

Consolidated Coverage Dossier

April 2020

Coverage compilation from:

April 1 to April 30, 2020

Coverage compilation on "PNB MetLife India Insurance From April 01, 2020 To April 30, 2020"

No.	Publication/Portal	Headline	Date
1	The Hindu Business Line	How insurers are ensuring business continuity	April 02, 2020
2	The Hindu	Life insurance term plan premium	April 06, 2020
3	Mint	Log in to get insurance without medical tests	April 13, 2020
4	Raj Express	PNB to continue part in two insurance companies	April 13, 2020
5	The Indian Express	PNB to retain stake in two life insurance cos	April 13, 2020
6	Samay Paribartan	PNB to retain stake in two life insurance ventures	April 13, 2020
7	The Times Of India	PNB to retain stake in two life insurance ventures	April 13, 2020
8	Millennium Post	PNB to retain stake in two life insurance ventures as Irdai gives nod	April 13, 2020
9	Hari Bhoomi	PNB will continue with 2 Life Insurance cos	April 13, 2020
10	Business Standard (Hindi)	PNB will maintain stake in 2 Life Insurance firms	April 13, 2020
11	The Hindu Business Line	Will not go below 26% stake in PNB Housing Fin	April 14, 2020
12	The Hindu	Life insurance term plan premium	April 20, 2020
13	The Economic Times Wealth	Why you must not rush for the Ulip settlement option	April 20, 2020
14	Business Standard	Covid crisis: Irdai eases medical insurance process	April 23, 2020
15	The Times Of India	Union Bank to lower stake in IndiaFirst to below 10%	April 27, 2020
16	Dalal Street	Life Insurance Buying Guide For 2020	April 29, 2020
Online			
1	ET CIO	PNB Met Life India Insurance elevates CIO	April 01, 2020

		Samrat Das as new COO	
2	The Economic Times	RevFin gives loan to e-rickshaw customers during Covid-19 crisis	April 01, 2020
3	Moneycontrol	PSBs merger impact: IRDAI extends duration of existing bank-insurance partnerships by a year	April 08, 2020
4	The Economic Times	PNB to retain stake in two life insurance ventures as Irdai gives nod	April 12, 2020
5	Mint	Log in to get insurance without medical tests	April 12, 2020
6	The Hindu Business Line	‘PNB not to go below 26 per cent in PNB Housing Finance’	April 13, 2020
7	Business Standard	Quick approval, grace period: Medical insurance process eased amid Covid-19	April 23, 2020
8	The Economic Times	Insurers to soon offer e-KYC to make buying life insurance policies easier in lockdown	April 25, 2020
9	The Financial Express	Aadhaar eKYC update: Modi govt notifies new entities for Aadhaar authentication service – Check full list	April 25, 2020
10	Hindustan Times	29 insurance, 9 stock firms allowed to perform Aadhaar authentication services	April 25, 2020
11	The Financial Express	Union Bank plans to lower stake in IndiaFirst Life to less than 10 per cent	April 26, 2020
12	Mint	Buying an insurance policy will be easier as govt allows use of Aadhaar for KYC	April 26, 2020
13	The Hans India	Finance Ministry allows 29 insurance, 9 securities entities to use Aadhaar Authentication Services	April 26, 2020
14	Zee News	Insurance, Security agency not to ask for Aadhaar card for KYC	April 26, 2020
15	The Sentinel Assam	Two notifications issued to allow Aadhaar authentication	April 27, 2020

How insurers are ensuring business continuity

KR SRIVATS

New Delhi, April 1

In these trying Covid-19 times, insurers — both life and general insurance companies — are going the extra mile and leveraging technology to ensure business continuity and minimise the impact of the pandemic. They have also been addressing the safety and health concerns of their employees.

Some of the insurance CEOs and top brass with whom *BusinessLine* spoke to highlighted that they had anticipated the lockdown and had prepared for it for business continuity.

"Thankfully, we are one of the few companies that tested our business continuity plans before the lockdown was announced. Customer service is being done by our employees who are working from home. There's also support via call centres and digital tools," Ashish Srivastava, Managing Dir-

ector and CEO, PNB MetLife India Insurance Co, told *BusinessLine*. The lockdown will adversely impact new business revenues, especially when March accounts for 30 to 40 per cent of the annual revenues for PNB MetLife. "This is where the character of the company comes out. Our focus now is on three things — customer service, employee safety, and regulatory compliance. But as it is an unprecedented situation, we as a company have got to deal with it," he said.

Other than online, all channels — bancassurance (banca) and agency — are seeing demand slump. "We have decided to close down all our 107 branches and have asked our employees to work from home," he said.

Special outreach

PNB MetLife has come up with some novel initiatives to provide comfort to its

11,000 employees and stakeholders. Besides video conference calls to team leaders, it also sends voice messages from Srivastava to each employee through WhatsApp and other digital tools

The company advanced the payment of salary to March 27 against the usual date of 31

Srivastava also directed the company training team to use this opportunity to assign learning courses as per the designations of the employees. This is a big opportunity for employees to up-skill themselves from the confines of their homes, he said

Bajaj Allianz General Insurance had devised plans for business continuity quite early on the onset of Covid-19. In the first week of March itself, CEO Tapan Singhel had flagged the possibility of a city shutdown (in Pune) and how the company should prepare for it. "On

March 19 and 20, we conducted a major drill of working from home (none worked from the main office premises in Pune).

"Having done that successfully, it was little easier for us to continue when the lockdown happened. Now, even if 6,000-plus people log in simultaneously, the bandwidth and system are there to take care of it. We had enhanced our bandwidth as IT is a major component of our work-from-home in a secured environment," said Rajiv Kumar, Chief Risk Officer, Bajaj Allianz General Insurance.

Even from a call centre point of view, the digital initiative of customer-facing bots and WhatsApp is helping the company and its customers.

"At least, our customers have not suffered for renewals because our offices are not functional. We are also seeing a flow of new customers, especially for health insurance," he added.

Life insurance term plan premium			
Male: 30 Years, Sum insured- Rs. 1 crore, Cover upto- 70 Years			
Insurance company	Plan name	Maximum cover Up to (Years)	Annual premium (Rs.) (Male)
Aditya Birla Capital	Ultima Term	85	10,270
Aegon Life	iTerm Insurance Plan	100	9,114
Aviva Life Insurance	iTerm Smart	80	9,007
Bajaj Allianz	Smart Protect Goal	99	8010
Bharti AXA	Flexi Term Plan	85	9,440
Canara HSBC OBC Life	iSelect+ Term Plan	99	9,284
Pramerica Life	Flexi e-Term	75	9,403
Edelweiss Tokio Life	Zindagi+ Term Insurance Plan	80	9,309
Exide Life	Smart Term Plan	75	12411*
Future Generali	Flexi Online Term Plan	75	9,427
HDFC Life	Click2Protect 3D Plus	100	12,478
ICICI Prudential	iProtect Smart	99	12,502
India First Life	e-Term Plan	80	8,260
Kotak Life	Kotak e-Term Plan	75	9,558
Max Life	Online Term Plan Plus	85	10,148
PNB Met Life	Mera Term Plan	99	10,148
Reliance Nippon Life	Digi Term	80	11,012
SBI Life	eShield	80	15,070
TATA AIA Life	Sampoorna Raksha	100	9,912

**Exide coverage upto 60 yrs for age 30 yrs* *Source: www.policybazaar.com*

Log in to get insurance without medical tests

Life and health insurers are using alternative evaluation methods during the lockdown

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The threat of getting infected with the covid-19 or the novel coronavirus, which has sent India into a lockdown, has reinforced the importance of having adequate health insurance and life insurance, if you have financial dependants. If you don't already have these two basic covers, don't wait for the lockdown to get over and buy them now. If you are thinking that may not be possible because you would need to undergo medical tests before buying a life or health insurance cover, you need not worry. In order to be able to issue policies in the midst of the lockdown, without meeting customers, insurers have relaxed norms and are adopting alternative evaluation methods instead of relying on medical tests.

Typically, a representative of the insurer visits the applicant to collect blood samples for the required medical tests. Now, insurance companies are looking at credit scores of applicants, using tele-underwriting or relying on health declarations by applicants themselves. "Instead of doing a medical test, both health and life insurers are doing tele-underwriting. Under this, a doctor from the insurance company calls up the customer to understand their medical history and condition," said Santosh Agarwal, chief business officer, life insurance, Policybazaar, an online marketplace for insurance.

Some insurers were already issuing policies using evaluation methods like tele-underwriting but only for a few low-risk products. For life insurers, those with lower covers are low-risk as the claims will be only that much, while for general insurers, high-value covers are low-risk as more claims are likely to be filed in low-value covers. Insurers have lifted such criteria now, and those that had not adopted alternative ways of evaluation are tying up with third-party administrators (TPAs) to offer policies online, added Agarwal.

ALTERNATIVE METHODS
Life insurance: Most life insurers already offer a cover upto ₹50 lakh online. For a cover higher than ₹50 lakh, the applicant needs to go for a mandatory medical screening, which will require a representative to visit the applicant. Amid the lockdown, however, some insurers have raised this limit to ₹2.5 crore. But the policies are issued online depending on many parameters such as income, age, medical history and the current health status of the person.

Also, different insurers have different sum assured limits to issue a policy without medical screening. For instance, PNB MetLife India Insurance Co. Ltd offers a cover of ₹50 lakh without medical tests for young customers. "For some cus-



ISTOCKPHOTO

tomers' profiles, determined on the basis of age, credit score, income, education and occupation, we offer covers of upto ₹2.5 crore with tele-medical consultation. We ask for medical test only if something that requires further investigation comes up in the consultation," said Mohit Gang, head, products, PNB MetLife India Insurance.

The sum assured for a policy issued without a medical test can vary depending on where the company is sourcing customers from—online partners, banking partners or other channels. Some other life insurance companies that are offering a cover of more than ₹50 lakh online include HDFC Life Insurance Co. Ltd, Max Life Insurance Co. Ltd and Tata AIA Life Insurance Co. Ltd.

Health insurance: Medical tests for a health insurance policy, typically, depends on the age of the customer. Medical screening could be mandatory for those above 40 or 60 years of age, depending on the insurer. Many companies are now offering health insurance for those below 60 on the basis of the customers' declarations and tele-underwriting.

After the individual fills up the proposal form online, the case moves to the tele-underwriting team. "Based on the health declarations, a medical professional from the insurance company calls up the customer and tries to understand the current health status and medical and family health history," said Manish Dodeja, head, claims and underwriting, Religare Health Insurance Co. Ltd.

