessibility, and awareness — as the core pillars of scaling protection. Jha pointed to recent tax changes that lowered GST on health insurance as an example of how policy can boost affordability and awareness, and urged insurers to push distribution into tier-II and rural India to improve accessibility and volume. Rau said, "More affordable renewal premiums could improve retention and build a robust retail base that is easier to educate about add-on covers such as cyber." The industry leaders highlighted that new-age risks require a systemic response that mixes market innovation, regulatory nudges, and state participation. Products and pricing must become more dynamic, liabilities must be pooled across public and private balance sheets, and consumers must be nudged into basic protections that underpin economic resilience. As Singhel put it, the industry must recognise the scale of the challenge and co-design solutions with government and capital markets. "We have the building blocks — catastrophe bonds, risk layering, tech, and evolving underwriting — but we need a national programme to stitch them together," he said.

(The writer is Barkha Mathur.)

TOP

Bima Sugam can widen insurance access, say industry leaders at BFSI Summit – Business Standard - 30th October 2025

The insurance penetration in India remains among the lowest in major economies, but industry leaders believe that Bima Sugam, which is a proposed unified, digital insurance marketplace, could change that by making insurance simpler, transparent, and more accessible. Speaking at a panel discussion titled 'Can Bima Sugam be a Game Changer' during the Business Standard BFSI Insight Summit 2025 on Thursday, industry experts said the platform could replicate the transformational success of UPI in the payments space.



Insurance penetration has been absolutely low: Sharad Mathur

Sharad Mathur, managing director and CEO of Universal Sompo, said Bima Sugam aims to address India's persistent insurance gap. "Insurance penetration has been absolutely low in India. So the whole idea of Bima Sugam is to increase it," he said. Mathur added that the platform would make insurance affordable by shifting from a sales-driven model to one focused on advisory-based distribution. "Bima Sugam will not be a threat to other aggregators. The idea is inclusion of a population which has been left out," he said.

'Transparency, visibility to define the new ecosystem'

Amit Roy, insurance partner at PwC, said the platform will drive transparency and visibility across the sector. "Insurance is a complex and technical product. The distribution community will play a crucial role in supporting Bima Sugam," he said. Roy also said the industry was at a "tipping moment", with the cost of running business expected to come down as digital processes improve. According to him, the changing age profile of insurance buyers reflects a positive trend. "India is moving towards reducing that entry age, both on the health and life side. People are entering into health insurance at 37 and 32 years into life insurance," he said.

'Integration with existing distribution key'

Speaking on the importance of integration, Narendra Bharindwal, president of the Insurance Brokers Association of India (IBAI), said that Bima Sugam's success will depend on how well it connects with the existing distribution network. "The industry and regulators have created a huge distribution architecture. Around 4.5 million are directly or indirectly employed in this industry. We look forward to how they will be integrated with Bima Sugam coming in," he said. He further said it is important to reach the uninsured population while encouraging those already insured to enhance their coverage. "Insurance is to respond during death, disease, and disaster. Bima Sugam can help make the claim process easy," he said.

'The UPI moment for insurance'

Calling Bima Sugam the "UPI moment for insurance", Debasish Banerjee of Deloitte said the platform could be a game changer if implemented effectively. "Bima Sugam can be a game changer if it is done right. Focus should be on the rural side, under penetrated segments," he said. Banerjee added that India's rapid economic growth offers a unique opportunity to expand financial inclusion. "The way India's GDP is growing, that's unparalleled, and we have not seen that across the world," he said. He further said that Bima Sugam needs to become a trusted platform in order to increase penetration.

(The writer is Rimjhim Singh.)

TOP

Homes worth crores, protection worth pennies: India's insurance paradox - MINT - 29th October 2025



A home or a place of business is often the single largest investment a family or an entrepreneur makes. Protecting that investment should be as fundamental as building it. Yet in India, the conversation on home and property insurance remains muted, even as the risks continue to escalate. Recent months have reminded us how fragile our assets are. Flash floods in Uttarakhand swept away homes and shops, while Himachal Pradesh has faced repeated landslides and blocked roads due to heavy monsoons. In northern states such as Punjab, Haryana, Delhi, and parts of Jammu and Kashmir, floods have disrupted both living and commerce. These tragedies are a reminder that climate volatility, urban expansion, and rising asset values have made homes and commercial properties more vulnerable than ever. The

financial and emotional costs of rebuilding from scratch can cripple households and businesses for decades. That is precisely why property insurance is a necessity.

While most parts of India are exposed to recurring hazards such as earthquakes, floods, cyclones, and landslides, the value of our homes and commercial spaces has surged. In the last five years, home prices in Gurugram have risen over

160 percent, in certain micro-markets of Hyderabad by nearly 90 percent, and in Bengaluru by about 80 percent. This also means the cost of rebuilding today is far higher than when many of these properties were first bought. An uninsured loss now could set back a family or a business by decades.

Home insurance protects not just the walls and roof, but also everything inside. A standard policy covers structural damage from natural calamities such as floods, earthquakes, cyclones, and landslides, as well as man-made incidents such as fire, explosions, and vandalism. Heavy rains leading to floods or inundation, and the resulting damage, are also covered under most plans. Yet many overlook the importance of contents insurance, which protects the possessions inside the home. This includes furniture, electronics, appliances, and even jewellery. In modern homes, the replacement value of these items can easily run into several lakh rupees. To protect these, one can, for example, insure a structure worth ₹50 lakh along with ₹10 lakh of household items for as little as ₹1,240 a year—a fraction of the potential replacement cost.

Fire-related claims have also been on the rise. With the growing use of high-load appliances such as air conditioners, water heaters, and kitchen equipment, the risk of electrical short circuits or overheating is increasing. For a business, a property is more than an address. It is a revenue generator. A warehouse, office, shop, or factory not only houses goods and equipment but also enables operations. Damage to such property disrupts supply chains, halts production, and stops sales.

Commercial property insurance goes beyond physical rebuilding. Many policies offer business interruption cover, which compensates for income lost during the rebuilding. This is critical for small and medium enterprises that may not have large cash reserves to withstand prolonged closures. Even clinics and design studios can benefit from coverage that includes damage to expensive equipment and interiors. The broader economic impact is equally significant. When businesses go uninsured, a disaster can wipe out years of growth, trigger job losses, and strain local economies. For a country like India, where MSMEs contribute nearly 30 percent of GDP and employ over 110 million people, resilience of commercial property is a national imperative. It is worth considering whether mandatory property insurance for certain categories of establishments could serve as a safeguard, much like third-party motor cover for vehicles.

While over 95 percent of homes in the United States and 70–75 percent in the United Kingdom are insured, India's home insurance penetration is negligible. Even among countries with similar per capita incomes, coverage rates are far higher. On the commercial side, too, many global economies mandate property cover for businesses operating in disaster-prone zones or for establishments above a certain size. This ensures faster recovery, protects employment, and reduces dependence on government relief. As we continue to build, buy, and invest in real estate, the responsibility to protect these assets should grow just as quickly. Property insurance, whether for a home or a business, is not a luxury. It is a safeguard for continuity and a buffer for resilience. In a world where climate patterns are shifting, urban density is rising, and asset values are climbing, the cost of inaction is measured not only in money but also in the time and effort it will take to rebuild from scratch. For families, it means preserving hard-earned savings. For businesses, it means securing jobs and ensuring uninterrupted contribution to the economy. For the nation, it means protecting the very foundation of growth. The wise choice is to prepare today for what we hope never happens.

(The writer is Sarbvir Singh.)

TOP

Cruise travel gets popular in India. What insurance covers and costs look like? - CNBC - 27th October 2025

As Indian holidaymakers expand their travel horizons beyond beaches and hill stations to the high seas, insurers are racing to design products that protect them from the risks of cruise travel—from missed ports to medical emergencies miles away from land.



Tailored coverage for a growing market

“Cruise travel offers a unique experience but comes with its own set of risks compared to conventional holidays,” said Meet Kapadia, Head of Travel Insurance at Policybazaar. He noted that standard travel insurance often excludes cruise-specific incidents such as itinerary disruptions or medical evacuation at sea. To fill this gap, insurers have launched cruise-specific add-ons, priced around ₹200–₹300, that extend protection to scenarios like delayed departures, onboard medical emergencies, and trip cancellations tied to cruise schedules.

Policybazaar has observed a steady rise in customers opting for these covers, reflecting awareness about tailoring insurance to the mode of travel—be it by air, land, or sea.

How much cruise covers cost

Data indicates wide variations in premiums based on insurer and destination.

For a 30-year-old traveller on a 10-day trip, sample rates show:

Insurer	Europe (10-day trip)	Asia (10-day trip)
ICICI Lombard	₹ 4,140	₹ 1,790
TATA	₹ 69	₹ 69

(Source: Policybazaar)

Industry executives say such differences reflect variations in coverage scope and destination-specific risk. Policies for European itineraries typically cost more due to higher medical and logistical costs, while Asian cruises may attract lower premiums.

Cruise operators build insurance into the experience

Cruise companies are also adapting to changing traveller expectations. “At Antara, guest safety and peace of mind are integral to the experience,” said Vineet Arora, Chief Operating Officer of Antara River Cruises. “We work with insurers to ensure comprehensive protection for our guests, covering itinerary disruptions and medical contingencies.” Arora said insurance partnerships are becoming an essential part of the cruise ecosystem as itineraries become more diverse and travellers seek seamless protection.

Domestic cruises add depth and sustainability

Within India, river and backwater cruises are finding their niche among travellers looking for slower, more meaningful experiences. Spice Coast Cruises by CGH Earth offers handcrafted Kettuvallam houseboats in Kerala’s backwaters—a setting that blends tradition, craftsmanship, and community engagement. “Post-pandemic travellers want journeys that connect them with local culture and environment,” said Mridula Jose, Vice President of Marketing and Product Development at CGH Earth. She noted that safety and wellbeing remain central to the company’s philosophy, adding that insurance awareness aligns naturally with a growing sense of responsibility in how people travel.

(The writer is Anshul.)

TOP

General insurance industry eyes H2 growth recovery after modest Q2 performance - The Economic Times - 18th October 2025

The Indian general insurance industry posted a modest ~6% growth in gross direct premium income (GDPI) in Q2FY26, reflecting a slowdown in Motor and Health segments, partially offset by robust growth in Personal Accident and Fire segments. The Motor segment recorded restrained growth, with Motor OD rising only ~5.4% YoY in H1FY26 due to sluggish new vehicle sales until the last week of September 2025 and intensified pricing competition, according to Emkay Global Research. Private multiline insurers grew ~6%, while PSU insurers saw a muted ~3% increase.

Among listed players, ICICI General Insurance posted 2.7% growth, GODIGIT ~9%, and New India ~2.5%. Motor TP premiums grew ~9% YoY in H1FY26, constrained by the absence of a price hike, with PSU players growing ~14% and private insurers ~7%. GODIGIT recorded a 14% rise in Motor TP, while ICICIGI reported 1.6% growth.

Health insurance moderates

Health insurance continued to experience growth moderation. Retail Health posted ~8% growth in H1FY26, affected by the implementation of the 1/n regulation on long-term policies. Star Health grew ~8% while maintaining leadership, and ICICIGI delivered 23% growth.

