



Since 1943

J.B.BODA GROUP MEDIAN

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J. B. BODA

First on Protection

70_{years}

1943-2013

Service with Commitment

Third Generation
&
Moving on....





Since 1943

Dear Readers,

In 1943, Late Mr. J.B.Boda and Late Mr. D.B.Boda began a legacy of offering global REINSURANCE SERVICES from India. This was continued by Late Chairman Mr. B.J.Boda until September 2011.

Today, the J.B.Boda Group continues the success story by drawing from the strength of the past and applying the expertise to complex requirements of our clients. We have developed relationships with clients, going beyond boundaries, and fulfilling our clients' needs is the number one priority at J.B.Boda Group.

An award winning Group, J.B.Boda Group first opened its doors for varied Reinsurance business activities in 1943 and therefore celebrates its 70th Anniversary this year. The global Reinsurance industry has changed dramatically during these seven decades. We would like to recognize the commitment and downright hard work put in by our founders.

Our goal is well achieved by our committed actions towards being the most dependable source of high quality services. While celebrating our past in this ever evolving world, we are also excited about our future. We have expanded our service network progressively with 24 offices in India and 5 offices overseas in U.K., Singapore, Dubai, Nepal and Kenya. The Group today employs more than 1,250 people.

While our clients list is a mixed blend of large fortune companies, medium built companies and small scale companies, we have the requisite agility to work & guide everyone through the processes and the ingenuity to make the client feel comfortable. We are agile to be fast, adaptable and flexible to the changing market conditions with more ease, according to specific client requirements, in terms of cost efficiency, lead time & product characteristics. We are ingenious to be skilful, imaginative and innovative, thinking laterally and seeing things differently to find the appropriate solutions without compromising on quality. We promote catalytic and sustainable solutions with forward looking philosophy in our approach and our combined experience while remaining relevant to the marketplace. We provoke a stable driving force, which encourages the development of new standards in global Reinsurance industry. Whether the clients are big or small, they deserve the same quality service, that they can trust on delivery of quality and value services.





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At J.B.Boda Group, we stand for both outdoor and indoor values of loyalty and longevity. Many of our clients and staff have been with us for decade(s). This level of long relationship has helped us to build a strong reputation for honesty and reliability. We realise that as one of the most trusted name in Reinsurance field, we can ensure a satiating business relationship.

In 1943, it was a different time. None had heard of the world becoming small with an era of globalization. Today, the J.B.Boda Group is an institution. The Group has always been a family affair, valuing history, tradition, trust and standing as a testament that the Indian dream has come true as a reality. The Group is a first Indian MNC service provider with heritages extending back seven decades in global Reinsurance markets. At the core of success of business unit is our commitment to work with efficiency and efficacy each day, providing quality services to our global and local clients.

When we celebrate 70 years in our family owned business, we are in our **THIRD GENERATION** while maintaining the values of our founders. Even so, the values at J.B.Boda Group have remained constant through these years. Integrity, quality and service were the foundation blocks upon which the J.B.Boda Group was built and values remain the cornerstones of all the business activities today.

As we celebrate seven decades in business from first paving day of our founders in 1943 through today's well-diversified portfolio of operations across the globe, we re-dedicate ourselves passionately aiming to add new chapters to our legacy of success. We look forward to the coming decades, as our present and future generations write many more chapters in our success story - that is the growing J.B.Boda Group.

The Boards of Directors of J.B.Boda Group of Companies – India & Overseas join me in conveying sincere thanks for your continued cooperation & support and looking forward to further strengthen our relationship.

With warm regards,

Atul D. Boda
CHAIRMAN





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PRIME STORY

Protecting Policyholders' Interests - II

B.K.Pathak

By our previous deliberations on the topic, we have ventured to throw some light on the efforts put in by the Insurance Regulatory and Development Authority (IRDA) for providing protection to the interests of the policyholders. Those were primarily in shape of duties and obligations to be complied with by the insurers during the various stages of an Insurance Policy. Obviously, those were obligations towards the policyholders for protecting their interests. But the story does not end here. One more dimension is added to the scenario when we take into consideration the complaints and grievances emanating from the whole lot of policyholders i.e. the customers of insurance. As per IRDA directive, every insurer shall have proper procedures and effective mechanism to deal with complaints and grievances of customers efficiently with speed and courtesy. Moreover, information in respect of Insurance Ombudsman, shall also be communicated to the policyholder along with the policy document. In fact, there are two authorities. One is the authority designated by the insurer. In case the policyholder is aggrieved by any of the decisions taken by the insurer in the area of claim – settlement or in the area of disputes related to deficiency of service, one is supposed to approach the Grievance Redressal Authority of the insurer. The other authority is the Insurance Ombudsman, which is the designated authority to settle claims. The Central Government has framed rules known as “Redressal of Public grievances Rules” and created an authority called “Insurance Ombudsman” to resolve all disputes relating to settlement of insurance claims.

