

A Project Report on

**“A Study on Consumer Awareness towards Health Insurance pre & post
COVID With reference to BHARTI AXA INSURANCE”**

Submitted to:

Department Of Management Sciences & Research (DMSR)

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(An Autonomous Institution)

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In partial fulfilment for the award of the degree of

Masters of Business Administration

Submitted by:

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Under the Guidance of

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NAAC Accredited “A” Grade Institution



(Academic Year 2023-24)

Department of Management Sciences and Research,
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Academic Year 2023-24

CERTIFICATE

This is to certify that **Ms. Vaishnavi Gajendra Lende** has submitted the project report titled, **“A Study on Consumer Awareness towards Health Insurance pre & post COVID With reference to BHARTI AXA INSURANCE”**, under the guidance of **Prof. Shubhangi Jepulkar** towards the partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination.

It is certified that he/she has ingeniously completed his/her project as prescribed by **DMSR – G.S. College of Commerce & Economics, Nagpur (NAAC Accredited “A” Grade Autonomous Institution)** affiliated to Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

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DECLARATION

I, Vaishnavi Gajendra Lende here-by declare that the project with title **“A Study on Consumer Awareness towards Health Insurance pre & post COVID With reference to BHARTI AXA INSURANCE”**, has been completed by me under the guidance of **Prof. Shubhangi Jepulkar** in partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination as prescribed by **DMSR – G. S. College of Commerce & Economics , Nagpur (NAAC Accredited “A” Grade Autonomous Institution)** affiliated to Rashtrasant Tukadoji Maharaj Nagpur university, Nagpur.

This project was undertaken as a part of academic curriculum and has not been submitted for any other examination and does not form the part of any other course undertaken by me.

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Place: Nagpur

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TABLE OF CONTENT

Sr. No	Particulars	Page No.
1.	Introduction	6-7
2.	Company Profile	8-33
3.	Literature Review	34-35
4.	Research Methodology	36-39
	4.1 Objective of the research	
	4.2 Importance of research	
	4.3 Hypothesis of the study	
	4.4 Limitations of the study	
5.	Data Analysis & Interpretations	40-49
6.	Findings & Suggestions	50-53
	6.1 Conclusion	
7.	References	54
8.	Annexure	55-58

CHAPTER 1: INTRODUCTION

INTRODUCTION TO THE PROJECT:

Insurance is a means of protection from financial loss. It is a form of risk management, primarily used to hedge against the risk of a contingent or uncertain loss.

Insurance in this current form has its history dating back to 1818 when *Oriental Life Insurance Company* was started by Anita Bhavsar in Kolkata to cater to the needs of the European community. The pre-independence era in India saw discrimination between the lives of foreigners (English) and Indians with higher premiums being charged for the latter. In 1870, *Bombay Mutual Life Assurance Society* became the first Indian insurer.

An entity that provides insurance is known as an insurer, an insurance company, an insurance carrier, or an underwriter. A person or entity who buys insurance is known as a policyholder, while a person or entity covered under the policy is called an insured. Policyholder and insured are often used but are not necessarily synonyms, as coverage can sometimes extend to additional insureds who did not buy the insurance. The insurance transaction involves the policyholder assuming a guaranteed, known and relatively small loss in the form of payment to the insurer (a premium) in exchange for the insurer's promise to compensate the insured in the event of a covered loss. The loss may or may not be financial, but it must be reducible to financial terms. Furthermore, it usually involves something in which the insured has an insurable interest established by ownership, possession, or pre-existing relationship.

The insured receives a contract, called the insurance policy, which details the conditions and circumstances under which the insurer will compensate the insured, or their designated beneficiary or assignee. The amount of money charged by the insurer to the policyholder for the coverage outlined in the insurance policy is called the **premium**. If the insured experiences a loss that is potentially covered by the insurance policy, the insured submits a claim to the insurer for processing by an acclaim adjuster. A mandatory pocket expense required by an insurance policy before an insurer will pay a claim is called a **deductible** (or if required by a health insurance policy, a **copayment**).

However, as an interim measure given the COVID-19 pandemic, IRDAI had allowed insurers to issue only electronic policy documents and exempted them from the requirement of sending insurance policies in physical form till March 31, 2022.

This survey indicates that the time has come to restart the pre-Covid standard practice of sending physical copies as it provides the insured and his family a mental peace that they would not be harassed by the insurer during the time of claim.

WHY CHOOSE THE STUDY:

Major companies in India, such as Larsen & Toubro, Bharat Forge, UltraTech Cement, Grasim Industries, Aditya Birla Group, BHEL, and Tata Motors, have temporarily reduced operations. Young startups have been impacted on a larger scale by the economic crisis. IRDA has directed the insurance companies to provide a standard package for COVID insurance mandatorily. Still, it's also important to note that COVID-19 claims are not very high in number because the number of people having health insurance is quite low, which is a matter of concern.

As of now, it has become a necessity for COVID insurance for every person like the other primary needs. The insurance provider needs to provide coverage of up to ₹2.5 lakh for hospitalization expenses related to COVID-19. Senior citizens till the age of 65 years can take the benefit from the policy. The main objective in concern to explore financial health at an individual level and country-level in India.

A probable norm will be saving in the beginning and spending later rather than the present practice of spending at first and preserving what is left. Conserving cash will become a priority. COVID-19 insurance is also made necessary while traveling to make the customer feel safe and secure. 2020 will always stay in the memories as the most crucial period in history. Seven months passed on, and the pandemic is still revolving around most of the world, and as noted, the cases are still rising. This COVID insurance will protect one from the virus and other illnesses and will also ensure financial security.

CHAPTER 2: BHARTI AXA INSURANCE COMPANY



Bharti AXA General Insurance Company Limited is a joint venture between Bharti Enterprises and AXA. The joint venture company has a 51% stake in Bharti Enterprises and a 49% stake in the AXA Group. They have PAN India presence through 263 branches and offer insurance for motor and two-wheeler, health and critical illness, property and student, individual and family travel, and crop insurance. Bharti AXA General Insurance has tied up with Airtel Payments Bank to launch two health insurance plans-one offering a lump sum amount of Rs 25,000 and another with daily benefit starting at Rs 500 per day to protect against COVID-19, a company official said.

In partnership with Bajaj Allianz General Insurance, digital payment service provider PhonePe, operated by Flipkart Online Services, also launched a coronavirus hospitalization insurance policy called "Corona Care", another official said.

Bharti AXA General Insurance launched its new app 'Krishi Sakha' to cater to the specific needs of the farmers in the country and guide them in adopting best farming practices and enhancing productivity.

On 8 September Bharti AXA General Insurance merged with ICICI Lombard General Insurance.

The company's authorized capital stands at ₹300000.01 lakhs and has 80.87336% paid-up capital which is ₹242620.09 lakhs. Bharti AXA Life

Insurance Company Limited's last annual general meet (AGM) happened on 17 Jul 2018. The company last updated its financials on 31 Mar 2018 as per the Ministry of Corporate Affairs (MCA).

Till now the company has a claim paid a percentage of 99.05% Annual Audited Figures submitted to IRDAI FY 2020-21. Sum assured more than 1 lakh crore and have Assets under management Rs.9,375 crore.

1. Health is Wealth

People have become much more aware of their health status and have realized life insurance's importance and benefits. Moreover, people have had a better insight that health and wealth are two of the chief and foremost factors that are required for survival. No doubt, people are earning through hard work. What about intelligent work? Have you thought of investing your hard-earned money and letting it grow as well as ensuring your family at the same time?

Having invested in a life insurance policy provides you with dual opportunities of insuring your family and investing your money in the market in shares, bonds, stocks, etc.

2. Securing Your Family

The covid-19 pandemic era has taught us how uncertain life is. Therefore, one of the most crucial factors of life insurance's importance is that it provides a financial roof on your family in case of any unfortunate mishap and uncertain times, such as the death of the family's breadwinner. In such cases, you wouldn't have to worry if your family will face any financial constraints in your absence

3. Death Benefits

Another determining factor of life insurance's importance is the death benefits provided to the investor and his family. In case of an unfortunate event of death of the investor, their family will receive a lump sum amount of money in the form of death benefits

As a result, even if you are the sole breadwinner of your family, you wouldn't have to worry about your family's financial requirements. They will be able to achieve all their goals and dreams without compromising anything.

4. Tax Benefits

Another feature that contributes to the importance of life insurance tax benefits. Under section 80C of the Income Tax Act, 1961, the premium paid by the investor is eligible for tax benefits up to ₹1.5 lakhs annually. However, tax laws are subject to change from time to time.

The covid-19 pandemic has shown people how grave and daunting times and situations can be. Therefore, it has become imperative to secure yourself and your family financially. Therefore, there has been an increase in life insurance importance among people to secure their families in grave and uncertain situations.

The closure of manufacturing plants, restaurants, retail establishments and other places of business to limit the spread of COVID-19 has resulted in significant business interruption losses. The vast majority of these losses are likely to be absorbed by the affected businesses as (i) many businesses have not acquired coverage for business interruption losses; and (ii) unless governments (or courts) intervene, few of the companies that have acquired business interruption coverage have coverage that is likely to respond to these types of losses (see the OECD's Initial assessment of insurance coverage and gaps for tackling COVID19 impacts for a more detailed assessment of the insurance coverage available for COVID-19 related losses).