The Group Health segment, including mass government schemes, reported GDPI growth of 7.5% in H1FY26, driven by ~10% growth among private multiline insurers. Growth was tempered by heightened pricing competition tied to EoM guideline targets. ICICIGI saw a marginal decline in Group Health, whereas GODIGIT posted ~5% growth. Commercial lines delivered healthy growth, with GDPI rising 14% in H1FY26. The Fire segment drove strong performance, growing ~21% overall, supported by PSU insurers’ ~36% increase. ICICIGI reported ~7% growth in commercial lines, while GODIGIT expanded ~47%. Crop insurance, however, contracted ~15% due to declines among PSU multiline players, partially offset by PSU specialised insurers.

Looking ahead, the general insurance industry is expected to witness a growth revival in H2FY26, driven by several factors: recovery in new vehicle demand boosting Motor segment growth; improved affordability in Health Insurance

products following GST rate exemptions; normalization of the 1/n regulation's impact; a likely Motor TP tariff hike in Q1FY27; and sustained pricing discipline in the Fire segment. With stronger demand following GST rate reductions and disciplined pricing in key segments, the industry is poised for recovery in the second half of the fiscal year.

Among listed insurers, ICICILOGI logged a marginal 1.9% GDPI decline in Q2, GODIGIT achieved 16.7% YoY growth, and Star Health reported ~3% GDPI growth, constrained by 1/n regulation and contraction in Group business.

TOP

HEALTH INSURANCE

Modern treatments rise, but health insurance in India still lags behind—Live Mint- 29th October2025



Robotic surgeries, stem cell therapy, and other advanced treatments are now common in Indian hospitals. But health insurance coverage hasn't quite kept pace. In 2019, the Insurance Regulatory and Development Authority of India (Irdai) made it mandatory for insurers to cover 12 such modern treatments. However, insurers were allowed to set their own sub-limits—caps that now leave many patients underinsured. As awareness grows, policyholders are discovering that their policies offer inadequate coverage. When they try to migrate or port to better plans, they often hit a wall of rejections and vague explanations. Take the case of 62-year-old Jeram Damani, who has a family floater policy with his wife since 2015. They filed

only one claim in 2019 for breast cancer and have remained healthy since. "When I discovered my policy had sub-limits on modern treatments, I decided to migrate to another plan from the same insurer. It would have cost me more, but I was fine with that. The company rejected my proposal without giving any written justification. I've now sent them a legal notice," he said.

While migration or portability is a policyholder's right, it's subject to the insurer's underwriting norms. And for those with major illnesses such as cancer, switching plans is often near impossible. "We assess the product to which customer intends to migrate to, benefits, waiting periods etc in the current and the new product and accordingly perform assessment," said Bhabtosh Mishra, director and chief operation officer, Niva Bupa Health Insurance. While the process of portability is the same, different insurers follow different underwriting guidelines. "There cannot be a common approach because it's based on the underwriting decision and philosophy of the respective insurance company. As portability of health insurance guarantees the continuity benefits in terms of cumulative bonus, pre-existing diseases and exclusions, every insurer underwrites individual cases keeping in mind the immediate probability of claims post portability." said Parthanil Ghosh, executive director, HDFC ERGO.

Despite the risks, insurers treat similar cases differently. Devang Saini from Muzaffarnagar said his father, diagnosed with lung cancer eight months after buying a policy in 2021, was able to migrate to a better plan from the same insurer. "We faced problems with claim settlement for immunotherapy under the new policy. Each time, we had to approach the Ombudsman to get reimbursement, but I eventually received the money. Had my father continued with the previous plan, we couldn't have recovered much," said Saini.

Independent consultant Mitesh Dave said he has seen several such inconsistencies. "I know a person who migrated to a different plan at 68 in 2025—at a lower premium—despite several claims, including one for cancer. In another case, a person who had heart surgery could move to another plan even with a BMI of 38–39. Migration or porting is the insurer's prerogative, but there must be some transparency in how proposals are accepted or rejected," he said. "The hospital bill will have separate heads like medicines, surgery, and others. Ideally, the sub-limit should apply only to the surgery component, but insurers apply it on the entire cost," said Dave.

Most comprehensive plans now cover modern treatments up to the full sum insured, but older or budget plans still carry sub-limits. Some insurers offer optional riders to enhance coverage—for a price. "Our affordable plan, RISE, has sub-limits on modern treatments, but we offer an optional rider to extend coverage up to the sum insured," said Mishra. However, these riders aren't universally available. "Riders can be denied based on health history, leaving policyholders stuck with weak coverage. They are also unavailable under group health insurance offered by employers or banks," Dave said. Sub-limits are not prominently disclosed. "They appear only in the detailed policy wording, which most policyholders don't read. Such limits should be clearly mentioned in the Customer Information Sheet upfront," Dave said.

Saini experienced this firsthand. He submitted a hospitalization claim of ₹3.93 lakh for his father, including all medical documents. The insurer short-settled the claim citing 'immunotherapy sub-limit exceeded'. "The policy wording clearly said there were no sub-limits. It had unlimited restoration benefit too. I had to approach the Ombudsman to get it settled," he said. Another hurdle is proving the medical necessity of modern treatments. "We observe that in many instances robotic surgeries are being offered as an alternative to the laparoscopy which pushes up the medical inflation, which will pinch the policyholders later," said Ghosh.

A recent case shared by Shreeth Karkera, co-founder of Ditto Insurance, highlights the issue. A 47-year-old woman with 90 percent artery blockage was advised MICS (Minimally Invasive Cardiac Surgery) instead of conventional CABG. When the hospital sought pre-authorization of ₹9 lakh, the insurer approved just ₹99,000—citing tariff limits. "We escalated the case with detailed medical justification, angiogram findings, and proof that MICS wasn't excluded. The insurer finally approved about ₹7 lakh after discounts," Karkera said. He added that the medical officers reviewing such claims are often not practising doctors. "Their assessment may not reflect what's actually happening in hospitals. Policyholders must ensure they obtain a detailed medical justification from the treating doctor. A hurriedly written one-line note won't suffice," he said. What if your treatment isn't among the 12 specified by Irdai? Some insurers may call it "unproven" or "experimental." Ghosh, however, clarified, "As long as the treatment is legally approved in India, it will be covered unless specifically excluded. Therefore it is advisable to read the terms and conditions of the policy carefully."

An insurance executive who didn't wish to be named said that health technology assessments by the Department of Health Research and the National Health Authority guide what's considered "proven." "When a new treatment emerges, we review its stated purpose and the approving authority's indications before taking a call," he said.

(The writers is Aprajita Sharma.)

TOP

Why GST Exemption Could Make Health Insurance Plans More Accessible – Fortune India- 29th October 2025



Health insurance plans have always been viewed as a luxury rather than an absolute necessity in India. One of the main reasons for this is the prohibitively high costs of health insurance premiums, which have to be paid annually. Only a few segments of society can afford them, leaving many without coverage and pushing them deeper into financial strain. Relief has come in the form of the recent revamp of GST slabs for goods and services in the country. One notable change specifically targets health insurance premiums. This will have a significant impact on health insurance plans and may lead to more people adopting the same in the future. Here's how the recent GST exemption will help more people access health insurance plans, leading to better healthcare

outcomes for them and the country.

Lower premiums

The biggest impact of the GST exemption on health insurance plans is that insurance premiums are set to come down. Previously, 18% GST was being charged on health insurance premiums. This added tax made health insurance more expensive than necessary. GST on the premiums have been cut to zero now, with the government recognising that access to healthcare through health insurance plans should not be taxed for the greater good of the citizenry. This move is a major benefit for both current policyholders and those planning to buy insurance.

Affordability

Seniors and those with health issues such as pre-existing conditions and chronic illnesses are already paying a higher health insurance premium compared to younger and healthier policyholders. This is because they are more prone to making claims and hence pose more risk to insurers. The 18% GST on their health insurance premiums only led to making health insurance plans astronomically expensive for these two groups. With GST completely out of the picture, the cost of health insurance premiums will be lower for them. This can also encourage more people from these two groups to come forward and get health insurance coverage. In their case, affordability leads to accessibility, which leads to a better quality of life through timely treatments.

Better renewal rates

Many people still buy health insurance despite high premiums, believing they can manage the costs. But once they realise that a huge chunk of money goes out of their pocket year on year, some might drop out of the plan by stopping renewals due to affordability issues. Making premiums more affordable through a GST exemption can ensure that many stick with their plans and get the coverage they need when the time comes.

New enrollment

One of the reasons why many hesitate to get health insurance in the first place is high premiums. Many cannot afford annual premiums, particularly when they are high. Even the concept of health insurance has caught on only in metros and urban areas more than anywhere else. High premiums have limited access, making it affordable mostly for affluent urban residents. This tax cut can encourage many people to purchase health insurance plans, allowing for more widespread health insurance coverage. This, in turn, can lead to better health outcomes for many who would otherwise lack the means to receive treatment for diseases that require more resources. This is especially true for the non-urban parts of the country.

Impact on healthcare

The healthcare sector has been benefiting from exemptions and lower tax rates. This is because healthcare is as essential as economic development to a country and should be made affordable to the masses. Applying an exemption to GST on health insurance premiums strengthens the nation's healthcare ecosystem. While the government may lose money to the exchequer in the form of tax revenues, it can offset these losses. The more people opt for health insurance policies, the less the burden it places on the government to step in. Public healthcare infrastructure still has a long way to go compared to private entities. By doing away with GST entirely on health insurance premiums and making health insurance plans more attractive to the masses, some of the healthcare burden on the government can be alleviated.

The GST exemption on health insurance premiums has come at the right time. With rising inflation, many households feel the financial strain. Medical inflation is also on the rise. These factors combined can make getting the right treatment at the right time near impossible for many families in the country. It is literally a matter of life and death in many cases. An affordable insurance plan can be of massive help in such cases. Making health insurance premiums more cost-effective and, therefore, making health insurance plans more accessible can only lead to the betterment of the nation and its citizens in the long run.

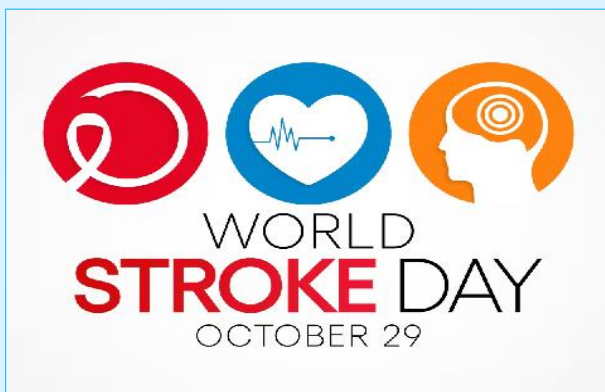
[TOP](#)

World Stroke Day: Insurers widen focus to long-term recovery and rehabilitation, say experts – CNBC - 29th October 2025

World Stroke Day, observed on October 29, draws attention to a growing health challenge in India—the rising incidence of stroke and the long, often expensive road to recovery that follows. India records between 1.5 and 1.8 million stroke cases annually, translating to 130-170 cases per 100,000 people, according to a 2023 Lancet report and other recent studies.

As the number of survivors increases, insurers are gradually broadening their coverage to include post-stroke rehabilitation, physiotherapy, and mental health support.

