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Chapter

1

Introduction to Insurance

What Is Insurance?

Life is an adventure, filled with risks and uncertainties that add excitement to our journey. However, unforeseen events can sometimes knock us off course. This is where insurance plays a vital role, protecting us and the things we cherish, such as our homes, cars, and valuables. Whether it's natural calamities like floods, storms, and earthquakes or man-made disasters like theft, car accidents, and fires, insurance shields us from the financial impacts of these risks.

At its core, insurance operates on a simple yet powerful idea: by distributing the cost of unexpected risks among a large group of people who share similar exposures, the burden becomes more manageable for everyone. While an accident or fire might deal a severe financial blow to one person, considering the entire community, only a few would experience such losses in any given year. By collecting a small contribution from everyone and pooling it together, a common fund is created. This fund is then used to compensate the unfortunate members who suffered losses.
Essentially, insurance serves as a financial tool designed to mitigate the consequences of unforeseen events and create a sense of financial security. Anyone seeking to safeguard themselves from potential hardships should seriously consider insurance. Let's illustrate this concept with an example:

Imagine a village with 400 houses, each valued at ₹20,000. On average, 4 houses get burnt every year, resulting in a total loss of ₹80,000.

Number of houses	400
Value of each house	₹20,000
Houses that get burnt every year (average)	4
Total loss (4 houses x ₹20,000)	₹80,000
Contribution to be made by 400 house owners to compensate for loss of ₹80,000	₹200 (80,000 / 400)

To address this, all 400 homeowners decide to join forces and contribute ₹200 each, forming a common fund of ₹80,000. With this amount, they can provide ₹20,000 to each of the 4 owners whose houses were damaged by the fire. As a result, the risk of these 4 owners is spread across the entire community of 400 homeowners in the village. This collective approach ensures that everyone shares the burden, making it a more secure and sustainable way to handle unforeseen challenges.

Understanding risks, perils, and hazards

In our daily lives, we often come across stories of unfortunate events and accidents that people have experienced. These incidents can range from falling seriously ill to motor vehicle theft, and accidents resulting in injuries or fatalities to the destruction of homes and belongings due to fire, and even large-scale loss of lives and property caused by cyclones and tsunamis. Throughout history, protecting ourselves, our families and society from such uncertain events has been a paramount concern.
To better comprehend these situations, we use specific terms to describe different aspects of risk:

RISK

The term **"risk"** refers to the probability of experiencing a loss due to uncertain events.

"Perils" are the events or occurrences that cause these risks. For example, fire is a peril because it leads to losses.

"Hazards" are factors that increase the likelihood of a peril occurring. For instance, a fireplace is a hazard because it raises the probability of loss from fire. In some cases, some factors can be both a peril and a hazard. For instance, smoking is a peril because it causes various health ailments, while also acting as a hazard by increasing the probability of such ailments.

By understanding the distinction between risks, perils, and hazards, we can make more informed decisions and take proactive measures to protect ourselves and our communities from potential harm. Being aware of these concepts empowers us to mitigate risks effectively and create a safer environment for everyone.

Why buy insurance?

Life is inherently uncertain, and each day brings its share of risks to our well-being, health, property, and more. While we cannot predict when or if something unfortunate might happen, we do have the power to take measures that can alleviate the financial impact of these risks and provide us with a sense of financial security.

Insurance serves as a powerful financial tool designed precisely for this purpose. It offers a means to substantially reduce the potentially overwhelming financial consequences of unforeseen events. By securing insurance, we take a proactive step towards safeguarding ourselves financially.

The principle behind insurance revolves around the law of large numbers. Through the collective contributions of many individuals in the form of premiums, the losses of a few can be covered. By paying a premium to protect against a specific type of loss, you secure coverage for a certain sum of money that you will receive if you encounter that particular loss.

In essence, insurance grants you the peace of mind and assurance that, in times of need, you won't face the full burden of financial devastation alone. It provides a safety net, allowing you to face life's uncertainties with greater confidence, knowing that you have a financial cushion to fall back on when the unexpected occurs. Choosing insurance is a prudent and responsible decision, offering protection and support for you and your loved ones in the face of life's uncertainties.

Chapter 2

Life Insurance vs General Insurance

Life insurance

Life insurance doesn't directly insure your life, but it safeguards a crucial aspect of it - your income and the financial stability it brings to your family. Let's consider both the present and the future scenarios to understand its significance.

In the present, think about a situation where both of your parents are working, and sadly, one of them passes away. Who would support you then? Could you still afford to live in the same house? And who will take care of the bills? Life insurance steps in to address these concerns by providing sufficient funds to cover your family's needs after you're gone.

Now, looking ahead into the future, suppose you and your spouse take out a car loan or a home loan together. What would happen if one of you were to pass away? How would the loan be repaid? Life insurance offers a safety net, ensuring that there's enough money to pay off these debts, alleviating the financial burden on your loved ones.

Life insurance comes in various types, each serving specific purpose:

Term Policy: This type of policy provides protection against the risk of premature death. The benefit becomes payable only in the unfortunate event of the insured person's death.

Endowment Policy: An endowment policy offers protection against death risk and provides a bonus on the maturity of the policy. Benefits are payable either in the event of the insured person's death or upon the policy's maturity.

Unit Linked Policies: These policies provide dual benefits of life insurance and savings. A portion of the premium is invested, and the customer enjoys returns based on market performance.

Pension Plan: A pension plan offers post-retirement benefits. Individuals contribute a small sum during the policy period based on their income levels and lifestyle. Upon reaching the retirement age, the life insurance company provides a monthly pension to take care of expenses after retirement.

In summary, life insurance is a crucial financial tool that helps secure your family's future by ensuring that there is enough financial support to meet their needs and obligations when you are no longer there to provide for them.

General insurance

General insurance, also known as non-life insurance, offers a wide range of insurance covers to protect against various contingencies such as illnesses, property damage, motor accidents, and more. As assets hold their own value and are vulnerable to potential damages, specific general insurance policies provide a shield to safeguard the economic worth of these assets, preventing substantial financial losses.

For instance, a home insurance policy can offer protection for your home and its valuable contents against calamities and theft. In the event of an unfortunate incident, such insurance coverage reduces the likelihood of depleting your savings, borrowing money, seeking financial assistance from family or friends, or resorting to selling your assets to cover repairs, medical treatments, or outstanding loans. Every family should consider suitable general insurance policies as a crucial measure to protect the property they have acquired through hard-earned income. A loss or damage to one's property can be emotionally devastating, but insurance can serve as a mitigating factor during such trying times.

Natural disasters like tsunamis, earthquakes, and cyclones have left countless people homeless and financially distressed. While these losses can be devastating, insurance can play a significant role in alleviating the aftermath. Similarly, health insurance policies offer financial relief to individuals undergoing medical treatment for diseases or injuries, lessening the burden of medical expenses.

Most general insurance covers are annual contracts, although some products are available on a long-term basis. There are various categories of general insurance policies, each tailored to cater to specific needs:

Motor Insurance: Provides coverage for vehicles against damages and liabilities arising from accidents.

Health Insurance: Offers financial support for medical treatments and hospitalization expenses.

Fire Insurance: Protects against losses caused by fire-related damages to property.

Marine Insurance: Covers goods and vessels during marine transit against risks like damage and loss.

Travel Insurance: Provides protection during travel against issues like trip cancellations, medical emergencies, and baggage loss.

Home Insurance: Safeguards homes and valuables inside against calamities and theft.

Crop Insurance: Assists farmers by compensating for crop losses due to specific perils.

Cyber Insurance: Cyber insurance policy provides a safety shield for businesses and individuals against malware and ransomware cyber-attacks

Pet insurance: A pet insurance which prioritizes the health and well-being of your beloved pet.

In conclusion, general insurance is a vital aspect of financial planning, ensuring that individuals and families can handle unforeseen

Chapter 3

Principles Of Insurance

Insurance business is governed by certain guiding principles.
The following are the principles of insurance:

Insurable interest

In the context of insurance, having an insurable interest in the property or life being insured is a fundamental requirement. An insurable interest means that the person obtaining the insurance policy must stand to benefit from the existence of the insured property or life and would be adversely affected by its destruction or loss. This principle holds significant legal importance, as an insurance contract lacking insurable interest is considered invalid and cannot be enforced in a court of law. The rationale behind this principle is to ensure that the insured party has a genuine financial stake in the property or life being insured. It helps prevent situations akin to gambling, where someone takes out insurance on a property or life without any real interest or exposure to financial loss in the event of a claim. For instance, this principle prevents individuals from insuring someone else's life with the intention of profiting from their death.

Let's illustrate with an example: Imagine you own a house, and if it gets damaged by fire, you will suffer a financial loss. In this case, you have an insurable interest in your own house. However, if your neighbour's house, which you do not own, is damaged by fire, you may feel sympathy for your neighbour, but you do not have any financial interest in their property. Therefore, you lack an insurable interest in your neighbour's house.

Overall, the concept of insurable interest serves as a safeguard against fraudulent or unethical insurance practices. It ensures that insurance is obtained for genuine protection rather than for speculative purposes, thereby maintaining the integrity of insurance contracts and preventing potential misuse of insurance for wrongful gains.

Utmost good faith or uberrima fides

The principle of Utmost Good Faith, also known as Uberrima Fides, is the cornerstone of insurance contracts. It requires both the prospective insured and the insurer to engage in a relationship of utmost honesty and full disclosure. In essence, an insurance contract is based on complete transparency and accurate communication between the parties involved.

Central to this principle is the obligation of the prospective insured to provide the insurer with all relevant and material information pertaining to the risk being insured. Material information refers to any details that would influence the insurer in assessing the risk and determining whether to cover it, as well as the terms and conditions of coverage.

Both the insured and the insurer must disclose all material information during the formation of the insurance contract. For the insured, this means revealing any known facts about the risk they are seeking to insure. Similarly, the insurer must be forthcoming about the terms and conditions of the policy and any relevant factors that might affect the coverage.

The concept of Utmost Good Faith is critical because insurance is based on the probability of potential losses occurring. The complete disclosure of relevant information allows the insurer to accurately assess the risk's quality and calculate an appropriate premium.

Let's consider an example to illustrate its significance: John takes out a Health Insurance policy but fails to disclose that he is a smoker. Later, he is diagnosed with cancer and seeks to make a claim. However, the insurance company discovers that John withheld important information about his smoking habit. In this scenario, the insurer may rightfully reject the claim, as John's non-disclosure of a material fact violates the principle of Utmost Good Faith.

In summary, the principle of Utmost Good Faith serves as the bedrock of trust and transparency in insurance contracts. It ensures that both parties act in good faith, providing all necessary information to make informed decisions, ultimately upholding the integrity of the insurance relationship.

Principle of indemnity

The principle of indemnity is a fundamental concept in insurance that aims to restore the insured person to the same financial position they were in before the occurrence of a loss. The essence of indemnity is to provide security, protection, and compensation against damage, loss, or injury without granting the insured any profit or advantage due to the loss.

This principle is applicable to all types of insurance policies, except for life insurance. When a loss occurs, the insurer pledges to assist the insured in returning to their pre-loss financial state. The compensation provided is determined based on the measurable monetary value of the loss suffered. The insured is entitled to receive compensation only up to the actual amount of their financial loss.

Every insurance policy specifies a sum insured, representing the maximum liability of the insurer under the contract. Depending on the type of insurance policy, the sum insured may represent:

- The value of a car
- The value of a house
- The estimated medical expenses
- The amount needed to meet a family's financial needs in case of the breadwinner's death.

Let's consider an example to illustrate the principle of indemnity: Jayesh owned a shop, and unfortunately, it caught fire, resulting in the destruction of a portion of the stored goods. His shop was insured for its full value of ₹5,00,000. Jayesh filed a claim for the full insured amount of ₹5,00,000. However, after the insurance company's surveyor examined the damage, they assessed the loss to be only ₹64,000. In accordance with the principle of indemnity, the insurance company paid Jayesh ₹64,000 as compensation, which is the actual loss he suffered. Despite having a policy of ₹5,00,000, Jayesh was compensated only for the value of the damaged goods. This illustrates that in indemnity, one is compensated for precisely what they have lost - no more and no less.

Let’s understand the concept using another example:

Jetha claimed a full 10 lakhs as compensation. Upon examination, it was found that only goods worth ₹2 lakhs were damaged. Now, only ₹2 lakhs will be provided to him.
Overall, the principle of indemnity ensures fairness and prevents the insured from benefiting from the insurance beyond the extent of their actual financial loss. It is a fundamental aspect of insurance contracts, upholding the essence of providing genuine protection and financial restitution in times of adversity.

Subrogation

Subrogation is a vital principle in insurance that grants the insurer the legal right to pursue a third party who is responsible for causing a loss to its insured. When you file an insurance claim, and another party is at fault for the loss, the insurer typically follows these steps:

10. The insurer pays the claim to indemnify you, covering your damages and injuries.

11. The insurer seeks to recover the money they paid, or a portion of it, from the parties at fault for the accident.

The principle of subrogation comes into play when the insured is compensated for losses due to damage to their insured property. Upon receiving compensation from the insurer, the ownership rights of the damaged property shift to the insurer. Subrogation rights only arise after the insurer has provided payment for the loss. It ensures that the insured cannot seek reimbursement for the same loss from any other party, preventing the insured from being compensated twice for the same loss. Let’s illustrate with an example: Rajan sends his household goods worth ₹1,00,000 from Kolkata to Mumbai through Jayant Transports. During transit, a part of the goods is damaged due to the truck driver’s negligence. The insurer assesses the loss and determines it to be ₹30,000, which they pay to Rajan as indemnity. However, Rajan

also takes the matter to court and the court orders Jayant Transports to pay ₹30,000 to Rajan. Since Rajan has already received ₹30,000 from the insurer, receiving the same amount from the transporter would result in him profiting from the loss.
In this situation, the following observations should be noted:

- The insurance company must compensate Rajan as per the insurance contract promptly, without making him wait for the court's judgment.