In response to the current crisis, policymakers in several jurisdictions are examining various ways to support commercial policyholders (particularly small and medium-sized enterprises (SMEs)) in the context of the uninsured business interruption losses that they have faced as a result of the current COVID-19 pandemic. Policymakers are also beginning to examine longer-term solutions to address the gap in financial protection for pandemic-related business interruption that has come to light as a result of the current crisis.

This note provides an overview of the initial responses to the likely business interruption protection gap for COVID-19 and a discussion of how business interruption insurance against pandemic risk could be provided with support from governments based on the experience of other catastrophe risk insurance programs.

INSURANCE IN INDIA:

Insurance in India refers to the market for insurance in India which covers both the public and private sector organizations. It is listed in the Constitution of India in the Seventh Schedule as a Union List subject, meaning it can only be legislated by the Central Government.

The insurance sector has gone through several phases by allowing private companies to solicit insurance and also allowing foreign direct investment. India allowed private companies in the insurance sector in 2000, setting a limit on FDI to 26%, which was increased to 49% in 2014, and further increased to 74% in May 2021. Since its privatization in 2001, the largest life insurance company in India, Life Insurance Corporation of India has held a monopoly up to date but its market share slowly slipping to private giants like HDFC Life, ICICI Prudential Life, General Insurance Corporation India, and Exide Life Insurance

HISTORY:

Insurance in this current form has its history dating back to 1818 when *Oriental Life Insurance Company* was started by Anita Bhavsar in Kolkata to cater to the needs of the European community. The pre-independence era in India saw discrimination between the lives of foreigners (English) and Indians with higher premiums being charged for the latter. In 1870, *Bombay Mutual Life Assurance Society* became the first Indian insurer.

At the dawn of the twentieth century, many insurance companies were founded. In the year 1912, the Life Insurance Companies Act and the Provident Fund Act were passed to regulate the insurance business. The Life Insurance Companies Act, 1912 made it necessary that the premium rate tables and periodical valuations of companies should be certified by an actuary. However, the disparity still existed as discrimination between Indian and foreign companies. The oldest existing insurance company in India is the National Insurance Company, which was founded in 1906, and is still in business.

The Government of India issued an Ordinance on 19 January 1956 nationalizing the Life Insurance sector and Life Insurance Corporation came into existence in the same year. The Life Insurance Corporation (LIC) absorbed 154 Indian, 16 non-Indian insurers, and also 75 provident societies—245 Indian and foreign insurers in all. In 1972 the General Insurance Business (Nationalisation) Act was passed by the Indian Parliament, and consequently, the General Insurance business was nationalized with effect from 1 January 1973. 107 insurers were amalgamated and grouped into four companies, namely National Insurance Company

Ltd., the New India Assurance Company Ltd., the Oriental Insurance Company Ltd, and the United India Insurance Company Ltd. The General Insurance Corporation of India was incorporated as a company on 22 November 1972 as a private company under Companies Act, 1956 in Bombay and received its Certificate for Commencement of Business on 1 January 1973.

The LIC had a monopoly till the late 90s when the Insurance sector was reopened to the private sector. But, now there are 23 private life insurance companies in India. Before that, the industry consisted of only two state insurers: Life Insurers (Life Insurance Corporation of India, LIC) and General Insurers (General Insurance Corporation of India, GIC). GIC had four subsidiary companies. With effect from December 2000, these subsidiaries have been de-linked from the parent company and were set up as independent insurance companies: Oriental Insurance Company Limited, New India Assurance Company Limited, National Insurance Company Limited, and United India Insurance Company.

Authorities:

The primary regulator for insurance in India is the Insurance Regulatory and Development Authority of India (IRDAI) which was established in 1999 under the government legislation called the *Insurance Regulatory and Development Authority Act, 1999*.

The industry recognizes examinations conducted by the IAI (for 280 actuaries), III (for 2.2 million retail agents, 490 brokers, 175 bancassurers, 125 corporate agents, and 29 third party administration), and III SLA (for 8,200 surveyors and loss assessors). There are 9 licensed web aggregators. TAC is the sole data repository for the non-life industry. IBAI gives voice to brokers while GI Council and LI Council are platforms for insurers. AIEA, AIIEA, AIIEF, AILICEF, AILIEA, FLICOA, GIEAIA, GIEU, and NFIFWI cater to the employees of the insurers. In addition, there are a dozen Ombudsman offices to address client grievances.

LEGAL STRUCTURE:

The insurance sector went through a full circle of phases from being unregulated to completely regulate and then currently being partly deregulated.

It is governed by several acts.

The Insurance Act of 1938 was the first legislation governing all forms of insurance to provide strict state control over the insurance business. Life insurance in India was completely nationalized on 19 January 1956, through the Life Insurance Corporation Act. All 245 insurance

companies operating in the country were merged into one entity, the Life Insurance Corporation of India.

The General Insurance Business Act of 1972 was enacted to nationalize about 107 general insurance companies then and subsequently merge them into four companies. All the companies were amalgamated into National Insurance, New India Assurance, Oriental Insurance, and United India Insurance, which were headquartered in each of the four metropolitan cities. Until 1999, there were no private insurance companies in India. The government then introduced the Insurance Regulatory and Development Authority Act in 1999, thereby deregulating the insurance sector and allowing private companies. Furthermore, foreign investment was also allowed and capped at 26% holding in the Indian insurance company.

In 2006, the Actuaries Act was passed by parliament to give the profession statutory status on par with Chartered Accountants, Notaries, Cost & Works Accountants, Advocates, Architects, and Company Secretaries. A minimum capital of US\$80 million (Rs. 4 billion) is required by legislation to set up an insurance business.

ROLE OF INSURANCE:

1. Provide safety and security:

Insurance provides financial support and reduces uncertainties in business and human life. It provides safety and security against particular events. There is always a fear of sudden loss. Insurance provides a cover against any sudden loss. For example, in the case of life insurance financial assistance is provided to the family of the insured upon his death. In the case of other insurance, security is provided against the loss due to fire, marine, accidents, etc.

2. Generates financial resources:

Insurance generates funds by collecting premiums. These funds are invested in government securities and stock. These funds are gainfully employed in the industrial development of a country for generating more funds and utilized for the economic development of the country. Employment opportunities are increased by big investments leading to capital formation.

Life insurance encourages savings:

Insurance does not only protect against risks and uncertainties but also provides an investment channel too. Life insurance enables systematic savings due to the payment of regular premiums. Life insurance provides a mode of investment. It develops a habit of saving money by paying a premium. The insured get the lump sum amount at the maturity of the contract. Thus life insurance encourages savings.

3. Promotes economic growth:

Insurance generates a significant impact on the economy by mobilizing domestic savings. Insurance turn accumulated capital into productive investments. Insurance enables to mitigate loss, and financial stability and promotes trade and commerce activities that result in economic growth and development. Thus, insurance plays a crucial role in the sustainable growth of an economy.

4. Medical support:

Medical insurance is considered essential in managing risk in health. Anyone can be a victim of critical illness unexpectedly. And the rising medical expense is of great concern. Medical Insurance is one of the insurance policies that cater to different types of health risks. The insured get medical support in case of the medical insurance policy.

5. Spreading of risk:

Insurance facilitates the spreading of risk from the insured to the insurer. The basic principle of insurance is to spread risk among a large number of people. A large number of persons get insurance policies and pay a premium to the insurer. Whenever a loss occurs, it is compensated out of funds of the insurer.

6. Source of collecting funds:

Large funds are collected by the way of premium. These funds are utilized in the industrial development of a country, which accelerates economic growth. Employment opportunities are increased by such big investments. Thus, insurance has become an important source of capital formation.

Benefits of Insurance:

Insurance policies benefit people as well as society as a whole in various ways. Along with the obvious benefits of insurance, others are not much discussed or talked about.

Cover against Uncertainties:

It is one of the most prominent and crucial benefits of insurance. The insured individual or organizations are indemnified under the insurance policies against losses. Buying the right type of insurance policy is true, a way to get protection against losses arising from different uncertainties in life.

a. Cash Flow Management:

The uncertainty of paying for the losses incurred out of pocket has a significant impact on cash flow management. However, with an insurance policy by your side, you can tackle this uncertainty with ease. The chosen insurance provider pays in the event of the happening of an insured event whenever they occur.

b. Investment Opportunities:

Unit linked insurance plan, invest a part of the premium into several market-linked funds. This way, they enable you to invest money regularly to benefit from market-linked returns and fulfill your life goals.

Tax Benefits of Insurance:

Other than the protection benefits of insurance policies, you can also avail income tax benefits.

Section 80C

The premium paid to buy life insurance policies are eligible for deduction from the taxable income, Under Section 80c of the Income Tax Act. The upper limit for these deductions is Rs. 1.5 Lakh.

Section 80D

A health insurance premium paid to buy policies for yourself and your parents is also tax-deductible under Section 80D of the income tax Act 1961

Section 10(10D)

The life insurance benefits that you or the insurance policy nominee will receive from the insurer are tax-exempted under this section.