According to Dodeja, in case a customer declares a disease, the medical professional will seek more details pertaining to it. If the customer, for example, declares that he has diabetes, the company representative may enquire how long the customer has had the illness, the medicines he is taking,

other symptoms he has, precautions advised by doctors, and so on.

DO THEY WORK?

Tele-underwriting reduces ambiguity: Direct consultation assures the insurers that the declarations made are genuine. "Many times, people may not understand technical terms for the disease. They may not know, for instance, that hypertension is the technical term for what is colloquially called blood pressure. When a medical professional has a consultation with the customer, such ambiguities are taken care of," said Dodeja.

Sometimes, people are not even aware that they have an ailment, and simply follow a doctor's prescription. The insurance medical professional can take a call on the current health condition on the basis of the prescribed medicine.

Medical tests are not totally reliable: The purpose of pre-acceptance medical screening is to find out whether applicants have any illness at the time of buying the insurance policy. But some insurers feel that these tests may not give a clear picture.

Before issuing the policy, insurers typically do electrocardiogram (ECG) to understand the health of the heart, check blood pressure, and sugar and creatinine levels to know conditions of the kidneys. "Pre-acceptance medical screening only gives insurers a bird's-eye view of a person's health. It does not give detailed information. Despite all the tests, insurers still get claims in the first few months after policy issuance," said Dr S. Prakash, managing director, Star Health and Allied Insurance.

According to him, if ECG is normal, it doesn't mean that the person doesn't have any heart problems. Similarly, a person's blood sugar may be higher or lower, but

the person may still be healthy. Also, if a customer is taking medication, his sugar or blood pressure levels would be normal.

Many insurers also find problems with laboratories to whom they outsource the tests. "We have de-panelled a lot of laboratories for different reasons. There must be about 4,000 labs in the country. Only 10% maintain high standards and have proper accreditation. We often faced problems with labs outside metros, in tier-2 and tier-3 cities," said Prakash.

Credit scores, income levels work for life cover: To decide on the amount of life insurance cover, insurers now look at the credit score of the applicant as one of the parameters. According to industry experts, there's a correlation between credit scores and the lifestyle of an individual. Those with a higher credit score not

only have financial discipline but also have better lifestyle. If an individual is better organized, disciplined, self-conscious, and responsible, then the assumption is that he will also focus on keeping himself fit," said Agarwal.

Insurers are also looking at credit scores to understand the income level of the customer, especially while issuing a high-value cover. There's a correlation between income and mortality—those with higher income typically have lower mortality rates. It also helps insurers decide whether the customer would be able to pay premiums in the future. Most insurers prefer a credit score of 650 or more for salaried and above ₹700 for self-employed individuals.

Insurance is important and the pandemic has brought home the point emphatically. If you are someone who hasn't ticked off this important task yet, buy these covers online as soon as possible. When filling out the form, ensure that you give out the correct details about your health.

दो जीवन बीमा उपक्रमों में हिस्सेदारी कायम रखेगा पीएनबी

नई दिल्ली। सार्वजनिक क्षेत्र का पंजाब नेशनल बैंक पीएनबी दो जीवन बीमा उपक्रमों में अपनी हिस्सेदारी कायम रखेगा। भारतीय बीमा नियामक एवं विकास प्राधिकरण इरडा से बैंक को इसकी मंजूरी मिल गई है। एक अप्रैल ओरियंटल बैंक कॉमर्स ओबीसी के पीएनबी में विलय के बाद ओबीसी की केनरा एचएसबीसी ओबीसी लाइफ में 23 प्रतिशत हिस्सेदारी पीएनबी को स्थानांतरित हो गई है। पीएनबी पहले से यानी 2012 से पीएनबी मेटलाइफ इंश्योरेंस का प्रवर्तक हैं। इसमें उसकी सबसे अधिक 30 प्रतिशत की हिस्सेदारी है। 2001 में गठित कंपनी मेटलाइफ में अमेरिकी की मेटलाइफ की 26 प्रतिशत, एल्प्रो की 21 प्रतिशत और एम पल्लोनजी एंड कंपनी की 18 प्रतिशत हिस्सेदारी है।

PNB to retain stake in two life insurance cos

New Delhi: State-owned Punjab National Bank (PNB) will retain stake in two life insurance ventures as the lender has got permission from Insurance Regulatory and Development Authority of India (Irdai). Following the merger of Oriental Bank of Commerce on April 1 with PNB, 23 per cent of stake of the former in Canara HSBC OBC Life Insurance stands transferred to latter. Already, the state-owned lender is a promoter of PNB Metlife Insurance with the highest stake of 30 per cent since 2012. **PTI**

Irdai gives nod

PNB to retain stake in two life insurance ventures



SP Bureau

New Delhi, Apr 12: State-owned Punjab National Bank (PNB) will retain stake in two life insurance ventures as the lender has got permission from Insurance Regulatory and Development Authority of India (IRDAI). Following the merger of Oriental Bank of Commerce on April 1 with PNB, 23 per cent of stake of the former in Canara HSBC OBC Life Insurance stands transferred to latter. Already, PNB is a promoter of PNB MetLife Insurance with the highest stake of 30 per cent since 2012. Founded in 2001, PNB MetLife's other shareholders include US-based MetLife with 26 per cent, Elpro (21 per cent) and M Pallonji & Company (18 per cent). "At this point of time there is no compulsion to exit. We have spoken to Irdai. There is a continuity. There is a time we will take a decision on that," PNB Managing Director S S Malhotra told when asked if regulation restricts a lender having stake in two life insurers.

"Irdai says there is no regulation to restrict currently. So, both can continue," he added. Further, there is tie up with Life Insurance Corporation of India (LIC) for selling its products through the bank's branches. Rao further said PNB has started focussing on growth post merger and planned a series of capital raising initiatives, including rights issue and FPO, in the third quarter this fiscal. At the moment, the bank is adequately capitalised with the capital adequacy ratio of 14.04 per cent at the end of December 2019, he said. The government provided Rs 16,091 crore to PNB and Rs 1,666 crore to United Bank of India in September for enhancing the capital base of these two lenders. Going forward, Rao said, the bank plans to further infuse capital during the current fiscal, including through follow-on public offer (FPO).

Sharing details of the capital raising plan, Rao said the bank is looking to raise Rs 3,000 crore through additional Tier-1 (AT-1) bonds in the next couple of months. "The board of the bank has already given approval and now we are contemplating approval from the government of India," he said, adding the bank is preparing to raise AT-1 bonds during the first quarter itself. depend-

PNB to retain stake in two life insurance ventures

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Founded in 2001, PNB Metlife's other shareholders include US-based Metlife with 26%, Elpro (21%) and M Pallonji & Company (18%).

"At this point of time there is no compulsion to exit. We have spoken to Irdai. There is a continuity. There is a time we will take a decision on that," PNB managing director S S Mallikarjuna Rao said when asked if regulation restricts a lender having stake in two life insurers.

"Irdai says there is no regulation to restrict currently. So, both can continue," he added. Further, there is tie up with Life Insurance Corporation of India for selling its products through the bank's branches. AGENCIES

PNB to retain stake in two life insurance ventures as Irdai gives nod

NEW DELHI: State-owned Punjab National Bank (PNB) will retain stake in two life insurance ventures as the lender has got permission from Insurance Regulatory and Development Authority of India (IRDAI).

Following the merger of Oriental Bank of Commerce on April 1 with PNB, 23 per cent of stake of the former in Canara HSBC OBC Life Insurance stands transferred to latter.

Already, PNB is a promoter of PNB Metlife Insurance with the highest stake of 30 per cent since 2012. Founded in 2001, PNB Metlife's other shareholders include US-based Metlife with 26 per cent, Elpro (21 per cent) and M Pallonji & Company (18 per cent).

"At this point of time there is no compulsion to exit. We have spoken to Irdai. There is a continuity. There is a time we will take a decision on that," PNB Managing Director SS Mallikarjuna Rao said when asked if regulation restricts a lender having stake in two life insurers.

P11

पीएनबी दो जीवन बीमा उपक्रमों में हिस्सेदारी कायम रखेगा

नई दिल्ली। सार्वजनिक क्षेत्र का पंजाब नेशनल बैंक (पीएनबी) दो जीवन बीमा उपक्रमों में अपनी हिस्सेदारी कायम रखेगा। भारतीय बीमा नियामक एवं विकास प्राधिकरण (इरडा) से बैंक को इसकी मंजूरी मिल गई है। एक अप्रैल ओरियंटल बैंक कॉमर्स (ओबीसी) के पीएनबी में विलय के बाद ओबीसी की केनरा एचएसबीसी ओबीसी लाइफ में 23 प्रतिशत हिस्सेदारी पीएनबी को स्थानांतरित हो गई है।



■ इरडा से बैंक को इसकी मंजूरी मिल गई

पीएनबी पहले से यानी 2012 से पीएनबी मेटलाइफ इंश्योरेंस का प्रवर्तक है। इसमें उसकी सबसे अधिक 30 प्रतिशत की हिस्सेदारी है। 2001 में गठित कंपनी मेटलाइफ में अमेरिकी की मेटलाइफ की 26 प्रतिशत, एलप्रो की 21 प्रतिशत और एम पल्लोनजी एंड कंपनी की 18 प्रतिशत हिस्सेदारी है। पीएनबी के प्रबंध निदेशक एसएस मल्लिकार्जुन राव ने दो बीमा कंपनियों में हिस्सेदारी के बारे में पूछे जाने पर कहा, अभी बाहर निकलने की कोई अनिवार्यता नहीं है।

बैंक का एलआईसी से गठजोड़ भी

हमने इस बारे में इरडा से बात है। इसमें निरंतरता है। समय आने पर हम इस पर निर्णय करेंगे। राव ने बताया, इरडा ने कहा है कि फिलहाल इस पर अंकुश के लिए कोई नियमन नहीं है। ऐसे में हम दोनों में हिस्सेदारी कायम रख सकते हैं। इसके अलावा बैंक का एलआईसी से गठजोड़ भी है।

दो जीवन बीमा फर्मों में हिस्सा बनाए रखेगा पीएनबी

पंजाब नेशनल बैंक (पीएनबी) दो जीवन बीमा उपक्रमों में अपनी हिस्सेदारी बनाए रखेगा। भारतीय बीमा नियामक एवं विकास प्राधिकरण से बैंक को इसकी मंजूरी मिल गई है। 1 अप्रैल ओरियंटल बैंक कॉमर्स (ओबीसी) के पीएनबी में विलय के बाद ओबीसी की केनरा एचएसबीसी ओबीसी लाइफमें 23 फीसदी हिस्सेदारी पीएनबी को हस्तांतरित हो गई है। पीएनबी पहले से यानी 2012 से पीएनबी मेटलाइफ इंश्योरेंस का प्रवर्तक हैं। इसमें उसकी 30 फीसदी हिस्सेदारी है। पीएनबी के प्रबंध निदेशक एस एस मल्लिकार्जुन राव ने दो बीमा कंपनियों में हिस्सेदारी के बारे में पूछे जाने पर कहा कि अभी बाहर निकलने की कोई अनिवार्यता नहीं है। हमने इस बारे में इरडा से बात है। समय आने पर हम इस पर निर्णय करेंगे।

‘Will not go below 26% stake in PNB Housing Fin’

KR SRIVATS

New Delhi, April 13

Punjab National Bank (PNB) wants to continue to hold at least 26 per cent stake in PNB Housing Finance Ltd (PNBHFL) even if the latter were to raise capital to fund growth in the coming days, according to a top official.

