

Insurance Capsule for NICL AO Phase-II Exam 2017

What is Insurance?

An arrangement by which a company or the state undertakes to provide a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a specified premium.

What is Insurance Premium?

An insurance premium is the amount of money that an individual or business must pay for an insurance policy. The insurance premium is considered income by the insurance company once it is earned, and also represents a liability in that the insurer must provide coverage for claims being made against the policy.

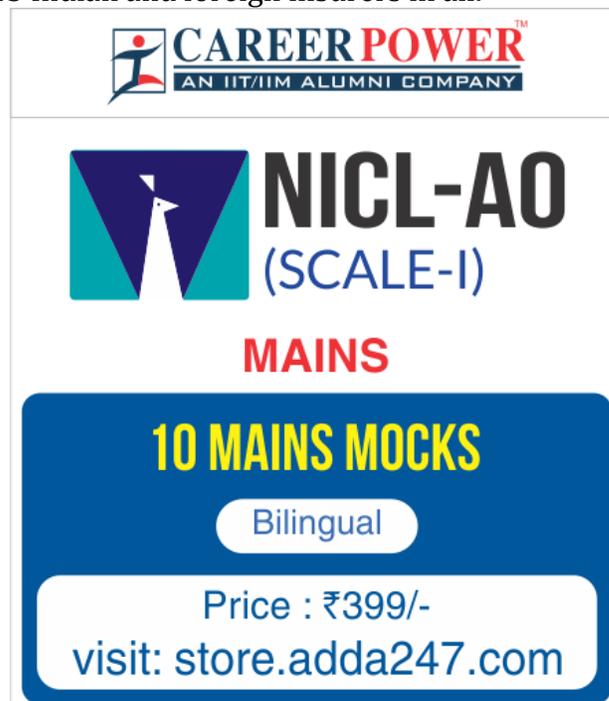
History of Life Insurance

1818 saw the advent of life insurance business in India with the establishment of the Oriental Life Insurance Company in Calcutta. This Company however failed in 1834. In **1829**, the **Madras Equitable** had begun transacting life insurance business in the Madras Presidency. **1870** saw the enactment of the British Insurance Act and in the last three decades of the nineteenth century, the **Bombay Mutual (1871)**, **Oriental (1874)** and **Empire of India (1897)** were started in the Bombay Residency.

In **1914**, the Government of India started publishing returns of Insurance Companies in India. The **Indian Life Assurance Companies Act, 1912** was the first statutory measure to regulate life business. In **1928**, the Indian Insurance Companies Act was enacted to enable the Government to collect statistical information about both life and non-life business transacted in India by Indian and foreign insurers including provident insurance societies. In 1938, with a view to protecting the interest of the **Insurance public**, the **earlier** legislation was consolidated and amended by the Insurance Act, 1938 with comprehensive provisions for effective control over the activities of insurers.

The **Insurance Amendment Act of 1950** abolished Principal Agencies. However, there were a large number of insurance companies and the level of competition was high. There were also allegations of unfair trade practices. The Government of India, therefore, decided to nationalize insurance business.

An Ordinance was issued on **19th January, 1956** **nationalising** the Life Insurance sector and Life Insurance Corporation came into existence in the same year. The LIC absorbed **154 Indian**, 16 non-Indian insurers as also 75 provident societies—245 Indian and foreign insurers in all.



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History of General Insurance

General Insurance came to India as a legacy of British occupation. General Insurance in India has its roots in the establishment of Triton Insurance Company Ltd., in the year **1850 in Calcutta** by the British. In **1907**, the Indian Mercantile Insurance Ltd, was set up. This was the first company to transact all classes of general insurance business. **1957** saw the formation of the General Insurance Council, a wing of the Insurance Association of India. The General Insurance Council framed a code of conduct for ensuring fair conduct and sound business practices.

In 1968, the Insurance Act was amended to regulate investments and set minimum solvency margins. The Tariff Advisory Committee was also set up then.

In 1972 with the passing of the **General Insurance Business (Nationalisation) Act**, general insurance business was nationalized with effect from 1st January, 1973. 107 insurers were amalgamated and grouped into four companies, namely National Insurance Company Ltd., the New India Assurance Company Ltd., the Oriental Insurance Company Ltd and the United India Insurance Company Ltd. The General Insurance Corporation of India was incorporated as a company in 1971 and it commence business on **January 1st 1973**.

In 1993, the Government set up a committee under the chairmanship of **RN Malhotra**, former Governor of RBI, to propose recommendations for reforms in the insurance sector. The objective was to complement the reforms initiated in the financial sector. The committee submitted its report in 1994 wherein, among other things, it recommended that the private sector be permitted to enter the insurance industry. They stated that foreign companies be allowed to enter by floating Indian companies, preferably a joint venture with Indian partners.

Following the recommendations of the **Malhotra Committee report, in 1999**, the **Insurance Regulatory and Development Authority (IRDA)** was constituted as an autonomous body to regulate and develop the insurance industry. The IRDA was incorporated as a statutory body in **April, 2000**. The key objectives of the IRDA include promotion of competition so as to enhance customer satisfaction through increased consumer choice and lower premiums, while ensuring the financial security of the insurance market.

In **December, 2000**, the subsidiaries of the General Insurance Corporation of India were restructured as independent companies and at the same time GIC was converted into a national re-

insurer. Parliament passed a bill de-linking the four subsidiaries from **GIC in July, 2002**.

Current Scenario of the Insurance Sector

- ✚ Government has approved the ordinance to increase Foreign Direct Investment (FDI) limit in Insurance sector from 26 per cent to 49 per cent which would further help attract investments in the sector.
- ✚ IRDAI allowed life insurance companies that have completed 10 years of operations to raise capital through Initial Public Offerings (IPOs).
- ✚ Insurance products are also covered under the Exempt- Exempt- Exempt (EEE) method of taxation, which translates to an effective tax benefit of approximately 30 per cent on select investments.

Investments in Insurance Sector Recently

- ✚ New York Life Insurance Company, the largest life insurance company in the US, has invested INR 121 crore (US\$ 18.15 million) in Max Ventures and Industries Ltd for a 22.52 per cent stake, which will be used by Max for investing in new focus areas of education and real estate.
- ✚ Max Life Insurance Co Ltd and HDFC Life Insurance Co Ltd have signed a merger agreement, which is expected to create India's largest private sector life insurance company once the transaction is completed.
- ✚ Aviva Plc, the UK-based Insurance company, has acquired an additional 23 per cent stake in Aviva Life Insurance Company India from the joint venture (JV) partner Dabur Invest Corporation for Rs 940 crore (US\$ 141.3 million), thereby increasing their stake to 49 per cent in the company.
- ✚ Insurance firm AIA Group Ltd has decided to increase its stake in Tata AIA Life Insurance Co Ltd, a joint venture owned by Tata Sons Ltd and AIA Group from 26 per cent to 49 per cent.
- ✚ Canada-based Sun Life Financial Inc plans to increase its stake from 26 per cent to 49 per cent in Birla Sun Life Insurance Co Ltd, a joint venture with Aditya Birla Nuvo Ltd, through buying of shares worth Rs 1,664 crore (US\$ 244.14 million).