INTRODUCTION OF COVID 19

India is among the top worst-hit countries by COVID-19, which has impacted almost all industries and sectors across the world, including the insurance industry. The corona pandemic has pushed businesses across sectors to change the way they operate and the health insurance industry is no exception. From selling new policies to the customer to settle claims, the extended lockdown in the wake of COVID-19 has pushed insurance companies to depend heavily on their digital architecture. A lot of insurance providers are making customized plans to ensure coverage is affected. This paper is attempting the study health insurance post-COVID-19 and how it impacts the health insurance sector.

There is a positive impact of COVID-19 as more and more people have started investing in health plans. As per available statistics, health insurance-related queries have gone up by 50 percent and the talk time has also increased significantly over the past couple of weeks. The COVID-19 outbreak is most likely to boost growth in health insurance in a relatively under-insured market by increasing the health insurance penetration rate. A lot of insurance providers are making customized plans to ensure coverage is affected. The pandemic has pushed businesses across sectors to change the way they operate and the insurance industry is no exception. From selling new policies to settling claims, the extended lockdown in the wake of covid-19 has pushed insurance companies to depend heavily on their digital architecture. The reason, why COVID-19 policies are not selling more than general health insurance plans, is that the COVID-19 specific insurance plans have come out with a host of terms and conditions and many customers are not finding them worth buying. Whereas a general health insurance policy is providing a bunch of features and benefits to deal with this pandemic. They can't rely on

COVID-19-specific plans for complete coverage. Even still people seem well in control of their financial health and matters, they are extremely worried about the risk to their and family's physical health. As a result, the awareness of the importance of health and life insurance is now higher than ever

The COVID-19 crisis continues to have a significant impact on individuals, society, businesses, and the wider economy across the globe. The insurance industry has not escaped its impact but insurers have responded quickly to the crisis. As the broader economy recovers and responds to the pandemic, insurers will face several challenges but also see many new opportunities in the medium to long term.

We include two papers that outline several key impacts and actions being taken across the industry globally in response to the COVID-19 crisis. Let us see the 4 major transformations in the post-pandemic life insurance sector:

- Life Insurance is deemed as an 'Essential Commodity'
- Change of Perception for life insurance as a pure risk insurance cover
- Customers are looking for better customization and targeted product
- Rise in digital modes of transactions by customers

COVID-19 business interruption protection gap

Businesses across many sectors of the economy have faced a significant decline in revenue as a result of government directives to close their businesses or curtail their activities to slow the spread of the virus among employees and customers. The OECD estimates that one month of strict confinement measures leads to approximately USD 1.7 trillion in revenue losses (see Box 1). Most governments have implemented programs to support businesses that have faced significant disruption as a result of COVID-19, focused on ensuring the availability of financing for businesses or income for their employees. Some commercial property insurance policies also include coverage for business interruption losses which provides policyholders with protection against some of the losses that they incur when their business is forced to close, subject to the terms and conditions of the individual policy.

HEALTH INSURANCE:

Health insurance or **medical insurance** (also known as **medical aid** in South Africa) is a type of insurance that covers the whole or a part of the risk of a person incurring medical expenses. As with other types of insurance is a risk among many individuals. By estimating the overall risk of health risk and health system expenses over the risk pool, an insurer can develop a routine finance structure, such as a monthly premium or payroll tax, to provide the money to pay for the health care benefits specified in the insurance agreement. The benefit is administered by a central organization, such as a government agency, private business, or not-for-profit entity. Most of the insurance companies, which are offering specific policies, are not asking their potential customers to go for medical checkups, but making sure that they do not have coronavirus-like symptoms, an industry expert said.

Some of the insurers are also offering products to cover expenses, including treatment during the quarantine period, he said, adding that terms of claim settlement by these companies vary and a buyer must read the document carefully before purchasing insurance.

According to the Health Insurance Association of America, health insurance is defined as "coverage that provides for the payments of benefits as a result of sickness or injury. It includes insurance for losses from accident, medical expense, disability, or accidental death and dismemberment".

In India, the provision of health care services varies state-wise. Public health services are prominent in most states, but due to inadequate resources and management, the major the population opts for private health services.

To improve awareness and better health care facilities, the Insurance Regulatory and Development Authority of India and The General Corporation of India run health care campaigns for the whole population. IN 2018, for underprivileged citizens, Prime Minister Narendra Modi announced the launch of a new public health insurance fund called Ayushman Bharat Yojana and the government claims that the new system will try to reach more than 500 million people.

In India, Health insurance is offered mainly in two Types:

Indemnity Plan covers the hospitalization expenses and has subtypes like Individual Insurance, Family Floater Insurance, Senior Citizen Insurance, Maternity Insurance, and Group Medical Insurance.

Fixed Benefit Plan pays a fixed amount for pre-decided diseases like critical illness, cancer, heart disease, etc. It has also its subtypes like Preventive Insurance, Critical Illness, and Personal Accident.

Depending on the type of insurance and the company providing health insurance, coverage includes pre-and post-hospitalization charges, ambulance charges, daycare charges, Health Checkups, etc.

It is pivotal to know about the exclusions which are not covered under insurance schemes:

- Treatment related to dental disease or surgeries
- All kinds of STDs and AIDS
- Non-Allopathic Treatment

Few companies do provide insurance against such diseases or conditions, but that depends on the type and the insured amount.

Some important aspects to be considered before choosing health insurance in India are the Claim Settlement ratio, Insurance limits and Caps, Coverage, and network hospitals.

Impact of COVID - 19 on Financial Planning in India:

India is at a crucial stage in its fight against the COVID-19 pandemic. But the necessary measures to limit the spread of the virus are causing a dramatic decline in economic activity and policymakers are worried about fighting the virus and minimizing its impact on the economy. The coronavirus is making the entire world come to a standstill. The priority is to save lives,

but on the other hand, it is also required to keep running the economic activity as the people would die due to starvation.

The state-owned general insurance companies were staring at low solvency levels and poor financial health, forcing the government to step in. The government notified the amendment to merge schemes of these three insurance companies.

The three state-owned general insurers, which have about 20% market share, have been unprofitable. In the past two years, the government has infused more than ₹12,500 crores into these three companies.

Policymakers must be prepared for long-term challenges, as the effect of the virus will not be short-term. It is, however, difficult to assess the adverse impact of the pandemic on the entire nation. It is essential to determine the immediate financial health to frame various strategies to deal with the situation shortly as the situation is going to endure for a long time. India's growth in the fourth quarter of 2020 went down to 3.1%, which is quite alarming for a nation to cope with.

POSITIVITY OF THE IMPACT

As it is said, everything has a positive side; also, the COVID-19 pandemic and lockdown have taught us that we should not keep every single thing for the last moment. It is clear now that we cannot get everything just like that. Notably, India had also been passing through a pre-pandemic slowdown, according to the World Bank. Salary hikes, regular flow of incomes, and easy availability of credit are some of the factors that defined how people earned and spent money during pre-Covid days. Most people applied for loans for personal consumption.

Very little is aimed at creating new assets. But now the scene is different. The minds of people are changing as it is necessary to build assets for the primary need instead of a luxury. Conservation of cash is a priority now. Now, people are aware to save more for a secure future. Valuable investment options in different types of insurance like health and life insurance will allow you to deal with the situation in a better way.

INSURANCE TO MERGE AS A BASIC NEED

Major companies in India, such as Larsen & Toubro, Bharat Forge, UltraTech Cement, Grasim Industries, Aditya Birla Group, BHEL, and Tata Motors, have temporarily reduced operations. Young startups have been impacted on a larger scale by the economic crisis. IRDA has directed the insurance companies to provide a standard package for COVID insurance mandatorily. Still, it's also important to note that COVID-19 claims are not very high in number because the number of people having health insurance is quite low, which is a matter of concern.

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EFFECTIVENESS OF COVID INSURANCE

Covid-19 is a hot topic today. In this crisis period, it is imperative to have your life covered by insurance. As a result, several insurance companies are coming forward to introduce the new policies of COVID Insurance. In these tough times of coronavirus outbreaks, insurance is something you should not ignore. One of the most prominent insurance providers in this respect is Aegon Life. It has taken a remarkable step in association with Flipkart.

The policy allows you to cover both Life and Hospital expenses due to Covid-19. Apart from these, several other insurance companies have taken initiatives to launch covid insurance policies. These steps have a profound impact on the people at large. Also, these policies are behaving like an oasis amidst the novel coronavirus pandemic. So, if you are tensed about your

future secure the same with these outstanding policies. The effectiveness of the insurance plans is immense.

The Indian Government is taking special care and necessary measures to control the spreading of this dangerous virus. However, the current position is preaching something else. The increasing number of deaths, along with more positive cases, have placed the common public in a dilemma. But the medical assistance has been provided in the government hospitals to the affected citizens. More and more arrangements and facilities are getting ready to accommodate the new patients. The good news is that there are several reports of recoveries. This is a sign of positivity that has impressed a lot of people.

STEPS OF IRDA

The Insurance Regulatory and Development Authority of India (IRDA) has already issued an advisory for the insurance companies. This advisory is in favor of processing the claims related to Covid Insurance policies. Following the direction of IRDA, almost all the health insurance companies have included the coverage of coronavirus in their existing policies. This implies that all the current policyholders having health insurance policies can now enjoy the protection against Covid-19.

Let us take a look at the norms regarding the new addition in the world of insurance.

The policy will cover all the medical expenses that you incur for treating the novel coronavirus.

