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LIC Ties-Up With Five Insurance Repositories To Convert Policies Into Digital Form

Insurance behemoth the Life Insurance Corporation (LIC) of India has tied-up with all five insurance repositories in order to comply with the Insurance Regulatory and Development Authority (IRDA) last week.

The insurance regulator had launched a two-month pilot project for Mumbai last month, making it mandatory for all life insurance firms to digitise traditional paper policies a minimum of 1,000 or 5 % of the total individual policies issued. Further, this facility may be extended across the country.



The sector regulator has recently provided insurance repository licence to five companies i.e. – Central Insurance Repository Limited, NSDL Database Management Limited, Karvy Insurance Repository Limited, CAMS Repository Services Limited and SHCIL Projects Limited.

To avail the facilities, policyholders will only need to open an e-insurance account with any of the five insurance repositories. It's free of cost for the policyholders. However, insurance companies will be required to bear the cost with the repositories. This electronic format will enable policyholders to renew policies online. Also, there will be no risk to lose the physical documents.

SBI Life Buys 3.43 Lac Shares Of MCX India @ Rs 830

Private sector life insurance firm SBI Life Insurance Company Ltd, on August 27, bought 3,43,400 shares of Multi Commodity Exchange (MCX) of India @ Rs 830.

Financial Technologies India Limited sold 13,70,000 shares of MCX @ Rs 827.59 on the BSE and sold 11,79,919 shares @ Rs 834.76 on the NSE.



In the previous trading session, the share closed at Rs 856.85, up Rs 41.40, or 5.08 percent. The share touched its 52-week

high Rs 895 on July 21, 2014 and 52-week low Rs 338.30 on August 28, 2013.

SBI Life Insurance Company Ltd is a joint venture between country's largest lender State Bank of India (SBI) and BNP Paribas Cardif, an insurance arm of French bank and financial services company BNP Paribas. SBI holds 74 per cent stakes in the JV and BNP Paribas Cardif, the remaining 26 percent.

Congress To Support Insurance Bill

Long-pending economic reform bill Insurance Laws (Amendment) Bill seeking to raise FDI (foreign direct investment) ceiling in insurance, may get parliamentary nod in the Winter session.

“We are totally in favour of FDI. It is our baby and it was the BJP which was opposed to the bill in 2008. We were given to understand that our bill is going to be passed in the House. But the NDA government has made some substantive amendments to the bill,” Leader of Opposition in Rajya Sabha Mr. Ghulam Nabi Azad told reporters.

“We have recommended that the substantive issues like the FDI, which have been diluted by the FII, along with other issues should be discussed, examined dispassionately and objectively by the Select Committee. The bill can be passed in the Winter session and we will ensure its passage,” he added.

The Insurance Laws (Amendment) Bill was first introduced by the UPA government in 2008, but it could not be taken up in the Rajya Sabha, the Upper House of the Indian Parliament, because of opposition from then main opposition party the BJP.

Modi-led NDA government have made as many as 97 amendments in the original bill proposed by the UPA government. Due to the stiff resistance from as many as 9 parties including the Congress, the bill could not be passed in the Budget session. They were demanding it to refer to a Select Committee of Parliament.

The government agreed to the opposition demand and eventually referred to a Select Committee.

GSB Seva Mandal Ganapati Pandal Insured For Rs 259 Cr

Committee member of the GSB Seva Mandal, Mr. Satish Nayak said, “This year, we have gone for a larger cover as we have taken it for a one kilometre radius from the pandal. This includes cover for all devotees and the deity’s ornaments against terror attacks, accidents, flooding or external damage.”

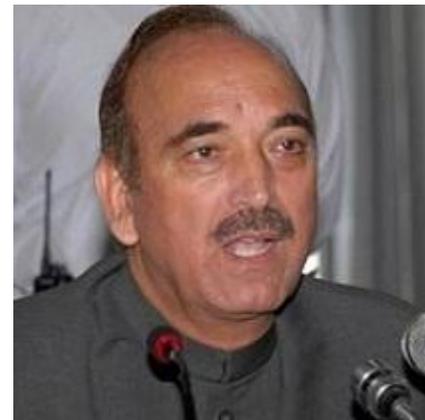


The Ganesh idol at GSB Seva Mandal Ganapati pandal is decked with at least 50 kg of gold.

The popular Ganesh pandal – Lalbaugcha Raja in Lalbaug, has insured for Rs 51 crore by New India Assurance, the cover includes Rs 3.5 crore for the pandal, Rs 10 crore for risks which include food poisoning from prasad, a Rs 7.5 crore cover to insure the idol's jewellery and Rs 30 crore cover that insures security officials, volunteers and local residents.

Ganeshotsav festival, especially in Mumbai, has always been a profitable season for insurance companies.

The 10-days long festival has started on August 29, 2014. It is expected that nearly one crore people from around globe will pour on to Mumbai’s roads for ‘Darshan’.



Government To Provide Insurance Cover Under Jan-Dhan Yojna

Prime Minister Mr. Narendra Modi on Thursday launched ambitious financial inclusion scheme Pradhan Mantri Jan-Dhan Yojna (PMJDY), under which at least one bank account will be opened per Indian household.

Under the scheme, account holders would get a RuPay debit card launched by the National Payments Corporation of India (NPCI) and a personal accident cover of up to Rs 100,000. All those who open account by January 26, 2015, will also get life insurance cover of Rs 30,000.

Cardholders would also get an overdraft facility of up to Rs 5,000.

NPCI has signed a three-year agreement with private general insurer HDFC Ergo to provide personal accident cover to RuPay cardholders; while similar agreement would be signed with country's largest insurer the Life Insurance Corporation (LIC) of India to offer a life cover.

LIC will provide unconditional cover; while HDFC Ergo will provide cover to the cardholders in case of death or permanent disability. As per the agreement between HDFC Ergo and NPCI, a claim will be disposed only if the card is active.

A card will be considered active if the cardholder has swiped it within 45 days of making a claim. However, the NPCI is in talks with HDFC Ergo to improvise the scheme so that the claim can be made if the card was swiped within the preceding 90 days.

PMJDY also aims at curbing corruption as it would facilitate routing of subsidies directly into the accounts of intended beneficiaries, Mr. Modi said.



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