Hospitalisation covered, but recovery remains underinsured



Experts say most health insurance policies in India provide adequate protection for hospitalisation and immediate treatment following a stroke, but coverage for rehabilitation and continued care remains limited. “Health insurance policies in India generally provide robust coverage for acute stroke hospitalisation and immediate treatment, but they may vary in their provisions for post-stroke rehabilitation, physiotherapy, and mental health support,” said Vineet Gupta, Head – Product Development, ManipalCigna Health Insurance.

He recommended that consumers opt for plans offering extended pre- and post-hospitalization coverage of up to 90 or 180 days, and check for add-ons such as home care, outpatient therapy, and tele-consultations. Gupta added that critical illness riders or standalone policies offering a lump-sum payout can help cover long-term recovery expenses.

While the industry is evolving, experts highlight gaps in comprehensive post-stroke care. “Coverage for extended rehabilitation, physiotherapy, and mental health support is often limited or available only under specific benefits,” said G Srinivasan, MD & CEO, Galaxy Health Insurance. He noted that consumers should check whether policies explicitly include physiotherapy sessions, outpatient options, and mental health support.

Srinivasan added that insurers are now introducing rehabilitation add-ons and home care benefits, along with critical illness covers that provide financial flexibility during prolonged recovery.

Insurers broaden product features

Some insurers are expanding their offerings to better address the long-term needs of stroke survivors. “A limited number of comprehensive policies extend their coverage to include home physiotherapy, rehabilitation sessions, psychological counseling, and home care services,” said Dinesh Mosamkar, Senior Vice President – Consumer Underwriting, TATA AIG General Insurance. He added that benefit-based products providing lump-sum payouts for strokes leading to permanent symptoms can support income protection and home-based recovery. Mosamkar said insurers are also adding features such as home physiotherapy, AYUSH-based recovery, and longer post-hospitalisation benefits.

(The writers is Anshul.)

TOP

'AQI load': Will your health insurance now pay the price for polluted air? – India Today- 28th October2025

Arun Mehta, 34, a sales manager in New Delhi, recently faced the prospect of an ‘AQI (Air Quality Index) load’ on the renewal of his individual health policy—an illustrative 12 per cent surcharge reasoned as necessitated by the national capital’s persistently hazardous air.

The hike mirrored proposals now under discussion among Indian insurers to charge Delhi residents 10-15 per cent more for new health policies because of a spike in pollution-linked respiratory and cardiac claims; although regulators would need to approve such city-based pricing.

This perhaps is climate-health pricing in action. Insurers say toxic air is pushing up hospital admissions for asthma, chronic obstructive pulmonary disease (COPD) and heart disease in Delhi. An analysis by Medi Assist and BCG suggests respiratory illness claims rose 8.3 per cent between FY23 and FY25—data companies are using to justify differentiated pricing by geography.

If approved, the precedent could expand to other polluted cities. The risk, of course, is affordability: India already faces double-digit medical inflation, and the government is exploring tighter oversight of the National Health Claims Exchange to curb overcharging by hospitals, which feeds higher health insurance premiums.

Alongside premium ‘loads’, the market is also packaging climate-sensitive disease covers at transparently low ticket sizes—useful for households that cannot afford huge covers but need targeted protection. For example, top providers such as Health Insurance, HDFC ERGO and Tata AIG now offer special dengue insurance packages, which range from Rs 200 to Rs 500 per year as a premium add-on. These prices sit against typical treatment costs: a single dengue admission can run a hospital bill of Rs 25,000 to Rs 75,000. A very small annual premium for disease-specific protection can avert a painful out-of-pocket hit in peak season.

Heat, another climate stressor, is also entering India’s insurance vocabulary. Recent pilots for heat-wave micro covers—some backed by large carriers—have paid small cash benefits when temperatures breach thresholds, with community programmes reporting Rs 300 annual premiums and triggered payouts during spells of extreme heat. While these are not standard retail health policies, they show how climate perils are being priced into personal risk.

For healthcare, the implications are two-sided. On the one hand, AQI-based loads could make comprehensive covers costlier in polluted metros, pushing families to underinsure or lapse—widening the protection gap. On the other, low-cost, climate-linked riders and disease-specific products blunt immediate shocks from, say, dengue surges or heat spells and may reduce catastrophic spending.

The policy challenge is to allow risk-based pricing that reflects real utilisation data (such as Delhi’s respiratory-claim spike) while ensuring transparency, strong hospital-rate governance and access to affordable base cover so that climate doesn’t become yet another barrier to healthcare.

(The writers is Sonali Acharjee.)

TOP

Health Insurance Claim: Delay in insurance claims at the time of discharge from hospital increases patients' concerns – Moneycontrol - 28th October2025



When purchasing health insurance, everyone expects to receive easy treatment and be discharged from the hospital on time. However, the reality is that while treatment is readily available, hours-long delays in the discharge process have become a new problem for policyholders. Insurance companies often delay approving a patient's claim, forcing the patient to spend an additional 6 to 48 hours in the hospital, increasing treatment costs and mental stress.

Treatment is approved immediately, but payment is delayed.

Insurance companies often grant treatment approval quickly, but the payment process is frequently questioned. Some companies delay claim rejections by citing pre-existing conditions. In such situations, the patient must provide medical reports and documents before their claim is approved. However, the patient still has to pay additional fees for room rent and other expenses.

Why delay even after discharge summary and bill?

Hospitals say generating discharge summaries takes time, but experts question why the process can't be simplified when all reports are already in the system. The biggest delays arise from administrative work and hospital-banking-bureaucratic conflicts. A lack of proper coordination in claim approval is part of the overall problem. There's often a discrepancy between the final bill amount and the initial insurance approval, which contributes to the delay in claim approval.

Longer hospital stays for patients with insurance

It has also been observed that it takes an average of 3.5 hours for uninsured patients to be discharged, while it takes more than 5 hours for insured patients. This is due to outdated hospital IT systems, slow digital processing by insurance companies, and a lack of coordination.

IRDAI regulations and the new NHCX platform

According to Insurance Regulatory and Development Authority of India (IRDAI) regulations, hospitals must approve claims within three hours of receiving the final bill and discharge summary. If there is a delay, insurance companies will be required to cover the extra room rent from their shareholder funds, reducing the financial burden on policyholders. More than 33 insurance companies have now joined the government's NHCX platform, making the claims process faster and more transparent. This new system is expected to provide relief to patients in the future and reduce the stress of insurance claims.

(The writers is Shradha Tulsyan .)

TOP

Excellent hospitals, poor claims': PB Fintech's Alok Bansal says India's insurance system needs urgent attention – Moneycontrol - 26th October2025



PB Fintech Co-founder and Executive Vice Chairman Alok Bansal said that despite India having world-class hospitals and doctors, the experience of customers when making insurance claims remains below par and requires urgent attention. In an interview, Bansal said the country's healthcare delivery and insurance ecosystem needs a fundamental realignment to truly serve consumers. "The service delivery here is claims. The claim experience actually happens in a hospital or a garage, but the way incentives are aligned today, unfortunately, even though we have excellent hospitals and excellent doctors, somewhere from an insurance customer perspective, the experience is subpar, and that needs to be worked on," he said.

The Policybazaar and Paisabazaar parent, PB Fintech, which started as an online insurance marketplace, is now taking a major bet in healthcare through its new vertical PB Healthcare. Bansal said the company is working to build a system that integrates preventive and chronic care with hospitalisation and post-hospitalisation services. In its first major step, PB Healthcare raised \$218 million in a seed round led by US-based venture capital firm General Catalyst, with participation from other investors and PB Fintech itself. The aim is to build an integrated hospital network and technology-enabled care platform. The venture will use the funds to set up four to five hospitals in and around New Delhi by 2027, with a long-term plan to build a 25-30 hospital network across 10 Indian cities. "The aim is that you get customers through a narrow network but give them very wide coverage. When I say wide coverage, it's not just hospitalisation...you start from preventive care, disease management, chronic care management, then hospitalisation and post-hospitalisation as well," he said. He added that PB Fintech plans to use technology and Artificial Intelligence (AI) to improve service delivery and health outcomes.

"We are trying to do everything in-house... there will be a lot of tech involved here, a lot of AI involved here. Let's see, in the next three to five years, we'll either get proven right or wrong," Bansal said. Bansal also highlighted the gaps in India's healthcare capacity. "The number of beds per thousand people that exist in India is much lower than even most of the developing countries," he said. He compared the cost of treatment across countries to show how India, despite being cheaper, still appears expensive for local consumers. "An open-heart surgery in India will be anywhere between Rs 5 to Rs 15 lakh. The same thing in the US might be Rs 2 crore. From an Indian consumer perspective, even Rs 5 to Rs 15 lakh may seem very costly, but the quality of service and quality of treatments and outcomes are actually very good," he said. Bansal welcomed the growing private investment in healthcare, noting that India needs more capital to expand its medical infrastructure.

"India needs a lot of capital infusion into healthcare. If private equity capital is trying to come into healthcare, it's actually good for the country overall," he said. He estimated that India could see "about 30,000-35,000 new beds added in the next three to five years", most of them in tier 1 cities. Bansal said the company's broader goal is to create long-term impact for Indian consumers. "India is a complex country...multiple languages, multiple states, different demographics. You need to solve for maybe a small part of that, and even that will create a huge amount of value for everyone," he said. Bansal also commented on the regulatory environment for fintech firms, calling it largely positive but in need of more room for experimentation. "Our experience in dealing with regulators has always been quite positive... My only one request to the regulators would be that we should allow a lot more experimentation. If you create a rule which is very cumbersome to follow for a very young company, then that experimentation gets killed in the bud," he said.

(The writers are Chandra R Srikanth and Naina Sood .)

TOP

HC order gives hope to bank retirees on GST relief on health insurance - The Hindu Business Line - 26th October 2025

A High Court decision granting interim relief on the applicability of GST for group insurance policies of bank retirees is likely to ease the burden on senior citizens. While the GST Council has not exempted GST on group health insurance policies, a Kerala High Court has passed an interim stay order last week to exempt GST on group policies of retired bankers. The relief granted is not yet permanent and is subject to further Court hearings. Experts note that if upheld permanently and replicated by courts nationwide, it will be a big relief to retired bankers who opt for such group policies. The writ petition was filed by the All India Bank Pensioners & Retirees Confederation and other individuals in relation to the Indian Banks' Association (IBA) group health insurance policy jointly managed by IBA and National Insurance Co.

Around 2 lakh retired bankers opted for this group policy as of last year.

"...there shall be an interim order, directing the respondents to renew the policies of the petitioners for the current year without insisting on GST. However, it is clarified that this shall be subject to further orders to be passed by this Court," Justice Ziyad Rahman said in an order on October 17, with the next hearing set on October 31.

The order directs a group of banks, including Bank of Baroda, Bank of India, Canara Bank, Central Bank of India, Indian Bank, Indian Overseas Bank, and others, to renew the retirees' health insurance without GST. businessline has learnt that after the order, only the public sector bank, Indian Overseas Bank, has issued a circular to its branches to collect Retirees' premium for 2025-26 without GST.