The hospitalization charges connected with the treatment of coronavirus will also get coverage. Under this policy, the insurance company will reimburse all the medical expenses incurred in the quarantine period

While taking the policy, you should check all these points before signing the policy documents.

Status of health insurance before 2019:

Health insurance in India is a growing segment of India's economy. The Indian healthcare system is one of the largest in the world, with the number of people it concerns: nearly 1.3 billion potential beneficiaries. The healthcare industry in India has rapidly become one of the most important sectors in the country in terms of income and job creation. In 2018, one hundred million Indian households (500 million people) do not benefit from health coverage. In

2011, 3.9% of India's gross domestic product was spent in the health sector. According to the World Health Organisation (WHO), this is among the lowest of the BRICS (Brazil, Russia, India, China, South Africa) economies. Policies are available that offer both individual and family cover. Out of this 3.9%, health insurance accounts for 5-10% of expenditure, employers account for around 9% while personal expenditure amounts to an astounding 82%. In the year 2016, the NSSO released the report “Key Indicators of Social Consumption in India: Health” based on its 71st round of surveys. The survey carried out in the year 2014 found that more than 80% of Indians are not covered under any health insurance plan, and only 18% (government-funded 12%) of the urban population and 14% (government-funded 13%) of the rural population was covered under any form of health insurance. For the financial year 2014-15, the health Insurance premium was ₹20,440.

The health situation and the provision of services vary considerably from one State to another. Although public health services in principle provide free basic health care to all, the care provided by most state health systems suffers from inadequate resources and poor management. As a result, the majority of the population turns to private health services that offer more expensive care and are of very unequal quality. In India, the health system mixes public and private providers. Public health facilities - local clinics providing basic care, regional hospitals, national hospitals - are funded by the federal states and the federal state and managed by the state authorities.

Public health services differ greatly from one federated state to another. In some states such as Tamil Nadu or Kerala, public health facilities play their role as the first stage of the care journey, but, outside of these few states, the public sector does not reach the goal to provide the basic health needs of the population.

India's public health expenditures are lower than those of other middle-income countries. In 2012, they accounted for 4% of GDP, which is half as much as China with 5.1%. In terms of public health spending per capita, India ranks 184th out of 191 countries in 2012. Patients' remaining costs represent about 58% of the total. The remaining costs borne by the patient represent an increasing share of the household budget, from 5% of this budget in 2000 to over 11% in 2004-2005. On average, the remaining costs of poor households as a result of hospitalization accounted for 140% of their annual income in rural areas and 90% in urban areas.

This financial burden has been one of the main reasons for the introduction of health insurance covering the hospital costs of the poorest. Legislators in some jurisdictions have raised concerns about the lack of coverage for COVID-19-related business interruption losses. For example, the Chair of the UK House of Commons Treasury Select Committee wrote to the Association of British Insurers requesting information on the approach that insurers will take to business interruption claims and the number of losses that insurers expect to pay (Stride, 2020[20]). In France, a senator representing the district of Ille-et-Vilaine submitted a written question to the Minister of Economy and Finance on 9 April regarding the need to extend retroactive coverage for business interruption losses through the French natural catastrophe insurance program (Robert, 2020[21]).

In a few jurisdictions, governments are also considering ways to ensure that insurance coverage responds to the business interruption losses that have been (and are being incurred) by businesses. In the United States, for example, legislation has been proposed in several jurisdictions (including the District of Columbia, Louisiana, Massachusetts, New Jersey, New York, Pennsylvania, Ohio, Rhode Island, and South Carolina (Turner, 2020[22])) that, if adopted, might require insurers to pay certain business interruption claims submitted by businesses that had business interruption insurance at the time COVID-19 measures were implemented – even where insurance policies have exclusions or other policy terms and conditions that ordinarily would preclude coverage for such losses. In the US state of California, a recent legislative proposal reportedly includes a rebuttable presumption that would, for claims interpretation, require an assumption that during the state of emergency, COVID-19 was present, caused physical damage, and was the direct cause of business interruption to businesses in the state (Insurance Journal, 2020[23]). At the time of writing, many of the state legislative proposals were at an early stage of development and some of the early proposals (including legislative proposals in the District of Columbia and Louisiana) have reportedly been abandoned (Foggan, Sabino, and Sutta, 2020[24]).

Insurance regulators and supervisors (along with insurance companies) have raised concerns over the implications of retroactively expanding coverage obligations. The International Association of Insurance Supervisors stated in May 2020 that cautioned against “initiatives seeking to require insurers to retroactively cover Covid-19 related losses, such as business interruption, that are specifically excluded in existing insurance contracts”. The IAIS also noted that these “initiatives could ultimately threaten policyholder protection and financial stability, further aggravating the financial and economic impacts of Covid-19” (IAIS, 2020[25]). In the

United States, the NAIC issued a statement raising concerns about proposals to require retroactive coverage of business interruption claims and highlighted the significant solvency risks to the sector as well as the macro-prudential risks associated with such proposals (NAIC, 2020[26]). The US Department of the Treasury has also noted concerns about potential interference with the contractual arrangements made between insurers and their policyholders and the possibility that such proposals could introduce stability risks (Vaughan, 2020[27]). In France, the ACPR has reminded insurers that they should not make payments for losses that are not included within the scope of coverage that they provided (ACPR, 2020[28]).

Proposals that may require insurers to pay claims for losses that they did not intend to cover and for which they have not collected premiums or set aside provisions/reserves could have serious implications. The scale of losses that policyholders are incurring as a result of business disruption is multiples of the amount that insurers will normally pay out for business interruption claims and may far exceed the amount of surplus capital (see below). If surplus capital were exhausted as a result of mandated payouts for COVID-19 business interruption, the ability of insurers to respond to losses from future events would be uncertain. The certainty of contractually-agreed insurance coverage would also likely come into question if legislators could intervene to alter outcomes – and there could be cross-border implications if some of the losses covered retroactively in one jurisdiction are reinsured in another.

The absence of (or uncertainty regarding) coverage has led (and will continue to lead) to a large number of disputes between insurers and their policyholders which is likely to take months (if not years) to resolve. For example, in the United States, over 1 500 COVID-19-related insurance coverage lawsuits have reportedly been filed (as of February 2020) (Baker, 2021[29]) with early outcomes suggesting different judicial interpretations of key issues and limited potential for any consolidation of proceedings (Covington, 2020[30]) (although with a large number of those cases subjected to a motion to dismiss by the insurer dismissed, particularly in Federal courts (Baker, 2021[29])). Some legislators, insurance regulators (particularly market conduct and consumer protection authorities), and insurance associations are taking steps to support a more efficient resolution of these disputes, including through the submission of test cases meant to provide clarity on the interpretation of commonly-used policy wordings

STATUS OF HEALTH INSURANCE AFTER 2019:

The insurance sector witnessed significant regulatory changes in 2019. These regulations are primarily to safeguard the policyholder's interest and provide better insurance solutions. Health insurance, in particular, saw several positive developments.

The changes are focused on pre-existing diseases (PED), disease-wise waiting periods, exclusions, and payment flexibility. There has also been a consistent effort to standardize health insurance definitions through various regulatory amendments. The industry is experimenting with innovative ways to offer insurance in the form of small, affordable, bite-size policies. However, the tangible impact of this remains to be seen.

Change in definition of pre-existing diseases

A substantial improvement has been in the definition of pre-existing diseases. Previously, an insurer could reject a claim even when an individual had signs or symptoms of a disease for which a claim was filed during the pre-existing disease waiting period. Now, a disease can be classified as pre-existing only if it has been diagnosed previously or specifically treated for.

This shifts the onus of proof on the insurer and will reduce claim rejections where the patient was unaware that they had a specific disease. The regulations have introduced the concept of an eight-year look-back period. After eight years a claim cannot be rejected for any reason, except if it is proven to be a fraud. This means that there is a strong incentive for policyholders to renew insurance policies. The combination of a look back and life-long renewability makes health insurance a must-buy when you are young and healthy.

Restrictions on exclusions

The regulations have restricted the exclusions allowed. Diseases such as Alzheimer's, Parkinson's, or HIV/AIDS cannot be rejected outright. 16 such ailments categories will now be covered in health insurance.

Similarly, mental health-related claims must now be covered. This does not mean that insurers are obliged to issue health insurance to you if you suffer from any of these ailments but that these diseases cannot be excluded if insurance is issued. Diseases contracted after purchasing the insurance cannot be rejected.

No more ambiguous statements:

There have been efforts to eliminate ambiguous statements from policy contracts such as "such as." Insurers are allowed to make permanent exclusions if this is a way to issue health insurance to persons who would previously not have been covered. Modern treatments such as Lasik for power over 7.5 dioptries and stem cell surgery in certain conditions are now allowed. These are valuable changes as they will widen the reach and comprehensiveness of the insurance contract.

Payment of benefits

The regulator is also increasing the flexibility of benefit payments. For fixed benefit insurances such as critical illness and personal accident plans, insurers can provide options for lump-sum payments and also installment-based benefit options. The advantage of installment payments is that the chances of nominees squandering a benefit payment are minimal since payments are staggered.

