Fortnightly Report
March 2025

Exclusive | Motor Insurance | Sanjeev Mantri

The Economic Times

COS SAY HIKE NEEDED TO OFFSET RISING CLAIMS

Third-Party Motor Cover may Cost More from April

Shilpy Sinha

Mumbai: Insurance companies expect the cost of third-party (TP) motor cover to increase 15-20% from April 1, as the industry struggles with mounting claims and stagnant rates over the past five years. Industry CEOs said the hike is necessary to offset rising claims costs, with TP award inflation running at nearly 11-12% annually, eroding profitability amid average premium increases of just 2-3% per year over the past 5-7 years.

"If the industry has to reach a viable level on an accident-year basis for motor TP, a substantial hike is needed," said the CEO of a large insurance company, who did not wish to be identified. "Our expectation is a 20% increase." The Insurance Regulatory and Development Authority of India (Irdai) revises third-party motor insurance rates annually based on past claims, in coordination with the ministry of road transport and highways.

Between FY13 and FY18, TP insurance rates saw sharp hikes, but regulators largely froze increases over the past seven years, capping hikes at 2-3% between FY19 and FY25. With net claims ratios for motor TP at 82% in both FY24 and FY23, and ultimate ratios at 88% and 91%, respectively, the industry is pushing for correction. ICICI Lombard's managing director and CEO Sanjeev Mantri recently said in an investor call that the industry could see a hike in the next financial year.

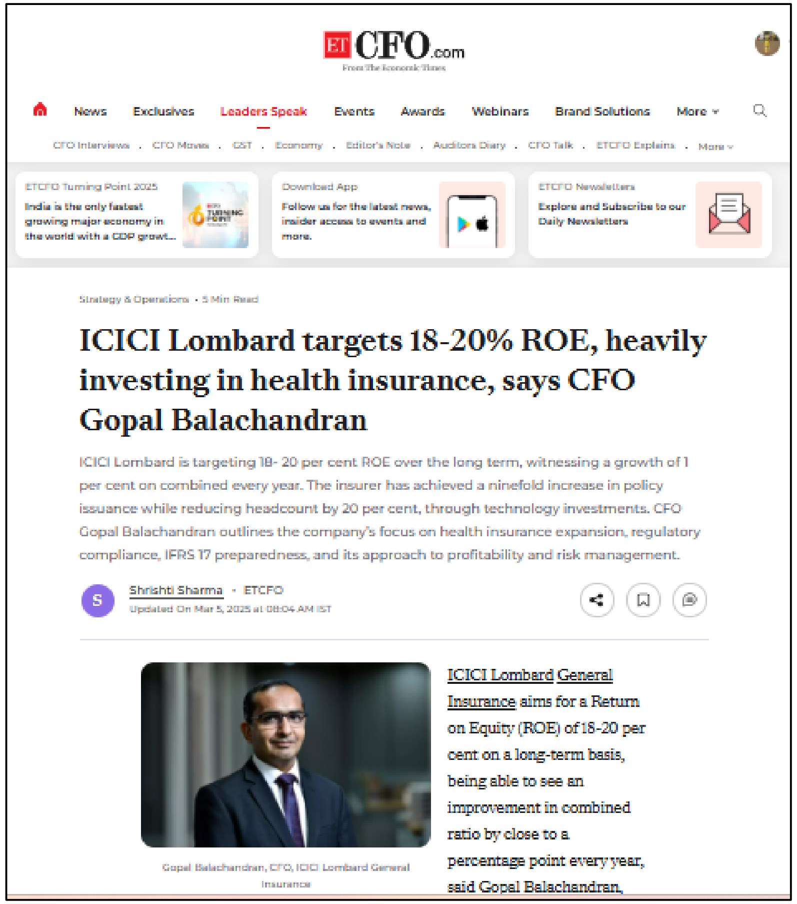
New India Assurance saw its incurred claim ratio rise to 102% in the third quarter of this fiscal, up from 93% a year ago. Similarly, Go Digit's loss ratio increased to 65% from 61%. In contrast, motor own-damage (OD) cover, particularly for new private cars, continues to show lower loss ratios.