- Rajan should not receive two compensations and gain from the loss. In such cases, the insured's right to claim from any other source is transferred to the insurer when the claim is paid. This transfer of the insured's right to the insurer is referred to as "subrogation" in insurance terminology. In other words, upon payment of the claim, the insured's right to claim from elsewhere becomes "subrogated" to the insurer.

In conclusion, subrogation allows insurers to seek reimbursement from at-fault parties, ensuring fairness and preventing the insured from benefiting twice for the same loss. It is an essential aspect of insurance contracts that protects the insurer's interests and maintains the integrity of the insurance system.

Contribution

Contribution is a fundamental principle in insurance that comes into play when a property is insured with more than one insurance company. The principle ensures that the insured cannot claim a total loss from all insurance companies combined, nor can they claim the same loss from multiple insurers. If one insurer provides full compensation for the loss, they have the right to claim a proportionate share of the claim from the other insurers involved. The objective is to prevent the insured from being in a better position than before the loss occurred and to ensure that the total loss suffered by the insured is shared among the different insurers in proportion to the value of the policies issued by each of them.

Let's consider an example to illustrate the principle of contribution: Kishore owns a car worth ₹5,00,000 and he obtains full insurance coverage for this car from two different insurance companies. Unfortunately, the car is completely damaged in an accident, resulting in a total loss of ₹5,00,000. Kishore files a claim with the first insurance company and receives a payment of ₹5,00,000.
However, when he approaches the second insurance company and makes a claim for ₹5,00,000, they inform Kishore that he is not eligible for any further compensation because he has already been indemnified by the first company. Allowing Kishore to receive payments from both companies would lead to him profiting from the loss, which contradicts the principle of indemnity.

According to the principle of contribution, the first insurance company has the right to recover a proportionate share of the claim from the second insurer, as both insurers are liable for the same loss. This ensures that the total loss suffered by Kishore is fairly shared among the insurance companies involved, and Kishore is not placed in a better financial position than before the accident.

In summary, the principle of contribution prevents the insured from receiving duplicate compensation for the same loss and maintains fairness in the insurance process by distributing the liability among the insurers in proportion to the value of their respective policies. It upholds the principle of indemnity and ensures that the insured is adequately compensated for their loss without making a profit from it.

Principle of proximate cause

The Principle of Proximate Cause holds that when a loss is caused by multiple factors, the insurer's liability is determined based on the proximate or nearest cause, not the remote or farthest cause. This principle is particularly useful in situations where a loss results from a series of events. It states that in order to establish the insurer's liability for the loss, the primary and most direct cause (the proximate cause) must be considered, rather than the last event that immediately preceded the loss (the remote cause).

However, in the case of life insurance, the principle of Proximate Cause does not apply. Regardless of the cause of death, the insurer is obligated to pay the insured amount in a life insurance policy.

Under this principle, when determining whether a loss is covered under an insurance policy, a court looks for the predominant cause that sets in motion the chain of events leading to the loss. This may not necessarily be the final event immediately preceding the loss.

Let's illustrate with an example: Prathamesh had taken an accident insurance policy that covered death resulting from an accident. One day, while walking on the road, he was hit by a car. He was rushed to the hospital, but being a person with a weak heart, he couldn't withstand the shock and died a few hours later from heart failure. The insurance company contested the claim, arguing that the cause of death was the heart attack and not the accident.

In this case, the court ruled that even though the immediate cause of death may have been a heart attack, the proximate cause of death was the accident itself. The accident set in motion a chain of events that ultimately led to Prathamesh's death. Consequently, the court ordered the insurance company to pay the claim, as the accident was the proximate cause of the loss.

In conclusion, the Principle of Proximate Cause is essential in determining an insurer's liability when a loss is caused by multiple factors. It ensures that the most significant and direct cause is taken into consideration, providing clarity and fairness in assessing claims. However, in life insurance, the insurer is liable to pay the sum insured regardless of the cause of death.

Principle of loss minimisation

The Principle of Loss Minimisation imposes a responsibility on the insured to take all reasonable and necessary measures to minimise the extent of loss to their insured property in the event of sudden and unexpected events like fire, among others. When faced with such circumstances, the insured is obligated to control and reduce the damages and make efforts to save whatever is salvageable. This principle encourages the insured to act prudently and responsibly, just as any sensible person would in similar circumstances.

By adhering to the Principle of Loss Minimisation, the insured demonstrates due diligence in protecting their insured property. If the insured fails to take reasonable steps to minimise the loss and behaves negligently or irresponsibly, the insurer may be able to avoid payment for the losses that could have been reduced or avoided with appropriate actions.

It is important to note that while the insured is expected to make every effort to protect their insured property, they are not required to do so at the risk of their life. Safety and personal well-being take precedence over property protection.

Let's consider an example to illustrate the principle: John's house catches fire due to an electrical short-circuit. In this unfortunate situation, John must make every effort to contain the fire and prevent it from spreading further. This includes promptly calling the nearest fire department, seeking help from neighbours with emergency fire extinguishers, and taking any other reasonable actions to control the fire. It would be wrong for John to remain passive and merely watch his house burn, assuming that he is protected because he has insurance.

In summary, the Principle of Loss Minimisation places a responsibility on the insured to act responsibly and diligently during sudden and unforeseen events. It ensures that the insured takes appropriate steps to mitigate damages and safeguard their insured property, thereby helping to minimise the overall losses and contributing to the effectiveness of insurance contracts.

Chapter 4

Types Of Insurance Products

Motor Insurance

Home Insurance

Health Insurance

Cyber Insurance

Pet Insurance

Personal Accident Insurance

Motor Insurance

Motor insurance

Travelling by vehicle is an unavoidable routine for most of us nowadays. While vehicles are indispensable for commuting, they also expose us to various risks - both physical and financial. Therefore, it is essential to have security measures in place to safeguard against potential issues such as vehicle damage, loss, and third party liability. Motor Insurance provides the necessary financial protection and coverage in the event of such incidents.

In critical situations, vehicle owners may face significant financial liabilities if they do not exercise proper caution. So, how can vehicle owners protect themselves against these potential risks associated with their vehicles? The answer lies in Motor Insurance, which encompasses insurance covers for losses or damages caused to the vehicle or its parts due to natural disasters or man-made calamities. This insurance also offers accident cover for individual vehicle owners while driving, as well as for passengers and third party legal liability.
Notably, driving a motor vehicle without insurance in public places is a punishable offence according to the Motor Vehicles Act, 1988.

Being safe is always wiser than being sorry. Accidents can happen unexpectedly, and their consequences can have a significant impact on your finances. To ensure peace of mind and to obtain the right coverage, it is advisable to opt for either Third Party or Comprehensive insurance that aligns with your specific requirements.
Motor Insurance provides financial protection in the following areas:

- Damage to your own car
- Damage to someone else's car or property
- Injuries or Death of the Insured resulting from an accident
- Injury or Death of a Third Party (Pedestrians/Cyclists, etc.)

Liability Only policies are legally mandatory for all vehicles registered with the RTO and operating on public roads. This policy provides coverage for bodily injury and/or property damage, paying for the financial responsibilities you bear after an accident. Liability coverage takes care of costs related to injuries sustained by another driver or passenger, as well as damages to other vehicles or property caused by the accident. However, it does not provide coverage for your own vehicle.

Opting for this type of coverage is common for owners of low-value vehicles, as it shields them from potential financial burdens arising from damage their car may cause to more valuable vehicles or other properties belonging to someone else.
On the other hand, Comprehensive policies offer maximum peace of mind to vehicle owners. They cover the repair or replacement of your vehicle due to accidental damage, theft, fire, malicious damage, and weather-related damage. This policy also includes coverage for repairing or replacing other vehicles damaged in an accident involving your vehicle, as well as property damage. Furthermore, injuries or death resulting from an accident, both for the insured and third parties, are covered under this policy.

Several crucial factors are considered when insuring motor vehicles:

- **Type of vehicles:** Vehicles are broadly categorised for Motor Insurance, including Private Cars, Two-Wheelers, Passenger Carrying Commercial Vehicles, Goods Carrying Commercial Vehicles, and Other Miscellaneous types like ambulances and cranes.
- **Insured's Declared Value (IDV):** This represents the value for which the vehicle is insured and indicates the maximum liability of the insurance company in the event of a total loss.
- **Cubic capacity:** This refers to the engine's power, with higher CC leading to higher premiums.
- Make and model of the vehicle.

- **Year of manufacture:** The age of the vehicle impacts the premium, with older vehicles generally incurring higher premiums.
- Geographical zone of vehicle registration/use.
- **Fuel type:** Insurance premium for cars that run on Diesel and CNG is more than the premium for cars running on petrol.

Did you know?

To combat Car Insurance fraud and provide customers with a convenient way to verify the authenticity of their motor insurance policy, the IRDAI (Insurance Regulatory and Development Authority of India) has made it mandatory for all motor insurance policies to include a QR Code. Additionally, insurance companies are required to have an app equipped with a QR Code reader. By scanning the policy document using the app, policyholders can access real-time information about their policy.

What is No Claim Bonus (NCB)?

No Claim Bonus (NCB) is a premium discount offered by insurance companies to vehicle owners who have not filed any claims during the duration of their motor insurance policy. If a claim is made during the policy period, the policyholder will not receive the NCB benefit during the next year's policy renewal. The NCB percentage typically starts at 20% and can increase up to 50% based on the claim-free period.

Types of Policies:

Liability Only Policy:

This covers Third Party Liability for bodily injury and/ or death and Property Damage. Personal Accident Cover for Owner Driver is also included. This policy is also known as ACT only policy etc.

Comprehensive (Package)car insurance policy

In Car insurance, a comprehensive car insurance policy covers damage to your vehicle caused by certain events. These include (but are not limited to) fire, theft, vandalism, and falling objects. This also comes with a deductible you volunteer to pay and which you are obliged to pay before the insurance company pays the remainder. It is advisable to buy the Comprehensive insurance policy for your car because it covers the insured, vehicle and third party in a single policy. This type of insurance covers all the risks covered in the Motor Vehicles Act plus loss or damage caused to the vehicle:

- by fire, explosion, self-ignition or lightning;
- by burglary, housebreaking or theft;
- by riot and strike;
- by earthquake (fire and shock damage);
- by flood typhoon hurricane storm tempest inundation cyclone hailstorm frost;
- by accidental external means;
- by malicious act;
- by terrorist activity;
- whilst in transit by road rail inland-waterway lift elevator or air;
- by landslide rockslide.

Standalone own damage cover:

A standalone OD policy protects you from financial obligations if your car is damaged in an accident, a natural disaster, a man-made disaster, a fire, etc. Additionally, it guards you against car theft. Own Damage insurance, in contrast to standard Third party auto insurance, is optional. If you already have a third party liability policy, which is a mandatory requirement, adding your own damage coverage will guarantee that your vehicle is always fully insured.

Personal accident cover

A personal accident policy is a fixed benefit insurance plan which pays a specific amount of money for an accidental damage to the insured person. The IRDAI has mandated a compulsory Personal Accident Policy of a minimum of ₹15 lakhs for all owners/drivers of an insured car to ply their vehicle on Indian roads. It provides coverage against death, disability, dismemberment as well as accidental injuries. The personal accident coverage can be taken along with your car insurance policy as well.

HDFC ERGO car insurance add-ons

Zero depreciation claim

As you use the car, the parts suffer normal wear and tear and depreciate in value. Since depreciation is not covered in the insurance claim, it incurs out-of-pocket expenses. With zero depreciation claim, you get the full value of the parts repaired or replaced.

Return to Invoice

Love your car dearly? Buy this add-on cover with your car insurance policy and recover your invoice value in case of theft or total damage to your vehicle.

No Claim Bonus Protection

Made a claim, worried about your NCB discount? Don't worry; this add-on cover protects your No Claim Bonus earned so far. Also, it takes it to the next NCB slab earning.

Engine and Gear Box Protection

The engine is the heart of your car, and it is crucial to ensure it is protected. This cover shields you from the financial losses incurred due to damage to your car engine.

Loss of Use - Down time Protection

Car in the garage? This cover will help bear the expenses you spend on cabs for your daily commute while your car is getting repaired.

Emergency Assistance Cover

Our car insurance policy will offer round-the-clock assistance to deal with any mechanical breakdown issues of your vehicle.

Cost of Consumables

This add-on cover under the car insurance policy provides coverage for consumables items like lubricants, engine oil, brake oil, etc.

Loss of Personal Belonging

This add-on covers the loss of your belongings such as clothes, laptops, mobile, and vehicle documents like registration certificates, etc.

Pay As You Drive – KM Benefit

Under this add-on cover, if you are driving less than 10,000 km a year, you can claim benefits up to 25% of the basic own-damage premium at the end of the policy year. Even if your car usage is beyond 10,000 km, you will not be charged extra while enjoying the comprehensive coverage of your existing private car insurance. When the policy expires, subject to providing distance travelled, you can claim the benefit even if you choose not to renew the policy with us. But in case you continue to renew the policy with us, you get additional 5% discount on the basic own damage premium if there is no claim in your previous policy.

Pay As You Drive - KM Benefit implies “usage-based” car insurance. It allows the insured person to pay for insurance based on the distance driven, rather than a flat fee. This means that those who drive their cars rarely will have to pay less premium amount with Pay As You Drive - KM Benefit car insurance policy. There is no pre-condition or pressure of maximum kilometers to be driven. With Pay As You Drive

– KM Benefit car insurance, you can also avail renewal discount on premium for not making any claim during the policy year.