'No action'

Representatives of the All India Bank Pensioners & Retirees Confederation told businessline that there is no action from other banks yet. They have also written to the IBA to issue an advisory on the compliance of the interim order to provide them relief. "The entire premium is paid by us senior citizens and not by banks and hence these should be

given the same GST treatment as individual policies,” they said. Raghavan Ramabadrán, Executive Partner, Lakshikumarán & Sridharán Attorneys, said that the direction by the HC marks “a significant and welcome relief” for the salaried class, especially senior citizens. “While the legal question surrounding the definition of ‘group’, which includes non-employer-employee groups engaged in common economic activities beyond insurance, remains open, the Court’s decision clearly aligns with the broader goal of ensuring affordable insurance coverage,” he said. Another industry source told businessline that while the decision helps uphold the spirit of the Council’s decision to remove GST on insurance, judicial scrutiny should take it account guidance from the GST Council and IRDAI to balance all the aspects. .

Narendra Bharindwal, President, Insurance Brokers Association of India (IBAI), said that though the GST Council’s decision is clear on group policies, from a social equity point of view, extending the waiver to group health renewals for such senior citizens would align with the spirit of the Council’s decision. The MD of a general insurance company said that a court cannot take a call on a policy matter as the decision rests with the Government, but the retired bank employees can request their respective banks to foot the GST component as a gesture of gratitude. With inputs from Shishir Sinha and Naga Sridhar

(The writer is Sindhu Hariharan.)

TOP

How insurers can use ‘material change’ clause to hike your health insurance premium at renewal - The Economic Times - 21st October2025

Have you recently renewed your health insurance policy and the insurer has requested an update on your health status? Has the insurer stated that it can alter the premium and policy terms based on this information? If so, ensure you understand the ‘material change clause’. The clause has been the proverbial needle in the haystack that no one was even looking for. After Beshak.org’s research team stumbled upon it recently during its regular review of health insurance policies, the clause has come to prick the health insurers that are already suffering from a trust deficit among policyholders.

Interestingly, no policyholder has come forward yet, claiming (s) he has faced the clause’s consequences, which insurers are citing in their defence, but this may be because of its recent inclusion. “We’ve been researching for five years and I can say with confidence that this clause is not very old,” says Mahavir Chopra, Founder, Beshak.org. “We’ve found it only in some insurers like SBI General, ICICI Lombard, Zuno and Acko,” he adds. “We haven’t yet seen a major impact as this is a recent addition, but there’s a risk that non-disclosure of new conditions could later be interpreted as fraud, leading to claim rejection or policy cancellation,” says Shilpa Arora, Co-founder & COO, Insurance Samadhan.

Material change clause

This clause, under different names, is common in car, property or home insurance. Still, it has never been included in health insurance because it is in direct conflict with the Insurance Regulatory and Development Authority of India (IRDAI) regulations. The clause in such policies stipulates that if there is any change in the condition of the insured product, which impacts the risk associated with it, the policyholder must inform the insurer. Since the premium is based on the risk profile, the insurer can hike the price depending on the change. In health insurance, this clause refers to any new illness or medical condition that is detected after the policy is purchased and reported to the insurer at the time of renewal. “However, car or home insurance are oneyear policies that require a fresh proposal form every year, wherein you can declare any changes or updates. Health insurance is a long-term policy with lifelong renewability,” says Chopra. However, once the policy has been issued, you are no longer obliged to notify the insurer about any changes in your health condition at any point, including during the renewal of the policy. Neither is the insurer permitted to make any changes in the terms or pricing of the policy based on any new information or claims made. “If your policy has been continuously renewed without any increase in the sum insured, you need not inform the insurer because anything that is diagnosed after buying the policy is deemed covered,” says an expert with a leading general insurer.

What insurers have done

While not all insurers have introduced this clause, those that have incorporated it have done so with minor variations. “One set of insurers has put in the clause, but only asked for information on health changes, without referring to any action based on this information. The second set has said it can make alterations to the policy based on any ‘material change’ in medical condition, which is a cause for concern,” says Chopra. These changes could include restrictions on coverage, increased premiums, claim-based loading, or policy exclusions. However, all insurers that have included this clause have stopped short of outright refusal to renew the policy. This is because it would be a direct violation of IRDAI regulations.

IRDAI regulations

IRDAI regulations state that insurers cannot refuse lifelong renewal of policies, make changes to policy terms, increase premiums based on individual claim experience, or conduct fresh underwriting. "Changes cannot be made on an individual claim experience and have to be uniformly applied to the product with IRDAI approval," says the insurance expert. While lifelong renewability was first mandated by IRDAI in 2012 to counter insurers' refusal to renew policies based on age, subsequently, the 'Master Circular on Health Insurance Business' issued on 29 May 2024, clearly states the following:

- a. A health insurance policy shall be renewable provided the product is not withdrawn, except in case of established fraud, non-disclosure or misrepresentation by the insured.
- b. An insurer shall not deny the renewal on the ground that the policyholder had made a claim(s) in the preceding policy years.
- c. An insurer shall not resort to fresh underwriting unless there is an increase in sum insured.

This means that despite including the clause in the policy, in principle, insurers cannot override IRDAI regulations if policyholders challenge it. "However, once such clauses are filed and approved, they are effectively operational unless the regulator intervenes. This makes it critical for IRDAI to review such filings," says Arora.

Slipping in the clause

Insurers cannot alter the terms and conditions of a policy without the approval of the company's product management committee (mandatorily established by the insurer's board of directors) and the IRDAI. However, the shift from 'file and use' to 'use and file' procedure has opened up several grey areas for insurers to exploit. Introduced in 2022, the 'use and file' system allowed insurers to launch products without prior regulatory approval, replacing the tedious 'file and use' process. "With 'use and file', insurers can make frequent changes, some of which may use grey areas to introduce conditions that may not be in the best long-term interests of the customers," says Chopra.

What can policyholders do?

Since such renewals violate regulatory intent, they are open to legal and regulatory challenges, says Arora. Hence, policyholders can contest the clause and follow the same process as in the case of other grievances. They can first approach the insurer, and if the matter remains unresolved, they can escalate it to IRDAI's Bima Bharosa portal or the Ombudsman. "Avoid unnecessary declarations, unless specifically requested, with justification. If a renewal notice cites 'material change', policyholders should immediately seek clarification. If needed, they can file a grievance, as they have the right to continuity of coverage," says Arora.

(The writer is Riju Mehta .)

[TOP](#)



SURVEY & REPORTS



Zero GST on health insurance fuels 38% surge in demand, says report -The Hindu Business Line- 30th October 2025



The government's move to remove Goods and Services Tax (GST) on health insurance plans has triggered a sharp rise in demand, with the overall uptake for higher health insurance coverage surging by 38 per cent, according to a report by Policybazaar.

The report indicated that individuals are increasingly prioritising financial security against rising healthcare costs and medical emergencies. It stated "Zero GST sparks 38 per cent rise in high-value health plans, demand for add-ons also catches up" According to the report, the average health insurance cover has increased from Rs 13 lakh to Rs 18 lakh, reflecting a growing awareness among consumers about the need for

comprehensive protection rather than minimal coverage.

It also shared that nearly half of health insurance buyers (45 per cent) after the GST exemption are opting for policies in the Rs 15-25 lakh range. Around 24 per cent of customers are selecting coverage between Rs 10-15 lakh, while only 18 per cent continue to prefer lower coverage below Rs 10 lakh.

The Central government, after the GST rate rationalisation meeting, announced a GST exemption on all health and life insurance premiums. The new rule came into effect on September 22, 2025. The exemption was made to make health and life insurance policies more affordable for customers, as they will no longer need to pay GST on insurance premiums.

The report highlighted that millennials and older age groups are driving the surge in higher sum insured (SI) plans. The preference for low coverage has dropped sharply in smaller cities, from 24.1 per cent to 16.8 per cent.

This indicates that even customers in Tier-2 cities are becoming more conscious of healthcare protection. In these smaller cities, the share of customers opting for Rs 15-25 lakh coverage has risen by 10.2 per cent, from 44.1 per cent to 48.6 per cent, showing that the demand for comprehensive plans is expanding beyond metros.

Another notable trend is the growing popularity of add-ons such as Day-1 Pre-Existing Disease (PED) and critical illness coverage, which are gaining strong traction among buyers seeking enhanced financial protection. Interestingly, the report also noted an 11.54 per cent increase in high sum insured plans among elderly customers aged 61 to 75 and above 75 years.

This, as per the report, reflects a significant change in mindset among senior citizens, who are now opting for broader coverage to safeguard themselves from rising medical expenses. Many individuals in smaller towns are also choosing to secure higher sum insured policies early to ensure better coverage before they face age-related or pre-existing health conditions.

Overall, the report highlighted a growing shift in consumer behaviour, Indians are increasingly aware of the importance of adequate health coverage, and the zero-GST policy has acted as a major catalyst in encouraging people across age groups and geographies to invest in comprehensive health insurance plans.

(The writer is George Mathew.)

[TOP](#)

Public sector insurers increase market share in first half of FY26 - Indian Express - 21st October 2025

On a year-to-date (YTD) basis, private insurers' share declined to 63.8 percent as of September 2025 from 66.3 percent a year earlier, while public sector insurers' share improved to 31.7 percent from 30.8 percent in September 2024, indicating a gradual strengthening of their market position, said a CareEdge Ratings report. Government-owned New India Assurance increased its market share to 13.25 percent at Rs 21,884 crore in the half-year ended September 2025 from 12.60 percent in the same period a year ago. Oriental Insurance pushed up its share to 6.83 percent from 6.53 percent and United India Insurance to 6.62 percent from 6.54 percent, data from General Insurance Council showed.

On the other hand, private sector ICICI Lombard's market share came down to 8.68 per cent in the half-year ended September 2025 as against 9.36 per cent a year ago. Star Health Insurance witnessed a decline in market share at 4.88 per cent as against 5.08 per cent a year ago. HDFC Ergo share came down to 4.47 per cent from 5.77 per cent in the previous six-month period. The overall growth in non-life sector in the six-month period ended September 2025 was 7.31 per cent at Rs 1,65,156 crore as against a growth of 7.03 per cent a year ago, according to GI Council data.

Meanwhile, the non-life insurance sector experienced a rebound, with a 13.2 per cent year-on-year growth in the month of September 2025 compared to a 6.5 per cent decline in September 2024 and 1.6 per cent growth in August 2025. While premium collections reached Rs 31,117.6 crore, the overall growth was supported by stronger renewals in core segments like motor, crop, fire, and engineering, coupled with rising demand in specialised lines and personal accident insurance, according to latest figures.

"The recent GST reductions are likely to enhance affordability, boost policy sales, improve compliance, and increase penetration. Overall, the sector's trajectory will be shaped by a combination of competition, regulatory developments and global economic uncertainties," said Priyesh Ruparelia, director, CareEdge Ratings.

GST cut, 1/n rule impact

Health insurance remained the largest segment within the non-life insurance industry, posting a 6.9 per cent growth in September 2025, largely supported by stronger performance in the other category and the effect of the GST rate cut in individual health policies. However, overall growth momentum has moderated due to the impact of the 1/n rule and affordability pressures from rising premiums. The 1/n rule in insurance refers to an accounting approach for long-term non-life insurance contracts, where premium income is recognised evenly over the policy's duration rather than as a lump sum upfront.

The retail health segment grew the fastest in September 2025, driven by GST rate cuts, policy renewals and improved penetration amid rising medical inflation. However, growth moderated to 7.3 per cent, down from 18.2 per cent in the

same period last year. Group health insurance growth moderated to 7.9 per cent in YTD FY26, down from the 11.5 per cent pace seen in YTD FY25. "The deceleration is partly linked to the 1/n rule and further exacerbated by rising medical inflation, which has pushed premiums higher and weighed on affordability," CareEdge said in a report.