“PNB has 32 per cent. We won’t go below 26 per cent. Our brand (PNB) will continue, and in case of requirement, we will not hesitate to support. PNB Housing Finance is a good brand and we would like to take advantage of the brand in the days to come,” Ch SS Mallikarjuna Rao, Managing Director and CEO, told *BusinessLine*.

Rao said that PNBHFL was looking at tapping the market

to raise equity and whenever it does so PNB will not look at any positive divestment. PNB will only look at automatic stake reduction (by not participating in the PNBHFL capital-raising effort), and this reduction will not go below 26 per cent from existing 32 per cent now.

“Strategically, we have asked them (PNBHFL) to go to market only after March results,” he added.

Life insurers

Meanwhile, Rao also said that PNB will continue with its shareholding in both PNB MetLife Insurance as well as Canara HSBC OBC Life Insurance (CHOICE) for the next few years. After its amalgamation with Oriental Bank of



Ch SS Mallikarjuna Rao, MD and CEO, PNB

Commerce (OBC) and United Bank of India from April 1, OBC’s 23 per cent shareholding in CHOICE has been transferred to PNB.

“Right now we are not looking at an exit. We would like to run both the life insurers for the next few years. Both have strong franchise. In the next few days, we will like to sit with them and work out the

business strategy for both of them. At this point, we have no plan to divest stake in both, and there is also no condition from the insurance regulator IRDAI to exit,” said Rao.

It may be recalled that PNB is a promoter shareholder of PNB MetLife and has been holding a stake of 30 per cent since 2012. Already, PNB has a tie up with Life Insurance Corporation for selling the latter’s products through PNB branches.

Rao said that PNB was earlier eyeing a credit growth of 8 per cent in 2020-21, but now in the wake of Covid-19, has reduced its target to 6 per cent growth.

In FY20, the state-owned bank’s advances portfolio grew 4 per cent, he said.

Life insurance term plan premium			
Male: 30 Years, Sum insured- Rs. 1 crore, Cover upto - 70 Years			
Insurance company	Plan name	Maximum cover Up to (Years)	Annual premium (Rs.) (Male)
Aditya Birla Capital	Life Shield Plan	80	12,998
Aegon Life	iTerm Insurance Plan	100	9,114
Bajaj Allianz	Smart Protect Goal	99	8010
Canara HSBC OBC Life	iSelect+ Term Plan	99	9,284
Edelweiss Tokio Life	Zindagi+ Term Insurance Plan	80	9,309
Exide Life Insurance	Smart Term Plan	75	12411*
Future Generali	Flexi Online Term Plan	75	9,427
HDFC Life	Click2Protect 3D Plus	100	12,478
ICICI Prudential	iProtect Smart	99	12,502
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Max Life insurance	Online Term Plan Plus	85	10,148
PNB Met Life	Mera Term Plan	99	10,148
Reliance Nippon Life	Digi Term	80	11,012
SBI Life	eShield	80	15,070
TATA AIA Life	Maha Raksha Supreme	100	12,980

*Exide coverage upto 60 yrs for age 30 yrs

Source: www.policybazaar.com

Why you must not rush for the Ulip settlement option

Weigh factors like liquidity, cost structure, market risks and alternatives available before you opt for it.

By **Narendra Nathan**

One of the biggest disadvantages of unit linked insurance plans (Ulip) is the redemption structure. Though policyholders make payments over several years, maturity proceeds are paid out at one go when the policy matures. If a policy matures during a bear market like the current one, the policyholder makes big losses. On an average, Ulips have lost 23%, 18% and 21% respectively over the last 3, 6 and 12 months. The annualised 5-year NAV returns of the best performing schemes are between 4-5% now. Since insurance companies charge several expenses by deducting the number of units, the actual returns for investors will be lower than this.

To address the concerns of Ulip holders, the Insurance Regulatory and Development Authority of India (Irdai) has introduced a new settlement option that allows investors to receive maturity proceeds in instalments. This is similar to the systematic withdrawal plans (SWPs) of mutual funds. As of now, this option is applicable only for Ulips maturing till 31 May. However, this facility is expected to be extended. So should Ulip investors opt for the new settlement option? Experts advise caution. The following factors need to be considered.

Liquidity

Like any other investments, liquidity needs of the investor is of prime importance. Opt for lump sum redemption if you need money immediately. Staggered payments are okay otherwise. The terms of the new settlement option are restrictive. Payment can be staggered for a maximum 5 years (5 annual instalments, 20 quarterly instalments, 60 monthly instalments, etc). "Since the first instalment starts on policy maturity date, staggering will work only up to 4 years for investors who opt for annual instalments. Go for monthly options if you want to stagger it further," says Vivek Jain, Head - Investments, Policybazaar.com. Decide on the instalment tenor at the onset as no changes will be allowed later. For those who may face a cash crunch later, Irdai will allow withdrawal of all remaining units at one go, and not any specific amount.

Emotional issues

Most policyholders bought Ulips without realising that these are market linked products with associated risks. Such investors, though familiar with low returns from endowment policies, would be shocked if they receive less than what they have paid as premium. "Investors should have the maturity to book losses. However, if they are not emotionally ready to accept the loss, let

them continue with it," says Melvin Joseph, Founder, Finvin Financial Planners.

Market risk

Though this facility is being given to all Ulip holders, it is meant for those who have invested in equity options. Investors in debt or money market options can stick to one-time withdrawal. Equity Ulip holders opting for the settlement option should understand they will continue to bear the market risk. "The stock market may fall further and if that happens, future redemption proceeds will be lower," says Jain.

Other options

Instead of continuing with an Ulip, you can also redeem and invest the money elsewhere. This will not impact your overall portfolio allocation because you are selling one equity scheme at a lower price and getting into another scheme also at a lower price. However, do consider tax advantages under Section 10(10D) offered to



GETTY IMAGES

The best performing Ulip schemes in the past 5 years

Scheme	RETURNS (%)				
	3-month	6-month	1-year	3-year	5-year
Tata AIA Life Whole Life Aggressive Growth	-18.11	-12.26	-10.00	3.55	5.49
Bharti AXA Grow Money Plus	-19.68	-13.95	-13.45	3.26	4.68
HDFC Diversified Equity Fund	-23.98	-18.90	-19.61	0.82	4.45
Tata AIA Life Whole Life Mid Cap Equity	-19.79	-11.64	-13.69	-1.41	4.23
PNB MetLife Virtue II	-13.77	-8.81	-10.10	3.05	3.93

The worst performing Ulip schemes in the past 5 years

Scheme	RETURNS (%)				
	3-month	6-month	1-year	3-year	5-year
ICI Prudential Life Growth	-27.65	-22.21	-24.83	-7.16	-3.85
IDBI Federal Midcap	-28.61	-19.31	-30.30	-9.46	-3.01
Shriram Life Maximus Gold	-19.71	-17.55	-19.82	-6.82	-2.21
Aditya Birla Sun Life Insu. Value & Momentum	-26.41	-20.76	-29.05	-12.65	-2.00
Future Generali Future Opportunity	-29.62	-24.33	-27.95	-5.35	-1.67

Source: Value Research; Data as on 15 April. Note: Absolute returns for 3 months & 6 months; CAGR for other periods; Sorted on 5-year returns.

Ulips. Future capital gains will be tax free in Ulips, but the same will be taxed at 10% for equity mutual funds. Secondly, returns from Ulips are tax free and losses from Ulips can't be set off against other gains. Wait for the money to come back to green before selling.

Cost structure

This is important because maturing Ulips may be from different time periods. The rule is simple—redeem if the cost structure is high and continue if the cost structure is low. Refer to policy documents to get the exact cost structure. "Cost structure

of new Ulips—the ones coming up for redemption after 5 years of holding—is low. However, the cost structure of Ulips coming up for redemption after 10 or 15 years of holding, is high," says Abhishek Mishra, CEO, Bonanza Insurance. Since there is no policy allocation charges (no new investments) or mortality charges (no insurance cover during settlement period) during the extension period, the cost will be the asset management charges—1.35% for most insurance companies for equity schemes. While 1.35% is low compared to regular plans of mutual funds, it is comparable to that of direct plans.

Switching facility

Intermediate switching between asset classes, without any tax incidence, is one advantage offered by Ulips. However, investors should check whether their insurance company is giving this facility at the time of extension. If you are an active investor and your insurance company is not offering switches in the middle, it is better to redeem and invest the money somewhere else.

Please send your feedback to etwealth@timesgroup.com

Covid crisis: Irdai eases medical insurance process

Use instalments to increase cover; benefit from quick approvals

SANJAY KUMAR SINGH

The Covid-19 pandemic has brought home the significance of health and life insurance like nothing else earlier. Even those who were blasé about these covers in the past are now looking to buy a new policy or want to enhance the sum insured on their existing ones. Meanwhile, the Insurance Regulatory and Development Authority of India (IRDAI) has been issuing a slew of guidelines to health/general and life insurance companies aimed at easing matters for customers.

MEDICAL INSURANCE:

Pay health insurance premiums in instalments: Through a circular dated April 20, 2020, the regulator has permitted companies offering health insurance to allow customers to pay their premiums in instalments. With many customers expected to face financial hardships amid the lockdown, this step will ease customers' burden. "It is an attempt to provide an affordable option to customers, and encourage more people to buy health insurance," says Prasun Sikdar, managing director and chief executive officer (CEO), ManipalCigna Health Insurance.

Some insurers will charge the same premium under all options. "The premium amount will remain the same irrespective of the mode of payment," says S. Prakash, managing director, Star Health and Allied Insurance. Brokers, however, inform that some com-



ILLUSTRATION: AJAY MOHANTY

panies may charge you an extra amount if you go for any option other than annual. The burden of paying the premium does get eased in a frequent-payment option. "In some Covid-19 cases, treatment costs have gone as high as ₹14-15 lakh due to accompanying complications. If the sum insured on your family floater is not adequate, use the monthly payment option to enhance your cover," suggests Amit Chhabra, business head, health insurance, Policybazaar.com.