Third-party insurance premiums vary by engine size. For small cars up to 1,000 cc, the renewal premium is ₹2,100 which is expected to go up to ₹2,500. Similarly, mid-sized cars (1,000-1,500 cc) have a renewal premium of ₹3,400 could see premium rise to ₹4,000.

Under the Motor Vehicles Act, 1988, third-party insurance is mandatory, covering financial liabilities if a vehicle causes injury, disability or death. The Irdai has mandated insurers underwrite at least a certain number of goods-carrying vehicles, PVs and tractors to expand insurance coverage in rural and underserved markets.

Exclusive Interview | Gopal Balachandran

ET CFO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Strategy & Operations • 5 Min Read

ICICI Lombard targets 18-20% ROE, heavily investing in health insurance, says CFO Gopal Balachandran

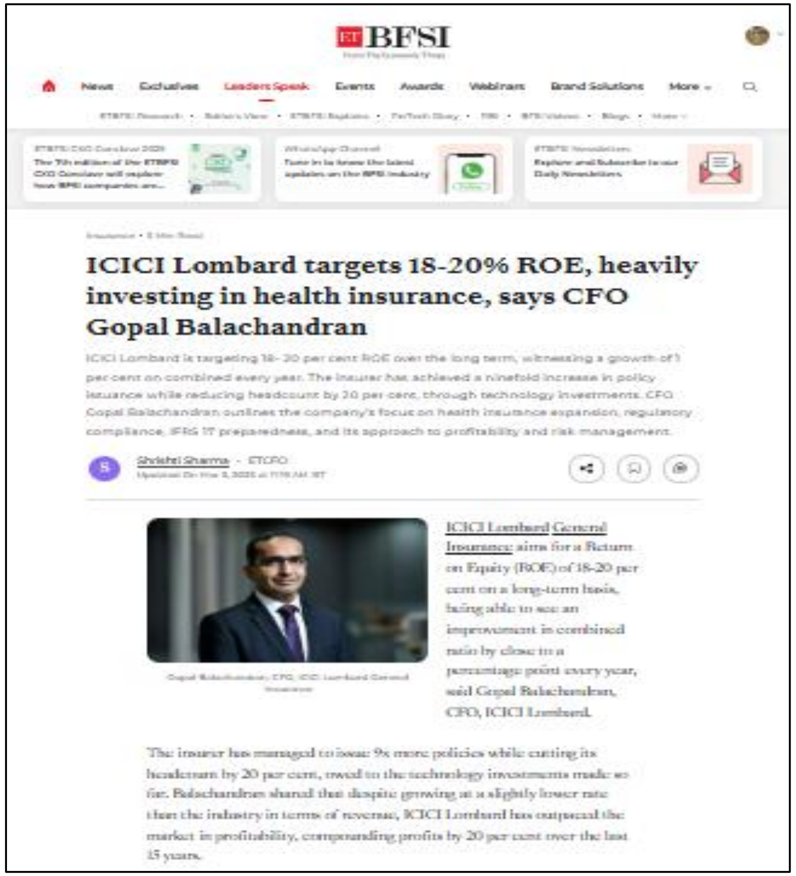
ICICI Lombard is targeting 18- 20 per cent ROE over the long term, witnessing a growth of 1 per cent on combined every year. The insurer has achieved a ninefold increase in policy issuance while reducing headcount by 20 per cent, through technology investments. CFO Gopal Balachandran outlines the company's focus on health insurance expansion, regulatory compliance, IFRS 17 preparedness, and its approach to profitability and risk management.