Mileage Band	Benefits that can be claimed on basic Own Damage Premium
0-2,500 km	25%
2,501-5,000 km	17.5%
5,001-7,500 km	10%
7,501-10,000 km	5%
>Above 10,000 km	0%

Health Insurance

Health insurance

You might be young, incredibly fit, and rarely falling ill beyond a cold, making you wonder if Health Insurance is worth the investment. After all, the odds seem to favour good health, right? While we certainly hope that remains true, the reality is that every day, even perfectly healthy individuals face unexpected accidents, injuries, illnesses, and the need for medical procedures.

Consider this: Even a minor car accident could lead to substantial medical bills that could disrupt your finances. And if you were to encounter a major illness or require surgery, the costs involved could potentially wipe out your family's savings. Health Insurance may seem like an added expense, but not having it could prove to be far costlier in the long run.

Health Insurance is a means to pay for healthcare and related expenses, safeguarding you from bearing the entire burden of medical services when you are sick or injured. Similar to car insurance or home insurance, you select a plan and agree to pay a premium. In return, your health insurer commits to covering a portion of your eligible medical costs.

The underlying idea behind health insurance is straightforward: Medical care can be exorbitant, and most individuals cannot afford to pay for it entirely from their own pockets. However, by pooling together in a group, each person contributes a fixed amount (whether they require medical care now or not), which spreads the risk across the entire group. This shared responsibility ensures that each person is protected from bearing the brunt of high healthcare costs individually.

Health Insurance policies typically cover expenses related to hospitalisation resulting from accidents or sickness. Traditionally, coverage requires a 24-hour hospital stay. However, with medical advancements, there are now "Day Care" procedures, such as Cataract surgery, where hospitalisation is not necessary. These procedures are also covered by the policy.

The costs covered under a Health Insurance policy include:

- Hospital room and operation theatre expenses
- Fees for medical services, such as surgeons, anaesthesiologists, physicians, specialists, and nurses
- Costs for medicines, blood, oxygen, surgical appliances, diagnostic materials, X-rays, etc.
- Pre and Post Hospitalisation charges, covering expenses incurred on diagnostics, medicines, and doctor consultations before and after hospitalisation, up to a specified number of days and the sum insured.

Types of Health Insurance:

Individual health insurance:

An individual health insurance is a type of health insurance plan where only one person can be covered under the plan. This means, both the health insurance premium and sum insured is dedicated for that particular person only and cannot be shared.

For example: Ram chooses to take an Individual Health Insurance plan for himself, and his senior father. He takes an individual plan each upto SI 5 lakhs.

This means, he and his father both will have 5 lakhs each to cover for their health needs throughout the year.

The biggest benefit of an individual health insurance plan is that the coverage is a lot more extensive since every individual has their own sum insured, unlike a family floater where the sum insured is shared amongst all insured in the plan.

A Family Floater Policy is designed to protect an entire family under a single sum insured. All family members are collectively covered under a single sum insured, and the term "floater" implies that the sum insured is shared among all members.

In the example mentioned above, if John chooses a Family Floater cover, the sum insured of ₹4,00,000 will be available for all family members. Each family member can claim up to ₹4,00,000 individually, but the total claims made by all family members cannot exceed ₹4,00,000 during the same policy year.

Group Health Policy is a type of insurance taken by a group administrator on behalf of a specific group of people. Typically, employers opt for these policies to provide health coverage as part of employment benefits for all their employees.

Terminology associated with Health Insurance:

Sum Insured (SI): The Sum Insured refers to the maximum amount of coverage available under the insurance policy. It can be offered on an individual basis, covering a specific sum for each individual, or on a floater basis, covering the entire family as a whole under a single sum insured.

Cumulative Bonus (CB): Cumulative Bonus is a benefit that entails an increase in the sum insured by a specified percentage for every claim-free year. This increase is subject to a maximum limit and does not require the payment of any additional premium.

Cashless Facility: Cashless hospitalisation is a convenient facility offered by the insurance company. Under this, the insured individual can be admitted to a Network hospital and receive the necessary medical treatment without having to make direct payments for the medical expenses. The eligible medical costs incurred are settled directly by the insurance company with the hospital.

In-patient Care: An insured individual who undergoes medical treatment upon admission in a hospital for at least 24 hours

Deductible: The money you pay each year/claim or as per terms and conditions of the policy to cover eligible medical expenses before your insurance policy starts paying.

Co-payment: A co-pay or co-payment in health insurance is an arrangement wherein the policyholder pays a certain portion of the medical expenses. You pay a flat fee or percentage of the claim for certain medical expenses (e.g., INR 10 for every visit to the doctor), while your insurance company pays the rest.

Waiting period: The period of time beginning with a policy's effective date during which a health plan may not pay benefits for certain conditions.

Survival period: The survival period refers to the time period that the insured must survive after being diagnosed with a critical illness, such as cancer, cardiovascular diseases, etc.

Tax Benefits for Health Insurance:

Health Insurance offers attractive tax benefits as an added incentive under Section 80D of the Income Tax Act. Section 80D of the Income Tax Act allows you to get a tax deduction of up to ₹25,000 per year for any individual and family health insurance policy covering self, spouse, and children. Senior citizens can get a deduction up to a maximum of ₹50,000 per year.

This limit also includes a ₹5,000 deduction for any expenses paid towards preventative health check-ups.

However, there are certain exclusions under a Health Insurance policy, which are not covered by the insurance provider:

- **30-day Waiting Period:** Claims for hospitalisation within the first 30 days of policy issuance are not payable, except in the case of accidental injuries.

- **2-year Exclusions:** Certain named diseases like Tonsils, Sinus, Internal Tumours, etc., are not covered within the first 2 years of the policy.
- **Pre-existing Diseases:** Hospitalisation expenses for conditions existing prior to the purchase of health insurance are not covered usually up to 36 months from first policy inception.
- **Dental Treatment:** Dental treatment expenses are not covered unless they require hospitalisation.
- **Plastic Surgery or Cosmetic Surgery:** Unless necessary for the treatment of burns, cancer, or accident, such surgeries are not covered.
- **Conditions Not Requiring Hospitalisation:** Hospitalisation expenses for conditions that do not necessitate hospitalisation are not covered.
- **Hospitalisation for Diagnostic Purposes:** Hospitalisation primarily for diagnostic purposes and not related to any illness is not covered.
- **Intentional Self-Injury or Use of Intoxicating Drugs/Alcohol**

Please note that tax benefits are subject to changes in tax laws, so it is advisable to stay updated with the latest regulations.

Renewal and Grace Period:

Health Insurance policies are typically annual, with some policies offering coverage for two/ three years as well. Policyholders must renew their policies before they expire to ensure continuous coverage and policy benefits.

Insurance companies often provide a 30-day period for policyholders to renew their expired policies, allowing them some time to make the payment and continue their coverage. However, coverage may not be available for the period for which no premium is received by the insurance company. If the premium is not paid within the grace period, the policy will lapse.

“Portability” in Health Insurance refers to the ability to transfer a policy from one insurance company to another without losing the accumulated benefits and continuity benefits. With time, the coverage under a Health Insurance policy may increase, and waiting periods for certain conditions may be completed or reduced, providing full coverage to the insured. Earlier, switching insurers resulted in losing these continuity benefits, but as per IRDAI regulations, policyholders can now port their policy to another insurer of their choice while retaining full continuity benefits. “Migration” is the process of shifting your existing health insurance policy to a similar policy within the same insurance company.

The COVID-19 pandemic highlighted the importance of insurance, prompting insurance companies to study customer needs and create products that offer comprehensive coverage. HDFC ERGO launched an innovative product that caters to various customer needs, making a significant impact in the Indian market.

my: Optima Secure

Introducing my: Optima Secure health insurance, a ground-breaking policy that redefines the value you receive from health insurance. With a remarkable 4X coverage* at no extra cost, this plan goes above and beyond to provide you with extensive benefits. But that’s not all; the advantages don’t stop there. With **my: Optima Secure**, you’ll enjoy a range of benefits, including:

- No Room Rent Capping
- Wider Pre and Post Hospitalisation
- Unlimited Day-Care Procedures
- Exciting Discount Options

The ultimate covers:

Secure benefit: The Secure Benefit offers an additional coverage amount equal to 100% of the base sum insured. For instance, if Mr. Sharma has a ₹10 lakh sum insured with the Optima Secure Health Insurance Plan, it instantly doubles to ₹20 lakhs, providing ample coverage for multiple admissible claims.

Plus benefit: With the Plus Benefit, the base cover automatically increases by 50% after 1 year and 100% after 2 years, irrespective of any claims made. Mr. Sharma's renewed Optima Secure Health Insurance Plan sees his base cover of ₹10 lakhs grow to ₹15 lakhs in the first year and ₹20 lakhs in the second year. The combination of Plus Benefit and Secure Benefit provides him with a total coverage of ₹30 lakhs.

Automatic restore benefit: The Automatic Restore Benefit ensures that 100% of the Base Sum Insured is automatically restored once upon partial or complete utilisation of the Sum Insured (Base Sum Insured, Secure Benefit, and Plus Benefit). For example, if Mr. Sharma claims ₹10 lakhs from the base cover, it gets completely restored and is available for subsequent claims during the remainder of the policy year thus increasing his coverage to ₹40 lakhs.

Protect benefit: As an inbuilt feature, the Protect Benefit covers non-medical expenses and other consumables during hospitalisation. This includes items like gloves, food charges, baby food, nebuliser kit, steam inhaler, oxygen cylinder, thermometer, cervical collar, mineral water, laundry charges, and more. With Optima Secure plan, Mr. Sharma can rest assured knowing that up to 68 non-medical expenses will be taken care of, without any additional financial burden.

Discounts offered

Aggregate deductible discount:

A Deductible is an amount you agree to pay at the time of claim once in a Policy Year, post which our coverage kicks in.

Key Features

- You can reduce your premium by up to 25% every year just by choosing to pay the first ₹25,000 (opted deductible) of claim in a policy year.
- You can enjoy **up to 50% discount** every year by choosing to pay a little bit more.
- **Buy-Back:** You also have the superpower to waive your opted deductible at renewal post-completion of 5 years under this policy.
- **Online Discount:** Get 5% premium discount on the base premium if you buy a health insurance policy online.
- **Family Discount:** Get 10% family discount if 2 or more members are covered in a single Optima Secure policy on an individual sum insured basis.
- **Long-Term Discount:** If the premium is paid in advance for 2 or 3 years' policy tenure, then you get a premium discount of 7.5% and 10% respectively.
- **Loyalty Discount:** Get 2.5% premium discount on the base premium if you have an active retail insurance policy with us, with a premium above ₹2000.

Other coverage:

- Hospitalisation (Including COVID-19)
- All Day Care Treatments
- Pre-Hospitalisation (60 days)

- Post Hospitalisation (180 days)
- Preventive Health Check-Up
- Emergency Air Ambulance (up to ₹5 Lac)
- Road Ambulance
- E-Opinion for 51 Illnesses
- Daily Hospital Cash (min ₹800/- to max ₹4800/- per hospitalisation) if you choose shared accomodation

What is excluded?

- Breach of Law
- War
- Excluded Providers
- Congenital External Diseases, Defects or Anomalies
- Treatment for Alcoholism & Drug Abuse

Optima Secure Global & Optima Secure Global Plus

Global Plans under my: Optima Secure provides comprehensive health coverage within India as well as coverage for emergency and/or planned treatments overseas (as per plan opted).

Optima Secure Global: This plan provides a global cover which includes coverage for hospitalisation expenses within India and coverage only for emergency medical treatments overseas.

Optima Secure Global Plus: This plan provides you a truly global cover which includes coverage for hospitalisation expenses within India and coverage for both planned as well as emergency medical treatments overseas.

Global heath cover: Pays for emergency and planned medical expenses.

Add-On Covers

- **Overseas travel (secure) optional:** Covers travel and accommodation expenses for an accompanying person and overseas travel expenses of the insured.
- **Aggregate deductible discount:** A Deductible is an amount you agree to pay at the time of claim once in a Policy Year, post which our coverage kicks in.
- **my: health hospital cash benefit add-on:** Daily cash that pays for out of pocket expenses.
- **Unlimited restore:** Provides unlimited restoration in a policy year.
- **Individual person accident rider:** Provides Lump sum pay out in case of accidental death, permanent total disability and permanent partial disablement.

Optima Wellbeing (Add-on)

This is an add on product which covers expenses for various outpatient benefits.

Key features

Tele-Consultations

If an Insured Person is suffering from an illness or injury, he can consult a General Practitioner /Specialist/Super Specialist listed on our/ Service Provider's digital platform for treatment advice.

A. Specific conditions applicable to TELE-CONSULTATIONS benefit

a. This benefit can be availed unlimited times but only on a cashless basis. Reimbursement of expenses is not allowed.

b. This benefit is available via digital platforms through one of the below modes available at the time of consultation:

i. Video ii. Audio iii. Chat

B. Specific exclusions to TELE-CONSULTATIONS benefit

a. In-clinic consultations and physical consultations.

b. Expenses pertaining to investigations, medicines, procedures and any medical / non-medical items.

Doctor Consultations (In-Person)

If an Insured Person is suffering from any illness or injury, he can consult a General Practitioner in person for treatment advice within our Service Provider's network listed on our/Service Provider's digital platform. This benefit can be availed unlimited times but only on a cashless basis. Reimbursement of expenses is not allowed. A. Specific exclusions to Doctor Consultations (In Person) benefit a. Tele / Video / Digital consultations. b. Expenses pertaining to investigations, medicines, procedures and any medical / non-medical items.