- ✚ Nippon Life Insurance, Japan's second largest life insurance company, has signed definitive agreements to invest Rs 2,265 crore (US\$ 332.32 million) in order to increase its stake in Reliance Life Insurance from 26 per cent to 49 per cent.
- ✚ Bennett Coleman and Co. Ltd (BCCL), the media conglomerate with multiple publications in several languages across India, is set to buy Religare Enterprises Ltd's entire 44 per cent stake in life insurance joint venture Aegon Religare Life Insurance Co. Ltd.
- ✚ GIC Re and 11 other non-life insurers have jointly formed the India Nuclear Insurance Pool with a capacity of Rs 1,500 crore (US\$ 220.08 million) and will provide the risk transfer mechanism to the operators and suppliers under the CLND Act.
- ✚ State Bank of India has announced that BNP Paribas Cardiff is keen to increase its stake in SBI Life Insurance from 26 per cent to 36 per cent. Once the foreign joint venture partner increases its stake to 36 per cent, SBI's stake in SBI Life will get diluted to 64 per cent.

Government Initiatives for the Insurance Sector

- ✚ The Budget has made provisions for paying huge subsidies in the premiums of Pradhan Mantri Fasal Bima Yojana (PMFBY) and the number of beneficiaries will increase to 50 per cent in the next two years from the present level of 20 per cent. As part of PMFBY, Rs 9,000 crore (US\$ 1.35 billion) has been allocated for crop insurance in 2017-18.
- ✚ The Union Cabinet has approved the public listing of five Government-owned general insurance companies and reducing the Government's stake to 75 per cent from 100 per cent, which is expected to bring higher levels of transparency and accountability, and enable the companies to raise resources from the capital market to meet their fund requirements.
- ✚ IRDAI has allowed insurers to invest up to 10 per cent in additional tier 1 (AT1) bonds, that are issued by banks to augment their tier 1

capital, in order to expand the pool of eligible investors for the banks.

- ✚ The Government of Assam has launched the Atal-Amrit Abhiyan health insurance scheme, which would offer comprehensive coverage for six disease groups to below-poverty line (BPL) and above-poverty line (APL) families, with annual income below Rs 500,000 (US\$ 7,500).
- ✚ IRDAI has given initial approval to open branches in India to Switzerland-based Swiss Re, French-based Scor SE, and two Germany-based reinsurers namely, Hannover Re and Munich Re.

Know About IRDAI

Insurance Regulatory and Development Authority (IRDAI) regulate the Indian insurance industry to protect the interests of the policyholders and work for the orderly growth of the industry.

Background

1991: Government of India begins the economic reforms programme and financial sector reforms

1993: Committee on Reforms in the Insurance Sector, headed by Mr. R. N. Malhotra, (Retired Governor, Reserve Bank of India) set up to recommend reforms.

1994: The Malhotra Committee recommends certain reforms having studied the sector and hearing out the stakeholders.

Birth of IRDAI

Insurance Regulatory and Development Authority (IRDA) set up as autonomous body under the

IRDA Act, 1999

IRDAI's Mission: To protect the interests of policyholders, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto.

IRDAI's Activities

Frames regulations for insurance industry in terms of Section 114A of the Insurance Act 1938 From the year 2000 has registered new insurance companies in accordance with regulations. Monitors insurance sector activities for healthy development of the industry and protection of policyholders' interests

Functions and Duties of IRDAI

Section 14 of the IRDA Act, 1999 lays down the duties, powers and functions of IRDA.

- Registering and regulating insurance companies.
- Protecting policyholders' interests.
- Licensing and establishing norms for insurance intermediaries.
- Promoting professional organisations in insurance.
- Regulating and overseeing premium rates and terms of non-life insurance covers.
- Specifying financial reporting norms of insurance companies.
- Regulating investment of policyholders' funds by insurance companies.
- Ensuring the maintenance of solvency margin by insurance companies.
- Ensuring insurance coverage in rural areas and of vulnerable sections of society.

Guarantee Corporation of India for Credit Insurance. Moreover, there are **5 private sector insurers** are registered to underwrite policies exclusively in Health, Personal Accident and Travel insurance segments. They are Star Health and Allied Insurance Company Ltd, Apollo Munich Health Insurance Company Ltd, Max Bupa Health Insurance Company Ltd, Religare Health Insurance Company Ltd and Cigna TTK Health Insurance Company Ltd.

In addition to 53 insurance companies, there is sole national re-insurer, namely, General Insurance Corporation of India. Other stakeholders in Indian Insurance market include approved insurance agents, licensed Corporate Agents, Brokers, Common Service Centres, Web-Aggregators, Surveyors and Third Party Administrators Servicing Health Insurance claims.

Insurance Laws (Amendment) Act, 2015 provides for enhancement of the Foreign Investment Cap in an Indian Insurance **Company from 26%** to an Explicitly Composite Limit of 49% with the safeguard of Indian Ownership and Control.

Types of Insurance

- ✚ Life Insurance
- ✚ Health Insurance
- ✚ Motor Insurance
- ✚ Property Insurance
- ✚ Travel Insurance
- ✚ Group insurance

1. Life Insurance

Life Insurance is a financial cover for a contingency linked with human life, **like death, disability, accident, retirement etc.** Human life is subject to risks of death and disability due to natural and accidental causes. When human life is lost or a person is disabled permanently or temporarily, there is loss of income to the household.

2. Health Insurance

The term '**Health Insurance**' relates to a type of insurance that essentially covers your medical

Indian Insurance Market

The insurance industry of India consists of **53 insurance companies of which 24** are in life insurance business and 29 are non-life insurers. Among the life insurers, **Life Insurance Corporation (LIC)** is the sole public sector company.

Out of 29 non-life insurance companies, there are six public sector insurers, which include two specialised insurers namely Agriculture Insurance Company Ltd for Crop Insurance and Export Credit

expenses. A health insurance policy like other policies is a contract between an insurer and an individual / group in which the insurer agrees to provide specified health insurance cover at a particular “**premium**” subject to terms and conditions specified in the policy.