Shrishti Sharma • ETCFO
Updated On Mar 5, 2025 at 08:04 AM IST

ICICI Lombard General Insurance aims for a Return on Equity (ROE) of 18-20 per cent on a long-term basis, being able to see an improvement in combined ratio by close to a percentage point every year, said Gopal Balachandran,

Gopal Balachandran, CFO, ICICI Lombard General Insurance

ET BFSI


ETBFSI

ICICI Lombard targets 18-20% ROE, heavily investing in health insurance, says CFO Gopal Balachandran

The insurer has managed to issue 9x more policies while cutting its headcount by 20 per cent, owed to the technology investments made so far. Balachandran shared that despite growing at a slightly lower rate than the industry in terms of revenue, ICICI Lombard has outpaced the market in profitability, compounding profits by 20 per cent over the last 15 years.

Exclusive | Bima-ASBA | Gopal Balachandran

Money Control

Only two insurers comply with Bima-ASBA framework, others in talks with IRDAI for deadline extension

Only Bajaj Allianz Life Insurance and ICICI Lombard have implemented the Bima-ASBA framework, while major insurers like Life Insurance Corporation, HDFC Life, ICICI Prudential Life, and SBI Life remain non-compliant despite revised guidelines and a firm March 1, 2025, deadline, industry sources said.

Bima-ASBA (Application Supported by Blocked Amount), introduced by the Insurance Regulatory and Development Authority of India (IRDAI), prevents insurers from deducting money from a customer's account until a health insurance proposal is formally accepted.

Authored Article | Cyber Insurance | Gaurav Arora

ET CISO

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From The Economic Times

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Cybercrime & Fraud · 4 Min Read

Beyond firewalls: Why Indian enterprises need a proactive cyber risk strategy

India risks losing Rs 20,000 crore to cybercrime this year, with threats like AI-driven deepfakes and ransomware rising. Key targets include BFSI, retail, and government sectors. Companies must adopt proactive cybersecurity strategies, including AI tools, real-time monitoring, and cyber insurance, to combat these risks and maintain customer trust.

Gaurav Arora • ETCISO
Updated On Mar 21, 2025 at 10:20 AM IST

Rs 20,000 crore. It is a staggering figure. According to a CloudSek report, India could face the estimated loss this year because of cybercrime. The fact that cybercrime has been on the rise is not surprising. With the latest tech at disposal, cybercriminals are using AI tools, deepfakes, and ransomware-as-a-service software to breach secure corporate servers. Reports also suggests India could face a whopping 1 trillion cyberattacks by 2033 unless businesses do more manage risk.

Exclusive | Wellness Index Report

People Matters

people matters

THE FUTURE OF PAY IN INDIA 2025

DOWNLOAD NOW

Gender Gap in Wellness Index Report calls for urgent action

According to the ICICI Lombard Wellness Index Report 2024, women consistently score lower than men across all wellness dimensions, from mental and workplace wellness to financial and social well-being.

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Wellness is a multidimensional aspect of life, encompassing mental, financial, workplace, social, family, and physical well-being. However, a striking gender gap persists across all these dimensions, with women consistently scoring lower than men in overall wellness.

According to data shared by the ICICI Lombard Wellness Index Report 2024, there has been a consistent gender gap across all wellness dimensions, with women scoring lower than men.

Industry Story | Women in Marketing | Sheena Kapoor

Social Samosa

Women in Marketing: Executives who are building brand narratives

Shamita Islur

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Social Samosa highlights the achievements of women in marketing who are leading brand narratives across sectors.

Women are generally under-represented in leadership roles in the media and communications sector, according to data, with India (231) falling at the end of the spectrum having the lowest proportion of women leaders.

Yet, there are women in leadership roles paving the way for others and building brand narratives and representation in the advertising and marketing industry.

Social Samosa has curated a list of women marketing executives. This list is in no particular order.

Deepali Naair - CMO, IBM India & South Asia

Starting her career in 1993, Deepali has led a diverse leadership experience in marketing and digital by working with Tata Motors, BPL Mobile, Draft FCB-Ulka, Saffola, IIFL Wealth group of Companies and more.