Approval within two hours: At the time of admission, patients sometimes have to wait for a long time before the insurer gives its pre-treatment. IRDAI has directed insurers to give it within two hours (the same limit applies

SUPER TOP-UPS ARE COST-EFFECTIVE

Insurer	Plan Name	Premium (₹)*	Premium (₹)**
Religare Health Insurance	Enhance	2,398	2,919
Royal Sundaram	LIFELINE SUPREME (STU)	4,055	NA
Manipal Cigna	PROHEALTH - PROTECT	5,360	7,021
Liberty General	SUPRA SUPER TOPUP (I)	391	459

*For 10 lakh additional cover; **for ₹20 additional cover. Premium rates are for a 35-year-old male with a base cover of ₹10 lakh. Deductible ₹10 Lakh. Source: Policybazaar.com

at the time of discharge). IRDAI had also said earlier that Covid-19 cases should be treated on a priority basis and before any claim for this ailment is rejected, it should be reviewed by the claims review committee (a high-level committee) of the insurer. IRDAI has also asked insurers to simplify procedures, which means they should not ask for too many documents or conduct

time-taking checks.

Thirty days' grace period: Most health policies offer a grace period of 30 days for payment of renewal premium. Now, IRDAI has offered an additional grace period of 30 days, so that customers who use offline payment modes like cheques are able to pay once the lockdown ends. "Both continuity of cover and continuity of benefits will be available to customers if they pay within the grace period," says Prakash.

Health policies have a waiting period for pre-existing diseases (PEDs) ranging from two-four years. If you fail to renew within the grace period, you will have to buy a new policy and the waiting period for PEDs will begin all over again.

LIFE INSURANCE

Claims procedure simplified:

The regulator has also asked insurers to simplify the claims process for Covid-19 deaths. "If the claim form states that a death took place due to Covid-19, we will not ask for additional documents. We will process the claim based on just a death certificate or a hospital document," says Anil. Normally, insurers ask for treatment records, and sometimes they investigate cases.

More time to pay premium:

A 30-day grace period has been extended to life insurance customers too. Life insurers offer a 15-day grace period in the monthly payment mode and a 30-day grace period in other modes. Now, the effective grace period becomes 45-60 days.

If you fail to pay the premium within the grace period, you can revive the policy within the next six months by paying the premium outstanding and the interest charge (sometimes waived by insurers). If even this period has elapsed, you will have to undergo fresh medical check-ups.

Grace period for settlement in Ulips:

In all unit-linked insurance plans (Ulips) that mature by May 31, 2020, the regulator has asked insurers to give customers the settlement option. Instead of receiving the fund value as a lump sum, they can receive it over five years, with a minimum 20 per cent payout at the end of each year. "This option has to be provided irrespective of whether this feature was originally available in a Ulip product," says Anil PM, head-legal and compliance, Bajaj Allianz Life. If, after a couple of years, customers wish to withdraw the balance as a lump sum, they can do so. "The net asset values (NAVs) of Ulips and their fund values have seen steep erosion in this market correction. If customers avail of this extension, the markets will hopefully recover after some time and their fund value will be protected," says Mohit Garg, head of products, PNB MetLife Insurance.

Customers who don't need the money urgently may go for this option. Besides recouping a part of their fund value, they will get a tax-free income stream. "If the cover is at least 10 times the premium, then even the settlement payouts will be tax-free," says Sanjay Tiwari, director-strategy, Exide Life Insurance.



"If the health policy is renewed within the grace period, which amounts to 60 days altogether now, customers will enjoy continuity of cover and continuity of benefits"

S PRAKASH

MD, Star Health and Allied Insurance

Union Bank to lower stake in IndiaFirst to below 10%

New Delhi: Union Bank of India, which received 30% stake in insurance joint venture (JV) IndiaFirst Life Insurance by virtue of the mega bank consolidation exercise of the government, plans to pare its holding to less than 10%, a senior official said.

Union Bank received the stake after Andhra Bank was merged with the Mumbai-based lender, effective April 1. As per guidelines of the Insurance Regulatory and Development Authority of India (IRDAI), one promoter cannot hold more than 10% stake in two insurance ventures.

Union Bank also holds 25.10% equity stake in Star Union Dai-ichi Life Insurance, with the other partners being Bank of India and Dai-ichi Life Holdings of Japan.

“We will continue the process started by erstwhile Andhra Bank to divest the stake to bring it below 10 per cent,” Union Bank of India managing director and CEO Rajkiran Rai G said. Last ye-

Union Bank also holds 25.10% equity stake in Star Union Dai-ichi Life Insurance, with the other partners being Bank of India and Dai-ichi Life of Japan

ar, Andhra Bank had initiated the process for selling its part or full stake in the insurance venture with Bank of Baroda (44% stake) and Carmel Point Investments, owned by Warburg Pincus, holding the remaining 26%.

Both the insurance ventures are doing well and the valuation is going to improve further, he said, adding the stake sale will happen at opportune time and at good valuation.

As per the government's mega consolidation plan, 10 state-owned banks were merged into four to create global size lenders, beginning April 1.

Besides Andhra Bank,



Corporation Bank was also merged with Union Bank.

United Bank of India and Oriental Bank of Commerce were merged with Punjab National Bank; Syndicate Bank was merged with Canara Bank; and Allahabad Bank was amalgamated with Indian Bank.

The merger of Oriental Bank of Commerce with PNB resulted in transfer of 23 per cent stake in Canara HSBC OBC Life Insurance to the latter.

This too created a similar situation as that of Union Bank of India, as PNB is a promoter of PNB MetLife Insurance with the highest stake of 30%. AGENCIES

Now to answer the abovementioned question, term insurance costs you less, as compared to traditional insurance. This is because it provides large amount as the sum assured at a lower price. Hence, in case of death of the policyholder, it would help his family to survive in his/her absence. Nowadays, there are variations of term insurance available. For instance, a term insurance plan with a return of premium on maturity, term insurance up to 100 years of age, additional critical illness cover, etc. Thus, instead of further complicating your dependent's life, having a simple plain vanilla term life insurance is much more advisable.

Who should take life insurance?

Generally, people opt for life insurance to get the tax benefit. Yes! Indeed it comes with tax benefit but that should not be the only reason to buy life insurance. Life insurance also proves helpful in supporting your dependents in your absence. Therefore, life insurance should be taken only by those, who have dependents. Here dependents mean, people who are dependent on your income for their survival.

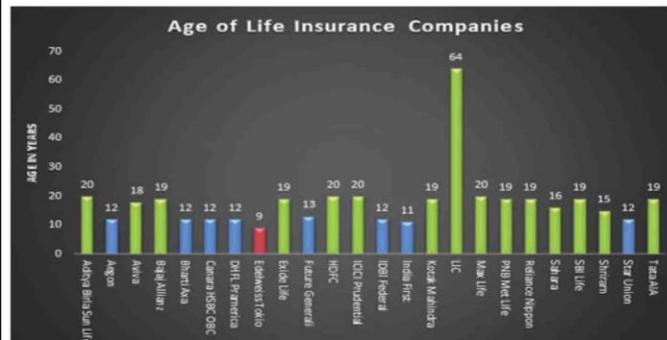
Top three term insurance plans in 2020

Now let's begin our journey towards short listing the top three term insurance plans. So, how are we going to do that? We will run them through the below parameters:

1. Age of the life insurance company
2. Claim Settlement Ratio (CSR)
3. Average claim amount settled
4. Premium

Age of the life insurance company

Age of the company is important as it gives you an assurance about its survival in the future. The company which is at least 15 years old is comfortable enough to consider. The below graph shows you the age of life insurance companies:



As we can see from the above graph that only 15 companies have touched this parameter, so only these are eligible for further analysis.

Claim Settlement Ratio (CSR)

Claim Settlement Ratio is a factor that shows how many claims were settled by the life insurance company as against the number of claims filed. It is calculated by dividing the total number of claims received by the total number of claims settled. As the life insurance contract is long-term in nature, it is important to understand the life insurance company's age and CSR. Below is the list of life insurance companies and its claim settlement ratio for the year 2018-19:

Life Insurer	Total Claims		Total Claims Settled		Total Claims Rejected	
	No. of Policies	Benefit Amount (₹Crore)	No. of Policies (%)	Benefit Amount in ₹Crore (%)	No. of Policies (%)	Benefit Amount in ₹Crore (%)
Aditya Birla Sun Life	5260	306.9	97.15	90.07	2.4	6.73
Aegon	507	79.18	96.45	95.59	3.55	4.41
Aviva	938	93.29	96.06	95.05	3.73	4.62
Bajaj Allianz	12767	390.49	95.01	89.38	4.69	9.48
Bharti Axa	1065	49.16	97.28	95.6	2.07	2.33
Canara HSBC OBC	1006	83.42	94.04	88.81	5.86	10.3
DHFL Pramerica	656	29.73	96.8	87.99	2.9	11.01
Edelweiss Tokio	239	14.21	95.82	94.42	4.18	5.58
Exide Life	3335	85.01	97.03	89.48	2.97	10.52
Future Generali	1157	40.31	95.16	87.25	4.15	10.63
HDFC	12946	627.72	99.04	91.97	0.7	6.41
ICICI Prudential	10826	893.93	98.58	92.47	1.18	5.77
IDBI Federal	1306	57.15	95.79	92.77	3.6	4.56
India First	2242	89.84	92.82	83.43	6.78	14.85
Kotak Mahindra	3038	148.42	97.4	92.15	2.21	5.1
LIC	7,50,950	13503.2	97.79	95.32	0.89	1.49
Max Life	15087	479.46	98.74	94.33	1.24	5.34
PNB Met Life	4170	227.56	96.21	89.62	3.76	10.37
Reliance Nippon	8371	164.97	97.71	93.64	2.25	5.81
Sahara	681	5.88	90.16	87.89	7.49	8.08
SBI Life	19902	763.73	95.03	90.21	4.47	8.69
Shriram	2830	87.92	85.3	75.16	13.32	22.39
Star Union	1258	51.33	96.74	92.07	2.86	7.28
Tata AIA	2700	150.72	99.07	96.12	0.93	3.88

Source: IRDAI Annual Report 2018-19

In the above table, you can see that we have highlighted some of the companies. These are the companies that have CSR of more than 95 per cent. Only four out of 24 companies failed to qualify this parameter. We can see that Tata AIA has made to the top by settling 99.07 per cent claims followed by HDFC and Max Life that settled 99.04 per cent and 98.74 per cent, respectively. LIC seems to be losing its shine in terms of claims settlement. It fell from the first rank to fifth in terms of CSR. Nevertheless, CSR is not the only determining factor.