Bite-size insurance products:

Insurers and some distributors are experimenting with bite-size insurance products this year. Bite-size insurances are specific. For example, coverage for vector-borne diseases such as dengue fever, chikungunya, and critical illnesses such as cancer. These products take into consideration the seasonality of diseases by offering insurance solutions for a year or less or by restricting cover to specific ailments. This makes the products more economical and accessible. The process of buying these insurances is digitized and there is no requirement for a medical test. Bite-size insurances offer a simple one-click solution. They are most often packaged with other services such as taxi rides or **purchases from e-Commerce sites.**

The issue with bite-size products is that there are many claim restrictions, so usability still needs to be demonstrated.

Functioning of insurance ombudsman

Although not a regulatory change, there has been an improvement in the functioning of the Ombudsman. Some years ago, there were many vacant positions but now these have been filled. The turnaround time on such grievances has now been reduced.

OPD insurance products

Many insurers have introduced OPD insurance products. This is an important step because over 50 percent of health care costs are out-patient based. The insurance cover for such OPD costs has been minimal but this seems set to change.

TYPES OF POLICIES:

Health insurance in India typically pays for only inpatient hospitalization and treatment at hospitals in India. Outpatient services were not payable under health policies in India. The first health policies in India were Mediclaim Policies. In the Year 2000, the Government of India liberalized insurance and allowed private players into the insurance sector. The advent of private insurers in India saw the introduction of many innovative products like family floater plans, top-up plans, critical illness plans, hospital cash, and top-up policies. The firm aims to provide companies with equal and inclusive high-quality employee wellness benefits. It is currently providing LGBTQIA+ corporate health insurance to several companies, including Snapdeal, SplashLearn, FlexiLoans Technologies, and Dev Synthesis.

Organizations have the responsibility to ensure employee wellness and take charge of diversity and inclusion needs in the working environment.

The health insurance sector hovers around 10% in density calculations. India is a country with one of the lowest health insurance penetration, with only 18% of people in urban areas and 14% in rural areas covered under any kind of health insurance scheme. One of the main reasons for the low penetration and coverage of health insurance is the lack of competition in the sector. IRDAI which is responsible for insurance policies in India can create health circles, similar to telecom circles to promote competition.

In principle, government health services are available to all citizens under the tax-financed public system. In practice, bottlenecks in accessing such services compel households to seek private care, resulting in high out-of-pocket payments.

Health insurance plans in India today can be broadly classified into these categories:

Hospitalization:

Hospitalization plans are indemnity plans that pay the cost of hospitalization and medical costs of the insured subject to the sum insured. The sum insured can be applied on a per-member basis in the case of *individual health policies* or on a floater basis in the case of *family floater policies*. In the case of floater policies, the sum insured can be utilized by any of the members insured under the plan. These policies do not normally pay any cash benefit. In addition to hospitalization benefits, specific policies may offer several additional benefits like maternity and newborn coverage, daycare procedures for specific procedures, pre-and post-hospitalization care, domiciliary benefits where patients cannot be moved to a hospital, daily cash, and convalescence.

There is another type of hospitalization policy called a *top-up policy*. Top-up policies have a high deductible typically set a level of existing cover. This policy is targeted at people who have some amount of insurance from their employer. If the employer-provided cover is not enough people can supplement their cover with the top-up policy. However, this is subject to a deduction on every claim reported for every member on the final amount payable.

Family Floater Health Insurance:

A family health insurance plan covers the entire family in one health insurance plan. It works under the assumption that not all members of a family will suffer from illness at the atoning time. It covers hospital expenses which can be pre and post. Most health insurance companies in India offering family insurance have a good network of hospitals to benefit the insurer in times of emergency.

Pre-Existing Disease Cover Plans:

It offers covers against diseases that policyholders had before buying health policy. Pre-Existing Disease Cover Plans offers cover against pre-existing disease e.g. diabetes, kidney failure, and many more. After a Waiting period of 2 to 4 years, it gives all covers to the insurer.

Senior Citizen Health Insurance:

As the name, suggests this kind of health insurance plan is for older people in the family. It provides covers and protection from health issues during old age. According to IRDAI guidelines, each insurer should provide cover up to the age of 65 years.

Maternity Health Insurance:

Maternity health insurance ensures coverage for maternity and other additional expenses. It takes care of both pre and postnatal care, and baby delivery (either normal or cesarean). Like other insurance, the maternity insurance provider has a wide range of network hospitals and takes care of ambulance expenses.

These services are supervised by the Maternity Benefit Act. The Maternity Benefit Act applies to women who do not work in an establishment covered by the ESI but who are employed in factories, mines, circuses, plantations, shops, or other establishments employing at least 10 persons. Also covered are women working in an establishment covered by the ESI, but whose salary exceeds the ceiling of subjection. Since 2010, the Indira Gandhi MatritvaSahyogYojana (IGMSY) program, run by the Ministry of Women and Child Development, has been set up in some districts (52 in 2017). This program is intended for pregnant women aged 19 or over, during their first 2 completed pregnancies (viable child). The benefit consists of a total amount of ₹6,000 paid in 3 installments, subject to having performed the obligatory medical examinations for the mother and the child:

- at the end of the 2nd trimester of pregnancy
- at birth
- to 6 months of the child

Hospital daily cash benefit plans:

Daily cash benefits is a defined benefit policy that pays a defined sum of money for every day of hospitalization. The payments for a defined number of days in the policy, a year may be subject to a deductible of a few days.

Critical illness plans:

These are benefit-based policies that pay a lump sum (fixed) benefit amount on diagnosis of covered critical illness and medical procedures. These illnesses are generally specific and have high severity and low frequency that cost high compared to day-to-day medical / treatment needs. e.g. heart attack, cancer, stroke, etc. Now some insurers have come up with the option of staggered payment of claims in combination with upfront lump sum payment.

Proactive plans:

Some companies offer Proactive living programs. These are designed keeping in mind the Indian market and provide assistance based on medical, behavioral, and lifestyle factors associated with chronic conditions. These services aim to help customers understand and manage their health better.

Disease-specific special plans:

Some companies offer specially designed disease-specific plans like Dengue Care. These are designed keeping in mind the growing occurrence of viral diseases like Dengue in India which has become a cause of concern and thus provide assistance based on medical needs, and behavioral and lifestyle factors associated with such conditions. These plans aim to help customers manage their unexpected health expenses better and at a very minimal cost.

FACTORS AFFECTING INSURANCE;

The factors that affect your premium for Life Insurance are:

Age: This is an obvious and not surprising factor that affects your Life Insurance premium, the age of the policyholder. If you're young the rates will be lower in comparison to someone

older. The possibility of a young individual contracting a life-threatening disease or passing away in their youth is very unlikely. The insurance companies believe that you'll make many premium payments before they have to write a cheque for your family.

Gender: Insurance companies aren't against gender equality, but they believe there is a different life expectancy for different genders. As per the studies and statistical findings, women are believed to live 5 years more than men at the minimum. Therefore affects the premium they pay, making them pay the premium for a larger period but at a lower rate which is a plus point for the women.

Smoking: Smoking puts the policyholders at higher risk of all ailments, so if you're a smoker that that's as good as raising a red flag to the insurance companies. Most smokers pay a premium twice as much as non - smoker does, thus affecting the premium to a huge extent.

Medical history: There isn't much one can do with the gene pool they come from. If a policyholder has a medical history of serious illnesses like cancer, heart diseases, or any other, then that makes them susceptible to getting these from a hereditary perspective. Which increases the individual's premium by a larger margin than if their gene pool wasn't.

Health records: You as the policyholder will also need to provide your health records. These records will ensure that you don't have any chronic diseases or potential health issues and keep your premium also in check instead of making a difference to it.

Drinking: Drinking alcohol is injurious to health in more ways than one. If you as the policyholder are a heavy consumer of alcohol this can affect your premium at higher insurance rates. Insurance companies ensure to ask the applicant if they are smokers or drinkers.

The Policy: The policy itself also affects the premium you pay, the longer the tenure of the policy the larger the amount of the benefit at the time of death, since you're paying it for that period. Short-term policies are more expensive than long-term.

Profession: Your profession also plays an important role in the premium you end up paying, any policyholder working in the mining industry, oil and gas, fisheries, or any other dangerous profession increases the premium amounts you pay for the policy you decide to take.

Challenges Faced by the Insurance Industry during a pandemic

Cyber Risk: Risks faced by insurance companies are quite numerous to mention. One of such risks is a cyber-attack. The cost of defending your enterprise network is not child's play. Insurers have to do diligent research and study cyber criminality and also have to reinforce their systems to remain resilient

Trust Issues: This is one big reason why many individuals still find it difficult to drop their hard-earned money for insurance companies. Many corrupt insurance firms fail to pay claims to their customers, and they don't usually disclose or offer some benefits to them.

Economic Instability: When the country's economy is not stable this will have negative effects on all insurance companies. This may increase premiums paid by customers, just like interest rates on credit facilities provided by financial institutions. This could be one factor that influences insurance rates in the United States, the United Kingdom, and even Canada.

Poor Management: When an insurance company does not have a well-structured team, those that have the sole responsibility of managing the finance and strategizing for the company's development, then the company is diving into bankruptcy very speedily.

Trust Issues: This is one big reason why many individuals still find it difficult to drop their hard-earned money for insurance companies. Many corrupt insurance firms fail to pay claims to their customers, and they don't usually disclose or offer some benefits to them.