Entry of SAHIs

Standalone health insurers (SAHIs) remain concentrated in the retail segment, whereas general insurers continue to dominate the group business. With new SAHIs set to enter the market, competitive intensity is expected to rise over the medium term, CareEdge said in the report.

The recent reduction in GST on health insurance has lowered the overall cost for policyholders, making products more affordable and supporting stronger demand. Insurers are likely experiencing higher new business premiums and improved penetration, particularly in retail segments. The reduced tax burden also helps enhance customer retention, as renewal premiums have become relatively more economical, contributing to sustained growth in the health insurance segment.

Specialised insurers witnessed a significant rebound in September 2025, with premiums surging 261.5 per cent year-on-year, a strong reversal from the steep 61.8 per cent contraction recorded in September 2024. This increase was primarily driven by a low base effect, coupled with higher renewals and increased uptake in credit guarantee insurance, it said.

On a YTD basis, the segment has returned to positive growth, rising by 66.4 per cent compared to a 27.9 per cent decline in the corresponding period of FY25, reflecting renewed momentum and business recovery across specialised lines.

SAHIs saw a marked slowdown in growth, with premiums rising just 3.1 per cent y-o-y in September 2025, significantly lower than the 25.9 per cent growth recorded in the same month last year. This moderation is likely attributable to higher premiums, impacting affordability and new business inflows.

(The writer is George Mathew.)

TOP



INSURANCE CASES



Court junks LIC's 'non-disclosure' claim, orders Rs 12 lakh payout - The Times of India - 24th October 2025

RAJKOT: A consumer court in Gujarat's Jamnagar has directed LIC of India to pay Rs 12 lakh with 6% interest to a policyholder whose husband died of a heart attack in 2022. The court also ordered LIC to pay Rs 5,000 as compensation for mental harassment and Rs 3,000 towards legal expenses, holding that rejection of the claim amounted to "deficiency in service." According to the complaint, Bharat Sheth died on Nov 16, 2022. He had two LIC policies worth a total of Rs 12 lakh, both issued on Nov 15, 2019. LIC rejected the claim of his widow, Neha Sheth stating that the policy had not completed three years and that the deceased had allegedly concealed information about being diabetic. Neha contended that her husband had held multiple LIC policies and had undergone LIC's medical tests before issuance, which did not indicate diabetes. She argued that any mention of diabetes in hospital records may have been due to side effects of medication during treatment for brain tumour. Court noted that LIC's own records showed no pre-existing illness and there was no provision in policy allowing claim rejection based on diabetes. It concluded that LIC had acted unfairly in denying the claim.

(The writer is Nimesh Khakhariya.)

TOP

Insurance company ordered to compensate for wrongful denial of accident claim - The Times of India - 24th October 2025

Ernakulam district consumer disputes redressal commission ordered an insurance company to provide compensation after it wrongfully denied a legitimate claim for accident treatment expenses, citing 'non-disclosure of pre-existing conditions.' The order was issued in response to a complaint by Joy Paulose of Muvattupuzha against Aditya Birla Health Insurance Company. The court found that denying the claim by linking the treatment expenses from the accident to pre-existing conditions was unlawful.

The bench, comprising D B Binu as chairman and V Ramachandran and T N Srividya, stated that this action was against the essence of the insurance contract and Consumer Protection Act. "It is the joint responsibility of the insurance sector

and the legal system to protect the legitimate rights of consumers. The rejection of the claim, despite clear documentation, is unacceptable," the commission observed. The commission ordered the opposing party to pay the insurance claim amount of Rs 81,042 to the complainant with an annual interest of 12%. Additionally, compensation of Rs 30,000 and court costs of Rs 5,000 must be paid within 45 days.

The complainant, who took out an insurance policy on Jan 17, 2024, sustained injuries from an accident on Feb 2, 2024. The injuries were from an accidental fall of 10 feet at his residence, resulting in blunt chest trauma with fractures of the 6th and 7th ribs, mild left pneumothorax, subcutaneous emphysema and a fracture of the fifth metacarpal of the left hand. He was treated at a private hospital in Kolenchery and incurred medical expenses of Rs 81,042 per discharge summary and bills. The complainant sought cashless treatment under the policy, but the opposite party rejected the cashless request and later the claim, alleging nondisclosure of pre-existing ailments.

The complainant contended that the claim arose solely from an accident and was unrelated to any pre-existing disease requiring hospitalisation before policy inception. He submitted that it constituted a deficiency in service and unfair trade practice and has caused financial hardship.

TOP



PENSION



PFRDA chief calls for more awareness, tax support to expand NPS reach – Business Standard - 30th October 2025

Pension Fund Regulatory and Development Authority (PFRDA) Chairperson S Ramann on Thursday said India must focus on improving financial literacy, expanding pension coverage beyond government employees, and reviewing tax incentives under the new regime. In a fireside chat with Business Standard Resident Editor (New Delhi) Vikas Dhoot at the Business Standard BFSI Insight Summit 2025 in Mumbai, Ramann noted that the National Pension System (NPS) has delivered an average annual return of 9.2 per cent over 15 years, but participation remains skewed. "About 75 per cent of total NPS assets are from government subscribers. We need to change that," he said. Setting an ambitious target, he said the goal is to raise non-government NPS subscribers from 10 million to 250-300 million in the next five to six years using various digital platforms.

Need for financial literacy

Ramann said financial literacy will be the key to the wider adoption of products such as pensions, insurance, and mutual funds. He pointed out that financial awareness in India remains largely urban-focused, while smaller towns and semi-rural areas still lack basic financial planning guidance. "There's tremendous aspiration in small towns; people want to grow their wealth and educate their children better," Ramann said. He called for a network of certified financial planners across sectors, supported by minimum certification programmes through institutions like the National Institute of Securities Markets (NISM), to help financial planning reach the grassroots level. He also highlighted the role of bank sakhis and self-help group members, who already serve as trusted intermediaries in rural areas, as key players in spreading financial awareness. With India's strong digital infrastructure and mobile penetration, he said, financial education content can be better targeted to specific groups.

Challenges under new tax regime

The PFRDA chief said the new tax regime has eliminated earlier incentives for NPS subscribers, making it harder to attract new investors. "Nearly 70 per cent of taxpayers are now under the new regime, where NPS tax benefits have disappeared. This is a challenge," he said. He added that globally, pension systems are supported through mandates or tax incentives and often help fund infrastructure and startups. India, he said, could learn from this approach.

A choice between EPFO and NPS

On whether employees should be allowed to choose between the Employees' Provident Fund Organisation (EPFO) and NPS, Ramann said both systems serve different purposes but can coexist and compete. "EPF is a provident fund; it's about accumulation. A pension, on the other hand, covers both accumulation and payout stages," he explained. "Ultimately, it's for individuals to decide which product suits their needs and tax profile best," Ramann said, adding that healthy competition between EPF and NPS will ensure better returns and choices for savers. He said while EPF has historically worked well, "we should have competing products, that's really where we're moving forward." Discussions are underway in the new regulatory forum to bring various pension products under a common framework for better coordination, he said.

Expanding pension fund reach

Asked when Indian pension funds could match global giants like CalPERS and Ontario Teachers' Pension Plan, Ramann said the sector must first expand its base and attract more domestic participation. He said that India needs more homegrown pension funds, particularly in tier-2 and tier-3 cities, and cooperative networks. "We already have the world's best payment systems. By using fully digital and transparent channels, we can safely expand participation and mobilise more domestic savings into pensions," he said.

(The writer is Rishika Agarwal.)

TOP

EPFO may hike EPF wage ceiling to Rs 25,000 per month in upcoming board meeting - The Telegraph- 29th October 2025



The Employees' Provident Fund Organisation (EPFO) is likely to hike its wage ceiling for mandatory inclusion of employees in the Employees' Provident Fund (EPF) and the Employees' Pension Scheme (EPS) to ₹25,000 per month in the coming months, a Moneycontrol report said, quoting sources.

At present, the wage ceiling is ₹15,000 per month. This is the statutory ceiling for mandatory contributions to the EPF and EPS — governed by the EPFO.

Employees who are earning more than ₹15,000 per month — in basic pay — have an option to opt out of these two EPFO schemes. The employers don't have a legal mandate to register

such employees under EPF and EPS.

The EPFO's Central Board of Trustees may take up the issue for discussion in their next meeting — likely to be held in December or January — where a final approval could be given.

"According to an internal assessment of the labour ministry, the ₹10,000 per month increase in the wage ceiling would make social security benefits mandatory for over 10 million more individuals," an official said.

"The labour unions have been seeking a raise (on wage limit) for a long time as monthly salaries of several low or mid-skilled workers in many metro cities are more than 15,000 per month," the person added. "A higher ceiling would make them part of EPFO."

According to the extant rules, both the employer and the employee are required to contribute 12 per cent each of an employee's salary every month. However, the employee's full 12 per cent goes to the EPF account, while the employer's 12 per cent is split between the EPF (3.67 per cent) and the EPS (8.33 per cent).

Officials said that a rise in the wage ceiling would also lead to a sharp rise in EPF and EPS corpus, which would increase the pension payout for employees on retirement, and lead to a higher accumulation of interest credit.

The total corpus of EPFO right now is around ₹26 lakh crore, and the number of active members is around 76 million.

Experts say the proposed increase in the EPF wage ceiling from ₹15,000 to ₹25,000 per month is a progressive step towards expanding social security coverage and aligning the threshold with current wage levels.

It will enable a larger segment of India's workforce to access long-term financial protection and retirement benefits, which have become increasingly relevant amid rising economic volatility, they say.

TOP

Experts say new EPF withdrawal norms as efforts in right direction - The Hindu Business Line - 28th October 2025

New withdrawal norms for retirement fund Employees Provident Fund (EPF) are a step in the right direction, experts at a webinar, organised by businessline on Monday said. However, they felt that promoting the culture of saving through new norms for EPF among younger generation is likely to be challenging. The webinar with expert panel comprising Rajneesh Singh (CEO, Simpli Group), A Balasubramanian (Senior VP, TeamLease Services) and Ramkumar Subramanian (Partner, Grant Thornton Bharat) discussed and decoded the new EPF withdrawal norms. It was moderated by businessline's Associate Editor, Shishir Sinha.

New norms, as approved by Central Board of Trustees (CBT, apex policy making body of EPFO), proposed withdrawal of 75 percent money from total fund (contribution from employee, employer and accrued interest) before superannuation while maintaining 25 percent all the time as minimum balance. If the subscribers remain unemployed for one year, then balance can also be withdrawn at that time. The question that is being asked is — why keep this balance as it is the subscriber and his employer's money.

To answer this, Balasubramanian said: "Of course it's people's money. There is no question about it. But the government also has a responsibility to ensure that good financial habits and some prudence are practiced."

Taking the argument forward, Ramkumar Subarmanian said: "You have youngsters who are dipping into the pockets and the savings for investments etc. There is a concern about whether this money being used in the right way. If you look at the fine print, it is restricting in many ways in terms of how you are able to withdraw." Further, he added that even the young will, in future, require certain funds available at retirement. "This regulation is purely to help people, save for a rainy day," said Subramanian.