3. Motor Insurance

Motor insurance gives protection to the vehicle owner against **(i). damages to his/her vehicle** and **(ii). pays for any Third Party Liability** determined as per law against the owner of the vehicle. Third Party Insurance is a statutory requirement. The owner of the vehicle is legally liable for any injury or damage to third party life or property caused by or arising out of the use of the vehicle in a public place. Driving a motor vehicle without insurance in a public place is a punishable offence in terms of the **Motor Vehicles Act, 1988**.

4. Property Insurance

Insurance of property means insurance of **buildings, machinery, stocks etc against Fire and Allied Perils, Burglary Risks** and so on. Goods in transit via **Sea, Air, Railways, Roads** and Courier can be insured under Marine Cargo Insurance. Hulls of ship and boats can be insured under Marine Hull Insurance. Further, there are specialized policies available such as Aviation Insurance Policy for insurance of planes and helicopters. Thus Property Insurance is a very vast category of General Insurance and the type of cover that you need depends upon the type of property you are seeking to cover.

5. Travel Insurance

Travel Insurance offers insurance protection while you travel. Travel Insurance may be called by different names by insurance companies. **It is important** for you to check and understand whether the policy covers domestic travel or overseas travel or both. Travel Insurance protects you and/or family against travel related accidents, unexpected medical expenditure during travel, losses such as baggage loss, loss of passport etc and interruption or delays in flights or delayed arrival of **baggage etc**.

6. Group insurance

Another kind of insurance is group insurance. In group insurance, schemes are offered by insurance companies to provide certain classes of individuals, the benefit of insurance coverage at moderate cost.

ULIP (Unit Linked Insurance Plan)

ULIP is a life insurance product, which provides risk cover for the policy holder along with investment options to invest in any number of qualified investments such as stocks, bonds or mutual funds. As a single integrated plan, the investment part and the protection part can be managed according to specific needs and choices.

Introduction:- In **Unit Linked Insurance Plans(ULIP)**, the investments made are subject to risks associated with the capital markets. This investment risk in investment portfolio is borne by the policy holder. Thus, you should make your investment choice after considering your risk appetite and needs.

Charges, fees and deductions in a ULIP

ULIPs offered by different insurers have varying charge structures. Broadly, the different types of fees and charges are given below. However it may be noted that insurers have the right to revise fees and charges over a period of time.

Premium Allocation Charge-

This is a percentage of the premium appropriated towards charges before allocating the units under the policy. This charge normally includes initial and renewal expenses apart from commission expenses.

Mortality Charges-

These are charges to provide for the cost of insurance coverage under the plan. Mortality charges depend on number of factors such as age, amount of coverage, state of health etc.

Fund Management Fees-

These are fees levied for management of the fund(s) and are deducted before arriving at the Net Asset Value (NAV).

Policy/Administration Charges-

These are the fees for administration of the plan and levied by cancellation of units. This could be flat throughout the policy term or vary at a pre-determined rate.

Surrender Charges-

A surrender charge may be deducted for premature partial or full encashment of units wherever applicable, as mentioned in the policy conditions.

Fund Switching Charge-

Generally a limited number of fund switches may be allowed each year without charge, with subsequent switches, subject to a charge.

Service Tax Deductions-

Before allotment of the units the applicable service tax is deducted from the risk portion of the premium.

Investors may note, that the portion of the premium after deducting for all charges and premium for risk cover is utilized for purchasing units.



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Know About Public Sector Insurance Companies

- Life Insurance Corporation of India (LIC)
- General insurance corporation of India (GIC)
- The new India assurance company limited (NIACL)
- United India insurance company limited (UIIC)
- The oriental insurance company limited (OICL)
- National insurance company limited (NICL)
- Agriculture insurance company of India limited (AICIL)

Life Insurance Corporation of India

- ✚ **LIC of India was incorporated on 1st September, 1956** by amalgamating 243 Companies by the Act of Parliament called Insurance Act, 1956.
- ✚ LIC is governed by the Insurance Act 1938, LIC Act 1956, LIC Regulations 1959 and Insurance Regulatory and Development Authority.
- ✚ The Corporation has **Branch Offices in Fiji, Mauritius and United Kingdom.**
- ✚ **Head Office- Mumbai**
- ✚ **Chairman- VK Sharma**

General insurance corporation of India

- ✚ The General insurance industry was nationalized in **1972** and 107 insurers were grouped and amalgamated into four Companies – National Insurance Co. Ltd., The New India Assurance Co. Ltd., The Oriental Insurance Co. Ltd. and United India Insurance Co. Ltd.
- ✚ The GIC was incorporated in the year 1972 and the other four companies became its subsidiaries.
- ✚ **In November 2000, GIC** was notified as the Indian Reinsurer, and its supervisory role over its subsidiaries was brought to an end.
- ✚ From 21 March 2003, GIC's role as a holding company of its subsidiaries also came to an end and the ownership of the subsidiaries was transferred to the Government of India.

- ✚ The Corporation has its head office in **Mumbai and 3 liaison offices in India (Delhi, Kolkata and Chennai)**, 3 branches in foreign countries (London, Dubai and Kuala Lumpur) and 1 representative office in Moscow. It also has 2 foreign subsidiaries (GIC Re South Africa and GIC Re India Corporate Member Ltd. in UK).
- ✚ The authorized capital is Ra.1000 crore while the paid-up equity capital of the company is **Rs.430 crore**.
- ✚ **Head office- Mumbai**
- ✚ **Chairman and Managing Director (CMD)- Alice G. Vaidyan**

The New India Assurance Company Limited

- ✚ The company was founded by Sir Dorabji Tata on July 23rd, 1919 and nationalized in 1973 with merger of Indian companies.
- ✚ The company provides insurance services to the customers having over 170 products catering to almost all segments of general insurance business.
- ✚ The authorized capital and paid-up equity capital of the company is Rs.300 crore and Rs.200 crore respectively.
- ✚ **Head Office- Mumbai**
- ✚ **Chairman cum Managing Director- G Srinivasan**

United India insurance company limited

- ✚ United India Insurance Company Limited was incorporated in 1938.
- ✚ With the nationalization of General Insurance business in India, 12 Indian Insurance Companies, 4 Cooperative Insurance Societies and Indian operations of 5 Foreign Insurers, besides General Insurance operations of southern region of Life Insurance Corporation of India were merged with United India Insurance Company Limited.
- ✚ The company provides insurance services to the customers catering to almost all segments of general insurance business.
- ✚ The authorized capital and paid-up equity capital of the company is Rs.200 crore and Rs.150 crore respectively.