For any business, we know customer is the most important constituent. In case of insurance companies, policyholders are the customers. Insurance companies sell the policies with a fond hope that they would continue to be in their books till their terms, such a continuation is important as it brings in profitability to the company. But this is possible only the policyholders are satisfied with the efficient services of insurance companies. There has to be a very sound and efficient system of servicing to the policyholders and also an effective complaint handling procedure.

The IRDA has provided some general guidelines as well for rendering efficient service to the policyholders. Accordingly, an insurer shall at all times respond within 10 days of the receipt of any communication from its policyholders in all matters such as :-





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- (1) Recording change of address (b) Noting a new nomination or change of nomination under a Policy (c) Noting an assignment on the Policy (d) providing information on the current status of a Policy (e) processing papers and disbursal of a loan (f) issuance of duplicate Policy (g) guidance on the procedure for registering a claim and early settlement thereof.

Claim procedure in respect of Life Insurance Policy

- (1) A Life Insurance Policy shall state the primary documents which are normally required to be submitted by a claimant in support of a claim.
- (2) A life insurance company on receiving a claim, shall process the claim without delay. Any queries or requirement of additional documents, to the extent possible, shall be raised all at once and not in a piecemeal manner within a period of 15 days of the receipt of the documents.
- (3) A claim under a Life Policy shall be paid or be disputed giving all the relevant explanations within 30 days from the date of receipt of all relevant papers and clarifications required.

However, where the circumstances of a claim warrant an investigation in the opinion of the insurance company, it shall imitate and complete such investigation at the earliest, in any case not later than 6 months from the time of lodging the claim.

- (4) Where a claim is ready for payment, but payment cannot be made due to any reasons of a proper identification of the payee, the life insurer shall hold the amount for the benefit of the payee and such an amount shall earn interest at the rate applicable to a savings bank account with a scheduled bank (effective from 30 days following the submission of all papers and information)
- (5) Where there is a delay on the part of the insurer in processing a claim for a reason, the life insurance company shall pay interest on the claim amount at a rate, which is 2 % above the bank rate prevalent at the beginning of the financial year in which the claim is renewed by it.





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Claims procedure in respect of a General Insurance Policy

- (1) An insured or the claimant shall give notice to the insurer of any loss arising under contract of insurance at the earliest. On receipt of any communication like this, the general insurer shall respond quickly and give clear guidelines to the insured on the procedures that he should follow. Where a surveyor has to be appointed for assessing the claim, it shall be done within 72 hours of the receipt of information from the insured.
- (2) Where the surveyor is unable to receive the full cooperation of the insured or the insured is unable to furnish all the particulars required by the surveyor, the surveyor shall inform the insured in writing about the delay in assessment of the claim. The surveyor shall communicate his findings to the insurer within 30 days of his appointment. In special circumstances, depending on special and complicated nature of the case, the surveyor shall seek an extension from the insurer for submission of his report under intimation to the insured. In no case, a surveyor shall take more than 6 months from the date of his appointment for furnishing his report.
- (3) An insurer on receipt of a survey report finds that it is not complete in any respect shall call for additional report as may be required within 15 days of receipt of the original report under intimation to the insured. The facility of calling for an additional report by the insurer shall be resorted to only once in the case of a claim.
- (4) The surveyor shall furnish an additional report within 3 weeks of the date of receipt of the letter of requirement from the insurer.
- (5) On receipt of the survey report or the additional survey report, an insurer shall settle the claim within a period of 30 days. If the insurer decides to reject the claim under a Policy, it shall do so within a period of 30 days from the receipt of the survey report or the additional report. The reason of rejection is to be recorded in writing and communicated to the insured.
- (6) The payment of the amount under the claim shall be made on acceptance of the offer of acceptance by the insured and within 7 days from the date of acceptance of the offer. In case of delay in claim settlement, the insurer shall be liable to pay an interest at the rate of 2 % above the bank rate prevalent at the beginning of the financial year in which the claim is being reviewed.

(Concluded)





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Reinsurance

Reinsurance premiums set to fall

As treaty renewals begin from April 2013, reinsurance rates for insurers are set to decline. The fact that there was no major natural catastrophe in 2012 would affect reinsurers' books – premiums would be more stable, in some cases, these could even fall. During January 2013 renewals, except for marine – hull, the rates have either been flat or 5% lower.