Psychology E-Counselling

The Insured Person can avail unlimited e-counselling session(s) with a Psychologist for providing assistance in dealing with issues related to psychological/mental illness/ psychiatric and psychosomatic disorders, stress, anxiety. This benefit is available via digital platforms through one of the below modes available at the time of consultation: i. Video ii. Audio iii. Chat Benefit

Diet & Nutrition E-Consultation

The Insured Person(s) can avail unlimited diet and nutrition e-consultation with dieticians/nutritionist for providing guidance on the dietary behaviour. This benefit is available via digital platforms through one of the below modes available at the time of consultation: i. Video ii. Audio iii. Chat Benefit

Fitness Sessions

The Insured Person(s) can avail unlimited live scheduled fitness sessions conducted by our Service Provider(s) through digital platform. Fitness Sessions shall mean any live online session providing education or training on complete well-being. This may include sessions on physical fitness like Yoga, Zumba, Pilates

Value Added Services:

A. Discounts on Diagnostic services

Under this benefit the Insured person(s) can avail discounts up to 50% on Diagnostic services like routine laboratory test, Scans and Health Check-up packages within our Service Provider network.

B. Discount on Pharmacy expenses

Under this benefit the Insured person(s) can avail discounts up to 20% on home delivery of prescription medicines within our Service Provider's network.

C. Free Home Sample Collection

Under this benefit the Insured person(s) can avail free home sample collection of blood & other bodily fluids within our service provider's network.

Optima Restore Health Insurance

With Optima Restore, you not only get the benefit of cashless treatment at our network hospitals, but also get other great features to meet all your healthcare needs.

Key Features

100% Restore Benefit:** Get 100% of your basic Sum Insured restored instantly after the first claim.

2X Multiplier Benefit#: 50% increase in basic Sum Insured for every claim free year, subject to a maximum of 100%.

Complimentary Health Check-Up: Enjoy preventive health check-ups up to ₹10,000 with Optima Restore at the time of renewals.

Daily Hospital Cash: Get daily cash of up to ₹1,000 per day and maximum of ₹6,000 per hospitalisation on choosing shared accommodation in a network hospital with Optima Restore.

Optional Benefit-Unlimited Restore*:** This Optional Benefit will provide instant addition of 100% Basic Sum Insured on complete or partial utilisation of Restore benefit or Unlimited Restore benefit (as applicable) during the Policy Year. This optional cover will trigger unlimited times and is available for all subsequent claims in a Policy Year.

Other coverages Offered

Hospitalisation Expenses

- Pre And Post Hospitalisation (60 days, 180 days)
- Day-Care Procedures
- Emergency Road Ambulance
- Organ Donor Expenses
- No Sub-Limit On Room Rent
- Tax Savings
- Modern Treatment Methods
- Lifetime Renewals
- Family Discounts

Exclusions of the plan

- Treatment Availed Outside India
- Self-Inflicted Injuries
- War
- Treatment of Obesity or Cosmetic Surgery

Koti Suraksha Health Insurance

HDFC ERGO my: Health Koti Suraksha Health Insurance is a comprehensive medical insurance plan that provides coverage under two main sections: hospitalisation cover and personal accident cover. Depending on the requirements, one can choose either or both sections for their insurance needs.

Health Section of the policy offers coverage for various medical expenses such as home healthcare, domiciliary hospitalisation expenses, pre-hospitalisation and post-hospitalisation expenses, road ambulance expenses, and organ donor expenses, among others.

Personal Accident Section provides coverage for accidental events, including accidental death, permanent disability, broken bones, temporary total disability, and chauffeur benefit, among others.

Premium payment frequency can be chosen from monthly, half-yearly, quarterly, and yearly options, providing financial flexibility. The policy also offers lifetime renewability benefits, allowing one to continue the coverage as long as needed. Additionally, there is a grace period of 30 days for renewal from the due date, providing some leeway to renew the policy without losing continuity.

Key Inclusions:

- Post-hospitalisation medical expenses incurred in 180 days after the hospitalisation
- Domiciliary hospitalisation expenses
- Day care procedures are covered under this plan
- Road ambulance cover
- Alternative treatment and Organ donor expenses

CHOMP

With CHOMP, give your teeth the justice they deserve. CHOMP from HDFC ERGO is a first-of-its-kind group dental insurance plan that covers dental treatments like fillings, gum treatments, extractions, root canal treatment, etc.

Health insurance policies in market covers dental treatment arising out of accidental injuries and requiring hospitalisation. For all other dental treatments customer has to pay from his/her pocket. This product is intended to fill that gap in your health insurance policies.

What is covered?

- Restorative Treatment Cover (Fillings)
- Periodontal Treatment Cover (Gum Related Problems)
- Endodontic Treatment Cover (Root Canal and Crowning)
- Minor Surgical Procedures
- Major Surgeries Cover (Requires Hospitalisation)
- Prosthetic Treatment Cover (Bridges, Partial Denture, Complete Denture)
- Major Surgeries Cover (Requires Hospitalisation)

my:health Medisure Super Top-up

May your health thrive always but what if there are times when even your existing health insurance is not enough to handle health issues? With my:health Medisure Super Top-up, ensure the cushion of ample cover to get the best of medical treatment without any restrictions and limitations.

What is Aggregate Deductible?

The aggregate deductible is the amount that you or your existing health insurance policy will pay for medical expenses incurred.

Arogya Sanjeevani Policy, HDFC ERGO

Medical expenses may turn your financial planning upside down! Hence, its recommended to secure your medical expenses with a pocket-friendly insurance plan to offer financial support during medical emergencies.

Key Features

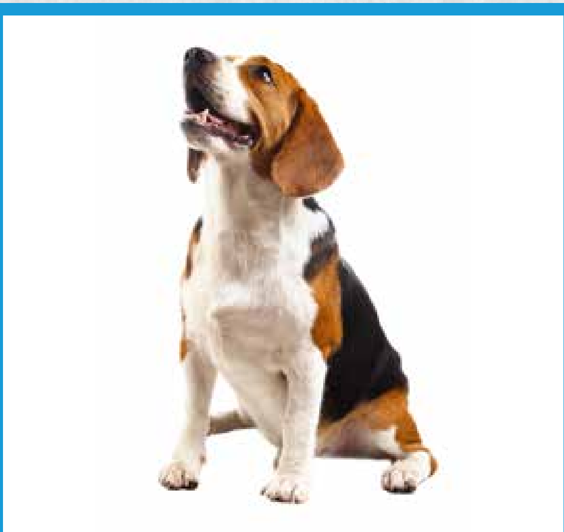
- Hospitalisation Expenses
- Pre & Post hospitalisation Cover
- Cataract Cover
- Day Care Procedure
- AYUSH Treatment (Non-Allopathic)
- Listed Procedures with 50% sum insured coverage
- Road Ambulance Cover

HDFC ERGO EquiCover Health

HDFC ERGO EquiCover Health is a unique indemnity health insurance product which covers expenses incurred on hospitalisation due to Illness or Accident to Persons with Disability as per The Rights of Persons with Disabilities Act, 2016 and the Mental Healthcare Act, 2017 and/or Individuals with HIV/AIDS as defined under the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome (Prevention and Control) Act, 2017.

Key Features

- Hospitalisation Expenses
- AYUSH Treatment
- Pre and Post Hospitalisation Medical expenses incurred in 60 days after the hospitalisation
- Emergency Ground Ambulance
- Cataract cover



Pet Insurance

Paws n Claws insurance

HDFC ERGO Paws n Claws, a pet insurance which prioritises the health and wellbeing of your beloved pet. We provide plans tailored for your pets every need, ensuring that in case of an unforeseen health crisis, your pet receives the best possible care without having to worry about hefty veterinary bills.

Key Features

- All-round protection for cats and dogs
- Customisable plans that cover OPD as well
- Audio & video veterinary doctor consultations
- Covers up to 5 pets for individual owners
- Covers up to 10 pets for a commercial breeder

Pet Insurance Coverages

- Illness
- Injury
- Surgery
- Comprehensive Cover
- Illness Or Injury From Commercial Activities
- Trip Cancellation
- Funeral Expenses
- Veterinary Consultation
- Third-Party Liability

Home Insurance

Why there is a Need for Home Insurance in India?

While home insurance is not mandatory in India, you may think of getting a home insurance plan depending upon the risk factors in India. For example, many regions are prone to natural calamities like floods, earthquakes and cyclones; do not forget those fire incidents and thefts/burglaries that happen here most of the times. Hence, buy a home insurance plan to get coverage under following circumstances:

- Fire Accidents
- Man-made hazards
- Thefts and burglaries
- Damage to belongings
- Natural calamities

There are different types of coverage available:

- Fire Insurance: Covers financial losses due to damage or loss of a property you own.
- Contents Insurance: Covers financial losses caused by the loss, theft, or damage of your possessions.

Methods of Fixing the Sum Insured:

- For the building and contents (excluding personal effects), the sum insured should represent the replacement value.
- For personal belongings, the sum insured should be based on their replacement value.

Factors that affect Home Insurance Premium

1. The extent of coverage
2. The location and size of your house
3. The value of your belongings
4. The security measures in place
5. The mode of purchase
6. The nature of your occupation
7. Age of building
8. Coverage opted

Bharat Griha Raksha

Bharat Griha Raksha is a standard home insurance policy which has been made mandatory by the Insurance Regulatory and Development Authority of India (IRDAI) for every insurer to offer with effect from April 1, 2021. Bharat Griha Raksha is basically a home insurance cover that provides coverage against loss, damage or destruction of the home building along with its contents against risk of fire, earthquake, flood and other allied perils. In addition, valuable content of the house can also be covered under Bharat Griha Raksha for up to 5 lakhs of Sum insured.

What is covered?

- Covers your property & its contents for up to 10 years
- Waiver of under-insurance
- Auto escalation @10% every year~
- Terrorism inbuilt in basic cover
- Insurance on reinstatement value either for Building or content or both

In-built add-ons

- Terrorism
- Rent for alternate accommodation/ Loss of rent upto indemnity period as specified by the customer
- Architect, Surveyor and consultant engineer fee up to 5% of claim amount
- Debris removal clearance – up to 2% of claim amount

What is not covered?

- War
- Precious Collectibles
- Consequential Loss
- Wilful Misconduct
- Third Party Construction Loss
- Wear & Tear
- Cost Of Land
- Under Construction
- Old Content

Home Shield Insurance

Home Shield insurance provides a comprehensive cover for your assets for as long as up to 5 years from virtually all the fortuitous events which could take away your peace of mind. HDFC ERGO Home Shield Insurance covers the real value of the property as mentioned in the registered agreement of the property and it also offers optional covers to personalise the plan to meet your unique needs.

Optional Covers

1. **Escalation option for building –** Automatic escalation of up to 10% on base sum insured throughout the period of the policy.

2. **Expenses of shifting to alternate accommodation –** This covers actual expenses incurred by the insured for packing, unpacking, transportation of the insured possessions/ dwelling content to the alternative accommodation.

3. **Emergency Purchases –** It covers expenses up to ₹20,000 incurred by the insured towards emergency purchases of medicines, clothes etc.

4. **Hotel Stay Cover –** It will provide coverage for expenses incurred for staying in hotel.

5. **Electrical Mechanical Breakdown –** Damage due to short circuit or any other electrical mechanical breakdown as payable risks.

6. **Portable Equipment Cover –** HDFC ERGO's portable electronic equipment cover provides coverage for your valuable electronics, if it gets damaged or lost in travel.

7. **Jewellery & Valuables –** HDFC ERGO provides insurance cover to your jewellery and other valuables such as sculptures, watches, paintings, etc.

8. **Public Liability –** HDFC ERGO's Public Liability cover offers coverage in case of injury/damage occurring to a third party on account of your house.

9. **Pedal Cycle –** HDFC ERGO pedal cycle add-on insurance cover policy covers your bicycle or your exercise bike from any loss or damage on account of theft, fire, accidents, or natural calamities.

Cyber Insurance

Cyber Sachet insurance

Cyber insurance policy provides a safety shield for businesses and individuals against malware and ransomware cyber-attacks.

What is covered?

1. Theft Of Funds - Unauthorized Digital Transactions and Unauthorized Physical Transactions
2. Identity Theft
3. Data Restoration/ Malware Decontamination
4. Replacement Of Hardware
5. Cyber Bullying, Cyber Stalking And Loss Of Reputation
6. Online Shopping
7. Online Sales
8. Social Media And Media Liability
9. Network Security Liability
10. Privacy Breach And Data Breach Liability
11. Privacy Breach By A Third Party
12. Smart Home Cover
13. Liability Arising Due To Underage Dependent Children
14. Cyber Extortion
15. Social Media Account - Daily cash allowance

Chapter

5

Insurance Landscape In India

The insurance sector in India plays a crucial role in driving economic development through its diverse range of services. These services encompass mobilising savings, facilitating financial intermediation, encouraging investments, stabilising financial markets, and managing both social and financial risks. Recognising the immense potential of the insurance industry in channelling savings for productive purposes and providing social safety nets, the government has taken various measures to enhance its quality, accessibility, and popularity.

Prior to the year 2000, the insurance market in India was dominated by just five state-owned companies. However, with the enactment of the Insurance Regulatory and Development Authority of India (IRDAI) Act, the sector was opened up to the private sector. As a result, IRDAI now oversees 28 life insurance and 34 non-life insurance companies. Post-liberalisation, the insurance industry in India has experienced significant growth.