- ✚ **Head office- Chennai**

Oriental Insurance Company Limited

- ✚ Oriental Insurance Company Ltd was incorporated in the year 1947.
- ✚ In 2003 all shares of the company held by the General Insurance Corporation of India were transferred to the Government of India.
- ✚ The company provides insurance services to the customers catering to almost all segments of general insurance business.
- ✚ The authorized capital and paid-up equity capital of the company is Rs.200 crore.
- ✚ **Head Office- New Delhi**
- ✚ **Chairman cum Managing Director- A V Girija Kumar**

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National Insurance Company Limited

- ✚ The Company was incorporated in the year 1906. After nationalization it was merged, along with 21 foreign and 11 Indian companies, to form National Insurance Company Ltd.
- ✚ The company provides insurance services to the customers catering to almost all segments of general insurance business.
- ✚ The authorized capital and paid-up equity capital of the company is Rs.200 crore and Rs.100 crore respectively.
- ✚ **Head Office- Kolkata**

Chairman cum Managing Director- K. Sanath Kumar

Agriculture Insurance Company of India Limited

- ✚ 'Agriculture Insurance Company Of India Limited' (AIC) was incorporated to exclusively cater to the insurance needs of the persons engaged in agriculture and allied activities in India under the Companies Act, 1956 on 20th December 2002.
- ✚ General Insurance Corporation of India (GIC), NABARD and four public sector general insurance companies have contributed towards the share capital of the Company.
- ✚ The Authorized Share Capital of the Company is Rs. 1500 crore with initial Paid-up Equity Share Capital of the Company of Rs. 200 crores.
- ✚ The Company having received approval from Insurance Regulatory & Development Authority (IRDA) commenced its business operations w. e. f. 1st April, 2003.
- ✚ **Head Office- New Delhi**
- ✚ **Chairman cum Managing Director- Alamelu T Lakshmanachari**

Glossary of Insurance Terms

- **Actuary-** A professional trained in the mathematics of insurance and risk management, including the calculations of premiums, policy reserves and other values.
- **Agent-** The insurance company representative who sells policies on behalf of the insurer. An independent agent represents more than one company; a captive agent represents only one company.
- **Applicant-** Prospective policyholder; completes and signs the insurance application.
- **Assets-** The items on a balance sheet showing the value of property owned.
- **Assuming Company-** An insurance company that accepts the risk transferred from another insurance company in a reinsurance transaction.
- **Billing Clerk-** Person responsible for revenue billing.
- **Broker-** Represents the interests of the insured in searching for insurance coverage at the lowest cost and highest benefit to the insured. The broker may also be an agent of the insurer for purposes of policy collection and delivery of the policy.
- **Catastrophic-** Event An event that causes loss to many people at once. Also called catastrophe, several examples are tornados, hurricanes and plane crashes.
- **Cede-** To transfer to a reinsurer all or part of the insurance or reinsurance written by a ceding company.
- **Ceding Company-** The company that transfers its risk to a reinsurer. Also called the Cedant.
- **Claim Adjuster-** The person who investigates insurance claims for losses and recommends an effective settlement.
- **Claim Service Representative-** Also called CSR; they are responsible for clerical completion of all claim files.
- **Clause-** A section of an insurance policy dealing with various coverages, exclusions, duties of the insured, locations covered and conditions that terminate coverage.
- **Combined Ratio-** The sum of the loss ratio and the expense ratio.
- **Commercial Lines-** Insurance for businesses, professionals and commercial establishments.
- **Compulsory-** Mandatory or enforced.
- **Contract-** Legally binding agreement between two parties who wish to exchange some sort of consideration (anything of value, e.g. money or goods).
- **Coverage-** The insurance afforded under a contract of insurance.
- **Declaration-** Part of the insurance policy that identifies the named insured, policy period and limit of insurance.
- **Deductible-** The amount of money the policyholder must pay on a loss.
- **Direct Loss-** A loss which is a direct consequence of a peril.
- **Disability Insurance-** Covers wage loss for the disabled person.

- **Earned Premiums-** The portion of the premium for which protection has been provided. If an insured has an annual premium and makes monthly payments, each month the insurer earns 1/12th of the premium.
- **Endorsement-** A written agreement attached to the insurance policy which alters the provisions of the contract.
- **Exclusion-** A provision in the insurance policy that indicates what is denied coverage.
- **Expense Ratio-** The ratio of all operating expenses divided by the premiums written.
- **Exposure to Loss-** The policyholder's possibility of loss.
- **Fire Insurance-** The foundation of today's property insurance. Covers loss to property caused by a fire or lightning.
- **Flood Insurance-** Insurance to reimburse property owners from loss due to the peril of flood.
- **Fortuitous Losses-** Unintentional loss occurring by accident or chance.
- **Frequency of Loss-** Refers to the actual numbers or times the same or similar loss occurs.
- **Frequency-Severity Matrix-** Matrix used to determine which type of risk treatment is appropriate for a risk.
- **General Liability-** Insurance to protect an owner or operator of a business from a wide range of liability exposures.
- **Hazard-** A condition that creates or increases the chance or severity of a loss due to a peril.
- **Homeowners-** Policy Insurance against property and liability perils to which a homeowner or renter is exposed.
- **IBNR-** Incurred but not reported losses. This is for losses which have occurred during a stated period, usually a calendar year, but have not yet been reported to the insurer.
- **Indemnification-** insurance principle which states that the insured, after a loss, should be restored in whole or in part by payment, repair or replacement by the insurer.
- **Independent Adjuster-** An adjuster hired by the insurer to investigate and settle claims on behalf of the insurance company.
- **Indirect Loss-** A loss resulting from a peril but not caused directly by that peril.
- **Insurance-** Economic device whereby the individual or business pays a cost (premium) in exchange for protection against financial loss. The agreement is a contract also known as an insurance policy.
- **Insured-** The policy holder protected in case of a loss or claim.
- **Insurer-** The party who pays for losses in an insurance arrangement.
- **Law of Large Numbers-** States that the larger the number of risks or exposures, the more closely the actual loss experience will approach the expected loss experience.
- **Legal Hazard-** Characteristics of the legal system that increase the frequency or severity of losses.
- **Legislated-** Determined by law.
- **Liability-** The obligation of financial responsibility that may arise by negligence, contract or tort committed.
- **Liability Insurance-** Protects the policyholder against a suit or claim for another's bodily injury and property damage.
- **Loss-** An undesired and unplanned reduction of financial value.
- **Loss Control-** The process of identifying and acting upon situations which may lead to losses.
- **Loss Ratio-** A formula used by insurers to relate loss expenses to earned premiums.
- **Loss Reserve-** Money set aside to pay losses.
- **Marine Insurance-** Covers loss or damage to ships, cargo or injuries to ship crew members.
- **Moral Hazard-** Dishonesty or character defects that increase the chance of loss.
- **Morale Hazard-** Carelessness or indifference to a loss because of the existence of insurance.
- **Negligence-** Failure to use that degree of care which an ordinary person of reasonable prudence would use to protect others from harm.
- **P&C-** Property and Casualty Insurance.
- **Peril-** A cause of loss.
- **Physical Hazard-** A physical condition that increases the chance of loss.