Also Read: How Muthoot Finance builds gold financing with celebrity endorsements & regional communication

Aparna Bhawal - CMO, KFC India & Partner Countries (Nepal, Bangladesh, Sri Lanka, Maldives)

A marketing leader with close to two decades of experience, Aparna has led marketing for prominent consumer brands. Prior to joining KFC India, she was the Vice President for Marketing at Hindustan Times Media Ltd where she repositioned the legacy news brand for millennial audiences.

Press Release | Tripsecure+ AI Song | Sheena Kapoor

Adgully

ICICI Lombard launches India's first AI-generated insurance anthem

Music has always been a powerful way to communicate, and India's leading private general insurer, has launched an industry-first AI-generated anthem for TripSecure+, its latest travel insurance solution. This disruptive initiative showcases ICICI Lombard's leadership in harnessing technology to revolutionize customer engagement and make travel insurance more relatable and immersive.

For the first time in the Indian insurance sector, an AI-generated song is being used as a **powerful storytelling tool**, ensuring that travel protection is not just understood but remembered. The anthem is currently airing **four times daily on RadioOne until March 31** and is available across **ICICI Lombard's social and digital platforms**, amplifying its reach among Indian travellers.

Buzz In Content

Branded Content

ICICI Lombard releases AI-generated anthem for TripSecure+, its travel insurance solution

The anthem is currently airing four times a day on RadioOne until March 31 and is available across ICICI Lombard's social and digital platforms

BuzzInContent Bureau

Sheena Kapoor

New Delhi: ICICI Lombard has launched an AI-generated anthem for TripSecure+, its travel insurance solution.

The anthem is currently airing four times a day on RadioOne until March 31 and is available across ICICI Lombard's social and digital platforms.

Sheena Kapoor, Head, Marketing, Corporate Communication and CSR, ICICI Lombard, said, "The insurance industry is evolving rapidly, and at ICICI Lombard, we are committed to leading this transformation with technology-driven innovations. The launch of India's first AI-generated song is not just a creative experiment—it is a bold step toward making insurance more immersive, relatable, and engaging for modern travelers. Traditionally, insurance was seen as a necessity rather than an experience."

She added, "With this initiative, we are redefining that perception by blending technology, music, and storytelling to create deeper emotional connections with our customers. TripSecure+ is more than just a travel insurance plan—it is a reassurance that no matter where you go, we have got you covered. Through AI and digital engagement, we continue to push the boundaries of how insurance integrates seamlessly into the customer journey."

Media Brief

ICICI Lombard unveils AI-generated anthem for TripSecure+ travel insurance

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Industry Story | Brand Mention

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BONUS IN HEALTH INSURANCE

Choose policy with guaranteed bonus, unaffected by claims

SANJAY KUMAR SINGH & KARTHIK JEROME

POLICIES THAT OFFER GUARANTEED BONUSES

Insurer	Plan	Premium (₹)*	Rider premium (₹) for bonus SI
Manipal Cigna	Sarva Uttam	19,636	1,964
Aditya Birla Health	ABHI Active one	24,740	2,473
ICICI Lombard	Elevate	25,823	3,720
Star	Super Star	27,074	6,770
Care	Care Supreme	27,276	Inbuilt
Niva Bupa	Reassure 2.0 Titanium	30,949	Inbuilt
HDFC Ergo	Optima Secure	39,268	Inbuilt

SI is sum insured; *Premiums are for Delhi-based family of 2 adults, 2 children, with eldest member aged 41; sum insured ₹10 lakh

Source: Policybazaar.com

5 Best Crop Insurance Providers in India: Top 5 Picks for 2025

By Editorialge Desk · March 5, 2025

Agriculture, Farming, India, Insurance, Latest

Agriculture is the backbone of India's economy, with millions of farmers depending on it for their livelihood. However, farming is inherently risky due to unpredictable weather conditions, pest infestations, and other natural calamities