India Rendezvous

Most market players who attended the 6th India Rendezvous in Mumbai (21-23 January 2013) expect reinsurance prices and conditions to remain largely stable for the 2013-14 renewals. Rates have been soft and ceding companies want a reduction in existing costs at reasonable terms for the upcoming renewals. Insurance companies from 36 countries attended India Rendezvous. Direct insurers were delighted to meet so many players at one venue and negotiate the best rates.

Multaqa 2013

The price continued to dictate GCC reinsurance buying strategies. International reinsurers withdrew from unprofitable treaties as regional carriers stepped in to fill the gap.

Insurers and reinsurers operating in the Middle East have reached an impasse. Reinsurers, are stung by a steady stream of losses in recent years and inadequate rates are beginning to withdraw from underpriced treaties, particularly those where cedant partners are unwilling to retain much of the underlying risk. They are shifting their attention to more profitable facultative risks and selecting treaties that have better priced underlying business.

Meanwhile, insurers are opting to partner with smaller regional, start-up or Asian carriers that are keen to gain market share as they grow their presence in the market. Asian reinsurers such as China Re, Korean Re and India's GIC Re have moved into the market as they expand their geographical influence.

Brazil Reinsurance Market

A group of Insurance Trade Organizations have welcomed the International Monetary Fund's (IMF) review of Brazil's compliance with crucial Insurance Core Principles (ICPs). The joint bulletin focused on the IMF's release of a Report on Brazil Reinsurance Market, which has concluded that Brazil should improve its compliance with certain ICPs in order to promote a stable and growing insurance and reinsurance marketplace.





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International

Crop Insurance Claims

According to Munich Re, Crop Insurance claims hit record in 2012. Global claims were of USD 23 billion driven by US drought (USD 15 billion).

Superstorm Sandy

Verisk's Property Claim Services (PCS) unit has increased its insured-loss estimate from Superstorm Sandy to USD 18.75 billion, with a large majority of losses felt in New York and New Jersey.

Qatar for Insurance Supervision in 2013

The Qatar Financial Centre Regulatory Authority has released new regulations related to corporate governance, Islamic finance windows and anti-money laundering and combating the financing of terrorism.

Jakarta Floods

Indonesian insurers will face higher property and vehicle claims than those from 2007 and 2002, when Jakarta was hit by major floods. The industry reports cite estimates from the Association of General Insurance Companies.





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Non – Life

Anti-fraud Policy for Insurers

Indian Insurers will have to develop an anti-fraud policy and submit their fraud-monitoring report to the insurance regulator – IRDA.

“Air India” Fleet Grounding

Air India is not to be compensated by Insurer under their current Insurance Coverage. Air India grounded all six planes in its Dreamliner fleet after US Federal Aviation Administration issued a global directive to airlines that used the aircrafts. Air India may have to rely solely on Boeing for compensation for the loss caused due to its Boeing 787 Dreamliners being grounded, as the insurance cover it has taken does not cover financial losses due to glitches occurring on account of technical and other factors. Recently, Air India had grounded all six planes in its Dreamliner fleet after the US Federal Aviation Administration issued a global directive to Airlines that used the 50 – odd Dreamliner aircraft around the world. Air India would resume Dreamliner services only when the Directorate General of Civil Aviation, Government of India clears this.

Air India has taken a fleet insurance from an Indian Public Sector Insurer after the latter bagged a contract to insure the entire fleet of the former. However, as per the existing Policy Conditions, only accidents and losses due to other disasters caused to the fleet are covered by the insurance coverage. In this case, Air India will not be compensated, as the planes have been grounded for other reasons and not due to fire, accident or blast. Only such damages are covered under its insurance coverage.

Under traditional fleet insurance coverage, only damages caused by major accidents and natural catastrophes are covered. Hence, if an airline’s fleet is grounded due to regulatory issues, the insurer is not liable to pay.





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J.B.BODA GROUP

J.B.BODA Group, well-known internationally for its capabilities, well-spread network around the world and personalised services for almost seven decades.

24 Offices in India & 5 Offices Overseas in U.K., Singapore, Dubai, Nepal, Kenya.

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- **Training Academy.**
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Head Office :

Maker Bhavan No. 1., Sir Vithaldas Thackersey Road, Mumbai 400 020 (INDIA)

Telephone : + 91 22 6631 4949 / 6631 4917 * Telefax : + 91 22 22623747 / 22625112

E-Mail : jbbmbi@jbbodamail.com * Web : <http://www.jbboda.net>





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Team Co-ordinator : Sanjiv Shanbhag,
Executive Director,
J. B. BODA & Company Pvt. Ltd.,
Mumbai, India.
sanjiv@jbbodamail.com

We value feedback at : median@jbbodamail.com

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