- **Policy-** The written insurance contract that may include all clauses, riders and endorsements.
- **Policy Service Representative-** Also called PSR; they are responsible for premium rating and issuing policy files.
- **Policyholder-** The insured protected in case of a loss or claim.
- **Pooling-** The method by which each member of an insurance pool shares in every risk written by other pool members.
- **Premium-** The price of insurance protection, paid by the policyholder to the insurer.
- **Premium Auditor-** Person that reviews charges to ensure that the premium paid is fair for the coverage furnished.
- **Private Insurance-** Voluntary programs that are available from the government or private firms.
- **Proximate Cause-** The immediate or actual cause of loss or damage.
- **Public Adjuster-** Hired by the insured, an adjuster who operates independently from insurance companies to investigate and settle claims.
- **Re-Inspector-** Person who double-checks the work of the original adjuster.
- **Reserves-** The funds an insurance company sets aside to pay for reported but outstanding claims.
- **Rider-** An endorsement to an insurance policy that modifies its clauses and provisions, including or excluding certain conditions from coverage.
- **Risk-** The uncertainty concerning the occurrence of a financial loss.
- **Risk Avoidance-** Avoiding the risk altogether
- **Risk Control-** Techniques used to control the frequency and magnitude of losses.
- **Risk Control Consultant-** A person with expertise in risk management techniques that reduce the frequency and severity of losses.
- **Risk Management-** The identification of loss exposures and treatments for those exposures.
- **Risk Retention-** Retaining or bearing the risk.
- **Risk Transfer-** Transferring the financial consequences of a loss to another party, such as an insurance company.
- **Severity of Loss-** Refers to the size or cost of the loss to the organization.
- **Tort-** An injury or wrong committed against an individual.
- **Umbrella Policy-** Insurance policy over and above a basic liability policy.
- **Underwriter-** The professional responsible to assess the merits of each risk and decide a suitable premium for accepting all or part of the risk.
- **Underwriting-** The process of scrutinizing a risk to determine whether or not to insure that risk.
- **Underwriting Assistant-** Assists the underwriter. Also called underwriting technician or underwriting associate.
- **Waiver-** Relinquishment of a legal right to act.
- **Workers' Compensation-** Benefits paid to an employee as a result of occupational injury.
- **Written Premiums-** The total premiums on all policies written by an insurer during a specified period of time, regardless of what portions have been earned.

Abbreviations related to Insurance Industry

- **IRDA-** Insurance Regulatory and Development
- **NCLT-** National Company Law Tribunal
- **TPA -** Third Party Administration
- **TRAI-** Telecom Regulatory Authority of India
- **FDA-** Food and Drug Administration
- **FII-** Foreign Institutional Investor
- **TRIM-** Trade Related Investment Measures
- **NSDL-** National Security Depository Limited
- **NAV-** Net Asset Value
- **SEBI-** Securities and Exchange Board of India
- **NASSCOM-** National Association of Software and Services
- **NDS-** Negotiated Dealing System
- **CRISIL-** Credit Rating Information Services of India Limited
- **IPO-** Initial Public Offer
- **SEZ-** Special Economic Zone
- **GIPSA-** General Insurance Public Sector Association Of India
- **BIFR-** Board for Industrial and Financial Reconstruction

- **FDI**- Foreign Direct Investment
- **GNP**- Gross National Product
- **PLI**- Public Liability Insurance
- **EEI**- Electronic Equipment Insurance
- **ULIP**- Unit Linked Insurance Plan
- **LIC**- Life Insurance Corporation
- **GBIC**- Governing Body of Insurance Council
- **IIB**- Insurance Information Bureau of India
- **IGMS**- Integrated Grievance Management System
- **IBAI**- Insurance Brokers Association of India
- **IIRM**- Institute of Insurance and Risk Management
- **UHS**- Universal Health Insurance Scheme



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GOVERNMENT INSURANCE SCHEMES IN INDIA

Rashtiya Swasthiya Bima Yojana (RSBY)

- ✚ **RSBY (Rashtriya Swasthiya Bima Yojana)** has been launched to provide health insurance coverage for Below Poverty Line (BPL) families.
- ✚ The objective of RSBY is to provide protection to BPL households from financial liabilities arising out of health shocks that involve hospitalization.
- ✚ Beneficiaries under RSBY are entitled to hospitalization coverage up to **Rs. 30,000/-** for most of the diseases that require hospitalization.
- ✚ Government has even fixed the package rates for the hospitals for a large number of interventions. Pre-existing conditions are covered from day one and there is no age limit.
- ✚ Coverage extends to five members of the family which includes the head of household, spouse and up to three dependents.
- ✚ Beneficiaries need to **pay only Rs. 30/-** as registration fee while Central and State Government pays the premium to the insurer selected by the State Government on the basis of a competitive bidding.

Employment State Insurance Scheme (ESIS)

Employees' State Insurance Scheme of India, is a multidimensional social security system tailored to provide socio-economic protection to worker population and their dependants covered under the scheme. Besides full medical care for self and dependants, that is admissible from day one of insurable employment, the insured persons are also entitled to a variety of cash benefits in times of physical distress due to sickness, temporary or permanent disablement etc. resulting in loss of earning capacity, the confinement in respect of insured women, dependants of insured persons who die in industrial accidents or because of employment injury or occupational hazard are entitled to a monthly pension called the dependants benefit.

Central Government Health Scheme (CGHS)

- ✚ The **"Central Government Health Scheme" (CGHS)** provides comprehensive health care facilities for the Central Govt. employees and pensioners and their dependents residing in CGHS covered cities.
- ✚ Started in **New Delhi in 1954**, Central Govt. Health Scheme is now in operation in many cities of India.
- ✚ It provides comprehensive healthcare to the CGHS Beneficiaries in India.