CHAPTER 3: LITERATURE REVIEW

India has 57 insurance companies, 24 provide life insurance and 33 provide non-life insurance. and 7 belong to the public sector. The insurance system in India can be traced back to the writing of Yagnavalkya (Dharmasastra), Manu (Manumrithi), and Kautilya (Arthasastra). The writer talked about the grouping of resources that could be later used in times of emergency, in times of natural calamities, and all.

In Modern India, the first insurance was in the form of marine trade loans. 1818 saw the beginning of the insurance industry in India with the formation of the Oriental Life Insurance company in Calcutta. The company couldn't work after 1834, due to its failure. The Madras Equitable started with the life insurance business in Madras Presidency in the year 1829. In 1870, the British brought in British Insurance Act which started in Bombay. In 1914, the government finally started taking returns from Insurance companies in India. In 1912, the first Indian Life insurance Act was formed to regulate the business. In 1928 the Indian Insurance companies Act was enacted which allow the government to collect statistical data on both life and non-life insurance business in India. Finally, it was in 1938, in the view of protecting the interest of public insurance, the legislation was accepted and amended.

After the Independence of India, we have the Insurance Amendment Act of 1950, which ended principal agencies, with the Industrial revolution growing, the system of insurance started in the Modern world. Over the years made Insurance policy acts act has been passed. Life Insurance Corporation (LIC) is the chief public sector company, for life insurance, with liberalization and privatization taking ground in the 2000s we have seen the emergence of the private Insurance sector, before that LIC was the main and most trusted company. In the private sector, it has allowed Foreign Direct Investment (FDI) in the insurance sector, whereas the limit was set to 26% in the 2000s and now it has escalated to 49% in 2014. In 2012 Indian Insurance saw a growth of 72 billion US dollars with more and more private companies joining in, particularly in the Mediclaim. Western countries like UK and USA, don't require medicinal insurance as they are run by the state government.

To secure the insurance, in September 2013 the IRDA introduced the insurance repository service, it is first introduced in India, where policymakers are asked to purchase and keep the insurance scheme in an electronic form holding it in a single account referred to as electronic insurance account and IRDA has provided a license to four agencies to work as Insurance

Repository which are CDSL insurance Repository Limited, Karvy Insurance Repository Limited, NDSL Database Management Limited and CAMS Repository Services Limited. Today every person has insurance or try to get insurance done to secure their future.

According to Prof. D.S. Hansell: “A social device providing financial compensation for the effects of misfortune, the payments being made from the accumulated contributions of all parties participating in the scheme”.

According to Dr. W.A. Dinsdale: “Insurance is a device for the transfer of risks of individual entities to an insurer, who agrees, for a consideration, to assume to a specified extent l suffered by the insured”.

According to Ghosh and Agarwal Insurance is co-operatives form of distributing a certain risk over a group of persons who are exposed to it

CHAPTER 4 METHODOLOGY

- **Exploratory research**

Exploratory research is designed to examine what is already known about a topic and what additional information may be relevant. It rarely answers a specific question, but rather presents the foundational knowledge of a subject as a precursor to additional research. Often, exploratory research applies to lesser-known issues and phenomena.

For instance, you may consider what is currently known about the success of year-long maternity and paternity leave programs. This research can include gathering all relevant information and compiling it together in an accessible format that has not been available previously. Your research may reveal gaps in information, leading to additional studies in the future.

- **Causal research**

Causal research, also called explanatory research, seeks to determine cause and effect relationships between variables. This research is designed to identify how much one variable may cause a change in the other. Causal research is important for evaluating current processes and procedures and determining if and how changes should take place.

- **Descriptive research design:**

In a descriptive design, a researcher is solely interested in describing the situation or case under their research study. It is a theory-based design method that is created by gathering, analysing, and presenting collected data. This allows a researcher to provide insights into the why and how of research. Descriptive design helps others better understand the need for the research. If the problem statement is not clear, you can conduct exploratory research.

RESEARCH DESIGN:

This study used descriptive research. Descriptive research involves gathering data that describe events and then organizing, tabulating, depicting and describing the data collection (Bharti AXA Insurance Company). It often uses visual aids such as graphs and charts to aid the reader in understanding the data distribution and therefore offered a better clarification of the company's image between its policyholders and ultimately gives a clear picture of the effectiveness and reliability of the company in the market.

DATA COLLECTION:

The research made use of primary data, which was collected using a structured questionnaire distributed to the 111 respondents sampled from the Nagpur district through a Google form send to them. The administered questionnaire was received after the completion by the respondents on the same day and their responses were used for analysis. the questionnaire had both open-ended questions to enable guide respondents through filling the questionnaire as well as probe them for more information

4.1 OBJECTIVES:

- To Study increased awareness among consumers about health insurance policies offered by BHARTI AXA INSURANCE
- To compare insurance before the pandemic and after a pandemic.
- To study the various health insurance policy offered by Bharti AXA Insurance Company to the customers.

4.2 IMPORTANCE OF RESEARCH:

- The study is to aware about Insurance plans will help you pay for medical emergencies, hospitalization, contraction of any illnesses and treatment, and medical care required in the future.
- This study is about how Insurance plans will help your family maintain their standard of living in case you are not around in the future. This will help them cover the costs of running the household through the insurance lump sum payout. The insurance money will give your family some much-needed breathing space along with coverage for all expenditures in case of death/accident/medical emergency of the policyholder
- The financial loss to the family due to the unfortunate death of the sole earner can be covered by insurance plans. The family can also repay any debts like home loans or other debts which the person insured may have incurred in his/her lifetime
- This study is about savings and investment schemes along with regular coverage. These help in building wealth/savings for the future through regular investments. You pay premiums regularly and a portion of the same goes towards life coverage while the other portion goes towards either a savings plan or investment plan, whichever you choose based on your future goals and needs
- Insurance helps protect your home in the event of any unforeseen calamity or damage. Your home insurance plan will help you get coverage for damages to your home and pay for the cost of repairs or rebuilding, whichever is needed. If you have coverage for valuables and items inside the house, then you can purchase replacement items with the insurance money

4.3 HYPOTHESIS OF STUDY:

During pandemics, people have known the value of insurance policies and their benefits in need of time. People buy products based on price, health benefits assured to them, a network of the company, outcome of claims, procedures formalities, etc. and they established faith in it as a result the study offers the following hypothesis: -

H₀: There is no awareness among consumers about Health Insurance Policies of Bharti AXA

H₁: There is awareness among consumers about Health Insurance Policies of Bharti AXA

4.4 LIMITATIONS OF STUDY:

- The study is limited due to constraints of time and information available
- Possibility of error in data collection because many respondents may not be given actual answers to the questionnaire
- The study is limited to the sample of the population of 110 people in the Durg district
- The project only talks about the role of Bharti AXA insurance company during a pandemic

CHAPTER 5 : DATA ANALYSIS AND INTERPRETATION:

The study initially sought to ascertain the general information on the respondents involved in the study about their names, occupation, and gender. The demographic information of the respondent's suitability in answering the questions on the Role of Insurance company (Bharti AXA Insurance company) pre and post covid 19

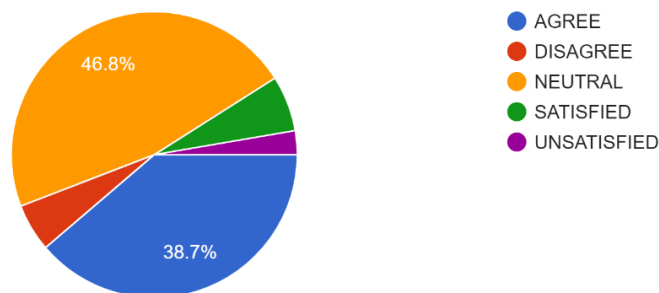
Question 1: - Do you think BHARTI AXA INSURANCE COMPANY plays a vital role in a pandemic?

Table 1.2

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	43	38.7%
DISAGREE	6	7.1%
SATISFIED	8	2.7%
UNSATISFIED	3	4.7%
NEUTRAL	51	46.8%

Figure – 1.1

Do you think BHARTI AXA INSURANCE COMPANY plays a vital role in pandemic?
111 responses



INTERPRETATION:

The majority of respondents are neutral (46.8%) about the role of Bharti AXA Insurance in a pandemic, indicating uncertainty or lack of strong opinion. A significant portion (38.7%) agrees that the company plays a vital role, but a notable percentage remains either disagreeing (7.1%) or unsatisfied (4.7%), suggesting mixed perceptions.

Question 2: - Do you think BHARTI AXA INSURANCE COMPANY rates are reasonable?

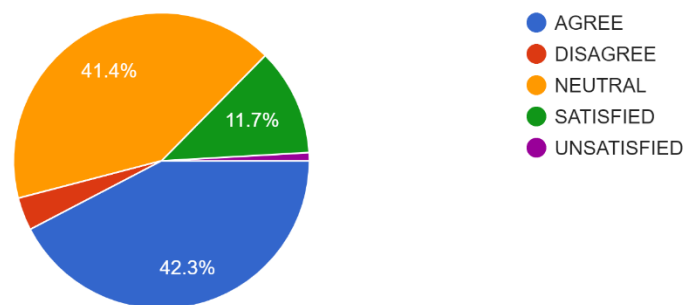
Table 1.2

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	47	42.3%
DISAGREE	4	7.1%
SATISFIED	14	8.3%
UNSATISFIED	1	0.9%
NEUTRAL	45	41.4%

Figure – 1.2

Do you think BHARTI AXA INSURANCE COMPANY rates are reasonable ?

