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AEGON Religare Life Wins 'E-Business Leader' Award For Second Consecutive Year

Leading private sector insurer AEGON Religare Life Insurance (ARLI) Company has been conferred with the 'E-Business Leader Award' for the second consecutive year, under the category of Overall Insurance Industry Awards by the Indian Insurance Award in a function held in Mumbai on June 25, 2014.



The jury members were SB Mathur, Former Secretary General, Life Insurance Council; R Krishnamurthy, Senior Advisor, Towers Watson; Mr R Chandrasekaran, Secretary General, General Insurance Council. The E-Business Leader award is given to an insurance company that has deployed the online insurance channel effectively for sales, marketing and lead generation for the business. This also needs to commend an insurance company bringing special focus on this revolutionary distribution model.

Speaking on the occasion, Sri K.S. Gopalakrishnan, Managing Director & Chief Executive Officer at ARLI said, "AEGON Religare Life Insurance is extremely proud and happy to be honoured as the E-Business Leader Award for the second year in a row. As pioneers in the online business in life insurance in this country, it gives me immense pleasure to accept this well-deserved award. It further strengthens our leadership position."

"Introducing India to a digital distribution channel for life insurance was a challenge and I believe ARLI overcame this hurdle by simplifying the buying process and introducing the customers to e-friendly products like 'AEGON Religare iTerm Plan' and 'AEGON Religare iGuarantee Plan'. We wish to keep our focus on the E-Sales distribution channel and further strengthen our online presence", he added.

AEGON Religare Life Insurance (ARLI) Company is a joint venture between AEGON (26%), an international life insurance, pension and investment company; Religare Enterprises Limited (44%), a global financial services group; and Bennett, Coleman & Company (30%), India's largest media.

New India Assurance Pay Rs 220 Cr Dividend To Government For FY' 13

State-run general insurance firm New India Assurance has paid a dividend of Rs 220 crore to the government for the fiscal year which ended on March 31, 2014.

As per an official, Chief Managing Director of New India Assurance Co. Ltd Mr. G. Srinivasan presented a dividend cheque of Rs 220 crore to the Union Finance Minister Mr. Arun Jaitly on Thursday.

The state-owned general insurance companies- New India Assurance, National Insurance Company, United India and Oriental Insurance Company Ltd have jointly registered a growth of 10 % in gross premium during the fiscal year 2013-14 and have projected a 100% increase in the next five years.



Magma HDI General Plans To Launch Prepaid Health-Card

New entrant in the general insurance business in the country, Magma HDI General Insurance is all set to launch a prepaid health card to facilitate payments at OPD (outpatient departments) and day-care facilities of hospitals.



This electronic health card can be used like any other debit or credit card but only in hospitals, the company said. Mr. Swaraj Krishnan, Managing Director and Chief Executive Officer of Magma HDI (MHDI), said, "Pre-paid health card is a step forward from the cashless concept."

"The 'hospital cash facility' or prepaid health card will be linked to the company's upcoming health insurance products in the individual, family and group categories. The amount of cash equivalent in the card will be based on the policy value of the user", Mr. Krishnan said.

The company has applied to the Insurance Regulatory and Development Authority for necessary regulatory approval. It is expected that the product will be available for customers by September this year.

Magma HDI General Insurance is a joint venture between India's Magma Fincorp and Germany's HDI Gerling Industrie Verischerung AG. Magma Fincorp holds 74 per cent stake in the JV, while remaining 26 per cent by HDI Gerling Industrie Verischerung AG.

Insurance Cos To Propose Limited-Liability Third-Party Auto Policies

Seeking permission to issue compulsory third-party (CTP) motor cover with limited liability, general insurance companies have sent a proposal to the government. For the high-risk commercial vehicle segment, an option for additional liability limit covers is proposed, which will provide a sum over and above the basic motor policy.



According to a leading newspaper, the General Insurance Council and non-life insurance companies, led by the industry body, have sent a proposal to the Road Transport and Highways Ministry to consider third-party covers with fixed limits, similar to the pre-determined liability limits for air and train accidents.

The implementation of this model will need an amendment to the Motor Vehicles Act which currently does not stipulate any limit on the liability of vehicle owners. Non-life insurance companies say, due to this law, an increase in claim awards by courts is seen every year.

At present, combined ratios in the motor insurance segment stand at 140-150%, owing to losses in the third-party motor segment. According to an estimate, payouts by insurance companies to individuals for motor third-party related accidents have climbed 15-20%.

Govt To Put Insurance Laws (Amendment) Bill In Parliament Soon

The Union Finance Minister Mr. Arun Jaitley in his maiden budget speech on Thursday announced that the pending Insurance Laws (Amendment) Bill, which proposes to raise the FDI (Foreign Direct Investment) ceiling to 49 per cent from current 26 per cent, will immediately be brought for consideration before Parliament.

This move will help the sector in two ways - First, this help companies access capital more easily, which is huge positive, given that the insurance sector is capital intensive. And second, this could act as a trigger for listing of insurance players, which will provide a better yardstick to value these companies.

In his speech, Mr. Jaitley said benefits of insurance in India have not reached to a large section of the people as insurance penetration and density are very low. He assured that the government would work addressing this situation in multi-pronged manner with support of all stake holders concerned.



The voting rights of foreign stakeholders shall not exceed 26 per cent in the aggregate and the CEO of the said Indian insurance company, to be appointed by its Indian stakeholders, and the majority of the company's directors shall be Indian nationals.

The Insurance Laws (Amendment) Bill was first mooted by the previous Congress-led UPA government, and has been pending in the Rajya Sabha since December 2008, as the BJP didn't support it arguing that raising the FDI ceiling to 49% would expose the sector to global vulnerability.

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