- ✚ The medical facilities are provided through Wellness Centres (previously referred to as CGHS Dispensaries) /polyclinics under Allopathic, Ayurveda, Yoga, Unani, Sidha and Homeopathic systems of medicines.

Aam Aadmi Bima Yojana (AABY)

- ✚ **Aam Admi Bima Yojana**, a Social Security Scheme for rural landless household was launched on **2nd October, 2007**.
- ✚ The head of the family or one earning member in the family of such a household is covered under the scheme.
- ✚ **The premium of Rs.200/- per person per annum** is shared equally by the Central Government and the State Government.
- ✚ The member to be covered should be aged between **18 and 59 years**.
- a) **On natural death- Rs 30,000**
- b) **On death due to accident/on permanent disability due to accident (loss of 2 eyes or 2 limbs)- Rs 75,000**
- c) **On partial permanent disability due to accident (loss of one eye or one limb)- Rs 37,500**

Note:

A separate fund called "**Aam Admi Bima Yojana Premium Fund**" has been set up by Central Govt. to pay the Govt. contribution. **Fund is maintained by LIC**. A free add-on benefit in the form of scholarship to children is also available under the Scheme.

Janashree Bima Yojana

Janashree Bima Yojana (JBY) was launched on 10th August 2000. The Scheme replaced Social Security Group Insurance Scheme (SSGIS) and Rural Group Life Insurance Scheme (RGLIS).

Universal Health Insurance Scheme (UHS)

- ✚ The four public sector general insurance companies have been implementing Universal Health Insurance Scheme for improving the access of health care to poor families.
- ✚ The scheme provides for reimbursement of medical expenses **upto Rs.30,000/-** towards hospitalization floated amongst the entire

family, death cover due to an accident @ Rs.25,000/- to the earning head of the family and compensation due to loss of earning of the earning **member @ Rs.50/- per day upto maximum of 15 days**.

- ✚ **The Universal Health Insurance Scheme (UHS)** has been redesigned targeting only the **BPL families**. The premium subsidy has been enhanced from **Rs.100 to Rs.200 for an individual, Rs.300** for a family of five and Rs.400 for a family of seven, without any reduction in benefits.

Pradhan Mantri Fasal Bima Yojana (PMFBY)

India is the land of farmers where the maximum proportion of rural population depends on agriculture. Hon'ble Prime Minister Shri Narendra Modi unveiled the new scheme Pradhan Mantri Fasal Bima Yojana (**PMFBY**) on **13th January, 2016**.

Highlights of PMFBY-

- ✚ There will be a uniform premium of only 2% to be paid by farmers for all Kharif crops and 1.5% for all Rabi crops. In case of annual commercial and horticultural crops, the premium to be paid will be only 5%.
- ✚ The premium rates to be paid by farmers are very low and balance premium will be paid by the Government to provide full insured amount to the farmers against crop loss in any natural calamities.
- ✚ There is no upper limit on Government subsidy. Even if balance premium is 90%, it will be borne by the Government.
- ✚ Earlier, there was a provision of capping the premium rate which is low claims being paid to farmers. Now this is removed and farmers will get claim against full sum insured without any reduction.
- ✚ The use of technology will be encouraged to a great extent. Smart phones, Remote sensing drone and GPS technologies will be used to capture and upload data of crop cutting to reduce the delays in the claim payment.

Pradhan Mantri Suraksha Bima Yojana (PMSBY)

- ✚ **Pradhan Mantri Suraksha Bima Yojana** is Indian Government's accidental insurance cover which was announced in **the 2015 Budget**.
- ✚ This scheme was launched to provide personal accident insurance to the high risk category such as mechanics, labourers, truck drivers which involves a lot of travelling. It is also one of the cheapest insurance cover. The scheme also covers both partial and permanent **disability cover**.
- ✚ This scheme is available to those between the ages of **18 and 70 years** and they must have a bank account. The annual premium of the scheme is **Rs.12 excluding** the service tax.
- ✚ The premium amount is automatically debited from the bank account of the scheme holder. **Rs.2 lakh** is paid to the nominee if the subscriber dies in an accident or if he is fully disabled.
- ✚ If the subscriber meets with an accident and suffers partial permanent disability, then **Rs.1 lakh is paid**.



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Important One-Liners for NICL AO Mains 2017

1. An arrangement by which a company or the state undertakes to provide a guarantee of compensation for specified loss, damage,

illness, or death in return for payment of a specified premium. It is called?

Answer- Insurance.

2. An insurance _____ is the amount of money that an individual or business must pay for an insurance policy.

Answer- Premium.

3. In which year the Life Insurance sector and Life Insurance Corporation came into existence?

Answer- 1956

4. In 1993, the Government set up a committee under the chairmanship of _____ former Governor of RBI, to propose recommendations for reforms in the insurance sector.

Answer- RN Malhotra

5. In which year the formation of the General Insurance Council, a wing of the Insurance Association of India?

Answer- 1957

6. IRDA was constituted as an _____ to regulate and develop the insurance industry.

Answer- autonomous body.

7. IRDA stands for-

Answer- Insurance Regulatory and Development Authority.

8. In which year, the IRDA was incorporated as a statutory body?

Answer- April 2000

9. Name the organisation, which is regulate the Indian insurance industry to protect the interests of the policyholders and work for the orderly growth of the industry.

Answer- Insurance Regulatory and Development Authority (IRDAI)

10. What is the mission of IRDAI?

Answer- To protect the interests of policyholders, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto.

11. Frames regulations for insurance industry in terms of Section _____ of the Insurance Act 1938 From the year 2000 has registered new insurance companies in accordance with regulations.