However, Rajneesh Singh expressed some concerns. "For this generation, the trend is instant gratification, living on month-on-month. We have a huge task in such a situation. We are trying to regulate in an environment which is wanting more freedom, flexibility... It's a very Catch-22 situation actually," he said. He added that the young generation has little interest in pension. "There is a huge struggle. While we might want a lot of people to come into this so-called a net, I also sense that there is tonnes of resistance," he said.

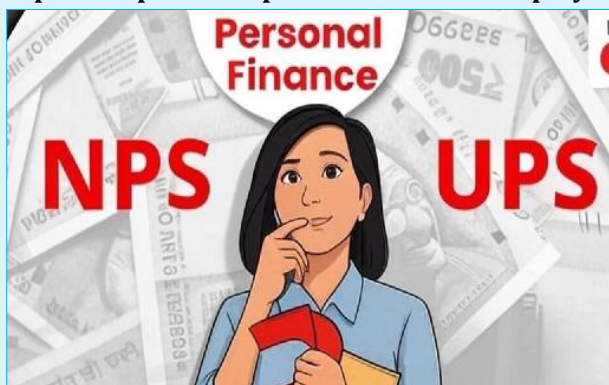
Meanwhile, Balasubramanian hoped that with the new norms in place, the rejection for partial withdrawal, which was as high as 25 percent, may come down. "Hopefully, those cases will get taken care of because now they are saying that for partial withdrawals, you don't need any kind of documentation at all and there'll be an auto settlement that's going to happen. So that should eliminate this aspect of subjectivity," he said.

TOP

Govt expands NPS, UPS options for central employees: LC75 and BLC - Business Standard - 24th October2025

In a move aimed at giving central government employees greater flexibility in retirement planning, the government has approved the extension of LC (Life Cycle) 75 and BLC (Balanced Life Cycle) investment options under both the National Pension System (NPS) and the Unified Pension Scheme (UPS). The decision comes amid rising demand from employees for a broader range of investment choices, similar to those available to non-government subscribers, according to a press statement.

Expanded pension options for central employees



Under the revised framework, employees can now choose from multiple options, including the default option defined by the Pension Fund Regulatory and Development Authority (PFRDA); Scheme G, with 100 percent investment in government securities for low-risk fixed returns; LC-25, with a maximum 25 percent equity allocation tapering from age 35 to 55; LC-50, with up to 50 percent equity allocation tapering from age 35 to 55; BLC, allowing longer equity exposure until age 45; and LC-75, with up to 75 percent equity allocation tapering from age 35 to 55.

More control and protection through glide path mechanism

The move is expected to offer employees more choice and control over their retirement savings. The glide path mechanism ensures that equity exposure gradually reduces with age — 15 per cent for LC-75 and 35 per cent for BLC by age 55 — protecting investors from market volatility as they approach retirement. Officials said the expanded options will help employees align their investments with individual risk-return preferences, making retirement planning more structured and informed.

TOP

Regulator overseeing National Pension System proposes dual valuation of govt bonds - The New Indian Express - 21st October2025

The regulatory body overseeing the National Pension System (NPS) and Atal Pension Yojana (APY) -- Pension Fund Regulatory and Development Authority (PFRDA) -- has proposed to introduce the accrual basis valuation for some government securities (G-Secs), moving away from the current full 'mark-to-market' (MTM) system. The purpose of

the move is to balance investment prudence with a more stable depiction of pension wealth accumulation for subscribers.

In a consultation paper released on Tuesday, the pension regulator has sought input on the optimal percentage of the G-Sec portfolio that should be valued on an accrual basis, suggesting a range between 10% and 60%. The objective is to keep the difference in Net Asset Values (NAVs) minimal between the schemes valued entirely on MTM and those adopting the proposed dual valuation. By valuing a portion of G-Secs—which are often held long-term by pension funds—on an accrual basis, the system intends to better reflect the economic purpose of the investments, says PFRDA in its consultation paper. “This move is ultimately expected to depict a more stable accumulation of pension wealth to subscribers, minimizing the short-term volatility in NAVs caused by market interest rate fluctuations inherent in the pure MTM method,” it stated.

Under the dual valuation model, the G-Sec portfolio would be split into two categories: Held-to-Maturity (HTM) and Available-for-Sale (AFS). The consultation paper asks for criteria to segregate the securities, such as using residual maturity or modified duration, and for rules governing the movement of securities between these two classifications. Under held-to-maturity, securities are typically valued on an accrual basis, reflecting the intent to hold them until maturity. Under AFS, securities are valued on a mark-to-market basis, reflecting current market prices. To maintain the integrity of the scheme and manage the implications of the dual valuation, the paper proposes imposing restrictions on fund outflows. These restrictions would specifically target outflows resulting from subscriber choices and switching between schemes, where the dual valuation method is in place. The paper seeks to establish a specified periodicity for comparing the scheme NAVs calculated using the two different methodologies (full MTM vs. dual valuation). It also asks for the acceptable tolerance limits for the maximum difference in NAVs. Should the difference exceed these limits, the paper mandates the specification of remedial measures, such as recasting unit allocation.

(The writer is Dipak Mondal.)

TOP

PFRDA releases draft framework on pension wealth accumulations - The Hindu Business Line - 21st October 2025

The Pension Fund Regulatory and Development Authority (PFRDA) has released a comprehensive consultation paper which aims to present pension wealth accumulations more clearly to subscribers while ensuring long-term financial stability and economic relevance. The consultation paper is titled ‘Alignment of Valuation Guidelines with the core objectives of Long-only Funds when investing in Government Securities and calculation of Net Asset Value (NAV)’. The framework proposed is part of PFRDA’s ongoing commitment towards improving governance, protecting subscriber interests and contributing for India’s broader financial and infrastructural growth, PFRDA said in a statement on Tuesday.

The Consultation Paper, dated October 17, 2025, proposes adoption of dual valuation framework (‘accrual’ and ‘fair market’) for long dated Government Securities held in NPS/APY to achieve alignment of Align pension fund investments with long-term capital formation, boosting stakeholder confidence by funding productive, long-gestation infrastructure assets, it said.

It proposes to depict stable and simplified pension wealth accumulation to subscribers during the accumulation phase and reduce the impact of short-term interest rate volatility on scheme NAV, since such fluctuations do not materially affect subscribers during the accumulation phase, it said.

PFRDA is seeking feedback on the proposal from all stakeholders, including NPS participants, prospective subscribers, pension funds, industry experts, academia and the general public, it said.

Stakeholders are requested to submit their comments, inputs and feedback on the consultation paper by November 30, 2025, it said.

TOP

Japan's major life insurers shift to higher-yield bonds amid rising JGB yields – Asia Insurance Review

Major life insurers in Japan are reported to be set to swap low-yield domestic bonds for higher-return issues in the second half of the fiscal year ending March 2026. A recent Reuters report said ten unnamed domestic life insurers, collectively managing close to JPY 300tn (\$2tn) as of March, indicated in interviews that larger players are shifting their yen bond strategies towards rebalancing, anticipating a reduction in total holdings.

For context, Japanese government bond (JGB) yields began to surge in late May following weak results at debt auctions due to declining demand. Pressure on the JGB market was also attributed to reduced purchases by the Bank of Japan, as well as concerns over potential fiscal deterioration. The rise in yields prompted insurers to take measures to lower the risk of losses and improve portfolio quality by replacing older, lower-yield bonds. Many insurers have also focused on trimming their domestic equity positions, which had risen to record valuations.

[TOP](#)

Financial protection drives legacy planning priorities across Asia – Asia Insurance Review

Insurance is expected to continue playing a crucial role in legacy planning across Asia, as new research from Sun Life Asia reveals that financial protection remains the cornerstone of how families plan to preserve wealth for future generations, with most respondents fearing their wealth will not last beyond their children's generation. The Building Lasting Legacies in Asia survey found that seven in 10 respondents (70%) view protection to ensure their family's financial security as the most important aspect of legacy planning. This was followed by having a clear and well-communicated estate plan (53%) and building sufficient wealth to pass on to the next generation (48%).

The same study found that nearly two-thirds (60%) fear their wealth may not last beyond their children's generation, while more than half (55%) worry their heirs are not financially equipped to manage inherited assets. Only 31% of respondents expressed confidence that their children would be able to preserve and grow inherited wealth. The survey covered 3,000 respondents across Hong Kong, Indonesia, Malaysia, the Philippines, Singapore, and Vietnam, as Asia undergoes one of the largest intergenerational wealth transfers of the coming decade.

[TOP](#)

Australia: Professional body for doctors support ending of price gouging tactics by insurers – Asia Insurance Review

The Australian Medical Association (AMA) welcomes proposed amendments to legislation to outlaw the price gouging of new customers. This tactic involves insurers closing an existing product offering before opening an almost identical one at a higher price outside the regulated premium round process (called 'phoenixing'), in order to circumvent the requirement for ministerial approval of higher-priced premiums.

In a submission on the proposed amendments, the AMA supports changes that would force insurers to use only the annual premium round to seek approval for the pricing of new products, unless in exceptional circumstances. The AMA argues 'exceptional circumstances' must be clearly defined in legislation to prevent any possibility of insurers finding loopholes to implement product phoenixing. AMA president Danielle McMullen said private health insurers have enjoyed extraordinary profits for many years with few consequences for poor behaviour.

"Private health insurance premiums have outpaced wages and inflation in recent years, all while insurers' management expenses and profits continue to soar," Dr McMullen said. "The widespread practice of phoenixing is a major factor in consumers struggling to access the level of cover that meets their needs, and it is eroding public confidence in the private health system. She also said, "Private hospitals play a vital role, especially as more Australians seek care outside the overwhelmed public sector. But unacceptable conduct from insurers threatens the integrity of our entire healthcare landscape."

Previously in December 2024, health minister Mark Butler described phoenixing as an 'underhanded' and 'sneaky' practice. The AMA also calls for serious penalties to apply for insurers that continue product phoenixing once legislative changes are implemented. "There are just a few insurers that dominate the market in Australia, and given their extraordinary financial resources and profitability, severe penalties must be in place to deter illegal behaviour," Dr McMullen said. Dr McMullen said the issue also highlighted the need for a Private Health System Authority to better regulate the sector and drive long-term reform. "There are multiple bodies involved in regulating the private health sector, and the absence of a coherent approach has clearly been a contributing factor in allowing this practice to go on for far too long," she said.

Taiwan: Regulator releases sales statistics of life insurance industry's foreign-currency - Asia Insurance Review

Taiwan's insurance regulator, the Financial Supervisory Commission, has released the sales statistics of foreign-currency denominated products by the country's life insurance industry as of the end of August 2025. Premium revenues from new foreign-currency denominated policies amounted to around NT\$271.8bn (\$8.9bn), an increase of 42% from NT\$191.8bn year-on-year.

Within these figures, investment-linked insurance products accounted for NT\$42.3bn (approximately 16% of the total), up by 42% from NT\$29.8bn year-on-year. The sales of traditional insurance products totalled NT\$229.5bn (approximately 84% of the total), also a rise of 42% from NT\$162bn year-on-year.

TOP

Singapore: Prudential initiates sustainability projects - Asia Insurance Review

Prudential Singapore has announced a two-year partnership with SG Eco Fund to strengthen climate and health resilience while fostering social inclusion in the community. The partnership also aims to drive greater environmental awareness and community action on sustainability initiatives in Singapore. The partnership extends beyond the gardens. Prudential will integrate environmental sustainability content into its community programmes to educate younger generations, while also engaging its clients and partners to raise awareness of the SG Eco Fund and foster collaboration on sustainability projects.