In India, gross premiums written off by non-life insurers reached US$ 10.95 billion in FY24* and US$ 31 billion in FY23.

In FY24 (until September 2023), non-life players' saw a premium income increase by 14.86% year-over-year to ₹1,43,802 crores (US$ 17.29 billion) compared to 15.30% growth for the same period the previous year due to strong demand for health and motor policies. In the financial year 2023, India's insurance premium penetration accounted for 4% of the GDP, with life insurance making up 3% and non-life insurance comprising 1%. The penetration of Indian insurance industry was less than 5% of the GDP. IRDAI data shows that India's insurance penetration was 4% of the GDP in 2022-23.

Growing Numbers

IRDAI report reveals that the insurance penetration in India is 4% of its GDP. It reduced from 4.2% of the GDP in FY 22 to 4% of the GDP in FY 23. India's penetration is much lower than global average of 6.8%, shows the report.

India's overall density stood at US$ 78 in FY21. Premiums from India's life insurance industry is expected to reach ₹24 lakh crore (US$ 317.98 billion) by FY31. India's economic growth for fiscal year FY 24 was revised up to 8.2% as compared to the growth rate of 7 per cent in FY23. This is the highest among large economies globally from an earlier government estimate of 7.6% The general insurance industry reported a growth of 13% in FY24, the pace of expansion from a year before is showing a decline in agri insurance. In FY23, the insurance industry had reported a growth rate exceeding 16%. However, there was a slowdown in FY24 largely due to the performance of crop insurance.

The GI industry recorded an annual premium of close to ₹2.9 lakh crore for FY24, marking a 13% rise from the previous fiscal year's ₹2.6 lakh crore. Similarly, the five standalone health insurance companies saw a significant 26.2% increase in total premium, climbing from ₹26,243 crores to ₹33,115 crores during the same period. The rise of standalone health insurance companies' growth can be credited to larger policy sizes, as they introduce high-value policies worth crores. Premium rates have been adjusted to match medical inflation, and coverage has expanded.

In the fiscal year 2023-24 (FY24), India's non-life insurance industry experienced significant growth primarily fuelled by the health and motor insurance segments.

Health insurance premiums surpassed ₹1 trillion, marking a 20.2% increase, while motor insurance reached ₹91,781.3 crores with a growth rate of 12.9%. which has increased the segment's market share from 33.3% for FY22 to 37.6% for FY24.

The Road Ahead

India has emerged as one of the leading global economies with exponential GDP growth. To continue this upward trajectory and improve our ranking among the world's largest economies, the insurance industry can play a crucial role by contributing significantly to economic growth and adding resilience to various segments of the Indian economy through increased risk coverage

A significant milestone awaits India in the year 2047, as it celebrates 100 years of Independence. In line with this historic occasion, the Insurance Regulatory and Development Authority of India (IRDAI) has set an ambitious vision for 2047, called "Insurance for all," aiming to raise awareness and enhance insurance penetration throughout the country.

To realise this vision, IRDAI has introduced the State Insurance Plan, where each insurer takes on the role of a leader insurer for an assigned state and collaborates with other players to drive the overall initiative. The current insurance penetration in Tamil Nadu stands at 3.3% and Puducherry at 2.7%, as against 4.2% for India.

HDFC ERGO has designed a comprehensive plan to increase insurance penetration in Tamil Nadu and Puducherry which includes the following:

- **Health Camps:** HDFC ERGO organised 47 health camps across 12 districts, with over 10,000 attendees, to create health awareness and introduce people to health insurance basics.
- **Insurance Week:** An educative and interactive week was organised by HDFC ERGO from 18th to 22nd December in all districts of Tamil Nadu and Puducherry to highlight the significance of General Insurance.

- **Rural Outreach Programme:** To ensure the emphasis on General insurance awareness penetrates deeper into the states and reaches the masses in large numbers, HDFC ERGO launched a massive rural outreach programme on 22nd January 2024 in 3 districts of Tamil Nadu and Puducherry.
- **Insurance Awareness Award Junior:** Spreading insurance awareness among the young can ensure a secure future in the long run basis which HDFC ERGO has been conducting HDFC ERGO Insurance Awareness Award Junior - Tamil Nadu and Puducherry to imbibe awareness in young minds from an early age.
- **Engagement with Media:** Initiate Press meet at Pondicherry – Electronic Media coverage & dissemination at TN & PD. Targeted key electronic media of PD for the press meet. Press Release to all regional media bureaus of TN & PD.

What's the State Insurance Awareness Objective:

- To spread awareness about General Insurance in the state of Tamil Nadu and Puducherry
- To fulfil the regulator's vision of 'Insurance for All by 2047' through 360-degree awareness and engagement

In Tamil Nadu, the state government has implemented several Government Insurance Schemes, including the "Chief Minister's Comprehensive Health Insurance Scheme (CMHIS)," "Nammai Kaakkum 48x," "Puratchi Thalaivi Amma Comprehensive Accident-cum-Life Insurance Scheme," and the "Pradhan Mantri Fasal Bima Yojana (PMFBY)."

The Insurance Regulatory and Development Authority of India (IRDAI) has a clear mission to safeguard the interests of policyholders and to regulate, promote, and ensure the orderly growth of the insurance industry, along with matters related or incidental to these objectives.

The Role Of IRDAI

The activities of IRDAI include framing regulations for the insurance industry as per Section 114A of the Insurance Act 1938. Since the year 2000, IRDAI has been responsible for registering new insurance companies in accordance with the applicable regulations. Additionally, the authority actively monitors the activities within the insurance sector, aiming to foster a healthy development of the industry while ensuring the protection of policyholders' interests.
IRDAI performs essential functions, focusing on the following key areas:

1. Protecting the interests of insurance policyholders: This involves establishing and implementing measures to ensure policyholders' rights and benefits are safeguarded throughout their insurance journey.

2. Regulating and promoting the insurance business and reinsurance business: IRDAI takes charge of regulating the insurance and reinsurance sectors, ensuring compliance with relevant rules and fostering a conducive environment for the growth of these businesses.

Did You Know?

In an effort to enhance insurance awareness among the public, IRDAI runs an insurance awareness campaign called 'Bima Bemisaal.' Through this campaign, policyholders are educated about their rights and obligations, and they are informed about the various methods available to resolve complaints. The campaign employs various communication channels, including print, radio, and TV advertisements, to reach a wide audience and promote insurance literacy.
"Transforming Insurance in India by 2047 - Pioneering a New Landscape"

The Insurance Regulatory and Development Authority of India (IRDAI) has embarked on an ambitious mission to achieve 'Insurance for All' by 2047. This visionary goal aims to ensure that every Indian citizen has access to suitable life, health, and property insurance coverage, while also providing essential insurance solutions to support enterprises. Simultaneously, the IRDAI seeks to bolster the global attractiveness of the Indian insurance sector. To achieve these objectives, the focus is on creating a progressive, supportive, and forward-looking regulatory architecture that fosters a conducive and competitive environment, offering policyholders a wider array of choices that are accessible and affordable.

Inspired by the Government of India's vision of financial inclusion and a commitment to accelerating reforms, the IRDAI is determined to strengthen the three pillars of the insurance ecosystem: insurance customers (policyholders), insurance providers (insurers), and insurance distributors (intermediaries).

Key initiatives include:

- Offering the Right Products to the Right Customers: Tailoring insurance products to match the needs of customers effectively.
- Robust Grievance Redressal Mechanism: Establishing a reliable and efficient system to address policyholder grievances.
- Enhancing Ease of Doing Business: Streamlining processes and regulations to facilitate a seamless insurance experience.
- Market-Aligned Regulatory Architecture: Ensuring that regulations are in sync with the dynamic insurance landscape.
- Fostering Innovation, Competition, and Distribution Efficiencies: Encouraging innovation in insurance solutions and promoting healthy competition while harnessing technology for wider distribution.
- IRDAI has "engaged four mission-mode teams" to work on transition to a risk-based solvency regime from current regime of capital or factor-based solvency, with the aim of beginning the shift within two years.
- The IRDAI constituted a working group on standardisation of Cyber Liability Insurance. IRDAI issued a guidance document on Product Structure for Cyber Insurance.

- Bima Sugam: A digital platform for insurance products & services, launched as an initiative by the IRDAI to connect and empower all insurance stakeholders and cater to all insurance needs under one roof.

Through a consultative approach, the IRDAI sought valuable feedback from stakeholders, including insurers, intermediaries, and experts. A thorough evaluation of suggestions and comments was undertaken, and amendments to various regulations were proposed accordingly. The proposed changes were presented to the Insurance Advisory Committee, an expert advisory body formed under the IRDA Act 1999.

As the IRDAI progresses on its reform journey, some significant proposals were approved during the 120th Meeting of the Authority, held at its headquarters in Hyderabad on Friday, 25th November 2022. They are:

Restructuring the Indian Insurance Sector: Key Amendments and Reforms

The Insurance Regulatory and Development Authority of India (IRDAI) has undertaken a series of critical reforms to enhance the insurance landscape in India. These reforms are aimed at promoting ease of doing business, expanding distribution channels, encouraging innovation, and ensuring the financial stability of insurers. Here are the key amendments approved during recent meetings:

Registration of Indian Insurance Companies:

The registration process for Indian insurance companies has been simplified to foster a conducive environment for business setup. The noteworthy changes include:

- Private Equity (PE) Funds can directly invest in insurance companies, without the need for Special Purpose Vehicles (SPVs), offering more flexibility.
- Subsidiary companies are now permitted to be promoters of insurance companies under specific conditions.
- The threshold for being considered an ‘investor’ has been raised to 25% of the paid-up capital by a single investor (50% collectively for all investors),

allowing more significant investments without being classified as a 'promoter.'

- Promoters can dilute their stake up to 26%, provided the insurer maintains a satisfactory solvency record for the preceding 5 years and is a listed entity.
- Clear criteria for determining the 'Fit and proper' status of investors and promoters have been introduced.
- Lock-in periods for investments by investors and promoters are now based on the age of the insurer.

Increase in Tie-Up Limits for Intermediaries:

To expand insurance access to every corner of the country, the number of tie-ups permitted for Corporate Agents (CA) and Insurance Marketing Firms (IMF) has been increased. CAs can now tie up with 9 insurers (previously 3 insurers), and IMFs can tie up with 6 insurers (previously 2 insurers) for life, general, and health insurance product distribution. The operational area of IMFs has also been extended to cover the entire state they are registered in.

Regulatory Sandbox:

The introduction of a Regulatory Sandbox provides a controlled testing environment for companies to experiment with innovative products and technologies under the IRDAI's supervision. The amendments extend the experimentation period from 6 months to up to 36 months, allowing ongoing testing, and replace the batch-wise approach with continuous clearances/approvals. Additionally, a provision for reviewing rejected applications within the sandbox has been included.

Facilitating Other Forms of Capital:

To ease the process of raising subordinated debt and/or preference shares, the requirement for prior approval from IRDAI has been eliminated. The amendments have also enhanced the limits for raising such capital (threshold limits increased from 25% to 50% of paid up capital & premium, subject to 50% of Net worth of company).

Enhancing the Role of Appointed Actuaries:

Appointed Actuaries (AAs) play a crucial role in an insurer's operations. To ensure an adequate supply of Actuary professionals, experience and qualification requirements have been made more flexible. AAs have been given enhanced responsibilities for identifying, monitoring, reporting, and recommending actions to address solvency risks, with insurers having obligations to support AAs in fulfilling their duties.

Solvency Norms for General and Life Insurers:

In the interest of efficient capital utilisation and boosting insurance penetration, the period for considering State/Central Government premium dues for calculating solvency has been increased to 365 days for general insurers. The solvency factors related to crop insurance have been reduced from 0.70 to 0.50, releasing capital requirements for insurers by approximately ₹1460 crore. For life insurers, the factors for calculating solvency for Unit Linked Business (Without Guarantees) have been reduced to 0.60% from 0.80%, and for Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) to 0.05% from 0.10%, resulting in a relaxation of capital requirements by about ₹2000 crore.

These reforms demonstrate the IRDAI's commitment to building a robust, accessible, and innovative insurance sector in India, aligned with the country's vision of financial inclusion and progress.

Other Major Interventions in the Indian Insurance Sector

The Insurance Regulatory and Development Authority of India (IRDAI) has implemented significant measures to further strengthen the insurance sector and foster growth. These interventions include:

Listing of Insurance Companies

The listing of insurers on stock exchanges offers several advantages, including the ability to raise capital and increased transparency, efficiency, and accountability. IRDAI has given its final approval for Go-digit General Insurance Company's listing.

Additionally, Life Insurance Company Limited has received in principle approval for listing.

Upcoming Reforms: Exposure Drafts on Expenses of Management and Commission Regulations

The Insurance Regulatory and Development Authority of India (IRDAI) is actively pursuing further reforms to enhance the efficiency and competitiveness of the insurance sector. As part of this effort, exposure drafts on the Expenses of Management Regulations and Commission Regulations were made available for public comments in August. The valuable feedback received during this period was thoroughly discussed and deliberated upon. Subsequently, a series of meetings with insurers and intermediaries, including individual agents, corporate agents, brokers, and their associations, were conducted to engage in detailed discussions about the proposed amendments.

Following these consultations, the revised proposals were reviewed and again placed for public comments on 23rd November 2022.

The primary objectives of these proposed reforms are to grant greater flexibility and autonomy to the Board in making operational and financial decisions. For expenses of management, the current segmental caps are being replaced with a single overall limit for general and health insurance. In the case of life insurance, certain segmental limits for expenses are being enhanced, while overall regulatory monitoring will be performed at the company level.