Answer- section 114A

12. How much percent FDI in insurance sector?
Answer- 40 percent
13. _____ is a financial cover for a contingency linked with human life, like death, disability, accident, retirement etc.
Answer- Life insurance.
14. The term _____ relates to a type of insurance that essentially covers your medical expenses.
Answer- Health Insurance
15. Which type of insurance gives protection to the vehicle owner against damages to his/her vehicle?
Answer- Motor Insurance
16. Insurance of _____ means insurance of buildings, machinery, stocks etc against Fire and Allied Perils, Burglary Risks and so on.
Answer- Property
17. Name the insurance, which offers insurance protection while you travel?
Answer- Travel Insurance.
18. _____ schemes are offered by insurance companies to provide certain classes of individuals, the benefit of insurance coverage at moderate cost.
Answer- Group Insurance
19. _____ is a life insurance product, which provides risk cover for the policy holder along with investment options to invest in any number of qualified investments such as stocks, bonds or mutual funds.
Answer- ULIP.
20. ULIP stands for?
Answer- Unit Linked Insurance Plans.
21. _____ is a percentage of the premium appropriated towards charges before allocating the units under the policy.
Answer- Premium Allocation Charge
22. NAV stands for?
Answer- Net Asset Value.
23. _____ charge may be deducted for premature partial or full encashment of units wherever applicable, as mentioned in the policy conditions.
Answer- Surrender Charge
24. Life Insurance Corporation of India (LIC) is which type of insurance company?
Answer- Public sector insurance company.
25. LIC of India was incorporated on-
Answer- 01st September 1956.
26. Where is the head office of LIC?
Answer- Mumbai
27. Who is the present chairman of LIC?
Answer- VK Sharma
28. The General insurance industry was nationalized in which year-
Answer- 1972
29. Where is the head office of General Insurance Corporation of India (GIC)?
Answer- Mumbai
30. Who is the present Chairman and Managing Director (CMD) of GIC?
Answer- Alice G. Vaidyan
31. The authorized capital and paid-up equity capital of the New India Assurance Company Limited (NIACL)?
Answer- Rs.300 crore and Rs.200 crore respectively.
32. Where is the head office of New India Assurance Company Limited (NIACL)?
Answer- Mumbai
33. Who is the present Chairman cum Managing Director of New India Assurance Company Limited (NIACL)?
Answer- G Srinivasan
34. The New India Assurance Company Limited (NIACL) was founded by Sir Dorabji Tata on July 23rd, 1919 and nationalized in _____ with merger of Indian companies.
Answer- 1973
35. United India Insurance Company Limited (UIIC) was incorporated in which year?
Answer- 1938
36. What is the authorized capital of United India Insurance Company Limited (UIIC)?
Answer- Rs.200 crore
37. Where is the head office of United India Insurance Company Limited?
Answer- Chennai
38. In which year, the Oriental Insurance Company Ltd was incorporated?

- Answer-** 1947
39. Who is the Chairman cum Managing Director of Oriental Insurance Company Ltd?
Answer- A V Girija Kumar
40. Where is the head office of Oriental Insurance Company Ltd?
Answer- New Delhi
41. Where is the head office of National insurance company limited (NICL)?
Answer- Kolkata
42. What is the authorized capital of National insurance company limited (NICL)?
Answer- Rs.200 crore
43. In which year National insurance company limited (NICL) was incorporated?
Answer- 1906
44. Who is the present Chairman cum Managing Director of National insurance company limited (NICL)?
Answer- K Sanath Kumar
45. Agriculture Insurance Company Of India Limited' (AIC) was incorporated to exclusively cater to the insurance needs of the persons engaged in agriculture and allied activities in India under which act?
Answer- Companies Act, 1956
46. The authorized Share Capital of the Agriculture Insurance Company Of India Limited' (AIC) is-?
Answer- Rs.1500 crore
47. Agriculture Insurance Company Of India Limited' (AIC) was incorporated in which year?
Answer- 2002
48. Where is the head office of Agriculture Insurance Company Of India Limited' (AIC)?
Answer- New Delhi
49. Who is the present Chairman cum Managing Director of Agriculture Insurance Company Of India Limited' (AIC)?
Answer- Alamelu T Lakshmanachari
50. The insurance company representative who sells policies on behalf of the insurer. It is called?
Answer- Agent
51. What is the full form of NCLT?
Answer- National Company Law Tribunal
52. NAV stands for-

- Answer-** Net Asset Value
53. IBAI was incorporated as a Company under Section 25 of the Companies Act, 1956. IBAI stands for-
Answer- Insurance Brokers Association of India
54. RSBY (Rashtriya Swasthya Bima Yojana) has been launched by _____, Government of India to provide health insurance coverage for Below Poverty Line (BPL) families.
Answer- Ministry of Labour and Employment
55. Under the Rashtriya Swasthya Bima Yojana are entitled to hospitalization coverage up to _____ for most of the diseases that require hospitalization.
Answer- Rs. 30,000/-



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56. _____ is a multidimensional social security system tailored to provide socio-economic protection to worker population and their dependants covered under the scheme.
Answer- Employees' State Insurance Scheme of India (ESIC)
57. Aam admi bima yojana (AABY) a Social Security Scheme for rural landless household was launched on-
Answer- 2nd October, 2007
58. Under the AABY the premium of ____ per person per annum is shared equally by the Central Government and the State Government.
Answer- Rs.200/-
59. The member of AABY to be covered should be aged between ____ and ____ years.

Answer- 18 and 59 years

60. Aam Admi Bima Yojana Premium Fund has been set up by Central Govt. to pay the Govt. contribution. Fund is maintained by-?

Answer- LIC

61. Janashree Bima Yojana (JBY) was launched on-

Answer- 10th August 2000.

62. India is the land of farmers where the maximum proportion of rural population depends on agriculture. Pradhan Mantri Fasal Bima Yojana (PMFBY) launched on-

Answer- 13th January, 2016

Important Topics Related to Insurance Awareness

Types of Health Insurance

- ✚ A Hospitalization policy covers, fully or partly, the actual cost of the treatment for hospital admissions during the policy period. This is a wider form of coverage applicable for various hospitalization expenses, including expenses before and after hospitalization for some specified period.
- ✚ Another type of product, the Hospital Daily Cash Benefit policy, provides a fixed daily sum insured for each day of hospitalization. There may also be coverage for a higher daily benefit in case of ICU admissions or for specified illnesses or injuries.
- ✚ A Critical Illness benefit policy provides a fixed lumpsum amount to the insured in case of diagnosis of a specified illness or on undergoing a specified procedure. This amount is helpful in mitigating various direct and indirect financial consequences of a critical illness. Usually, once this lump sum is paid, the plan ceases to remain in force.
- ✚ There is an exclusive section of the Income Tax Act which provides tax benefits for health insurance, which is Section 80D, and which is unlike the section 80C applicable to Life Insurance wherein other form of investments/expenditure also qualify for the deduction. Currently, purchasers of health insurance who have purchased the policy by any payment mode other than cash can avail of an annual deduction of Rs. 15,000 from their taxable income for payment of Health Insurance premium for self, spouse and dependent

children. For senior citizens, this deduction is higher, and is Rs. 20,000.

- ✚ 'Any one illness' would mean the continuous period of illness, including relapse within a certain number of days as specified in the policy. Usually this is 45 days.
- ✚ Family Floater is one single policy that takes care of the hospitalization expenses of your entire family. The policy has one single sum insured, which can be utilised by any/all insured persons in any proportion or amount subject to maximum of overall limit of the policy sum insured.