To kickstart the partnership, Prudential launched the Healthy Harvest initiative with the unveiling of its roof-top edible garden at a community event. Through this initiative, Prudential and the SG Eco Fund aim to achieve measurable community and environmental outcomes. The programme targets the collection of 6,000 kilograms of food waste for composting, the harvesting and distribution of 3,000 kilograms of fresh produce (equivalent to 20,000 food packets), and the engagement of over 120 seniors and persons with disabilities as regular volunteers. Additionally, more than 1,000 participants, including Prudential employees, financial representatives, and customers, will take part in hands-on workshops to learn about sustainable gardening and healthy eating.

Prudential Singapore head of Sustainability Ms Tan Ping Ping said that through this initiative, they want to empower the community to grow their own food, embrace sustainable living, and make healthier lifestyle choices. "As a life and health insurer, we are proud to support initiatives that promote long-term wellbeing. We invite the Telok Blangah residents to join us in cultivating a healthier, more resilient Singapore," she said. The community gardens are part of Prudential's special SG60 community investment to celebrate Singapore's 60th birthday and Prudential's office move to a new office. Following the announcement in June 2025, Prudential will increase its total investment into the community this year from \$880,000 to \$1,000,000. Part of the additional funding will go towards creating more activities at the gardens.

TOP

Japan: Insurers call for fairer and sustainable universal health system - Asia Insurance Review

The Komeito Party's Health Insurance Association Parliamentary Liaison Council (chaired by Tanigai Masaaki, House of Councillors) and the Health, Labor and Welfare Subcommittee (chaired by Hamaji Masakazu, Member of the House of Representatives) received requests from the Health Insurance Association of Japan and other organisations at the House of Representatives Second Members' Building, calling for the establishment of a sustainable universal health insurance system. Executive director Etsuro Ito and other representatives from the Japan Health Insurance Association urged the creation of a system that eases the burden on the working generation while being supported by all age groups.

They emphasised the need to optimise and prioritise insurance benefits, ensure fairness in cost-sharing, develop an efficient medical care delivery system, and advance medical digital transformation (DX).

TOP

Thailand: CIMB outlines three key life insurance trends for next year – Asia Insurance Review

CIMB Thai Bank has outlined its outlook for the life insurance market next year, highlighting three major trends: protection-oriented products, inheritance insurance, and online policy purchases. These trends reflect the growing focus among modern consumers on financial security and long-term asset planning.

The bank's new focus is to emphasize the protection and legacy aspects of life insurance, particularly highlighting inheritance tax planning through whole life policies. "CIMB Thai Bank is moving forward with its wealth management strategy, with the bancassurance business as a key driver of customer value creation. Life insurance is an essential part of long-term wealth planning, especially as Thailand enters an aging society. The demand for financial security and effective wealth transfer will continue to increase. Therefore, the bank is committed to developing products and services that address savings, protection, and inheritance needs, ensuring that all customer groups can securely plan their lives and futures," said CIMB Thai Bank head of affluent and wealth management Phudinan Setthanan, reported local Thai news.

"The volatile global economy, high household debt, and downward trend in interest rates have forced once-popular endowment life insurance products to adjust their returns to reflect market conditions. At the same time, consumers are increasingly prioritizing 'life protection' to address health and economic uncertainties. They are also increasingly interested in inheritance insurance as an inheritance management option that reduces tax burdens and increases asset value over the long term," said CIMB Thai Bank head of bancassurance products Sitang Praditphong.

TOP

New Zealand insurers support rules to make natural hazard information clearer and easier – Asia Insurance Review

The Insurance Council of New Zealand (Te Kahui Inihua o Aotearoa) (ICNZ) is supporting new rules that make natural hazard information in Land Information Memoranda (LIMs) clearer, more consistent and easier for New Zealanders to understand. The new regulations are in place from 17 October 2025 for councils to standardise how hazard information must be summarised and presented in LIMs. It follows the changes made in July 2025 when councils had new obligations when preparing LIMs.

ICNZ chief executive Kris Faafoi said the changes will give property buyers and owners greater confidence when making important decisions about where to live and invest. "Buying a home is one of the biggest financial decisions Kiwis make. Having clear, consistent information about the natural hazard risks that affect a property helps people make informed choices and take steps to protect themselves."

"Understanding your risk is the first step in managing it. These changes mean homeowners can better plan to strengthen, adapt or insure their properties appropriately."

The new approach will also ensure natural hazard information, including the potential impacts of climate change, is summarised and presented in a user-friendly format across all councils. This greater transparency will help people understand the risks that could affect their property, from flooding and landslides to coastal erosion and earthquakes. ICNZ said not only would this better prepare property owners, but understanding risks also empowers individuals to take steps to increase their property's resilience to natural hazard risks and reduce the impacts of natural disasters. "Insurers support the government's aim to improve how natural hazard information is shared, ensuring that everyone, from first-home buyers to long-term owners, has access to clear, consistent data that supports resilience and risk reduction," Mr Faafoi said.

TOP

Bank Negara Malaysia and ministry of health to meet medical community on health insurance – Asia Insurance Review

Malaysian regulator Bank Negara Malaysia (BNM) and the ministry of health (MOH) will soon meet the country's medical community to discuss the government's proposed base medical and health insurance/takaful (MHIT) product. According to media reports this meeting would be virtual and the session will be co-chaired by BNM technical adviser Jessica Chew Cheng Lian and Dr Yap Wei Aun, CEO of the Health Transformation Office at the MOH.

This meeting would be a follow-up of the first engagement session held on 21 May 2025 that provided an overview of the Reset strategy and initiatives and included discussions on the practices of medical and health insurers and private hospitals to manage escalating claims costs. According to a national survey by CodeBlue among more than 850 specialists practising in private hospitals, 99% perceived interference from insurers and takaful operators or third-party administrators with their clinical decision-making. The findings were published in a 200-page report in October 2025. In its initial response to the CodeBlue survey report, Bank Negara said that insurers and takaful operators (ITOs)

and third-party-operators have no authority to “direct” patient care and that ITOs assess medical claims based on “accepted treatment protocols” and “clinical practice guidelines”. Claims must be honoured if treatments are established to be “medically necessary”.

The insurance and takaful industry in a joint response to CodeBlue survey report has said that the CodeBlue’s anonymous survey highlights areas where the insurance and healthcare sectors can collaborate further to enhance service delivery and efficiency for policyholders/certificate holders. The joint statement said the industry’s priority is to ensure that all medical claims are managed fairly, transparently, and efficiently. Insurers and takaful operators are responsible for paying all eligible claims while safeguarding the collective medical claims pool to maintain sustainable premium/contribution rates for consumers. The joint statement said the insurance and takaful industry will continue to engage constructively with all stakeholders through an “all-of-nation” approach to strengthen Malaysia’s private healthcare ecosystem. It said the industry will continue to explore ways to support the nation’s healthcare system as well as According to media reports and CodeBlue the joint statement by the Life Insurance Association of Malaysia, the General Insurance Association of Malaysia, and the Malaysian Takaful Association (MTA), however, completely omitted mention of clinicians’ allegations of payer “interference” with the practice of medicine.

TOP

APAC insurers are using AI extensively despite technological challenges – Asia Insurance Review

A new survey across five key APAC markets has revealed that insurers in APAC are using AI extensively and reaping benefits, yet they are also facing challenges in employing the technology. The survey Use of artificial intelligence is prevalent and yields benefits, but with challenges. conducted by Moody’s Ratings has gathered insights from a total of 21 organisations across five major markets of APAC and includes 12 life insurers and nine P&C insurers. The new report reveals that over 80% of the respondents are using AI and realising benefits — a contrast with the common perception that traditional insurers are not very innovative and usually slow in adopting new technologies. The 9-page report shows that while insurers in APAC are using AI extensively and reaping benefits, they are also facing challenges in employing the technology. The five major markets included in the survey are China, Hong Kong SAR, Japan, Korea and Taiwan.

The key findings of the survey include the following:

Operational efficiency is the most frequently cited benefit, with 81% of respondents reporting more efficiently or increase productivity. 57% have reported enhanced customer experience.

Marketing, sales, and distribution is the top use case

Motor and health insurance are leading product areas for AI adoption, driven by large volumes of data involvement, creating an ideal environment for AI. Chinese insurers have benefitted from AI more extensively than their peers in other parts of APAC.

Most respondents were found to be concerned about data quality and accessibility when using AI, followed by a lack of transparency around AI models and outputs. The survey respondents that have not yet adopted AI cited a shortage of skilled talent and the need for IT system upgrade and technology as obstacles. The insurers also said insurers with legacy systems need to upgrade their IT infrastructure to deploy AI, which involves modernizing outdated technology, ensuring data compatibility and growing technology-related talent pools.

The report also says that the regulations and laws governing AI are evolving rapidly worldwide, as authorities aim to mitigate risks associated with cyber security and AI model governance while encouraging the adoption of the technology. “This dynamic regulatory landscape presents additional challenges for insurers deploying AI. Over the past year, several new regulations and guidelines have been introduced in various APAC markets, necessitating continuous efforts by financial institutions, including insurers, to adapt to these regulations and reinforce the guardrails around AI applications.”

TOP

Australia: Regulator releases response paper regarding GI reinsurance framework updates – Asia Insurance Review

The Australian Prudential Regulation Authority (APRA), Australia’s insurance regulator, has released a response paper outlining refinements to its proposed updates to the general insurance reinsurance framework. The changes aim to facilitate easier access to different forms of reinsurance, including alternative arrangements like insurance-linked securities, while continuing to safeguard policyholder interests.

The paper addresses industry feedback and outlines APRA's revised approach, building on proposals from a consultation that commenced in November 2024. The initiative is part of APRA's objective of "getting the regulatory balance right", which aims to promote financial system safety and stability in an efficient way.

The response paper can be accessed [here](#).

TOP

Thailand: Regulator cracks down on fraudulent insurance applications – Asia Insurance Review

The insurance regulator of Thailand, the Office of the Insurance Commission (OIC), is working with Apple and Google to crack down on fraudulent insurance applications. The OIC will collaborate with both companies to investigate and remove applications from insurance companies, individuals and entities not licensed to operate in Thailand.

The regulator has found cases of foreign juristic persons who do not hold insurance business licenses, or are not licensed to act as insurance agents or brokers under the Life Insurance Act and the General Insurance Act of 1992 (B.E. 2535) and its amendments. These persons have created fraudulent applications claiming to be insurance companies to build credibility and deceive the public into entering into insurance contracts, resulting in public damage. The OIC is taking action to combat cyber threats, including holding discussions with representatives from global technology companies, as well as relevant government agencies.

TOP

Korea: KIRI forecasts sharp drop in insurers' profitability in 2026 – Asia Insurance Review

The Korea Insurance Research Institute (KIRI) has raised concerns over a sharp decline in the domestic insurance industry's profitability next year. Speaking at a seminar titled "Insurance Industry Outlook and Challenges for 2026" on the 21st, KIRI warned that shifts in the business environment- marked by sluggish economic growth, persistently low interest rates, and growing financial market uncertainty are expected to adversely affect insurers, first impacting their financial soundness, then profitability, and eventually their growth potential, reported Industrynews KR.