Regarding commissions, the proposed changes aim to remove the maximum limits specified in the current regulations. Instead, commissions will be linked to the overall limit of expense of management. This approach will allow insurers to devise commission structures that incentivise intermediaries in alignment with their solicitation efforts, ultimately contributing to making insurance more affordable for customers.

IRDAI remains dedicated to protecting the interests of policyholders and promoting the orderly growth of the insurance sector. Efforts are continuously made to strengthen the entire insurance ecosystem, ensuring that the benefits of insurance reach every corner of the country. Periodic reviews of the regulatory framework will remain an ongoing process, keeping it in line with emerging market trends and dynamics, while consistently serving the overarching goal of achieving 'Insurance for All.'

Recent Developments In Indian Insurance Sectors

The following are some of the major investments and developments in the Indian insurance sector.

- On January 2024, CCI has approved the merger of Shriram LI Holdings Private Limited (SLIH) with Shriram Life Insurance Company Limited (SLIC).
- As informed in September 2023, the UK and India have agreed to launch a partnership to boost cross-market investment by the insurance and pension sectors.
- Zurich acquires 70% of Kotak General Insurance, becoming the first foreign insurer to enter India since the FDI rules were amended to allow up to 74% foreign ownership in 2021.
- In August 2023, Tata AIA launched a ULIP plan with benefits of critical illness cover- Tata AIA Pro Fit.

https://www.zurich.com/en/media/news-releases/2024/2024-0619-01

Recent Developments In Indian Insurance Sectors

The Government of India has taken number of initiatives to boost the insurance industry. Some of them are as follows:

- The Union Budget 2023-24 has proposed to limit the income tax exemption on the proceeds of high value life insurance policies. Mooted as part of an emphasis on better targeting of tax concessions and exemptions, the proposal means that income from life insurance policies with an aggregate premium up to ₹5 lakhs (US$ 6,075) will be exempt from taxation.

- Ayushman Bharat (Pradhan Mantri Jan Arogya Yojana) (AB PMJAY) aims at providing a health cover of ₹5 lakhs (US$ 6,075) per family per year for secondary and tertiary care hospitalisation.

Insurance cover for 44.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana was provided during FY23.

Chapter

6

Government Sponsored Insurance Schemes

Below are the various Government-sponsored socially oriented insurance schemes available for the public.

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)

Pradhan Mantri Vaya Vandana Yojana (PMVVY)

Pradhan Mantri Suraksha Bima Yojana (PMSBY)

Restructured Weather Based Crop Insurance Scheme (RWBCIS)

Life Cover under Pradhan Mantri Jan Dhan Yojana (PMJDY)

Ayushman Bharat

Varishtha Pension Bima Yojana

Chief Minister's Comprehensive Insurance Scheme

Pradhan Mantri Fasal Bima Yojana (PMFBY)

Pradhan Mantri Jeevan Jyoti Bima Yojana

The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a government-backed life insurance scheme aimed at providing affordable life coverage to individuals in the age group of 18 to 50 years. To be eligible for the scheme, individuals must have a bank account and provide their consent to join or enable auto-debit for premium payments. Aadhar serves as the primary KYC (Know Your Customer) document for the bank account.

Under this scheme, a life cover of ₹2 lakhs are provided for a one-year period from 1st June to 31st May, and the coverage is renewable. In the unfortunate event of the insured's death due to any cause, the nominee receives a sum assured of ₹2 lakhs. The annual premium for PMJJBY is ₹436, which is auto-debited in a single instalment from the subscriber's bank account. The subscriber has the option to choose the auto-debit date on or before 31st May of each annual coverage period under the scheme.

Life Insurance Corporation (LIC) and other life insurers can participate in offering this scheme on similar terms, provided they have the necessary approvals and tie-ups with banks to administer the scheme efficiently.

PMJJBY aims to extend financial protection to a wider population and ensure that individuals and their families have a safety net in case of an unfortunate event. By making life insurance affordable and easily accessible, the government seeks to promote financial inclusion and provide social security to all eligible citizens.

Pradhan Mantri Suraksha Bima Yojana

The Pradhan Mantri Suraksha Bima Yojana (PMSBY) is a government-backed accident insurance scheme designed to provide financial protection to individuals in the age group of 18 to 70 years. To be eligible for the scheme, individuals must have

a bank account and provide their consent to join or enable auto-debit for premium payments before 31st May for the coverage period from 1st June to 31st May on an annual renewal basis. Aadhar serves as the primary KYC (Know Your Customer) document for the bank account.
Under this scheme, the risk coverage includes:

- 2 lakhs in the event of accidental death or full disability

- 1 lakh in the case of partial disability

The premium for PMSBY is extremely affordable, amounting to just ₹20 per annum. The premium is deducted from the account holder's bank account through the 'auto-debit' facility in a single instalment.

The scheme is offered by Public Sector General Insurance Companies or any other General Insurance Company that is willing to provide the product on similar terms, subject to obtaining the necessary approvals and tie-ups with banks to administer the scheme effectively.

PMSBY aims to provide a safety net to individuals and their families in the unfortunate event of an accident leading to disability or death. The scheme is designed to be accessible and affordable, ensuring that a larger segment of the population can benefit from accident insurance coverage. By extending such financial protection, the government endeavours to promote social security and financial well-being among the citizens of India.

Life Cover under Pradhan Mantri Jan Dhan Yojana

The Pradhan Mantri Jan Dhan Yojana (PMJDY) is a significant initiative launched by the Hon'ble Prime Minister on Independence Day with the aim of achieving comprehensive financial inclusion for a large number of people who currently lack basic financial services. The primary objective of PMJDY is to provide a basic bank account to every family that was previously deprived of such facilities.

As part of this scheme, individuals opening a bank account under PMJDY receive a RuPay debit card. This debit card comes with a built-in accidental insurance cover of ₹1 lakh, providing financial protection in case of accidental death or disability.

Additionally, during the launch on 28th August 2014, the Hon’ble Prime Minister announced a life cover of ₹30,000 for those who subscribe to a bank account with a RuPay debit card before 26th January 2015. This life insurance cover complements the accident insurance cover and provides financial security to the families of the account holders in case of the life assured’s death due to any reason.

The primary goal of introducing this life insurance cover under PMJDY is to offer financial security to economically weaker sections of society who may not be able to afford direct purchases of life insurance. The premium subscription for this life cover is borne by the Government of India, making it accessible and affordable for eligible account holders.

By providing both accidental and life insurance covers to account holders, PMJDY seeks to empower individuals and their families with financial protection and create a safety net for those who were previously excluded from the formal banking system. This initiative plays a vital role in promoting financial security and social welfare for the underprivileged sections of society.

Varishtha Pension Bima Yojana

The Varishtha Pension Bima Yojana (VPBY) is a pension scheme for senior citizens introduced by the NDA Government during its last term in office. The scheme aims to provide financial security to citizens aged 60 years and above by offering them a guaranteed return on their investment.

Under VPBY, a total of 3.16 lakh annuitants are currently benefiting, and the corpus of the scheme amounts to ₹6,095 crores.

The revived VPBY was formally launched by the finance minister on 14th August 2014 and has been open for subscription during the window period from 15th August 2014 to 14th August 2015. Individuals who subscribe to VPBY during this period were entitled to an assured guaranteed return of 9% under the policy. The scheme is administered through the Life Insurance Corporation of India (LIC). Subscribers can avail themselves of a guaranteed monthly pension at the rate of 9% per annum by making a lump sum deposit. In case the return generated by LIC on the fund falls below the guaranteed return of 9%, the Government of India compensates the difference through subsidy payments. VPBY-2014 was open from 14th August, 2014 to 14th August, 2015. As on 31sl March, 2016, a total number of 3,17,991 annuitants are being benefited under VPBY 2014. Similarly, a total number of 2,84,699 annuitants are being benefited under VPBY- 2003 as on 31st March, 2016

By providing a reliable and secure pension option with a guaranteed return, VPBY aims to support senior citizens in their post-retirement years, ensuring financial independence and a stable income source.

Pradhan Mantri Fasal Bima Yojana

The Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched on 18th February 2016 by Prime Minister Shri Narendra Modi. As of 31st March 2017, the scheme has been implemented in 21 states during Kharif 2016 and in 23 states and 2 Union Territories during Rabi 2016-17. Approximately 3.7 Crore farmers have been insured for 3.7 crore hectares of land, with a premium of ₹16,212 Crore and a sum insured of ₹1,28,568.94 Crore.

PMFBY is designed to provide comprehensive insurance coverage to farmers against crop failure, thereby stabilising their income. The scheme covers all Food & Oilseeds crops and Annual Commercial/Horticultural Crops for which past yield data is available and sufficient Crop Cutting Experiments (CCEs) have been conducted under the General Crop Estimation Survey (GCES). Implementation of the scheme is carried out by empanelled general insurance companies, selected through a bidding process by the respective State Governments as the Implementing Agency (IA). While the scheme is compulsory for loanee farmers availing Crop Loan/Kisan Credit Card (KCC) accounts for notified crops, it is voluntary for others. The Ministry of Agriculture oversees the administration of the scheme.

Pradhan Mantri Vaya Vandana Yojana

The Pradhan Mantri Vaya Vandana Yojana (PMVVY) is a pension scheme introduced to provide social security and financial stability to elderly individuals aged 60 years and above. The scheme was launched as a simplified version of the successful Varishtha Pension Bima Yojana 2003 (VPBY-2003) and Varishtha Pension Bima Yojana 2014 (VPBY-2014) schemes.

PMVVY aims to protect senior citizens from potential declines in their interest income caused by uncertain market conditions. The scheme is implemented through the Life Insurance Corporation (LIC) of India.

Under PMVVY, subscribers can avail themselves of an assured pension of 8% based on a guaranteed rate of return per annum. To enrol in the scheme, individuals are required to make an initial lump sum payment ranging from a minimum purchase price of ₹1,50,000/- to a maximum purchase price of ₹7,50,000/-. The monthly pension amount varies accordingly, with a minimum pension of ₹1000/- and a maximum pension of ₹5,000/-.

By offering a reliable and steady source of income, PMVVY provides elderly citizens with financial security and stability during their retirement years. The scheme is specifically designed to cater to the needs of senior citizens and ensure that they lead a dignified and comfortable life during their old age.

Ayushman Bharat

In this scheme, it covers medicines, diagnostic expenses, medical treatment, and pre-hospitalisation costs. The poorest families of India can benefit from this healthcare scheme.

Ayushman Bharat is a universal health insurance scheme of the Ministry of Health and Family Welfare, Government of India. PMJAY was launched to provide free healthcare services to more than 40% population of the country. The scheme offers a health cover of ₹5 Lakh.

Chief Minister's Comprehensive Insurance Scheme

Chief Minister's Comprehensive Insurance Scheme is a Tamil Nadu state government scheme. It was launched in association with the United India Insurance Company Ltd. It is a family floater policy that was designed to provide quality healthcare services to people. This scheme covers more than a thousand medical procedures.

In this policy, you can claim for hospitalisation expenses up to ₹5 lakhs. The beneficiary can select from both private and government hospitals under this scheme. Tamil Nadu residents with an annual income of lesser than ₹75000 per year are eligible to enrol under this scheme.

Restructured Weather Based Crop Insurance Scheme

The Restructured Weather-Based Crop Insurance Scheme (RWBCIS) was launched on 18th February 2016 by Hon'ble Prime Minister. As of 31st March 2017, the scheme has been implemented in 23 states during Kharif 2016 and 25 States and 3 Union Territories during Rabi 2016-17.

In past 8 Years of implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) – 56.80 crore farmer applications have been enrolled and over 23.22 crore farmer applicants received claims.

Weather Based Crop Insurance Scheme (WBCIS) aims to provide financial relief to insured farmers against potential losses caused by adverse weather conditions such as rainfall, temperature, wind, humidity, etc. The scheme uses weather parameters as a “proxy” for crop yields and compensates cultivators for deemed crop losses. Payout structures are designed based on the extent of losses deemed to have been suffered using the weather triggers.

The weather data required for claims processing is collected from designated Weather Stations (RWS) or Backup Weather Stations (BWS), and the claims process begins once the weather data is received. The claims processing strictly adheres to the insurance term sheets, payout structure, and scheme provisions. All standard claims are processed and paid within 45 days from the end of the risk period, ensuring prompt compensation to insured farmers.

The scheme is administered by the Ministry of Agriculture with the aim of providing a safety net to farmers against weather-related risks and minimising their financial hardships due to crop losses. RWBCIS plays a crucial role in supporting the agricultural sector and ensuring the economic stability of farmers in the face of unpredictable weather conditions.

Chapter

7

Insurance Companies In India

The Indian Insurance Sector can be categorised into two main segments: Life Insurance and Non-Life Insurance, the latter also known as General Insurance. Both types of insurance are regulated by the Insurance Regulatory and Development Authority of India (IRDAI), which plays a crucial role in overseeing the entire insurance industry and safeguarding the rights of insurance consumers. Consequently, all insurance providers are bound by the rules and regulations set by the IRDAI.

Life insurance companies primarily offer coverage for individuals' lives, while non-life insurance companies provide coverage for various aspects of our daily lives, such as travel, health, vehicles (cars and bikes), and homes. Moreover, non-life insurers extend their services to cover industrial equipment, crop insurance for farmers, gadget insurance for mobiles, pet insurance, and more.

In recent times, life insurance companies have gained popularity as investment vehicles, offering insurance products that come with the potential for savings growth. On the other hand, general insurance companies remain less inclined to provide pure risk cover to individuals.

In India, there are a total of 62 insurance companies, comprising 28 life insurance providers and 34 non-life insurers.