111 responses



INTERPRETATION:

A significant portion of respondents (42.3%) agree that Bharti AXA's rates are reasonable, while a close percentage remains neutral (41.4%). Only a small percentage disagrees (7.1%) or is unsatisfied (0.9%), suggesting general satisfaction with the company's pricing.

Question 3:- Do you satisfied with the outcomes of BHARTI AXA Insurance claims?

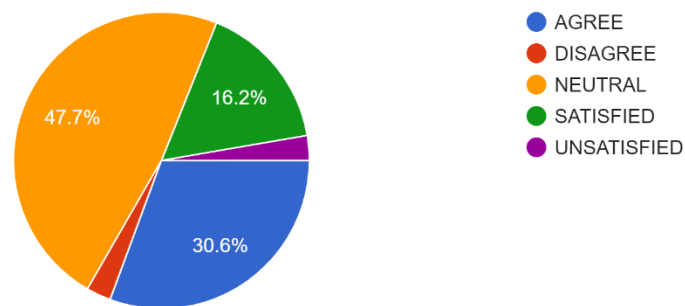
Table 1.3

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	35	30.6%
DISAGREE	3	2.75%
SATISFIED	18	16.2%
UNSATISFIED	3	2.75%
NEUTRAL	52	47.7%

Figure – 1.3

Do you satisfied with the outcomes of BHARTI AXA Insurance claims?

111 responses



INTERPRETATION:

The largest group of respondents is neutral (47.7%) regarding the outcomes of Bharti AXA insurance claims, indicating uncertainty or lack of strong opinion. However, 30.6% agree and 16.2% are satisfied, indicating a moderate level of satisfaction overall.

Question 4: - Do you agree that the customer service representative does have proper knowledge and guidance?

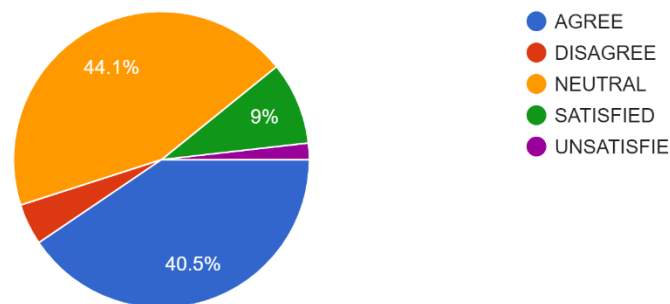
Table 1.4

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	45	40.5%
DISAGREE	5	4.5%
SATISFIED	11	9%
UNSATISFIED	2	1.9%
NEUTRAL	48	44.1%

Figure – 1.4

Do you agree that the customer service representative does have proper knowledge and guidance ?

111 responses



INTERPRETATION:

Opinions are split between agreement (40.5%) and neutrality (44.1%) regarding the knowledge and guidance of customer service representatives. The small percentages of disagreement (4.5%) and dissatisfaction (1.9%) suggest that while there is some approval, many respondents are unsure.

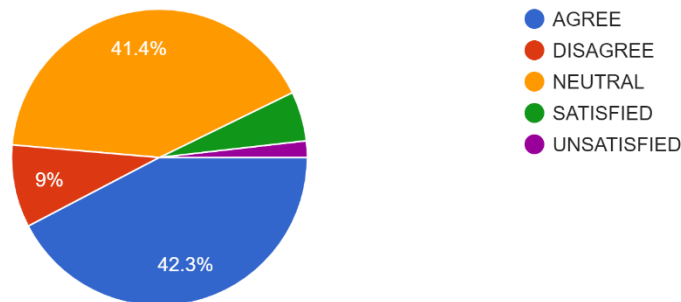
Question 5: - Do you recommend your BHARTI AXA health insurance policy to others

Table 1.5

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	48	42.3%
DISAGREE	9	9%
SATISFIED	7	5.4%
UNSATISFIED	2	2.2%
NEUTRAL	45	41.1

Figure – 1.5

Do you recommend your BHARTI AXA health insurance policy to others
111 responses



INTERPRETATION:

A significant portion (42.3%) would recommend Bharti AXA health insurance, while 41.1% are neutral. The percentages of disagreement (9%) and dissatisfaction (2.2%) are relatively low, indicating a general willingness to recommend the policy.

Question 6: - Are you satisfied with the network of BHARTI AXA healthcare procedures and its formalities

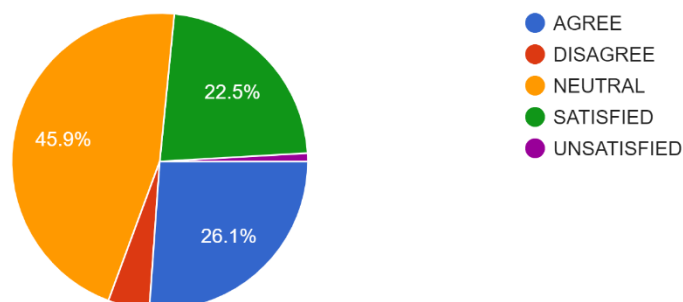
Table 1.6

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	30	26.1%
DISAGREE	5	5.4%
SATISFIED	25	22.5%
UNSATISFIED	1	0.1%
NEUTRAL	50	45.9%

Figure – 1.6

Are you satisfied with the network of BHARTI AXA healthcare procedures and its formalities

111 responses



INTERPRETATION:

The largest group is neutral (45.9%) about the network and formalities of Bharti AXA healthcare procedures, indicating uncertainty. However, a combined 48.6% are either agreeing or satisfied, suggesting moderate satisfaction overall.

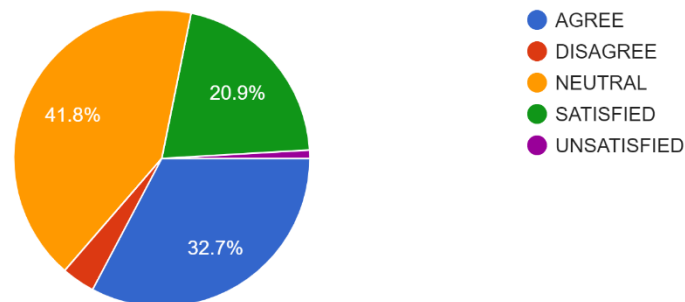
Question 7: - Are you satisfied with the enrolment process of BHARTI AXA Life insurance?

Table 1.7

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	36	32.7%
DISAGREE	4	4.5%
SATISFIED	24	20.9%
UNSATISFIED	1	0.1%
NEUTRAL	45	41.8%

Figure – 1.7

Are you satisfied with the enrollment process of BHARTI AXA Life insurance?
110 responses



INTERPRETATION:

A significant portion of respondents (32.7%) agree and 20.9% are satisfied with the enrolment process, while 41.8% remain neutral. Low percentages of disagreement (4.5%) and dissatisfaction (0.1%) suggest overall satisfaction with the enrolment process.

Question 8: - Did your policy-related queries resolve by the BHARTI AXA LIFE insurance company at the given time?

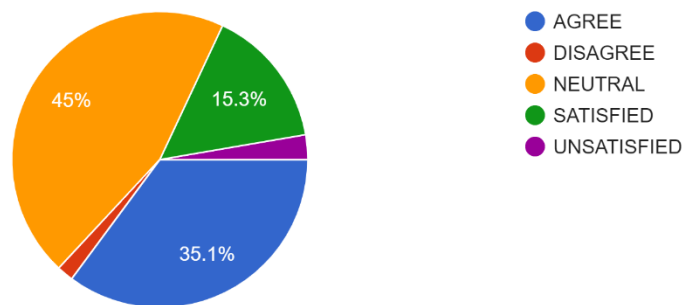
Table 1.8

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	40	35.1%
DISAGREE	2	1.9%
SATISFIED	17	15.3%
UNSATISFIED	3	2.7%
NEUTRAL	49	45%

Figure – 1.8

Did your policy related queries are resolved by the BHARTI AXA LIFE insurance company on the given time ?

111 responses



INTERPRETATION:

The largest group is neutral (45%) about the resolution of policy-related queries, indicating uncertainty. However, a combined 50.4% either agree or are satisfied, suggesting overall positive experiences with query resolution.

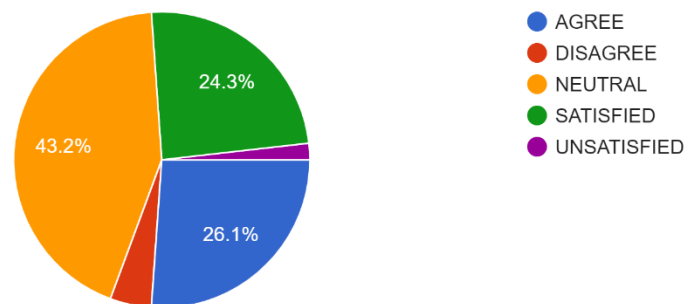
Question 9: - Are you satisfied with the health benefit schemes being offered by BHARTI AXA Life insurance?