The institute noted that after a significant deterioration in insurers' financial health in 2024, profitability is projected to weaken further through 2025 and 2026. KIRI cautioned that in the medium to long term, declining soundness and profitability could erode insurers' ability to manage risks and respond to future challenges, potentially dampening overall industry growth. KIRI has projected that the insurance industry's overall premium growth rate will slow to 2.3% next year, marking a 5.1 percentage point drop from this year's estimated 7.4% growth.

According to KIRI's estimates, total insurance premiums in 2026 are expected to reach approximately KRW 265tn. In the life insurance sector, premium income is anticipated to edge up by just 1.0%, supported by ongoing demand for protection-type products, while savings and variable insurance segments are likely to see continued declines. Meanwhile, the non-life insurance sector is forecast to record around 3.5% growth, as the expansion of long-term non-life products slows and automobile insurance maintains its trend of weak growth.

TOP

Two Hong Kong free claim platforms unite to build legal info network – Asia Insurance Review

To help workers, drivers, and accident victims better understand their rights and claim procedures, workinjury.hk and caraccident.hk have announced a strategic partnership. Together, they aim to create Hong Kong's most complete free claim information network covering both work-injury and traffic-accident compensation. The collaboration will feature simple compensation calculators, legal time-limit reminders, and lawyer-reviewed FAQ sections — all designed to provide clear, trustworthy, and accessible information without any intermediary upselling.

"Our goal is to centralize all claim-related information in one credible source," said a spokesperson for WorkInjury.hk. "Many victims miss their compensation deadlines simply because they didn't know the time limits." The two platforms will also continue publishing verified case analyses and updated legal guidelines, inviting legal professionals and labor experts to ensure the information remains accurate and relevant.

TOP

South Korea: Foreigners' healthcare costs in Korea hit record highs, surpassing locals for major illnesses – Asia Insurance Review

Data submitted to the Health Insurance Review and Assessment Service a member of the National Assembly's Health and Welfare Committee revealed that in 2024, health insurance treatment costs for foreigners totalled KRW1.97tn

(\$1.44bn), while benefits reached KRW1.47tn. These figures mark sharp increases of 67.8% and 67.4%, respectively, compared to 2019, when treatment costs stood at KRW1.17tn and benefits at KRW880.6bn.

Health insurance treatment costs and benefits for foreigners have reached all-time highs. Notably, for expensive conditions such as cancer and rare diseases, per-capita medical spending for foreigners has surpassed that of Korean nationals. As of August, this year, treatment costs for foreigners reached KRW1.3909tn, with benefits totalling KRW1.0457tn, suggesting that annual costs could surpass KRW1.5tn. Data from HIRA shows that foreign patients incur higher per-capita medical expenses than Koreans for high-cost conditions such as cancer and rare or severe incurable diseases.

Last year, the average cost of cancer treatment was KRW 5.05m for Koreans compared with KRW 5.79m for foreign patients. For rare and severe incurable diseases, per-capita costs were KRW 6m for Koreans and KRW 6.12m for foreign patients. As treatment costs for high-cost diseases among foreigners surpass those for Korean nationals, the share of total health insurance benefits allocated to foreigners continues to rise. However, the HIRA noted that it is impossible to calculate medical costs by nationality, as it does not collect information on the nationality of foreign patients.

TOP

Nepal: Non-life insurers face US\$39.3m in claims from monsoon disasters – Asia Insurance Review

Non-life insurance companies in Nepal have received claims totalling INR3.26bn (\$39.3m) following widespread damages caused by monsoon-induced disasters on October 4. The heavy rainfall two weeks ago led to significant physical damage across the country.

According to the Nepal Insurance Authority (NIA), insurers recorded a total of 704 claims as of last Thursday. Property insurance accounted for the majority, with 364 claims valued at INR2.70bn.

Engineering and contract risk policies generated liabilities of INR480.04m, while agriculture insurance claims numbered 209, totaling INR43.26m. Vehicle damage claims amounted to 42, with a combined value of INR35.7m.

TOP

Japan: As the society ages, bear attacks rise to a record number – Asia Insurance Review

Even as the Japanese society ages with a rapidly declining birth rate, wild bears are killing a record number of people according to Japanese environment ministry. Two reasons are exacerbating this issue. Climate change has led to a shortage of acorns, which are a staple diet of the bears, hence they move out to the habituated areas in search of food. Secondly, the ageing population does not have very many who can hunt and keep the bear population in check.

Hungry bears are encroaching more into towns where the human population is ageing and dwindling. They attack on the aged and vulnerable section of the society. In addition, the warmer weather is also affecting the hibernation patterns of the animals. The case of brown bears can weigh half a tonne (1,100 pounds) and outrun a human.

The new total of seven deaths in the current fiscal year is described as the largest toll since 2006, when records began to be kept. The financial year 2023-24 had recoded five victims of bear attacks.

More than 100 others have been left with injuries including bites and deep gashes from the bears' sharp claws.

According to a news report Japan has two types of bear: Asian black bears -- also known as moon bears -- and the bigger brown bears that live on the main northern island of Hokkaido. Thousands of the animals are shot every year, although Japan's ageing human population means that the number of hunters is declining.

TOP

New Zealand: National Adaptation Framework will help build climate resilience and keep insurance accessible – Asia Insurance Review

The Insurance Council of New Zealand Te Kahui Inihua o Aotearoa (ICNZ) has welcomed the Government's National Adaptation Framework as an important and necessary first step towards building New Zealand's climate resilience and keeping insurance accessible. ICNZ chief executive Kris Faafoi said the framework provides much-needed direction on how government, councils, the private sector and communities will work together to reduce and manage climate-related risks.

Mr Faafoi said, "The Government's focus on clear roles and responsibilities, better information on natural hazard risks, and investment in risk reduction are all steps in the right direction." "We've seen how damaging and costly severe

2	Role of Consumer Protection Machinery (Court) in Insurance Industry	27-Nov-25	28-Nov-25	ClickHere	Register
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NON-LIFE

Sr. No.	Program Name	Program Start Date	Program End Date	Details	Registration Link
1	Appreciation of International Classification of Diseases (ICD) and Health Insurance (CT-AICD)	18-Nov-25	19-Nov-25	ClickHere	Register
2	Basics of Reinsurance	20-Nov-25	21-Nov-25	ClickHere	Register
3	Cattle Insurance, Live Stock and Pet Insurance and other forms of Rural Insurance	24-Nov-25	25-Nov-25	ClickHere	Register
4	Challenges in Miscellaneous Insurances	25-Nov-25	25-Nov-25	ClickHere	Register
5	Health Insurance : Medical Management and Fraud Control	03-Nov-25	04-Nov-25	ClickHere	Register

INTERNATIONAL

Sr. No.	Program Name	Program Start Date	Program End Date	Details	Registration Link
1	International Program – Technical Excellence in Life Insurance	17-Nov-25	29-Nov-25	ClickHere	

COI TRAINING PROGRAMS - KOLKATA

NON-LIFE

Sr. No.	Program Name	Program Start Date	Program End Date	Details	Registration Link
1	Handling Project & Engineering Insurance - Underwriting and Claims	18-Nov-25	19-Nov-25	ClickHere	Register

COMMON

Sr. No.	Program Name	Program Start Date	Program End Date	Details	Registration Link
1	Work Life Balance(WLB)- Theory, Practice & Outcome	19-Nov-25	19-Nov-25	ClickHere	Register

Please write to college_insurance@iii.org.in for further queries.

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CERTIFICATE COURSES

CC1 - Certificate Course in Life Insurance Marketing

Particulars	Details
Date	12 th July 2025
Duration of the course	4 months
Mode of Teaching	Self-study + 3 days Online Contact Classes
Total hours of Teaching	18 hours for Online Contact Classes (to solve queries)
Exam pattern	MCQ pattern + Assignments
Target Group	Graduate/Post Graduate, Freshers, Employees working in Insurance Companies
Fees for the course	₹ 5,900/- (₹ 5,000/- + 18% GST)

CC2 - Advanced Certificate course in Health Insurance

Particulars	Details
Date	12 th July 2025
Duration of the course	4 months (3 hours on weekends)
Mode of Teaching	Virtual Training – COI, Mumbai
Total hours of Teaching	90 hours
Exam pattern	MCQ pattern
Target Group	Graduate/Post Graduate, Freshers, Employees working in Insurance Companies
Fees for the course	₹ 11,800/- (₹ 10,000/- + 18% GST)

CC3 - Certificate Course in General Insurance	
Particulars	Details
Date	12 th July 2025
Duration of the course	3 months (on weekends)
Mode of Teaching	Virtual Training - COI, Kolkata
Total hours of Teaching	100 hours
Exam pattern	MCQ pattern
Target Group	Fresh Graduates/Post Graduates, Broking Companies, Insurance Companies, Freelancers
Fees for the course	₹ 14,160 /- (₹ 12,000/- + 18% GST)

CC4 - Certificate Course in Investigation and Fraud Detection in Life Insurance	
Particulars	Details
Date	Will be announced soon
Duration of the course	3 Days
Mode of Teaching	Virtual Training sessions
Total hours of Teaching	15 hours for online classes
Exam pattern	MCQ pattern
Target Group	Employees working in Fraud cells/ Claims Department/ Audit functions of the company
Fees for the course	₹ 10,620/- (₹ 9,000/- + 18 % GST)

CC5 - Certificate Course on Application of Artificial Intelligence and Generative AI in Insurance	
Particulars	Details
Date	Will be announced soon
Duration of the course	2 Days
Mode of Teaching	Virtual Training sessions
Total hours of Teaching	06 hours for online classes
Target Group	Insurance Professionals, Data Scientists and Technologists, Product Developers and Underwriters, Sales and Marketing Teams
Fees for the course	₹ 3,540/- (₹ 3,000/- + 18% GST)

Please write to college_insurance@iii.org.in for further queries.

[TOP](#)

Post Graduate Diploma in Collaboration with Mumbai University

Post Graduate Diploma in Health Insurance (PGDHI)	
Particulars	Details
Duration of the course	One Year (2 semesters)
Mode of Teaching	Weekend Sessions – Hybrid mode (Saturdays and Sundays) and Research Project
Eligibility	Graduates in any faculty are eligible. Students appearing in their final year degree examination are also allowed to apply*. Fresher's, working professionals (including medical doctors) in the health insurance sector can join this course to upgrade their professional qualifications, knowledge and for career advancement [*subject to their passing the examination].
Fees for the course	₹45,375/-
Cash Award Prize Scheme	₹15,000/- for the best performing candidate of III-PGDHI
Contact Email id	pgdhi@iii.org.in

Post Graduate Diploma in Insurance Marketing (PGDIM)	
Particulars	Details
Duration of the course	One Year (2 semesters)
Mode of Teaching	Weekend Sessions – Hybrid mode (Saturdays and Sundays) and Research Project

Eligibility	Graduates in any discipline are eligible. Students appearing in their final year degree examination are also allowed to apply*. Fresher, working professionals in life/general insurance sector can join this course to upgrade their professional qualifications, knowledge and for career advancement [* subject to their passing the examination].
Fees for the course	₹45,375/-
Cash Award Prize Scheme	₹15,000/- for the best performing candidate of III-PGDIM
Contact Email id	pgdim@iii.org.in

TOP

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