Non-Life Insurance Companies (34):

Public Sector	
1	National Insurance Co. Ltd.
2	New India Assurance Co. Ltd
3	The Oriental Insurance Company Limited
4	United India Insurance Company Limited

Specialised Insurers	
1	Agriculture Insurance Company of India Ltd.
2	Export Credit Guarantee Corporation of India Ltd.

Private _Health Insurers	
1	Aditya Birla Health Insurance Co. Ltd
2	Care Health Insurance Ltd. (formerly known as Religare Health Insurance Co. Ltd.)
3	Galaxy Health and Allied Insurance Co. Ltd.
4	Narayana Health Insurance Ltd.
5	Manipal Cigna Health Insurance Company Limited
6	Niva Bupa Health Insurance Co Ltd.
7	Star Health & Allied Insurance Co.Ltd.

Non-Life Insurers	
1	Acko General Insurance Limited
2	Bajaj Allianz General Insurance Company Limited

3	Cholamandalam MS General Insurance Company Limited
4	Future Generali India Insurance Company Limited
5	Go Digit General Insurance Limited
6	HDFC ERGO General Insurance Company Limited
7	ICICI LOMBARD General Insurance Company Limited
8	IFFCO TOKIO General Insurance Company Limited
9	Kotak Mahindra General Insurance Company Limited
10	Kshema General Insurance Limited
11	Liberty General Insurance Limited
12	Magma HDI General Insurance Company Limited
13	Navi General Insurance Limited
14	Reliance General Insurance Company Limited
15	Royal Sundaram General Insurance Company Limited
16	SBI General Insurance Company Limited
17	Shriram General Insurance Company Limited
18	Tata AIG General Insurance Company Limited
19	Zuno General Insurance Ltd. (formerly known as Edelweiss General Insurance Company Limited)
20	Universal Sompo General Insurance Company Limited

Chapter

8

Framework Of HDFC ERGO

HDFC ERGO General Insurance Company Limited, based in Mumbai, India, is a leading insurance provider that operates as a joint venture between two major entities. HDFC Bank Ltd., a prominent financial institution in India, holds a 50.5% stake, while ERGO International AG, the primary entity of Munich Re Group, holds a 49.1% stake in the company, as of March 31, 2024.

Established in 2002, HDFC ERGO has grown to become a significant player in the insurance industry, offering a wide range of general insurance products and services. With a strong presence in the Indian market, the company operates through a network of over 200+branches across more than 170 locations throughout the country. The company's workforce consists of more than 11,181 dedicated employees who are committed to serving their customers and meeting their insurance needs.

HDFC ERGO's partnership with HDFC Ltd. and ERGO International AG has facilitated its growth and enabled it to offer innovative insurance solutions and maintain a strong market position in India. With its customer-centric approach and extensive distribution network, HDFC ERGO continues to be a trusted name in the insurance sector, providing comprehensive coverage and efficient claims processing to its policyholders.

Vision

To be the most admired Insurance Company that enables the continued progress of customers by being responsive to their needs.

This vision acts as our guiding light and helps all of us be proud of the organisation that we belong to. This happens by earning the respect of both, the customers and the industry.

Values — **One single thing that takes us closer to our vision is our set of values -**

Sensitivity — **We will build our business on empathy and an inherent understanding of both our internal and external customer's needs.**

Excellence — **We will always strive to offer innovative products and services and endeavour to set new benchmarks to do things better each time.**

Excellence — **We will honour our commitments and be transparent in our dealings with all our stakeholders.**

Dynamism — **We will be pro-active with a "can-do" approach.**

Board Of Directors

List of Board of Directors as under:

Audit and Compliance Committee
Mr. Mehernosh B. Kapadia - Chairman (ID)
Mr. Bernhard Steinruecke (ID)
Mr. Arvind Mahajan (ID)
Mr. Ameet P. Hariani (ID)
Mr. Keki M. Mistry (NED)
Dr. Oliver Martin Willmes (NED)

Corporate Social Responsibility Committee
Mr. Ameet P. Hariani – Chairman (ID)
Mr. Mehernosh B. Kapadia (ID)
Mr. Vinay Sanghi (ID)
Dr. Rajgopal Thirumalai (ID)
Ms. Renu Sud Karnad (NED)
Dr. Oliver Martin Willmes (NED)
Mr. Anuj Tyagi (Managing Director & CEO)

Nomination and Remuneration Committee
Mr. Mehernosh B. Kapadia – Chairman (ID)
Mr. Bernhard Steinruecke (ID)
Mr. Arvind Mahajan (ID)

Mr. Ameet P. Hariani (ID)
Ms. Renu Sud Karnad (NED)
Mr. Edward Ler (NED)

Stakeholders Relationship cum Allotment Committee
Mr. Mehernosh B. Kapadia – Chairman (ID)
Ms. Renu Sud Karnad (NED)
Mr. Edward Ler (NED)
Mr. Anuj Tyagi (Managing Director & CEO)

Policyholder Protection, Grievance Redressal and Claims monitoring Committee
Mr. Arvind Mahajan – Chairman (ID)
Mr. Keki M. Mistry (NED)
Ms. Renu Sud Karnad (NED)
Mr. Edward Ler (NED)
Mr. Ameet P. Hariani (ID)
Mr. Sanjib Chaudhuri (ID)
Mr. Vinay Sanghi (ID)
Mr. Anuj Tyagi (Managing Director & CEO)
Mr. Samir H. Shah (Executive Director & CFO)
Mr. Ravi Vaidee (Expert/Consumer Representative)

Investment Committee
Mr. Keki M. Mistry - Chairman (NED)
Mr. Edward Ler (NED)
Mr. Arvind Mahajan (ID)
Mr. Anuj Tyagi (Managing Director & CEO)
Mr. Samir H. Shah (Executive Director & CFO)
Mr. Sanjay Kulshrestha (Chief Investment Officer)
Mr. Anshul Mittal (Appointed Actuary)
Mr. Chirag Sheth (Chief Risk Officer)

Risk Management Committee
Mr. Bernhard Steinruecke – Chairman (ID)
Mr. Mehernosh B. Kapadia (ID)
Mr. Ameet P. Hariani (ID)
Mr. Sanjib Chaudhuri (ID)
Dr. Rajgopal Thirumalai (ID)
Mr. Keki M. Mistry (NED)
Ms. Renu Sud Karnad (NED)
Dr. Oliver Martin Willmes (NED)
Mr. Anuj Tyagi (Managing Director & CEO)
Mr. Samir H. Shah (Executive Director & CFO)
Mr. Anshul Mittal (Appointed Actuary)
Mr. Chirag Sheth (Chief Risk Officer)

ID - Independent Director

NED - Non-Executive Director

Current Financial Status

After enduring two years of the pandemic, FY23 finally witnessed a return to normalcy. However, global growth was impacted by central banks in advanced economies raising interest rates to address high inflationary pressures. Additionally, the ongoing Russia-Ukraine conflict further hampered global growth.

- The economy's broad-based growth had a positive impact on all segments of the General Insurance (GI) industry, including motor, health, commercial, and crop insurance, which all registered double-digit growth in FY23. The GI industry as a whole grew by approximately 16% to reach around ₹257,000 crores, marking the highest growth rate in the last five years. The Accident & Health insurance segment exhibited rapid growth, reflecting the relatively low levels of health insurance penetration in the country.

Products And Services

HDFC ERGO General Insurance Co. Ltd. offers a comprehensive range of General Insurance products, catering to both retail and corporate customers. In the retail space, the company provides insurance solutions for Motor, Health, Travel, Home, and Personal Accident. For corporate clients, HDFC ERGO offers customised insurance products such as Property, Marine, and Liability Insurance.

The company offers insurance policies and policy renewals through various channels, including its website, physical offices, and intermediaries. Its market-leading insurance products include:

Health Insurance	Motor Insurance	Travel Insurance
Personal Accident Insurance	Home Insurance	Commercial Insurance
Crop Insurance	Cyber insurance	Pet insurance

HDFC ERGO is continuously expanding its presence across the country. It operates in 215 branches and 423 digital offices, covering 490 districts of India. The company boasts an employee base of 10,912 professionals, ensuring efficient service delivery to its customers.

HDFC ERGO's distribution network is extensive and includes brokers, retail and corporate agents, bancassurance, and its own direct sales force. It also has a vast network of agents, with ~1.09 Lacs multi-line agents, including Point of Sales Personnel (POSPs).

The company's strong claim-paying ability has been recognised with an 'iAAA' rating by ICRA. Additionally, HDFC ERGO holds ISO certification for its claim services, policy issuance, customer servicing, and standardisation and uniformity of Information Security processes across all its branches and locations.

Overall, HDFC ERGO General Insurance Co. Ltd. stands as a reputable and reliable insurance provider, offering a wide range of products and services to cater to the diverse needs of its customers across India.

Chapter 9

Technology Trends In Insurance

Transformative Effects of IT in Different Aspects of Insurance:

- **Product Promotion:** While traditional methods involved direct interactions with insurance agents, IT now enables insurers to educate, promote, and advertise their products to a larger customer base in a faster manner. Customers can access detailed product information, compare coverages and premiums across different companies through websites, social media platforms, and mobile applications.In India, there are a total of 62 insurance companies, comprising 28 life insurance providers and 34 non-life insurers.

- **Buying Insurance: I**nformation technology has revolutionised the buying process, allowing customers to purchase insurance products online through e-commerce platforms and mobile channels. This online convenience expedites the issuance of policies, facilitates online payments, and creates opportunities for insurers to cross-sell and upsell additional products.

- **Customer Support:** IT has introduced new channels for customer support, ensuring hassle-free services throughout the policy tenure. Integrated CRM systems in contact centres enable swift assistance, policy modifications, and claim registration for enhanced customer satisfaction.

- **Introduction of AI BOTs:** AI-powered BOTs, also known as chatbots, have emerged as invaluable tools in the insurance industry. These computer programmes simulate human-like conversations through voice commands or text chats. They can be embedded in major messaging applications, enhancing customer interactions and providing instant support and information.

In conclusion, information technology has become indispensable for insurance companies in optimising their operations, providing exceptional customer experiences, and staying competitive in a dynamic market. Embracing technology-driven solutions allows insurers to thrive in the ever-evolving landscape of the insurance industry.

Key Takeaways:

- Chatbots, also known as chatterbots, are AI-powered tools used in messaging apps.

- These automated programmes interact with customers like humans, providing convenience and cost-effectiveness.

- Chatbots can operate through machine learning or set guidelines, with AI advancements favouring the former over the latter.

- Automation (RPA) and AI have occupied center stage in insurance, driven by newer data channels, better data processing capabilities and advancements in AI algorithms.

- Bots have become mainstream in both the front and back-office to automate policy servicing and claims management for faster and more personalised customer service.

At HDFC ERGO, our primary focus is on the customer, and we strive to provide a seamless and comfortable journey. To enhance the overall customer experience, we have implemented Chatbots and assisted BOTs, offering the following details:

DIA: As a customer facing Chatbot accessible through our website www.hdfcergo.com, DIA offers assistance related to policy documents, claim registration, cashless hospital/garage lists, renewals, and more. Operating 24/7, DIA delivers instant solutions to general insurance queries. To expand its reach and demystify general insurance further, DIA is integrated with Google Assistance, allowing customers to interact via voice command, "OK Google, Talk to HDFC ERGO."

eRA: This assisted BOT collaborates with our team by understanding customer emails. Integrated with our CRM system called Talisma, eRA is trained to comprehend policy servicing requests, claim procedures, policy corrections, renewal processes, and other related matters. Operating around the clock, eRA ensures fast resolutions for customers.

Myra: As a customer-facing chatbot available on WhatsApp, Myra is educated to handle significant servicing requests, such as sharing policy documents, tax certificates, health cards, claim procedures, status updates, and renewal requests. Leveraging the convenience of WhatsApp, Myra effectively addresses customers' insurance queries on their mobile screens.

Aby: This assisted BOT supports contact centre agents by providing quick responses to customer needs. In a fast-paced world with reduced customer request turnaround times, Aby acts as a bridge, enabling agents to deliver faster, accurate processes. Trained to handle major processes like claim registration, sharing policy documents, and renewal assistance, Aby serves as a valuable assistant to both agents and customers.

Overall, our implementation of Chatbots and assisted BOTs reflects our commitment to efficient customer service and seamless interactions, ensuring that HDFC ERGO remains at the forefront of providing excellent insurance experiences

PIHU-HDFC ERGO re-imagined the customer service experience through usage of Artificial Intelligence driven solutions to Indian farmers through Easy To Use B2C solution– PIHU PIHU is a Simplified Whatsapp chat platform, Reliable and Environment Friendly. PIHU facilitates the availability of information in 12 different languages and provide instant query resolution at fingertips, and is a Secure platform for our rural customers.

1. PIHU facilitates interface on - Enrolment in PMFBY
2. Claim Registration
3. Claim Settlement Status
4. PMFBY Scheme Information
5. Others

Chapter

10

Guidelines For A Customer

When it comes to purchasing insurance, customers often have questions and uncertainties. Here are some essential guidelines to consider:

- **Selecting the Right Insurance:**

  Insurance is designed to protect against unforeseen events like accidents, illnesses, property damage, and more. Depending on your specific needs, you should consider various types of insurance, such as life insurance, personal accident insurance, health insurance, motor insurance, and property insurance. Identify the risks you want to safeguard yourself against before choosing a suitable policy.

- **Tailoring Insurance to Your Life Stage:**

  Your insurance requirements may vary depending on your life stage and future aspirations. For instance, if you're planning to start a family, you might opt for life insurance that meets the needs of your dependents. If you have growing children with education needs, consider policies that provide for their education. Health insurance is best purchased early in life to ensure continuous coverage. While third party motor insurance is mandatory, opting for comprehensive motor insurance offers additional protection by covering vehicle damage as well. Protecting your property against fire, flood, and earthquakes will safeguard your savings, allowing you to use them for other financial needs instead of rebuilding costs.