Average Claim Settlement Amount

CSR sometimes gives a wrong picture. Therefore, you should

Special Report



Life Insurance Buying Guide For 2020

Life insurance is one of the most essential part of your financial wellbeing. DSIJ gives you the definite buying guide of life insurance for the year 2020.

Choosing a life insurance plan has always been one of the most complex decisions that lead us to leave this work on the insurance advisor or the financial planner. However, most of the insurance advisors, if not all of them, sell only those policies that give them the maximum benefit without acknowledging your suitability. Therefore, it is better to do a bit of self-research before opting for any life insurance policies. This article will work as your guiding spirit in buying a suitable life insurance.

As of now, there exist around 24 life insurance companies, which make the task even more difficult for short listing any out of the many options available. In this article, we would try

to find out which are the top three best term insurance plans in 2020. Before starting, it is important to understand what a 'term life insurance' is and why you should opt for it!

What is term life insurance?

It implies to a type of life insurance where in the case of death of the policyholder, during the policy period, the lump sum amount (sum assured) will be received by his/her nominee. However, if the policyholder survives the policy period, then he does not receive anything on maturity. Sad, right? However, this does have its own benefits.

Why buy term life insurance?

Most of you might think that, if the term insurance does not provide anything on maturity then, why opt for it over traditional insurance? To answer this, first we need to understand the basic concept of life insurance. Life insurance is nothing but covering the risk after the loss of life of the policyholder. Therefore, covering the risk of loss is much more important than getting something on maturity.

not get carried away by the high CSR. Along with CSR, you should also check the average claim settlement amount. The below graph shows an average claim amount settled by the life insurance companies:



From the above graph, we can conclude that no doubt, making decision solely based on CSR is not a good idea. HDFC despite having a CSR of 99.04 per cent is highlighted in red with ₹4.5 lakh as an average claim amount settled. The worst is in the case of LIC. Even though its CSR is 97.79 per cent, the average claim amount settled is 1.75 lakh. Therefore, the ones in red indirectly indicate that they mainly settle the claims of traditional insurance plans. Those in green have settled as the highest average claim amount.

Premium

Premium is something that should be your last concern. Below is a list of life insurance companies that are charging reasonable premium for a 30-year-old man who is a non-smoker with income between ₹5 lakh to ₹7 lakh and policy term being 30 years

Life Insurer	Annual Premium (₹)
Aegon	7618
Bajaj Allianz	7798
Aviva	7886
Edelweiss Tokio	8024
Future Generali	8243
Bharti Axa	8850
Canara HSBC OBC	8886
Reliance Nippon	9092
Kotak Mahindra	9322

Life Insurer	Annual Premium (₹)
Max Life	9371
Tata AIA	9440
Aditya Birla Sun Life	9523
PNB Met Life	9590
HDFC	10135
ICICI Prudential	10300
India First	10384

Source: Policy Bazaar

It is to be noted that all the above premiums are for the online term plans and are subject to change depending upon the insurance company.

Final Verdict

Depending upon the age of the life insurer, CSR, average claim amount settled and premium amount, below we have listed the top three term insurance plans:

Life Insurer	Age (in years)	CSR (per cent)	Avg. claim amount settled (₹)	Annual Premium (₹)
Aviva	18	96.06	9,84,106	7886
ICICI Prudential	20	98.58	7,74,547	10300
Tata AIA	19	99.07	5,41,600	9440

Headline : PNB Met Life India Insurance elevates
CIO Samrat Das as new COO

Domain : ET CIO

Date : April 01, 2020

Journalist: Riya Pahuja

<https://cio.economictimes.indiatimes.com/news/corporate-news/pnb-met-life-india-insurance-elevates-cio-samrat-das-as-new-coo/74934591>

Samrat Das, CIO, PNB Met Life India Insurance has been promoted as COO. He is associated with the group since 2016 when he joined as a CIO. He has successfully led various technology and business initiatives for the organisation.

Before joining PNB Met Life India Insurance, Das was the CIO of Tata AIA Life Insurance Company, which he had joined in March 2010.

PNB MetLife is a partnership between leading global life insurance provider MetLife and India's nationalized bank PNB. Present in over 7,000 locations in India, PNB MetLife provides a wide range of life, health and retirement insurance products.

In a career spanning around 20 years, Das has worked as Associate Director – Technology at Fidelity International and as Assistant Vice President – IT at SBI Life Insurance Company. He started his career as a Business Analyst with global pharmaceutical company Pfizer.

Headline : RevFin gives loan to e-rickshaw customers during Covid-19 crisis

Domain : The Economic Times

Date : April 01, 2020

Journalist: ET Online

<https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/revfin-gives-loan-to-e-rickshaw-customers-during-covid-19-crisis/articleshow/74928495.cms>

RevFin is extending help for its e-rickshaw customers by providing a loan of Rs 2100 at 0% to support them during the global crisis. In this the customers can repay the loan in up to eight installments.

The company will allow EMI repayment moratorium up to three months to its customers who have earlier taken loan for e-rickshaw, amidst the lockdown.

RevFin provides loans to individuals and charge them interest on the amount. "We are concerned about the impact of the lockdown on our customers, who are primarily daily wage earners. We are committed to ensuring the financial well-being of our customers and to put their minds at ease during this global crisis," says Sameer Aggarwal, Founder & CEO, RevFin, in a statement.

RevFin had partnered with PNB MetLife to provide protection to the customers through life insurance on their loans.

Headline : PSBs merger impact: IRDAI extends duration of existing bank-insurance partnerships by a year

Domain : Moneycontrol

Date : April 08, 2020

Journalist:

<https://www.moneycontrol.com/news/business/companies/psbs-merger-impact-irdai-extends-duration-of-existing-bank-insurance-partnerships-by-a-year-5123881.html>

Insurance regulator IRDAI has allowed Punjab National Bank, Canara Bank, Indian Bank and Union Bank, who have acquired other banks as part of the public sector bank (PSB) merger process, to continue the existing bancassurance (banks selling insurance) agreements for the next 12 months.

Insurance Regulatory and Development Authority of India (IRDAI) has said that even if the number of bancassurance tie-ups exceed three each in life, non-life and standalone health category, banks can continue with the partnerships for one more year.

Current insurance laws prohibit banks from tying up with more than three insurers in each category (life, non-life and health) to sell policies.

As part of the merger, Oriental Bank of Commerce and United Bank will be merged into Punjab National Bank while

Two banks coming from south – Canara Bank and Syndicate Bank – will be merged.

Andhra Bank and Corporation Bank will be merged into Union Bank. The fourth one will be the consolidation of Indian Bank with Allahabad Bank.

Since the bank merged into larger banks sell insurance products, these partnerships will automatically pass on to the acquirer bank.

Further, the acquirer banks (Punjab National Bank, Canara Bank, Union Bank and Indian Bank) will also receive renewal commissions for the insurance products sold. This is subject to these banks entering into servicing partnerships with the insurance companies.

It is likely that a similar flexibility could be given for banks holding promoter stake in insurance companies.

Clarity is awaited on what happens to banks where there is an insurance joint venture. After the PSB merger, Union Bank will be tagged as promoter of both Star Union Dai-ichi Life Insurance as well as IndiaFirst Life (where Andhra Bank is a promoter). Similarly, Punjab National Bank will be tagged as promoter of both PNB MetLife Insurance and Canara HSBC OBC Life Insurance (where Oriental Bank of Commerce holds stake).

As per insurance laws, one bank cannot hold promoter-level stake (more than 10 percent) in multiple insurers in the same category, be it life, non-life or health.

Headline : PNB to retain stake in two life insurance ventures as Irdai gives nod

Domain : The Economic Times

Date : April 12, 2020

Journalist: PTI

<https://economictimes.indiatimes.com/markets/stocks/news/pnb-to-retain-stake-in-two-life-insurance-ventures-as-irdai-gives-nod/articleshow/75106923.cms>

State-owned Punjab National Bank (PNB) will retain stake in two life insurance ventures as the lender has got permission from Insurance Regulatory and Development Authority of India (IRDAI).

Following the merger of Oriental Bank of Commerce on April 1 with PNB, 23 per cent of stake of the former in Canara HSBC OBC Life Insurance stands transferred to latter.

Already, PNB is a promoter of PNB Metlife Insurance with the highest stake of 30 per cent since 2012.

Founded in 2001, PNB Metlife's other shareholders include US-based Metlife with 26 per cent, Elpro (21 per cent) and M Pallonji & Company (18 per cent).

"At this point of time there is no compulsion to exit. We have spoken to Irdai. There is a continuity. There is a time we will take a decision on that," PNB Managing Director S S Mallikarjuna Rao told PTI when asked if regulation restricts a lender having stake in two life insurers.

"Irdai says there is no regulation to restrict currently. So, both can continue," he added.

Further, there is tie up with Life Insurance Corporation of India (LIC) for selling its products through the bank's branches.

Rao further said PNB has started focussing on growth post merger and planned a series of capital raising initiatives, including rights issue and FPO, in the third quarter this fiscal.

At the moment, the bank is adequately capitalised with the capital adequacy ratio of 14.04 per cent at the end of December 2019, he said.

The government provided Rs 16,091 crore to PNB and Rs 1,666 crore to United Bank of India in September for enhancing the capital base of these two lenders.

Going forward, Rao said, the bank plans to further infuse capital during the current fiscal, including through follow-on public offer (FPO).

Sharing details of the capital raising plan, Rao said the bank is looking to raise Rs 3,000 crore through additional Tier-I (AT-1) bonds in the next couple of months.

"The board of the bank has already given approval and now we are contemplating approval from the government of India," he said, adding the bank is preparing to raise AT-1 bonds during the first quarter itself, depending on how quickly normalcy is restored.

Under the Basel-III norms, AT-1 bonds come with loss absorbency features, meaning that in case of stress, banks can write off such investments or convert them into common equity if approved by the RBI.

AT-1 bonds, which qualify as core or equity capital, are one of the means of raising capital by banks.

In the third quarter of the current fiscal, Rao said, "we are planning to go to the market either of QIP or follow on public offer or for the rights issue".