What is Utmost Good Faith?

Utmost Good Faith is one of the principles that insurance is based on. It denotes a positive duty of the person seeking insurance to voluntarily disclose accurately and fully, all facts material to the risk being proposed whether requested or not.

What is an 'insured peril'?

The purpose of insurance is to compensate you for a loss caused by an insured perils. If your stocks are destroyed in a fire, the cause of loss is fire which is payable under a fire policy. If the stocks are stolen, the loss is not payable under a fire policy as "Burglary" is not a covered peril.

What is the meaning of Co-Insurance?

Corporate clients, who want to oblige more than one insurer, or benefit from the competitive forces among insurers, place their insurance business with more than one insurance company. While

doing so, they select one company as the “Leader” who is given higher share of premium and others are given lesser share. Client deals only with the “Leader”. The leader will share the premium (in the ratio decided by the client) as well as claims with other participating insurers who are called Co-insurers.

What is a TPA and what are its functions?

A TPA is a Third Party Administrator. They are commercial entities duly licensed by IRDA. Their services are utilised by Insurance Companies, both Life and Non-Life, to render, on their behalf, post-sales services to health insurance policyholders.

Insurance Ombudsman

- ✚ Insurance Ombudsman scheme was created by the Government of India for individual policyholders to have their complaints settled out of the courts system in a cost-effective, efficient and impartial way.
- ✚ There are at present 17 Insurance Ombudsman in different locations and any person who has a grievance against an insurer, may himself or through his legal heirs, nominee or assignee, make a complaint in writing to the Insurance ombudsman within whose territorial jurisdiction the branch or office of the insurer complained against or the residential address or place of residence of the complainant is located.
- ✚ The Ombudsman will receive and consider complaints or disputes relating to—

- (a) delay in settlement of claims, beyond the time specified in the regulations, framed under the Insurance Regulatory and Development Authority of India Act, 1999;
- (b) any partial or total repudiation of claims by the life insurer, General insurer or the Health insurer ;
- (c) disputes over premium paid or payable in terms of insurance policy;

- (d) misrepresentation of policy terms and conditions at any time in the policy document or policy contract;
- (e) legal construction of insurance policies in so far as the dispute relates to claim;
- (f) policy servicing related grievances against insurers and their agents and intermediaries;
- (g) issuance of life insurance policy, general insurance policy including health insurance policy which is not in conformity with the proposal form submitted by the proposer;
- (h) non-issuance of insurance policy after receipt of premium in life insurance and general insurance including health insurance; and etc.

✚ The complaint shall be made in writing on a plain, duly signed by the complainant and shall state clearly the name and address of the complainant, the name of the branch or office of the insurer against whom the complaint is made, the facts giving rise to the complaint, supported documents if any, the nature and extent of the loss caused to the complainant and the relief sought from the Insurance Ombudsman.

Important Points related to IO

Financial Jurisdiction of an Insurance Ombudsman

Ombudsman can,

- ✚ award any compensation up to the loss suffered by the complainant as a direct consequence of the cause of action; or
- ✚ award compensation not exceeding Rs Thirty lakhs (including relevant expenses, if any).

Within what time shall the Ombudsman dispose of the complaint?

In case both parties agree for mediation, the Ombudsman gives his Recommendation within 1 month; otherwise, he passes an Award within 3 months from the date of receipt of all requirements from complainant.

Are there any fees / charges payable for lodging a complaint?

No fees / charges are required to be paid.

Is there any appeal against an Award of Insurance Ombudsman?

In case a complainant is not satisfied with the Award of an insurance Ombudsman he can exercise his right to take recourse to the normal process of law against the insurance company. However, the award of Insurance Ombudsman shall be binding on the insurers.

Is there any time limit for Compliance of Award by Insurers?

The Insurer shall comply with the Award within 30 days from the date of receipt of the Award and intimate of its compliance to the Insurance Ombudsman.

What is Insurance on Personal Lines?

Insurance on personal lines means an insurance policy taken or given in an individual capacity, e.g. life insurance, personal accident insurance, mediclaim insurance, insurance of personal property of the individual such as motor vehicle, household articles, etc.

INSURANCE CURRENT AFFAIRS

- ✚ **Fino Paytech**, which just received the RBI's licence to launch a payments bank, has inked a deal with **ICICI group** companies to distribute insurance products and tied up with Exide Life insurance to sell products via its distribution channel.
- ✚ **IRDAI** has launched a web portal for insurers that will allow them to register and sell **policies online**.
- ✚ LIC has appointed **Vinay Shah** as the new Managing Director (MD) and Chief Executive Director of its mortgage loan arm and listed entity **LIC Housing Finance**.
- ✚ **GIC Re** has become the first re-insurer to open an office at India's first International Financial

Services Centre (**IFSC**) at Gujarat International Finance Tec-City (**GIFT City**).

- ✚ **Edelweiss Tokio** has launched India's first and the simplest life insurance product that can be bought at a **point of sale (PoS)** has finally been launched.
- ✚ **HDFC Life** has entered into a bancassurance tie-up with **Catholic Syrian Bank** to distribute its individual life insurance products to the private lender's customers.
- ✚ The Minister of State for **Labour & Employment(IC)**, Shri Bandaru Dattatreya launched EPFOs **Citizens Charter 2017** and e-court management system in Bangalore.
- ✚ Karnataka Bank Ltd has entered into a **Memorandum of Understanding (MoU)** with **Life Insurance Corporation (LIC)** of India for selling life insurance products of LIC.
- ✚ **HDFC Life** announced the launch of an artificial intelligence-based application '**SPOK**' that can automatically read, understand, categorise, prioritise and respond to customer emails sent to the **private insurer**.
- ✚ The government has set up **18 sectoral groups**, comprising senior members from the Centre and the States, to ensure the smooth rollout of the Goods and Services Tax. **The 18 groups** pertain to sectors such as banking and insurance, textiles, exports, information technology, transport, and oil and gas.
- ✚ **Canara Bank** has inked pact with the state-owned general insurer **The New India Assurance Company Ltd.** to sell policies through its branches. The pact allows Canara Bank to offer non-life insurance products to its customers across metros **and tier II and III** cities through the bank's extensive network of over **6,000 branches**.
- ✚ **IRDAI** has taken over the administration of Sahara India Life Insurance, a first of its kind move in the insurance sector. The administrator will act as per the powers and duties and applicable provisions. **R.K. Sharma**, general manager, **IRDA** has been appointed as

- the administrator with “immediate effect” to manage Sahara India Life Insurance Company.
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