- **Buying Insurance and Identifying Trusted Sources:**

  When purchasing insurance, it is crucial to transact only with reliable sources. Ensure you buy insurance policies from:

  a) Registered Insurance Companies

  b) Licensed Insurance Agents (including corporate agents and micro-insurance agents)

  c) Licensed Insurance Brokers

- **Verifying Authenticity:**

  Before making any payment, verify the authenticity of the person or entity offering insurance. Request identity proof and IRDAI license details of the person/entity soliciting insurance. For telesales, obtain address and telephone information. To validate insurance companies, brokers, and web-aggregators, cross-check their details on the IRDAI website. Additionally, use the agent locator on the IRDAI website to verify agents' credentials.

- **Caution Against Unlicensed Intermediaries:**

  Be cautious about unlicensed intermediaries or unregistered insurers soliciting insurance. Any payment made to such entities is at your own risk. In case you encounter unlicensed individuals or companies, it is advisable to intimate the IRDAI to protect yourself and other potential customers.

By following these guidelines, customers can make informed decisions, ensure their insurance meets their needs, and transact securely with trustworthy entities, providing peace of mind in uncertain times.

What Insurance To Consider?

Insurance provides protection against unforeseen events, such as accidents, illnesses, property damage, and more. To safeguard yourself adequately, it is crucial to consider the following types of insurance: life insurance, personal accident insurance, health insurance, motor insurance, and property insurance.

Choosing the right insurance policy involves understanding your specific needs. Evaluate which life stage you are in and your future aspirations. Life insurance requirements may differ based on whether you are starting a family, have growing children with educational needs, or planning for retirement. Acquiring health insurance at a young age ensures continuous coverage and peace of mind. While third party motor insurance is legally required, opting for a comprehensive motor insurance policy that covers vehicle damage is a wise decision. Moreover, safeguarding your home and belongings against risks like fire, flood, and earthquake preserves your hard-earned savings for other financial needs rather than using them for rebuilding.

How To Purchase Insurance And From Whom?

To ensure a secure transaction and appropriate coverage, follow these steps:

A. Purchase insurance policies only from reliable sources:

i. Registered Insurance Companies

ii. Licensed Insurance Agents, including corporate agents and micro-insurance agents

iii. Licensed Insurance Brokers

B. Verify the authenticity of the person or entity before making any payment:

i. Request identity proof and particulars of the IRDAI license from the individual/entity offering insurance.

ii. Obtain the address and telephone number of the person/entity, especially in the case of telesales.

iii. Verify the details of insurance companies, brokers, and web aggregators on the IRDAI website. Use the agent locator on the IRDAI website to confirm the credentials of agents.

If you encounter any unlicensed intermediary or unregistered insurer soliciting insurance, promptly inform the IRDAI. Any payment made to such entities poses potential risks.

By considering the right insurance coverage and conducting transactions with trusted entities, you can protect yourself and your loved ones from unforeseen circumstances and enjoy greater financial security.

- **Customer Rights & Duties In Insurance:**

  As a responsible and informed consumer, you should be aware of your rights and duties concerning your insurance policy, claims, and grievance redressal. Here are the key points to remember throughout the various stages of your insurance policy's life cycle:

When Purchasing an Insurance Policy:

- Fill the proposal form accurately and truthfully, as you are responsible for the information provided with your signature.
- Disclose all relevant information about the risk you want to cover.
- Register a nominee and ensure the nominee's name is correctly filled.
- Avoid leaving any column in the proposal form blank and never sign a blank form.
- After Submitting the Proposal:
- The insurance company should inform you about their decision on issuing or refusing the insurance within 15 days of proposal submission.

- If you do not receive a response within the specified time, raise the matter in writing with the insurance company.
- If asked for additional documents, comply promptly.
- If the insurer refuses to grant insurance, they should provide written communication with reasons for the refusal.

After Purchasing the Insurance Policy:

- You should receive the policy document within a reasonable period after the acceptance of the proposal by the insurance company.
- In case the policy document is not received, contact the insurance company to inquire about it.
- Verify the policy document upon receipt to ensure it matches the coverage you intended to purchase.
- Review all policy conditions and ensure they align with what was explained to you by the intermediary or insurance company representative at the time of sale.
- In case of doubts or queries, contact the intermediary or insurance company representative immediately for clarification.
- Whenever possible, communicate directly with the insurance company.

Precautions to Take When Buying Insurance:

- Be cautious of unauthorised calls or offers.
- Be wary of extremely low premiums or lucrative offers; verify the credentials by contacting the insurance company directly if in doubt.
- Avoid signing blank insurance proposal forms.

- Preferably, make premium payments by cheque in favour of the insurance company.
- Request a receipt as evidence of premium payment.
- Carefully examine the policy after receiving it to ensure the requested coverage and premium terms are accurately stated.

By exercising these rights and fulfilling your duties as an insurance policyholder, you can make informed decisions, protect your interests, and ensure a smooth insurance experience.

Chapter
11

Important Abbreviations

ACF	:	Area Correction Factor
ADB	:	Accidental Death Benefit
AML	:	Anti Money Laundering
AOG	:	Act of God
ARG	:	Automatic Rain Gauge
AWS	:	Automatic Weather Stations
AYUSH	:	Ayurveda, Yoga, Unani, Siddha, Homeopathy
BPL	:	Below Poverty Line
CAR	:	Contractors All Risks Policy
CC	:	Cubic Capacity
CGST	:	Central Goods and Services Tax
CL	:	Consequential Loss
CoR	:	Combined Ratio
COVID-19	:	Coronavirus disease
CPM	:	Contractors Plant & Machinery Policy
CSR	:	Claim Settlement Ratio
CT Scan	:	Computerised Tomography Scan

DES	:	Directorate of Economics & Statistics
EAR	:	Erection All Risks Policy
ECGC	:	Export Credit & Guarantee Corporation
EP	:	Earned Premium
ESIS	:	Employees' State Insurance Scheme
GDP	:	Gross Domestic Product
GDPI	:	Gross Direct Premium Income
GIC	:	General Insurance Corporation of India
GIC	:	General Insurance Council
GoI	:	Government of India
GWP	:	Gross Written Premium
HNI	:	High Net worth Individual
HRD	:	Human Resource Development
IAR	:	Insurance All Risk
ICMR	:	Indian Council of Medical Research
ICP	:	Indoor Case Paper
ICU	:	Intensive Care Unit
IDV	:	Insured Declared Value
IGMS	:	Integrated Grievance Management System
III	:	Insurance Institute of India
INR	:	Indian Rupee
IPD	:	Inpatient Department Care
IRDAI	:	Insurance Regulatory & Development Authority
IRRI	:	International Rice Research Institute
ISRO	:	Indian Space Research Organisation
LDM	:	Lead District Manager

LIC	:	Life Insurance Corporation
LPC	:	Land Procession Certificate
MACT	:	Motor Accident Claim Tribunal
MB	:	Machinery Breakdown
MER	:	Medical Examination Report
MLC	:	Medical Legal Case
MLOP	:	Machinery Loss of Profits Policy
MoA & FW	:	Ministry of Agriculture and Farmers Welfare
MOU	:	Memorandum Of Understanding
MRI	:	Magnetic Resonance Imaging
MV	:	Market Value
NAV	:	Net Asset Value
NBFC	:	Non-Banking Financial Company
NBFC	:	Non-Banking Financial Company
NCB	:	No Claim Bonus
NCIP	:	National Crop Insurance Portal
NGO	:	Non-Government Organisation
NPCI	:	National Payments Corporation of India
OPD	:	Outpatient Department
OPD	:	Outpatient Department
OT	:	Operation Theatre
PA	:	Personal Accident
PE Kit	:	Personal Protect Equipment kit.
PED	:	Pre-Existing Disease
PHC	:	Primary Health Centre

POA	:	Power of Attorney
PPC	:	Pre Policy-Check Up
PPD	:	Permanent Partial Disability
PPD	:	Permanent Partial Disablement
PSU	:	Public Sector Undertaking
PTD	:	Permanent Total Disability
RBI	:	Reserve Bank of India
RIV	:	Reinstatement Value
RMO	:	Resident Medical Officer
ROR	:	Records of Right
RSBY	:	Rashtriya Swasthya Bima Yojana
RSMD	:	Riot, Strike, Malicious Damage
SEBI	:	Securities & Exchange Board of India
SFDI	:	Stream Flow Drought Index
SGST	:	State Goods and Service Tax
SMES	:	Small & Medium Enterprises
SPI	:	Standardised Precipitation Index
SST	:	Smart Sampling Technique
STFI	:	Storm, Tempest, Flood and Inundation
TAT	:	Turn Around Time
TPA	:	Third Party Administrator
TTD	:	Temporary Total Disability
TTD	:	Temporary Total Disability
UNL	:	Ultimate Net Loss
UP	:	Unearned Premium

UPI	:	Unified Payment Interface
WBCI	:	Weather Based Crop Insurance Scheme
WC	:	Workmen's Compensation
WHO?	:	World Health Organisation
WWW	:	World Wide Web
YTM	:	Yield to Maturity

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~ For Home Building Cover only. **The Sum Insured will be restored only once in a Policy Year. If the Restored Sum Insured is not utilized in a Policy Year, it will expire. Restore benefit is applicable for all subsequent claims that arise during a policy year. A single claim in a policy year cannot exceed the sum of Basic Sum Insured and multiplier benefit (if applicable). ***A single claim in a policy year cannot exceed the sum of Basic Sum Insured and multiplier benefit (if applicable). # If a Multiplier benefit has been applied and a claim is made in any Policy Year, then in the subsequent Policy Year We will automatically decrease the accrued multiplier benefit at the same rate at which it is accrued. However this reduction will not reduce the Sum Insured below the basic Sum Insured of the policy, and only the accrued multiplier bonus will be decreased. *For optional covers, additional premium will be charged. HDFC ERGO General Insurance Company Limited. IRDAI Reg. No. 146. CIN: U66030MH2007PLC177117. Registered & Corporate Office: 1st Floor, HDFC House, 165-166 Backbay Reclamation, H. T. Parekh Marg, Churchgate, Mumbai – 400 020. For more details on the risk factors, terms and conditions, please read the sales brochure/ prospectus before concluding the sale. UIN: Motor Insurance- Pricing Revision - Private Cars - IRDAN125RP0001V02201415. my: Optima Secure - HDFHLIP24092V032324. my:health Koti Suraksha - HDFHLIP21131V012021. Chomp - HDFHLGP23112V012223. Travel Insurance - HDFTIOP22056V022122. Home Insurance(Revision)- Multi Year Policy - IRDAN125RP0017V02201415. Pradhan Mantri Fasal Bima Yojana - IRDAN125RP0003V01201617. CSC - Pradhan Mantri Fasal Bima Yojana-HDE-AG-P18-25-V01-17-18. Restructured Weather based Crop Insurance Scheme - IRDAN125RP0005V01201617. CSC-Restructured Weather Based Crop Insurance Scheme-HDE-AG-P18-26-V01-17-18. Marine Cargo Insurance - IRDAN146RP0015V01201011. Marine Hull and Machinery Policy - IRDAN125CP0003V01200809. HDFC ERGO Cyber Sachet Insurance - IRDAN125RP0026V01202122. HDFC ERGO - Bharat Griha Raksha - IRDAN125RP0003V01202021. Individual Personal Accident - HDHHLIP21346V042021. Home shield Insurance - IRDAN125RP0001V01201718. HDFC ERGO Paws n Claws - IRDAN146RP0001V01202324. HDFC ERGO EquiCover Health - HDFHLIP23192V012223. Arogya Sanjeevani Policy, HDFC ERGO - HDFHLIP20175V011920. my:health Medisure Super Top Up Insurance - HDFHLIP22021V042122. Optima Restore - HDFHLIP22193V072122. HDFC ERGO Group OPD Care (Addon) - HDFHLGA24091V012324. HDFC Group Health Insurance - HDFHLGP21116V012021. Optima Wellbeing (Add-on) - HDFHLIA24099V012324. Pay As You Drive - Kilometer Benefit - IRDAN125RP0001V02201415/A0033V01202223. Loss of Personal Belongings - IRDAN125RP0001V02201415/A0023V01202122. Cost of Consumable Items - IRDAN125RP0008V01201819/A0024V01201819. Emergency Assistance Cover (Applicable for all classes of vehicles) - IRDAN125RP0005V01200203/A0016V01201314. Loss of Use / Downtime Protection - IRDAN125RP0001V02201415/A0068V01202122. Engine and Gear box Protector - IRDAN125RP0008V01201819/A0023V01201819. No Claim Bonus Protection (for all motor policies) - IRDA/F&U/HDFC/MotorAdd-ons/09-10/2. Return to Invoice - IRDAN125RP0005V01200203/A0013V01201213. Zero Depreciation Claim - IRDAN125RP0005V01200203/A0005V01200910. Standalone Motor Own Damage Cover - Private Cars - IRDAN125RP0001V01201920. Private Car Policy - Bundled - IRDAN125RP0008V01201819. Two Wheeler Package Policy - Annual - IRDAN125RP0009V01202122. Liability Only Policy - Private Car - Annual - IRDAN125RP0001V01202122. Liability Only Policy - Two wheeler - Annual - IRDAN125RP0002V01202122. This is strictly for training and education purpose for the participants of the HDFC ERGO Insurance Awareness Award Quiz - Junior. UID: 15597.