Headline : Log in to get insurance without medical tests

Domain : Mint

Date : April 12, 2020

Journalist: Tinesh Bhasin

<https://www.livemint.com/money/personal-finance/log-in-to-get-insurance-without-medical-tests-11586715070525.html>

The threat of getting infected with the covid-19 or the novel coronavirus, which has sent India into a lockdown, has reinforced the importance of having adequate health insurance and life insurance, if you have financial dependants. If you don't already have these two basic covers, don't wait for the lockdown to get over and buy them now. If you are thinking that may not be possible because you would need to undergo medical tests before buying a life or health insurance cover, you need not worry. In order to be able to issue policies in the midst of the lockdown, without meeting customers, insurers have relaxed norms and are adopting alternative evaluation methods instead of relying on medical tests.

Typically, a representative of the insurer visits the applicant to collect blood samples for the required medical tests. Now, insurance companies are looking at credit scores of applicants, using tele-underwriting or relying on health declarations by applicants themselves. "Instead of doing a medical test, both health and life insurers are doing tele-underwriting. Under this, a doctor from the insurance company calls up the customer to understand their medical history and condition," said Santosh Agarwal, chief business officer, life insurance, Policybazaar, an online marketplace for insurance.

Some insurers were already issuing policies using evaluation methods like tele-underwriting but only for a few low-risk products. For life insurers, those with lower covers are low-risk as the claims will be only that much, while for general insurers, high-value covers are low-risk as more claims are likely to be filed in low-value covers. Insurers have lifted such criteria now, and those that had not adopted alternative ways of evaluation are tying up with third-party administrators (TPAs) to offer policies online, added Agarwal.

Alternative Methods

Life insurance: Most life insurers already offer a cover up to ₹50 lakh online. For a cover higher than ₹50 lakh, the applicant needs to go for a mandatory medical screening, which will require a representative to visit the applicant. Amid the lockdown, however, some insurers have raised this limit to ₹2.5 crore. But the policies are issued online depending on many parameters such as income, age, medical history and the current health status of the person.

Also, different insurers have different sum assured limits to issue a policy without medical screening. For instance, PNB MetLife India Insurance Co. Ltd offers a cover of ₹50 lakh without medical tests for young customers. "For some customer profiles, determined on the basis of age, credit score, income, education and occupation, we offer covers of up to ₹2.5 crore with tele-medical consultation. We ask for medical test only if something that requires further investigation comes up in the consultation," said Mohit Garg, head, products, PNB Metlife India Insurance.

The sum assured for a policy issued without a medical test can vary depending on where the company is sourcing customers from—online partners, banking partners or other channels.

Some other life insurance companies that are offering a cover of more than ₹50 lakh online include HDFC Life Insurance Co. Ltd, Max Life Insurance Co. Ltd and Tata AIA Life Insurance Co. Ltd.

Health insurance: Medical tests for a health insurance policy, typically, depends on the age of the customer. Medical screening could be mandatory for those above 40 or 60 years of age, depending on

the insurer. Many companies are now offering health insurance for those below 60 on the basis of the customers' declarations and tele-underwriting.

After the individual fills up the proposal form online, the case moves to the tele-underwriting team. "Based on the health declarations, a medical professional from the insurance company calls up the customer and tries to understand the current health status and medical and family health history," said Manish Dodeja, head, claims and underwriting, Religare Health Insurance Co. Ltd.

According to Dodeja, in case a customer declares a disease, the medical professional will seek more details pertaining to it. If the customer, for example, declares that he has diabetes, the company representative may enquire how long the customer has had the illness, the medicines he is taking, other symptoms he has, precautions advised by doctors, and so on.

DO they work?

The alternative evaluation mechanism can help a customer get a policy issued faster.

Tele-underwriting reduces ambiguity: Direct consultation assures the insurers that the declarations made are genuine. "Many times, people may not understand technical terms for the disease. They may not know, for instance, that hypertension is the technical term for what is colloquially called blood pressure. When a medical professional has a consultation with the customer, such ambiguities are taken care of," said Dodeja.

Sometimes, people are not even aware that they have an ailment, and simply follow a doctor's prescription. The insurance medical professional can take a call on the current health condition on the basis of the prescribed medicine.

Medical tests are not totally reliable: The purpose of pre-acceptance medical screening is to find out whether applicants have any illness at the time of buying the insurance policy. But some insurers feel that these tests may not give a clear picture.

Before issuing the policy, insurers typically do electrocardiogram (ECG) to understand the health of the heart, check blood pressure, and sugar and creatinine levels to know conditions of the kidneys. "Pre-acceptance medical screening only gives insurers a bird's eye view of a person's health. It does not give detailed information. Despite all the tests, insurers still get claims in the first few months after policy issuance," said Dr S. Prakash, managing director, Star Health and Allied Insurance.

According to him, if ECG is normal, it doesn't mean that the person doesn't have any heart problems. Similarly, a person's blood sugar may be higher or lower, but the person may still be healthy. Also, if a customer is taking medication, his sugar or blood pressure levels would be normal.

Many insurers also find problems with laboratories to whom they outsource the tests. "We have depanelled a lot of laboratories for different reasons. There must be about 4,000 labs in the country. Only 10% maintain high standards and have proper accreditation. We often faced problems with labs outside metros, in tier-2 and tier-3 cities," said Prakash.

Credit scores, income levels work for life cover: To decide on the amount of life insurance cover, insurers now look at the credit score of the applicant as one of the parameters. According to industry experts, there's a correlation between credit scores and the lifestyle of an individual. Those with a higher credit score not only have financial discipline but also have better lifestyle. If an individual is better organized, disciplined, self-conscious, and responsible, then the assumption is that he will also focus on keeping himself fit," said Agarwal.

Insurers are also looking at credit scores to understand the income level of the customer, especially while issuing a high-value cover. There's a correlation between income and mortality— those with higher income typically have lower mortality rates. It also helps insurers decide whether the customer would be able to pay premiums in the future. Most insurers prefer a credit score of 650 or more for salaried and above 700 for self-employed individuals.

Insurance is important and the pandemic has brought home the point emphatically. If you are someone who hasn't ticked off this important task yet, buy these covers online as soon as possible. When filling out the form, ensure that you give out the correct details about your health.

Headline : 'PNB not to go below 26 per cent in PNB Housing Finance'

Domain : The Hindu Business Line

Date : April 13, 2020

Journalist: KR Srivats

<https://www.thehindubusinessline.com/money-and-banking/pnb-not-to-go-below-26-per-cent-in-pnb-housing-finance/article31331399.ece>

Punjab National Bank (PNB) wants to continue to hold at least 26 per cent stake in PNB Housing Finance Ltd (PNBHFL) even if the latter were to raise capital to fund growth in the coming days, according to a top official.

"PNB has 32 per cent. We won't go below 26 per cent. Our brand (PNB) will continue, and in case of requirement, we will not hesitate to support. PNB Housing Finance is a good brand and we would like to take advantage of the brand in the days to come," Ch SS Mallikarjuna Rao, Managing Director and CEO, told BusinessLine.

Rao said that PNBHFL was looking at tapping the market to raise equity and whenever it does so PNB will not look at any positive divestment. PNB will only look at automatic stake reduction (by not participating in the PNBHFL capital-raising effort), and this reduction will not go below 26 per cent from existing 32 per cent now.

"Strategically, we have asked them (PNBHFL) to go to market only after March results," he added.

Life insurers

Meanwhile, Rao also said that PNB will continue with its shareholding in both PNB MetLife Insurance as well as Canara HSBC OBC Life Insurance (CHOICE) for the next few years. After its amalgamation with Oriental Bank of Commerce (OBC) and United Bank of India from April 1, OBC's 23 per cent shareholding in CHOICE has been transferred to PNB.

"Right now we are not looking at an exit. We would like to run both the life insurers for the next few years. Both have strong franchise. In the next few days, we will like to sit with them and work out the business strategy for both of them. At this point, we have no plan to divest stake in both, and there is also no condition from the insurance regulator IRDAI to exit," said Rao.

It may be recalled that PNB is a promoter shareholder of PNB MetLife and has been holding a stake of 30 per cent since 2012. Already, PNB has a tie up with Life Insurance Corporation for selling the latter's products through PNB branches.

Rao said that PNB was earlier eyeing a credit growth of 8 per cent in 2020-21, but now in the wake of Covid-19, has reduced its target to 6 per cent growth. In FY20, the state-owned bank's advances portfolio grew 4 per cent, he said.

On non-performing assets, Rao said there were SMA2 accounts to the tune of ₹1,800 crore as on March 1 that could not pay by March 31. This is the main impact of Covid-19 as on date, he added.

Headline : Quick approval, grace period: Medical insurance process eased amid Covid-19

Domain : Business Standard

Date : April 23, 2020

Journalist: Sanjay Kumar Singh

https://www.business-standard.com/article/pf/quick-approval-grace-period-medical-insurance-process-eased-amid-covid-19-120042300025_1.html

The COVID-19 pandemic has brought home the significance of health and life insurance like nothing else earlier. Even those who were blasé about these covers in the past are now looking to buy a new policy or want to enhance the sum insured on their existing ones. Meanwhile, the Insurance Regulatory and Development Authority of India (IRDAI) has been issuing a slew of guidelines to health/general and life insurance companies aimed at easing matters for customers.

MEDICAL INSURANCE:

Pay health insurance premiums in instalments: Through a circular dated April 20, 2020, the regulator has permitted companies offering health insurance to allow customers to pay their premiums in instalments. With many customers expected to face financial hardships amid the lockdown, this step will ease customers' burden. "It is an attempt to provide an affordable option to customers, and encourage more people to buy health insurance," says Prasun Sikdar, managing director and chief executive officer (CEO), ManipalCigna Health Insurance.

Some insurers will charge the same premium under all options. "The premium amount will remain the same irrespective of the mode of payment," says S. Prakash, managing director, Star Health and Allied Insurance. Brokers, however, inform that some companies may charge you an extra amount if you go for any option other than annual.

The burden of paying the premium does get eased in a frequent-payment option. "In some COVID-19 cases, treatment costs have gone as high as Rs 14-15 lakh due to accompanying complications. If the sum insured on your family floater is not adequate, use the monthly payment option to enhance your cover," suggests Amit Chhabra, business head, health insurance, Policybazaar.com.

Approval within two hours: At the time of admission, patients sometimes have to wait for a long time before the insurer gives its pre-authorisation for cashless treatment. IRDAI has directed insurers to give it within two hours (the same limit applies at the time of discharge). IRDAI had also said earlier that COVID-19 cases should be treated on a priority basis and before any claim for this ailment is rejected, it should be reviewed by the claims review committee (a high-level committee) of the insurer. IRDAI has also asked insurers to simplify procedures, which means they should not ask for too many documents or conduct time-taking checks.