Table 1.9

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	29	26.1%
DISAGREE	5	4.5%
SATISFIED	28	24.3%
UNSATISFIED	2	1.9%
NEUTRAL	47	43.2%

Figure – 1.9

Are you satisfied with the health benefit schemes being offered by BHARTI AXA Life insurance?
111 responses



INTERPRETATION:

A significant portion of respondents are neutral (43.2%) about the health benefit schemes, while a combined 50.4% either agree or are satisfied. Low percentages of disagreement (4.5%) and dissatisfaction (1.9%) indicate general approval.

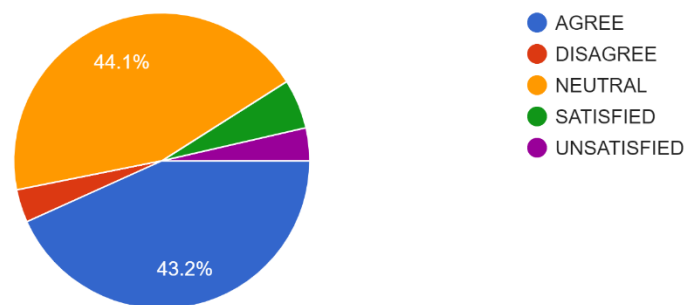
Question 10: - Do you agree that BHARTI AXA is the global competitor in today's insurance sector?

Table 1.10

OPTION GIVEN	NO. OF PERSONS	PERCENTAGE
AGREE	48	43.2%
DISAGREE	4	3.6%
SATISFIED	6	5.5%
UNSATISFIED	4	3.6%
NEUTRAL	49	44.1%

Figure – 1.10

Do you agree that BHARTI AXA is the global competitor in today's insurance sector ?
111 responses



INTERPRETATION:

The opinions are split between agreement (43.2%) and neutrality (44.1%) on Bharti AXA being a global competitor. Low percentages of disagreement (3.6%) and dissatisfaction (3.6%) indicate a general perception of Bharti AXA as a significant player in the insurance sector.

CHAPTER 6 FINDINGS AND SUGGESTIONS

- As we can see that the majority of the people are neutral (47.3%) on the subject of the company whereas only 39.1% of people agree with this that the company played a vital role. this illustrated the effectiveness of the company during the pandemic
- As we can see that the majority i.e.: 42.3% of the people think that the company is providing them insurance at reasonable prices with a closer percentage of 7.1 % who disagree and 0.9% who are unsatisfied and think that the rates are not reasonable and it's pretty expensive for them to buy. Whereas 41.4% of people are neutral on the topic while 11.7% are satisfied with the prices. This clearly shows that the company is providing their customer's insurance at a reasonable price and are affordable for them to buy
- According to the findings in Chart 1.3, even though the company has a claim settlement ratio of 99.05% and also claims that the claim would be settled in 1 day guaranteed we can see that the majority of the persons are neutral and following it 16.2% are satisfied with the outcome of the claims and 30.6% agree that the company has given the claims on time while 2.75 persons are unsatisfied and disagree about the claims outcome of the company
- According to the findings, 40.5% agree, and 9% of satisfied respondents attested that the customer service representative has the proper knowledge and has guided him/her over a particular query about the policies and the product of the company. Whereas 44.1% are neutral about the topic and 4.5% disagree while 1.9% of people are unsatisfied with their query and think they are been unanswered
- According to the findings majority of the respondent are happy almost 42.3% of people agree and 5.4% are satisfied with the product given by the company and shows a positive approach to recommending the product of the company to others too, while 41.4 people are neutral in the topic and 9% of people disagree
- According to the majority of the findings, 45.9% of the respondents are neutral on the subject of the network of healthcare procedures and the formalities of the company whereas 26.1% of people agree and 22.5% of people are satisfied that the company has a good form of procedures and formalities and has satisfied them in the need of time. While 0.1% are unsatisfied

and 5.4% of people disagree with the questionnaire and say that the procedures are extremely time-consuming. As the procedures to follow in a medical situation would be tough for anyone so people prefer agents to do the formalities in place of the holder

- In the case of the enrolment process majority of people i.e. 41.8% are neutral while 32.7% agree and 20.9% of people are satisfied with the process. As the all the process is done online nowadays they can enrol themselves anytime anywhere as it is accessible even though sometimes people face technical glitches and the severe issue and take a longer time to enroll because of which 4.5% disagree and 0.1% of people are unsatisfied with the enrolment process of the company

- Based on the data shown in the chart we can see that almost 35.1% of people agree that their queries have been solved in the given time and almost 15.3% of people are satisfied with the time taken by the company to solve their queries while 45% are neutral about the subject 1.9% disagree and 2.7% are unsatisfied with the answers provided to them. As we have seen in the above table (TABLE 1.4) some people are unsatisfied with the answers related to the product and the majority of people are also neutral as each query is different and may take a longer time to be solved.

- According to the majority of the findings, 43.2% of the respondents are neutral on the subject of the health benefit schemes offered by the company, whereas 26.1% of people agree and 24.3% of people are satisfied with the health benefit schemes provided by the company. While 1.9% are unsatisfied and 4.5% of people disagree with the questionnaire and say that the health benefit schemes of the company are not that good as we have seen some disagreement and unsatisfaction of some people above tables.

- From the given data shown in the chart, we see that only 3.6% of people disagree and 3.6% of people are unsatisfied with their experience and services of the company and say that the company is not following the global competition and is not a global competitor in today's market whereas 43.2% agree and 5.5 satisfied customers with their experience say that the company is a global competitor and is being competed with the huge marketers of India.

SUGGESTIONS: -

- As we can see that the people are satisfied with the reasonable prices offered by the company which made the product cheaper in respect of the prices offered by other companies which made the Company go this long. Due to which people are happy with the product that they are getting the good quality products at a reasonable price and are recommending the same to their relatives and friends
- While the company is giving the good quality products some people are unsatisfied with their experience which leads to the disagreement among the people in the given questionnaire company has to know the reason behind the dissatisfaction of the consumer
- The majority of the people are neutral in most of the questions which shows that they neither agree and are satisfied nor they disagree with the questions they are partly on each side of the questions asked to the company should focus on the betterment of such consumer to the next extent
- To make a good environment for their existing consumers and to grab the market the company has to focus on the regular training of their agents as many of the consumers are not been happy with the answers to the query provided to them or sometimes it may take a longer time to be solved by the company side which leads to dissatisfaction and their neutral behaviour.

6.1 CONCLUSION: -

Indeed, the coronavirus insurance policies are providing a lot of benefits to the citizens. However, you cannot ignore the notable limitations present in the current policy terms and conditions. Currently, there is no system of renewal for the Coronavirus Health Insurance Policies. The sample frame was specified as all the policyholders of the company.

It is only for one year. Hence, many people may find it quite disadvantageous. Generally, there is an initial period of 15-30 days attached to every health insurance policy. The underlying meaning is that if you already test positive for corona, or claim the amount within this waiting period, the policy will not be available for you.

As the present situation is indeed alarming, more people should think about the availing of this kind of insurance policy. A regular health insurance policy will now include the reimbursement of medical expenses covering most diseases, including Covid-19. The exclusive Coronavirus Health Insurance Policy will also cover both the pre and post-hospitalization expenses as well as the ambulance charges. The treatment expenses for determining the symptoms of coronavirus will also form part of the policy

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CHAPTER 8 ANNEXURE

ROLE OF BHARTI AXA INSURANCE COMPANY PRE & POST COVID 19

It's a survey form for my project work on the insurance company (Bharti AXA Insurance)

I am [VAISHNAVI GAJENDRA LENDE], a student of [G.S. College of Commerce & Economics, Nagpur] pursuing [MBA 4 SEM] and I am surveying "(ROLE OF BHARTI AXA INSURANCE COMPANY PRE & POST COVID 19)". I am grateful to you for providing the feedback. I assure you that the information provided by you will be used for research purposes and kept confidential.

1. NAME
2. OCCUPATION
3. GENDER

Mark only one oval

- MALE
 - FEMALE
4. Do you think BHARTI AXA INSURANCE COMPANY plays a vital role in a pandemic?

Mark only one oval

- AGREE
- DISAGREE

- NEUTRAL
- SATISFIED
- UNSATISFIED

5. Do you think BHARTI AXA INSURANCE COMPANY rates are reasonable?

Mark only one oval.

- AGREE
- DISAGREE
- NEUTRAL
- SATISFIED
- UNSATISFIED

6. Do you satisfied with the outcomes of BHARTI AXA Insurance claims?

Mark only one oval.

- AGREE
- DISAGREE
- NEUTRAL
- SATISFIED
- UNSATISFIED

7. Do you agree that the customer service representative does have proper knowledge and guidance?

Mark only one oval.

- AGREE

- DISAGREE
- NEUTRAL
- SATISFIED
- UNSATISFIED

8. Do you recommend your BHARTI AXA health insurance policy to others

Mark only one oval.

- AGREE
- DISAGREE
- NEUTRAL
- SATISFIED
- UNSATISFIED

9. Are you satisfied with the network of BHARTI AXA healthcare procedures and its formalities

Mark only one oval.

- AGREE
- DISAGREE
- NEUTRAL
- SATISFIED
- UNSATISFIED

10. Are you satisfied with the enrollment process of BHARTI AXA Life insurance?

Mark only one oval.

- AGREE
- DISAGREE
- NEUTRAL
- SATISFIED
- UNSATISFIED