Health insurance premium tracker

For a 30-year-old male, non-smoker, sum insured of ₹10 lakh living in a metro city

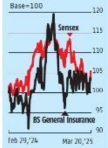
Insurer	Plan name	Key features	Premium (₹)
Niva Bupa	Health ReAssure 2.0	No Room Rent Limit, Unlimited Restoration of Cover, Day Care Treatments, Unlimited Cover for Treatment at Home	10,835
CARE	Care Supreme	No Room Rent Limit, Mid-Year Member Addition, Air Ambulance Cover, No claim bonus	11,546
Star Health	Super Star	No Room Rent Limit, Unlimited Restoration of Cover, Mid - Year Member Addition	8,667
Aditya Birla Health	Activ One	2X Cover from Day 1, No Room Rent Limit, Unlimited Restoration of Cover, Day Care Treatments	8,528
Bajaj Allianz	My Health Care	Unlimited Restoration of Cover, Day Care Treatment only 2hr Hospitilisation, Ambulance Charges	8,645
TATA AIG	Medicare	No Room Rent Limit, Pre and Post Hospitalisation Coverage, Mid Year Member Addition	12,366
ICICI Lombard	Elevate	Unlimited Restoration, Renewal Bonus, Pre & Post Hospitalization coverage	8,309

Premium is calculated on the basis of age of insured member, location, Plan type and Sum insured; Health insurance covers medical expenses that arise due to an illness and benefits will be payable subject to the terms and conditions and exclusions of the Policy.
Date: March 28, 2025. Source: www.policybazaar.com

THE COMPASS

Near-term pricing, growth worries for general insurance majors

DEVANGSHU DATTA



India Health Insurance Market Opportunities Assessment, Analysis, Trends And Forecast 2025 – 2032

SkyQuest Technology Group recently introduced India Health Insurance Market study with in-depth overview, describing about the Product/Industry Scope and elaborates market outlook and status (2025-2032). The market Study is segmented by key regions which is accelerating the marketization. The India Health Insurance Market has witnessed Excellent growth over the past decade and is expected to maintain its upward trajectory.

India Health Insurance Market size was valued at USD 14.34 billion in 2023 and is poised to grow from USD 15.99 billion in 2024 to USD 38.2 billion by 2032, growing at a CAGR of 11.5% during the forecast period (2025-2032).

Former ICICI employee alleges harassment and forced resignation

A former employee of ICICI Bank, in Mumbai, has accused the bank of mental harassment and coercing her into putting in her papers. She alleged that she was pressured to quit after being unable to show up for work due to her mother's critical health condition.

ET BRAND EQUITY.com

Times Internet appoints Johney Maheshwari as the head of corporate development

Times Internet recently appointed Johney Maheshwari as head of corporate development. With over a decade of experience in corporate development and investment banking, Maheshwari will spearhead mergers and acquisitions and investment initiatives. He has a track record at Razorpay and EY. His leadership aims to bolster Times Internet's growth through strategic investments and acquisitions.

Times Internet has announced the appointment of Johney Maheshwari as the head of corporate development.

Sai Prabhakar Yadavalli

KEY ASPECTS

ET NOW

IRDAI Inspection Flags Lapses in Health Claim Settlement; Insurers Say Over Rs 1 Lakh Crore Paid in FY25

Personal Finance

OUTPATIENT COVER IS ESPECIALLY BENEFICIAL FOR INDIVIDUALS WITH CHRONIC CONDITIONS

OPD rider enhances your annual health cover

- Premium starts from as low as ₹700 per year

SAIKAT NEOGI

- Premium is higher for built-in OPD plans as compared with an OPD rider and does not allow customisation
- Decide on the sum insured based on your annual outpatient expenses. Some outpatient benefits may need a co-payment
- Health supplements and over-the-counter drugs not prescribed by the doctor are excluded under the OPD coverage

Scope of coverage

Thank you