Thirty days' grace period: Most health policies offer a grace period of 30 days for payment of renewal premium. Now, IRDAI has offered an additional grace period of 30 days, so that customers who use offline payment modes like cheques are able to pay once the lockdown ends. "Both continuity of cover and continuity of benefits will be available to customers if they pay within the grace period," says Prakash.

Health policies have a waiting period for pre-existing diseases (PEDs) ranging from two-four years. If you fail to renew within the grace period, you will have to buy a new policy and the waiting period for PEDs will begin all over again.

Claims procedure simplified: The regulator has also asked insurers to simplify the claims process for COVID-19 deaths. "If the claim form states that a death took place due to COVID-19, we will not ask for

additional documents. We will process the claim based on just a death certificate or a hospital document,” says Anil. Normally, insurers ask for treatment records, and sometimes they investigate cases.

More time to pay premium: A 30-day grace period has been extended to life insurance customers too. Life insurers offer a 15-day grace period in the monthly payment mode and a 30-day grace period in other modes. Now, the effective grace period becomes 45-60 days.

If you fail to pay the premium within the grace period, you can revive the policy within the next six months by paying the premium outstanding and the interest charge (sometimes waived by insurers). If even this period has elapsed, you will have to undergo fresh medical check-ups.

Grace period for settlement in Ulips: In all unit-linked insurance plans (Ulips) that mature by May 31, 2020, the regulator has asked insurers to give customers the settlement option. Instead of receiving the fund value as a lump sum, they can receive it over five years, with a minimum 20 per cent payout at the end of each year. “This option has to be provided irrespective of whether this feature was originally available in a Ulip product,” says Anil PM, head-legal and compliance, Bajaj Allianz Life.

If, after a couple of years, customers wish to withdraw the balance as a lump sum, they can do so. “The net asset values (NAVs) of Ulips and their fund values have seen steep erosion in this market correction. If customers avail of this extension, the markets will hopefully recover after some time and their fund value will be protected,” says Mohit Garg, head of products, PNB MetLife Insurance.

Customers who don’t need the money urgently may go for this option. Besides recouping a part of their fund value, they will get a tax-free income stream. “If the cover is at least 10 times the premium, then even the settlement payouts will be tax-free,” says Sanjay Tiwari, director-strategy, Exide Life Insurance.

Headline : Insurers to soon offer e-KYC to make buying life insurance policies easier in lockdown

Domain : The Economic Times

Date : April 25, 2020

Journalist:

<https://economictimes.indiatimes.com/wealth/insure/life-insurance/insurers-to-soon-offer-e-kyc-to-make-buying-policies-easier-in-lockdown/articleshow/75374456.cms>

Insurance policy buyers will soon be able to complete KYC through a paperless process or e-KYC by providing Aadhaar number as proof of identity to insurers, as per an IRDAI press release. This would make the Know Your Customer (KYC) process much easier for policy buyers.

This e-KYC will also be very useful in the current lockdown in the country. To enable this the government has allowed insurers to avail the Aadhaar-based authentication services of the Unique Identification Authority of India (UIDAI) to fulfil the KYC norms of policyholders.

The IRDAI press release, issued on April 24, said, "To facilitate the general public to easily fulfil Know Your Customer (KYC) norms while availing insurance services, IRDAI has recommended for allowing insurance companies to avail Aadhaar Authentication Services of the Unique Identification Authority of India. Central Government has permitted, vide Gazette notification dated April 23, 2020, some of the insurance companies to undertake the Aadhaar authentication services."

Vaidyanathan Ramani, Head- Product & Innovation, Policybazaar.com said "The latest circular by the regulator will help enable the policy purchase and KYC fulfillment process in a distance mode where customers can do it from the comfort of their houses just with the click of a button. This will help the insurers enhance the customer experience in this time of lockdown and social distancing and make the insurance buying journey for consumers much easier."

This is a good move by Government to facilitate immediate KYC verification through online Aadhaar authentication. Kayzad Hiranek, EVP-Customer Service & Operations at Bajaj Allianz Life Insurance said, "It will assist the industry to restart the process of paperless KYC for their online customer onboarding journeys. Considering the present situation, this facility has been introduced at an opportune time to make the on-boarding process digital, when meeting customers is almost impossible."

The release further states that the interested customers/policyholders/claimants may avail paperless KYC services in coming days from the following insurance companies:

S.No. Company Name

- 1 Bajaj Allianz Life Insurance Company Limited
- 2 Bharti AXA Life Insurance Company Limited
- 3 Exide Life Insurance Company Limited
- 4 HDFC Life Insurance Company Limited
- 5 ICICI Prudential Life Insurance Company Limited
- 6 India First Life Insurance Company Limited
- 7 Max Life Insurance Company Limited
- 8 PNB Metlife India Insurance Company Limited
- 9 SBI Life Insurance Company Limited
- 10 Future Generali India Life Insurance Company Limited
- 11 Reliance Nippon Life Insurance Company Limited
- 12 Aegon Life Insurance Company Limited
- 13 Shriram Life Insurance Company Limited

- 14 Aditya Birla Sun Life Insurance Company Limited
- 15 Pramerica Life Insurance Company Limited
- 16 Kotak Mahindra Life Insurance Company Limited
- 17 Star Union Dai-ichi Life Insurance Company Limited
- 18 IDBI Federal Life Insurance Company Limited
- 19 Edelweiss Tokio Life Insurance Company Limited
- 20 Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
- 21 Kotak Mahindra General Insurance Company Limited
- 22 Future Generali India Insurance Company Limited
- 23 Manipal Cigna Health Insurance Company Limited
- 24 ACKO General Insurance Limited
- 25 Religare Health Insurance Company Limited
- 26 Royal Sundaram General Insurance Company Limited
- 27 SBI General Insurance Company Limited
- 28 HDFC Ergo General Insurance Company Limited
- 29 HDFC ERGO Health Insurance Limited (Formerly Apollo Munich Health Insurance Company Limited)

Source: IRDAI

Normally, the process of KYC involves a lot of paperwork and forms etc., which makes the whole procedure of application and verification very tedious. However, with the help of e-KYC through Aadhar, policyholders may not be required to submit physical documents such as photographs, identity and address proof to the insurer.

Headline : Aadhaar eKYC update: Modi govt notifies new entities for Aadhaar authentication service – Check full list

Domain : The Financial Express

Date : April 25, 2020

Journalist:

<https://www.financialexpress.com/aadhaar-card/aadhaar-authentication-service-update-full-list-of-new-entities-by-irdai-sebi-uidai-for-e-kyc-modi-govt/1939443/>

Aadhaar Authentication Service: The Ministry of Finance has notified lists of new reporting entities that can undertake Aadhaar authentication service of the Unique Identification Authority of India (UIDAI) under Section 11A of the Prevention of Money-laundering Act, 2002. The new list of reporting entities includes Bajaj Allianz Life Insurance Company, Bharti AXA Life Insurance, Exide Life Insurance, HDFC Life Insurance, ICICI Prudential Life Insurance, PNB Metlife India Insurance Company, SBI Life Insurance Company Limited etc. In a Gazette notification (GSR 262 (E) dated 23rd April 2020) the Department of Revenue, Ministry of Finance said that the Central Government, after consultation with UIDAI and the Insurance Regulatory and Development Authority of India notifies the reporting entities (mentioned below) to undertake Aadhaar authentication service of the Unique Identification Authority of India under section 11A of the Prevention of Money Laundering Act, 2002. These agencies are:

1. Bajaj Allianz Life Insurance Company Limited
2. Bharti AXA Life Insurance Company Limited
3. Exide Life Insurance Company Limited
4. HDFC Life Insurance Company Limited
5. ICICI Prudential Life Insurance Company Limited
6. India First Life Insurance Company Limited
7. Max Life Insurance Company Limited
8. PNB Metlife India Insurance Company Limited
9. SBI Life Insurance Company Limited
10. Future Generali India Life Insurance Company Limited
11. Reliance Nippon Life Insurance Company Limited
12. Aegon Life Insurance Company Limited
13. Shriram Life Insurance Company Limited
14. Aditya Birla Sun Life Insurance Company Limited
15. Pramerica Life Insurance Limited
16. Kotak Mahindra Life Insurance Company Limited
17. Star Union Dai-ichi Life Insurance Company Limited
18. IDBI Federal Life Insurance Company Limited
19. Edelweiss Tokio Life Insurance Company Limited
20. Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
21. Kotak Mahindra General Insurance Company Limited
22. Future Generali India Insurance Company Limited
23. Acko General Insurance Limited
24. Royal Sundaram General Insurance Company Limited
25. SBI General Insurance Company Limited
26. HDFC Ergo General Insurance Company Limited
27. Apollo Munich Health Insurance Company Limited
28. Manipal Cigna Health Insurance Company Limited
29. Religare Health Insurance Company Limited

In another notification (G.S.R. 261 (E) dated 22nd April 2020) the Department of revenue, Ministry of Finance said that Central Government, after consultation with the UIDAI and Securities and Exchange Board of India (SEBI) notified the following entities to “undertake Aadhaar authentication service of the

Unique Identification Authority of India under section 11A of the Prevention of Money-laundering Act, 2002.” These entities are:

1. Bombay Stock Exchange Limited
2. National Securities Depository Limited
3. Central Depository Services (India) Limited
4. CDSL Ventures Limited
5. NSDL Database Management Limited
6. NSE Data and Analytics Limited
7. CAMS Investor Services Private Limited
- 8 Computer Age Management Services Private Limited
9. Link Intime India Pvt. Ltd.

Headline : 29 insurance, 9 stock firms allowed to perform Aadhaar authentication services

Domain : Hindustan Times

Date : April 25, 2020

Journalist:

<https://www.hindustantimes.com/india-news/govt-allows-aadhaar-authentication-services-to-insurance-and-securities-entities/story-QbGoMntxYKDEMNRZ1W1dMI.html>

The finance ministry has allowed 29 insurance companies and nine securities entities, including the Bombay Stock Exchange (BSE) and the National Securities Depository Limited to undertake Aadhaar authentication services, the department of revenue said on Saturday.

The department has issued two separate notifications to allow these entities to use Aadhaar authentication services with necessary standard security and privacy measures. This would help these entities to perform in real time and make e-KYC (know your customer) that would reduce cost of transaction, an official statement said.

“This would also be beneficial to the customers or the investors, especially the small and retail investors, as they need not submit physical papers or documents for KYC,” a statement quoting finance secretary Ajay Bhushan Pandey said. Earlier, he held the position of CEO of Unique Identification Authority of India (UIDAI).

The ministry has allowed these insurance and securities entities to use Aadhaar authentication services subject to the satisfaction of their regulatory authorities -- the Insurance Regulatory Authority of India (IRDA) and the Securities and Exchange Board of India (SEBI), it said.

Headline : Union Bank plans to lower stake in IndiaFirst Life to less than 10 per cent

Domain : The Financial Express

Date : April 26, 2020

Journalist: PTI

<https://www.financialexpress.com/industry/banking-finance/union-bank-plans-to-lower-stake-in-indiafirst-life-to-less-than-10-per-cent/1940085/>

Union Bank of India, which received 30 per cent stake in insurance joint venture IndiaFirst Life Insurance by virtue of the mega bank consolidation exercise of the government, plans to pare its holding to less than 10 per cent, a senior official said.

Union Bank received the stake after Andhra Bank was merged with the Mumbai-based lender, effective April 1.

As per guidelines of the Insurance Regulatory and Development Authority of India (IRDAI), one promoter cannot hold more than 10 per cent stake in two insurance ventures.

Union Bank also holds 25.10 per cent equity stake in Star Union Dai-ichi Life Insurance, with the other partners being Bank of India and Dai-ichi Life Holdings of Japan. "We will continue the process started by erstwhile Andhra Bank to divest the stake to bring it below 10 per cent," Union Bank of India Managing Director and Chief Executive Officer Rajkiran Rai G told PTI.

Last year, Andhra Bank had initiated the process for selling its part or full stake in the insurance venture with Bank of Baroda (44 per cent stake) and Carmel Point Investments, owned by Warburg Pincus, holding the remaining 26 per cent.

Both the insurance ventures are doing well and the valuation is going to improve further, he said, adding the stake sale will happen at opportune time and at good valuation. As per the government's mega consolidation plan, 10 state-owned banks were merged into four to create global size lenders, beginning April 1.

Besides Andhra Bank, Corporation Bank was also merged with Union Bank. United Bank of India and Oriental Bank of Commerce were merged with Punjab National Bank; Syndicate Bank was merged with Canara Bank; and Allahabad Bank was amalgamated with Indian Bank.

The merger of Oriental Bank of Commerce with PNB resulted in transfer of 23 per cent stake in Canara HSBC OBC Life Insurance to the latter. This too created a similar situation as that of Union Bank of India, as PNB is a promoter of PNB Metlife Insurance with the highest stake of 30 per cent.

Headline : Buying an insurance policy will be easier as govt allows use of Aadhaar for KYC

Domain : Mint

Date : April 26, 2020

Journalist:

<https://www.livemint.com/news/india/buying-an-insurance-policy-will-be-easier-as-govt-allows-use-of-aadhaar-for-kyc-11587868976363.html>

The government has now allowed insurance companies to collect Aadhaar card details under the Prevention of Money Laundering Act, subject to compliance with standard security and privacy measures as per the Aadhaar Act. The move is aimed at checking laundering of funds into insurance companies and shell companies.

The finance ministry has released a list of 29 insurance companies like Bajaj Allianz Life Insurance, Bharti AXA Life Insurance, ICICI Prudential Life Insurance, HDFC Life Insurance, HDFC Ergo General Insurance and SBI General Insurance which can collect Aadhaar information from customers for KYC purposes.

Finance Secretary Ajay Bhushan Pandey said that the two notifications issued in this regard by the Ministry of Finance "to allow these entities to use Aadhaar authentication services under Aadhaar Act with necessary standard security and privacy measures would help these entities to perform in real time, do e-KYC and would also reduce their cost of transaction".

"This would also be beneficial to the customers or the investors, especially the small and retail investors, as they need not submit physical papers or documents for KYC," Pandey, who is also the Revenue Secretary, said.

This would ease their KYC process and would reduce cost and time besides preventing money laundering activities.

Other entities given this permission include Max Life Insurance, PNB Metlife India Insurance, SBI Life Insurance Future Generali India, Reliance Nippon Life Insurance, Apollo Munich Health Insurance, Manipal Cigna Health Insurance, Religare Health Insurance, NSE Data and Analytics, CAMS Investor Services, Computer Age Management Services, and Link Intime India.

An official said use of Aadhaar authentication service by these entities is voluntary and if an investor gives Permanent Account Number (PAN), he or she does not need to go for Aadhaar authentication.

Headline : Finance Ministry allows 29 insurance, 9 securities entities to use Aadhaar Authentication Services

Domain : The Hans India

Date : April 26, 2020

Journalist: J K Jha

<https://www.thehansindia.com/business/finance-ministry-allows-29-insurance-9-securities-entities-to-use-aadhaar-authentication-services-619267>

The Ministry of Finance has allowed 29 insurance and 9 securities entities, including the Bombay Stock Exchange (BSE) and the National Securities Depository Limited, to use Aadhaar Authentication Services under the Prevention of Money Laundering Act (PML Act).

Department of Revenue has permitted them to undertake Aadhaar Authentication services of UIDAI subject to their complying with standard security and privacy measures as per Aadhaar Act and to the satisfaction of their respective regulatory authorities, namely the Insurance Regulatory Authority of India (IRDA) and the Securities and Exchange Board of India (SEBI) respectively.

Finance Secretary Dr Ajay Bhushan Pandey said the decision will help these entities to perform in real-time, do e-KYC and would also reduce their cost of the transaction. He said, this will also be beneficial to the customers or the investors, especially the small and retail investors, as they need not submit physical papers or documents for KYC.

Entities functional under IRDAI that have been allowed to use the Aadhaar Authentication services include

- 1) SBI Life Insurance Company Limited
- 2) Royal Sundaram General Insurance Company Limited
- 3) SBI General Insurance Company Limited
- 4) Future Generali India Life Insurance Company Limited
- 5) Reliance Nippon Life Insurance Company Limited
- 6) Bharti AXA Life Insurance Company Limited
- 7) Exide Life Insurance Company Limited
- 8) HDFC Life Insurance Company Limited
- 9) Bajaj Allianz Life Insurance Company Limited
- 10) ICICI Prudential Life Insurance Company Limited
- 11) India First Life Insurance Company Limited
- 12) Aditya Birla Sun Life Insurance Company Limited
- 13) Pramerica Life Insurance Limited
- 14) Kotak Mahindra Life Insurance Company Limited
- 15) Star Union Dai-ichi Life Insurance Company Limited
- 16) Max Life Insurance Company Limited
- 17) PNB Metlife India Insurance Company Limited
- 18) Aegon Life Insurance Company Limited
- 19) Shriram Life Insurance Company Limited
- 20) Kotak Mahindra General Insurance Company Limited
- 21) Future General India Insurance Company Limited
- 22) Acko General Insurance Limited
- 23) IDBI Federal Life Insurance Company Limited
- 24) Edelweiss Tokio Life Insurance Company Limited
- 25) Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited
- 26) HDFC Ergo General Insurance Company Limited
- 27) Apollo Munich Health Insurance Company Limited

28) Manipal Cigna Health Insurance Company Limited

29) Religare Health Insurance Company Limited

Entities functional under SEBI who are allowed to use the Aadhaar Authentication services include

1) Bombay Stock Exchange Limited

2) National Securities Depository Limited

3) NSE Data and Analytics Limited

4) Central Depository Services (India) Limited

5) CDSL Ventures Limited

6) NSDL Database Management Limited

7) CAMS Investor Services Private Limited

8) Computer Age Management Services Private Limited

9) Link Intime India Pvt. Ltd.

Revenue Department, however, said that it is a voluntary measure and use of Aadhaar authentication service is voluntary. It said, if some investor gives PAN, then they need not go for Aadhaar authentication.

Headline : Insurance, Security agency not to ask for Aadhaar card for KYC

Domain : Zee News

Date : April 26, 2020

Journalist: J K Jha

<https://zeenews.india.com/india/insurance-security-agency-not-to-ask-for-aadhaar-card-copy-for-kyc-2279134.html>

In a step to ensure the protection of Aadhaar related information of people, the Finance Ministry has ordered the insurance and security agency not to ask for the Aadhaar card photocopy for Know Your Customer (KYC) process. Instead, the Ministry has recommended insurance companies and agencies to use UIDAI - Aadhar Authentication Service in order to complete the verification process.

The step is taken by the Finance Ministry under the Prevention of Money Laundering Act.

Insurance companies will also ensure the security and privacy of Aadhaar related information under the Aadhaar Act.

Aadhaar number is a 12-digit random number issued by the UIDAI to the residents of India after satisfying the verification process laid down by the Authority. Any individual, irrespective of age and gender, who is a resident of India, can enroll to obtain Aadhaar number. The Aadhaar card includes details like name, date of birth, gender, permanent address, mobile number (optional) and email ID (optional).

Headline : Two notifications issued to allow
Aadhaar authentication

Domain : The Sentinel Assam

Date : April 27, 2020

Journalist: Mili

<https://www.sentinelassam.com/business/two-notifications-issued-to-allow-aadhaar-authentication/>

The Finance Ministry has issued two notifications to enable different insurance companies and stock/securities entities to undertake Aadhaar authentication of UIDAI under the Prevention of Money Laundering Act, subject to compliance with standard security and privacy measures as per the Aadhaar Act.

The Ministry's Department of Revenue has so far allowed 29 insurance companies and nine market entities — including Bajaj Allianz Life Insurance, Bharti AXA Life Insurance, HDFC Life Insurance Company, ICICI Prudential, BSE, NSE, NSDL, Central Depository Services — to use verification services of Aadhaar and e-KYC in real time.

Finance Secretary Ajay Bhushan Pandey, formerly the CEO of Unique Identification Authority of India (UIDAI), said on Saturday that the two notifications allow these entities to access the Aadhaar platform.

“The permission will help these entities to perform in real time, do e-KYC and also reduce their cost of transaction,” he said.

“This will also be beneficial to customers or investors, especially small and retail investors, as they need not submit physical papers or documents for KYC,” Pandey added

The ministry has allowed these insurance and securities entities to use Aadhaar authentication services under the PMLA subject to the satisfaction of their regulatory authorities, namely the Insurance Regulatory Authority of India (IRDA) and the Securities and Exchange Board of India (SEBI) respectively that they are complying with the standard of privacy and security as per the Aadhaar Act.

This would ease their KYC process and would reduce cost and time besides preventing money laundering activities.

Other entities given this permission include Max Life Insurance, PNB Metlife India Insurance, SBI Life Insurance Future Generali India, Reliance Nippon Life Insurance, Apollo Munich Health Insurance, Manipal Cigna Health Insurance, Religare Health Insurance, NSE Data and Analytics, CAMS Investor Services, Computer Age Management Services, and Link Intime India.